

# ANNUAL REPORT 2023

Synnex Technology International Corporation  
2023 Annual Report

[www.synnex.com.tw/en](http://www.synnex.com.tw/en) [mops.twse.com.tw](http://mops.twse.com.tw)

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**Linkou logistics center**

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**Taichung logistics centers**

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(04) 2350-3456

**Kaohsiung logistics centers**

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**Australia logistics centers**

Melbourne, Sydney

**Indonesia logistics center**

Jakarta

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**Auditing CPA of the most recent year**

PwC Taiwan  
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**Global Depositary Receipts (GDR) Stock Exchange**

Luxembourg Stock Exchange  
For GDR trading information, please contact the London  
Stock Exchange.  
The website is [www.londonstockexchange.com](http://www.londonstockexchange.com) and the  
stock code is SYXZF

**SYNNEX**  **聯強國際**  
**www.synnex.com.tw**

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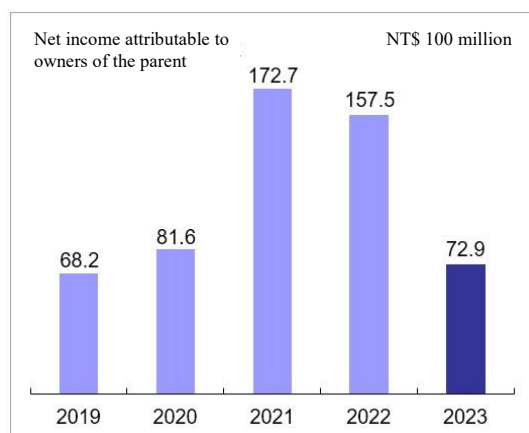
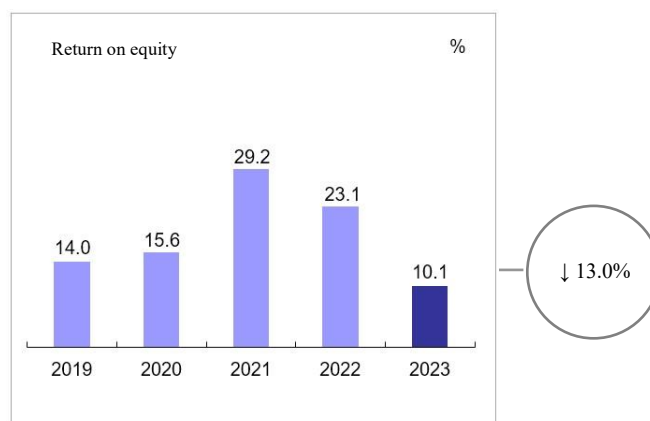
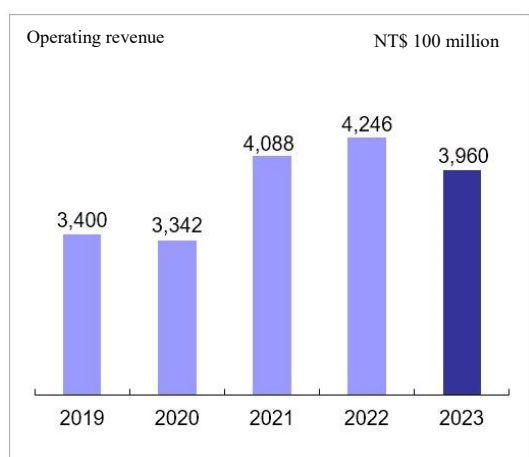
Notice to readers

This English version annual report is a summary translation of the Chinese version and is not an official document of the shareholders' meeting. If there is any discrepancy between the English and Chinese versions, the Chinese version shall prevail.

# 2023 Consolidated Financial Performance

Unit: NTD

| Item/Year  | 2022  | 2023  | Net change (%) |
|--|-------|-------|----------------|
| Operating revenue (in 100 million)                               | 4,246 | 3,960 | (6.7)          |
| Pre-tax profit (in 100 million)                                  | 202.7 | 105.2 | (48.1)         |
| Net income attributable to owners of the parent (in 100 million) | 157.5 | 72.9  | (53.7)         |
| EPS (after retrospective adjustment) (NT\$)                      | 9.44  | 4.37  | (53.7)         |
| Gross profit margin (%)  | 4.2   | 4.4   | 0.2            |
| Operating expense ratio (%)                                      | 2.1   | 2.3   | 0.2            |
| Operating profit margin (%)                                      | 2.2   | 2.2   | -              |
| Return on equity (ROE) (%)                                       | 23.1  | 10.1  | (13.0)         |
| Average collection days  | 71    | 73    | 2.8            |
| Inventory turnover (days)  | 48    | 54    | 12.5           |
| Average payment turnover days                                    | 37    | 33    | (10.8)         |



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# Letter to Shareholders

## Dear Shareholders,

In 2023, the world has slowly eased itself from the COVID-19 lockdown, and exchanges between national borders and people resumed. However, the world has quietly changed, and the olden days were gone forever!

Over the past couple of years, countries around the world saw dramatic fluctuations in energy and commodity prices, high interest rates and high inflation, a slump in market demand, and sluggish global economic development. The intensification of geopolitical conflicts also exacerbated the situation. Many countries were embroiled in war. With extremely transparent information and closely integrated global supply chains, even wars that were happening thousands of miles away came to have impacts on all parts of the world, thereby posing even greater challenges on enterprise management. In 2023, Synnex strove forward in spite of such turbulent and severe environment, and stood firm in the face of adversity. And we would like to thank all shareholders for your support!

Alternatively, the rapid developments in science and technology have propelled various new business opportunities to emerge. In addition, market patterns and business models are also evolving and changing at an accelerated pace. Enterprise management cannot no longer be limited to securing existing market positions and naively believing that long-term stability could be achieved by relying on past successes. We must be keenly aware of changes, and to proactively and quickly adapt to them. This will help us to stay current and to focus on new business opportunities, and ultimately, to succeed by precisely targeting such opportunities.

We can definitely say that the "adaptability" to external environments, is the most important capability of today's enterprises!

Over the past five years, Synnex has undergone a series of internal reforms. Beginning in 2019, the "Agility Project" was launched internally. At the same time, we actively built the externally-oriented "Management Service Platform (MSP)". These initiatives were designed to make the internal organization more lean, the operations more agile, and the Company in a better position to quickly respond to the service needs of both vendors and customers. By 2023, Synnex has taken a further step to launch the Company-wide "Transformation Project".

By loosening up and shaking up the old thinking habits and operating methods forged over so many years, we can remove inefficiency, focus on effectiveness, and simplify complex processes. Company re-engineering consists of building an AI-driven digitized system that makes mobile office possible for all employees, thereby strengthening the organization's competencies, resilience, and coordination. The final step is to leap into action. We will comprehensively and digitally connect with partners throughout the industry ecosystem. Internally, from front-line units such as product planning and sales, to logistics functions such as operations, risk management, finance and accounting, and human resources, we will comprehensively achieve higher agility and responsiveness, and to take a powerful leap forward.

Looking forward to 2024, although the challenges of the market environment remain daunting, Synnex will continue to pursue stability and adaptability and to achieve targeted expansion and continuous improvement using the foundation we acquired through reforms made over the last five years. We will actively seize the business opportunities brought by new technologies, and pursue corporate stability and constant growth. We sincerely ask all shareholders to continue to support and encourage us!

Below are the key operational highlights of 2023:

### 1. Revenue and profit

Synnex's 2023 consolidated revenue was NT\$396 billion, representing 7% decrease from the NT\$424.6 billion in 2022. The net profit after tax was NT\$7.29 billion, which is a decrease of 54% from the NT\$15.75 billion in 2022. The EPS after tax was NT\$4.37, which is a decrease of 54% from NT\$9.44 in 2022. If compared on a consistent basis, excluding one-time profits in 2022, net profit after tax and earnings per share after tax in 2023 have decreased by approximately 17%.

### 2. Concrete business results

- (1) All business entities have maintained stable development in spite of the severe market environment. In spite of adverse environment, revenues from the semiconductor business hit record highs for three consecutive years. Our operations in Taiwan include businesses units in information, communications, and BestCom's enterprise services. We actively adjusted business strategies and formations, strengthening MSP services, and gradually achieving new business success. For our Australia and New Zealand market, we accelerated investment in the dual logistics centers in Sydney and Melbourne to secure our leadership position in the market. Though our business in China was challenged by the economic downturn, we continued to implement lean reforms internally to strive for a revenue of hundred billions and more. Although our business in Hong Kong faced an extremely difficult operating environment, our internal flexible adjustments helped us to remain the market leader.
- (2) Synergy Intelligent Logistics (SYNLogistics) has been providing the Home Electronics Installation and Maintenance Service to 1.5 million households, and on average serves one home every 40 seconds. Its high-quality services are highly lauded by the market. Synergy Intelligent Technology has increased its investment in technical service opportunities for corporate customers, and its revenue has grown in spite of the challenging environment.

- (3) Having put 25 years of efforts in the markets of Asia, Africa and the Middle East, Synnex Group is now seeing fruitful results in our overseas joint ventures. In particular, Synnex Indonesia has seized the opportunities of the local demographic dividend and economic growth, and its revenue has reached new highs. Synnex Thailand has launched diversified business efforts and its business operations have been sustainable. Although Synnex Vietnam is facing an economic downturn, it continues to make breakthroughs in new businesses and new categories. Redington India is striving to cultivate the Indian market as well as actively expanding toward the Middle East and North Africa markets, yielding a significant 19% revenue growth.
- (4) Actively promote "clean technology application solutions" to various industrial application fields, including "smart cities", "smart manufacturing", "smart retail", "smart education", "cloud platform services" and "AIOT". Our service network has covered eight major markets in the Asia-Pacific, including Taiwan, China, Hong Kong, Australia, New Zealand, Indonesia, Thailand, and Vietnam. A total of 1,249 successful deployment projects have been completed in collaboration with upstream and downstream partners, and the results of which have received widespread recognition from customers and the market.

The important production and marketing policies for 2024 are respectively described as follows:

1. By utilizing the Management Service Platform (MSP) as a core of our services, we will develop corresponding digitized MSP for a variety of business models, including semiconductor, commercial information, consumer information, communications, recruitment, and cloud service sectors. We plan on winning vendor and customer trust through our services.
2. Pay close attention to new business opportunities brought by new technologies, including AI-related applications, green technology, smart mobile offices, distance learning, smart homes, and more.
3. Continue to expand the logistics service business and corporate customer technical service business to develop them into fields with high value and growth.
4. Expand the application of AI tools, especially in aspects such as business decision-making, operational risk management, and operational quality management and more in order to improve operational efficiency and the proportion of employees engaging in knowledge-intensive tasks.

### **Future development strategies**

As a channel service provider in the industrial supply chain, Synnex is strategically positioned as a "Management Service Platform (MSP)", connecting upstream and downstream manufacturers and third parties through digital connections. By integrating various internal high-efficiency operating mechanisms and smart management mechanism, the Company facilitates vendors and customers to develop new business opportunities, and engage in business operation services and management information analysis. Going forward, the Company will continue to implement the MSP strategy, and use new strategic thinking and vision to create greater value and a greater room for development through service.

### **Environmental, Social, and Governance (ESG)**

Synnex has established a Sustainability Committee that actively promotes actions that facilitate the related work of Environmental, Social, and Governance (ESG) and fully discloses relevant information to fulfill its corporate social and civic responsibilities and play a more positive role in the sustainable development of both the global environment and society. Synnex has officially signed on as a supporter of the Task Force on Climate-Related Financial Disclosures (TCFD), and it is the first electronic channel service provider in Taiwan to disclose the TCFD information. In recent years, the Company has also obtained ISO 14001 Environmental Management Systems and ISO 14064 GHG Inventory certifications, showing that we attach importance to mitigating the impact of climate change. The Company took action to support global sustainable development by jointly issuing sustainability-linked loans with banks on multiple occasions. At the same time, the Company has also increased its disclosure of policies and results on supply chain management, conflict mineral management and green products to further strengthen the promotion of sustainability work.

The international situation is unpredictable and challenges will only become more severe in the future. SYNnex will continue to uphold "stable, continuous, and growth," and constantly enhance our capabilities, stay up-to-date, and steadily move forward. We hope that our shareholders will continue to push us and support us!

Warm regards,

Chairman: Miao, Matthew Feng Chiang

President: Tu, Shu-Wu

# Company Overview

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# Company Overview

## I. Company profile

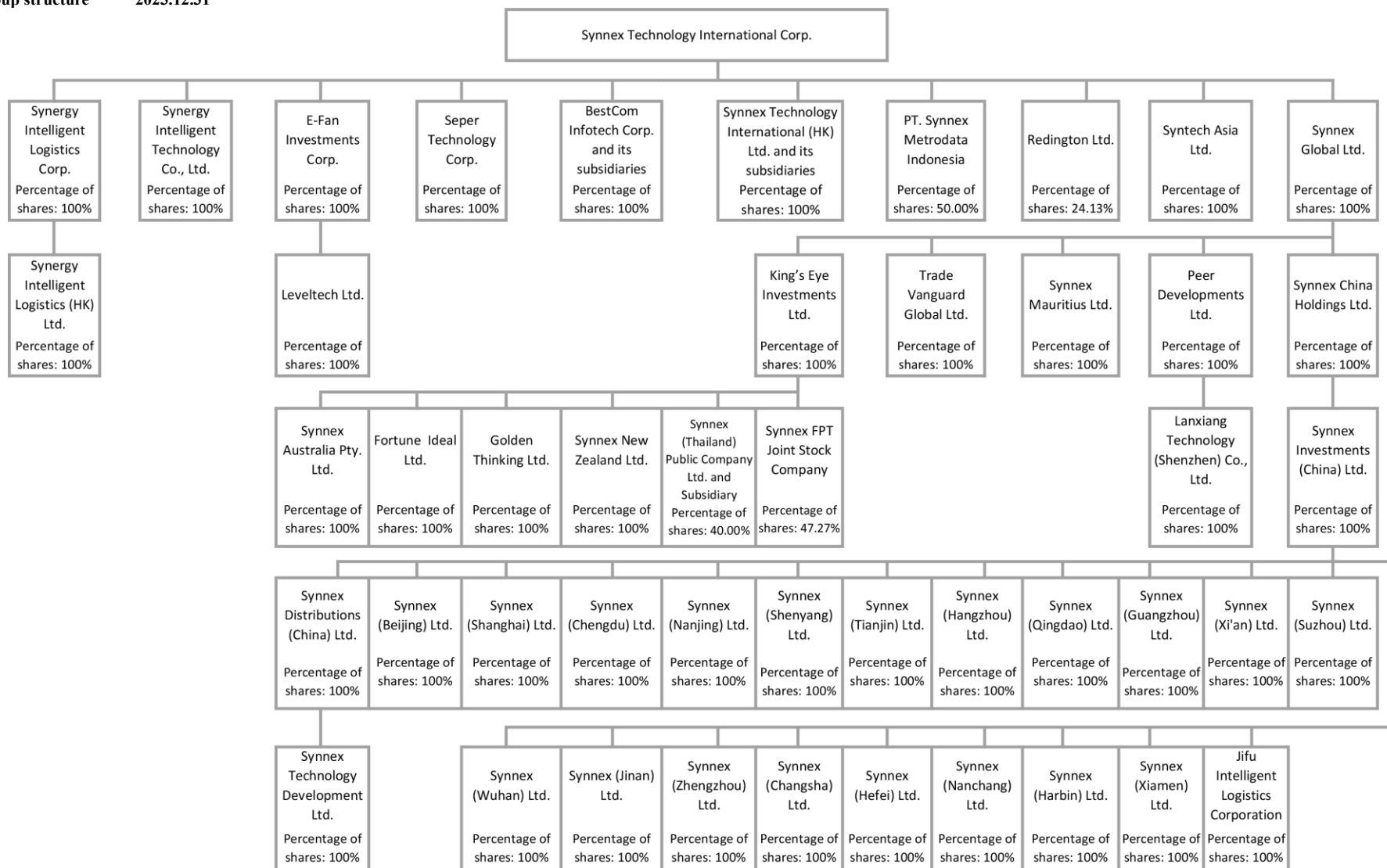
Date of establishment: September 12, 1988

| Year | Milestones  |
|------|---|
| 1988 | ■ Synnex established  |
| 1989 | ■ Established LEMEL brand   |
| 1990 | ■ Development of IT and telecom channel business; first to initiate 3-in-1 operation model of sales, distribution, and maintenance  |
| 1991 | ■ The computer material management system won the "The 1st outstanding information application awards" that conferred by the Institute for Information Industry (III)   |
| 1993 | ■ Linkou logistics center officially opened   |
| 1994 | ■ Provided resellers with industry-leading "four half-day" (two days) rapid maintenance services  |
| 1995 | ■ Shares officially listed on Taiwan Stock Exchange and became the first listed distributor in Taiwan   |
| 1997 | ■ Acquired and merged Laser Computer Ltd. to expand its reach to Hong Kong and China  |
| 1998 | ■ Established Australian subsidiary to expand reach to Australian market<br>■ Chairman Miao, Matthew Feng Chiang and President Tu, Shu-Wu have been voted for inclusion on the list of the "10 most important people in the development history of information industry in Taiwan"  |
| 1999 | ■ Acquired Thailand's Compex and began operating in the Thailand market   |
| 2000 | ■ The 3rd warehouse in Linkou logistics center completed and started operation; it is an automated warehouse<br>■ Considering Synnex's valuable management experience, Shang-Xun Culture Co., Ltd. decided to publish <i>Unstoppable Stagecoach</i>   |
| 2001 | ■ Taichung logistics center completed and began operations<br>■ Australia logistics center officially began operations  |
| 2002 | ■ Thailand logistics center completed and began operations  |
| 2003 | ■ Ranked by Interbrand as "Best Taiwan Global Brand"<br>■ Selected by <i>CommonWealth Magazine</i> and <i>Accenture</i> for the "Outstanding Service Award"   |
| 2004 | ■ Acquired shares in India's Redington Group to expand its reach to India, the Middle-East, and Africa  |
| 2005 | ■ Shanghai logistics center began operations<br>■ Established New Zealand subsidiary  |
| 2006 | ■ Established consumer electronics business department, which is another core business after components, IT, and Telecom.<br>■ Published the book "3% Transcendence", which is an in-depth analysis of Synnex business studies  |
| 2007 | ■ Awarded "Best Taiwan Global Brand" for the 5th years  |
| 2008 | ■ President Tu, Shu-Wu was awarded by National Chiao Tung University as Top 50 Most Influential Alumni  |
| 2009 | ■ President Tu, Shu-Wu collected Synnex's internal training courses into a volume, which is published as the book <i>The Secret of My Career</i>  |
| 2010 | ■ India's Redington Group acquired stakes in Turkey's second largest information distributor Arena, officially entering the Turkish and eastern European markets<br>■ Set up a joint venture with Indonesia's largest computer group ME to establish PT Synnex Metrodata Indonesia, which officially established Synnex's presence in the Indonesian market   |
| 2012 | ■ Awarded "Best Taiwan Global Brand" for the 10th consecutive year<br>■ President Tu, Shu-Wu published the book <i>The Secret of My Career 2</i>  |
| 2014 | ■ Sydney (Australia) logistics center officially began operations   |
| 2016 | ■ Completed the acquisition of BESTCOM Infotech Corporation, a move which expanded Synnex's commercial business and technical service business layout<br>■ Synlogics Service Corp. was established to expand the logistics services business<br>■ President Tu, Shu-Wu ranked 10th among the "Taiwan Top 50 Best-Performing CEOs" by the <i>Harvard Business Review</i><br>■ President Tu, Shu-Wu published the book <i>The Secret of My Career - On Certain Ideas</i>  |
| 2017 | ■ Established Synnex FPT and officially entered the Vietnam market through a strategic partnership with the biggest ICT integrator FPT Corporation<br>■ Invested in the construction of Indonesia logistics center<br>■ Awarded "Best Taiwan Global Brand" for the 15th consecutive year  |
| 2018 | ■ President Tu, Shu-Wu was chosen as a "Taiwan Top 10 Best-Performing CEOs" by the <i>Harvard Business Review</i> for the 2nd consecutive year  |
| 2019 | ■ Synnex Metrodata Indonesia Jakarta logistics center officially began operations   |
| 2020 | ■ President Tu, Shu-Wu was chosen as a "Taiwan Top 10 Best-Performing CEOs" by the <i>Harvard Business Review</i> for the 3rd consecutive year<br>■ President Tu, Shu-Wu was named an ITRI Laureate<br>■ President Tu, Shu-Wu received the "Technology Management Award" from Chinese Society for Management of Technology  |
| 2021 | ■ National Chiao Tung University Confers Honorary Doctorate to President Tu, Shu-Wu<br>■ Synergy Intelligent Logistics Corp., a subsidiary of Synnex, was selected as a TOP10 Enterprise in the Top 5000 Largest Corporations in Taiwan by CRIF China Credit Information Service  |
| 2022 | ■ Awarded "Best Taiwan Global Brand" for the 20th consecutive year<br>■ President Tu, Shu-Wu was chosen as a "Taiwan Top 10 Best-Performing CEOs" by the <i>Harvard Business Review</i> for the 4th consecutive year<br>■ President Evans S. W. Tu receives Lifetime Achievement Award at Global Views Summit<br>■ President Evans S. W. Tu receives Pan Wen Yuan Prize from the Pan Wen Yuan Foundation<br>■ President Tu, Shu-Wu published the book <i>The Secret of My Career – Training of Deep Thought</i> |
| 2023 | ■ Awarded "Best Taiwan Global Brand" for the 21st consecutive year<br>■ Construction of Synnex Sydney logistics center Phase II is completed and officially began operations  |

## II. Corporate Governance Report

### (I) Organization

#### ● Group structure 2023.12.31



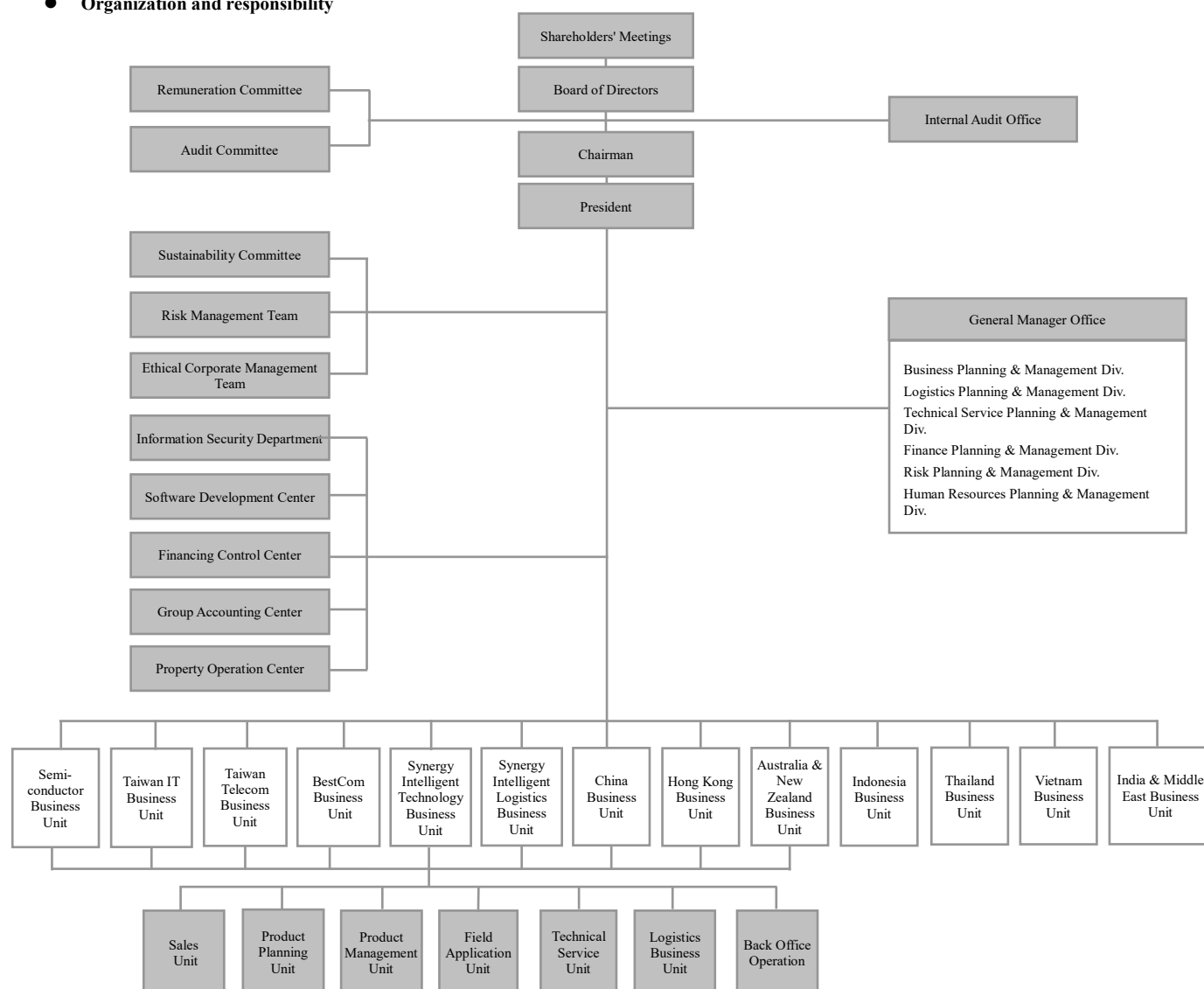
**Basic information of group companies**

2023.12.31 Unit: thousand

| Company name  | Date of establishment | Location               | Paid-in capital   | Main businesses or production items                                   |
|---|-----------------------|------------------------|-------------------|---|
| Synergy Intelligent Logistics Corp.                         | 2016.10.17            | Taipei City            | NTD 50,000        | Warehousing and logistics services                                    |
| Synergy Intelligent Logistics (HK) Ltd.                     | 2017.07.05            | Hong Kong              | HKD 1,500         | Warehousing and logistics services                                    |
| Synergy Intelligent Technology Co., Ltd.                    | 2020.04.24            | Taipei City            | NTD 100,000       | Repair and technical services   |
| E-Fan Investments Corp.                                     | 2001.06.28            | Taipei City            | NTD 225,000       | Investment holding  |
| Leveltech Ltd.  | 2020.11.19            | Hong Kong              | USD 300           | Sale of semiconductor products  |
| Seper Technology Corp.                                      | 1990.02.23            | Taipei City            | NTD 1,000         | Sale of 3C products   |
| BESTCOM Infotech Corp. and its subsidiaries                 | 1987.01.13            | Taipei City            | NTD 1,032,033     | Sale of 3C products   |
| Synnex Technology International (HK) Ltd. and Subsidiary    | 1982.07.27            | Hong Kong              | HKD 60,000        | Sale of 3C products   |
| PT. Synnex Metrodata Indonesia                              | 2000.05.23            | Indonesia              | IDR 300,000,000   | Sale of 3C products   |
| Redington Ltd. (Note)                                       | 1961                  | India                  | INR 778,175       | Sale of 3C products   |
| Syntech Asia Ltd.   | 2011.03.11            | Hong Kong              | USD 300           | Sale of semiconductor products  |
| Synnex Global Ltd.  | 1996.12.27            | British Virgin Islands | USD 548,250       | Investment holding  |
| King's Eye Investments Ltd.                                 | 1997.01.23            | British Virgin Islands | USD 62,477        | Investment holding  |
| Synnex Australia Pty. Ltd.                                  | 1991.06.06            | Australia              | AUS 233,250       | Sale of 3C products   |
| Fortune Ideal Ltd.  | 2000.09.04            | Hong Kong              | HKD 14,500        | Real estate related businesses  |
| Golden Thinking Ltd.  | 2010.02.19            | Hong Kong              | HKD 28,000        | Real estate related businesses  |
| Synnex New Zealand Ltd.                                     | 2005.07.18            | New Zealand            | NZD 8,075         | Sale of 3C products   |
| Synnex (Thailand) Public Company Ltd. and Subsidiary (Note) | 1988                  | Thailand               | THB 847,361       | Sale of 3C products   |
| Synnex FPT Joint Stock Company (Note)                       | 2009                  | Vietnam                | VND 1,188,400,000 | Sale of 3C products   |
| Trade Vanguard Global Ltd.                                  | 2014.04.15            | British Virgin Islands | USD 520,000       | Investment holding  |
| Synnex Mauritius Ltd.                                       | 2004.12.02            | Mauritius              | USD 1,000         | Investment holding  |
| Peer Developments Ltd.                                      | 1996.12.27            | British Virgin Islands | USD 30,200        | Investment holding  |
| Lanxiang Technology (Shenzhen) Co., Ltd.                    | 2011.05.26            | Shenzhen, China        | USD 9,400         | Sale of semiconductor products  |
| Synnex China Holdings Ltd.                                  | 2002.07.19            | British Virgin Islands | USD 100,200       | Investment holding  |
| Synnex Investments (China) Ltd.                             | 2007.11.05            | Shanghai, China        | USD 200,000       | Investment holding  |
| Synnex Distributions (China) Ltd.                           | 2005.11.25            | Shanghai, China        | USD 463,000       | Sale of 3C products   |
| Synnex Technology Development Ltd.                          | 2007.12.06            | Beijing, China         | RMB 50,000        | Sale of 3C products   |
| Synnex (Beijing) Ltd.                                       | 2002.10.11            | Beijing, China         | USD 9,000         | Warehousing and logistics services                                    |
| Synnex (Shanghai) Ltd.                                      | 2002.10.15            | Shanghai, China        | USD 22,000        | Sale of semiconductor products and warehousing and logistics services |
| Synnex (Chengdu) Ltd.                                       | 2006.11.06            | Chengdu, China         | USD 5,000         | Warehousing and logistics services                                    |
| Synnex (Nanjing) Ltd.                                       | 2006.12.20            | Nanjing, China         | USD 5,000         | Warehousing and logistics services                                    |
| Synnex (Shenyang) Ltd.                                      | 2008.08.19            | Shengyang, China       | USD 3,000         | Warehousing and logistics services                                    |
| Synnex (Tianjin) Ltd.                                       | 2009.04.21            | Tianjin, China         | USD 4,500         | Warehousing and logistics services                                    |
| Synnex (Hangzhou) Ltd.                                      | 2009.11.25            | Hangzhou, China        | USD 5,000         | Warehousing and logistics services                                    |
| Synnex (Qingdao) Ltd.                                       | 2010.03.04            | Qingdao, China         | USD 5,000         | Warehousing and logistics services                                    |
| Synnex (Guangzhou) Ltd.                                     | 2010.03.18            | Guangzhou, China       | USD 12,000        | Warehousing and logistics services                                    |
| Synnex (Xi'an) Ltd.   | 2010.03.24            | Xi'an, China           | USD 4,000         | Warehousing and logistics services                                    |
| Synnex (Suzhou) Ltd.  | 2010.06.17            | Suzhou, China          | USD 6,000         | Warehousing and logistics services                                    |
| Synnex (Wuhan) Ltd.   | 2010.12.08            | Wuhan, China           | USD 5,000         | Warehousing and logistics services                                    |
| Synnex (Jinan) Ltd.   | 2010.12.06            | Jinan, China           | USD 5,000         | Warehousing and logistics services                                    |
| Synnex (Zhengzhou) Ltd.                                     | 2011.01.07            | Zhengzhou, China       | USD 5,000         | Warehousing and logistics services                                    |
| Synnex (Changsha) Ltd.                                      | 2011.03.23            | Changsha, China        | USD 4,000         | Warehousing and logistics services                                    |
| Synnex (Hefei) Ltd.   | 2011.07.15            | Hefei, China           | USD 6,100         | Warehousing and logistics services                                    |
| Synnex (Nanchang) Ltd.                                      | 2011.08.24            | Nanchang, China        | USD 4,000         | Warehousing and logistics services                                    |
| Synnex (Harbin) Ltd.  | 2012.03.26            | Harbin, China          | USD 5,000         | Warehousing and logistics services                                    |
| Synnex (Xiamen) Ltd.  | 2012.05.07            | Xiamen China           | USD 6,000         | Warehousing and logistics services                                    |
| Jifu Intelligent Logistics Corporation                      | 2018.06.08            | Shanghai, China        | RMB 50,000        | Warehousing and logistics services                                    |

Note: Adopt equity-accounted investments.

## ● Organization and responsibility



## Description of responsibilities

|   |  |
|---|--|
| Internal Audit Office:                        | Evaluate and improve the effectiveness of risk management, control, governance, and achieve the performance and quality of the designated mission.   |
| Remuneration Committee:                       | Responsible for the overall remuneration system and total bonuses review.  |
| Audit Committee:                              | Responsible for overseeing the effective implementation of the company's financial statements, compliance with related laws and regulations, internal control, and risk control.   |
| Sustainability Committee:                     | The President serves as the convener and is responsible for coordinating and promoting various sustainable development plans and implementations.  |
| Risk Management Team:                         | The President serves as the convener, and the team establishes the risk management system, management organization, and management categories and mechanisms of each risk management unit, and also carries out risk management.   |
| Ethical Corporate Management Team:            | The President serves as the convener, and the team is responsible for the group's corporate governance, including ethical corporate management, anti-corruption, anti-bribery, and compliance.   |
| Business Planning & Management Div.:          | Responsible for planning the Group's products, and the planning of business model, operating mechanism, system, as well as operating analysis for channel businesses.  |
| Logistics Planning & Management Div.:         | Responsible for the planning of the operating mechanism, establishment of the operation management model and quality benefit analysis of the Group's operational functions.  |
| Technical Service Planning & Management Div.: | Responsible for the operation mechanism planning, establishment of operation management model and quality benefit analysis of the Group's technical service functions.   |
| Finance Planning & Management Div.:           | Responsible for overall financial analysis, planning, and management.  |
| Risk & Management & Planning Div.:            | Responsible for the Group's legal affairs, risk assessment plans and subsequent risk management  |
| Human Resources Planning & Management Div.:   | Responsible for the formulation of the Group's HR policies and administrative management policies, establishment of mechanisms, and formulation of operational management standards.   |
| Information Security Department:              | Responsible for establishing, developing, and overseeing information security risks to ensure the stability and security of company operations.  |
| Software Development Center:                  | Responsible for planning, integration, and maintenance of overall ERP system.  |
| Financing Control Center:                     | Responsible for the Group's financial and cash flow operations and management.   |
| Group Accounting Center:                      | Responsible for the Group's financial, tax, and accounting management and executions.  |
| Property Operation Center:                    | Responsible for planning and setup of the Group's logistics centers as well as property management.  |
| Business Units:                               | Responsible for the operation and business promotion and development of products or services according to the product type or the scope of each country and region; business units are divided into sales units, product planning units, product management units, field application units, technical service units, logistics business unit, and back office operation. |

## (II) Information on Directors, General Managers, Vice-General Managers, Assistant Vice-Presidents, and Department and Branch Directors

### ● Information on Directors

2024.04.02

| Title Name                              | Gender Age         | Nationality or place of registration | Date elected | Term (years) | First elected date | Shares held during election |       | Current shareholding |       | Current shares held by spouse and underage children |      | Shareholding by nominee arrangement |   | Remarks  |
|---|--------------------|--------------------------------------|--------------|--------------|--------------------|-----------------------------|-------|----------------------|-------|---|------|-------------------------------------|---|--|
|   |                    |                                      |              |              |                    | Shares                      | %     | Shares               | %     | Shares  | %    | Shares                              | % |  |
| Chairman/ Miao, Matthew Feng Chiang     | Male 70-79 years   | USA                                  | 2021.7.20    | 3            | 1988.9.1           | 2,848,000 (Note)            | 0.17  | 3,283,000 (Note)     | 0.20  | -   | -    | -                                   | - | Representative of Mei-Feng Investment Corporation    |
| Director/ Tu, Shu-Wu                    | Male 70-79 years   | ROC                                  | 2021.7.20    | 3            | 1988.9.1           | 36,156,381                  | 2.17  | 36,156,381           | 2.17  | 1,587,245   | 0.10 | -                                   | - |  |
| Director/ Yang, Hsiang-Yun              | Female 60-69 years | ROC                                  | 2021.7.20    | 3            | 2015.6.12          | 255,321,054 (Note)          | 15.31 | 260,521,054 (Note)   | 15.62 | -   | -    | -                                   | - | Representative of MiTAC Inc.                         |
| Director/ Chou, The-Chien               | Male 60-69 years   | ROC                                  | 2021.7.20    | 3            | 2015.6.12          | 255,321,054 (Note)          | 15.31 | 260,521,054 (Note)   | 15.62 | -   | -    | -                                   | - | Representative of MiTAC Inc.                         |
| Director/ Tu, Shu-Chyuan                | Male 60-69 years   | ROC                                  | 2022.5.30    | 3            | 2022.5.30          | 17,190,053 (Note)           | 1.03  | 17,690,053 (Note)    | 1.06  | -   | -    | -                                   | - | Representative of Hong Ding Investments Corp.        |
| Director/ Miao, Scott Matthew           | Male 50-59 years   | ROC                                  | 2022.5.30    | 3            | 2022.5.30          | 59,526,125 (Note)           | 3.57  | 59,526,125 (Note)    | 3.57  | -   | -    | -                                   | - | Representative of Lien Hwa Industrial Holdings Corp. |
| Independent Director/ Yeh, Kuang-shih   | Male 60-69 years   | ROC                                  | 2021.7.20    | 3            | 2021.7.20          | -                           | -     | -                    | -     | 7,000   | 0.00 | -                                   | - |  |
| Independent Director/ Hsuan, Chien-Shen | Male 80-89 years   | ROC                                  | 2021.7.20    | 3            | 2021.7.20          | -                           | -     | -                    | -     | 677   | 0.00 | -                                   | - |  |
| Independent Director/ Shen, Ling-Long   | Male 70-79 years   | ROC                                  | 2021.7.20    | 3            | 2021.7.20          | -                           | -     | -                    | -     | -   | -    | -                                   | - |  |

Note: It is the shareholding of a corporate shareholder.

| Title Name                         | Main experience (education)   | Other current positions within the company   | Spouse or relatives of second degree or closer acting as directors, supervisors, or other department heads  |          |                                       |
|------------------------------------|---|--|---|----------|---------------------------------------|
|                                    |   |  | Title   | Name     | Relationship                          |
| Chairman Miao, Matthew Feng Chiang | General Manager, UPC Technology Corp.<br>General Manager, Lien Hwa Industrial Co., Ltd.<br>Chairman, Synnex Corp. US<br>Independent Director, Galileo<br>Independent Director, BOC<br>Independent Director, The Linde Group<br>Corporate Consultant, APEC<br>Representative, ABAC<br>Convener, NICI civil advisory committee<br>Director, TD SYNEX Corporation<br>Chairman, Chinese National Federation of Industries | Honorary Doctorate, National Chiao Tung University<br>MBA, Santa Clara University (USA)<br>B.S., Electrical Engineering, the University of California at Berkeley (USA)<br>ITRI Laureate | Chairman, Lien Hwa Industrial Holdings Corp.<br>Chairman, UPC Technology Corp.<br>Chairman, MiTAC Holdings Corp.<br>Chairman, MiTAC Inc.<br>Director, Getac Holdings Corporation<br>Independent Director, Cathay Financial Holdings<br>Director, CTCI Foundation  | Director | Miao, Scott Matthew<br>Father and son |
| Director Tu, Shu-Wu                | General Manager, Micro Electronics Corp.<br>Vice- General Manager, MiTAC Inc.<br>Adjunct Professor, National Chiao Tung University  | B.S., Department of Electrical and Control Engineering, National Chiao Tung University<br>ITRI Laureate<br>Honorary Doctoral Degree, National Chiao Tung University                      | President, Synnex Technology International Corp.<br>Chairman, Seper Technology Corp.<br>Director, BESTCOM Infotech Corp.<br>Chairman, E-Fan Investments Corp.<br>Director, Synergy Intelligent Logistics Corp.<br>Director, Synergy Intelligent Technology Co., Ltd.<br>Supervisor, MiTAC Information Technology Corp.<br>Supervisor, MiTAC Inc.<br>Director, Tunghai University<br>Director, Synnex (Thailand) Public Company Ltd.<br>Commissioner, PT. Synnex Metrodata Indonesia | Director | Tu, Shu-Chyuan<br>Brother             |
| Director Yang, Hsiang-Yun          | Financial Special Assistant to Chairman, MiTAC International Corp.<br>Chief Financial Officer, MiTAC International Corp.<br>Corporate Governance Supervisor, MiTAC Holdings Corp.<br>Vice-General Manager, Investment Department, MiTAC Inc.  | MBA, National Taiwan University  | Chairman, Lian-Yuan Investment Co., Ltd.<br>Director, Ares International Corp.<br>Director and Vice-General Manager, Investment Department, MiTAC Inc.<br>Director, Y.S. Education Foundation<br>Chairman, Health Food Co., Ltd.  | None     | None<br>None                          |
| Director Chou, The-Chien           | Investment Special Assistant to Chairman, MiTAC International Corp.   | PhD of engineering, Rutgers, The State University of New Jersey  | Director, MiTAC Information Technology Corp.<br>Director, Concentrix Corporation<br>Director, Getac Holdings Corporation<br>Director, Waffer Technology Corp.<br>Supervisor, MiTAC Inc.   | None     | None<br>None                          |

| Title Name                                | Main experience (education)   | Other current positions within the company  | Spouse or relatives of second degree or closer acting as directors, supervisors, or other department heads   |          |   |
|---|---|---|--|----------|---|
|   |   |   | Title  | Name     | Relationship                                |
| Director<br>Tu, Shu-Chyuan                | President, Planning Department of Synnex Technology International Corp.   | Master of Computer Engineering from California State University<br>B.S., Department of Computer Engineering, National Chiao Tung University   | Vice-President, Synnex Technology International Corp.<br>Chairman, BESTCOM Infotech Corp.<br>Chairman, Bizwave Tech Co., Ltd.<br>Chairman, Synergy Intelligent Technology Co., Ltd.<br>Director, Inforcom Technology Inc.<br>Director, Asgard System, Inc.<br>Director, Jetwell Computer Co., Ltd.<br>Independent Director, Nuvoton Technology Corp.<br>Director, Digitimes Inc.<br>Director, Seper Technology Corp.<br>Director, Synnex (Thailand) Public Company Ltd.<br>Director, Redington Ltd.<br>Director, Synnex FPT Joint Stock Company Ltd.<br>Commissioner, PT. Synnex Metrodata Indonesia | Director | Tu, Shu-Wu<br>Brother                       |
| Director<br>Miau, Scott Matthew           | Vice- General Manager, IoT Business Group, MiTAC Information Technology Corp.<br>Special Assistant to Chairman, MiTAC-SYNNEX Group  | Ph.D., Department of Management Information Systems, College of Commerce, National Chengchi University  | Vice- General Manager, MiTAC Inc.<br>Chairman, MiTAC Hikari Corporation<br>Chairman, Mei-Feng Investment Corporation<br>Vice Chairman, Linde Lienhwa Industrial Gases Co. Ltd.<br>Issuer, GLOBALinks MiTAC-SYNNEX Group  | Chairman | Miau, Matthew Feng Chiang<br>Father and son |
| Independent Director<br>Yeh, Kuang-shih   | Vice Chairman, Shihlien Fine Chemical Co., Ltd.<br>Professor, Graduate Institute of Technology, Innovation & Intellectual Property Management, National Chengchi University<br>Chair, Department of Business Management, National Sun Yat-sen University<br>Professor, Department of Business Management, National Sun Yat-sen University<br>Deputy Mayor of Kaohsiung City Government<br>Minister, Ministry of Transportation and Communications<br>Political Deputy Minister, Ministry of Transportation and Communications<br>Research and Development Committee, Executive Yuan, Deputy Chairman<br>Independent Director, Bank of Taiwan (Representative of Taiwan Financial Holding Company)<br>Inaugural Chairman, Taoyuan International Airport Corporation<br>Independent Director, Tsann Kuen Enterprise Co., Ltd. | Ph.D., Carnegie Mellon University<br>Master, U. of Delaware<br>Bachelor of Law, National Taiwan University  | Vice Chairman, Shihlien Fine Chemical Co., Ltd.<br>Independent Director, Clientron Corp.<br>Director, Xue Xue Institute Co., Ltd.<br>Independent Director, Orient Champion Co., Ltd.<br>Independent Director, Fubon Financial Holding Co., Ltd.  | None     | None<br>None                                |
| Independent Director<br>Hsuan, Chien-Shen | Project Manager, General Electric<br>Vice President, Pepsi Taiwan<br>Vice President, Sesoda Corporation<br>Vice President, Pen Holdings Taiwan<br>President of Overseas Operations, Admiral Oversea Corporation<br>President, TPV Technology Group  | Ph.D. in Systems Engineering, New York Institute of Technology, USA<br>Master's degree in System Engineering, Boston University, USA<br>Bachelor's degree in Electrical Engineering, National Cheng Kung University | Chairman and CEO, TPV Technology Co., Ltd.<br>Director, Standard Foods Co., Ltd.<br>Chairman, Shanghai Standard Foods Co., Ltd.<br>Chairman, Standard Investment (China) Co., Ltd.<br>Chairman, Standard Foods (China) Co., Ltd.<br>Chairman, Standard Foods (Xiamen) Co., Ltd.<br>Chairman, Shanghai Le Bonta Wellness Co., Ltd.<br>Chairman, Shanghai Xin-Huo-Li Health Technology Co, Ltd.  | None     | None<br>None                                |
| Independent Director<br>Shen, Ling-Long   | Director, Department of Insurance, Ministry of Finance<br>Chairman, Mega Asset Management Corp.<br>Chairman, Chung Kuo Insurance Co., Ltd.<br>Chairman, Taiwan Asset Management Corporation<br>Chairman, Taiwan Cooperative Financial Holding Co., Ltd. and Taiwan Cooperative Bank   | Ph.D. in Economics, University of Paris, France   | None   | None     | None  |

● Major shareholders of the institutional directors

2024.04.02

| Name of institutional director     | Major shareholders of the institutional directors (Note 1)  |
|------------------------------------|---|
| Mei-Feng Investment Corporation    | Miau, Matthew Feng Chiang 43.10%<br>Hsu, Ai-Chen 42.75%<br>Miau, Scott Matthew 14.15%   |
| MiTAC Inc. (Note 2)                | Lien Hwa Industrial Holdings Corp. 35.29%<br>Synnex Technology International Corp. 18.39%<br>Mei-An Investment Corp. 10.56%<br>MiTAC International Corp. 8.71%<br>Tsu Fung Investment Co., Ltd. 5.37%<br>Hsu, Ai-Chen 1.98%<br>Hua Cheng Investment Corp. 1.92%<br>Miau, Matthew Feng Chiang 1.08%<br>Yi Feng Investment Corp. 0.75%<br>Hong Ding Investments Corp. 0.74% |
| Hong Ding Investments Corp.        | Tu, Ying-Rong 41.88%<br>Tu, Ying-Hsuan 41.88%<br>Tu, Shu-Wu 8.55%<br>Tu, Hai-Zhen 7.69%   |
| Lien Hwa Industrial Holdings Corp. | UPC Technology Corp. 9.68%<br>Yih Yuan Investment Corp. 9.14%<br>Yi Feng Investment Corp. 4.86%<br>Miau, Matthew Feng Chiang 3.19%<br>Miau, Feng-Chuan 3.02%<br>Y.S. Education Foundation 3.00%<br>Lien Hwa Industrial Holdings Corp. Employee Welfare Committee 2.82%<br>MiTAC International Corp. 2.79%<br>Chou, Tsu-An 2.51%<br>Miao, Feng-Cheng 2.23%                 |

Note 1: If the major shareholder is a legal person, then fill in the top ten shareholders, as detailed in the table below.

Note 2: Information on the ex-dividend date in 2023.

● Major shareholders who are institutional directors and their major shareholders

2024.04.02

| Name of major shareholders of the institutional directors     | Their major shareholders   |
|---|--|
| Lien Hwa Industrial Holdings Corp.                            | UPC Technology Corp. 9.68%<br>Yih Yuan Investment Corp. 9.14%<br>Yi Feng Investment Corp. 4.86%<br>Miau, Matthew Feng Chiang 3.19%<br>Miau, Feng-Chuan 3.02%<br>Y.S. Education Foundation 3.00%<br>Lien Hwa Industrial Holdings Corp. Employee Welfare Committee 2.82%<br>MiTAC International Corp. 2.79%<br>Chou, Tsu-An 2.51%<br>Miao, Feng-Cheng 2.23%  |
| Synnex Technology International Corp.                         | MiTAC Inc. 15.62%<br>Cathay Sustainability High Dividend ETF Securities Investment Trust Fund Account of the Cathay High Dividend Taiwan Equity Fund with Taishin International Bank Co., Ltd. acting as custodian 8.02%<br>Yuanta Taiwan Dividend Plus ETF account 4.72%<br>Fuh Hwa Taiwan Technology Dividend Highlight ETF Securities Investment Trust Fund Account with Taipei Fubon Commercial Bank Co., Ltd. acting as custodian 4.31%<br>Lien Hwa Industrial Holdings Corp. 3.57%<br>Morgan Stanley Capital International managed account with HSBC (Taiwan) acting as custodian bank 3.29%<br>Tu, Shu-Wu 2.17%<br>Rong Syuan Investments Co., Ltd. 2.16%<br>Miau, Matthew Feng Chiang 1.71%<br>Mei-An Investment Corp. 1.43% |
| Mei-An Investment Corp.                                       | Vision Quest Overseas Ltd. 82.25%<br>JumpStart Investments Ltd. 16.67%<br>Other 1.08%  |
| MiTAC International Corp.                                     | MiTAC Holdings Corp. 100%  |
| Tsu Fung Investment Co., Ltd.                                 | MiTAC International Corp. 100%   |
| Hua Cheng Investment Corp.                                    | Lien Hwa Industrial Holdings Corp. 100%  |
| Yi Feng Investment Corp.                                      | Rich Cycle Ltd. (British Virgin Islands) 100%  |
| Hong Ding Investments Corp.                                   | Tu, Ying-Rong 41.88%<br>Tu, Ying-Hsuan 41.88%<br>Tu, Shu-Wu 8.55%<br>Tu, Hai-Zhen 7.69%  |
| UPC Technology Corp.  | Lien Hwa Industrial Holdings Corp. 31.10%<br>Synnex Technology International Corp. 5.05%<br>Yih Yuan Investment Corp. 1.58%<br>Liberty Stationery Corp. 1.51%<br>Mei-An Investment Corp. 1.45%<br>Tsu Fung Investment Co., Ltd. 1.28%<br>MiTAC International Corp. 1.18%<br>Pornchai Engineering and Trading Co., Ltd. 1.10%<br>Tong Da Investment Corporation 1.06%<br>Yi Feng Investment Corp. 0.96%   |
| Yih Yuan Investment Corp.                                     | Overcome Holdings Limited (British Virgin Islands) 100%  |
| Y.S. Education Foundation                                     | Synnex Technology International Corp. 20%<br>Lien Hwa Industrial Holdings Corp. 20%<br>UPC Technology Corp. 20%<br>Mix System Holdings Ltd. 20%<br>MiTAC International Corp. 10%<br>Getac Holdings Corporation 10%   |
| Lien Hwa Industrial Holdings Corp. Employee Welfare Committee | N/A  |

● **Disclosure of the Professional Qualifications of Directors and Independence of Directors**

| Qualifications<br>Name    | Professional qualifications and experience  | Independence (Note 1)  | Number of other public companies concurrently in which the Director also serves as an independent Director |
|---------------------------|---|--|--|
| Miau, Matthew Feng Chiang | Has more than 5 years of work experience and work experience in the areas of commerce, law, finance, or accounting, and areas otherwise necessary for the business of the Company.<br>Well-versed in IT channel layout, global production, corporate operations, joint ventures and strategic alliances, venture capital and other management capabilities.   | Compliance of independence: (6)(8)(9)(10)(11)<br>Non-compliance of independence:<br>(1) Manager of the Company.<br>(2) Chairman of the Company.<br>(3) A natural-person shareholder who holds an aggregate amount of 1% or more of the total number of issued shares of the Company or ranks as one of its top ten shareholders.<br>(4) A manager referred to in paragraph 1 above; no spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship, of any of the persons listed in Paragraph 2 above.<br>(5) A chairman or employee who directly holds 5% or more of the Company's shares, is one of the top five shareholders and is also, in accordance with Article 27, Paragraph 1 or 2 of the Company Act, an institutional shareholder who designates a representative to serve as a director or supervisor of the Company.<br>(7) A chairman, general manager or equivalent position of the Company and that of another company are the same person or spouse thereof, or a director or employee of another company.<br>(12) A governmental, juridical person, or its representative as defined under Article 27 of the Company Act. | 1  |
| Tu, Shu-Wu                | Has more than 5 years of work experience and work experience in the areas of commerce, law, finance, or accounting, and areas otherwise necessary for the business of the Company.<br>Well-versed in IT channel layout, global production, corporate operations, joint ventures and strategic alliances, venture capital and other management capabilities.   | Compliance of independence: (6)(8)(9)(10)(11)(12)<br>Non-compliance of independence:<br>(1) Manager of the Company.<br>(2) A director of the Company or affiliates.<br>(3) A natural-person shareholder who holds an aggregate amount of 1% or more of the total number of issued shares of the Company or ranks as one of its top ten shareholders.<br>(4) A manager referred to in paragraph 1 above; a spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship, of any of the persons listed in Paragraphs 2 or 3 above.<br>(5) A supervisor who directly holds 5% or more of the Company's shares, is one of the top five shareholders or, in accordance with Article 27, Paragraph 1 or 2 of the Company Act, an institutional shareholder who designates a representative to serve as a director or supervisor of the Company.<br>(7) A chairman, general manager or equivalent position of the Company and that of another company are the same person or spouse thereof, or a director or employee of another company.   | 0  |
| Yang, Hsiang-Yun          | Has more than 5 years of work experience and work experience in the areas of commerce, law, finance, or accounting, and areas otherwise necessary for the business of the Company.  | Compliance of independence: (1)(2)(3)(4)(6)(7)(8)(9)(10)(11)<br>Non-compliance of independence:<br>(5) A supervisor who directly holds 5% or more of the company's shares, is one of the top five shareholders or, in accordance with Article 27, Paragraph 1 or 2 of the Company Act, an institutional shareholder who designates a representative to serve as a director or supervisor of the Company.<br>(12) A governmental, juridical person, or its representative as defined under Article 27 of the Company Act.   | 0  |
| Chou, The-Chien           | Has more than 5 years of work experience and work experience in the areas of commerce, law, finance, or accounting, and areas otherwise necessary for the business of the Company.  | Compliance of independence: (1)~(11)<br>Non-compliance of independence:<br>(12) A governmental, juridical person, or its representative as defined under Article 27 of the Company Act.  | 0  |
| Tu, Shu-Chyuan            | Has more than 5 years of work experience and work experience in the areas of commerce, law, finance, or accounting, and areas otherwise necessary for the business of the Company.<br>Well-versed in IT channel layout, global production, corporate operations, joint ventures and strategic alliances, venture capital and other management capabilities.   | Compliance of independence: (3)(5)(6)(8)(9)(11)<br>Non-compliance of independence:<br>(1) Manager of the Company.<br>(2) A director of the Company or affiliates.<br>(4) A manager referred to in paragraph 1 above<br>(7) A chairman, general manager or equivalent position of the Company and that of another company are the same person or spouse thereof, or a director or employee of another company.<br>(10) Brothers with Director Tu, Shu-Wu.<br>(12) A governmental, juridical person, or its representative as defined under Article 27 of the Company Act.   | 1  |
| Miau, Scott Matthew       | Has more than 5 years of work experience and work experience in the areas of commerce, law, finance, or accounting, and areas otherwise necessary for the business of the Company.  | Compliance of independence: (1)(2)(3)(5)(6)(8)(9)(11)<br>Non-compliance of independence:<br>(4) A spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship, of any of the persons listed in Paragraph 3 above.<br>(7) A chairman, general manager or equivalent position of the Company and that of another company are the same person or spouse thereof, or a director or employee of another company.<br>(10) Father and son with Chairman Miau, Matthew Feng Chiang.<br>(12) A governmental, juridical person, or its representative as defined under Article 27 of the Company Act.  | 0  |
| Yeh, Kuang-shih           | Possesses professional qualifications as a lecturer or higher position in a Department of Commerce, Law, Finance, Accounting, or other academic department related to the business needs of the company in a public or private junior college, college or university.<br>Has more than 5 years of work experience and work experience in the areas of commerce, law, finance, or accounting, and areas otherwise necessary for the business of the Company. | Compliance of independence: (1)~(12)<br>In accordance with the requirements of the Listing Rules, the company has obtained written statements from each of the independent directors to confirm the independence from the company of each independent director and the relatives within the second degree of kinship (or in the name of others) thereof. The spouse of the independent director holds 7,000 shares (less than 1%) of the company's issued shares. The company believes that it will not affect the independence of its independent director.   | 2  |

| Qualifications<br>Name | Professional qualifications and experience   | Independence (Note 1)  | Number of other public companies concurrently in which the Director also serves as an independent Director |
|------------------------|--|--|--|
| Hsuan, Chien-Shen      | Possesses professional qualifications as a lecturer or higher position in a Department of Commerce, Law, Finance, Accounting, or other academic department related to the business needs of the company in a public or private junior college, college or university. Has more than 5 years of work experience and work experience in the areas of commerce, law, finance, or accounting, and areas otherwise necessary for the business of the Company. | Compliance of independence: (1)~(12)<br>In accordance with the requirements of the Listing Rules, the company has obtained written statements from each of the independent directors to confirm the independence from the company of each independent director and the spouse and relatives within the second degree of kinship (or in the name of others) thereof.<br>The spouse of the independent director holds 677 shares (less than 1%) of the company's issued shares. The company believes that it will not affect the independence of its independent director/remuneration committee member. | 0  |
| Shen, Ling-Long        | Has more than 5 years of work experience and work experience in the areas of commerce, law, finance, or accounting, and areas otherwise necessary for the business of the Company.   | Compliance of independence: (1)~(12)<br>In accordance with the requirements of the Listing Rules, the company has obtained written statements from each of the independent directors to confirm the independence from the company of each independent director and the spouse and relatives within the second degree of kinship (or in the name of others) thereof.  | 0  |

Note 1: Compliance of independence is as follows:

- (1) Not an employee of the company or any of its affiliates.
- (2) Not a director or supervisor of the company or any of its affiliates (except where the person is concurrently an independent director of the company and its parent company, a subsidiary, or another subsidiary of the same parent company appointed pursuant to the Act or local regulations).
- (3) Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate amount of 1% or more of the total number of issued shares of the company or ranks as one of its top ten shareholders.
- (4) Not a manager listed in (1) or a spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship or closer to anyone listed in (2) or (3).
- (5) Not a director, supervisor, or employee of an institutional shareholder who holds directly 5% or more of the company's shares, is one of the top five shareholders, or is a representative appointed as director or supervisor of the company pursuant to Paragraph 1 or 2, Article 27 of the Company Act (except where the person is concurrently an independent director of the company and its parent company, a subsidiary, or another subsidiary of the same parent company appointed pursuant to the Act or local regulations).
- (6) Not a director, supervisor, or employee of another company that has the same directors as the company or is controlled by the same person that has more than half of the voting power in the company (except where the person is concurrently an independent director of the company or its parent company, a subsidiary, or another subsidiary of the same parent company appointed pursuant to the Act or local regulations).
- (7) Not a director, supervisor, or employee of another company or institution that has the same chairman, president, or person with the equivalent rank as the company, or a spouse in one of these roles (except where the person is concurrently an independent director of the company and its parent company, a subsidiary, or another subsidiary of the same parent company appointed pursuant to the Act or local regulations).
- (8) Not a director, supervisor, manager, or shareholder holding 5% or more of the shares of a specific company or institution that has a financial or business relationship with the company (except where that specific company or institution holds 20% or more but no more than 50% of the company's shares and is concurrently an independent director of the company and its parent company, a subsidiary, or another subsidiary of the same parent company appointed pursuant to the Act or local regulations).
- (9) Not a professional who provides audit or received no more than NT\$500,000 in cumulative compensation in the last two years for commercial, legal, financial, or accounting services to the company or its affiliates, nor an owner, partner, director, supervisor, or manager of a sole proprietorship, partnership, company, or organization that provides such services to the company or its affiliates; or the spouse of any of the above. However, exception applies to members of a remuneration committee, a take-over bid review committee, or a special committee for merger and acquisition exercising their authority pursuant to provisions of the Securities and Exchange Act or the Business Mergers and Acquisitions Act.
- (10) Not having a marital relationship, or a relative within the second degree of kinship to any other director of the company.
- (11) Not been a person of any conditions defined in Article 30 of the Company Act.
- (12) Not a governmental, juridical person, or its representative as defined under Article 27 of the Company Act.

## ● Diversity and Independence of the Board

### I. Diversity of Members of the Board:

The diversity policy for members of the Board of Directors is established in Article 20 of the company's Corporate Governance Best Practice Principles:

1. The company's Board of Directors shall direct company strategies, supervise the management, and be responsible to the company and the shareholders' meeting. The various procedures and arrangements of the corporate governance system shall ensure that, in exercising its authority, the Board of Directors complies with laws, regulations, the Articles of Incorporation, and the resolutions adopted by shareholders' meetings.
2. The organization of the company's Board of Directors shall be commensurate with the company's size and shareholding structure and be based on business needs. The appropriate number of directors has been determined to be seven or more.
3. The composition of the Board of Directors shall be determined by taking diversity into consideration, except for the number of directors who are also managers of the company shall not exceed one-third of the Board of Directors, and formulating an appropriate policy on diversity based on business operations, operating dynamics, and development needs. It is advisable that the policy include, without being limited to, the following two general standards:
  - (1) Basic requirements and values: Gender, age, nationality, and culture.
  - (2) Professional knowledge and expertise: A professional background (e.g., law, accounting, industry, finance, marketing, or technology), professional skills, and industry experience.
4. The members of the Board of Directors shall be balanced between the genders and they shall possess the knowledge, skills, and experience necessary for performing their duties. To achieve the ideal goal of corporate governance, the Board of Directors shall possess the following abilities:
  - (1) Operational judgment.
  - (2) Ability to perform accounting and financial analysis.
  - (3) Management ability.
  - (4) Crisis management.

- (5) Industrial knowledge.
- (6) An international market perspective.
- (7) Leadership ability.
- (8) Decision-making ability.

A diverse Board of Directors with various opinions and insights will improve the quality of decisions and benefit the company's shareholders and other stakeholders.

The Board of Directors and management attach importance to inclusiveness and diversity to support the company's values.

#### Diversity management goals and achievement status:

1. The company focuses on operational judgment, operational management, and crisis management capabilities. More than half of the directors should have the relevant core capabilities: Operational judgment: 9/9(100%), Management ability: 8/9(88.89%) and crisis management 9/9(100%).
2. More than half of the independent directors cannot be re-elected more than 3 terms in order to maintain independence: Proportion of independent directors: 3/9(33.33%); three members whose term of office is less than one term, none of which has served more than three terms.
3. More than half of the directors are not concurrently employees or managers for the purpose of supervision: Proportion of directors of the company with employee status: 3/9(33.33%).
4. Members of the board of directors have rich experience and expertise in the fields of finance, business, and management. Implementation is as follows:

| Title                | Name                      | Gender | Age   | Nationality | Professional background | Concurrently an employee | Length of the terms of service of independent directors |                     |                      | Operational judgment | Ability to perform accounting and financial analysis | Management ability | Crisis management | Industrial knowledge |         |                    |                 | An international market perspective | Leadership ability | Decision-making ability | Number of other public companies concurrently in which the Director also serves as an independent Director |
|----------------------|---------------------------|--------|-------|-------------|-------------------------|--------------------------|---|---------------------|----------------------|----------------------|--|--------------------|-------------------|----------------------|---------|--------------------|-----------------|-------------------------------------|--------------------|-------------------------|--|
|                      |                           |        |       |             |                         |                          | Fewer than three years                                  | Three to nine years | More than nine years |                      |  |                    |                   | Technology           | Finance | Telecommunications | Venture capital |                                     |                    |                         |  |
| Chairman             | Miao, Matthew Feng Chiang | Male   | 70-79 | USA         | Industry                | V                        |   |                     |                      | V                    |  | V                  | V                 | V                    |         | V                  | V               | V                                   | V                  | V                       | 1  |
| Director             | Tu, Shu-Wu                | Male   | 70-79 | ROC         | Industry                | V                        |   |                     |                      | V                    |  | V                  | V                 | V                    |         | V                  | V               | V                                   | V                  | V                       | 0  |
| Director             | Yang, Hsiang-Yun          | Female | 60-69 | ROC         | Industry                |                          |   |                     |                      | V                    | V  | V                  | V                 | V                    |         |                    | V               | V                                   |                    |                         | 0  |
| Director             | Chou, The-Chien           | Male   | 60-69 | ROC         | Industry                |                          |   |                     |                      | V                    |  | V                  | V                 | V                    |         | V                  | V               | V                                   |                    |                         | 0  |
| Director             | Tu, Shu-Chyuan            | Male   | 60-69 | ROC         | Industry                | V                        |   |                     |                      | V                    |  | V                  | V                 | V                    |         | V                  | V               | V                                   | V                  | V                       | 1  |
| Director             | Miao, Scott Matthew       | Male   | 50-59 | ROC         | Industry                |                          |   |                     |                      | V                    |  | V                  | V                 | V                    |         | V                  | V               | V                                   | V                  | V                       | 0  |
| Independent Director | Yeh, Kuang-shuh           | Male   | 60-69 | ROC         | Industry                |                          | V   |                     |                      | V                    | V  |                    | V                 |                      |         | V                  |                 | V                                   | V                  | V                       | 2  |
| Independent Director | Hsuan, Chien-Shen         | Male   | 80-89 | ROC         | Industry                |                          | V   |                     |                      | V                    | V  | V                  | V                 | V                    |         |                    |                 | V                                   | V                  | V                       | 0  |
| Independent Director | Shen, Ling-Long           | Male   | 70-79 | ROC         | Finance and accounting  |                          | V   |                     |                      | V                    | V  | V                  | V                 |                      | V       |                    | V               | V                                   | V                  | V                       | 0  |

## II. Independence of the Board

The company's Board of Directors has 9 members, including 3 independent directors (accounting for 30% of all directors). None of the directors are spouses, and no more than half of the directors are relatives within the second degree of kinship to any other director of the company. No conditions stipulated in Article 26-3, Paragraph 3 and Paragraph 4 of the Securities and Exchange Act.

To ensure the independence of the functions of the Board of Directors, pursuant to "Rules of Procedure for Board of Directors Meetings", a director may offer his opinion and answer related questions but is prohibited from participating in discussion of or voting on any proposal of a Board of Director meeting where the director or any institution that the Director represents is an interested party, and such participation is likely to prejudice the interests of the company; neither shall a Director vote on such proposal as proxy for any other director in such circumstances.

The company's Board of Directors directs company strategies, supervises the management, and are responsible to the company and the shareholders. The Board of Directors shall comply with laws, regulations, and the Articles of Incorporation, and the resolutions adopted by shareholders' meetings in all procedures and arrangements of the corporate governance system. The company's board of directors emphasizes the functions of independent operation and transparency. Directors and independent directors are all independent individuals and exercise their powers independently. The three independent directors also comply with relevant laws and regulations, coordinate with the powers of the Audit Committee, review the management and control of the company's existing or potential risks, etc., so as to ensure the effective implementation of the company's internal controls, the selection (removal) and independence of CPAs, as well as the appropriate preparation of financial statements. In addition, in accordance with the company's Rules for Election of Directors, a candidate nomination system is adopted for the selection of directors and independent directors, and shareholders are encouraged to participate. Shareholders holding more than a certain number of shares can submit a list of candidates, and the qualifications of the candidates will be reviewed to confirm whether there are any violations of the circumstances listed in Article 30 of the Company Act. Relevant candidate acceptance procedures are carried out and announced in accordance with the law to protect the rights and interests of shareholders and to avoid monopolization or deluging of nomination rights so as to maintain independence.

● Information on the General Managers, Vice-General Managers, Assistant General Managers, and Department and Branch Directors

2024.04.02  
Unit: Shares/%

| Title Name                      | Gender | Nationality | Date of appointment (Note 1) | Shareholding (Note 2) |      | Shares held by spouse and underage children (Note 2) |      | Main experience (education)   | Current positions in other companies  | Managerial officer who is a spouse or a relative within second degree |                |              |
|---------------------------------|--------|-------------|------------------------------|-----------------------|------|--|------|---|---|---|----------------|--------------|
|                                 |        |             |                              | Shares                | %    | Shares   | %    |   |   | Title   | Name           | Relationship |
| President Tu, Shu-Wu            | Male   | ROC         | 1988.9.12                    | 36,156,381            | 2.17 | 1,587,245  | 0.10 | Honorary Doctoral Degree, National Chiao Tung University ITRI Laureate B.S., Department of Electrical and Control Engineering, National Chiao Tung University General Manager, Micro Electronics Corp. Vice- General Manager, MiTAC Inc. Adjunct Professor, National Chiao Tung University                                  | Chairman, Seper Technology Corp. Director, BESTCOM Infotech Corp. Chairman, E-Fan Investments Corp. Director, Synergy Intelligent Logistics Corp. Director, Synergy Intelligent Technology Co., Ltd. Supervisor, MiTAC Information Technology Corp. Supervisor, MiTAC Inc. Director, Tunghai University Director, Synnex (Thailand) Public Company Ltd. Commissioner, PT. Synnex Metrodata Indonesia  | Vice-President  | Tu, Shu-Chyuan | Brother      |
| CEO Ong, Kee Hoon               | Male   | ROC         | 2023.9.1                     | -                     | -    | 458,330  | 0.03 | B.S., Department of Information Engineering, National Chiao Tung University Software R&D Engineer, MiTAC Holdings Corporation Product Manager, MiTAC Europe Head of Product Planning, Synnex Australia President, Synnex Australia and Synnex New Zealand Senior Vice President of the Quality Management Office, Synnex HQ | -   | None  | None           | None         |
| Vice-President Tu, Shu-Chyuan   | Male   | ROC         | 2022.3.10                    | -                     | -    | -  | -    | Master of Computer Engineering from California State University B.S., Department of Computer Engineering, National Chiao Tung University President, Planning Department of Synnex Technology International Corp.  | Chairman, BESTCOM Infotech Corp. Chairman, Bizwave Tech Co., Ltd. Chairman, Synergy Intelligent Technology Co., Ltd. Director, Inforcom Technology Inc. Director, Asgard System, Inc. Director, Jetwell Computer Co., Ltd. Independent Director, Nuvoton Technology Corp. Director, Digitimes Inc. Director, Seper Technology Corp. Director, Synnex (Thailand) Public Company Ltd. Director, Redington Ltd. Director, Synnex FPT Joint Stock Company Ltd. Commissioner, PT. Synnex Metrodata Indonesia | President   | Tu, Shu-Wu     | Brother      |
| Vice-President Lee, Chien-Tsung | Male   | ROC         | 2011.12.26                   | 12,479                | 0.00 | -  | -    | Bachelor of Electrical Engineering, National United University  | -   | None  | None           | None         |

| Title Name                                       | Gender | Nationality | Date of appointment (Note 1) | Shareholding (Note 2) |      | Shares held by spouse and underage children (Note 2) |   | Main experience (education)  | Current positions in other companies  | Managerial officer who is a spouse or a relative within second degree |      |              |
|--|--------|-------------|------------------------------|-----------------------|------|--|---|--|---|---|------|--------------|
|  |        |             |                              | Shares                | %    | Shares   | % |  |   | Title   | Name | Relationship |
| Vice-President Hsuse, Lien-Jen                   | Male   | ROC         | 2011.12.26                   | 221,787               | 0.01 | -  | - | Manager, Micro Electronics Corp. B.S., Industrial Management Department, National Taiwan University of Science and Technology  | -   | None  | None | None         |
| Vice-President Su, Chih-Ching                    | Male   | ROC         | 2019.5.10                    | 3,150                 | 0.00 | -  | - | Bachelor of Law, National Chengchi University  | Director, Seper Technology Corp.<br>Director, E-Fan Investments Corp.<br>Director, Synergy Intelligent Logistics Corp.<br>Supervisor, BESTCOM Infotech Corp.<br>Supervisor, Bizwave Tech Co., Ltd.<br>Director, Synnex (Thailand) Public Company Ltd.   | None  | None | None         |
| Overseas Operation CEO Miao, Matthew Feng Chiang | Male   | USA         | 2005.4.1                     | 28,452,004            | 1.71 | -  | - | Honorary Doctorate, National Chiao Tung University<br>MBA, Santa Clara University (USA)<br>B.S., Electrical Engineering, the University of California at Berkeley (USA)<br>ITRI Laureate<br>General Manager, UPC Technology Corp.<br>General Manager, Lien Hwa Industrial Co., Ltd.<br>Chairman, Synnex Corp. US<br>Independent Director, Galileo<br>Independent Director, BOC<br>Independent Director, The Linde Group<br>ABAC Representative, APEC<br>Convener, NICI civil advisory committee<br>Director, TD SYNEX Corporation<br>Chairman, Chinese National Federation of Industries | Chairman, Lien Hwa Industrial Holdings Corp.<br>Chairman, UPC Technology Corp.<br>Chairman, MiTAC Holdings Corp.<br>Chairman, MiTAC Inc.<br>Director, Getac Holdings Corporation<br>Independent Director, Cathay Financial Holdings<br>Director, CTCI Foundation  | None  | None | None         |
| Senior Director of Finance Lin, Tai-Yang         | Male   | ROC         | 2020.7.1                     | -                     | -    | -  | - | B.S., Department of Accounting and Statistics, National Chengchi University<br>Manager of PwC Taiwan   | Director, E-Fan Investments Corp.<br>Director, BESTCOM Infotech Corp.<br>Director, Bizwave Tech Co., Ltd.<br>Supervisor, Seper Technology Corp.<br>Supervisor, Synergy Intelligent Logistics Corp.<br>Supervisor, Synergy Intelligent Technology Co., Ltd.<br>Director, Synnex (Thailand) Public Company Ltd. | None  | None | None         |

Note 1: Start date indicates the date on board; no indication will be made if the title changed during the period.

Note 2: All shares are registered under stockholder's own name.

## ● Remuneration of directors and managers and employees' bonuses

### Remuneration policy

The company's policies, standards and combinations of remuneration for directors, presidents and vice presidents, the procedures for determining remuneration and its correlation with operating performance and future risks:

#### I. Remuneration policy, standard, and package:

1. The remuneration of the company's directors is handled in accordance with Articles 23 and 38 of the Articles of Incorporation, and remunerations shall be determined by the board of directors and based on the general standards of the industry. In case the company makes a profit, the company's net income before tax before deducting remuneration to employees and directors and after making up for losses should be applied to pay remuneration to directors for an amount not more than 1% of the balance.

The evaluation indicators according to the "Performance Evaluation of the Board of Directors" include: (1) Control of the company's goals and tasks (2) Understanding of director's responsibilities (3) Degree of participation in company operations (4) Internal relationship management and communication (5) Professional and continuing education of directors (6) Internal control.

2. The company's managers' remuneration is based on comprehensive evaluation results such as industry salary levels, personal qualifications, leadership and management capabilities, implementation of corporate business philosophy, and relevant operating performance indicators, and reasonable remuneration is given. According to Article 38 of the company's Articles of Incorporation, if the company was profitable during the year, no more than 10% of the profit, and no less than 0.01% may be allocated as remuneration for employees.

Evaluation criteria of the manager operational performance include financial performance indicators (profit achievement, growth and innovation, etc.), operational management indicators (talent cultivation, pioneering planning, etc.), and then takes into account the company's overall profitability, goal achievement rate, operating efficiency, and level of contribution and more. In addition, risk management, legal compliance and ESG sustainable development strategies, as well as other special deeds and contributions, are also included in the evaluation.

#### II. Procedure for determining remuneration:

To regularly evaluate the remuneration of directors and managers, the company has established a Remuneration Committee to assist the Board of Directors in formulating the remuneration of the company's directors and managers and the company's remuneration policies. Relevant performance evaluations, reasonableness of remuneration, and actual remuneration distribution for directors and managers are all executed after recommendations are made by the Remuneration Committee and approved by the Board of Directors.

#### III. Correlation with business performance and future risks:

1. The review of payment standards and systems related to the company's remuneration policy takes the company's overall operating conditions as the main consideration, and determines payment standards based on status of goal achievement and levels of contribution. At the same time, we refer to the industry's compensation standards and conduct regular competitive analysis to ensure that the compensation level of our management is in line with or better than the average level of the industry, so as to attract and retain outstanding management talents and enhance cohesion.
2. The performance goals of the company's managers are integrated with "risk management" to ensure that potential risks within the scope of their responsibility can be managed and prevented. Important decisions of the management level are made after balancing various risk factors. The performance of relevant decisions is reflected in the company's profitability, and the remuneration of the management level is also correlated with the performance of risk management.
3. In order to balance the company's sustainable operation and risk control, the company will review the director and managers' remuneration system in a timely manner based on changes in the overall environment and relevant laws and regulations. In addition, we have also purchased liability insurance for directors and managers to mitigate the unknown risks borne by the company.

## Remuneration of directors

2023

Unit: %/in NTS thousand

| Title                |                      | Name                         | Director's remuneration<br>(Note 1) |                                      |  |                                     | Total remuneration<br>(A+B+C+D) and its ratio to net income in individual financial reports | Pay received as an employee<br>(Note 1) |  |   | Total remuneration<br>(A+B+C+D+E+F+G) and its ratio to net income in individual financial reports | Remuneration from investments other than subsidiaries or the parent company (Note 1) |                 |
|----------------------|----------------------|------------------------------|-------------------------------------|--------------------------------------|--|-------------------------------------|---|---|--|---|---|--|-----------------|
|                      |                      |                              | Remuneration<br>(A)                 | Severance payment and pension<br>(B) | Director's remuneration<br>(C)<br>(Note 5) | Fees for conducting business<br>(D) |   | Salary, bonuses and allowances<br>(E)   | Severance payment and pension<br>(F)<br>(Note 6) | Remuneration for employees<br>(G)<br>(Note 5) |   |  |                 |
|                      |                      |                              |                                     |                                      |  |                                     |   |   |  | Cash dividends                                |   |  | Share dividends |
| Director             | Chairman             | Miau, Matthew Feng Chiang    | -                                   | -                                    | 5,694                                      | 576                                 | 6,270<br>0.09%  | 85,340                                  | 3,271  | -   | -   | 94,881<br>1.30%  | None            |
|                      | Director             | Tu, Shu-Wu                   |                                     |                                      |  |                                     |   |   |  |   |   |  |                 |
|                      | Director             | Chou, The-Chien (Note 2)     |                                     |                                      |  |                                     |   |   |  |   |   |  |                 |
|                      | Director             | Yang, Hsiang-Yun (Note 2)    |                                     |                                      |  |                                     |   |   |  |   |   |  |                 |
|                      | Director             | Tu, Shu-Chyuan (Note 3)      |                                     |                                      |  |                                     |   |   |  |   |   |  |                 |
|                      | Director             | Miau, Scott Matthew (Note 4) |                                     |                                      |  |                                     |   |   |  |   |   |  |                 |
| Independent Director | Independent Director | Hsuan, Chien-Shen            | -                                   | -                                    | 3,306                                      | 1,460                               | 4,766<br>0.07%  | -                                       | -  | -   | -   | 4,766<br>0.07%   | None            |
|                      | Independent Director | Yeh, Kuang-shih              |                                     |                                      |  |                                     |   |   |  |   |   |  |                 |
|                      | Independent Director | Shen, Ling-Long              |                                     |                                      |  |                                     |   |   |  |   |   |  |                 |

Note 1: The company's remuneration paid to directors and relevant remuneration received by directors who are also employees is consistent with the companies in the financial report.

Note 2: Is the representative of MiTAC Inc.

Note 3: Representative of Hong Ding Investments Corp.

Note 4: Representative of Lien Hwa Industrial Holdings Corp.

Note 5: This is the estimated amount of the proposed earnings distribution for the most recent year approved by the Board of Directors before the shareholders' meeting.

Note 6: Proposed appropriation, not actually paid.

| Remuneration scale applicable to the company's directors | Name of Director   |   |  |  |
|--|--|---|--|--|
|  | Total amount for the 4 preceding remunerations<br>(A+B+C+D)  |   | Total amount for the 7 preceding remunerations<br>(A+B+C+D+E+F+G)  |  |
|  | The company  | All companies included in the financial report  | The company  | All companies included in the financial report   |
| Below NT\$1,000,000                                      | Tu, Shu-Chyuan (Note 2),<br>Miau, Scott Matthew (Note 3)   | Tu, Shu-Chyuan (Note 2),<br>Miau, Scott Matthew (Note 3)  | Miau, Scott Matthew (Note 3)   | Miau, Scott Matthew (Note 3)   |
| NT\$1,000,000 (inclusive) to NT\$2,000,000               | Miau, Matthew Feng Chiang,<br>Tu, Shu-Wu, Hsuan, Chien-Shen,<br>Yeh, Kuang-shih,<br>Shen, Ling-Long,<br>Chou, The-Chien (Note 1),<br>Yang, Hsiang-Yun (Note 1) | Miau, Matthew Feng Chiang,<br>Tu, Shu-Wu, Hsuan, Chien-Shen,<br>Yeh, Kuang-shih, Shen, Ling-Long,<br>Chou, The-Chien (Note 1),<br>Yang, Hsiang-Yun (Note 1) | Hsuan, Chien-Shen,<br>Yeh, Kuang-shih,<br>Shen, Ling-Long,<br>Chou, The-Chien (Note 1),<br>Yang, Hsiang-Yun (Note 1) | Hsuan, Chien-Shen,<br>Yeh, Kuang-shih,<br>Shen, Ling-Long,<br>Chou, The-Chien (Note 1),<br>Yang, Hsiang-Yun (Note 1) |
| NT\$2,000,000 (inclusive) to NT\$3,500,000               | -  | -   | -  | -  |
| NT\$3,500,000 (inclusive) to NT\$5,000,000               | -  | -   | -  | -  |
| NT\$5,000,000 (inclusive) to NT\$10,000,000              | -  | -   | Tu, Shu-Chyuan (Note 2)  | Tu, Shu-Chyuan (Note 2)  |
| NT\$10,000,000 (inclusive) to NT\$15,000,000             | -  | -   | -  | -  |
| NT\$15,000,000 (inclusive) to NT\$30,000,000             | -  | -   | -  | -  |
| NT\$30,000,000 (inclusive) to NT\$50,000,000             | -  | -   | Miau, Matthew Feng Chiang,<br>Tu, Shu-Wu   | Miau, Matthew Feng Chiang,<br>Tu, Shu-Wu   |
| NT\$50,000,000 (inclusive) to NT\$100,000,000            | -  | -   | -  | -  |
| Greater than NT\$100,000,000                             | -  | -   | -  | -  |
| Total  | 9  | 9   | 9  | 9  |

Note 1: Is the representative of MiTAC Inc.

Note 2: Representative of Hong Ding Investments Corp.

Note 3: Representative of Lien Hwa Industrial Holdings Corp.

## Remunerations to president and vice-president

2023

Unit: %/in NT\$ thousand

Unit: % in NTS thousand

| Title                         | Name                                     | Salary<br>(A)  |   | Severance payment and pension<br>(B)<br>(Note 4) |   | Bonuses and allowances<br>(C) |   | Employee remuneration (D) (Note 3) |                    |  |                    | Total remuneration<br>(A+B+C+D) and its<br>ratio to net income in<br>individual financial<br>reports |  | Remuneration from<br>investments<br>other than<br>subsidiaries<br>or the parent<br>company |
|-------------------------------|--|----------------|---|--|---|-------------------------------|---|------------------------------------|--------------------|--|--------------------|--|--|--|
|                               |  |                |   |  |   |                               |   | The company                        |                    | All companies<br>included in the<br>financial report |                    |  |  |  |
|                               |  | The<br>company | All companies<br>included in the<br>financial<br>report | The<br>company                                   | All companies<br>included in the<br>financial<br>report | The<br>company                | All companies<br>included in the<br>financial<br>report | Cash<br>dividends                  | Share<br>dividends | Cash<br>dividends                                    | Share<br>dividends | The<br>company   | All<br>companies<br>included in the<br>financial<br>report |  |
| President                     | Tu, Shu-Wu<br>(Note 1)                   | 114,824        | 120,709   | 4,397  | 4,623   | -                             | -   | -                                  | -                  | -  | -                  | 119,221<br>1.64%   | 125,332<br>1.72%   | -  |
| CEO                           | Ong, Kee Hoon<br>(Note 2)                |                |   |  |   |                               |   |                                    |                    |  |                    |  |  |  |
| Vice-President                | Tu, Shu-Chyuan                           |                |   |  |   |                               |   |                                    |                    |  |                    |  |  |  |
| Vice-President                | Lee, Chien-Tsung                         |                |   |  |   |                               |   |                                    |                    |  |                    |  |  |  |
| Vice-President                | Hsuse, Lien-Jen                          |                |   |  |   |                               |   |                                    |                    |  |                    |  |  |  |
| Vice-President                | Su, Chih-Ching                           |                |   |  |   |                               |   |                                    |                    |  |                    |  |  |  |
| Overseas Operation<br>CEO     | Miau, Matthew<br>Feng Chiang<br>(Note 1) |                |   |  |   |                               |   |                                    |                    |  |                    |  |  |  |
| Senior Director of<br>Finance | Lin, Tai-Yang                            |                |   |  |   |                               |   |                                    |                    |  |                    |  |  |  |

Note 1: The cost of transportation vehicles is NT\$9,594 thousand with a book value of NT\$5,802 thousand.

Note 2: newly appointed on 2023/9/1.

Note 3: This is the estimated amount of the proposed earnings distribution for the most recent year approved by the Board of Directors before the shareholders' meeting.

Note 4: Proposed appropriation, not actually paid.

| Range of remuneration paid to the Presidents and Vice-Presidents | Name of Presidents and Vice-Presidents                          |  |
|--|---|--|
|  | The company   | All companies included in the financial report   |
| Below NT\$1,000,000  | Ong Kee Hoon (Note 1)   | -  |
| NT\$1,000,000 (inclusive) to NT\$2,000,000                       | -   | -  |
| NT\$2,000,000 (inclusive) to NT\$3,500,000                       | -   | -  |
| NT\$3,500,000 (inclusive) to NT\$5,000,000                       | -   | -  |
| NT\$5,000,000 (inclusive) to NT\$10,000,000                      | Tu, Shu-Chyuan, Lee, Chien-Tsung, Su, Chih-Ching, Lin, Tai-Yang | Tu, Shu-Chyuan, Lee, Chien-Tsung, Su, Chih-Ching, Lin, Tai-Yang, Ong Kee Hoon (Note 1) |
| NT\$10,000,000 (inclusive) to NT\$15,000,000                     | Hsuse, Lien-Jen   | Hsuse, Lien-Jen  |
| NT\$15,000,000 (inclusive) to NT\$30,000,000                     | -   | -  |
| NT\$30,000,000 (inclusive) to NT\$50,000,000                     | Miau, Matthew Feng Chiang, Tu, Shu-Wu                           | Miau, Matthew Feng Chiang, Tu, Shu-Wu  |
| NT\$50,000,000 (inclusive) to NT\$100,000,000                    | -   | -  |
| Greater than NT\$100,000,000                                     | -   | -  |
| Total  | 8   | 8  |

Note 1: newly appointed on 2023/9/1.

## Manager's name and the distribution of employee bonus

2023

Unit: %/in NT\$ thousand

|         | Title                      | Name                      | Share dividends | Cash dividends | Total | Ratio of total to net income (%) |
|---------|----------------------------|---------------------------|-----------------|----------------|-------|----------------------------------|
| Manager | President                  | Tu, Shu-Wu                |                 |                |       |                                  |
|         | CEO                        | Ong Kee Hoon (Note 1)     |                 |                |       |                                  |
|         | Vice-President             | Tu, Shu-Chyuan            |                 |                |       |                                  |
|         | Vice-President             | Lee, Chien-Tsung          |                 |                |       |                                  |
|         | Vice-President             | Hsuse, Lien-Jen           | -               | -              | -     | -                                |
|         | Vice-President             | Su, Chih-Ching            |                 |                |       |                                  |
|         | Overseas Operation CEO     | Miau, Matthew Feng Chiang |                 |                |       |                                  |
|         | Senior Director of Finance | Lin, Tai-Yang             |                 |                |       |                                  |

Note 1: newly appointed on 2023/9/1.

## Ratio of total remuneration to net income of the company's directors, general managers, and vice-presidents in recent two years

Unit: NT\$ thousand

| Item  | Year | Total remuneration amount |  |             |  | Ratio to net income in individual financial reports |  |             |  |
|---|------|---------------------------|--|-------------|--|---|--|-------------|--|
|   |      | 2022                      |  | 2023        |  | 2022  |  | 2023        |  |
|   |      | The company               | All companies included in the financial report | The company | All companies included in the financial report | The company   | All companies included in the financial report | The company | All companies included in the financial report |
| Director's remuneration                               |      | 10,129                    | 10,129   | 11,036      | 11,036   | 0.06%   | 0.06%  | 0.15%       | 0.15%  |
| Remunerations to general managers and vice-presidents |      | 132,436                   | 132,436  | 119,221     | 125,332  | 0.84%   | 0.84%  | 1.63%       | 1.72%  |

### (III) Implementation of corporate governance

#### ● Board of Directors operating status

In the most recent year (2023), the Board of Directors met 4 times (A). The attendance of Directors was as follows:

| Title                | Name   | Attendance (voting and non-voting) in person (B) | Attendance by proxy | Actual attendance (voting and non-voting) rate (%) 【B/A】 | Remarks |
|----------------------|--|--|---------------------|--|---------|
| Chairman             | Representative of Mei-Feng Investment Corporation.:<br>Miau, Matthew Feng Chiang | 4  | 0                   | 100.00%  |         |
| Director             | Tu, Shu-Wu   | 4  | 0                   | 100.00%  |         |
| Director             | Representative of MiTAC Inc.: Yang, Hsiang-Yun                                   | 4  | 0                   | 100.00%  |         |
| Director             | Representative of MiTAC Inc.: Chou, The-Chien                                    | 4  | 0                   | 100.00%  |         |
| Director             | Representative of Hong Ding Investments Corp.:<br>Tu, Shu-Chyuan                 | 4  | 0                   | 100.00%  |         |
| Director             | Representative of Lien Hwa Industrial Holdings Corp.:<br>Miau, Scott Matthew     | 4  | 0                   | 100.00%  |         |
| Independent Director | Yeh, Kuang-shih  | 4  | 0                   | 100.00%  |         |
| Independent Director | Hsuan, Chien-Shen  | 2  | 2                   | 50.00%   |         |
| Independent Director | Shen, Ling-Long  | 4  | 0                   | 100.00%  |         |

Attendance of the independent directors for the 4 meetings in 2023:

| Name              | 1st                  | 2nd                  | 3rd                  | 4th                  |
|-------------------|----------------------|----------------------|----------------------|----------------------|
| Yeh, Kuang-shih   | Attendance in person | Attendance in person | Attendance in person | Attendance in person |
| Hsuan, Chien-Shen | Attendance in person | Attendance by proxy  | Attendance in person | Attendance by proxy  |
| Shen, Ling-Long   | Attendance in person | Attendance in person | Attendance in person | Attendance in person |

Other matters that require reporting:

- I. (I) Items specified in Article 14-3 of the Securities and Exchange Act: The Company has established an Audit Committee, and the provisions of Article 14-3 of the Securities and Exchange Act do not apply. For relevant information, please refer to "Operations of the Audit Committee" in this Annual Report.
- (II) Other resolutions adopted by the Board of Directors to which an independent director has a dissenting or qualified opinion that is on record or stated in a written statement: None
- II. The independent directors' avoidance of interest motion should indicate the names of the directors, content of the motion, and reasons of avoidance of interest as well as the involvement in voting

| Board Meeting Date/Term              | Name of director avoiding a conflict of interest          | Content of agenda item              | Reasons of avoidance of interest | Voting situation  |
|--------------------------------------|---|-------------------------------------|----------------------------------|---|
| 2023.11.07<br>Fourth meeting in 2023 | Miau, Matthew Feng Chiang<br>Tu, Shu-Wu<br>Tu, Shu-Chyuan | 2024 remuneration plan for managers | Serve concurrently as managers   | Approved as proposed by all directors in attendance with voting rights. |

III. The company's implementation status of the Board of Directors self-evaluation:

| Evaluation cycle        | Evaluation period                    | Scope of evaluation  | Evaluation method   | Evaluation content  |
|-------------------------|--------------------------------------|--|---|---|
| Implemented once a year | January 1, 2023 to December 31, 2023 | 1. The Board of Directors<br>2. Individual members of the Board<br>3. Remuneration Committee<br>4. Audit Committee | 1. Self-evaluation of the Board of Directors<br>2. Self-evaluation of the Board members<br>3. Self-evaluation of functional committee members | I. Performance evaluation of the Board of Directors:<br>1. Degree of participation in company operations<br>2. Improvement of the quality of Board decisions<br>3. Composition and structure of the Board of Directors<br>4. Selection and continuous training of directors<br>5. Internal control<br>II. Performance evaluation of individual Board members:<br>1. Control of the company's goals and tasks<br>2. Understanding of director's responsibilities<br>3. Degree of participation in company operations<br>4. Internal relationship management and communication<br>5. Professional and continuing education of directors<br>6. Internal control<br>III. Functional committees (Remuneration Committee, Audit Committee):<br>1. Degree of participation in company operations<br>2. Understanding of the roles and responsibilities of the functional committee<br>3. Improvement of the quality of committee decisions<br>4. Composition of the functional committee and the selection of its members<br>5. Internal control |

IV. Programs this year and in the most recent year for strengthening the functionality of the Board (for example, set up an auditing committee, improve transparency, etc.) and assessment of execution.

1. The Board of Directors authorizes the establishment of the Audit Committee and the remuneration committee to assist the Board of Directors in performing their supervisory duties. The two committees consist entirely of three independent directors.
2. The chairmen of the committees shall report their activities and resolutions to the Board of Directors on a regular basis.
3. The company has established the Rules of Procedures for Board of Directors Meetings in accordance with the Regulations Governing Procedure for Board of Directors Meetings of Public Companies and would post information on the attendance by directors on the Market Observation Post System after each Board meeting, and disclose important resolutions adopted by Board meetings on the company's website.
4. The Company attaches great importance to corporate governance. Since 2015, the election of supervisors has been changed to candidate nomination. In June of the same year, the Audit Committee was set up to replace the supervisors. Relevant important proposals are first reported to the Audit Committee for review.
5. Liability insurance for directors and key persons:  
Since 1999, the company has purchased liability insurance for our directors, supervisors and key persons, and reviews the contents of the policy annually to confirm that the insurance compensation amount and coverage meet the requirements.
6. To implement corporate governance and enhance the functions of the Board of Directors in order to establish performance targets and strengthen their operational efficiency, the company established the Board of Directors' performance evaluation method on November 8, 2019. Internal performance evaluations will be implemented once a year and reported to the Board of Directors before the end of the first quarter of the following year.
7. In the coming years, we will actively cooperate with the requirements of various laws and regulations and corporate governance, and strengthen the required functions of the Board of Directors as necessary.

## ● State of Operations of the Audit Committee

The Audit Committee convened a total of 4 meetings (A) in the most recent year (2023). The attendance of independent directors was as follows:

| Title                | Name              | Attendance (voting and non-voting) in person (B) | Attendance by proxy | Actual attendance (voting and non-voting) rate (%) [B/A] | Remarks |
|----------------------|-------------------|--|---------------------|--|---------|
| Independent Director | Yeh, Kuang-shih   | 4  | 0                   | 100.00%  |         |
| Independent Director | Hsuan, Chien-Shen | 3  | 1                   | 75.00%   |         |
| Independent Director | Shen, Ling-Long   | 4  | 0                   | 100.00%  |         |

Professional qualifications and experience of Audit Committee members:

- I. Convener Yeh, Kuang-shih has served as independent director of the Bank of Taiwan, Deputy Chairman of the Research and Development Committee, Executive Yuan, and the Department Chair of Business Management, National Sun Yat-sen University. Yeh has expertise in law, finance, and corporate governance; Independent Director Hsuan, Chien-Shen has an abundance of industry qualifications and expertise in multinational corporate management; Independent Director Shen, Ling-Long has served as the Director of the Department of Insurance, Ministry of Finance, Chairman of Mega Asset Management Corp., and Chairman of Taiwan Cooperative Financial Holding Co., Ltd. and Taiwan Cooperative Bank. Shen has expertise in insurance, finance, and corporate governance. All three members possess the professional competence required for the Committee.
- II. Please refer to Pages 9-14 of the Annual Report.

Annual work focus and state of operations of the Audit Committee:

- I. The company selected three independent directors and established the Audit Committee at the shareholders' meeting on June 12, 2015.
- II. The annual work focus of the Audit Committee is on assisting the Board of Directors in fulfilling their supervisory responsibilities in the company's implementation of the quality and integrity of accounting, auditing, financial reporting processes, and financial controls. The matters considered by the Audit Committee mainly include: financial statements; audit and accounting policies and procedures; internal control systems and relevant policies and procedures; major assets or derivatives transactions; major fund loans and endorsements or guarantees; raising or issuing securities; derivative financial products and cash investments status; regulatory compliance; information security; corporate risk management; auditor qualifications, independence, and performance evaluation; auditor appointment, dismissal, or remuneration; appointment and dismissal of finance, accounting, or internal auditing managers, and status of performance of Audit Committee duties. Review financial report: The Board of Directors has prepared and submitted the 2022 business report, financial reports, and earnings distribution proposal. The Board of Directors have appointed PwC Taiwan to audit the financial statements and submit an audit report. The Audit Committee has reviewed the business report, the financial reports, and the earnings distribution proposal and did not find any instances of noncompliance. Evaluating the effectiveness of the internal control system: The Audit Committee believes that the company's risk management and internal control systems are effective, and the company has adopted the necessary control mechanisms to monitor and correct violations.
- III. Should any of the following occur during the Audit Committee's operations, the date and number of the meeting, the content of proposal, independent director's opinions and the company's response to such opinions should be recorded:
  - (I) Items specified in Article 14-5 of the Securities and Exchange Act:

| Audit Committee meeting date/term      | Details of the meeting and subsequent developments   |
|--|--|
| 2023.03.08<br>7th session of 3rd term  | 1. Declaration on Internal Control<br>2. The Company's 2022 financial statements<br>3. 2022 Business Report<br>4. The Company's 2022 earnings distribution proposal<br>5. Change of the Company's accountant in coordination with the accounting firm's internal rotation, and evaluation of the independence and competence of the newly appointed accountant<br>6. Proposal to pre-approve non-assurance services provided by certified public accountants, their firms and firm-affiliated enterprises to the company, subsidiaries, and major affiliated enterprises<br>Audit Committee's opinions: None<br>Actions taken by the company in response to Audit Committee's opinions: None<br>Resolution: Approved by all committee members in attendance, and reported to the Board of Directors for discussion |
| 2023.05.08<br>8th session of 3rd term  | 1. The Company's consolidated financial report for Q1 2023<br>2. Proposal for a joint credit financing with a total credit limit of NT\$18 billion (the total credit limit and each sub-credit limit can be adjusted within a 15% range) sponsored by Taiwan Cooperative Bank and Mega International Commercial Bank<br>3. Proposal to open a deposit account at International Financial Services Branch of Citibank Taiwan<br>Audit Committee's opinions: None<br>Actions taken by the company in response to Audit Committee's opinions: None<br>Resolution: Approved by all committee members in attendance, and reported to the Board of Directors for discussion  |
| 2023.08.07<br>9th session of 3rd term  | 1. The Company's consolidated financial report for Q2 2023<br>2. Proposal to formulate the "Rules Governing the Preparation and Filing of Sustainability Report" and "Audit of the Preparation and Filing of Sustainability Report"<br>Audit Committee's opinions: None<br>Actions taken by the company in response to Audit Committee's opinions: None<br>Resolution: Approved by all committee members in attendance, and reported to the Board of Directors for discussion  |
| 2023.11.07<br>10th session of 3rd term | 1. The Company's consolidated financial report for Q3 2023<br>2. The loan to Seper Technology Corp.<br>3. The loan to Synnex Global Ltd.<br>Audit Committee's opinions: None<br>Actions taken by the company in response to Audit Committee's opinions: None<br>Resolution: Approved by all committee members in attendance, and reported to the Board of Directors for discussion   |

- (II) In addition to matters above, other resolutions that have not been approved by the Audit Committee but have been passed by a vote of two-thirds or more of the entire Board of Directors: None.
- III. The independent directors' avoidance of interest motion should indicate the names of the directors, content of the motion and reasons of avoidance of interest as well as the involvement in voting: None.
- IV. Communication between independent directors and internal auditors and accountants (including substantial matters regarding the financial and business conditions of the company and the methods as well as results of the communication):
  1. Communication policy between independent directors and internal audit manager:  
The company's internal audit manager regularly submits audit reports to independent directors for review, and regularly attends the Audit Committee and the Board of Directors meeting every quarter to report on the auditing status, communicate audit results and improvement status of internal control deficiencies, and perform audit work in accordance with instructions to ensure the effectiveness of the internal control system. In case of special circumstances, internal audit manager will also immediately report to the members of the Audit Committee. In addition, the internal audit manager also maintains bilateral communications with the independent directors at all times by telephone and email. In addition to the Audit Committee, communication meetings with independent directors are also held from time to time in accordance with the needs of the company or at the request of independent directors.
  2. Communication between independent directors and internal audit manager in 2023:

| Date  | Main points of communication  | Results   | Implementation of recommendations from independent directors: |
|---|---|---|---|
| 2023.03.08<br>First meeting in 2023 Audit Committee | 1. The internal auditor's report and communication for 2022 Q4.<br>2. The results of self-evaluation on the internal control system in 2022 and the Statement of Internal Control System. | Agreed by all members of the Audit Committee present. | No objections at this meeting.                                |

| Date  | Main points of communication  | Results   | Implementation of recommendations from independent directors:  |
|---|---|---|--|
| 2023.05.08<br>Second meeting in 2023 Audit Committee  | 1. The internal auditor's report and communication for 2023 Q1.   | Agreed by all members of the Audit Committee present.   | No objections at this meeting.   |
| 2023.05.08<br>Second meeting in 2023 Audit Committee<br>(Post-conference meeting, private communication between the independent directors and internal audit manager) | 1. Information security operations: Access management rights for resigned personnel and those on leave without pay  | Independent directors suggested that the access rights for resigned personnel and those on leave without pay should be deactivated immediately.   | Operating method has been adjusted to avoid omissions.   |
| 2023.08.07<br>Third meeting in 2023 Audit Committee   | 1. The internal auditor's report and communication for 2023 Q2.<br>2. Formulated "Operational Procedures for Preparation and Verification of Sustainability Reports" and "Audit of Operational Procedures for Preparation and Verification of Sustainability Reports" | Agreed by all members of the Audit Committee present.   | No objections at this meeting.   |
| 2023.11.07<br>Fourth meeting in 2023 Audit Committee  | 1. The internal auditor's report and communication for 2023 Q3.<br>2. 2024 audit plan   | Agreed by all members of the Audit Committee present.   | No objections at this meeting.   |
| 2023.11.07<br>Fourth meeting in 2023 Audit Committee<br>(Post-conference meeting, private communication between the independent directors and internal audit manager) | 1. Procurement operations: Inconsistency between the purchasing object and the person who actually transferred the goods  | The independent directors recommended an in-depth investigation into the procurement operations. The responsible personnel should comply with the company's relevant regulations and should not violate procurement procedures. | In-depth investigation into the procurement operations has been undertaken subsequently, and it has been confirmed that the company has not incurred any losses due to the scope of the situation. |

3. Communication policy between independent directors and CPAs:

The company's certified public accountants (CPAs) report financial statement review or audit plans and results, internal control audits, the impact of the revision and release of IFRSs bulletins on the company, and other relevant legal requirements to the Audit Committee and the Board of Directors (including independent directors). They also fully communicate whether there are any significant changes in accounting standards or laws that will have a significant impact on the company.

4. Summary of communication between the Audit Committee and the CPAs in 2023:

| Date   | Main points of communication   | Results   |
|--|--|---|
| 2023.03.08<br>First meeting in 2023 Audit Committee  | 1. Report on the review results of 2022 financial statement.<br>2. Report on the CPAs' qualifications, performance, independence, and audit quality indicators | After the independent directors further inquired about the relevant content and details of the report and received answers and explanations from the CPAs, the independent directors had no other opinions. |
| 2023.03.08<br>First meeting in 2023 Audit Committee<br>(Subsequent communication with the independent directors) | 1. CPA discussed and communicated on issues raised by meeting participants   | The CPA personally attended the Audit Committee meeting and discussed and communicated the questions raised by the members. Independent Directors' recommendations: None. Handling result: N/A.             |
| 2023.08.07<br>Third meeting in 2023 Audit Committee  | 1. Report on the review results of 2023 Q2 financial statement.<br>2. Report on the annual auditing plan of 2023<br>3. Update on recent legal regulations.     | After the independent directors further inquired about the relevant content and details of the report and received answers and explanations from the CPAs, the independent directors had no other opinions. |

## ● Remuneration Committee

The company has established the Remuneration Committee, which is comprised of three external persons who meet the professional qualifications and independence. The members shall convene at least twice a year in professional and objective positions and faithfully perform the following duties, and submit the recommendations to the Board for discussion:

- (1) Establish and conduct regular review of the policies, systems, standards, and structures for performance appraisal and remuneration of the company's directors and managers.
- (2) Regularly review and establish remuneration of directors and managers.

## ● Information on Remuneration Committee members

| Identity                                | Name              | Professional qualifications and experience       | Independence  | Number of other public companies in which the member also serves as a member of their Remuneration Committee |
|---|-------------------|--|---|--|
| Independent Director (Convener)         | Hsuan, Chien-Shen | Please refer to Pages 9-14 of the Annual Report. | In accordance with the requirements of the Listing Rules, the company has obtained written statements from each of the independent directors to confirm the independence from the company of each independent director and the spouse and relatives within the second degree of kinship (or in the name of others) thereof. The spouse of the independent director holds 677 shares (less than 1%) of the company's issued shares. The company believes that it will not affect the independence of its independent director/remuneration committee member. | 0  |
| Independent Director (Committee member) | Yeh, Kuang-shih   |  | In accordance with the requirements of the Listing Rules, the company has obtained written statements from each of the independent directors to confirm the independence from the company of each independent director and the relatives within the second degree of kinship (or in the name of others) thereof. The spouse of the independent director holds 7,000 shares (less than 1%) of the company's issued shares. The company believes that it will not affect the independence of its independent director/remuneration committee member.          | 0  |
| Independent Director (Committee member) | Shen, Ling-Long   |  | In accordance with the requirements of the Listing Rules, the company has obtained written statements from each of the independent directors to confirm the independence from the company of each independent director and the spouse and relatives within the second degree of kinship (or in the name of others) thereof.   | 0  |

## ● Operation of Remuneration Committee

- I. Company's Remuneration Committee is comprised of three persons.  
 II. The Remuneration Committee has convened 2 meetings (A) in the most recent year (2023). The attendance of committee members was as follows:

| Title            | Name              | Attendance (voting and non-voting) in person (B) | Attendance by proxy | Actual attendance (voting and non-voting) rate (%)<br>【B/A】 | Remarks |
|------------------|-------------------|--|---------------------|---|---------|
| Convener         | Hsuan, Chien-Shen | 1  | 1                   | 50.00%  |         |
| Committee member | Yeh, Kuang-shih   | 2  | 0                   | 100.00%   |         |
| Committee member | Shen, Ling-Long   | 2  | 0                   | 100.00%   |         |

Other matters that require reporting:

- I. If the Board of Directors did not adopt or revise the recommendations of the compensation committee, it should describe the date of the Board meeting, term of the Board, agenda item, resolutions adopted by the Board, and actions taken by the company in response to the opinion of the compensation committee: None.  
 II. If a member opposes a resolution the Committee has adopted or has reservations with a written record or a statement, the date and session of the meeting, the resolution, opinions of all the members, and the handling of their opinions shall be indicated: None.  
 III. The discussion of the Remuneration Committee and the resolutions, and the company's processing of the member's opinions:

| Remuneration Committee meeting date/term | Agenda item and resolutions  |  |
|--|--|--|
| 2023.03.08<br>First meeting in 2023      | 1. The implementation of the company's 2022 remuneration plan for managers.<br>2. Proposal of discussion on the company's 2022 payment of the remuneration to the employees and directors. | Committee member opinions: No objections or qualified opinions.<br>Resolution: The chair put the matter before all and the proposal was approved as proposed by all members in attendance.<br>The company's response to Remuneration Committee opinions: The proposal to the Board of Directors was approved by all the present directors. |
| 2023.11.07<br>Second meeting in 2023     | 1. Proposal of discussion on the company's 2024 remuneration plan for managers.  | Committee member opinions: No objections or qualified opinions.<br>Resolution: The chair put the matter before all and the proposal was approved as proposed by all members in attendance.<br>The company's response to Remuneration Committee opinions: The proposal to the Board of Directors was approved by all the present directors. |

● **Corporate governance implementation status and departure from Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and reasons**

| Assessed areas   | Implementation status |    |   | Deviations from Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and reasons  |
|--|-----------------------|----|---|---|
|  | Yes                   | No | Summary   |   |
| I. Has the company set and disclosed principles for practicing corporate governance according to the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies"?                   | V                     |    | The company has set the principles for practicing corporate governance according to the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and disclosed the principles on the company's website.  | In compliance with the concept and implementation of the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies."  |
| II. The company's shareholding structure and shareholders' rights and interests  |                       |    |   |   |
| (I) Has the company set internal operations procedures for dealing with shareholder proposals, doubts, disputes, and litigation as well as implemented those procedures through the proper procedures? | V                     |    | (I) The company has set and implemented the procedures for handling major inside information in 2015. In addition, the company has a spokesperson system established to properly handle the shareholders' proposals, doubts, disputes, and litigation matters.  | In compliance with the concept and implementation of the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies."  |
| (II) Does the company have a list of major shareholders of companies over which the company has actual control and the list of ultimate owners of those major shareholders?                            | V                     |    | (II) The company has a list of major shareholders of companies over which the company has actual control and the list of ultimate owners of those major shareholders; the shares held by the directors and major shareholders are filed on a monthly basis in accordance with Securities and Exchange Act.  |   |
| (III) Has the company established and implemented risk control/management and firewall mechanisms between it and affiliated corporations?  | V                     |    | (III) The company has established related regulations on internal control mechanisms in accordance with relevant regulations. In addition to actually handling the self-inspection process, the Board of Directors and management also regularly and occasionally review the self-inspection results of each department and the audit reports of the audit unit, substantiate the company's internal control system, establish profound financial, business, and accounting management system and strengthen the management of the affiliated companies in accordance with the relevant provisions for the public companies, and implement the necessary control mechanism in order to reduce operational risk. Rules of financial and business operation with the related companies are based on fair and reasonable principle with documented rules established.  |   |
| (IV) Does the company have internal regulations in place to prevent its internal staff from trading securities based on information yet to be public on the market?                                    | V                     |    | (IV) The company has established a "Code of Conduct", "Procedures for Handling Major Inside Information", and "Ethical Corporate Management Best Practice Principles" to regulate internal personnel's obligation to keep important information confidential, and shall not use it to obtain undue benefits for itself or anyone, and promote the implementation of these systems to directors, managers, and others who have learned about the company's major inside information because of their identity, position, or control.   |   |
| III. Composition and responsibilities of the Board of Directors  |                       |    |   |   |
| (I) Has the Board of Directors formulated diversity policies and specific management objectives and does it implement them?  | V                     |    | <p>(I) 1. The diversity policy for members of the Board of Directors is established in Article 20 of the company's Corporate Governance Best Practice Principles: The company's Board of Directors shall direct company strategies, supervise the management, and be responsible to the company and the shareholders' meeting. The various procedures and arrangements of the corporate governance system shall ensure that, in exercising its authority, the Board of Directors complies with laws, regulations, the Articles of Incorporation, and the resolutions adopted by shareholders' meetings. The organization of the company's Board of Directors shall be commensurate with the company's size and shareholding structure and be based on business needs. The appropriate number of directors has been determined to be seven to ten. The composition of the Board of Directors shall be determined by taking diversity into consideration, except for the number of directors who are also managers of the company shall not exceed one-third of the Board of Directors, and formulating an appropriate policy on diversity based on business operations, operating dynamics, and development needs. It is advisable that the policy include, without being limited to, the following two general standards:</p> <p>I. Basic requirements and values: Gender, age, nationality, and culture.</p> <p>II. Professional knowledge and expertise: A professional background (e.g., law, accounting, industry, finance, marketing, or technology), professional skills, and industry experience.</p> <p>The members of the Board of Directors shall be balanced between the genders and they shall possess the knowledge, skills, and experience necessary for performing their duties. To achieve the ideal goal of corporate governance, the Board of Directors shall possess the following abilities:</p> <p>I. Operational judgment.</p> <p>II. Ability to perform accounting and financial analysis.</p> <p>III. Management ability.</p> <p>IV. Crisis management.</p> <p>V. Industrial knowledge.</p> <p>VI. An international market perspective.</p> <p>VII. Leadership ability.</p> <p>VIII. Decision-making ability.</p> <p>A diverse Board of Directors with various opinions and insights will improve the quality of decisions and benefit the company's shareholders and other stakeholders. The Board of Directors and management attach importance to inclusiveness and diversity to support the company's values.</p> <p>2. The current members of the Board of Directors comprises 6 directors and 3 independent directors. The specific management objectives of member diversity and their achievement are as follows:</p> | <p>(I) In compliance with the concept and implementation of the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies."</p> <p>(II) For the consideration of the law and regulations or the actual operations, if any, it is to be handled in accordance with the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" and the related law and regulations.</p> |

| Assessed areas  | Implementation status |    |   | Deviations from Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and reasons  |
|---|-----------------------|----|---|---|
|   | Yes                   | No | Summary   |   |
|   |                       |    | <p>(1) The company focuses on operational judgment, operational management, and crisis management capabilities. More than half of the directors should have the relevant core capabilities: Operational judgment: 9/9(100%), Management ability: 8/9(88.89%) and crisis management 9/9(100%).</p> <p>(2) More than half of the independent directors cannot be re-elected more than 3 terms in order to maintain independence: Proportion of independent directors: 3/9(33.33%); three members whose term of office is less than one term, none of which has served more than three terms.</p> <p>(3) More than half of the directors are not concurrently employees or managers for the purpose of supervision: Proportion of directors of the company with employee status: 3/9(33.33%).</p> <p>3. Members of the board of directors have rich experience and expertise in the fields of finance, business, and management. Implementation is described on page 14 of the annual report.</p>  |   |
| (II) In addition to establishing a Remuneration Committee and an Audit Committee, which are required by law, is the company willing to also voluntarily establish other types of functional committees?   | V                     |    | (II) The company is committed to pursue corporate governance and to strengthen the mechanism of organization and operation continuously. The Remuneration Committee was formed in 2012, and the Audit Committee was established in 2015; more functional committees will be set up as needed.   |   |
| (III) Has the company established and implemented methods for evaluating the performance of the Board of Directors, conducted performance evaluation annually, and reported the results to the Board, and used the results as a reference for the remuneration, nomination, and reelection of individual directors? | V                     |    | <p>(III) The Board of Directors passed the "Board of Directors Performance Evaluation Regulations" on November 8, 2019. The scope of the evaluation includes the performance of the overall Board of Directors, individual members of the Board, and functional committees. The evaluation methods include internal self-evaluation of the Board of Directors, self-evaluation of members of the Board, peer evaluation, and appointment of external professional institutions, experts, or other appropriate methods for performance evaluation.</p> <p>The Board of Directors performance evaluation measures include the following five aspects:</p> <p>I. Degree of participation in company operations.</p> <p>II. Improvement of the quality of Board decisions.</p> <p>III. Composition and structure of the Board of Directors.</p> <p>IV. Selection and continuous training of directors.</p> <p>V. Internal control.</p> <p>The measures for the performance evaluation of Board members include the following six aspects:</p> <p>I. Control of the company's goals and tasks.</p> <p>II. Understanding of director's responsibilities.</p> <p>III. Degree of participation in company operations.</p> <p>IV. Internal relationship management and communication.</p> <p>V. Professional and continuing education of directors.</p> <p>VI. Internal control.</p> <p>The functional committee performance evaluation measures include the following five aspects:</p> <p>I. Degree of participation in company operations.</p> <p>II. Understanding of the roles and responsibilities of the functional committee.</p> <p>III. Improvement of the quality of committee decisions.</p> <p>IV. Composition of the functional committee and the selection of its members.</p> <p>V. Internal control.</p> <p>The company's Business Planning &amp; Management Div. is responsible for the implementation. After the end of the year, the division will evaluate the overall performance of the Board of Directors and will use the results as a basis for the remuneration, nomination, and reelection of individual directors. The performance evaluation results of the company's 2023 Board of Directors and functional committees have been submitted to the Board on March 13, 2024, and the evaluation results have been placed on the corporate governance section of the company website for review.</p> | <p>(I) In compliance with the concept and implementation of the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies."</p> <p>(II) For the consideration of the law and regulations or the actual operations, if any, it is to be handled in accordance with the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" and the related law and regulations.</p> |
| (IV) Does the company periodically evaluate the level of independence of the CPA?   | V                     |    | <p>(IV) The Company selects professional, responsible and independent CPAs to conduct audits on the Company's financial status and internal control, and regularly evaluates the independence and competence of the appointed CPAs once per year, which is reviewed and approved by the Audit Committee and submitted to the Board of Directors for discussion.</p> <p>The company's Audit Committee and Board of Directors conducted an independent assessment of the CPAs' independence on March 8, 2023. After passing the CPAs' financial interests, business relationships, employment relationships, and referencing the five major aspects of "Audit Quality Indicators (AQIs)" - professionalism, quality control, independence, supervision, innovation ability and the 13 indicators to evaluate the competency and independence of accountants, the CPAs have also issued a "Statement of Independence".</p> <p>The company confirmed that the CPAs have not consecutively provided auditing services for the company for seven years, and the CPAs and the company have no other financial interests or business interactions with the company except for auditing and taxation. CPAs are only appointed if their family members do not violate the independence requirements and meet the company's evaluation standard for independence and competence. Refer to Note 1 for details regarding the evaluation status of the independence and suitability of the CPAs.</p>  |   |

| Assessed areas  | Implementation status |    |  | Deviations from Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and reasons                                     |
|---|-----------------------|----|--|--|
|   | Yes                   | No | Summary  |  |
| IV. For TWSE/TPEX listed companies, are there suitable persons in an appropriate number and designated supervisors for corporate governance to take charge of related matters (including but not limited to providing directors and supervisors with materials required for them to carry out their tasks, helping directors and supervisors comply with the law, taking care of Board of Directors' meetings and shareholders' meetings as required by law, preparing minutes of Board of Directors' meetings and shareholders' meetings)? | V                     |    | <p>(I) To implement corporate governance and promote the Board of Directors to perform its due functions to protect the rights and interests of investors, the company's Board has approved the appointment of Su, Chih-Ching, the Assistant General Manager of the Risk &amp; Management &amp; Planning Div., as the supervisor of corporate governance on May 10, 2019. He is the chief executive responsible for corporate governance related matters, and the Risk &amp; Management &amp; Planning Div. is responsible for reporting directly to him. Su, Chih-Ching, the Assistant General Manager of the Risk &amp; Management &amp; Planning Div. of the Group headquarters, is a manager of the company and has more than five years of experience in legal affairs, stock affairs, or procedures management in public companies. The main responsibilities of the corporate governance supervisor are to handle matters related to the Board of Directors and shareholders' meetings in accordance with the law, to produce the minutes of the Board of Directors and shareholders' meetings, to assist the directors to take office, to continue to study and comply with laws and regulations, and to provide information required by directors and insiders to perform business.</p> <p>(II) 2023 business implementation focus:</p> <ol style="list-style-type: none"> <li>1. The procedural matters unit of the Board of Directors and committees, including consolidating the agenda of the meeting, stating the reason for convening, sending the convening notice to the directors or members seven days before the meeting, and providing sufficient meeting materials so that the participants can truly understand the relevant information of the proposal. When the meeting agenda is of interest to the directors or their legal representatives, the unit also reminds them to avoid conflicts of interests. Finally, the unit sends the minutes of the meeting to the directors or members for retention within 20 days after the meeting.</li> <li>2. The unit is responsible for issuing important information or announcements of important resolutions after the Board of Directors and the shareholders' meetings on the day of to ensure the legality and accuracy of the disclosed information, so as to protect the investors by giving them equal information related to the transaction.</li> <li>3. The unit shall handle the advance registration of the date of the shareholders' meeting according to law, and prepare and file the meeting notice, the procedures manual, and the meeting minutes by the deadline.</li> <li>4. Change registration of various operations of the company.</li> <li>5. Evaluate and purchase of liability insurance for directors and key persons of the appropriate amount, and report the content of the insurance coverage at the Board of Directors meeting.</li> <li>6. Periodically provide relevant continuing education information for directors and remind them to complete and file the required number of hours of continuing education in accordance with the Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEX Listed Companies.</li> <li>7. Periodically provide Board members with information on new ordinances or amendments related to directors' business implementations, corporate governance, or business operations.</li> <li>8. Each year, review the compliance status of the corporate governance evaluation indicators one by one, and propose improvement plans and corresponding measures for the un-scored items.</li> <li>9. According to the needs of directors, provide company business or financial and other operational information to maintain smooth communication and communication between directors and business supervisors.</li> </ol> <p>(III) For continuing education of corporate governance supervisors in 2023, see Note 2.</p> | In compliance with the concept and implementation of the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies."     |
| V. Has the company established channels for communicating with stakeholders (including but not limited to shareholders, employees, customers and suppliers), set up a dedicated stakeholder section on the company website, as well as appropriately responded to important corporate and social responsibility issues of concern to stakeholders?  | V                     |    | <p>The company has set a stakeholder section on the company's website and has designated personnel to process and answer questions. The sustainability report is also placed on the company's website for stakeholders to download. A dedicated section for stakeholders: <a href="https://www.synnex.com.tw/tw/Communication-with-Stakeholders">https://www.synnex.com.tw/tw/Communication-with-Stakeholders</a> Sustainability Report can be downloaded from: <a href="http://www.synnex.com.tw/tw/esg-report">http://www.synnex.com.tw/tw/esg-report</a></p>  | In compliance with the concept and implementation of the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies."     |
| VI. Has the company hired a professional agency to handle tasks and issues related to holding the shareholder's meeting?  | V                     |    | <p>The company commissions CTBC Bank Co., Ltd. Transfer Agency Department to handle matters related to holding the shareholders' meeting.</p>  | In compliance with the concept and implementation of the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies."     |
| VII. Information disclosure   |                       |    |  |  |
| (I) Has the company established a corporate website to disclose information regarding the company's financial, business, and corporate governance status?   | V                     |    | <p>(I) The company has set up a website (<a href="http://www.synnex.com.tw">http://www.synnex.com.tw</a>) and discloses relevant information on financial status, business, and corporate governance in the investors and corporate governance sections.</p>   | (I) In compliance with the concept and implementation of the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies." |
| (II) Has the company adopted other means of information disclosure (such as establishing a website in English, appointing specific personnel to collect and disclose company information, implementing a spokesperson system, and disclosing the process of investor conferences on the company's website)?   | V                     |    | <p>(II) As required by law, relevant information of the company are disclosed in a timely manner in the "Market Observation Post System" for the understanding and inquiry of the investors. The company has a spokesman and a deputy spokesman appointed. The company has the Chinese and English corporate governance information disclosed in the investors section on the company's website with the information updated in a timely manner.</p>   |  |

| Assessed areas   | Implementation status     |                                 |  | Deviations from Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and reasons   |                   |                                 |                  |               |                           |         |  |               |                           |         |  |   |
|--|---------------------------|---------------------------------|--|--|-------------------|---------------------------------|------------------|---------------|---------------------------|---------|--|---------------|---------------------------|---------|--|---|
|  | Yes                       | No                              | Summary  |  |                   |                                 |                  |               |                           |         |  |               |                           |         |  |   |
| (III) Does the company announce and declare the annual financial report within two months after the end of the fiscal year, and announce and declare the first, second, and third quarter financial reports and operating status of each month within the prescribed deadline?   | V                         |                                 | (III) The company announces and declares our annual financial report and the first, second, and third quarter financial reports and operating status of each month within the prescribed period.   | (II) For the consideration of the law and regulations or the actual operations, if any, it is to be handled in accordance with the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" and the related law and regulations. |                   |                                 |                  |               |                           |         |  |               |                           |         |  |   |
| VIII. Does the company have other information that is helpful for understanding its status of corporate governance (including but not limited to employee rights and interests, employee well being, investor relations, supplier relations, rights of interested parties, further education sought by directors and supervisors, implementation of risk management policies and risk evaluation standards, implementation of customer policies, the taking out of liability insurance for directors)? | V                         |                                 | <p>(I) Employee benefits:<br/>The company firmly believes that employees is the driving force of business growth; thus, the company appreciates the importance of employee benefits and is committed to fulfill all the statutory rights and interests of employees according to law.</p> <p>1. System:</p> <p>(1) Labor and health insurance, pension appropriation, employee education and training, employee health seminars from time to time.</p> <p>(2) Continuing to provide employees with a variety of benefits, such as: life insurance with a coverage of at least NT\$3 million (far better than general companies), free health checkup, weddings, funeral, and maternity subsidies, interest-free loans, and external training subsidies.</p> <p>2. Implementation status:</p> <p>(1) Statutory rights and interests of employees are handled according to law.</p> <p>(2) Various employee benefits are handled by the designated personnel.</p> <p>(3) The company's group insurance has provided sufficient coverage to the employees who had suffered severe injuries or sickness in the recent years, providing 3-5 years of economic security to the employees' families. Considering the needs of the employee's families for insurance coverage, the company provides the employees and their spouses with preferential life insurance and accident insurance policy.</p> <p>(II) Investor relations: The company insists on the principle of integrity and information disclosure fairness and exercises corporate governance transparency, regularly publishes company operational and financial information to the shareholders, and sets the spokesman and deputy spokesman system to fulfill the company's information disclosure responsibility and obligations. The company website has an "Investor Section" and dedicated personnel and e-mail are designated to handle recommendations and issues of investors.</p> <p>(III) Supplier relationships and stakeholder interests: The company and its suppliers have maintained long-term and close cooperation relations. The company has set a stakeholder section on the company's website and has designated personnel to process to protect stakeholders' rights.</p> <p>(IV) Continuing education of directors: The directors of the company have a background in industry and have their continuing education disclosed in the "Market Observation Post System" for the reference of the shareholders and investors. Refer to Note 2 for details related to advanced studies.</p> <p>(V) Implementation of risk management policies and risk assessment: The Company established various internal regulations in accordance with the law. The Risk Management Team was formed in 2022 and the president serves as the convener of the Risk Management Team, which identifies and manages risk factors and facilitates command and dispatch, assessment, and implementation of the risk management policy by the risk management organization. The Risk Management Team has reported risk identification and evaluation related to climate change to the Audit Committee and the Board of Directors on November 7, 2023.</p> <p>(VI) Recusals of directors due to conflicts of interests: The directors of the company must be recused from voting on any motions they are in conflict with.</p> <p>(VII) The implementation of customer relations policies: The company and its customers maintain a stable and good relationship to create profits for the company.</p> <p>(VIII) The purchase of liability insurance for the directors: The company has acquired liability insurance for the directors and managers in accordance with the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" and it has been disclosed in the "Market Observation Post System".</p> <table><tr><th>Insured subject</th><th>Insurance company</th><th>Insured amount (NT\$: thousand)</th><th>Insurance period</th></tr><tr><td>All directors</td><td>Fubon Insurance Co., Ltd.</td><td>633,800</td><td>Since September 1, 2022 to September 1, 2023</td></tr><tr><td>All directors</td><td>Fubon Insurance Co., Ltd.</td><td>639,700</td><td>Since September 1, 2023 to September 1, 2024</td></tr></table> | Insured subject  | Insurance company | Insured amount (NT\$: thousand) | Insurance period | All directors | Fubon Insurance Co., Ltd. | 633,800 | Since September 1, 2022 to September 1, 2023 | All directors | Fubon Insurance Co., Ltd. | 639,700 | Since September 1, 2023 to September 1, 2024 | In compliance with the concept and implementation of the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" |
| Insured subject  | Insurance company         | Insured amount (NT\$: thousand) | Insurance period   |  |                   |                                 |                  |               |                           |         |  |               |                           |         |  |   |
| All directors  | Fubon Insurance Co., Ltd. | 633,800                         | Since September 1, 2022 to September 1, 2023   |  |                   |                                 |                  |               |                           |         |  |               |                           |         |  |   |
| All directors  | Fubon Insurance Co., Ltd. | 639,700                         | Since September 1, 2023 to September 1, 2024   |  |                   |                                 |                  |               |                           |         |  |               |                           |         |  |   |

| Assessed areas   | Implementation status  |    |   | Deviations from Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and reasons |
|--|--|----|---|--|
|  | Yes  | No | Summary   |  |
|  |  |    | (IX) The directors of the company have fulfilled responsibilities truthfully and exercised the due care of a good administrator.<br>(X) The company has the "Rules of Procedure for Board of Directors Meeting" stipulated and implemented.<br>(XI) The company's board meeting has been convened at least once a quarter to strengthen corporate governance. |  |
| IX. Please described improvements in terms of the results of the Corporate Governance Evaluation System in recent years and propose areas and measures to be given priority where improvement will be needed.  |  |    |   |  |
| (I) Improvements that have been made according to the results of the Corporate Governance Evaluation System in the most recent year:   |  |    |   |  |
| 10th term evaluation indicators  |  |    | Improvements already made   |  |
| 1.19   | Was the company's shareholders' meeting broadcast live online or was an uninterrupted audio and video recording of the entire proceedings uploaded after the shareholders' meeting?  |    | The Company convened the Annual Shareholders' Meeting on May 30, 2023, and an uninterrupted audio and video recording of the entire proceeding has been disclosed on the company website in line with the indicator.  |  |
| 2.11   | Were the company's interim financial reports all approved by the Audit Committee and submitted to the Board for discussion and resolution?   |    | The company's interim financial reports have all been approved by the Audit Committee and submitted to the Board of Directors for discussion and resolution.  |  |
| 2.22   | Was the company's risk management overseen by the Audit Committee or a Board-level functional committee (e.g., Risk Management Committee), and has the company adopted risk management policies and procedures that have been passed by the Board, and disclosed the organizational structure in place for risk management, the risk management procedures, and the status of risk management operations, and did it report to the Board of Directors on these at least once a year? |    | The company has formulated risk management policies and procedures approved by the Board of Directors, and on November 7, 2023, a Risk Management Team was established to report the status of risk management operation to the Audit Committee and the Board of Directors, as well as to disclose relevant information on the company's website.             |  |
| 2.27   | Has the company adopted an intellectual property management plan linked to the company's operational objectives, and disclosed the status of its implementation on the company's website or in its Annual Report, and did it report on the plan to the Board of Directors at least once a year?  |    | The company has formulated an intellectual property management plan linked to its operational goals, reported to the Board of Directors on November 7, 2023, and also disclosed the implementation status on the company's website.   |  |
| (II) Priority matters that require improvement and measures according to the results of the Corporate Governance Evaluation System of the most recent year:<br>The company conducts self-evaluation of corporate governance in accordance with the regulations established by the competent authority, and has proposed priority improvement measures based on the company's current situation for various indicators that were not achieved, and gradually improves corporate governance to enhance the corporate governance image. |  |    |   |  |

Note 1: Evaluation of the independence and suitability of the CPAs

| Assessed areas                      | Important assessment content   | Evaluation result | Whether it is compliant with independence |
|-------------------------------------|--|-------------------|---|
| Review of independence requirements | 1. Does the CPA or the spouse or minor children of the CPA have any relationship with the Company of investing or sharing of financial interest or borrowing of funds?   | No                | Yes                                       |
|                                     | 2. Is the CPA or member of the audit service team currently or has it in the last two years been a director or manager of the Company or has served in a position that has a significant impact on the audit case?   | No                | Yes                                       |
|                                     | 3. Does the CPA or member of the audit service team have a spouse, direct blood relative, direct relative by marriage, or collateral blood relative within the second degree of kinship with relation to a director, manager, or person in the Company who has a significant impact on the audit case? | No                | Yes                                       |
| Review of independent operations    | 1. Does the CPA perform professional services with an attitude of honesty and rigor and maintain a position of fairness and objectivity?   | Yes               | Yes                                       |
|                                     | 2. Have the CPAs recused themselves and not undertaken matters for which they have been entrusted in which they have a direct or significant indirect interest that affects their impartiality and independence?   | Yes               | Yes                                       |
|                                     | 3. Do members of the audit service team, other co-practicing CPAs, or shareholders of corporate accounting firms, accounting firms, firms affiliated with those firms, and allied firms also maintain independence with respect to the Company?  | Yes               | Yes                                       |
| Competency review                   | 1. Does the accounting firm have a sufficient scale, resources, and regional coverage to handle corporate audit services?  | Good              | Yes                                       |
|                                     | 2. Does the accountant have a disciplinary record from the Disciplinary Committee in the last two years, or has the accounting firm been involved in a major lawsuit in the last two years or now?   | Good              | Yes                                       |
|                                     | 3. Does the accounting firm timely inform the Board of Directors on risk management, corporate governance, financial accounting, and related risk control?   | Good              | Yes                                       |

Note 2: Status of Directors' continuing education

| Director                                 | Educational institutions  | Course title  | Training period  | Hours          |
|--|---------------------------|---|--|----------------|
| Representative of Institutional Director | Miau, Matthew Feng Chiang | The Chinese National Association of Industry and Commerce, Taiwan (CNAIC) | 2023 Taishin Net Zero Summit   | 2023.06.02 3.0 |
| Representative of Institutional Director | Miau, Matthew Feng Chiang | Securities and Futures Institute  | 2023 Annual Promotional Conference on Prevention of Insider Trading                      | 2023.10.20 3.0 |
| Director                                 | Tu, Shu-Wu                | Securities and Futures Institute  | 2023 Annual Promotional Conference on Prevention of Insider Trading                      | 2023.06.02 3.0 |
| Director                                 | Tu, Shu-Wu                | Taiwan Corporate Governance Association                                   | Family Charters and Family Offices   | 2023.10.27 3.0 |
| Director                                 | Tu, Shu-Wu                | Taiwan Corporate Governance Association                                   | Corporate Governance in the United States: Historical Evolution and Latest Developments  | 2023.11.10 3.0 |
| Representative of Institutional Director | Chou, The-Chien           | Taiwan Corporate Governance Association                                   | Information Security Governance Practice: Research and Analysis of Key Management Issues | 2023.02.07 3.0 |

| Director                                 |                     | Educational institutions  | Course title  | Training period | Hours |
|--|---------------------|---|---|-----------------|-------|
| Representative of Institutional Director | Chou, The-Chien     | Taiwan Corporate Governance Association                                   | The Emergence of Artificial Intelligence: Technical Development and Application Opportunities of ChatGPT                | 2023.07.07      | 3.0   |
| Representative of Institutional Director | Yang, Hsiang-Yun    | The Chinese National Association of Industry and Commerce, Taiwan (CNAIC) | 2023 Taishin Net Zero Summit  | 2023.06.02      | 3.0   |
| Representative of Institutional Director | Yang, Hsiang-Yun    | Securities and Futures Institute  | TWSE/TPEX Listed Companies: Seminar on Insight into the Derivatives Market and Progress Toward Corporate Sustainability | 2023.11.03      | 3.0   |
| Representative of Institutional Director | Tu, Shu-Chyuan      | Taiwan Corporate Governance Association                                   | Family Charters and Family Offices  | 2023.10.27      | 3.0   |
| Representative of Institutional Director | Tu, Shu-Chyuan      | Taiwan Corporate Governance Association                                   | Corporate Governance in the United States: Historical Evolution and Latest Developments                                 | 2023.11.10      | 3.0   |
| Representative of Institutional Director | Miau, Scott Matthew | Taiwan Corporate Governance Association                                   | Commencing Succession Plan: Employee Incentives Plan and Equity Inheritance   | 2023.06.02      | 3.0   |
| Representative of Institutional Director | Miau, Scott Matthew | Taiwan Institute of Directors   | Courses on Family Office  | 2023.08.24      | 3.0   |
| Independent Director                     | Yeh, Kuang-shih     | Securities and Futures Institute  | 2023 Annual Promotional Conference on Prevention of Insider Trading   | 2023.06.02      | 3.0   |
| Independent Director                     | Yeh, Kuang-shih     | Taiwan Institute of Directors   | The Future of Enterprises During Wartime: Changing Strategies & Strategic Transformation                                | 2023.06.07      | 3.0   |
| Independent Director                     | Hsuan, Chien-Shen   | Taiwan Stock Exchange   | 2023 Cathay Sustainable Finance and Climate Change Summit   | 2023.07.04      | 6.0   |
| Independent Director                     | Shen, Ling-Long     | Securities and Futures Institute  | 2023 Annual Promotional Conference on Prevention of Insider Trading   | 2023.06.02      | 3.0   |
| Independent Director                     | Shen, Ling-Long     | Taiwan Stock Exchange   | 2023 Cathay Sustainable Finance and Climate Change Summit   | 2023.07.04      | 6.0   |

Continuing education of corporate governance supervisor:

| Corporate Governance Supervisor |                | Educational institutions                | Course title  | Training period | Hours |
|---------------------------------|----------------|---|---|-----------------|-------|
| Corporate Governance Supervisor | Su, Chih-Ching | Taiwan Corporate Governance Association | New Aspects of Corporate Governance During ESG Trends   | 2023.02.14      | 3.0   |
| Corporate Governance Supervisor | Su, Chih-Ching | Taiwan Corporate Governance Association | How to Convene a Board Meeting? Practicum on Common Deficiencies in Boardroom Operations of Publicly Listed Companies | 2023.03.07      | 3.0   |
| Corporate Governance Supervisor | Su, Chih-Ching | Taiwan Corporate Governance Association | Information Security Governance Mindset and Practices   | 2023.05.23      | 3.0   |
| Corporate Governance Supervisor | Su, Chih-Ching | Taiwan Corporate Governance Association | How to Implement Effective Management In Spite of Omnipresent Risks   | 2023.07.11      | 3.0   |
| Corporate Governance Supervisor | Su, Chih-Ching | Securities and Futures Institute        | 2023 Annual Promotional Conference on Prevention of Insider Trading   | 2023.10.20      | 3.0   |

● **Implementation status of sustainable development promotion and deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons**

| Promotion item  | Implementation status           |   |  | Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons |                     |                        |             |                                |   |         |  |   |         |                     |  |                      |                                 |   |  |
|---|---------------------------------|---|--|---|---------------------|------------------------|-------------|--------------------------------|---|---------|--|---|---------|---------------------|--|----------------------|---------------------------------|---|--|
|   | Yes                             | No  | Summary  |   |                     |                        |             |                                |   |         |  |   |         |                     |  |                      |                                 |   |  |
| I. Has the company established a governance structure to promote sustainable development, and has it set up a unit which specializes (or is involved) in promoting sustainable development and run by senior managerial officers authorized by the Board of Directors, and does the Board of Directors supervise its implementation status? | V                               |   | <p>In order to implement sustainable management concepts, the company established its CSR Committee in 2015 for the management of sustainable issues; it has since been renamed the Sustainability Committee. With the President as the convener. We also set up four ESG-oriented work teams according to the issues under the jurisdiction of each department, which selected the appropriate functional supervisor and employees to form the teams. The various working groups are responsible for the following projects:</p> <p>(1) Corporate governance and economics team: Responsible for corporate governance, integrity management, risk management, and regulatory compliance related matters related to the company's operational governance and financial aspects.</p> <p>(2) Employee and social team: Responsible for Synnex employees' rights and interests, community care, and public welfare matters.</p> <p>(3) Environment team: Review and plan Synnex's environmental management policy guidelines and events team.</p> <p>(4) Product team: Responsible for product quality links, product liability control, and consumer rights.</p> <p>Synnex's sustainability policies and activities are coordinated, managed, and implemented by the sustainability working group; implementation results are tracked to ensure that the sustainable development strategies are fully implemented in the company's daily operations. And on November 7, 2023, the Sustainability Committee reported to the Board about implementation of sustainable development and stakeholder engagement. The Board also gave timely suggestions and adjustments on the contents and strategies reported by the Sustainability Committee.</p>   | In compliance with the "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies"        |                     |                        |             |                                |   |         |  |   |         |                     |  |                      |                                 |   |  |
| II. Does the company perform assessments of risks in environmental, social, and corporate governance issues relevant to its business activities and devise risk management policies and strategies accordingly?   | V                               |   | <p>To establish robust risk management operations and raise risk awareness, the Company established identification, assessment, control, and supervision processes for potential risks, thereby ensuring the Company's healthy operations and strengthening corporate governance. The Company established the Risk Management Policy and Procedures, which was passed by the Board of Directors, in 2022 as the highest guiding principles of the Company's risk management.</p> <p>The Company identifies risk factors through the Risk Management Team every year, and identifies risks that may impact the Company's sustainable development, selecting the scope of risk management on this basis. The boundary of the Company's risk assessment is Taiwan Synnex Technology International Corporation, including wholly-owned subsidiary Synergy Intelligent Logistics Corp. Risk-related units in the organization were integrated into the Risk Management Team, and the president serves as the convener of the Risk Management Team. The team identifies and manages risk factors based on the materiality principle, and in accordance with environmental, social, or governance (ESG) issues related to the company's operations, and facilitates command and dispatch, assessment, and implementation of the risk management policy by the risk management organization, as described below:</p> <table><tr><th>Material issues</th><th>Assessed areas item</th><th>Risk management policy</th></tr><tr><td rowspan="2">Environment</td><td>Climate Change and Environment</td><td>In response to local environmental control regulations, SYNEX continuously conducts comprehensive procurement/repair/replacement for deficiencies or areas that can be improved. We also regularly review the impact of the climate on the Company in order to review and improve the rights and benefits of investors and consumers.</td></tr><tr><td>Society</td><td><p>Labor-management and employment relations</p><p>Salary levels and employment status</p><p>Human rights of employees</p></td><td><p>In the implementation of employee care, based on the employee-oriented concept, Synnex has constructed a diversified, equal, warm, and sound workplace in which employee safety and training and development is important. It has also established clear channels for communication.</p><p>Synnex provides competitive salary levels and provides a differentiated total compensation according to difference in contribution, so that people who work hard can obtain relatively higher compensation, and so that salary and ability performance are well matched.</p><p>The company protects employees' legitimate rights and eradicates discrimination based on the management policies stipulated in accordance with the "Universal Declaration of Human Rights", "International Bill of Human Rights", "Global Compact", and "Labor Standards Act".</p></td></tr><tr><td>Society</td><td>Occupational safety</td><td>SYNNEX raises safety awareness and prevents unsafe conduct through education and training, so as to create a health and safe workplace. Physicians are scheduled to provide on-site services and provide health consultation and care. The environment is regularly inspected to ensure that facility and equipment functions are normal and safe.</td></tr><tr><td>Corporate Governance</td><td>Legal and regulatory compliance</td><td>The company has formulated its "Corporate Governance Code of Conduct", "Code of Conduct", "Integrity Management Code", "Sustainable Development Code" and other internal company norms, which each logistics management unit continuously reviews and amends according to its responsibilities and professional scope to comply with current company policies and operating procedures.</td></tr></table> | Material issues   | Assessed areas item | Risk management policy | Environment | Climate Change and Environment | In response to local environmental control regulations, SYNEX continuously conducts comprehensive procurement/repair/replacement for deficiencies or areas that can be improved. We also regularly review the impact of the climate on the Company in order to review and improve the rights and benefits of investors and consumers. | Society | <p>Labor-management and employment relations</p> <p>Salary levels and employment status</p> <p>Human rights of employees</p> | <p>In the implementation of employee care, based on the employee-oriented concept, Synnex has constructed a diversified, equal, warm, and sound workplace in which employee safety and training and development is important. It has also established clear channels for communication.</p> <p>Synnex provides competitive salary levels and provides a differentiated total compensation according to difference in contribution, so that people who work hard can obtain relatively higher compensation, and so that salary and ability performance are well matched.</p> <p>The company protects employees' legitimate rights and eradicates discrimination based on the management policies stipulated in accordance with the "Universal Declaration of Human Rights", "International Bill of Human Rights", "Global Compact", and "Labor Standards Act".</p> | Society | Occupational safety | SYNNEX raises safety awareness and prevents unsafe conduct through education and training, so as to create a health and safe workplace. Physicians are scheduled to provide on-site services and provide health consultation and care. The environment is regularly inspected to ensure that facility and equipment functions are normal and safe. | Corporate Governance | Legal and regulatory compliance | The company has formulated its "Corporate Governance Code of Conduct", "Code of Conduct", "Integrity Management Code", "Sustainable Development Code" and other internal company norms, which each logistics management unit continuously reviews and amends according to its responsibilities and professional scope to comply with current company policies and operating procedures. | In compliance with the "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies" |
| Material issues   | Assessed areas item             | Risk management policy  |  |   |                     |                        |             |                                |   |         |  |   |         |                     |  |                      |                                 |   |  |
| Environment   | Climate Change and Environment  | In response to local environmental control regulations, SYNEX continuously conducts comprehensive procurement/repair/replacement for deficiencies or areas that can be improved. We also regularly review the impact of the climate on the Company in order to review and improve the rights and benefits of investors and consumers.   |  |   |                     |                        |             |                                |   |         |  |   |         |                     |  |                      |                                 |   |  |
|   | Society                         | <p>Labor-management and employment relations</p> <p>Salary levels and employment status</p> <p>Human rights of employees</p>  | <p>In the implementation of employee care, based on the employee-oriented concept, Synnex has constructed a diversified, equal, warm, and sound workplace in which employee safety and training and development is important. It has also established clear channels for communication.</p> <p>Synnex provides competitive salary levels and provides a differentiated total compensation according to difference in contribution, so that people who work hard can obtain relatively higher compensation, and so that salary and ability performance are well matched.</p> <p>The company protects employees' legitimate rights and eradicates discrimination based on the management policies stipulated in accordance with the "Universal Declaration of Human Rights", "International Bill of Human Rights", "Global Compact", and "Labor Standards Act".</p>  |   |                     |                        |             |                                |   |         |  |   |         |                     |  |                      |                                 |   |  |
| Society   | Occupational safety             | SYNNEX raises safety awareness and prevents unsafe conduct through education and training, so as to create a health and safe workplace. Physicians are scheduled to provide on-site services and provide health consultation and care. The environment is regularly inspected to ensure that facility and equipment functions are normal and safe.                                      |  |   |                     |                        |             |                                |   |         |  |   |         |                     |  |                      |                                 |   |  |
| Corporate Governance  | Legal and regulatory compliance | The company has formulated its "Corporate Governance Code of Conduct", "Code of Conduct", "Integrity Management Code", "Sustainable Development Code" and other internal company norms, which each logistics management unit continuously reviews and amends according to its responsibilities and professional scope to comply with current company policies and operating procedures. |  |   |                     |                        |             |                                |   |         |  |   |         |                     |  |                      |                                 |   |  |

| Promotion item  | Implementation status |    |                      |  | Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and reasons  |  |
|---|-----------------------|----|----------------------|--|--|--|
|   | Yes                   | No | Summary              |  |  |  |
|   |                       |    | Material issues      | Assessed areas item  | Risk management policy   |  |
|   |                       |    | Corporate Governance | Ethical corporate management   | The company has established its internal Integrity Management Code and Code of Conduct and promotes its corporate culture and values of integrity management. It requires its employees to abide by this code of ethics and behavior in all matters of business ethics, labor relations, internal control, corporate governance, and community participation.  |  |
|   |                       |    |                      | Information security   | The company has obtained ISO27001 2013 information security management systems and follows the framework for management; Both the company's internal operating system and its system that is open to external parties are managed and controlled by a strict permissions management mechanism which limits the scope of information access and viewing by internal personnel and external customers. |  |
| III. Environmental topics   |                       |    |                      |  |  |  |
| (I) Has the Company established a proper environmental management system based on the characteristics of the industry?                                      | V                     |    | (I)                  | The company is a high-tech industry channel integration service provider. Although we are not in a high pollution industry, as a citizen of the earth, it is our duty to mitigate and adapt to the threat of climate change. <ul style="list-style-type: none"><li>The Environment Team of SYNnex's Sustainability Committee (the "ESG Environment Team") implemented environmental sustainability projects; the Sustainability Committee is a task force and the management unit of the ESG Environment Team is the Logistics Quality Management Division of the group's head office.</li><li>Since 2022, the ESG Environment Team has been leading efforts of SYNnex to obtain the ISO 14001 Environmental Management Systems certification, the ISO 14064-1 Greenhouse Gas Inventory certification, and BSI certification. The Company formulated six environmental policies and announced them to upstream and downstream suppliers and distributors, in hopes that the supply chain will jointly engage in low carbon operations and achieve mutual prosperity. Six environmental policies: (1) Energy conservation and carbon reduction (2) Sustainable operation (3) Commitment to operations (4) Awareness of all employees (5) Risk management (6) Compliance</li><li>Synnex Group follows the framework of the TCFD. Our operation and monitoring unit is the ESG Environment team. Each operation and operation base must regularly review the on-site operation standards and, under the decision-making of local management, implement various improvement and control operations; they also make reports to the headquarters unit on a regular basis. Headquarters also conducts inspections, audits from time to time to ensure overall operation process and cost-effectiveness.</li></ul>   |  | In compliance with the "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies" |
| (II) Is the company committed to improving the efficiency of the various resources and using recycled materials which have a low impact on the environment? | V                     |    | (II)                 | The company is committed to improving the efficiency of resource utilization, and implements the ESG concept of "low-carbon operations" in its operating characteristics. Specific actions and results are described below:<br>1. The digitalization of business operations: Over 1.378 million sheets of paper saved in 2023<br>Digitalization can effectively replace paper consumption, so the Company is actively developing software to fully digitalize business processes:<br>(1) Digital operations: 1.316 million sheets of paper saved in 2023<br>We will continue to enhance our internal warehousing processes, promote digitization of manual counting operations year by year, and use digital tools to replace the use of paper. Promoting digitization has significantly reduced the demand for paper, and we have seen improved results of environmental protection and energy conservation.<br>(2) Digital signature: 62,000 sheets of paper saved in 2023<br>The company continues to invest in system R&D to develop a digital signature mechanism under the premise of complying with regulations and protecting the rights and interests of customers. We are also continuing to encourage customers to replace paper-based signatures with digital signatures. In the future, we will continue to expand the application scope of digital signatures and significantly reduce the paper required for printing receipt forms.<br>2. Smart warehousing system<br>The company is actively developing smart warehousing system, establishing big data-driven databases, calculating optimized shipping models, and aggregating resources to assemble orders to achieve batch shipments and transportation, thereby reducing the number of shipments and transportation required, and reducing fuel and power consumption to reduce carbon emissions.<br>3. Carton re-use and recycling: 85,619 in total in 2023, accounting for 17% Synnex Group's economies of scale and shipment volume continue to grow, and energy efficiency is improved through the reuse and recycling of packaging materials.<br>(Accounted for 16% in 2022, and 15% in 2021)<br>For details, please refer to page 100 of the 2022 sustainability report and the content of the latest report.<br>4. Eliminated old printers and access control to printing is implemented to manage the volume of printed papers per employee. By enhancing employees' ESG awareness, we have reduced unnecessary printing paper consumption and reduced the chance of printing mistakes, thereby achieving the goal of effective printing management. |  | In compliance with the "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies" |

| Promotion item  | Implementation status     |                          |   | Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons |                           |                      |       |      |       |       |       |      |       |       |       |      |       |       |       |                   |                     |                          |                            |                             |       |      |        |       |       |     |        |      |        |       |       |     |        |      |        |       |       |     |        |                       |               |                          |   |       |      |     |    |    |     |      |     |    |    |     |      |     |   |    |     |  |
|---|---------------------------|--------------------------|---|---|---------------------------|----------------------|-------|------|-------|-------|-------|------|-------|-------|-------|------|-------|-------|-------|-------------------|---------------------|--------------------------|----------------------------|-----------------------------|-------|------|--------|-------|-------|-----|--------|------|--------|-------|-------|-----|--------|------|--------|-------|-------|-----|--------|-----------------------|---------------|--------------------------|---|-------|------|-----|----|----|-----|------|-----|----|----|-----|------|-----|---|----|-----|--|
|   | Yes                       | No                       | Summary   |   |                           |                      |       |      |       |       |       |      |       |       |       |      |       |       |       |                   |                     |                          |                            |                             |       |      |        |       |       |     |        |      |        |       |       |     |        |      |        |       |       |     |        |                       |               |                          |   |       |      |     |    |    |     |      |     |    |    |     |      |     |   |    |     |  |
| (III) Does the company evaluate the potential risks and opportunities in climate change with regard to the present and future of its business, and take appropriate action to counter climate change issues?  | V                         |                          | <p>(III) The Company has incorporated climate change issues into its overall sustainable governance and risk management affairs to demonstrate its determination to promote sustainable development. The Sustainability Committee is directly responsible for supervising and managing the company's overall sustainability issues and climate-related risks and opportunities; it regularly reports its implementation results to the General Manager (Chairman of the Sustainability Committee). The environment team will promote and provide guidance on specific actions to deal with climate change.</p> <p>To effectively respond to the possible impact of climate change, The company has disclosed its sustainability report its annual work progress and achievements in accordance with the framework recommended by the Task Force on Climate-Related Financial Disclosures since 2019. Identified risks are: Regulatory requirements on carbon reduction, suppliers transferring cost, supply chain jointly pursuing green sustainability (GHG reduction management), and increase in electricity or water consumption due to global warming.</p> <p>In order to reduce the risk factors mentioned above, the company also simultaneously identifies feasible opportunities and develops countermeasures: It will continue to pay attention to market demand and low-carbon risks, implement energy management, replace and update energy-consuming equipment, purchase products that fit low-carbon trends, and enhance digital services.</p> <p>A detailed description of the Company's climate change risk and opportunity analysis has been disclosed in the sustainability report.<br/>(<a href="http://www.synnex.com.tw/tw/esg-report">http://www.synnex.com.tw/tw/esg-report</a> ).</p>   | In compliance with the "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies"        |                           |                      |       |      |       |       |       |      |       |       |       |      |       |       |       |                   |                     |                          |                            |                             |       |      |        |       |       |     |        |      |        |       |       |     |        |      |        |       |       |     |        |                       |               |                          |   |       |      |     |    |    |     |      |     |    |    |     |      |     |   |    |     |  |
| (IV) Does the company take inventory of its greenhouse gas emissions, water consumption, and total weight of waste in the last two years, and implement policies on energy efficiency and carbon reduction, greenhouse gas reduction, water reduction, or waste management? | V                         |                          | <p>(IV) The company is a high-tech product distribution and service industry, and is not a highly polluting industry. Direct emissions of greenhouse gases are mainly from vehicles used by the logistics centers; indirect emissions are from electricity purchased for the headquarters office and the logistics center factory area. Logistics vehicles have been gradually replaced with newer vehicles. In 2021, the fifth-phase vehicles that comply with Taiwan's current environmental protection regulations have been fully adopted. According to the official data of car factories, pollutant emissions (nitrogen oxides) of fifth-phase vehicles can be reduced by 43% per vehicle. That means that operating volume can grow while still effectively reducing the impact on the environment.</p> <p>In 2023, five traditional motorbikes were replaced with electric bikes to reduce carbon emissions.</p> <p>1. Greenhouse gas (GHG) emissions (fuel consumption and electricity)<br/>Unit: Tons CO2e</p> <table><tr><th>GHG emissions</th><th>Scope 1: Fuel consumption</th><th>Scope 2: Electricity</th><th>Total</th></tr><tr><td>2021</td><td>1,697</td><td>2,379</td><td>4,076</td></tr><tr><td>2022</td><td>1,833</td><td>2,307</td><td>4,140</td></tr><tr><td>2023</td><td>1,860</td><td>1,925</td><td>3,785</td></tr></table> <p>Note: Covering Synnex Group and its subsidiary Synergy Intelligent Logistics Corp. and all Taiwan factory information</p> <p>In 2023, the GHG emissions from vehicle oil was 1,860 metric tons CO2e, a slight increase of 27 metric tons compared to the 1,833 metric tons CO2e of emissions in 2022, which was due to the full capacity of home service, which has increased throughout the year.</p> <p>The total greenhouse gases converted from electricity consumption in 2023 was 382 metric tons less CO2e than in 2022. This is due to the continuous promotion of energy-saving action plans, and encouraging employees to turn off lights to reduce unnecessary power consumption, as well as replacing LED lighting equipment to achieve energy conservation.</p> <p>The Company implemented ISO 14001 Environmental Management Systems in 2022 and used the PDCA cycle to carry out inspection and improvement measures, which were verified any recommended by the BSI for certification. In the same year, ISO14064-1 Greenhouse Gas Inventory was also introduced, and certification has continued since then. Voluntary GHG inventories will be completed at the operating sites of Synnex Group's subsidiaries in 2024.</p> <p>2. Water usage<br/>Unit: Tons</p> <table><tr><th>Water consumption</th><th>Taipei Headquarters</th><th>Taipei logistics centers</th><th>Taichung logistics centers</th><th>Kaohsiung logistics centers</th><th>Total</th></tr><tr><td>2021</td><td>10,834</td><td>6,724</td><td>3,547</td><td>441</td><td>21,546</td></tr><tr><td>2022</td><td>11,670</td><td>5,679</td><td>4,021</td><td>516</td><td>21,886</td></tr><tr><td>2023</td><td>10,083</td><td>5,104</td><td>3,284</td><td>554</td><td>19,025</td></tr></table> <p>The company's operating bases mainly use circulating water for regional air conditioning and domestic water use from employees. There is no industrial wastewater from manufacturing operations. We will continue to promote water conservation and regularly inspect various water equipment.</p> <p>3. Waste management<br/>(1) Operational waste<br/>Unit: Tons</p> <table><tr><th>Total amount of waste</th><th>General waste</th><th>General industrial waste</th><th>Announcement that it should be recycled or reused (class R)</th><th>Total</th></tr><tr><td>2021</td><td>110</td><td>10</td><td>20</td><td>140</td></tr><tr><td>2022</td><td>128</td><td>10</td><td>62</td><td>200</td></tr><tr><td>2023</td><td>123</td><td>8</td><td>54</td><td>185</td></tr></table> | GHG emissions   | Scope 1: Fuel consumption | Scope 2: Electricity | Total | 2021 | 1,697 | 2,379 | 4,076 | 2022 | 1,833 | 2,307 | 4,140 | 2023 | 1,860 | 1,925 | 3,785 | Water consumption | Taipei Headquarters | Taipei logistics centers | Taichung logistics centers | Kaohsiung logistics centers | Total | 2021 | 10,834 | 6,724 | 3,547 | 441 | 21,546 | 2022 | 11,670 | 5,679 | 4,021 | 516 | 21,886 | 2023 | 10,083 | 5,104 | 3,284 | 554 | 19,025 | Total amount of waste | General waste | General industrial waste | Announcement that it should be recycled or reused (class R) | Total | 2021 | 110 | 10 | 20 | 140 | 2022 | 128 | 10 | 62 | 200 | 2023 | 123 | 8 | 54 | 185 | In compliance with the "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies" |
| GHG emissions   | Scope 1: Fuel consumption | Scope 2: Electricity     | Total   |   |                           |                      |       |      |       |       |       |      |       |       |       |      |       |       |       |                   |                     |                          |                            |                             |       |      |        |       |       |     |        |      |        |       |       |     |        |      |        |       |       |     |        |                       |               |                          |   |       |      |     |    |    |     |      |     |    |    |     |      |     |   |    |     |  |
| 2021  | 1,697                     | 2,379                    | 4,076   |   |                           |                      |       |      |       |       |       |      |       |       |       |      |       |       |       |                   |                     |                          |                            |                             |       |      |        |       |       |     |        |      |        |       |       |     |        |      |        |       |       |     |        |                       |               |                          |   |       |      |     |    |    |     |      |     |    |    |     |      |     |   |    |     |  |
| 2022  | 1,833                     | 2,307                    | 4,140   |   |                           |                      |       |      |       |       |       |      |       |       |       |      |       |       |       |                   |                     |                          |                            |                             |       |      |        |       |       |     |        |      |        |       |       |     |        |      |        |       |       |     |        |                       |               |                          |   |       |      |     |    |    |     |      |     |    |    |     |      |     |   |    |     |  |
| 2023  | 1,860                     | 1,925                    | 3,785   |   |                           |                      |       |      |       |       |       |      |       |       |       |      |       |       |       |                   |                     |                          |                            |                             |       |      |        |       |       |     |        |      |        |       |       |     |        |      |        |       |       |     |        |                       |               |                          |   |       |      |     |    |    |     |      |     |    |    |     |      |     |   |    |     |  |
| Water consumption   | Taipei Headquarters       | Taipei logistics centers | Taichung logistics centers  | Kaohsiung logistics centers   | Total                     |                      |       |      |       |       |       |      |       |       |       |      |       |       |       |                   |                     |                          |                            |                             |       |      |        |       |       |     |        |      |        |       |       |     |        |      |        |       |       |     |        |                       |               |                          |   |       |      |     |    |    |     |      |     |    |    |     |      |     |   |    |     |  |
| 2021  | 10,834                    | 6,724                    | 3,547   | 441   | 21,546                    |                      |       |      |       |       |       |      |       |       |       |      |       |       |       |                   |                     |                          |                            |                             |       |      |        |       |       |     |        |      |        |       |       |     |        |      |        |       |       |     |        |                       |               |                          |   |       |      |     |    |    |     |      |     |    |    |     |      |     |   |    |     |  |
| 2022  | 11,670                    | 5,679                    | 4,021   | 516   | 21,886                    |                      |       |      |       |       |       |      |       |       |       |      |       |       |       |                   |                     |                          |                            |                             |       |      |        |       |       |     |        |      |        |       |       |     |        |      |        |       |       |     |        |                       |               |                          |   |       |      |     |    |    |     |      |     |    |    |     |      |     |   |    |     |  |
| 2023  | 10,083                    | 5,104                    | 3,284   | 554   | 19,025                    |                      |       |      |       |       |       |      |       |       |       |      |       |       |       |                   |                     |                          |                            |                             |       |      |        |       |       |     |        |      |        |       |       |     |        |      |        |       |       |     |        |                       |               |                          |   |       |      |     |    |    |     |      |     |    |    |     |      |     |   |    |     |  |
| Total amount of waste   | General waste             | General industrial waste | Announcement that it should be recycled or reused (class R)   | Total   |                           |                      |       |      |       |       |       |      |       |       |       |      |       |       |       |                   |                     |                          |                            |                             |       |      |        |       |       |     |        |      |        |       |       |     |        |      |        |       |       |     |        |                       |               |                          |   |       |      |     |    |    |     |      |     |    |    |     |      |     |   |    |     |  |
| 2021  | 110                       | 10                       | 20  | 140   |                           |                      |       |      |       |       |       |      |       |       |       |      |       |       |       |                   |                     |                          |                            |                             |       |      |        |       |       |     |        |      |        |       |       |     |        |      |        |       |       |     |        |                       |               |                          |   |       |      |     |    |    |     |      |     |    |    |     |      |     |   |    |     |  |
| 2022  | 128                       | 10                       | 62  | 200   |                           |                      |       |      |       |       |       |      |       |       |       |      |       |       |       |                   |                     |                          |                            |                             |       |      |        |       |       |     |        |      |        |       |       |     |        |      |        |       |       |     |        |                       |               |                          |   |       |      |     |    |    |     |      |     |    |    |     |      |     |   |    |     |  |
| 2023  | 123                       | 8                        | 54  | 185   |                           |                      |       |      |       |       |       |      |       |       |       |      |       |       |       |                   |                     |                          |                            |                             |       |      |        |       |       |     |        |      |        |       |       |     |        |      |        |       |       |     |        |                       |               |                          |   |       |      |     |    |    |     |      |     |    |    |     |      |     |   |    |     |  |

| Promotion item   | Implementation status |    |   | Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and reasons |
|--|-----------------------|----|---|---|
|  | Yes                   | No | Summary   |   |
|  |                       |    | <p>In waste management, Synnex not only implements waste classification and resource recycling, it also advocates the use of environmentally friendly tableware and shopping bags, promotes the concept of waste reduction among employees, and promotes policies such as recycling and reuse of packaging materials to reduce waste. The Taipei Operational Headquarters is an office type, which mainly consists of domestic waste of employees, which can be divided into general waste and waste that should be recycled or reused (class R); In addition to the above two types of waste, the logistics centers also have general industrial waste, including that from product maintenance waste and auxiliary sales.</p> <p>The waste generated by the logistics centers will first be sorted and then managed collectively, and then will be entrusted to qualified haulers for recycling.</p> <p>Synnex will continue to promote waste reduction and advocate for carbon reduction and waste reduction at the source. We understand that environmental protection is everyone's responsibility.</p> <p>(2) Commissioned recycling - scrapping of four specific machines (refrigerators, televisions, air conditioners washing machines) for environmental protection: 7,010 machines total in 2023</p> <p>Since 2013, Synnex Group has been cooperating with the Environmental Protection Administration's "scrapping of four specific machines" recycling policy, assisting consumers in recycling old TVs, old refrigerators, old washing machines, etc., in consumers' homes while delivering and installing the new home appliances (recycling needs related to the replacement and updating of home appliances).</p> <p>By entrusting professional certified manufacturers to properly undertake waste treatment and disposal, we can effectively reduce the environmental impact caused by the risk of improper disposal by end users.</p> <p>(3) Commissioned recycling - electronics &amp; batteries: All of the company's Taiwan maintenance centers have set up recycling boxes to provide the public with professional channels for recycling, such as: Waste, old mobile phones, scrapped electronic products and batteries, etc.</p> <p>Moreover, the strategies that the company established for energy conservation and carbon and greenhouse gas reduction are as follows:</p> <ol style="list-style-type: none"> <li>1. The main engine of the air conditioner cannot be turned on when the office temperature is below 26°C.</li> <li>2. The air conditioner on and off times are adjusted to avoid operating in empty rooms to save electricity.</li> <li>3. Gradually replace all lighting fixtures with T5 and LED energy-saving lamps. We also plan to arrange lighting in effective arrays in the warehouse area to provide effective lighting and save electricity.</li> <li>4. All distribution vehicles must turn off engine when parked in the factory site, and the use of air conditioning is prohibited when idling.</li> <li>5. Employees are encouraged to use the stairs and skip the use of elevators. During peak hours, the floors the elevators will stop at are adjusted to reduce stop and start times and energy consumption.</li> <li>6. Plan smart shipping principle by integrating with the logistics management information system developed in-house to adjust the distribution routes and trips so as to reduce inefficient routes and thus, reduce fuel consumption.</li> <li>7. In 2023, we further promoted mobile offices and replaced physical telephones with Internet telephony. Retired worn physical PCs and employees adopted lightweight and low-energy-consuming laptops to realize the concept of digital office in practice.</li> </ol> |   |
| IV. Social topics  |                       |    |   |   |
| (I) Has the company formulated appropriate management policies and procedures according to relevant regulations and the International Bill of Human Rights?  | V                     |    | <p>(I) The company treats its employees with integrity and provides a safe and secure working environment. The company has formulated its Sustainable Development Code and other related management policies in accordance with the "Universal Declaration of Human Rights", "International Bill of Human Rights", "Global Compact", and "Labor Standards Act" and other human rights standards and labor conditions norm, and has published them on its official website.</p> <p>In accordance with the Code, the company complies with internationally recognized labor rights, such as freedom of association, right to collective bargaining, care for vulnerable groups, prohibition of child labor, elimination of all forms of forced labor, elimination of discrimination against the employed and job seekers. It also confirms that its human resources policies do not treat people differently based on their race, socioeconomic class, age, marital or family status, etc., for the purpose of implementing equal and fair employment of job seekers, employment conditions, remuneration, benefits, training, evaluation, and promotion opportunities. For situations that endanger labor rights, the company provides an effective and appropriate grievance mechanism to ensure the equality and transparency of the grievance process. Grievance channels should be simple and clear, convenient and unobstructed, and appropriate responses should be given to employees' grievances.</p> <p>In addition, we regularly conduct publicity and training on topics such as eliminating workplace bullying and gender equality for all employees to jointly create an equal working environment.</p>   | In compliance with the "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies"        |
| (II) Does the company establish and implement reasonable employee benefits (including remuneration, leave, and other benefits) and ensure business performance or results are reflected adequately in employee remuneration? | V                     |    | <p>(II) The company attaches great importance to providing employees with sufficient security and a work environment where they can feel at ease, and encourages employees to commit to creating an intelligent and balanced work lifestyle. As a result, employees will not need to worry about their health, economic situation, and family care outside of work.</p> <p>1. Employee Compensation Policy</p> <p>Synnex provides market-competitive salaries. In addition to fixed salaries, there are different performance evaluation benchmarks for professional functions of different job types based on the company's business performance as well as departmental and individual goals. The focus of logistics staff work is on daily operational performance, so they are evaluated on a monthly basis; For</p>  | In compliance with the "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies"        |

| Promotion item   | Implementation status |    |  | Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons |
|--|-----------------------|----|--|---|
|  | Yes                   | No | Summary  |   |
| (III) Does the Company provide a safe and healthy working environment and provide employees with regular safety and health training? | V                     |    | <p>business personnel, the management of long-term relationships with customers adopts the quarterly evaluation method; Headquarters logistics administration and R&amp;D functional personnel adopt the annual performance evaluation system.</p> <p>In addition, in order to provide incentive to employees and the management team, employee compensation follows the regulations of the company; the company's net income before tax before deducting remuneration to employees and Directors and after making up for losses should be applied to pay remuneration to employees in an amount not exceeding 10% and not less than 0.01% of the balance, and is issued after approval by the Board of Directors.</p> <p>2. Peace of mind and security</p> <p>(1) Emphasizing the creation of an intelligent and balanced work lifestyle to encourage colleagues to take adequate vacations. In addition to the annual leave required by law, new recruits with less than a year seniority are entitled leave that is better than the standards stipulated in the Labor Standards Act.</p> <p>(2) All full-time employees enjoy term life insurance of at least NT\$3 million, providing basic security for their families.</p> <p>(3) Employees are eligible for interest free loans to reduce the financial burden of employees who are dealing with major life events. Types of applications include house purchase, marriage, childbirth, car purchase, emergency aid, arrangements for new employees, etc.</p> <p>(4) The company cares for employees by providing cash gifts or gift certificates for marriage, funeral, hospitalization, childbirth, and birthday.</p> <p>(5) Enrollment in labor insurance for full salary, labor retirement pension contribution, and enrollment in National Health Insurance as required by the law.</p> <p>3. Workplace diversity and equality</p> <p>(1) The appointment and promotion of employees is not affected by gender; women hold approximately 40% of positions above the manager level; and 47% of positions above the assistant manager level, higher than the proportion of female employees.</p> <p>(2) A comfortable and private breastfeeding room is provided so that female employees will not be disturbed or have pressure while breastfeeding.</p> <p>(3) We provide employees with a friendly flexible unpaid parental leave environment. According to the statistics, over 60% of female employees (also a number of male employees) had applied for parental leave right after maternity leave. This has helped reduce the conflict between work and family care for employees, so that employees do not have to cut their careers short due to the need for short-term family care!</p> <p>(III) The company values the safety and mental and physical health of employees and is dedicated to improving the working environment and enhancing employees' safety and health awareness. The company has stipulated relevant management mechanisms and operation methods described as follows:</p> <p>1. Work environment and employee safety protection</p> <p>(1) The company constructs a safe and healthy workplace and regularly performs daily, monthly, semi-annually, and annually inspections, maintenance, and improvement of equipment to strengthen the safety of workplace facilities. Our mechanical and electrical personnel inspect the workplace and engineering rooms daily to ensure the use of facilities and equipment and the safety of electricity use; they regularly arrange professional and qualified manufacturers to carry out regular maintenance (testing) work, such as arranging for mechanical and electrical companies to inspect the condition of high- and low-voltage equipment every month and update equipment in a timely manner, conducting drinking water quality testing quarterly, cleaning water towers and testing water quality every six months, maintaining air conditioners and exhaust annually, etc., and regularly inspecting building structures for safety, inclination, structural reinforcement between pipes, conducting structural inspections of building ceilings, fire fighting equipment, building facility safety, etc., to ensure that employees can work with peace of mind and to strengthen workplace safety.</p> <p>In terms of the logistics center, according to the annual automatic inspection plan, regular inspection and maintenance are carried out for equipment such as fork lifts, fire-fighting facilities, electrical equipment, generators, elevators, automatic warehouse cranes, air compressors and air-conditioning equipment; storage cabinets are installed for flammable materials, reinforced and heightened guardrails are installed to prevent falls, and safety standards for equipment maintenance by employees are enhanced.</p> <p>(2) The company's workplaces are covered with public liability insurance, the public safety equipment inspection of the building and firefighting plan is reported to the competent authorities according to law, and the equipment management personnel have obtained fire management personnel qualification licenses and certificates; the workplace firefighting plan is stipulated, and the safety of firefighting equipment placed in workplaces is maintained.</p> <p>(3) The company has appointed safety and health personnel, and arranges for personnel to participate in external training and internal safety and health education and training; it has improved environmental facilities and work processes to strengthen the prevention of occupational injuries. The logistics centers are more specifically directed at work characteristics, such as: Teaching the correct posture for lifting heavy objects, and performing gymnastics warm-up exercises every morning to prevent musculoskeletal injuries caused by lifting.</p> | In compliance with the "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies"        |

| Promotion item   | Implementation status |  |  | Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and reasons |              |                     |                   |  |    |  |       |                   |  |   |  |   |   |   |  |   |  |   |                                  |    |  |   |  |
|--|-----------------------|--|--|---|--------------|---------------------|-------------------|--|----|--|-------|-------------------|--|---|--|---|---|---|--|---|--|---|----------------------------------|----|--|---|--|
|  | Yes                   | No   | Summary  |   |              |                     |                   |  |    |  |       |                   |  |   |  |   |   |   |  |   |  |   |                                  |    |  |   |  |
|  |                       |  | <table><tr><th>Category</th><th>Course title</th><th>Number of attendees</th></tr><tr><td rowspan="2">Internal training</td><td>Occupational safety and health education and training for new recruits</td><td>29</td></tr><tr><td>Occupational safety and health education and training for in-service personnel</td><td>4,799</td></tr><tr><td rowspan="8">External training</td><td>Occupational safety and health business supervisor safety and health education and trainingwordwor4d</td><td>2</td></tr><tr><td>Occupational safety and health business supervisor safety and health on-the-job education and training</td><td>1</td></tr><tr><td>Occupational safety and health manager and occupational safety and health business supervisor on-the-job education and training</td><td>1</td></tr><tr><td>On-the-job education and training for forklift operators operating with a load of more than one metric ton</td><td>6</td></tr><tr><td>On-the-job education and training for forklift operators operating with a load of more than one metric ton</td><td>6</td></tr><tr><td>First aid education and training</td><td>11</td></tr><tr><td>Fire prevention manager training and refresher courses</td><td>1</td></tr></table>  | Category  | Course title | Number of attendees | Internal training | Occupational safety and health education and training for new recruits | 29 | Occupational safety and health education and training for in-service personnel | 4,799 | External training | Occupational safety and health business supervisor safety and health education and trainingwordwor4d | 2 | Occupational safety and health business supervisor safety and health on-the-job education and training | 1 | Occupational safety and health manager and occupational safety and health business supervisor on-the-job education and training | 1 | On-the-job education and training for forklift operators operating with a load of more than one metric ton | 6 | On-the-job education and training for forklift operators operating with a load of more than one metric ton | 6 | First aid education and training | 11 | Fire prevention manager training and refresher courses | 1 |  |
|  | Category              | Course title   | Number of attendees  |   |              |                     |                   |  |    |  |       |                   |  |   |  |   |   |   |  |   |  |   |                                  |    |  |   |  |
|  | Internal training     | Occupational safety and health education and training for new recruits   | 29   |   |              |                     |                   |  |    |  |       |                   |  |   |  |   |   |   |  |   |  |   |                                  |    |  |   |  |
|  |                       | Occupational safety and health education and training for in-service personnel   | 4,799  |   |              |                     |                   |  |    |  |       |                   |  |   |  |   |   |   |  |   |  |   |                                  |    |  |   |  |
|  | External training     | Occupational safety and health business supervisor safety and health education and trainingwordwor4d   | 2  |   |              |                     |                   |  |    |  |       |                   |  |   |  |   |   |   |  |   |  |   |                                  |    |  |   |  |
|  |                       | Occupational safety and health business supervisor safety and health on-the-job education and training   | 1  |   |              |                     |                   |  |    |  |       |                   |  |   |  |   |   |   |  |   |  |   |                                  |    |  |   |  |
|  |                       | Occupational safety and health manager and occupational safety and health business supervisor on-the-job education and training  | 1  |   |              |                     |                   |  |    |  |       |                   |  |   |  |   |   |   |  |   |  |   |                                  |    |  |   |  |
|  |                       | On-the-job education and training for forklift operators operating with a load of more than one metric ton   | 6  |   |              |                     |                   |  |    |  |       |                   |  |   |  |   |   |   |  |   |  |   |                                  |    |  |   |  |
|  |                       | On-the-job education and training for forklift operators operating with a load of more than one metric ton   | 6  |   |              |                     |                   |  |    |  |       |                   |  |   |  |   |   |   |  |   |  |   |                                  |    |  |   |  |
|  |                       | First aid education and training   | 11   |   |              |                     |                   |  |    |  |       |                   |  |   |  |   |   |   |  |   |  |   |                                  |    |  |   |  |
| Fire prevention manager training and refresher courses |                       | 1  |  |   |              |                     |                   |  |    |  |       |                   |  |   |  |   |   |   |  |   |  |   |                                  |    |  |   |  |
|  |                       |  | <p>The Occupational Safety and Health Committee is established to enable employees to have a better working environment; it regularly reviews, coordinates, and recommends matters related to occupational safety and health management on a quarterly basis, and encourages employees to provide safety and health management-related suggestions according to the actual work situation, and participate in the process by which management measures are established. Among the members there is a chairman and an executive secretary, among which the proportion of employee representatives is 60%, meeting the legal requirements that employee representatives account for more than one third of the number of members.</p> <p>2. Employee health enhancement</p> <p>(1) We worked with health service doctors and arranged for them to provide services on site, including health seminars and physician consultation.</p> <p>(2) Arrange free health exams with necessary assistance to follow up on abnormal results, providing comprehensive healthcare to safeguard the health of employees.</p> <p>(3) All office computers adopt screens with low blue light to provide employees with comfortable, healthy, and friendly office equipment.</p> <p>(4) We have introduced mineral sparkling water dispensers in all offices across Taiwan to provide colleagues with high-quality drinking water and to timely replenish the minerals needed by the human body, making them healthier as they drink. This effort has been widely praised by our colleagues.</p> <p>3. Occupational accident statistics</p> <p>The company collects statistics on occupational accident cases every month and reports them according to the requirements of the competent authority. In 2023, there was a total of 18 occupational accident cases involving 18 employees, accounting for 1.5% of the total number of employees. Among which, 16 were traffic accidents on the commute to or from work, and 2 were accidents caused by employees' negligence in their own safety while performing duties. In 2023, the frequency rate of disabling injuries is 7.74, the rate of lost work days is 74.83 (calculated in calendar days), and the number of deaths due to work is 0. After careful analysis, it was found that most of the reasons are traffic accidents (accounting for more than 80% of all the incidents). Therefore, in order to improve employees' safety awareness and reduce the risk of similar incidents, we actively enhance both internal education and training and our safety awareness.</p> <p>4. Statistics on fire incidents</p> <p>There were no fire incidents.</p> |   |              |                     |                   |  |    |  |       |                   |  |   |  |   |   |   |  |   |  |   |                                  |    |  |   |  |
|  |                       | <p>(IV) Has the company established an effective career development and capability training program for employees?</p>   |  |   |              |                     |                   |  |    |  |       |                   |  |   |  |   |   |   |  |   |  |   |                                  |    |  |   |  |
|  |                       | <p>(IV) Synnex firmly believes: "Good employees make good departments, and good departments make a good company." The company has education and training courses arranged for the new recruits on the day they report to work, and has planned professional job training. The company advocates the business operation and philosophy, including the concept of sustainable development in the courses. In addition to face-to-face courses, we have also established Synnex College that allows employees to learn online, independently and free from environmental limitations. Courses can be arranged flexibly so that employees can continuously improve and enhance their professional abilities. Through long-term internal education and training, monthly reports, project sharing, and Synnex EMBA articles, we promote positive values to achieve a subtle effect. Moreover, the company arranges oral reports and integrates reading in each stage of the career development in order to help employees enhance career skills through systematic practice.</p> <p>Each unit has a clear career development path. The software R&amp;D unit ranges from basic programming, system design, system analysis, and project management to cross-platform management. The business unit ranges from internal office work, channel operation, product management, and product planning, to departmental operations. Headquarter logistics unit ranges from basic execution to system design planning and overseas management, as well as logistics system from on-site operation and online supervision to potential operators. A sound career development system and personal ability-oriented</p> |  |   |              |                     |                   |  |    |  |       |                   |  |   |  |   |   |   |  |   |  |   |                                  |    |  |   |  |
|  |                       |  |  |   |              |                     |                   |  |    |  |       |                   |  |   |  |   |   |   |  |   |  |   |                                  |    |  |   |  |
|  |                       |  |  |   |              |                     |                   |  |    |  |       |                   |  |   |  |   |   |   |  |   |  |   |                                  |    |  |   |  |
|  |                       |  |  |   |              |                     |                   |  |    |  |       |                   |  |   |  |   |   |   |  |   |  |   |                                  |    |  |   |  |
|  |                       |  |  |   |              |                     |                   |  |    |  |       |                   |  |   |  |   |   |   |  |   |  |   |                                  |    |  |   |  |
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|  |  |  |  | In compliance with the "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies" |
|--|--|--|--|--|

| Promotion item   | Implementation status |    |   | Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and reasons |
|--|-----------------------|----|---|---|
|  | Yes                   | No | Summary   |   |
| (V) Do the company's products and services comply with relevant laws and international standards in relation to issues such as customer health and safety, customer privacy, and marketing and labeling of products and services, and are relevant consumer or customer protection and grievance procedure policies implemented? | V                     |    | <p>promotion system give employees goals and motivation to grow, and drive the company's overall performance and operations to break through to ever higher levels.</p> <p>(V) The company is a high-tech product distribution and service industry and mainly serves consumers in accordance with the service specifications of the manufacturers and government laws and regulations. Synnex attaches great importance to consumer rights and satisfaction of various after-sales services. The company provides five major service networks to satisfy all types of customers, namely the Synnex service centers around the nation, telephone customer service centers, APP/SMS information system, maintenance pick-up and delivery, and home delivery service. We completed the real-time customer evaluation system for home delivery services in 2020, so that customers can directly provide their feedback and service rating. We improve customer service quality and quickly understand customer feedback and deal with their concerns. Synnex takes customer privacy very seriously and performs every step of our operations carefully to guarantee customer privacy. There were no incidents of customer privacy violations in 2023.</p> <p>1. Information security management system<br/>The company uses computer information systems heavily to provide high-efficiency and high-quality services. In 2016, to ensure the safety of customer data, the company has introduced the ISO/IEC 27001 Information Security Management System (ISMS) and continuously obtained the certification to ensure that the access and use of information are protected and comply with the regulations. All fields and categories that use customer personal information have imported and followed the specifications of the ISO27001 information security management system.</p> <p>2. Customer service:<br/>(1) The employee work code includes the signing of agreements pertaining to customer privacy rights.<br/>(2) If there is a need for customers to provide their personal data (such as to third parties or product suppliers), it will surely stem from customer requirements and consent will be obtained from customers.<br/>(3) Consumers are reminded to have their personal information deleted from their electronic products before recycling.</p> <p>3. Maintenance stations<br/>(1) Article 9 of the Special Instructions of both the mobile phone repair order and the IT product repair order indicate, "Synnex has clearly informed you of Article 8 Paragraph 1 of the Personal Data Protection Act when collecting personal data. You consent that the information will be processed and used within the collection purpose".<br/>(2) Synnex also set up "Privacy Notice" reminder boards at the counters of major maintenance stations.</p> <p>4. Service query result privacy code masking<br/>The results of the query for at-home installation, at-home maintenance, and other service business progress query pages all cover personal information, protect the privacy of customers' personal information, and abide by information security management standards.</p> <p>5. The company has the marketing and labeling of products and services handled in accordance with the Commodity Labeling Act and the IT and Telecom (3C) labeling standard and other requirements published by the Department of Commerce, MOEA. Moreover, the company has applied for electromagnetic waves and other inspections of the products by the Bureau of Standards, Metrology and Inspection, MOEA so that consumers can understand the products fully.</p> | In compliance with the "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies"        |
| (VI) Does the company implement supplier management policies, requiring suppliers to observe relevant regulations on environmental protection, occupational health and safety, or labor and human rights? If so, describe the results.   | V                     |    | <p>(VI) As a distributor for the high-tech industry chain, the products sold by Synnex span across four major fields, namely commercial IT, home IT, ICT, and semiconductors. In terms of selecting partners, the company's focus is in fulfilling sustainable development as an important indicator for long-term cooperation. In the implementation of vendors' sustainable development, the company mainly evaluates the following items:</p> <p>1. "Honesty and integrity, clean transaction":<br/>Link with the vendors and customers through our role as a distributor to jointly create a harmonious trading environment. In addition to honoring the commitment to integrity, the company shall also comply with the related laws and regulations as a law-biding and practical enterprise.</p> <p>2. "Green and environmental, recycle energy":<br/>When selecting vendors and suppliers, the Company pays attention to whether the vendors and suppliers comply with the requirements of EU environmental standards and national environmental laws and regulations; also, aim for sustainable development and expand the overall green supply chain performance. Synnex is committed to ensuring that manufacturers and suppliers are in compliance with the requirements of EU environmental standards and national environmental laws and regulations; also, aim for sustainable development and expand the overall green supply chain performance. After reviewing the top 20 key suppliers, 100% declared on their official websites, sustainability reports, or product statements, that their products all comply with international environmental regulations and national environmental protection laws.</p> <p>3. The company attaches great importance to human rights issues. Although it is not directly involved in the product manufacturing and production process, Synnex promises not to intentionally purchase conflict minerals whether indirectly or directly, and also actively pays attention to the conflict mineral policies of its suppliers.</p>   | In compliance with the "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies"        |

| Promotion item  | Implementation status                                |                              |   | Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons  |                            |   |  |
|---|--|------------------------------|---|--|----------------------------|---|--|
|   | Yes  | No                           | Summary   |  |                            |   |  |
|   |  |                              | If a supplier violates occupational safety and health or labor and human rights conditions or regulations, the company will reevaluate its partnership with the supplier.   |  |                            |   |  |
| V. Does the company prepare sustainability reports and other reports that disclose non-financial information by following international reporting standards or guidelines? Does the company obtain third-party assurance or qualified opinion for the reports above?  | V  |                              | The company prepares its annual sustainability report in accordance with the GRI Standards issued by GRI.<br>The company commissioned PwC Taiwan to establish limited assurance on our sustainability report in accordance with the Statement of Assurance Principles No. 3000, "Audit and Review of Non-financial Information" issued by the Accounting Research and Development Foundation. | In compliance with the "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies"   |                            |   |  |
| VI. If the company has established corporate social responsibility principles based on "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies", please describe any difference between the principles and their implementation: no difference.  |  |                              |   |  |                            |   |  |
| VII. Other important information to facilitate a better understanding of the company's implementation of sustainable development:<br>Implementation status of environment-related issues:   |  |                              |   |  |                            |   |  |
| 1. Describe the board of directors' and management's oversight and governance of climate-related risks and opportunities.<br>As the occurrence of extreme weather incidents become more frequent worldwide, domestic and foreign climate-related laws and regulations become more rigorous, and even changes in consumer behaviors, could all potentially impact our revenue, product value, and even reputation. Therefore, Synnex actively responds to climate change risks and continues to promote climate governance to achieve low-carbon operations and environmental sustainability.<br>The Board of Directors is the highest-ranking supervisory unit on climate change in Synnex, and it is responsible for approving, reviewing and supervising risk strategies and risk policies.<br>● On July 5, 2022, with the approval of the president, a risk management team was established under the supervision of the president.<br>● On August 4, 2022, upon resolution from the Board of Directors, risk management policy and procedures were formulated, and a dedicated (concurrent) risk management unit (Risk Management team) was also set up to promote risk management. Synnex's president serves as the convener of the Risk Management Team and conducts regular risk assessments and follow-up analyses and processing. In addition, it also reports annual risk evaluation results and risk management operations to the Audit Committee and the Board of Directors.<br>● By classifying the risks through their characteristics, with the exception of Risk Management Team, which oversees all risk management-related matters, each functional unit is also responsible for the preliminary risk identification, risk assessment and risk control. This promotes the efficiency in command and dispatch, self-assessment, and executions in the risk management organization. Projects involving major risks are submitted to each project review group for review in accordance with the company's regulations based on the nature of the risk and the monetary value involved. Those that meet the required standards will be sent to the Audit Committee and the Board of Directors for approval. |  |                              |   |  |                            |   |  |
| 2. Describe how the identified climate risks and opportunities affect the company's business, strategy, and short, medium, and long-term financing.   |  |                              |   |  |                            |   |  |
|   | Item   | Risk Type                    | Opportunity Type  | Impact on operation  | Impact time                | Level of impact   |  |
|   | Impact from extreme weather incident (Typhoon/flood) | Long-term risk/physical risk | Product / Service   | Operation/market risks   | Short-/Mid-/Long-term      | High  |  |
|   | Impact of extreme temperature changes (Drought)      | Long-term risk/physical risk | Product / Service   | Operation/market risks   | Short-/Mid-/Long-term      | High  |  |
|   | Impact from policy and regulations                   | Policy risks                 | New energy  | Operational/market/policy risks  | Short term                 | Medium  |  |
|   | Global economic changes                              | Market risk                  | Market  | Market risk  | Short-/Mid-/Long-term      | Medium  |  |
|   | Investment target impact                             | Market risk                  | Market  | Market risk  | Short term                 | Medium  |  |
| Definition of impact time: Short-term is within 3 years (inclusive); Medium term is more than 3 years to 10 years (inclusive); And long term is more than 10 years.   |  |                              |   |  |                            |   |  |
| 3. Describe the financial impact of extreme weather events and transformative actions.<br>Synnex is a channel distributor, and the physical risks and transformative risks brought by climate change, have no potentially significant financial impact on the company. If water and electricity consumption increases due to global warming, it has been evaluated that if water and electricity bills increase by 10%, the operating expense rate will only increase by 0.002%. Other potential risks have no significant impact as the company has already implemented relevant response mechanisms.  |  |                              |   |  |                            |   |  |
|   | Type   | Aspect                       | Topics  | Description of potential risks   | Expected impact time frame | Potential financial impact  | Response strategies  |
| Physical risk   |  | Global warming               | Increased use of electricity or water   | Increased use of Welectricity or water due to climate warming may result in increased operating costs.   | Mid-/Long-term             | Increased costs<br>But no significant impact  | 1.Promote energy conservation and carbon reduction measures at our operating sites<br>2. The new headquarters building has adopted a composite glass curtain system with a built-in sun tracker system that automatically adjusts lighting and air-conditioning to conserve energy, aiming to achieve the LEED Gold certificate.<br>3. Actively replace and upgrade office equipment in various operating sites; new offices will all use wireless phones, wireless Internet, and LED lighting, etc. |
|   |  | Extreme climate events       | Disruptions in supply chain   | As climate change intensifies, the occurrence of extreme weather events also increases. This may lead to disruptions in our supply chain that will cause delays in delivery, which may decrease our revenue and damage our reputation.   | Mid-term                   | Decline in revenue<br>But no significant impact   | 1. Develop various emergency response standard operating procedures (SOPs)<br>2. A remote backup mechanism has been established to prevent business operations from being interrupted by climate change or other factors.  |
| Transition risk   |  | Policy and regulations       | Continued development of climate change-related policies and actions  | To limit any adverse effects that may contribute to climate change and to promote adaptation to climate change, related policies and regulations may increase the company's operating costs. As losses from climate change increase, the risk of climate-related litigation may also increase accordingly. | Mid-term                   | Increased operating costs<br>Increase in penalties and litigations<br>But no significant impact | 1. Establish an internal inventory of electricity and water consumption, carbon emissions, and other data, and regularly inspect the effectiveness of environmental protection measures<br>2. Actively undertake stakeholder engagements including discussion with the competent authority and relevant organizations, and pay close attention to changes in domestic and foreign laws and regulations   |

| Promotion item        |                             |  | Implementation status   |                            |  |   | Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and reasons |
|-----------------------|-----------------------------|--|---|----------------------------|--|---|---|
|                       |                             |  | Yes   | No                         | Summary  |   |   |
| Type                  | Aspect                      | Topics   | Description of potential risks  | Expected impact time frame | Potential financial impact                             | Response strategies   |   |
| Transition risk       | Supply chain management     | Green supply chain   | Our supply chain jointly pursues green sustainability, and greenhouse gas reduction management has become a necessary evaluation criteria in the procurement process. It is SYNnex's responsibility to satisfy the needs of our customers and to seize the ESG trends together with customers.  | Mid-term                   | Increased costs<br>But no significant impact           | 1. Plan to obtain ESG-related third-party assurance/verification<br>2. Plan to deploy applicable international standards (such as ISO)  |   |
| Transition risk       | Supply chain management     | Transferred-in costs from suppliers  | The impact of climate change has led to an increase in the overall operating costs of the supply chain, affecting product circulation efficiency and industry profitability.  | Long term                  | Increased costs<br>But no significant impact           | 1. The business model in our supply chain is shifting to direct price negotiation between the original manufacturer and downstream customers, so that costs will be directly transferred to the downstream. The operations and services provided by Synnex can mitigate the increase in the overall operating cost of the supply chain.<br>2. Optimize investment portfolio of digital products and services<br>3. Purchase from multiple brands and expand business scale<br>4. Improve the flexibility of the overall supply chain  |   |
|                       | Reputation risk             | Reputation management  | Failure to actively address stakeholders' issues of concern related to climate change will affect the company's image and credibility   | Long term                  | Decreased revenue<br>But no significant impact         | 1. Establish communication channels to respond to issues or needs that stakeholders are concerned about, and turn them into driving forces for the company's development towards a sustainable and green enterprise.  |   |
|                       | Technology risk             | Support low-carbon, high-performance technological improvements and innovations  | There may be lower-carbon substitute products or services, or an increase in operating costs by switching to low-carbon technologies and renewable energies   | Mid-/Long-term             | Increased operating costs<br>But no significant impact | 1. Promote the digitization of operational processes (digital signature, digital operations, electronic invoices)<br>2. Continue to promote low-carbon operations, implement cardboard box recycling and reuse, and digitization of operations  |   |
| Products and services | Supply chain sustainability | Increased customer demand for low-carbon products and services   | Implement connectivity of digital information in the service process to integrate the upstream, midstream and downstream supply chain into a highly digitalized and energy-saving green supply chain and satisfy the needs of vendors and customers for low-carbon services, thereby achieving coexistence, synergy, and co-prosperity in the industry ecosystem! | Mid-term                   | Increased revenue                                      | 1. Launch the Management Service Platform (MSP)<br>2. Synnex actively plays the role of a digital integrator, providing exclusive customized apps for hundreds of vendors, customers, and partners. We have also expanded our digital connectedness to financial service providers, logistics service providers, etc. to provide various business opportunity development services and business operations, and information analysis and management services and more. Our services help to boost the operational efficiency of the industrial chain, thereby further reducing resource wastage and carbon emissions in supply chain operations.<br>3. Build digital service platforms to meet various types of business  |   |
|                       |                             | By emphasizing supply chain sustainability and operational resilience, we will build a cloud warehouse operation mechanism that reduces carbon emissions and conserve energy through maximizing resource utilization efficiency. | Short-chain logistics has become a prominent part of the supply chain. By reducing the physical logistics nodes in the upstream and downstream of the supply chain process, we are striving toward optimizing the efficiency of the use of the planet's resources, and this is also an excellent opportunity for Synnex to seize important logistics resources.   | Mid-term                   | Decreased costs<br>Increased revenue                   | 1. Information transparency: By comprehensively connecting the value information in business operation, important business information such as transaction flow, cargo flow, and cash flow are made clear and transparent, allowing cloud warehouse participants to instantly and comprehensively grasp important information such as inventory movements, sales trends, market supply distribution, and service progress.<br>2. Mutual benefits in cloud warehouse: The "cloud warehouse mechanism" is focused on resource sharing and mutual benefit. By gathering the necessary logistics needs of supply chain participants to share warehousing space and distribution resources, cloud warehouse participants are able to share the operational benefits and resource utilization benefits brought by economies of scale. The seasonal effects can be offset between different participants, thus greatly improving the flexibility of warehousing use.<br>3. Energy-saving logistics: Focus on managing "cargo rights", and managing accounts rather than moving the goods around to reduce transportation, thus saving energy and reducing carbon emissions<br>4. Direct delivery of goods: Goods are delivered directly to consumers, solving the multi-node logistics of traditional transaction models and |   |

| Promotion item  |  |  |  | Implementation status |    |         | Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and reasons   |
|---|--|--|--|-----------------------|----|---------|---|
|   |  |  |  | Yes                   | No | Summary |   |
|   |  |  |  |                       |    |         | significantly reducing order processing time, distance and logistics costs.<br>5. Automate business processes and eliminate inefficient manual work through interconnecting internal system information.<br>6. Advocate for agile operating policies; use AI analysis to remove inefficient businesses and focus resources on high-performance businesses |
| <p>4. <b>Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system. GHG emissions, product requirements and supervision, low-carbon t management.</b></p> <p>The company integrates the identification of risks and opportunities on climate issues with the ISO 14001 process to effectively integrate the risk management system. The company engages in annual internal and external risk evaluation on environmental issues. All risk units under the Risk Management Team jointly collect information on relevant climate risk issues, which serves as the basis of the risk evaluation. All risk units will review and assess the correlation between each issue and the company's operating risks as well as the level of risks.</p> <p>(1) Evaluation method<br/>Risk scenario analysis is conducted with reference to the TCFD reporting recommendations, and the main concerns are transformation risks (policies and regulations/supply chain management) and physical risks (climate warming and extreme climate events); When the financial impact is significant, it is classified as a company-level risk (when a risk poses substantial and significant financial impact).</p> <p>(2) Material risk management<br/>For events that are judged as company-level risks, corresponding management plans must be prepared to reduce the losses caused by such risks. After analyzing all possible management plans and formulating indicators, which can be divided into risk elimination, risk reduction, and risk diversification, etc. , meetings will be held to determine the final plan of action. These management plans are all regularly supervised and integrated into the Group's multi-faceted risk management.</p> <p>(3) Implementation status</p> <ul style="list-style-type: none"><li>• The company actively supports the Task Force on Climate-related Financial Disclosures (TCFD). It has disclosed annual work-in-progress and results according to the TCFD's recommended framework since 2019, and officially signed on as a supporter in October 2021 to continue to promote climate governance to achieve low-carbon operations and environmental sustainability.</li><li>• The Group adheres to the TCFD framework. Our operation and monitoring unit is the Logistics Quality Management Division of the group headquarters. Each operation and operation base must regularly review the on-site operation standards and, implement various improvement and control operations under the decision of local management; they also make reports to the headquarters unit on a regular basis.</li></ul> <p>(4) Climate-related risk evaluation process</p> <div><div><div>Internal issues, external issues, stakeholder engagement, issue collection</div><div>↓</div><div>Identification of risks and opportunities</div><div>↓</div><div>Risk evaluation</div><div>Financial impact, risk type (physical/transformation), impact time (short/medium/long-term), affected objects in the value chain, risk likelihood, risk factor identification</div><div>↓</div><div>Material risk</div><div>↓</div><div>Risk management plan/setting indicators</div><div>↓</div><div>Monitoring and tracking</div></div><div><div>Non-material risk</div><div>↓</div><div>Management plan/management measures</div></div></div> |  |  |  |                       |    |         |   |
| <p>5. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and major financial impacts used should be described.<br/>N/A.</p> <p>6. If there is a transition plan for managing climate-related risks, describe the content of the plan, and the indicators and targets used to identify and manage physical risks and transition risks.<br/>N/A.</p> <p>7. If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated.<br/>N/A.</p> <p>8. If climate-related goals are set, information such as the activities covered, the scope of greenhouse gas emissions, the planning period, and annual achievement progress should be explained; if carbon credits or renewable energy certificates (RECs) are used to achieve relevant targets, the source and quantity of carbon credits or RECs to be offset should be specified.<br/>N/A.</p> <p>9. Greenhouse gas inventory and assurance, reduction targets, strategies and specific action plans<br/>1-1 Greenhouse Gas Inventory and Assurance Status in the Past Two Years<br/>1-1-1 Information on greenhouse gas inventories</p>   |  |  |  |                       |    |         |   |

| Promotion item | Implementation status  |                          |                                |                                       | Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and reasons |                                       |
|----------------|--|--------------------------|--------------------------------|---------------------------------------|---|---------------------------------------|
|                | Yes  | No                       | Summary                        |                                       |   |                                       |
|                | Describe the emission volume (metric tons CO2e), intensity (metric tons CO2e/NTD million) and data coverage of greenhouse gases in the past two years.   |                          |                                |                                       |   |                                       |
|                | (I) The Taiwanese parent company of Synnex Group has deployed and completed ISO14064-1 greenhouse gas inventory since 2022. Please refer to the table below for certified emissions.   |                          |                                |                                       |   |                                       |
|                | Parent company of Synnex Group   |                          | 2022                           |                                       |   | 2023                                  |
|                | Scope  | Scope                    | Total emissions<br>(Tons CO2e) | Intensity<br>(Tons CO2e/NT\$ million) | Total emissions<br>(Tons CO2e)  | Intensity<br>(Tons CO2e/NT\$ million) |
|                | Category 1   | Taiwanese parent company | 1,535.3661                     | 0.0266 tons CO2e/NT\$ million         | 1485.3184   | 0.0247 tons CO2e/NT\$ million         |
| Category 2     |  | 2,233.3956               | 0.0329 tons CO2e/NT\$ million  | 1886.4435                             | 0.0313 tons CO2e/NT\$ million   |                                       |
|                | (II) Scope of emissions covered in the assurance:<br>(1) SYNnex Technology International Corporation-Taipei Headquarters<br>(2) Synnex Technology International Corp.-Linkou<br>(3) Synnex Technology International Corp.-Hsinchu<br>(4) Synnex Technology International Corp.-Taichung<br>(5) Synnex Technology International Corp.-Kaohsiung   |                          |                                |                                       |   |                                       |
| 1-1-2          | GHG Assurance Information  |                          |                                |                                       |   |                                       |
|                | Describe the assurance status in the last two years as of the publication date of the Annual Report, including the scope of assurance, assurance body, the assurance principle and the assurance opinion.  |                          |                                |                                       |   |                                       |
|                | (I) Description of assurance<br>The Taiwanese parent company of Synnex Group has deployed ISO14064-1 since 2022, and the BSI was commissioned to carry out third-party external verification and to continue to obtain certification in each year.<br>The verification operations and scope follow ISO14064-1:2018, which standardizes the quantification and reporting of greenhouse gas emissions and removals at the organizational level (Greenhouse gases - Part 1: Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals).<br>The scope of the verification is the Taiwanese parent company of Synnex Group (For details, please refer to 1-1-1 Description of Boundaries)<br>The verification assurance level is set as: Direct emissions and indirect energy emissions are at reasonable guaranteed levels; Others are set for limited guarantee levels.<br>To confirm the scope and organization, please refer to 1-1-1 |                          |                                |                                       |   |                                       |
|                | (II) Assurance opinion<br>In Q3 2024, Synnex Headquarters is expected to move to new building in Nangang. In the coming year, the scope of emissions and various activities and equipment in the new office must be updated in the inventory, and the scope of activities and equipment to be replaced at the old location must be noted.  |                          |                                |                                       |   |                                       |
| 1-2            | Greenhouse gas reduction goals, strategies and specific action plans   |                          |                                |                                       |   |                                       |
|                | Describe the baseline year for greenhouse gas reduction and its data, reduction goals, strategies, specific action plans and current achievement of reduction goals.   |                          |                                |                                       |   |                                       |
|                | (I) Baseline year for GHG reductions<br>The Taiwanese parent company of Synnex Group has deployed ISO14064-1 since 2022 (scope of assurance in 2021), and 2021 was originally scheduled as the baseline year for reduction.<br>In 2022, due to the inclusion of three new operating sites in Hsinchu, Taichung, and Kaohsiung, the cumulative change exceeded 3%, and the greenhouse gas emissions in the baseline year needed to be recalculated. Therefore, the reasons are thus stated and the inventory year has been set as the baseline year for Synnex's GHG inventory.   |                          |                                |                                       |   |                                       |
|                | (II) Statistics on greenhouse gas emissions and removals in the baseline year:   |                          |                                |                                       |   |                                       |
|                | Types of GHG emissions   |                          | Emission volume (Tons CO2e)    |                                       | Ratio on the entire company   |                                       |
|                | Category 1: Direct GHG emissions and removal (CATT1)   |                          | 1,535.37                       |                                       | 33.62%  |                                       |
|                | Category 2: Indirect GHG emissions from energy input (CAT2)  |                          | 2,233.40                       |                                       | 48.90%  |                                       |
|                | Category 3: Indirect GHG emissions from transportation (CAT3)  |                          | 0                              |                                       | 0.00%   |                                       |
|                | Category 4: Indirect GHG emissions from products used by the organization (CAT4)   |                          | 798.36                         |                                       | 17.48%  |                                       |
|                | Category 5: Indirect GHG emissions resulting from the use of the organization's products (CAT5)  |                          | -                              |                                       | -   |                                       |
|                | Category 6: Indirect GHG emissions from other sources (CAT6)   |                          | -                              |                                       | -   |                                       |
|                | Total carbon emissions   |                          | 4,567.13                       |                                       | 100%  |                                       |
|                | Direct biomass emissions   |                          | -                              |                                       | -   |                                       |
|                | Direct removal   |                          | -                              |                                       | -   |                                       |
|                | Direct biomass removal   |                          | -                              |                                       | -   |                                       |
|                | (III) Greenhouse gas inventory strategies and specific action plan   |                          |                                |                                       |   |                                       |
|                | (1) The Taiwanese parent company of Synnex Group has deployed ISO14064-1 greenhouse gas inventory at operating sites since 2022. It has been certified by external assurance body and continues to obtain certificates every year.   |                          |                                |                                       |   |                                       |
|                | (2) In 2024, we will voluntarily complete inventory of Taiwan subsidiaries and overseas subsidiaries in: China, Hong Kong, Australia, New Zealand GHG emissions inventory at the above-mentioned sites. The coverage rate of GHG inventory at subsidiaries is expected to reach 100% by 2025.  |                          |                                |                                       |   |                                       |
|                | (3) The headquarters is expected to move to the new Nangang building in Q3 2024. In addition to boasting the latest construction methods to address extreme climates including earthquake resistance and fire protection, energy conservation and ecological concepts have also been integrated into the new building. Trees and shrubs are planted, and an ecological pond has also been created to build a truly green building.   |                          |                                |                                       |   |                                       |
|                | (4) Evaluate Synnex's overseas subsidiary in Australia and install solar panels to store and generate electricity and achieve circular use.  |                          |                                |                                       |   |                                       |
|                | (5) Continuously conduct inventories on the company's energy-consuming equipment, and to replace old and worn equipment based on energy conservation and carbon reduction goals.   |                          |                                |                                       |   |                                       |
|                | (IV) Greenhouse gas inventory reduction targets and current achievement status   |                          |                                |                                       |   |                                       |
|                | Continue to digitize operations to achieve energy conservation and carbon reduction. Develop smart warehousing systems and smart transportation scheduling to effectively improve operational efficiency, reduce waste, and improve efficiency.<br>The digitization and paperless project has saved a total of 743,000 sheets of paper in 2022, and has further saved 1.378 million sheets of paper in 2023. The scope of projects that will go paperless will continue to be expanded in the future.<br>Achievements in operational waste reduction, recycling, and reuse: In 2023, waste has decrease by 8% compared with 2022, and the total volume was reduced by 15 metric tons.<br>The number of cardboard boxes recycled and reused increased from a total of 77,485 boxes in 2022, accounting for 16%, to a total of 85,619 boxes in 2023, accounting for 17%.   |                          |                                |                                       |   |                                       |

| Promotion item   | Implementation status  |    |         | Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and reasons |
|--|--|----|---------|---|
|  | Yes  | No | Summary |   |
|  | <p>Overall operational carbon reduction achievement:</p> <p>In 2023, Category 1, total direct greenhouse gas emissions, has decreased by 3.3% compared with 2022. The total reduction amounted to 50.0477 metric tons of CO2e.</p> <p>In 2023, Category 2, total direct greenhouse gas emissions, has decreased by 15.5% compared with 2022. The total reduction amounted to 346.9521 metric tons of CO2e.</p> |    |         |   |
| For the operation of the sustainable development of the company, please refer to the sustainability report uploaded to the ESG area of the Synnex Group website ( <a href="http://www.synnex.com.tw/tw/esg-report">http://www.synnex.com.tw/tw/esg-report</a> ). |  |    |         |   |

● **Implementation of ethical corporate management and measures and departure from "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies" and reasons**

| Assessed areas   | Implementation status |    |  | Deviations from Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and reasons   |
|--|-----------------------|----|--|--|
|  | Yes                   | No | Summary  |  |
| I. Establishment of ethical corporate management policy and approaches   |                       |    |  |  |
| (I) Has the company implemented a board-approved ethical corporate management policy and stated in its regulations and external correspondence the ethical corporate management policy and practices, as well as the active commitment of the board of directors and management towards enforcement of such policy?  | V                     |    | (I) The company's Board of Directors has passed and established the "Ethical Corporate Management Best Practice Principles" on March 17, 2011, passed the revisions in response to the regulations on March 16, 2015 and March 13, 2020, which have already been disclosed on the company's website: In addition, since 2013, the company's sustainable development report has been issued annually, conveying the company's efforts and contributions to fulfilling social responsibilities to stakeholders. The Group's senior management and the members of the Board of Directors are responsible for supervising business conduct while the upholding of the concept of integrity in order to create an operational environment that is conducive to sustainable development.   | In compliance with the concept and implementation of the "Ethical Corporate Management Best Practice Principles for TWSE/TPEX-Listed Companies". |
| (II) Does the company have mechanisms in place to assess the risk of unethical conduct, and perform regular analysis and assessment of business activities with higher risk of unethical conduct within the scope of business? Does the company implement programs to prevent unethical conduct based on the above and ensure the programs cover at least the matters described in Paragraph 2, Article 7 of the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies? | V                     |    | (II) In the "Ethical Corporate Management Best Practice Principles", the company clearly establishes the prevention of unethical conduct such as bribery and accepting bribes, offering or accepting improper benefits, offering or promising facilitation fees, offering illegal political donations, engaging in unfair competition, providing improper charitable donations or sponsorships, disclosing confidential information, and damaging the rights and interests of stakeholders. The company has taken preventive measures and conducted education and promotion to implement the ethical corporate management policy.  |  |
| (III) Does the company provide clearly the operating procedures, code of conduct, disciplinary actions, and appeal procedures in the programs against unethical conduct? Does the company enforce the programs above effectively and perform regular reviews and amendments?   | V                     |    | (III) The company set up the "whistleblowing system" on December 12, 2018. The disciplinary actions and complaint systems are established to prevent bribery and taking bribes and prohibit providing illegal political contributions, improper charitable donations or sponsorship, and offering or accepting unreasonable gifts, entertainment, or other improper benefits for the operating activities stated in Article 7 Paragraph 2 of the "Ethical Corporate Management Best Practice Principles for TWSE/TPEX-Listed Companies" or other business activities subject to higher risk of fraud. In December 2023, a total of 1,120 employees in Taiwan conducted an online course on the prevention of insider trading. The course outline is as follows: Insider trading concepts and regulations, legal liability and civil liability cases, and the materials were placed in the Synnex internal system for colleagues to access. Newly-appointed directors and managers provide relevant information on norms to promote prevention of insider trading when they take office. In order to prevent insiders from violating relevant laws and regulations on securities trading, we inform insiders of the common violations listed in the letters and documents of the Taiwan Stock Exchange from time to time, and remind them that they shall handle them in accordance with the regulations. |  |
| II. Full Implementation of Ethical Management Principles   |                       |    |  |  |
| (I) Does the company evaluate the integrity of all counterparties it has business relationships with? Are there any integrity clauses in the agreements it signs with business partners?   | V                     |    | (I) The contract signed with important suppliers of the Company already contain a commitment to integrity clause.  | In compliance with the concept and implementation of the "Ethical Corporate Management Best Practice Principles for TWSE/TPEX-Listed Companies"  |
| (II) Does the company have a dedicated unit responsible for business integrity under the board of directors which reports the ethical management policy and programs against unethical conduct regularly (at least once a year) to the board of directors while overseeing such operations?  | V                     |    | (II) On July 5, 2022, the group established the "Ethical Corporate Management Team," with the Group's president serving as the convener. The Group's headquarters has six planning & management divisions responsible for various functions such as business operations, logistics, risk, finances, human resources, and technical services. These divisions assist the Board of Directors and management in formulating and supervising the implementation of integrity management policies as well as devising preventive measures, such as advocating and supervising integrity principles for vendors, partners, and employees. The Ethical Corporate Management Team reports on the progress of integrity management implementation to the Board of Directors at least once a year. The Ethical Corporate Management Team reported on its operations to the Board of Directors on November 7, 2023.   |  |
| (III) Has the company established policies to prevent conflicts of interests, implemented such policies, and provided adequate channels of communications?   | V                     |    | (III) The company has established the ethical corporate management best practice principles and whistleblowing system, which have clearly defined the policy to prevent conflicts of interest and all units are required to implement it. The company and the company's website provide unobstructed channels for employees to express their opinions. Moreover, situations where a proposal at a given the company's Board of Directors meeting concerns the personal interest of any of the directors have been processed in accordance with the relevant director conflicts of interest regulations of the Rules of Procedure for Board of Directors Meeting.   |  |

| Assessed areas   | Implementation status |    |   | Deviations from Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and reasons   |
|--|-----------------------|----|---|--|
|  | Yes                   | No | Summary   |  |
| (IV) Does the company have effective accounting and internal control systems in place to implement business integrity? Does the internal audit unit follow the results of unethical conduct risk assessments and devise, to audit the systems accordingly to prevent unethical conduct, or hire outside accountants to perform the audits?   | V                     |    | (IV) The company has established and follows effective accounting systems and internal control systems, and conducts reviews regularly so as to ensure that the design and enforcement of the systems continue to be effective. The company's internal audit unit shall regularly and irregularly review the status of the company's internal control systems compliance and prepare audit reports for submission to the Board of Directors. The "Ethical Corporate Management Best Practice Principles" and "Procedures for Ethical Management and Guidelines for Conduct" formulated by the Group have clearly prohibited the giving and receiving of bribes, the provision of illegal political donations, and the prohibition of improper charitable donations or sponsorships. Integrity clauses have also been clearly specified in relevant business contracts. Each unit's internal control system conducts self evaluation on its operations to achieve effective control and implementation, and is independently reviewed by the Internal Audit Office to ensure the effective implementation of the overall mechanism.<br>The annual audit plan of the Internal Audit Office has listed integrity clauses of suppliers and customers as key integrity criteria. It reviews the rationality of the operations from the auditing target and assesses its hidden risks. When necessary, CPAs or relevant professionals are also appointed to assist in the audit to ensure compliance. |  |
| (V) Did the company regularly provide internal and external training programs on integrity management?   | V                     |    | (V) To ensure that the Group's employees are fully aware of the laws and regulations they must comply with and the obligations they must perform, we have constantly conducted various types of ethical business management training through digital e-learning, EIP education and training courses, push notifications via smartphone app, email advocacy and more over the years. We advocate for legal compliance and new knowledge promotion on ethics and compliance issues, so that all employees can learn operational compliance knowledge at any time and as needed, thereby cultivating the concepts of integrity and legal compliance throughout the organization. For details on our diverse training courses and push notification to advocate for core philosophies via smartphone app, please refer to: <a href="https://www.synnex.com.tw/tw/hoest-business">https://www.synnex.com.tw/tw/hoest-business</a> .  |  |
| III. Operation of whistleblowing system  |                       |    |   |  |
| (I) Has the company established concrete whistleblowing and reward system and have a convenient reporting channel in place, and assign an appropriate person to communicate with the accused?  | V                     |    | (I) The company has established the whistleblowing system, formulated the reporting and reward mechanism, and established and announced an internal independent reporting mailbox for internal and external personnel to use. The Risk & Management & Planning Div. processes and investigates the reported cases.  | In compliance with the concept and implementation of the "Ethical Corporate Management Best Practice Principles for TWSE/TPEx-Listed Companies". |
| (II) Does the company have in place standard operating procedures for investigating and processing reports, as well as follow-up actions and relevant post-investigation confidentiality measures?   | V                     |    | (II) The company has established a whistleblowing system and created an independent reporting mailbox for processing the whistleblowing procedures. The company has also established standard operating procedures for investigating reported cases and related confidentiality mechanism to ensure the confidentiality of investigation operations and audit documents of the reported cases.  |  |
| (III) Did the company adopt measures for protecting the whistleblower from improper treatment or retaliation?  | V                     |    | (III) The identity of the whistleblower and the content of the report shall be kept confidential, and no information sufficient to identify the whistleblower shall be disclosed. The whistleblower shall not be terminated, dismissed, demoted, reduced in salary, or have her legal rights, contractual rights, or customary rights and interests harmed, or otherwise be placed at a disadvantage due to the case reported by the whistleblower. The relevant personnel who processes the reported case shall strictly keep secret the identity of the informer and the contents of the report. The company shall impose internal penalties according to the seriousness of the circumstances on those in violation of the previous two provisions.  |  |
| IV. Enhancing information disclosure<br>Has the company disclosed its integrity principles and progress onto its website and MOPS?   | V                     |    | The company has established the Ethical Corporate Management Best Practice Principles and disclosed the principles on the company's website and in the "Corporate Governance" section of the Market Observation Post System. The company also discloses the operations of the Ethical Corporate Management Best Practice Principles in the annual reports.  | In compliance with the concept and implementation of the "Ethical Corporate Management Best Practice Principles for TWSE/TPEx-Listed Companies". |
| V. The company shall establish its own Ethical Corporate Management Best Practice Principles based on the "Ethical Corporate Management Best Practice Principles for TWSE/TPEx-Listed Companies" and clearly articulate the differences between its operations and the established code:<br>The company has established our Ethical Corporate Management Best Practice Principles and is in compliance with the concept and implementation of the "Ethical Corporate Management Best Practice Principles for TWSE/TPEx-Listed Companies".  |                       |    |   |  |
| VI. Other important information to facilitate a better understanding of the company's implementation of ethical corporate management: (such as review and amendment of ethical management rules)<br>1. In response to the amendments to the laws and regulations, the company's "Ethical Corporate Management Best Practice Principles" has been submitted to the Board of Directors on March 13, 2020 for discussion and revision to enhance the effectiveness of the company's integrity management.<br>2. The company has defined the system for recusal of directors for conflict of interests in the Rules and Procedures for Board of Directors Meetings. If a director, or a corporate entity that the director represents, is considered an interested party in the discussed agenda, a full disclosure is required during the current meeting session. The director shall recuse himself/herself from all discussions and voting if it is in conflict against the company's interests. In which case, the director shall not exercise voting rights on behalf of other directors. |                       |    |   |  |

● **Relevant regulations established by the company regarding corporate governance:**

Please refer to Synnex's website: <http://www.synnex.com.tw/tw/major-internal-policies>

The information can also be found in the "Corporate Governance" section of the Market Observation Post System at [mops.twse.com.tw](http://mops.twse.com.tw).

● **Other significant information which may improve the understanding of the implementation of corporate governance. None.**

● **Status of implementation of internal control system**

Synnex Technology International Corp.  
Internal Control System Statement

Date: March 13, 2024

This Statement of Internal Control System is issued based on the self-assessment results of the company for the year 2022.

- I. The company is fully aware that the establishment, implementation and maintenance of its internal control system is the responsibility of the Board of Directors and managerial officers. In this regard the company has already established such a system aimed at providing reasonable assurance of the achievement of objectives in the effectiveness and efficiency of operations (including profits, performance, and safeguard of asset security), reliability of reporting, and compliance with applicable laws and regulations.
- II. There are inherent limitations to even the most well designed internal control system. As such, an effective internal control system can only reasonably ensure the achievement of the aforementioned goals. Moreover, the operating environment and situation may change and impact the effectiveness of the internal control system. However, self-supervision measures were implemented within the company's internal control policies to facilitate immediate rectification once procedural flaws have been identified.
- III. The company judges the design and operating effectiveness of its internal control system based on the criteria provided in the Regulations Governing the Establishment of Internal Control Systems by Public Companies (hereinafter referred to as the "Regulations"). The internal control system judgment criteria adopted by the Regulations divide internal control into five elements based on the process of management control: 1. Control environment, 2. Risk assessment, 3. Control operation, 4. Information and communication, and 5. Monitoring. Each element further contains several items. For more information on the abovementioned items, please refer to the Regulations.
- IV. The company has evaluated the design and operating effectiveness of its internal control system according to the aforesaid criteria.
- V. Based on the findings of the evaluation mentioned in the preceding paragraph, the company believes that as of December 31, 2023, its internal control system (including its supervision and management of subsidiaries), encompassing internal controls for knowledge of the degree of achievement of operational effectiveness and efficiency objectives, reliability of reporting, and compliance with applicable laws and regulations, is effectively designed and operating, and reasonably assures the achievement of the above-stated objectives.
- VI. This Statement will become a major part of the content of the company's Annual Report and Prospectus, and will be made public. Any falsehood, concealment, or other illegality in the content made public will entail legal liability under Articles 20, 32, 171, and 174 of the Securities and Exchange Act.
- VII. This Statement has been passed by the Board of Directors Meeting of the company held on March 13, 2024, where all attending directors affirmed the content of this Statement.

Synnex Technology International Corp.

Chairman: Miao, Matthew Feng Chiang

Signature and Seal

President: Tu, Shu-Wu

Signature and Seal

- **The penalties and major deficiencies improvement status for penalties that may have a significant impact on shareholders' equity or stock prices that are imposed on the company or internal personnel by law or imposed on internal personnel by the company for violating the provisions of the internal control system: None.**

- **Important resolutions of Shareholders' Meeting and Board of Directors**

#### Shareholders' Meetings

| Date of meeting | Summary of important resolutions  | Result   | Implementation status  |
|-----------------|---|----------|--|
| 2023.05.30      | 1. Approved 2022 financial statements.  | Adopted. | Complied with the resolution.<br>Set June 7, 2023 as the record date for distribution of cash dividends, and distributed cash dividends on July 6, 2023. |
|                 | 2. Approved 2022 earnings distribution.<br>Shareholder's dividend: NT\$3.5 cash dividend per share. | Adopted. |  |
|                 | 3. Discussion on partial revision of the "Rules of Procedure for Shareholders' Meetings".           | Adopted. | Uploaded on the Company's website and processed in accordance with the amended Rules of Procedure for Shareholders' Meetings.                            |

#### Board of Directors

| Date of meeting | Summary of important resolutions   | Result   |
|-----------------|--|--|
| 2023.03.08      | 1. 2023 operating plan of the Company  | Adopted by all the present directors without objection |
|                 | 2. Declaration on Internal Control   | Adopted by all the present directors without objection |
|                 | 3. Discussion on partial revision of the "Rules of Procedure for Shareholders' Meetings"   | Adopted by all the present directors without objection |
|                 | 4. The Company's 2022 payment of the remuneration to the employees and Directors   | Adopted by all the present directors without objection |
|                 | 5. The Company's 2022 financial statements   | Adopted by all the present directors without objection |
|                 | 6. Determination of the 2022 earnings distribution. Shareholder's dividend: NT\$3.5 cash dividend per share  | Adopted by all the present directors without objection |
|                 | 7. Authorization of the Chairman to determine the Company's 2022 cash dividend distribution base date  | Adopted by all the present directors without objection |
|                 | 8. Convention of the 2023 annual shareholders' meeting   | Adopted by all the present directors without objection |
|                 | 9. Change of the Company's accountant in coordination with the accounting firm's internal rotation, and evaluation of the independence and competence of the newly appointed accountant  | Adopted by all the present directors without objection |
|                 | 10. Extraordinary Motions;<br>Proposal to pre-approve non-assurance services provided by certified public accountants, their firms and firm-affiliated enterprises to the company, subsidiaries and major affiliated enterprises                       | Adopted by all the present directors without objection |
| 2023.05.08      | 1. Partial revision of the "Corporate Governance Code of Conduct"  | Adopted by all the present directors without objection |
|                 | 2. Partial revision of the "Sustainable Development Best Practice Principles"  | Adopted by all the present directors without objection |
|                 | 3. The Company's consolidated financial report for Q1 2023   | Adopted by all the present directors without objection |
|                 | 4. Proposal for a joint credit financing with a total credit limit of NT\$18 billion (the total credit limit and each sub-credit limit can be adjusted within a 15% range) sponsored by Taiwan Cooperative Bank and Mega International Commercial Bank | Adopted by all the present directors without objection |
|                 | 5. Proposal to open a deposit account at International Financial Services Branch of Citibank Taiwan  | Adopted by all the present directors without objection |
| 2023.08.07      | 1. The Company's consolidated financial report for Q2 2023   | Adopted by all the present directors without objection |
|                 | 2. Appointment of CEO of the Company   | Adopted by all the present directors without objection |
|                 | 3. Proposal to abolish the company's Taichung and Kaohsiung branches   | Adopted by all the present directors without objection |
|                 | 4. Proposal to formulate the "Rules Governing the Preparation and Filing of Sustainability Report" and "Audit of the Preparation and Filing of Sustainability Report"  | Adopted by all the present directors without objection |
| 2023.11.07      | 1. The Company's consolidated financial report for Q3 2023   | Adopted by all the present directors without objection |
|                 | 2. Equity transfer of investee Synnex (Thailand) Public Company Ltd.   | Adopted by all the present directors without objection |
|                 | 3. The loan to Seper Technology Corp.  | Adopted by all the present directors without objection |
|                 | 4. The loan to SYNnex GLOBAL LTD.  | Adopted by all the present directors without objection |
|                 | 5. The company's 2024 remuneration plan for managers   | Adopted by all the present directors without objection |
| 2024.03.13      | 1. 2024 operating plan of the Company  | Adopted by all the present directors without objection |
|                 | 2. Declaration on Internal Control   | Adopted by all the present directors without objection |
|                 | 3. Partial revision of the Company's Articles of Incorporation   | Adopted by all the present directors without objection |
|                 | 4. Partial revision of the "Procedures for Derivatives Transactions"   | Adopted by all the present directors without objection |
|                 | 5. Discussion on partial revision of the "Rules of Procedure for Shareholders' Meetings"   | Adopted by all the present directors without objection |
|                 | 6. Partial revision of the "Procedures for Related Party Transactions"   | Adopted by all the present directors without objection |
|                 | 7. The Company's 2023 payment of the remuneration to the employees and Directors   | Adopted by all the present directors without objection |
|                 | 8. The Company's 2023 financial statements   | Adopted by all the present directors without objection |
|                 | 9. Determination of the 2023 earnings distribution. Shareholder's dividend: NT\$3.0 cash dividend per share  | Adopted by all the present directors without objection |
|                 | 10. Authorization of the Chairman to determine the Company's 2023 cash dividend distribution base date   | Adopted by all the present directors without objection |
|                 | 11. To re-elect the directors  | Adopted by all the present directors without objection |
|                 | 12. List of candidates for directors and independent directors passed by the Board of Directors  | Adopted by all the present directors without objection |
|                 | 13. Discussion on releasing directors of the Company from non-competition restrictions   | Adopted by all the present directors without objection |
|                 | 14. Convention of the 2024 annual shareholders' meeting  | Adopted by all the present directors without objection |
|                 | 15. Proposal to evaluate the independence and competence of CPAs   | Adopted by all the present directors without objection |

Note: The above specified only partial information of the meetings of the Board of Directors and Shareholders; the information disclosed here only includes the information that the company believes may have significant impact on investors.

- **Director objections**

In 2023 and in 2024 up to the date of this year's annual report, no Directors had different opinions.

- **Resignation or dismissal of the chairman, general manager, accounting manager, financial manager, internal audit manager, corporate governance supervisor, and R&D manager: None.**

#### (IV) Information on CPAs

##### 1. Information on Fees to CPAs:

Unit: NT\$ thousand

| Name of accounting firm | Name of Accountants | Accountant's duration of audit | Audit fee | Non-audit fee (Note 2) | Total  | Remarks |
|-------------------------|---------------------|--------------------------------|-----------|------------------------|--------|---------|
| PwC Taiwan              | Huang, Shih-Chun    | 2023.01.01~2023.12.31          | 20,520    | 10,213                 | 30,733 | None    |
|                         | Liang, Yi-Chang     |                                |           |                        |        |         |

Note 1: It includes service fees for domestic and overseas subsidiaries.

Note 2: Non-audit fee service content:

- (1) GCD project
- (2) Master file and country-by-country-reporting project services.
- (3) Social responsibility report assurance services
- (4) Tax audit and consulting services
- (5) Business tax declaration services for dual-status business entities.
- (6) Organizational restructuring consulting services, etc.
- (7) ISO27001 Information Security consulting services

Note 3: If the company changes accounting firm and the amount of audit fee paid is less than that in the year before, the amount and reason of audit fees before and after the change: None.

Note 4: If the audit fees decreased more than 10% from that of the prior year, the amount, percentage, and reasons for the decrease in audit fees shall be disclosed: None.

##### 2. Information on the change of CPAs: None.

##### 3. The Chairman, president, and financial or accounting manager of the company who had worked for the CPA or the affiliate in the past year: None.

#### (V) Changes in shareholdings of Directors, Supervisors, managers, and principal shareholders

| Title                      | Name                              | 2023                               |                                       | 2024.01.01 ~ 2024.04.02            |                                       | Remarks  |
|----------------------------|-----------------------------------|------------------------------------|---------------------------------------|------------------------------------|---------------------------------------|--|
|                            |                                   | Increase (decrease) in shares held | Increase (decrease) in pledged shares | Increase (decrease) in shares held | Increase (decrease) in pledged shares |  |
| Chairman                   | Miau, Matthew Feng Chiang         | -                                  | -                                     | -                                  | -                                     | Representative of Mei-Feng Investment Corporation (Note 1) |
| Director and President     | Tu, Shu-Wu                        | -                                  | -                                     | -                                  | -                                     |  |
| Director                   | Yang, Hsiang-Yun, Chou, The-Chien | -                                  | -                                     | -                                  | -                                     | Representative of MiTAC Inc. (Note 1)                      |
| Director                   | Tu, Shu-Chyuan                    | -                                  | -                                     | -                                  | -                                     | Representative of Hong Ding Investments Corp.              |
| Director                   | Miau, Scott Matthew               | -                                  | -                                     | -                                  | -                                     | Representative of Lien Hwa Industrial Holdings Corp.       |
| Independent Director       | Hsuan, Chien-Shen                 | -                                  | -                                     | -                                  | -                                     |  |
| Independent Director       | Yeh, Kuang-shih                   | -                                  | -                                     | -                                  | -                                     |  |
| Independent Director       | Shen, Ling-Long                   | -                                  | -                                     | -                                  | -                                     |  |
| CEO                        | Ong, Kee Hoon                     | -                                  | -                                     | -                                  | -                                     | Appointed on September 1, 2023                             |
| Vice-President             | Tu, Shu-Chyuan                    | -                                  | -                                     | -                                  | -                                     |  |
| Vice-President             | Li, Chien-Tsung                   | (201,995)                          | -                                     | (45,000)                           | -                                     |  |
| Vice-President             | Hsueh, Lien-Jen                   | -                                  | -                                     | (162,000)                          | -                                     |  |
| Vice-President             | Su, Chih-Ching                    | -                                  | -                                     | -                                  | -                                     |  |
| Overseas Operation CEO     | Miau, Matthew Feng Chiang         | -                                  | -                                     | -                                  | -                                     |  |
| Senior Director of Finance | Lin, Tai-Yang                     | -                                  | -                                     | -                                  | -                                     |  |
| Major shareholder          | MiTAC Inc.                        | -                                  | -                                     | -                                  | -                                     |  |

Note 1: Information includes only changes in shareholding and pledges of corporate shareholders.

Note 2: The counterparty of the equity transfer and pledge a related party: None.

**(VI) The relationships between the top ten shareholders:**

2024.04.02

| Name  | Shares held in this person's name |                      | Shares held by spouse and underage children |                      | Total shareholding by nominee arrangement |                      | Titles, names and relationships between top 10 shareholders (related party, spouse, or kinship within the second degree according to sfas no. 6).                       |  | Remarks |
|---|-----------------------------------|----------------------|---|----------------------|---|----------------------|---|--|---------|
|   | Shares                            | Percentage of shares | Shares                                      | Percentage of shares | Shares                                    | Percentage of shares | Name  | Relationship                               |         |
| MiTAC Inc.<br>Representative: Miao, Matthew Feng Chiang   | 260,521,054                       | 15.62                | -   | -                    | -   | -                    | Miao, Matthew Feng Chiang<br>Lien Hwa Industrial Holdings Corp.<br>Mei-An Investment Corp.<br>Representative: Hsu, Ai-Chen  | Chairman<br>The Chairman himself<br>Spouse |         |
| Cathay Sustainability High Dividend ETF Securities Investment Trust Fund Account of the Cathay High Dividend Taiwan Equity Fund with Taishin International Bank Co., Ltd. acting as custodian | 133,805,000                       | 8.02                 | -   | -                    | -   | -                    | -   | -  |         |
| Yuanta Taiwan Dividend Plus ETF account   | 78,782,829                        | 4.72                 | -   | -                    | -   | -                    | -   | -  |         |
| Fuh Hwa Taiwan Technology Dividend Highlight ETF Securities Investment Trust Fund Account with Taipei Fubon Commercial Bank Co., Ltd. acting as custodian                                     | 71,898,000                        | 4.31                 | -   | -                    | -   | -                    | -   | -  |         |
| Lien Hwa Industrial Holdings Corp.<br>Representative: Miao, Matthew Feng Chiang   | 59,526,125                        | 3.57                 | -   | -                    | -   | -                    | Miao, Matthew Feng Chiang<br>MiTAC Inc.<br>Mei-An Investment Corp.<br>Representative: Hsu, Ai-Chen  | Chairman<br>The Chairman himself<br>Spouse |         |
| Morgan Stanley Capital International managed account with HSBC (Taiwan) acting as custodian bank  | 54,836,621                        | 3.29                 | -   | -                    | -   | -                    | -   | -  |         |
| Tu, Shu-Wu  | 36,156,381                        | 2.17                 | 1,587,245                                   | 0.10                 | -   | -                    | Rong Syuan Investments Co., Ltd.<br>Representative Tu, Ying-Hsuan   | First-degree relative                      |         |
| Rong Syuan Investments Co., Ltd.<br>Representative: Tu, Ying-Hsuan  | 35,970,086                        | 2.16                 | -   | -                    | -   | -                    | Tu, Shu-Wu  | First-degree relative                      |         |
| Miao, Matthew Feng Chiang   | 28,452,004                        | 1.71                 | -   | -                    | -   | -                    | MiTAC Inc.<br>Lien Hwa Industrial Holdings Corp.<br>Mei-An Investment Corp.<br>Representative: Hsu, Ai-Chen   | Chairman<br>Chairman<br>Spouse             |         |
| Mei-An Investment Corp.<br>Representative: Hsu, Ai-Chen   | 23,880,971                        | 1.43                 | -   | -                    | -   | -                    | MiTAC Inc.<br>Representative: Miao, Matthew Feng Chiang<br>Lien Hwa Industrial Holdings Corp.<br>Representative: Miao, Matthew Feng Chiang<br>Miao, Matthew Feng Chiang | Spouse<br>Spouse<br>Spouse                 |         |

**(VII) Comprehensive shareholding ratio of investment entities**

2023.12.31

| Investment entities                   | Investment by the company |       | Investments in enterprises directly or indirectly controlled by the company |       | Investments by directors, supervisors, and managerial officers of the company |   | Comprehensive investment |       |
|---------------------------------------|---------------------------|-------|---|-------|---|---|--------------------------|-------|
|                                       | Shares                    | %     | Shares  | %     | Shares  | % | Shares                   | %     |
| Redington Ltd.                        | 188,591,880               | 24.13 | -   | -     | -   | - | 188,591,880              | 24.13 |
| Synnex (Thailand) Public Company Ltd. | -                         | -     | 338,939,513   | 40.00 | -   | - | 338,939,513              | 40.00 |
| Synnex FPT Joint Stock Company        | -                         | -     | 55,854,748  | 47.27 | -   | - | 55,854,748               | 47.27 |

### III. Capital and shareholding

#### (I) Share capital source

2024.04.02  
Unit: Share/thousand NTS

| Share capital source                   | Amount     | Shares        | Percentage (%) |
|--|------------|---------------|----------------|
| Authorized capital                     | 202,312    | 20,231,233    | 1.21           |
| Issuance of common stock               | 923,772    | 92,377,176    | 5.54           |
| Profit to capital Increment            | 13,513,221 | 1,351,322,076 | 81.02          |
| Capital surplus transferred to capital | 542,000    | 54,200,000    | 3.25           |
| Exchange of shares                     | 224,120    | 22,412,000    | 1.34           |
| Employee stock options                 | 215,780    | 21,578,000    | 1.29           |
| Convertible bonds                      | 1,058,265  | 105,826,483   | 6.35           |
| Total                                  | 16,679,470 | 1,667,946,968 | 100.00         |

#### (II) Category of shares

2024.04.02  
Unit: Share

| Category of shares         | Authorized shares                   |                 |               | Remarks |
|----------------------------|-------------------------------------|-----------------|---------------|---------|
|                            | Current outstanding shares (listed) | Unissued shares | Total         |         |
| Registered ordinary shares | 1,667,946,968                       | 732,053,032     | 2,400,000,000 | -       |

#### (III) Shareholder structure

2024.04.02

| Item                        | Government institutions | Financial institutions | Other institutional shareholders | Personal shareholders | Foreign institutions and personal shareholders | Total         |
|-----------------------------|-------------------------|------------------------|----------------------------------|-----------------------|--|---------------|
| Number of shareholders      | 2                       | 35                     | 288                              | 41,860                | 681  | 42,866        |
| Shares held                 | 1,416                   | 244,227,010            | 715,920,277                      | 221,278,940           | 486,519,325                                    | 1,667,946,968 |
| Shareholding percentage (%) | 0.00                    | 14.64                  | 42.92                            | 13.27                 | 29.17  | 100.00        |

#### (IV) Distribution of shareholding

NT\$10 par  
2024.04.02

| Shareholding range  | Number of shareholders | Shares held   | Shareholding percentage (%) |
|---------------------|------------------------|---------------|-----------------------------|
| 1 - 999             | 14,245                 | 3,256,762     | 0.20%                       |
| 1,000 - 5,000       | 21,846                 | 44,267,104    | 2.65%                       |
| 5,001 - 10,000      | 3,206                  | 23,758,183    | 1.42%                       |
| 10,001 - 15,000     | 1,139                  | 14,056,469    | 0.84%                       |
| 15,001 - 20,000     | 590                    | 10,424,785    | 0.63%                       |
| 20,001 - 30,000     | 532                    | 13,158,084    | 0.79%                       |
| 30,001 - 40,000     | 250                    | 8,763,293     | 0.53%                       |
| 40,001 - 50,000     | 172                    | 7,851,906     | 0.47%                       |
| 50,001 - 100,000    | 312                    | 22,060,977    | 1.32%                       |
| 100,001 - 200,000   | 200                    | 28,356,206    | 1.70%                       |
| 200,001 - 400,000   | 117                    | 32,142,456    | 1.93%                       |
| 400,001 - 600,000   | 65                     | 31,398,427    | 1.88%                       |
| 600,001 - 800,000   | 29                     | 20,473,448    | 1.23%                       |
| 800,001 - 1,000,000 | 22                     | 20,262,011    | 1.21%                       |
| 1,000,001 and above | 141                    | 1,387,716,857 | 83.20%                      |
| Total               | 42,866                 | 1,667,946,968 | 100.00%                     |

## (V) List of major shareholders

| 2024.04.02  |             |                             |
|---|-------------|-----------------------------|
| Name of major shareholder   | Shares held | Shareholding percentage (%) |
| MiTAC Inc.  | 260,521,054 | 15.62                       |
| Cathay Sustainability High Dividend ETF Securities Investment Trust Fund Account of the Cathay High Dividend Taiwan Equity Fund with Taishin International Bank Co., Ltd. acting as custodian | 133,805,000 | 8.02                        |
| Yuanta Taiwan Dividend Plus ETF account   | 78,782,829  | 4.72                        |
| Fuh Hwa Taiwan Technology Dividend Highlight ETF Securities Investment Trust Fund Account with Taipei Fubon Commercial Bank Co., Ltd. acting as custodian                                     | 71,898,000  | 4.31                        |
| Lien Hwa Industrial Holdings Corp.  | 59,526,125  | 3.57                        |
| Morgan Stanley Capital International managed account with HSBC (Taiwan) acting as custodian bank  | 54,836,621  | 3.29                        |
| Tu, Shu-Wu  | 36,156,381  | 2.17                        |
| Rong Syuan Investments Co., Ltd.  | 35,970,086  | 2.16                        |
| Miau, Matthew Feng Chiang   | 28,452,004  | 1.71                        |
| Mei-An Investment Corp.   | 23,880,971  | 1.43                        |

## (VI) Market price per share, net assets per share, earnings per share, and dividends

| Unit: NT\$                                 |  |           |            |
|--|--|-----------|------------|
| Item/Year                                  | 2022   | 2023      | 2024.03.31 |
| Stock price                                | Highest  | 79.80     | 70.90      |
|  | Lowest   | 50.70     | 55.60      |
|  | Average  | 62.54     | 62.89      |
| Net worth per share                        | Before distribution                              | 43.50     | 43.10      |
|  | After distribution (Note 1)                      | N/A       | N/A        |
| Earnings per share                         | Weighted average shares (in thousands of shares) | 1,667,947 | 1,667,947  |
|  | Earnings per share - before adjustment           | 9.44      | 4.37       |
|  | Earnings per share - after adjustment (Note 2)   | 9.44      | 4.37       |
| Dividends per share                        | Cash dividend (Note 1)                           | 3.50      | 3.00       |
|  | Dividend from earnings                           | -         | -          |
|  | Dividend from capital reserve                    | -         | -          |
|  | Accumulated unpaid dividends                     | -         | -          |
| Analysis for return on investment (Note 3) | Price-earnings ratio                             | 6.63      | 14.39      |
|  | Price-dividend ratio                             | 17.87     | 20.96      |
|  | Cash dividend yield                              | 5.60%     | 4.77%      |

Note 1: The preceding distributions in 2022 and 2023 are filled in accordance with the resolution of the Board meeting in the following year.

Note 2: The retroactive adjustment of shares after capital increase out of earnings and employee bonus as of the end of the year.

Note 3: Price-earnings (P/E) ratio = Average market price / earnings per share before adjustment

Price-dividend (P/D) ratio = Average market price / cash dividends per share.

Cash dividend yield rate = Cash dividend per share/Average market price.

Note 4: The Q1 consolidated statement in 2024 has not been announced and is thus not disclosed here.

## (VII) Dividend policy and implementation status

### Divided policy

According to the company's Articles of Incorporation, the company's annual earnings at the end of the accounting year shall be first subject to taxation, reimbursement of previous losses, followed by a 10% provision for legal reserve and special reserve or reversal by law. The Board of Directors shall draft distribution proposals for any remainder plus any accumulated undistributed surplus. Where dividends are distributed in the form of stocks, the distribution shall be subject to the approval of the shareholders' meeting. Where dividends are distributed in the form of cash, the board of directors is authorized make such distribution by approval of more than half of the directors present at the meeting, where more than two-thirds of the directors are present, and shall also be reported at the shareholders' meeting. The cash dividend ratio may not be less than 15% of the total current dividend distributed to shareholders.

Since the company adopts the "active and stable dividend distribution" policy, distribution has exceeded 60% of the year's recurring profits for the most recent three years. This will continue to be our goal in the future, so that Synnex's shareholders will have long-term and stable income from dividends. If there is an increase in the need for funds due to business growth and mergers and acquisitions, the company will independently seek funding methods without affecting dividend distribution.

### Surplus distribution in the most recent three years

Unit: NTD

| Periods | Earnings per share (NTD) | Distribution date | Cash dividend per share (NTD) | Total amount of surplus distribution (in NTD thousand) | Earnings distribution ratio |
|---------|--------------------------|-------------------|-------------------------------|--|-----------------------------|
| 2021    | 10.35                    | 2022.07.06        | 5.00                          | 8,339,735  | 48% / 70% (Note 3)          |
| 2022    | 9.44                     | 2023.07.06        | 3.50                          | 5,837,814  | 37% / 64% (Note 3)          |
| 2023    | 4.37                     | - (Note 1)        | 3.00 (Note 2)                 | 5,003,841  | 69%                         |

Note 1: The chairman is authorized to set the dividend distribution date for the Company's 2023 cash dividend, which has not been set as of the date of publication.

Note 2: The Company's 2023 earnings distribution proposal was approved by the Board of Directors on March 13, 2023.

Note 3: The earnings distribution ratio was calculated after excluding one-time profits.

**(VIII) Uncompensated distribution of shares and its impact on company operation and EPS: Not applicable since the current shareholder's meeting did not propose uncompensated distribution of shares.**

**(IX) Information on employee bonus and compensation for directors and supervisors**

**Provisions of the Articles of Incorporation**

According to the company's Articles of Incorporation, the company's net income before tax before deducting remuneration to employees and directors and after making up for losses should be applied to pay remuneration to employees for an amount not exceeding 10% and not less than 0.01% of the balance, and to directors for an amount not more than 1% of the balance.

**Estimation criterion and difference treatment**

1. The employee bonus and remuneration to directors for 2023 is estimated with reference to the profitability of the current period on a basis of 1 ten-thousandths and 9 thousandths, respectively.
2. It will be recognized as next year's profit/loss if difference between the actual distribution and estimated amount is shown after resolution of the shareholder meeting.

**Information on proposed distribution approved by Board of Directors**

1. On March 13, 2024, the Board of Directors approved the 2023 proposed distribution of employee cash dividend of NT\$900 thousand and the remuneration for directors and supervisors of NT\$9,000 thousand. The employee cash dividend had a gap of NT\$100 thousand compared with the 2023 estimate. The remuneration for Directors and Supervisors had a gap of NT\$832 thousand compared with the 2023 estimate. This has been adjusted as profit or loss in 2024.
2. The proposed distribution of stock dividends for employees is NT\$0.
3. Impact of the proposed distribution of remuneration for employees, directors, and shareholders to earnings per share: None.

**Actual distribution of the preceding year and treatment of differences**

The distribution of employee cash dividend for 2022 was NT\$2,000 thousand, which is the same as the 2022 estimate. The remuneration of directors and supervisors is NT\$8,168 thousand, which differs by NT\$268 thousand from the 2022 estimate. The difference has been adjusted to 2023 profits and losses.

**Information on employee bonus and remuneration for directors and supervisors in the latest five years**

| Item/Year of income   |                                 | 2019<br>(Distributed in<br>2020) | 2020<br>(Distributed in<br>2021) | 2021<br>(Distributed in<br>2022) | 2022<br>(Distributed in<br>2023) | 2023<br>(Distributed in<br>2024) |
|---|---------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| Shareholder's dividend<br>(share/NTD)                                       | Cash                            | 2.60                             | 3.30                             | 5.00                             | 3.50                             | 3.00                             |
|   | Stocks                          | -                                | -                                | -                                | -                                | -                                |
| Remuneration for Directors and Supervisors (in NTD thousand)                |                                 | 7,000                            | 7,500                            | 7,900                            | 8,168                            | 9,000                            |
| Employee bonus  | Cash                            | 750                              | 900                              | 2,200                            | 2,000                            | 900                              |
|   | Amount (in NTD thousand)        | -                                | -                                | -                                | -                                | -                                |
|   | Stocks                          | -                                | -                                | -                                | -                                | -                                |
|   | Shares (in thousands of shares) | -                                | -                                | -                                | -                                | -                                |
| Employee stock bonus / (employee stock bonus + shareholder stock dividends) |                                 | None                             | None                             | None                             | None                             | None                             |
| Employee stock bonus / outstanding shares at year end                       |                                 | None                             | None                             | None                             | None                             | None                             |

**Summary of 2023 (distributed in 2024) employee stock bonus information: None.**

**(X) Company buyback of shares: None.**

## IV. Issuance of global depositary receipts, bonds, preferred shares, and employee stock option

### (I) Global depositary receipts

| Issue date  |                       | 1997.07.03   | 1999.09.22   |
|---|-----------------------|--|--|
| Areas issued  |                       | Asia, Europe, and the US   | Asia, Europe, and the US   |
| Issuance and listing  |                       | Luxembourg Stock Exchange  | Luxembourg Stock Exchange  |
| Total amount issued (US\$)                                      |                       | 139,382,100  | 245,380,125  |
| Issue price per unit (US\$)                                     |                       | 22.23  | 18.93  |
| Total units issued (unit)                                       |                       | 6,270,000  | 12,962,500   |
| Underlying securities   |                       | 1. Capital increase by cash and issuance of new shares<br>2. Release shareholder: MiTAC Inc., Lex Service (Guernsey) Ltd.                    | 1. Capital increase by cash and issuance of new shares<br>2. Release shareholder: Lex Service (Guernsey) Ltd.                                |
| Common shares represented (shares)                              |                       | 25,080,000   | 51,850,000   |
| Rights and obligations of GDR holders                           |                       | Rights and obligations consistent with common shares   | Rights and obligations consistent with common shares   |
| Trustee   |                       | None   | None   |
| Depository bank   |                       | Citibank, N.A.   | Citibank, N.A.   |
| Custodian bank  |                       | Citibank, N.A., Taipei branch  | Citibank, N.A., Taipei branch  |
| March 31, 2024 outstanding (unit)                               |                       | 7,070  |  |
| Apportionment of expenses for issuance and maintenance          |                       | Issuing expense is paid by release shareholder and issuing company on the pro rata basis, duration expense is paid by depository institution | Issuing expense is paid by release shareholder and issuing company on the pro rata basis, duration expense is paid by depository institution |
| Important notes on depository agreement and custodian agreement |                       | See depository agreement and custodian agreement for details   | See depository agreement and custodian agreement for details   |
| Market price per unit (US\$)                                    | 2023                  | Highest  | 9.21   |
|   |                       | Lowest   | 7.13   |
|   |                       | Average  | 8.05   |
|   | 2024.01.01~2024.03.31 | Highest  | 10.12  |
|   |                       | Lowest   | 8.74   |
|   |                       | Average  | 9.40   |

(II) Employee stock option certificate: None

(III) Restricted stock awards: None

(IV) Preferred stocks: None

(V) Corporate bonds: None

V. Mergers, acquisitions, or issuance of new shares for acquisition of shares of other companies: None.

## VI. Implementation of capital allocation plan

(I) Previously issued or privately held securities that have not been completed: None.

(II) Completed in the latest three years and the planned benefits have not yet appeared: None.

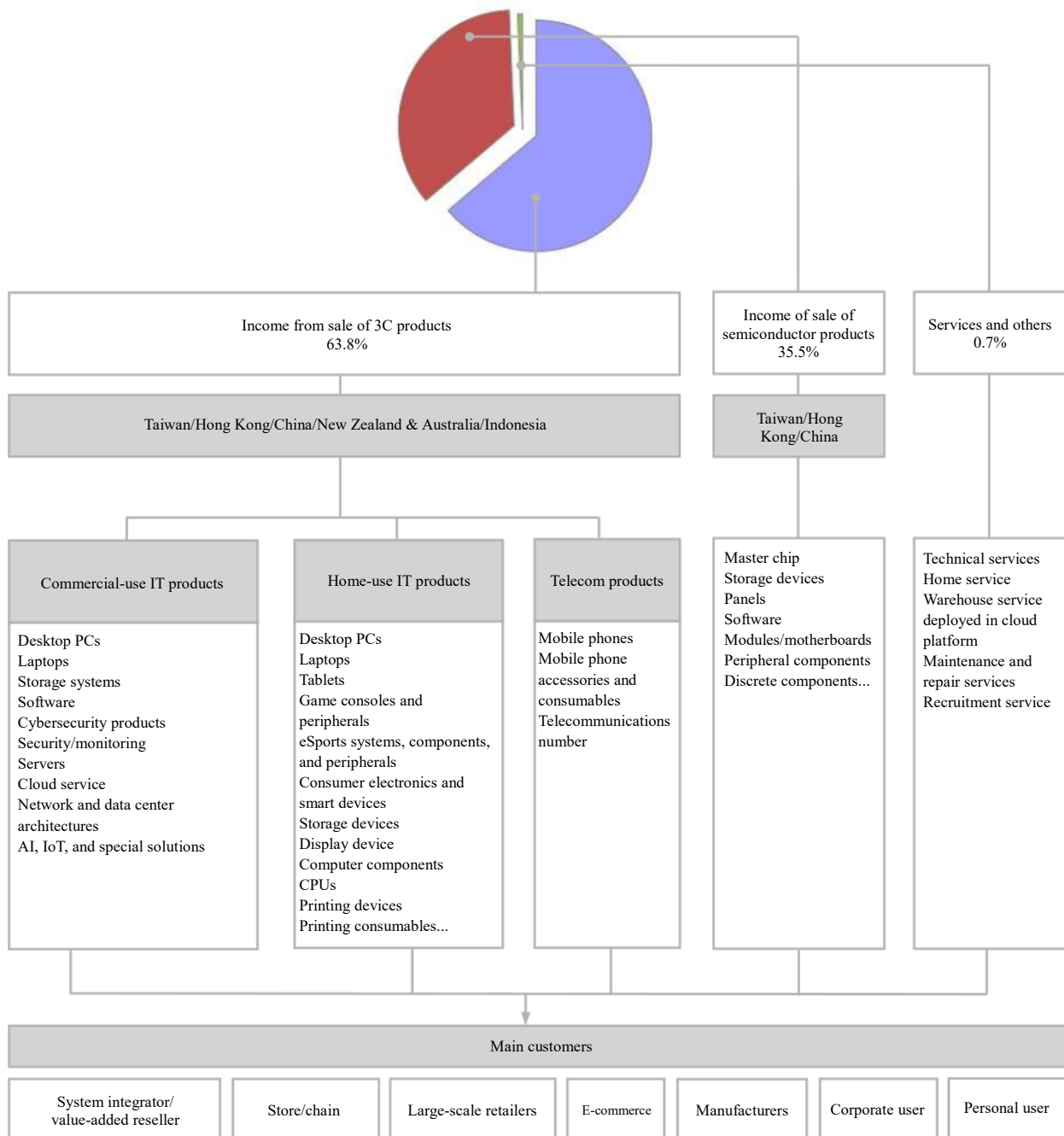
## Business Overview

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# Business Overview

## I. Scope of business

### (I) Main areas of business operation and revenue distribution for 2023

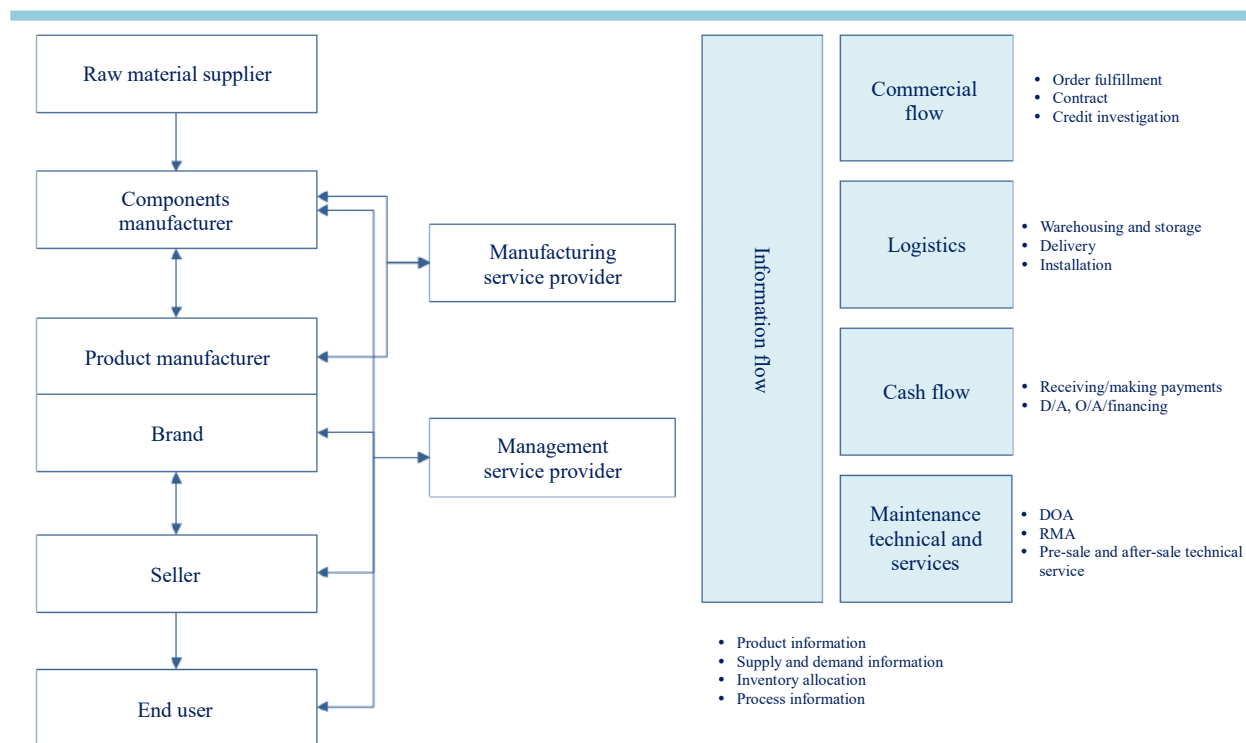


## (II) Developing new products (services)

| New product  | New service  |
|--|--|
| <ul style="list-style-type: none"> <li>Expanded cloud service business product lines.</li> <li>Continued to introduce smart life related products.</li> <li>Continued to develop AIoT related business opportunities.</li> </ul> | <ul style="list-style-type: none"> <li>Business opportunity development service for emerging products</li> <li>Fulfillment service of large deals</li> <li>Provide management analysis information service</li> <li>Provide inventory buffer service to smooth demand fluctuation</li> </ul> |

## (III) Industry overview

### Technology industry supply chain



In order to improve the operational efficiency and quality of the supply chain and reduce overall operation costs, the division of labor and operational processes between the upstream and downstream of the supply chain will evolve various modes, forming a diversified industrial ecology.

**The evolution and development trends of the technology industry supply chain revolve around two major axes:**

#### 1. Economy of scale

Technology industry R&D (including technology R&D and operating system R&D) entail extremely high costs, and it is necessary to constantly pursue a larger economic scale to support high R&D costs, and thereby reduce product prices and promote popularization.

Considerations of economic scale drive the supply chain to continue towards a finer division of professional labor. Each component has a manufacturer that specializes in R&D and design, and the finished product is assembled by a professional manufacturing service provider. Brands focus on product planning and marketing promotion. The commercial flow, logistics, cash flow, maintenance flow, etc. of the chain are the responsibility of the operation service provider. At the same time, these manufacturers that have division of labor and respective responsibilities have continued to integrate horizontally, and have become centralized and maximized in their respective fields to form a larger economic scale. This development trend has greatly raised the industry's threshold for competition.

#### 2. Smooth operation of the supply chain

The supply chain has formed a tightly knit and dense network of division of labor as a result of the professional division of labor. Information transparency among members and efficiency and stability of collaborative operations form the biggest problems faced by the supply chain; they also offer the largest room for improvement of overall operation costs of the supply chain.

Synnex's strategic transformation into an "Management Service Platform (MSP)" focuses on this. From the perspective of the overall supply chain, it gives full play to its own foundation in digital capabilities, actively connects information with upstream, downstream, and partners, removes operational barriers between manufacturers, achieves process transformation of the overall supply chain, and provides platform members with "stable operation services."

## **Industry development trend and competition**

According to the market trend report compiled by Business Next magazine, featuring a compilation of data from research institutions including the World Economic Forum (WEF), Forbes, and CCS Insight, the emerging technologies that will have a positive impact on the world in the next 3 to 5 years not only have the ability to revolutionize industries and boost economic growth, but they will also reduce harm to the environment and reshape how the world works. The top ten innovative technologies that will attract the most attention in 2024 compiled by Business Next magazine are summarized as below:

### **1. Flexible neural electronics:**

In recent years, brain-computer interfaces (BCI) have generated more attention. By enabling machines to be controlled through thoughts, machines can be used to treat epilepsy patients and neurological repair. Recently, researchers have developed circuit materials that are highly compatible with the human brain, are flexible and elastic, and can enable the brain to directly communicate with the external computers.

### **2. Flexible batteries**

From foldable electronic devices to medical wearable devices, flexible displays, smart watches, and more, the electronic products in the future must be equipped with batteries that are more flexible and easy to bend. Currently, companies such as LG Chem, Samsung SDI, and Apple are actively commercializing flexible battery technology.

### **3. Sentient robots**

Robots have multiple sensory capabilities and can naturally interact with the world and effectively solve problems and make decisions through powerful software, edge computing and advanced sensors. They are mainly used in retail, healthcare, and elderly care etc.

### **4. Engineered bacteriophage**

We can fight bacteria with bacteria. Through genetic engineering, scientists can reprogram phages to infect specific bacteria and use them to treat microbial-related diseases. The designed phages have multiple applications, such as targeting antibiotic-resistant bacteria and reducing the pathogenicity of certain bacteria.

### **5. Green computing**

More and more data centers support Google search, Metaverse, and AI applications. But at the same time, they consume a lot of power. In the future, green computing technology including liquid cooling systems to solve heat dissipation, and excess heat reuse, will advance significantly, and AI will be utilized to optimize energy use.

### **6. Network defense capability**

Research estimates that losses from corporate cyberattacks will cost more than \$10 trillion in 2024. In the face of ever-changing cyberattacks, automation of cyber defense through AI, paying close attention to social engineering attacks, and public relations crisis management, will be the basic elements of cyber defense capabilities.

### **7. Quantum computing**

In 2024, quantum computing will transform from a phenomenon into something that will offer substantial benefits. For example, the banking industry can use quantum technology to increase AI development competency, and use it for fraud detection and risk management. Other areas including drug development and genome sequencing can also achieve breakthroughs under quantum computing.

### **8. A metaverse with mental health benefits**

Excessive screen use can be harmful to a person's health, but if used wisely, it can also enhance their well-being. Gaming platforms are being used in mental health treatments to not only increase patient engagement but also help destigmatize mental health issues.

### **9. Sustainable aviation fuel**

Since long-distance transportation requires high-energy-density fuel, it is more challenging for the aviation industry to decarbonize than ground vehicles. Currently, neither electric nor hydrogen fuels are suitable for long-distance flights. Sustainable aviation fuel, made from biofuel or carbon dioxide, has the potential to decarbonize the aviation industry.

### **10. Wearable plant sensors**

To address food security issues, wearable plant sensors are expected to improve plant health and increase agricultural productivity. Sensors continuously monitor temperature, humidity, moisture, and nutrients, and use data to optimize the use of pesticides and fertilizers in order to detect signs of disease early on.

#### **(IV) Overview of Technology and R&D**

##### **Research and development operations**

Synnex's is strategically positioned as an "operational service platform". In addition to expanding operational capabilities and management experience accumulated over the decades, the research and development of operational management technology will also focus resources on the connection and integration of external information and the development of service platforms. Key operational management technologies in staged planning, R&D, or rollout include:

1. Cloud service platform and recruitment service platform
2. Integrated supply and demand information management platform
3. Order delivery mechanism
4. AI audit technology
5. Operational status analysis platform

The Company has invested a fair amount of human resources and funds; it has continually refined its services and systems to satisfy requirements of the industry supply chain. However, the Company primarily focuses on innovation in operational mechanisms, and thus does not invest in R&D.

#### **(V) Long- and short-term business plans**

##### **Short-term business development plan**

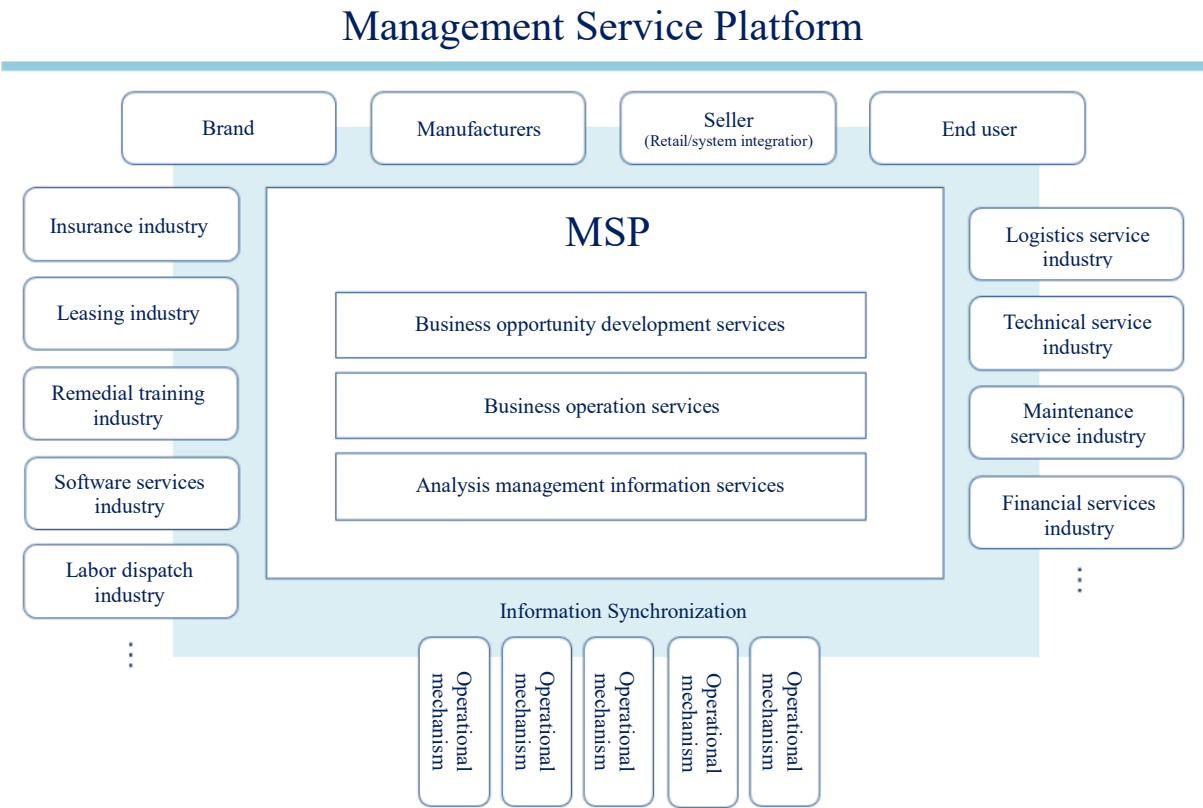
By clearly positioning the company as an operation service platform, has insight into various problems and pain points of supply chain operation, and actively targets the four major areas of retail business, commercial business, semiconductor business, and recruitment business. The company provides upstream and downstream manufacturers with "stable operation services". Customer trust will help us to expand business development space and drive a leap forward in performance scale.

##### **Long-term business development plan**

Be perceptive as to industry development trends and supply chain ecological evolution, adjust strategic positioning in a timely manner, continue to develop and innovate supply chain operation models, and seek greater space for value creation.

## II. Business model

Synnex's Management Service Platform (MSP) is a digital platform that builds an entire supply chain operation service system through serial integration of information, providing platform members with business opportunity development services, business operation services, analysis and management information services, and solving supply chain operation problems and pain points, and achieving the goal of smooth operation of the supply chain. Its members include core members of the technology industry supply chain, such as brands, manufacturers, sellers, and users, as well as operators and partnering suppliers that provide basic services related to operations, technical services, maintenance services, and financial services for the supply chain. At the same time, we will expand cross-industry partners to include different fields to form an ecosystem that jointly participates in value creation.



## III. Core competencies

### Long-term and stable upstream and downstream cooperation

Synnex has been intensely involved in the technology and electronics industry for decades, and has generally established long-term and stable cooperative relations with major global manufacturers of components and semi-conductors, as well as major sales channels in various areas. Through its good corporate reputation and excellent operation management, it continues to provide original manufacturers and customers with stable and efficient services, jointly create market opportunities, jointly face and solve industry problems, and win the trust of original manufacturers and customers, all of which provide an important foundation for the stable and sustainable development of Synnex.

### Digital capabilities

Synnex has long invested in the construction of internal information infrastructure and has established four major information and communication networks: the management information system (MIS) network, logistics remote monitoring network, video conference network, and telecommunication network to build the foundation of Synnex's international management capabilities. In recent years, its self-developed probe technology has been used to comprehensively improve the intelligence of decision-making, management, and operations, and greatly enhances the company's overall digital capabilities. At the same time, it extends outward to connect information with original manufacturers, customers, and partnering manufacturers, and cross the information barriers between upstream and downstream. Digital capability is the most important market weapon for Synnex.

### Smart logistics network

Synnex has established dozens of logistics centers in major cities of the Asia Pacific region, which altogether form a extensive logistics network coverage. Through smart, professional, disciplined, and efficient operation management, we provide stable, high-quality, and efficient logistics services for high-tech industrial supply chains.

### Research and development capabilities of operations management technology

Synnex Group Headquarters' six major planning & management functions combined with the Software Development Center are together responsible for business model planning, establishing the management policy, developing systems, and conducting various operational analyses and inspection and quality management, letting Synnex Group develop and innovate various operations technologies and adapt to changes in response to the evolution of the industrial ecosystem, and thereby achieve performance of the Group's strategy.

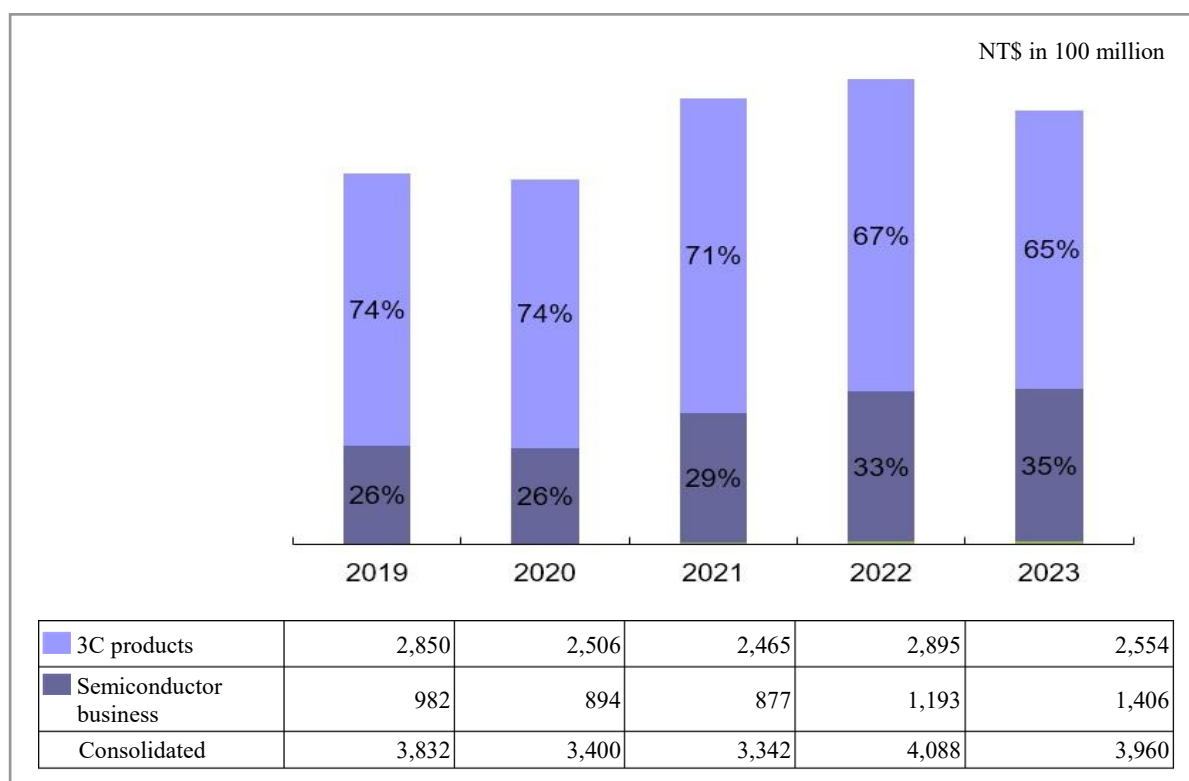
## IV. Business strategy

In order to create more space for business development, Synnex strategically positioned itself as a "Management Service Platform (MSP)" with entirely-new strategic thinking and vision, allowing it to build and develop operational capabilities and operating system mechanisms over the years, produce greater multiples of benefits, and create greater space for enterprise development.

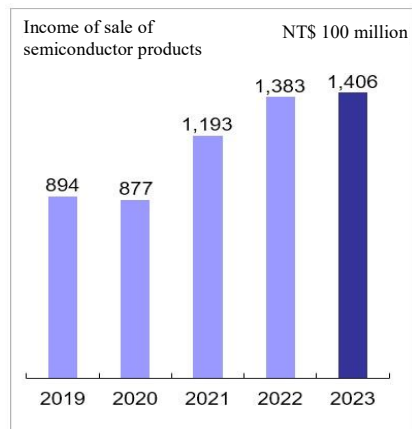
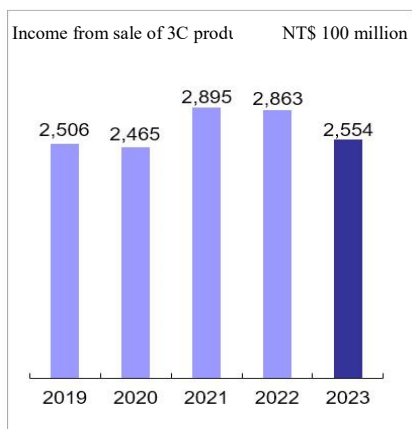
## V. Market and sales conditions

### (I) Revenue trends and the main sales regions

#### Growth trends in group revenue

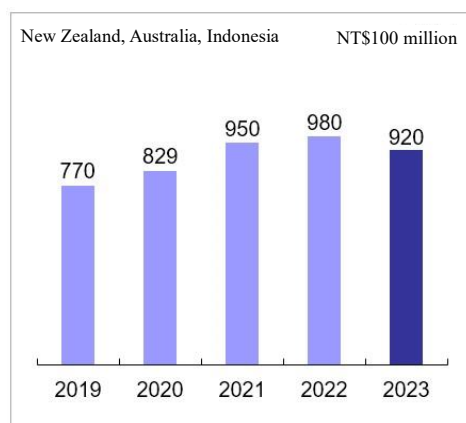
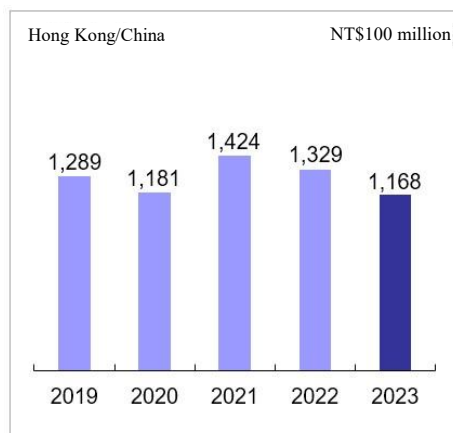
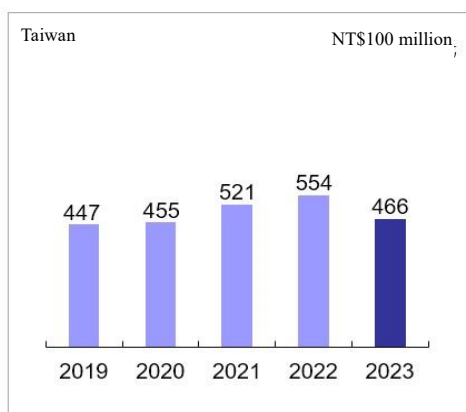


## Sales volume chart



Note: Due to the wide variety and dispersion of the products sold by the Group, the product specifications and measurement units vary greatly. To avoid misleading investors, only the sales amount of each product is listed.

## Growth trends for 3C product revenue in various regions



## (II) Supply and growth of market in the future

After three years of global lockdown due to the COVID-19 pandemic, countries have gradually begun to ease lockdown measures in 2023, opening up national borders and resuming interpersonal exchanges. However, the booming economic activities that were originally expected to occur after the lifting of lockdown measures, were affected by high inflation, high interest rates, and geopolitical conflicts. The path to recovery was bumpy, and global demand remained weak. According to research reports from market research institutions IDC, Gartner, Canals and DigiTimes, shipments of global personal computers (PC) are expected to fall below 250 million units last year. This would be the first time since 2006 for PCs to fall below this volume, and at the same time, it dropped by approximately 15% for two years in a row. The server market also slumped last year. In the weak global economic environment, corporate investment became more conservative and prudent. Though in the second half of 2023, the generative AI boom drove large data center operators to rush to invest in AI server construction, the overall server market still suffered from a nearly 20% decline in 2023.

Even though the macro-environment remained unfavorable, and prospects of the global economy remain unclear, the pandemic has already thoroughly changed the way people worked, learned, lived, and their leisure and entertainment, making digital tools an inelastic demand in the post-pandemic era. At the same time, enterprises must also be more active in strengthening organizational development through digital technology, such as investing in cloud-based digital infrastructure to increase digital flexibility, and deploying new technologies to build a hybrid work environment in order to cope with the operation/business model under the "new normal". These technologies will continue to provide strong growth momentum for the ICT industry. At the same time, as various adverse factors gradually subside or are resolved, and favorable factors including how Microsoft will stop supporting the Windows 10 operating system in 2024, the launch of personal computers (PCs) and smartphones with AI functions, the boom in AI servers, and the fact that digital tools purchased in large quantities to cope with the pandemic are about to enter the replacement cycle, are all expected to drive up the ICT industry in 2024, where it will ride a wave of growth. According to estimates from various market research institutions for this year, the global personal computer market in 2024 is expected to increase by approximately 7% to 8% compared with 2023, and the Asia-Pacific and Middle East/Africa markets will have higher growth than the global average, and are expected to experience a growth of more than 10%. In addition, the server market will also return to growth this year as the AI boom continues and companies resume investments in digital infrastructure. It is expected to grow by approximately 8% compared to 2023.

Looking forward to the next decade, Asia-Pacific, the Middle East and Africa will be the drivers of global growth. In this huge market of 5.3 billion people, Synnex has fully deployed our business strategies, and is ready to go. Synnex has become a leading distributor in Taiwan. Its overseas subsidiaries and investees also showed impressive results locally. The local market positions of each subsidiary and investee in 2023 are as follows:

| Region                                    | Ranks of distributors |
|---|-----------------------|
| Hong Kong (Subsidiary)                    | 1                     |
| China (Subsidiary)                        | 3                     |
| Australia (Subsidiary)                    | 1                     |
| Indonesia (Subsidiary)                    | 1                     |
| Vietnam (Reinvestment company)            | 1                     |
| Thailand (Reinvestment company)           | 1                     |
| India (Reinvestment company)              | 2                     |
| Middle East/Africa (Reinvestment company) | 1                     |
| Türkiye (Reinvestment company)            | 2                     |

Basic information of each region:

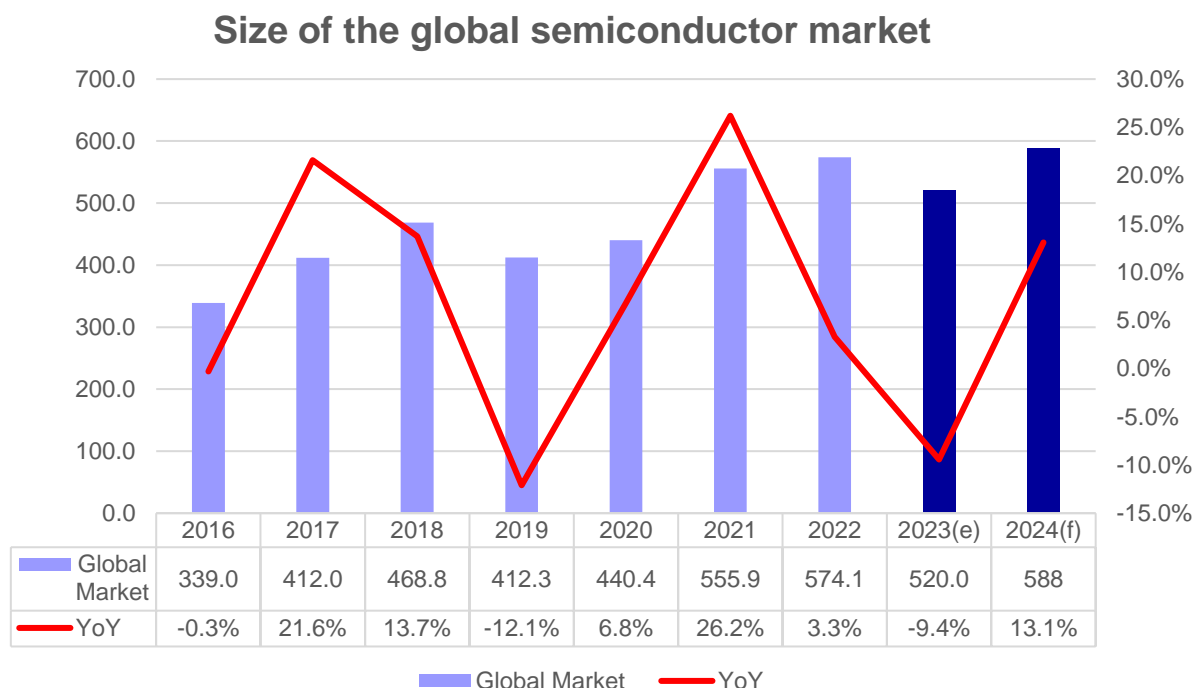
| Region    | Population (in millions) | Per capita GDP (US\$) | 2023 economic growth rate (%) | Source                               |
|-----------|--------------------------|-----------------------|-------------------------------|--------------------------------------|
| Taiwan    | 23.4                     | 32,358                | 1.4                           | National Statistics, R.O.C. (Taiwan) |
| China     | 1,411.4                  | 12,541                | 5.0                           | IMF                                  |
| Hong Kong | 7.5                      | 51,168                | 4.4                           | IMF                                  |
| Australia | 26.6                     | 63,487                | 1.8                           | IMF                                  |
| Indonesia | 277.4                    | 5,109                 | 5.0                           | IMF                                  |
| Vietnam   | 100.4                    | 4,316                 | 4.7                           | IMF                                  |
| Thailand  | 70.2                     | 7,298                 | 2.7                           | IMF                                  |
| India     | 1,428.6                  | 2,612                 | 6.3                           | IMF                                  |

### Semiconductor products market

For the effective operation of the semiconductor industry's supply chain, the manufacturers of upstream semiconductor parts provide product technology services to downstream manufacturers through the support of distributors, to concentrate resources to serve direct customers and concentrate on developing next-generation products and create more sophisticated competencies and market opportunities. Distributors are able to bring flexible payment terms to downstream manufacturers, reduce inventory loading, shorten the components supply process effectively, fix the lack of coordination in the upstream and downstream supply chains, and extend to new product development and technical support services. Under these preconditions, a distributor management model must be innovated continuously to provide customers with total solutions in order to obtain profits and sustainability.

Despite memory demand and average selling price (ASP) declining in the first half of 2023, as well as the contraction of the PC, smartphone and other consumer electronics markets, factors including the inventory adjustments from the upstream of the semiconductor supply chain to the consumer electronics brands, have led to a sharp decline in the global semiconductor market. However, as the inventory adjustments came to an end in the second half of 2023, and market demand has returned to normal, average selling prices have bottomed and rebounded after major manufacturers of memory and LCD panels all adjusted their production capacity. The World Semiconductor Trade Statistics (WSTS) estimated that global semiconductor product sales would decrease by 9% in 2023, and account for approximately US\$520 billion.

Nevertheless, it has been nearly four years since the outbreak of the COVID-19 pandemic. PCs, smartphones and terminal electronic products will inevitably enter replacement cycles. As applications of large-scale AI language modules continue to grow, and popularity for AI PCs and smartphones continue to grow, it is estimated that the CAGR of global semiconductor product sales in 2024 would grow by 13% to US\$588 billion.



Source: World Semiconductor Trade Statistics (WSTS)

Semi-conductor distributors in Taiwan have targeted the Asia Pacific market with services provided to main customers, including EMS providers, system integrators, independent design providers, PCB manufacturers, module manufacturers, the PC industry, digital consumer products industry, telecommunications industry, internet industry, and consumer electronics products industry. Due to continuous innovation and development, market demand for related components is growing. Taiwan and China are the world's major production bases for personal computers, mobile phones, and networking. Thus, the total market demand cannot be overlooked. Of which, ICs, memory modules, wireless telecommunications, broadband Internet, digital processing ICs, sensors, passive components, optoelectronic components, LCD panels, diverse IC drivers and power source management IC are the groups with the highest growth. In the future, 5G technology will be widely used, extending from the ICT industry to vertical applications such as transportation, health, and education, and driving the upgrade of base stations, small base stations, mobile phones, CPE products, and wireless routers. In 2035, it is predicted to reach US\$12.3 trillion.

### (III) Favorable conditions for future development

#### **There is abundant energy in industrial innovation, and new technologies and new applications continue to create larger market space**

The technology industry attracts investment from global talent, and there is abundant energy for technological R&D and innovation. New technologies and new applications are constantly coming out, creating new market space. The operation scope of Synnex covers the up, middle, and downstream reaches of the technology industry. It is able to keenly perceive and quickly grasp the application of new technological and industrial development trends, so as to prepare in advance and seize opportunities in new fields.

#### **Extensive development potential in emerging markets**

Though the competition is fierce in the emerging markets, China, India, the Middle East, Thailand, Indonesia, and Vietnam, that Synnex has already entered, the overall market environment has gradually become mature and compliant, and the advantages created by Synnex's robust operations and management mechanisms will gradually expand to drive the increase in market share. As for other countries and regions where Synnex has not yet entered, there is also extensive development potential to be explored.

### The increasing demand for smooth services in the supply chain

Under the trend of globalization, various political and economic events have had a more rapid and violent impact on the industry, and it has become more difficult for enterprises to maintain stable operations. Synnex provides various "stable services" for original manufacturers and customers through the MSP to effectively solve supply chain operation problems, reduce customer operating risks and costs, meet customer needs, gradually strengthen the closeness of cooperation with upstream and downstream manufacturers, and establish itself as indispensable in the industrial supply chain.

### Integration of brand manufacturers, the trend of the big getting bigger under the economies of scale is more and more obvious

In recent years, ICT brand manufacturers have sped up integration and the formation of strong alliances between manufacturers and distributors has become a trend to create a bigger economic scale, smarter operating technologies, and thereby lower operating costs and cooperating more efficiently. The economies of scale does not only help Synnex strengthen its market position, but also creates the positive cycle of the economies of scale accelerating the reduction of operating costs and the reduction of operating costs accelerating the expansion of the scale.

## (IV) Unfavorable factors to future development and response measures

| Unfavorable factors  | Response measures   |
|--|---|
| <b>The impact of the regional chain reaction and interaction is enhanced under the trend of globalization; also, the impact of local natural disasters or economic and political turbulence is broadened.</b>  | <ol style="list-style-type: none"><li>1. Diversify risk and reduce the impact of natural disasters and economic and political turbulence through multi-nation, multi-product, and multi-channel business strategy.</li><li>2. Make good use of its digital capabilities to improve sensitivity and judgment of changes, and continue to strive to improve the solidity of internal operations and management and the transparency of information, enhance the company's vitality, and improve its ability to withstand environmental variables and system risks.</li></ol>  |
| <b>Short life cycle of products</b><br>The rapid advancement of technology has facilitated the speed of the introduction of new products; thus, product cycle is shortened to approximately half a year, resulting in uncertainty of sales performance and increased inventory risk. | <ol style="list-style-type: none"><li>1. Utilize AI tools to assist the determination of changes in product life cycle, and increase the accuracy and timeliness of product decision-making.</li><li>2. Moderately remove types with low performance and items that do not have operational value, and focus on products and business with high efficiency.</li><li>3. Master the product and technology trends. In addition to distributing star products, introduce and cultivate products with potential at appropriate time to optimize product combinations, control growth opportunities, and lower business risks.</li></ol> |
| <b>Era of micro-profits, profit margins are low and hard to raise</b><br>Mature technology and transparent information cause the 3C industrial chain upstream and downstream to move towards slim profits with difficulty in raising profit margins.                                 | <ol style="list-style-type: none"><li>1. Accelerate digital transformation and replace conventional inefficient offline operations with digital connections, in order to lower operating costs and fully utilize the value of human resources.</li><li>2. Utilize digital strengths to resolve issues with supply chain operations, resolve customers' pain points, and create value through services.</li></ol>  |

## (V) Major applications and production of key products

### 1. Major applications of key products

The products and services sold by the Company span across four major fields, namely IT for commercial use, IT for home-use, telecommunications, and semiconductors.

Commercial value-added and information consumer electronics products, can be divided into enterprise solutions and device and consumer, in terms of application. The company's main products and services are as follows:

| Main applications and products |  |
|--------------------------------|--|
| Enterprise Solution            | Server & Storage, Networking & Security, Data Center Infrastructure, Cloud Service, Technical & Management Service, Surveillance, Productivity/Tools/Bi, Database & Management, Solar & Green Energy, AI & IoT Solution, Large-Format Display & Printing |
| Device & Consumer              | Client Device, Mobile Phone, eSports & Gaming, PC Component, Smart Device & Home Appliance, Peripheral & Accessory   |

Once sold, semi-conductors are used for production; the products span across the following fields:

| Main industries        |   |
|------------------------|---|
| Semiconductor products | PC, Smart Phone, Storage & Memory, Panel / Touch / LED, Networking, AIoT, Automotive, Power |

### 2. Production processes of key products: Not applicable (non-manufacturing).

## (VI) Supply status of primary raw materials: Not applicable (non-manufacturing).

## (VII) The Group's list of key clients and amounts in the past two years

### Procurements list

Unit: in NTD millions

| Ranking | 2022             |         |                                     | 2023             |         |                                     |
|---------|------------------|---------|-------------------------------------|------------------|---------|-------------------------------------|
|         | Name of supplier | Amount  | Total annual net purchase ratio (%) | Name of supplier | Amount  | Total annual net purchase ratio (%) |
| 1       | A company (Note) | 65,203  | 13                                  | A Company (Note) | 61,489  | 13                                  |
| 2       | B company (Note) | 49,793  | 10                                  |                  |         |                                     |
|         | Other            | 371,617 | 77                                  | Other            | 414,537 | 87                                  |
|         | Net purchase     | 486,613 | 100                                 | Net purchase     | 476,026 | 100                                 |

Note: Not a stakeholder.

The Group has maintained good relations with major suppliers for a long period of time. The situation of purchasing from major suppliers has changed slightly.

### Sales list

The Group's customers are scattered and there is no excessive concentration. Thus, in the past two years, there were no customers who accounted for more than 10% of the total sales.

## (VIII) Output volume and value in the past two years: Not applicable (non-manufacturing).

## VI. Employees

### (I) Number of employees

| Item                          | Year | 2022.12.31 |                       |       | 2023.12.31 |                       |       | 2024.03.31 |                       |       |
|-------------------------------|------|------------|-----------------------|-------|------------|-----------------------|-------|------------|-----------------------|-------|
|                               |      | Taiwan     | Overseas subsidiaries | Total | Taiwan     | Overseas subsidiaries | Total | Taiwan     | Overseas subsidiaries | Total |
| Number of full-time employees |      | 1,502      | 3,141                 | 4,643 | 1,336      | 2,973                 | 4,309 | 1,305      | 2,933                 | 4,238 |
| Number of part-time employees |      | 43         | 228                   | 271   | 28         | 211                   | 239   | 20         | 251                   | 271   |
| Total number of employees     |      | 1,545      | 3,369                 | 4,914 | 1,364      | 3,184                 | 4,548 | 1,325      | 3,184                 | 4,509 |

### (II) Information on employees

| Year                       |                    | 2022.12.31 |  | 2023.12.31 |  | 2024.03.31 |  |
|----------------------------|--------------------|------------|--|------------|--|------------|--|
| Item                       | Year               | 2022.12.31 |  | 2023.12.31 |  | 2024.03.31 |  |
|                            |                    | 2022.12.31 |  | 2023.12.31 |  | 2024.03.31 |  |
| Number of employees        | Sales              | 1,928      |  | 1,796      |  | 1,777      |  |
|                            | Technology         | 1,323      |  | 1,230      |  | 1,194      |  |
|                            | Computer           | 153        |  | 136        |  | 134        |  |
|                            | Administrative     | 471        |  | 449        |  | 446        |  |
|                            | Logistics          | 768        |  | 698        |  | 687        |  |
|                            | Total              | 4,643      |  | 4,309      |  | 4,238      |  |
| Average age                |                    | 37.3       |  | 38.5       |  | 38.6       |  |
| Average years of service   |                    | 8.2        |  | 9.6        |  | 9.9        |  |
| Academic qualification (%) | PhD                | 0.0        |  | 0.0        |  | 0.0        |  |
|                            | Master's degree    | 6.2        |  | 6.4        |  | 6.5        |  |
|                            | University/College | 83.2       |  | 83.1       |  | 83.1       |  |
|                            | High school        | 9.3        |  | 9.2        |  | 9.2        |  |
|                            | Below high school  | 1.3        |  | 1.2        |  | 1.2        |  |

Note: Part-time employees are not included.

## VII. Environmental protection expenditure information

Though the company is a channel services provider of high-tech products, which is not categorized as a highly polluted industry and poses no major environmental problems, based on the belief that earth is a part of life, the company is still committed to actively fulfilling its environmental protection responsibility. For related measures, please refer to the description in the performance of sustainable development section.

## VIII. Labor relations

### Employee welfare

In addition to paying labor insurance and national health insurance in full according to the law in Taiwan, the company also purchases group life insurance for its employees and established the Employee Welfare Committee to actively arrange various group construction activities and established a health-promoting environment. Besides providing magnesium-ion sparkling water fountains and free coffee to our workers, we have also set up a self-serve co-op in order to build a comfortable work environment for our employees. We also organize team-building activities including New Year Gala, movie nights, family days, and departmental travels to build employee cohesion and to improve the balance between work and family life. In order to encourage employees to develop their careers in the company, senior employees are lauded and will receive bonuses to thank them for their contributions to the company.

In addition, Synnex provides an interest-free employee loan system, in which employees who have stayed with us for one year or more are all eligible. Categories include home purchase, marriage, childbirth, car purchase, emergency relief, or new job placement, etc., to provide support for colleagues dealing with major changes in life. In terms of overseas subsidiaries, the employee welfare system was established in accordance with the regulations and environment of the foreign country. Team-building events integrated with inclusive elements of local culture and characteristics are also organized to realize the Group's teamwork spirit and diversity in practice.

### Retirement system

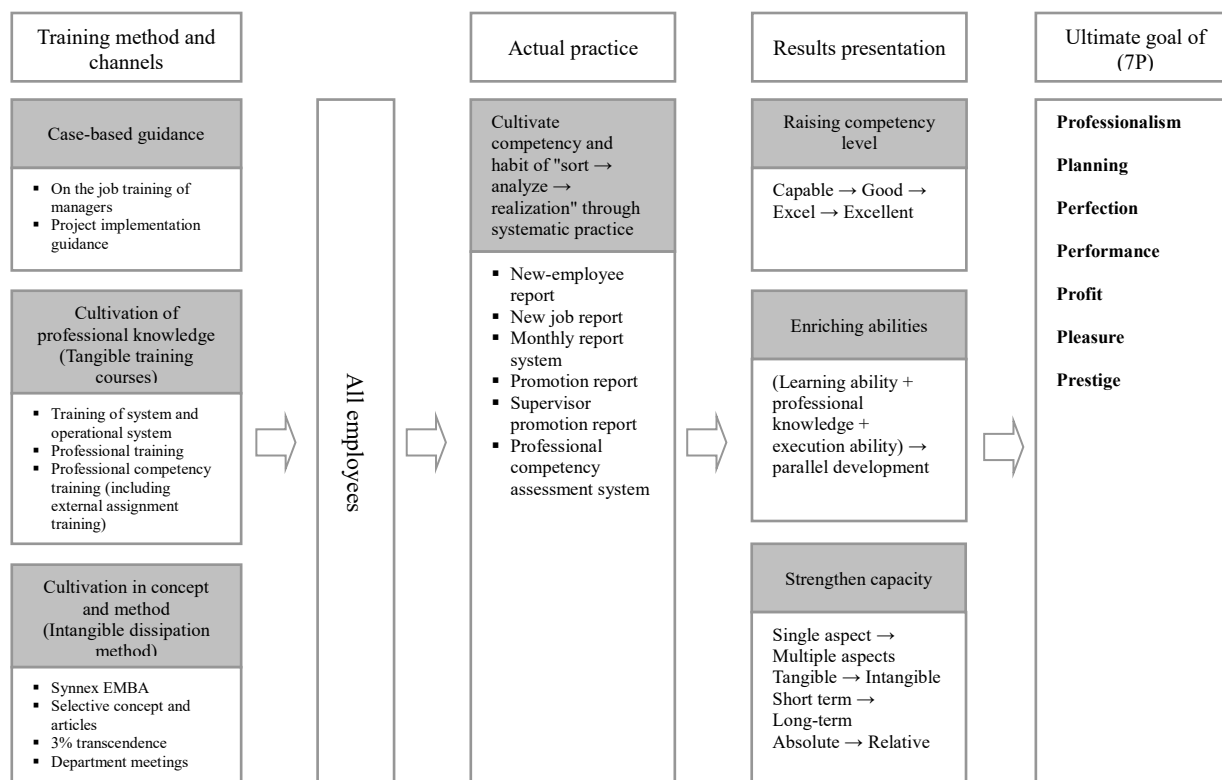
Retirement matters in Taiwan are handled in accordance with the requirements of the Labor Standards Act and Labor Pension Act. The company has formed the Employee Pension Reserve Committee. The new pension system has been implemented in accordance with the Labor Pension Act since July 2005. For the new employees and the existing employees who choose to apply the new pension system, the company pays 6% of their monthly salaries to their personal pension accounts with the Bureau of Labor Insurance. At the same time, the company continues to retain the seniority of existing employees who choose to apply the old pension method and those who choose to apply the new pension method, and allocates the appropriate pension amount according to the payment standard of the old pension method to the account with Bank of Taiwan. In terms of overseas subsidiaries, pension reserves are appropriated and withheld regularly in accordance with the regulations and environment of the foreign country so that employees can work for the company long term without any worries.

### Labor agreement

In addition to normal organizational systems, employee-employer relations can be communicated through regular competency assessment system, labor-management meeting, and Employee Welfare Committee in order establish channel of communication between employees and management to build mutual understanding and promote a harmonious atmosphere in the Company. No significant labor dispute or loss has occurred in 2023 and 2024 up until now.

### Employee training

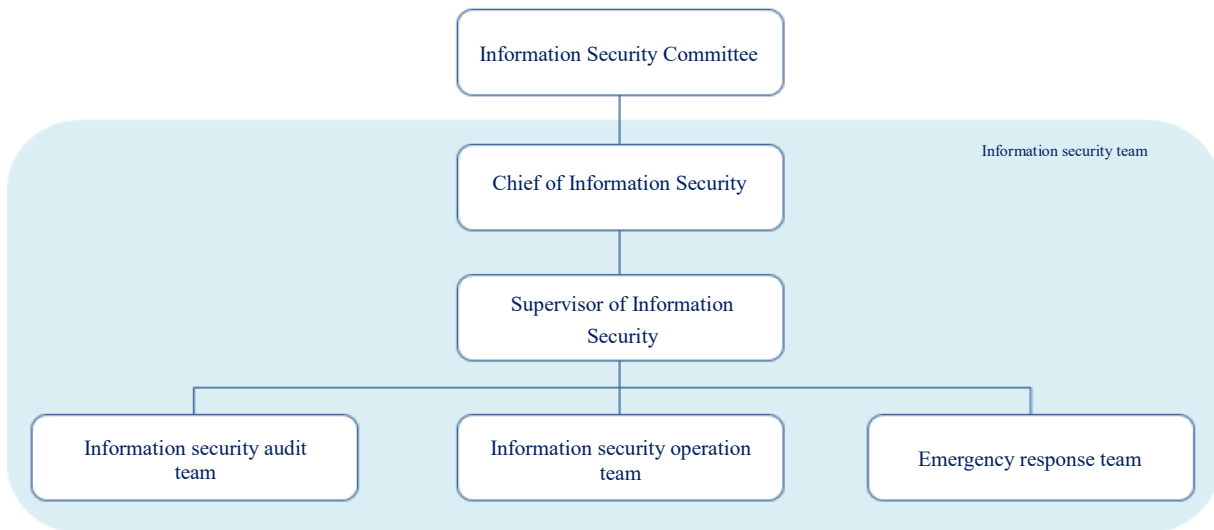
Synnex regards employees as an important intangible asset. Thus, Synnex is devoted to employee training. A complete employee training system (as shown below) has been constructed after years of effort. It is believed that the outstanding employee quality will be the biggest weapon in helping Synnex stand out amongst future competition.



## IX. Information security management

### ● Management organization

The Information Safety Management Committee was established to strengthen the company's information security management and ensure security of its data, system, and network. The chief information security officer serves as the convener of the Committee, and reports to the board of directors at least once a year. The organization of the Committee includes the information security operation team, emergency response team, and information security audit team. The information security operation team is responsible for constructing the information security system, managing information security risks, and evaluating information security solutions. The emergency response team is in charge of threats and vulnerability management, information security monitoring, and information security incident response management, and conducts post-event analysis and prevention. The information security audit team conducts information security audits on a regular basis, and conducts international standard verification through external third-party assurance agencies every year to actively review and achieve continuous improvement.



### ● Risk management mechanisms

Continue to focus on identifying internal and external information security risks, assess their impact on operations, and formulate strategic measures to reduce the impact on the enterprise.

### ● Information security policy

The company's information security policy aims to "maintain the confidentiality, integrity, availability, and legality of company information, and avoid human negligence, deliberate destruction, and natural disasters, which result in improper use, leakage, tampering, damage, or disappearance of information and assets which affect the company's operations and cause damage to the company's rights and interests." The company introduced the ISO 27001 information management system in 2016, and has regularly obtained ISO 27001 certification. The current certificate is valid from August 2022 to August 2025. Through the introduction of the ISO 27001 information security management system, the ability to respond to information security incidents has been strengthened, and assets of the company and customers are more secure.

### Specific information security management plan

| Item                                   | Specific management measures  |
|--|---|
| Firewall protection                    | <ol style="list-style-type: none"> <li>1. Set firewall connection rules.</li> <li>2. Can only be opened with the approval of the responsible supervisor when there are special connection needs.</li> </ol>   |
| User Internet access control mechanism | <ol style="list-style-type: none"> <li>1. Use an automatic website protection system to control users' online behavior.</li> <li>2. Automatically filter users' Internet access to websites that may have links to Trojans, ransomware, or malicious programs.</li> </ol>   |
| Antivirus software                     | Use antivirus software and automatically update virus pattern files to reduce the chance of infection.  |
| Updating of the operating system       | The operating system is automatically updated. If it is not updated for some reason, the information center will assist in updating.  |
| Email security control                 | <ol style="list-style-type: none"> <li>1. There is automatic email threat scanning protection that prevents suspicious attachment files, phishing emails, spam emails, and expands the protection range against malicious links before users receive emails.</li> <li>2. After a personal computer receives an email, the antivirus software also scans it for suspicious attachment files.</li> </ol>  |
| Data backup mechanism                  | Every important information system database is set up for daily backup.   |
| Important file upload server           | The important files of each department in the company are stored on this server, which is backed up and saved by the information center.  |
| Information security insurance         | The company's customers are mainly corporate customers, and there is no risk of consumer personal data custody. After evaluating the insurance coverage and applicable industries for IT security insurance on the market, we have not purchased capital security insurance for the time being. However, in response to the challenges faced by information security, certain software and hardware have been imported, such as firewalls, anti-virus software, intrusion prevention systems, etc., and we continue to pay attention to the changing trends of the information environment and strengthen our employees' awareness of information security crises and the ability of information security handlers to respond to such crises. |

- **Emergency notification procedure**

When an information security incident occurs, the unit(s) to which it occurred will notify the information security team—emergency handling team, determine the type of the incident, find the problem point, deal with it immediately, and leave a record.

- **Losses, possible impacts, and countermeasures due to material information security incidents: None**

## X. Important contracts

| Nature of contract                        | Contract subject                             | Contract start and end dates                                     | Main content  | Restriction clauses |
|---|--|--|---|---------------------|
| Tenancy                                   | Cathay Life Insurance                        | 2024.01-2024.12  | The rent is NT\$1,882/month/ping, and the office area is currently 1,831.36 pings.                    | None                |
| Commercial real estate purchase agreement | Nanzong Construction Developments, Co., Ltd. | From September 2019 to inspection and acceptance                 | The total price is NT\$5.087 billion; the total area is 4,846.63 pings and there are 80 parking spots | None                |
| Construction contracts                    | Taiwan Daifuku Co., Ltd.                     | 2020.02 until inspection and acceptance and the warranty expires | Sydney Phase II automated warehouse and auxiliary equipment construction                              | None                |

Note: Most of the general distribution contracts are changed every year, and there are many distribution products and each item has little effect on the overall sales, so details will not be provided here.

# Financial Overview, Performance Analysis and Risk Management

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# Financial Overview

## I. Condensed balance sheet for the past five years

### (I) Condensed balance sheet

Unit: in NTD millions

| Item/Year                               | 2019    | 2020    | 2021    | 2022    | 2023    |
|---|---------|---------|---------|---------|---------|
| Current assets                          | 111,302 | 121,603 | 166,052 | 190,568 | 180,683 |
| Property, plant and equipment (Note 2)  | 6,349   | 9,600   | 9,568   | 9,757   | 10,441  |
| Intangible assets                       | 646     | 638     | 640     | 666     | 651     |
| Other assets (Note 2)                   | 29,392  | 27,835  | 25,424  | 20,655  | 22,465  |
| Total assets                            | 147,689 | 159,676 | 201,684 | 221,646 | 214,240 |
| Current liabilities                     |         |         |         |         |         |
| Before distribution                     | 94,466  | 101,744 | 129,394 | 123,370 | 110,795 |
| After distribution                      | 98,803  | 107,248 | 137,734 | 129,208 | 115,799 |
| Non-current liabilities                 | 1,278   | 1,082   | 6,399   | 23,345  | 28,946  |
| Total liabilities                       |         |         |         |         |         |
| Before distribution                     | 95,744  | 102,826 | 135,793 | 146,715 | 139,741 |
| After distribution                      | 100,081 | 108,330 | 144,133 | 152,553 | 144,745 |
| Equity attributable to owners of parent | 49,814  | 54,583  | 63,610  | 72,563  | 71,814  |
| Capital stock                           | 16,679  | 16,679  | 16,679  | 16,679  | 16,679  |
| Capital reserve                         | 14,743  | 14,709  | 14,200  | 13,506  | 13,529  |
| Retained earnings                       |         |         |         |         |         |
| Before distribution                     | 25,687  | 29,531  | 40,978  | 48,416  | 49,492  |
| After distribution                      | 21,350  | 24,027  | 32,638  | 42,578  | 44,488  |
| Other interests                         | (7,295) | (6,336) | (8,247) | (6,038) | (7,886) |
| Treasury stock                          | -       | -       | -       | -       | -       |
| Non-controlling interests               | 2,131   | 2,267   | 2,281   | 2,368   | 2,685   |
| Total equity                            |         |         |         |         |         |
| Before distribution                     | 51,945  | 56,850  | 65,891  | 74,931  | 74,499  |
| After distribution                      | 47,608  | 51,346  | 57,551  | 69,093  | 69,495  |

Note 1: Financial statements in each year have been audited.

Note 2: Asset revaluation has not been processed in each year.

Note 3: The preceding distributions in each year are filled in accordance with the resolution of the Board meeting in regards to cash dividend distribution in the following year

## (II) Individual condensed balance sheet

Unit: in NTD millions

| Item/Year                              | 2019    | 2020    | 2021    | 2022    | 2023    |
|--|---------|---------|---------|---------|---------|
| Current assets                         | 13,301  | 11,655  | 13,022  | 17,050  | 28,214  |
| Property, plant and equipment (Note 2) | 1,070   | 3,547   | 3,550   | 3,525   | 3,555   |
| Intangible assets                      | 70      | 76      | 82      | 71      | 44      |
| Other assets (Note 2)                  | 82,672  | 88,484  | 105,209 | 138,987 | 142,106 |
| Total assets                           | 97,113  | 103,762 | 121,863 | 159,633 | 173,919 |
| Current liabilities                    |         |         |         |         |         |
| Before distribution                    | 46,841  | 48,772  | 52,555  | 64,710  | 74,279  |
| After distribution                     | 51,178  | 54,276  | 60,895  | 70,548  | 79,283  |
| Non-current liabilities                | 458     | 407     | 5,698   | 22,360  | 27,826  |
| Total liabilities                      |         |         |         |         |         |
| Before distribution                    | 47,299  | 49,179  | 58,253  | 87,070  | 102,105 |
| After distribution                     | 51,636  | 54,683  | 66,593  | 92,908  | 107,109 |
| Capital stock                          | 16,679  | 16,679  | 16,679  | 16,679  | 16,679  |
| Capital reserve                        | 14,743  | 14,709  | 14,200  | 13,506  | 13,529  |
| Retained earnings                      |         |         |         |         |         |
| Before distribution                    | 25,687  | 29,531  | 40,978  | 48,416  | 49,492  |
| After distribution                     | 21,350  | 24,027  | 32,638  | 42,578  | 44,488  |
| Other interests                        | (7,295) | (6,336) | (8,247) | (6,038) | (7,886) |
| Treasury stock                         | -       | -       | -       | -       | -       |
| Total equity                           |         |         |         |         |         |
| Before distribution                    | 49,814  | 54,583  | 63,610  | 72,563  | 71,814  |
| After distribution                     | 45,477  | 49,079  | 55,270  | 66,725  | 66,810  |

Note 1: Financial statements in each year have been audited.

Note 2: Asset revaluation has not been processed in each year.

Note 3: The preceding distributions in each year are filled in accordance with the resolution of the Board meeting in regards to cash dividend distribution in the following year

## II. Statement of comprehensive income for the past five years

### (I) Condensed statement of comprehensive income

Unit: in NTD millions  
(Except for earnings per share in NT\$)

| Item/Year   | 2019    | 2020    | 2021    | 2022    | 2023    |
|---|---------|---------|---------|---------|---------|
| Operating revenue   | 339,995 | 334,201 | 408,812 | 424,550 | 395,991 |
| Gross profit  | 14,721  | 15,095  | 17,599  | 17,843  | 17,599  |
| Operating profit  | 5,979   | 7,234   | 9,333   | 9,138   | 8,634   |
| Non-operating income and expenses   | 2,911   | 3,267   | 13,899  | 11,137  | 1,883   |
| Net income before tax   | 8,890   | 10,501  | 23,232  | 20,275  | 10,517  |
| Net income of the current term  | 7,219   | 8,538   | 17,778  | 16,330  | 7,881   |
| Other comprehensive profit/losses for the current period (net, after-tax) | (1,178) | 723     | (2,680) | 1,938   | (2,202) |
| Total comprehensive income of the term                                    | 6,041   | 9,261   | 15,098  | 18,268  | 5,679   |
| Net income attributable to owners of the parent                           | 6,815   | 8,159   | 17,272  | 15,749  | 7,289   |
| Net Income attributable to non-controlling interests                      | 404     | 379     | 506     | 581     | 592     |
| Total comprehensive income attributable owners of the parent              | 5,692   | 9,109   | 15,030  | 17,681  | 5,062   |
| Total comprehensive income attributable to non-controlling interests      | 349     | 152     | 68      | 587     | 617     |
| Earnings per share - before retroactive adjustment                        | 4.09    | 4.89    | 10.35   | 9.44    | 4.37    |
| - after retroactive adjustment (Note 2)                                   | 4.09    | 4.89    | 10.35   | 9.44    | 4.37    |

Note 1: Financial statements in each year have been audited.

Note 2: Retroactive adjustment is made based on the shares after capital increase out of earnings, capital reserve, and employee bonus as of December 31, 2023.

### (II) Condensed individual statement of comprehensive income

Unit: in NTD millions  
(Except for earnings per share in NT\$)

| Item/Year   | 2019    | 2020   | 2021    | 2022   | 2023    |
|---|---------|--------|---------|--------|---------|
| Operating revenue   | 42,588  | 42,990 | 54,071  | 67,861 | 60,226  |
| Gross profit  | 2,042   | 2,159  | 2,579   | 2,793  | 2,456   |
| Operating profit  | 155     | 158    | 433     | 665    | 570     |
| Non-operating income and expenses   | 6,809   | 8,099  | 21,008  | 18,034 | 7,655   |
| Net income before tax   | 6,964   | 8,257  | 21,441  | 18,699 | 8,225   |
| Net income of the current term  | 6,815   | 8,159  | 17,272  | 15,749 | 7,289   |
| Other comprehensive profit/losses for the current period (net, after-tax) | (1,122) | 950    | (2,242) | 1,932  | (2,227) |
| Total comprehensive income of the term                                    | 5,693   | 9,109  | 15,030  | 17,681 | 5,062   |
| Earnings per share - before retroactive adjustment                        | 4.09    | 4.89   | 10.35   | 9.44   | 4.37    |
| - after retroactive adjustment (Note 2)                                   | 4.09    | 4.89   | 10.35   | 9.44   | 4.37    |

Note 1: Financial statements in each year have been audited.

Note 2: Retroactive adjustment is made based on the shares after capital increase out of earnings, capital reserve, and employee bonus as of December 31, 2023.

### III. Financial analysis for the last five years

#### (I) Consolidated financial analysis

| Analysis item              |  | 2019 | 2020     | 2021     | 2022     | 2023 |
|----------------------------|--|------|----------|----------|----------|------|
| Capital structure analysis | Debt-to-asset ratio (%)                                      | 65   | 64       | 67       | 66       | 65   |
|                            | Long-term fund to properties, plant, and equipment ratio (%) | 805  | 580      | 732      | 981      | 965  |
| Liquidity analysis         | Current ratio (%)  | 119  | 120      | 128      | 154      | 163  |
|                            | Quick ratio (%)  | 81   | 85       | 88       | 103      | 109  |
|                            | Interest protection multiples                                | 13   | 22       | 48       | 15       | 6    |
| Operating ability          | Average collection turnover (times)                          | 6.2  | 5.7      | 5.4      | 5.1      | 5.0  |
|                            | Average days sales outstanding                               | 59   | 64       | 67       | 71       | 73   |
|                            | Average inventory turnover (times)                           | 8.8  | 10.0     | 9.8      | 7.6      | 6.7  |
|                            | Average days of sales  | 41   | 36       | 37       | 48       | 54   |
|                            | Average payment turnover (times)                             | 8.7  | 9.2      | 9.4      | 9.9      | 11.2 |
|                            | Property, plant, and equipment turnover (times)              | 51.3 | 41.9     | 42.7     | 43.9     | 39.2 |
|                            | Total assets turnover (times)                                | 2.3  | 2.2      | 2.3      | 2.0      | 1.8  |
|                            | Return on assets ratio (%)                                   | 5.0  | 5.6      | 9.8      | 8.0      | 4.1  |
| Profitability              | Return on equity (%)   | 14.0 | 15.6     | 29.2     | 23.1     | 10.1 |
|                            | Paid-in capital ratio (%) - operating profit                 | 35.9 | 43.4     | 56.0     | 54.8     | 51.8 |
|                            | Paid-in capital ratio (%) - income before tax                | 53.3 | 63.0     | 139.3    | 121.6    | 63.1 |
|                            | Net profit margin (%)  | 2.0  | 2.4      | 4.2      | 3.7      | 1.8  |
|                            | Earnings per share - before retroactive adjustment (NT\$)    | 4.09 | 4.89     | 10.35    | 9.44     | 4.37 |
|                            | Earnings per share - after retroactive adjustment (NT\$)     | 4.09 | 4.89     | 10.35    | 9.44     | 4.37 |
| Cash flow                  | Cash flow ratio (%)  | 19.9 | (Note 2) | (Note 2) | (Note 2) | 14.5 |
|                            | Cash flow adequacy ratio (%)                                 | 69.6 | 81.0     | 12.6     | (Note 2) | 8.3  |
|                            | Cash reinvestment ratio (%)                                  | 33.6 | (Note 2) | (Note 2) | (Note 2) | 11.0 |
| Leverage                   | Operating leverage   | 1.4  | 1.2      | 1.2      | 1.2      | 1.2  |
|                            | Financial leverage   | 1.1  | 1.1      | 1.1      | 1.2      | 1.3  |

Note 1: Financial statements in each year have been audited.

Note 2: Is negative and therefore not listed.

Note 3: For the calculation formula for the financial ratio, please refer to the description in (2) individual financial analysis items.

#### Discrepancy:

1. The interest protection multiples, return on assets (ROA), return on shareholders' equity (ROE), net profit margin and earnings per share (EPS) decreased compared with the previous year. This is mostly attributable to the recognition of one-time disposal benefits from the loss of influence of the investee Concentrix Corp. in the previous year, in addition to the fact that interest rates remained high due to the interest rate hike, and interest expenses increased accordingly.
2. The increase of cash flow ratio over the previous year is mostly attributable to the company's continuous inventory management, and the fact that the market gradually recovered in Q4, leading to net cash inflow from operating activities.

## (II) Individual financial analysis

|                            | Analysis item  | 2019     | 2020     | 2021     | 2022     | 2023     |
|----------------------------|--|----------|----------|----------|----------|----------|
| Capital structure analysis | Debt-to-asset ratio (%)                                      | 49       | 47       | 48       | 55       | 59       |
|                            | Long-term fund to properties, plant, and equipment ratio (%) | 4,699    | 1,550    | 1,952    | 2,693    | 2,803    |
| Liquidity analysis         | Current ratio (%)  | 31       | 24       | 25       | 26       | 38       |
|                            | Quick ratio (%)  | 24       | 18       | 15       | 17       | 27       |
|                            | Interest protection multiples                                | 19       | 24       | 64       | 30       | 8        |
| Operating ability          | Average collection turnover (times)                          | 8.2      | 8.2      | 9.6      | 9.1      | 6.8      |
|                            | Average days sales outstanding                               | 45       | 45       | 38       | 40       | 53       |
|                            | Average inventory turnover (times)                           | 12.3     | 13.7     | 12.9     | 12.0     | 8.1      |
|                            | Average days of sales  | 30       | 27       | 28       | 30       | 45       |
|                            | Average payment turnover (times)                             | 10.6     | 10.6     | 11.6     | 14.7     | 6.1      |
|                            | Property, plant, and equipment turnover (times)              | 38.7     | 18.6     | 15.2     | 19.2     | 17.0     |
|                            | Total assets turnover (times)                                | 0.5      | 0.4      | 0.5      | 0.5      | 0.4      |
|                            | Return on assets ratio (%)                                   | 7.6      | 8.4      | 15.6     | 11.6     | 5.0      |
| Profitability              | Return on equity (%)   | 14.0     | 15.6     | 29.2     | 23.1     | 10.1     |
|                            | Paid-in capital ratio (%) - operating profit                 | N/A      | N/A      | N/A      | N/A      | N/A      |
|                            | Paid-in capital ratio (%) - income before tax                | 41.8     | 49.5     | 128.5    | 112.1    | 49.3     |
|                            | Net profit margin (%)  | 16.0     | 19.0     | 31.9     | 23.2     | 12.1     |
|                            | Earnings per share - before retroactive adjustment (NT\$)    | 4.09     | 4.89     | 10.35    | 9.44     | 4.37     |
|                            | Earnings per share - after retroactive adjustment (NT\$)     | 4.09     | 4.89     | 10.35    | 9.44     | 4.37     |
|                            | Cash flow ratio (%)  | 4.5      | (Note 2) | 2.1      | (Note 2) | 5.0      |
| Cash flow                  | Cash flow adequacy ratio (%)                                 | 20.3     | 22.3     | 24.4     | 1.6      | 6.1      |
|                            | Cash reinvestment ratio (%)                                  | (Note 2) | (Note 2) | (Note 2) | (Note 2) | (Note 2) |
| Leverage                   | Operating leverage   | 6.8      | 7.6      | 3.6      | 2.5      | 2.4      |
|                            | Financial leverage   | (Note 2) | (Note 2) | 4.6      | 31.9     | (Note 2) |

Note 1: Financial statements in each year have been audited.

Note 2: Is negative and therefore not listed.

### Discrepancy:

1. The increases in current ratio and quick ratio compared with the previous year is mostly attributable to closer collaboration with customers and suppliers for inventory buildup in 2024.
2. The decrease in the interest protection multiples, profitability ratio, financial leverage and earnings per share were mostly attributable to the large amount of non-operating income last year, coupled with the increase in interest expenses caused by the high interest rate, thus affecting the net profit after tax, which decreased by 54% compared with the previous year.
3. The decreases in the operating ability ratios as compared with the previous year are mostly attributable to the fact that the market recovery after the lifting of the lockdown at the beginning of the year failed to drive a boost in demand as expected, resulting in a year-on-year decrease of 11% in revenue. In addition, the increase in inventory is due to our preparation for the improved market conditions and terminal demand in the coming year.
4. The 284% increase in cash flow adequacy ratio over the previous year is mostly attributable to the fact that the market gradually recovered in Q4, leading to net cash inflow from operating activities.

The calculation formula for the financial ratio is as follows:

1. Capital structure analysis
  - (1) Debt-to-asset ratio = total liabilities / total assets
  - (2) Long-term fund to properties, plant, and equipment = (shareholder's equity + long term liabilities) / net property, plant, and equipment
2. Liquidity analysis
  - (1) Current ratio = current assets / current liabilities
  - (2) Quick ratio = (current assets – inventories – prepaid expenses) / current liabilities
  - (3) Interest protection multiple = net income before income tax and interest expenses / current interest expenses
3. Operating ability
  - (1) Receivables (including accounts receivable and business-related notes receivable) turnover ratio = net sales / average balance of receivable of the period (including accounts receivable and business-related notes receivable)
  - (2) Average collection days = 365 / average collection turnover
  - (3) Inventory turnover = cost of goods sold / average amount of inventory
  - (4) Average inventory turnover (days) = 365 / average inventory turnover
  - (5) Payable (including accounts payable and business-related notes payable) turnover = purchases / average balance of payable of the period (including accounts payable and business-related notes payable)
  - (6) property, plant, and equipment turnover = net sales / net average real estate and plant and equipment turnover
  - (7) Total assets turnover = net sales / average gross assets
4. Profitability
  - (1) Return on assets ratio = [net income + interest expense \* (1 - tax rate)] / total average assets
  - (2) Return on equity = income after tax/average total equity
  - (3) Net profit margin = net income / net sales
  - (4) Earnings per share = (net income / income belonging to owner of parent company - stock dividend of preferred stocks) / weighted average number of issued shares
5. Cash flow
  - (1) Cash flow ratio = new cash flow from operating activities / current liabilities
  - (2) Net cash flow adequacy ratio = net cash flow from operating activities in the most recent five years / (capital expenditure + increase in inventory + cash dividend) for the most recent five years.
  - (3) Cash reinvestment ratio = (net cash flow from operating activities - cash dividend)/(gross margin of property, plant, and equipment + long-term investment + other non-current assets + working capital)
6. Leverage
  - (1) Operating leverage = (net operating revenues - current operating cost and expense) / operating profit
  - (2) Financial leverage = operating profit / (operating profit- interest expense)

## IV. Names of auditing CPAs of the most recent five years and their audit opinions

| Auditing year | Name of firm | Name of Accountants               | Audit opinion       |
|---------------|--------------|-----------------------------------|---------------------|
| 2019          | PwC Taiwan   | Jenny Yeh, Eric Wu                | Unqualified opinion |
| 2020          | PwC Taiwan   | Jenny Yeh, Liang, Yi-Chang        | Unqualified opinion |
| 2021          | PwC Taiwan   | Jenny Yeh, Liang, Yi-Chang        | Unqualified opinion |
| 2022          | PwC Taiwan   | Jenny Yeh, Liang, Yi-Chang        | Unqualified opinion |
| 2023          | PwC Taiwan   | Huang, Shih-Chun, Liang, Yi-Chang | Unqualified opinion |

## V. Review and analysis of financial status and financial performance

### (I) Analysis of financial status

Unit: in NTD millions

| Item/Year                     | 2022           | 2023           | Net change     |            |
|-------------------------------|----------------|----------------|----------------|------------|
|                               |                |                | Amount         | %          |
| Current assets                | 190,568        | 180,683        | (9,885)        | (5)        |
| Equity-accounted investments  | 8,965          | 9,456          | 491            | 5          |
| Property, plant and equipment | 9,757          | 10,441         | 684            | 7          |
| Intangible and other assets   | 12,356         | 13,660         | 1,304          | 11         |
| <b>Total assets</b>           | <b>221,646</b> | <b>214,240</b> | <b>(7,406)</b> | <b>(3)</b> |
| Current liabilities           | 123,370        | 110,795        | (12,575)       | (10)       |
| Non-current liabilities       | 23,345         | 28,946         | 5,601          | 24         |
| <b>Total liabilities</b>      | <b>146,715</b> | <b>139,741</b> | <b>(6,974)</b> | <b>(5)</b> |
| Capital stock                 | 16,679         | 16,679         | -              | -          |
| Capital reserve               | 13,506         | 13,529         | 23             | 0          |
| Retained earnings             | 48,416         | 49,492         | 1,076          | 2          |
| Other interests               | (6,038)        | (7,886)        | (1,848)        | (31)       |
| Non-controlling interests     | 2,368          | 2,685          | 317            | 13         |
| <b>Total equity</b>           | <b>74,931</b>  | <b>74,499</b>  | <b>(432)</b>   | <b>(1)</b> |

Analysis:

#### **Total assets (↓NT\$7,406 million, 3%)**

The decrease in total assets was mainly due to a decrease in inventories of NT\$4,062 million (↓7%), due to the gradual stabilization and recovery of market demand and the decrease in inventory at the end of the year compared with the previous year. The Group will continue to implement inventory health management and regularly monitor the age of the inventory; In addition, financial assets measured at fair value were affected by stock price fluctuations and the company's disposal of some shares held in TD Synnex Corp., resulting in a decrease in book value of NT\$2,167 million compared with the previous year.

#### **Total liabilities (↓NT\$6,974 million, 5%)**

The increase in total liabilities is mostly attributable to the decrease in the outstanding loans (short-term loans + short-term notes payable + long-term loan) by NT\$11,701 million (↓12%) and deducting cash and cash equivalents, wealth management products, and time deposits that will mature in more than 3 months, the net outstanding loans in 2023 and 2022 are NT\$70,862 million and NT\$79,591 million, respectively. This was due to the company's active management to boost the utilization efficiency of working capital, as well as adequate loan repayment. Since the Group's solvency indexes are good and has sufficient borrowing quota to support short-term high funding needs, there is no problem in short-term liquidity. In prospect of long-term funding needs, the financial leverage risk and return on shareholder's equity will be considered equally; if necessary, funds will be raised from the capital market in time.

#### **Total equity (↓NT\$432 million, 1%)**

The decrease in total equity is mostly attributable to the decrease in other equity of NT\$1,848 million (↓31%), which was caused by the decrease in foreign currency translation differences due to the appreciation of the USD, as well as the recognition of unrealized losses on financial assets measured at fair value due to stock price fluctuations.

## (II) Analysis of financial performance

Unit: in NTD millions

| Item/Year                         | 2022      | 2023      | Net change |      |
|-----------------------------------|-----------|-----------|------------|------|
|                                   |           |           | Amount     | %    |
| Operating revenue                 | 424,550   | 395,991   | (28,559)   | (7)  |
| Operating costs                   | (406,707) | (378,392) | (28,315)   | (7)  |
| Net gross profit                  | 17,843    | 17,599    | (244)      | (1)  |
| Operating expenses                | (8,705)   | (8,965)   | 260        | 3    |
| Operating profit                  | 9,138     | 8,634     | (504)      | (6)  |
| Non-operating income and expenses | 11,137    | 1,883     | (9,254)    | (83) |
| Net income before tax             | 20,275    | 10,517    | (9,758)    | (48) |
| Income tax expense                | (3,945)   | (2,636)   | (1,309)    | (33) |
| Net income of the current term    | 16,330    | 7,881     | (8,449)    | (52) |

Analysis:

### Operating revenue (↓NT\$28,559 million, 7%)

After the lockdown was lifted at the beginning of the year, the market recovery was slow and failed to drive demand growth as expected, resulting in annual revenue decline. However, the overall market sentiment has gradually stabilized, and the sales of Synnex's various products have also steadily increased quarter by quarter. By Q4, they have shown an annual increase, and the annual decrease for the whole year has also narrowed.

### Operating expenses (↑NT\$260 million, 3%)

In recent years, we have vigorously promoted the Agility Project. Through digital optimization, cascading information, and AI big data analysis, we have comprehensively improved operational efficiency to achieve economies of scale. As a result, operating expenses have mostly remained stable and continue to be kept at approximately 2.2%.

### Operating profit (↓NT\$504 million, 6%)

Although affected by the overall market environment, revenue fell by 7% year-on-year and operating profit dropped by 6%. However, due to the optimization of product portfolio and improvement of operating efficiency, the gross profit margin and operating net profit margin in this year were 4.4% and 2.2% respectively, both better than the previous year. The company's operating capability and profitability are both continuing to grow.

### Non-operating income and expenses (↓NT\$9,254 million, 83%)

Since the company no longer has a significant impact on the investee company, it has been switched from the equity method to measurement at fair value, resulting in a one-time profit of NT\$8,345 million. Due to effects from the interest rate hike, interest rates were kept high this year, leading to an increase of NT\$592 million in financing cost, which resulted in a decrease in non-operating income compared with the previous year.

## (III) Cash flow analysis

### Analysis on the cash flow changes of the most recent year:

Unit: in NTD millions

| Item/Year  | 2022     | 2023     | Net change |       |
|--|----------|----------|------------|-------|
|  |          |          | Amount     | %     |
| Cash and cash equivalents at the beginning of the year   | 7,053    | 14,482   | 7,429      | 105   |
| Net cash inflow (outflow) from operating activities      | (15,088) | 16,112   | 31,200     | 207   |
| Net cash inflow (outflow) from investing activities      | 2,491    | (107)    | (2,598)    | (104) |
| Net cash inflow (outflow) from financing activities      | 17,734   | (18,010) | (35,744)   | (202) |
| Effect of exchange rate changes                          | 2,292    | (1,321)  | (3,613)    | (158) |
| Closing cash and cash equivalents at the end of the year | 14,482   | 11,156   | (3,326)    | (23)  |

Analysis:

### Operating activities (↑NT\$31,200 million, 207%)

Mostly attributable to the continuous inventory control, leading to an increase in cash inflow from liquidating the inventory.

### Investing activities (↓NT\$2,598 million, 104%)

Mostly attributable to the NT\$2,046 million in cash inflow from the redemption of financial products in 2022. Investment expenditures in this year were mostly comprised of cash outflows from construction projects in Australia.

### Financing activities (↓NT\$35,744 million, 202%)

Mostly attributable to the increased cash outflow from repayment of short- and long-term debt.

Improvement plan for insufficient liquidity: N/A.

## Cash flow analysis for the coming year

Unit: in NT\$ millions

| Cash balance at the beginning of year (1) | Projected full year's net cash inflow (outflow) from operating activities (2) | Projected full year's net cash inflow (outflow) from other activities (3) | Projected cash surplus (deficit) amount (1) + (2) + (3) | Remedial measures for cash deficit |                 |
|---|---|---|---|------------------------------------|-----------------|
|   |   |   |   | Investment plans                   | Financing plans |
| 11,156                                    | 5,988   | (7,992)   | 9,152   | -                                  | -               |

Analysis:

The Company has sufficient borrowing quota and simultaneous assessment of various funding channels to support short-term high funding needs. When the funds are sufficient, the Company will pay the loans back in a timely manner to improve the capital structure.

## (IV) The effects that significant capital expenditures have on financial operations in the recent year

### Major capital expenditures and their source of funds

Unit: in NT\$ millions

| Planned item   | Actual or estimated source of funds   | Estimated end date of projects | Total funding needed    | Actual or estimated capital expenditures |      |      |      |       |
|--|---------------------------------------|--------------------------------|-------------------------|--|------|------|------|-------|
|  |                                       |                                |                         | 2020                                     | 2021 | 2022 | 2023 | 2024  |
| Establish/expand logistics centers in each locations | Own capital                           | Compile budget annually        | Compile budget annually | 714                                      | 403  | 243  | 983  | 1,795 |
| Nangang office building                              | Own capital and short-term borrowings | 2024                           | 4,949                   |  |      |      |      | 2,500 |

### Anticipated benefits

1. With effective and quality logistics operations as Synnex's core competitive advantage, the group prioritizes funds for its self-built logistics centers to ensure the growth and efficiency required by its businesses. Synnex will continue to invest in overseas capital expenditure to meet the needs of rapid growth of business in the future.
2. Urban renewal will be activated for the existing Taipei headquarters. Thus, Synnex signed a contract in 2019 to buy the commercial office space of the Nangang Global One construction project as the location of the company's headquarters in the future. The location features the complete functions of both a transportation hub and a commercial area, which can effectively improve office space efficiency and intelligence.

## (V) Policy on investment in other companies, main reasons for profit/losses resulting therefrom, improvement plan, and investment plans for the upcoming year

### Investment policy in the most recent year

The Company does not have any significant investment or disposition plans for its major investees Redington Group, Synnex Thailand, and Synnex FPT.

### Review and analysis of investment

Unit: in NT\$ millions

| Item  | 2023.12.31 percentage of shares | 2023 investment gain | Major reason of operating profit or loss  | Improvement plan |
|---|---------------------------------|----------------------|---|------------------|
| Redington Ltd. (India)                          | 24.13%                          | 1,098                | This company is categorized as IT and telecom product channel service provider, mainly engaged in India, the Middle East, and Africa. The Company's net income after taxes reached NT\$5,257 million in 2023. The company recognized investment income under the equity method. | N/A              |
| Synnex(Thailand) Public Company Ltd. (Thailand) | 40.00%                          | 184                  | This company is categorized as IT and telecom product channel service provider, mainly engaged in Thailand. This company's net income after taxes reached NT\$461 million in 2023. The company recognized investment income under the equity method.                            | N/A              |
| Synnex FPT Joint Stock Company (Vietnam)        | 47.27%                          | 282                  | This company is categorized as IT and telecom product channel service provider, mainly engaged in Vietnam. The Company's net income after taxes reached NT\$597 million in 2023. The company recognized investment income under the equity method.                              | N/A              |

### Investment plan of the coming year

The Company has no significant investment plans for this year up to the date of this year's annual report.

## VI. Financial turnover difficulties of the company and its related companies: None.

## VII. Risk management

### (I) Impact of interest rate, exchange rate changes, and inflation on company's profit and response measures

| Risk item     | Risk factor   | Impact on company's income   |        |        | Response measures  |
|---------------|---|--|--------|--------|--|
| Interest rate | First taking into account operational stability, the company adopts appropriate financial leverage operation by raising capital at low cost to replace capital injection from its own capital and effectively increase return on shareholder's equity. However, the fluctuation of interest rate may have certain impact on the Company's cost of capital.  | Unit: in NT\$ millions   |        |        | <div>1. Financial leverage must be balanced with increase in return on equity; thus, when financial leverage reaches a set risk target, the company must raise capital from the market to reduce risk.</div> <div>2. Utilize the advantage of the Group's scale and good performance to negotiate prime rate from financial institutions.</div>  |
|               |   | Item   | 2022   | 2023   |  |
|               |   | Average loan balance   | 81,299 | 83,244 |  |
|               |   | Interest expense   | 1,427  | 2,004  |  |
|               | Impact of 0.25% change in interest rate on net income before tax  | 204  | 208    |        |  |
| Exchange rate | The characteristics of each product line are described below:<br><b>3C products:</b> Certain percentage of this product line is imported (mostly denominated in US\$), sale of goods is mostly denominated in local currency, and there is certain exchange risk.<br><b>Semiconductor products:</b> This product line is mainly imported (mostly denominated in US\$), sale of goods is mostly denominated in US\$, but there still is certain exchange risk. | Unit: in NT\$ millions   |        |        | A certain proportion of the purchase of goods by both Taiwan and overseas subsidiaries are in US\$, which creates foreign exchange risks between NT\$ and local currencies against US\$. Purchase US\$ or forward exchange and transfer to term deposit when there is a purchase denominated in US\$ and use the term deposit or forward exchange to settle goods payable to obtain total hedge. |
|               |   | Item   | 2022   | 2023   |  |
|               |   | Net exchange gains (losses)  | 202    | 252    |  |
|               |   |  |        |        |  |
| Inflation     | Electronic 3C products have become rigid demands, and the market is not highly sensitive to price. However, if the economy is seriously impacted by inflation, which will in turn affect the purchasing power both of enterprises and consumers, there will also be operational risks.  | According to the IMF's inflation rate and average consumer prices data, the inflation (deflation) rate in 2023 of where the company and its overseas subsidiaries are located are as follows:<br>Taiwan: 2.1%      China: 0.7%      Hong Kong: 2.2%<br>Australia: 5.8%      Indonesia: 3.6%<br>Description: As inflation is not significant in each country, there is no major impact on the Company's operations in 2023. |        |        | The Company's sales derive mainly from multiple countries, and so areas of significant impact only cover a small proportion, meaning it has effectively diversified operational risks.   |

### (II) High-risk, high-leveraged investments, lending, endorsement guarantees, and derivatives transactions

| Risk item                               | 2023 implementation status   | Group policies and response measures  |   |
|---|--|---|---|
| High risk and high leverage investments | None.  | The operational policy of the Group focuses on the operation of regular business; thus, the Group does not invest in this type of product.  |   |
| Lending to others                       | Lending exists only between parent-subsidiary relations in 2023.   | <ol style="list-style-type: none"> <li>Lending to others will require Board of Directors' resolution.</li> <li>Lending to (1) Companies that have business relations with the Group.</li> <li>The Group has stipulated "procedures for lending to others" to strictly control lending operation.</li> </ol> | <ol style="list-style-type: none"> <li>(2) Subsidiaries with short-term capital requirement.</li> </ol>   |
| Endorsements and guarantees             | <ol style="list-style-type: none"> <li>Endorsements exist only between parent-subsidiary relations in 2023.</li> <li>No endorsement loss in 2023.</li> </ol>   | <ol style="list-style-type: none"> <li>Endorsements and guarantees will require Board of Directors' resolution.</li> <li>Endorsements and guarantees for</li> <li>The Group has stipulated "procedures for endorsements and guarantees" for strict control.</li> </ol>                                      | <ol style="list-style-type: none"> <li>(1) Companies that have business relations with the Group.</li> <li>(2) Companies that directly and indirectly hold more than 50% voting interest.</li> <li>(3) Inter-company or co-builder endorsement due to contract requirement, or co-investment relationship and all shareholders endorse for the company in accordance with their shareholding.</li> <li>(4) Companies that directly and indirectly hold 100% voting interest.</li> </ol> |
| Derivatives transactions                | The Group has purchased forward exchange contracts to avoid foreign exchange risk in 2023, as gain/loss from hedging transactions have been offset by its gain/loss, no actual major gain/loss is generated. | The group does not carry out speculative derivative trading; trading of derivative products is for hedging purpose only. All transactions are strictly controlled in accordance with "procedures for derivative transactions" stipulated by the Group.  |   |

### (III) Other

| Risk item   | Risk factor  | Impact on the Company in 2023  | Response measures   |
|---|--|--|---|
| Mass transfer or change of shares of directors, supervisors, or shareholders holding more than 10% interest | May have significant impact to shareholder rights and Synnex's share price.  | No significant equity transfer or change.  | The company has established reporting mechanism to effectively manage relevant situations and the disclosure of information.  |
| Change in management rights   | May have significant impact to shareholder rights and Synnex's share price.  | There is no change in management rights.   | The company will promptly publish major information shall there be any change in management rights.   |
| R&D   | In order to expand its semiconductors business, the Company has a dedicated department responsible for providing product testing and design services for brand manufacturers and customers. However, the Company is positioned to provide technical services, and the risk of product R&D is concentrated solely on suppliers or customers.  | None   | The Company's technology application department is positioned to "assist the sales of semiconductor products through pre-sales services", and resources are invested depending on market conditions to provide customer services; the final risk of R&D is borne by the customers. In addition, the Company is positioned as an "Management Service Platform", and has invested a fair amount of human resources and funds; it has continually refined its services and systems to satisfy requirements of the industry supply chain. However, this investment is innovation of operation management and service, and does not apply to R&D investment.<br>In conclusion, the Group has no plan to invest in R&D. |
| Change of government policy and regulations   | As the company is a channel business with strong logistics capabilities, the risk of product R&D focuses solely on suppliers or customers. At present, the industrial policies of the governments of each country in which the company is located tend to encourage the development of high value-added logistics operations, especially in Taiwan and the China. Thus, the risk of change of government policies and regulations is limited at present. | There are no major changes in government policies and regulations.   | The company will continue to observe and analyze the future direction of government policies and regulations in order to facilitate immediate response.   |
| Change of technology and industry   | The company's product range is mostly high-tech products; thus, sales change triggered by change of technology will result in operational risk, for example, unable to become an agent for innovative products.  | The company's product distribution rights have both increased and decreased.   | The Company operates on its policy of "multi-brand, multi-products." The products that the Company distributes include well-known global brands. In general, most major brands have good control over their technological advantages; thus, the Group's operational risk is effectively reduced.  |
| Change of corporate image   | As the end-user of the company's IT and Telecom products are consumers, corporate image is very important to the company's operation.  | The corporate image of the company remains positive and there is no event that significantly damaged the company's image.  | 1. Strengthen the service skills of the customer service department, and fully utilize the functions of customer feedback and consumer complaint mailbox.<br>2. In case of major consumer disputes, an inter-departmental team shall be formed to keep the situation from worsening.  |
| Mergers and acquisitions  | Mergers and acquisitions can facilitate the expansion of product distribution and range while expanding market share. However, there are risks of overpricing, under-valuing liability, and failure in integration.  | The company did not participate in any mergers and acquisitions.   | N/A.  |
| Expansion of plants   | Synnex's core competitive advantage is effective and quality back office logistics operation that enhances value added services, expands market share, and enhances overall performance. However, there exists risks of poor cash flow resulting from over-expansion, low utilization, or idleness.  | The cost of establishment or expansion of logistics centers was approximately NT\$983 million.   | Before expansion: Careful evaluation of investment effectiveness and cost.<br>After expansion: Introduce successful operational experience and management to develop its effectiveness.   |
| Centralized purchasing or sales   | The risk of centralized purchasing is the impact to the company's performance when distribution rights or when the represented product has lost its competitiveness.<br>The risk of centralized sales is the significant impact to the company's performance when losing a customer.   | The company does not have over centralized purchasing and sales issues. See the statistics of the "Group's list of key clients and amounts in the past two years".                   | The Company operates on its policy of "multi-brand, multi-products" and "open channel management to establish dense reseller network" to develop markets, which can also effectively avoid risk of centralized purchasing and sales.  |
| Information security  | The company's business operations are highly dependent on the construction and development of information systems. If there are threats that affect the assets, processes, and operating environment of the entire organization, the enterprise as a whole may suffer a loss of information confidentiality, integrity, or availability.   | The Company has no major deficiencies in information security-related audits and has no major information security incidents resulting in leakage of customer information and fines. | 1. Continue to rigorously monitor and strengthen information security protection mechanisms, track information security threats and formulate response measures to control the risk events that may exist in the enterprise, and continue to track improvement.<br>2. Strengthen information security awareness promotion and training to reduce personnel errors and enhance personnel's awareness of information security protection.<br>3. Continue to pay attention to international trends and standard requirements, and conduct international standard verification through external third-party organizations every year (passed ISO 27001 information security verification for 8 consecutive years).    |

| Risk item                           | Risk factor  | Impact on the Company in 2023 | Response measures   |
|-------------------------------------|--|-------------------------------|---|
| Litigation or non-litigation events | Major litigation and non-litigation events of the Company and the Company's Directors, Supervisors, President, actual owner, major shareholders with over 10% of shareholding, and subsidiaries will damage the Company's image, shareholder rights, and Synnex's share price. | Description below             | With the established reporting system, the Company will minimize the damage through honest, fast, and open process. |

The concluded or pending litigious, non-litigious, or administrative litigation event as of the date of report is described as follows:

On November 13, 2017, the Suzhou Xiangcheng District People's Court in Jiangsu Province accepted the suit brought by Ziguang Digital (Suzhou) Group Co., Ltd. against Synnex Distributions (China) Ltd. for a dispute over a sale and purchase contract. Ziguang believed that the goods they received were not the target of the contract and requested a refund. The court dismissed the case on January 22, 2018 since it believed that the Public Security Bureau was investigating the case. In August 2020, on the grounds that the Public Security Bureau canceled the criminal investigation, lawsuits were successively renewed for RMB28,926 thousand, RMB17,401 thousand, RMB5,593 thousand, and liquidated damages. In March 2022, the Suzhou Xiangcheng People's Court in Jiangsu Province ruled against the Company in the aforementioned cases. The Company completed payment in full in May 2022. Filed for retrial in August 2022.

**(IV) Other significant risks and response measures: None.**

**VIII. Other important matters: None.**

## **IX. Audit Committee's report**

Synnex Technology International Corp.

Audit Committee's report

The Board of Directors has prepared and submitted the 2023 business report, financial reports (including consolidated and individual financial reports), and earnings distribution proposal. The Board of Directors have appointed accountant Hsih-Chun Huang and accountant Liang, Yi-Chang of PwC Taiwan to audit the financial statements and they have submitted an audit report. The audit committee has reviewed the business report, the financial reports, and the earnings distribution proposal and did not find any instances of noncompliance. According to Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act, it is hereby submitted for review and perusal.

To

Synnex Technology International Corp. 2024 General Shareholders' Meeting

Synnex Technology International Corp.

Chairman of the Audit Committee: Yeh, Kuang-shih

March 13, 2024

## Special disclosures

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# Special disclosures

## I. Profiles of affiliated enterprises

### (I) Organization chart and basic information of affiliated enterprises

Please refer to pages 7 to 8 for the organization chart and basic information of affiliated enterprises (Note). In addition, the company does not have a company with control and affiliation as stipulated in Article 369-3 of the Company Act and the direct or indirect control of personnel, finances, or business operations of the company as stipulated in Article 369-2, Paragraph 2 of the Company Act.

(Note) Redington Ltd., Synnex (Thailand) Public Company Ltd., and Synnex FPT Joint Stock Company are non-affiliated companies within the organization chart.

### (II) Information of common shareholders who are presumed to have a relationship of control and subordination

None.

### (III) Businesses covered by the affiliated enterprises' overall operations

The businesses of the Company and the Company's affiliated enterprises include IT for commercial use, IT for home-use, telecommunications, and semiconductor products channel businesses, warehousing and logistics services, maintenance and technical services, and professional investments.

### (IV) Information of directors, supervisors, and general manager of affiliates

2023.12.31

| Company name                              | Title      | Name or representative  | Shareholding |                             |
|---|------------|---|--------------|-----------------------------|
|   |            |   | Shares       | Shareholding percentage (%) |
| Synergy Intelligent Logistics Corp.       | Director   | Synnex Technology International Corp.   | 5,000,000    | 100                         |
|   | Supervisor | Representative: Lin, Hsien-Chun, Tu, Shu-Wu, Su, Chih-Ching   |              |                             |
|   | President  | Synnex Technology International Corp.<br>Representative: Lin, Tai-Yang<br>Lin, Hsien-Chun   |              |                             |
| Synergy Intelligent Logistics (HK) Ltd.   | Director   | Lee Shuk Wah  | 1,500,000    | 100                         |
| Synergy Intelligent Technology Co., Ltd.  | Director   | Synnex Technology International Corp.   | 10,000,000   | 100                         |
|   | Supervisor | Representative: Tu, Shu-Chyuan, Tu, Shu-Wu, Lin, Hsien-Chun<br>Synnex Technology International Corp.<br>Representative: Lin, Tai-Yang |              |                             |
| E-Fan Investments Corp.                   | Director   | Synnex Technology International Corp.   | 22,500,000   | 100                         |
|   | Supervisor | Representative: Tu, Shu-Wu, Su, Chih-Ching, Lin, Tai-Yang<br>Synnex Technology International Corp.<br>Representative: Chen, Yi-Ju     |              |                             |
| Leveltech Ltd.                            | Director   | Chen, Yi-Ju, Li, I-Hui  | 300,000      | 100                         |
| Seper Technology Corp.                    | Director   | Synnex Technology International Corp.   | 100,000      | 100                         |
|   | Supervisor | Representative: Tu, Shu-Wu, Tu, Shu-Chyuan, Su, Chih-Ching<br>Synnex Technology International Corp.<br>Representative: Lin, Tai-Yang  |              |                             |
| BESTCOM Infotech Corp.                    | Director   | Synnex Technology International Corp.   | 103,203,296  | 100                         |
|   | Supervisor | Representative: Tu, Shu-Chyuan, Tu, Shu-Wu, Lin, Tai-Yang<br>Synnex Technology International Corp.<br>Representative: Su, Chih-Ching  |              |                             |
| Bizwave Tech Co., Ltd.                    | Director   | BESTCOM Infotech Corp.  | 2,000,000    | 100                         |
|   | Supervisor | Representative: Tu, Shu-Chyuan, Li, I-Hui, Lin, Tai-Yang<br>Synnex Technology International Corp.<br>Representative: Su, Chih-Ching   |              |                             |
| Synnex Technology International (HK) Ltd. | Director   | Lui, Kar-Fai, Miao, Matthew Feng Chiang, Tu, Shu-Wu, Lin, Tai-Yang  | 60,000,000   | 100                         |
| PT. Synnex Metrodata Indonesia            | Director   | Sur Hang Aiwan, Lie Heng, Ronaldy Suhendra, Yulius Aryakusumah, Lin, Tai – Yang, Lee, Shou-I  | 150,000      | 50                          |
| Syntech Asia Ltd                          | Director   | Lin, Tai-Yang, Su, Chih-Ching   | 300,000      | 100                         |

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| Company name                             | Title              | Name or representative  | Shareholding                                |                             |
|--|--------------------|---|---|-----------------------------|
|  |                    |   | Shares                                      | Shareholding percentage (%) |
| Synnex Global Ltd.                       | Director           | Miau, Matthew Feng Chiang, Tu, Shu-Wu   | 548,250,000                                 | 100                         |
| King's Eye Investments Ltd.              | Director           | Miau, Matthew Feng Chiang, Tu, Shu-Wu   | 62,477,000                                  | 100                         |
| Synnex Australia Pty. Ltd.               | Director           | Miau, Matthew Feng Chiang, Tu, Shu-Wu, Ong Kee Hoon   | 233,250,000                                 | 100                         |
| Fortune Ideal Ltd.                       | Director           | Miau, Matthew Feng Chiang, Tu, Shu-Wu   | 14,500,000                                  | 100                         |
| Golden Thinking Ltd.                     | Director           | Miau, Matthew Feng Chiang, Tu, Shu-Wu   | 28,000,000                                  | 100                         |
| Synnex New Zealand Ltd.                  | Director           | Miau, Matthew Feng Chiang, Tu, Shu-Wu, Ong Kee Hoon   | 8,075,224                                   | 100                         |
| Trade Vanguard Global Ltd.               | Director           | Miau, Matthew Feng Chiang, Tu, Shu-Wu   | 520,000,000                                 | 100                         |
| Synnex Mauritius Ltd.                    | Director           | Miau, Matthew Feng Chiang, Tu, Shu-Wu, Lin, Tai-Yang, Ms. Kristee Bhurtun-Jokho, Varshinee Veerahoo | 1,000                                       | 100                         |
| Peer Developments Ltd.                   | Director           | Tu, Shu-Wu, Lin, Tai-Yang   | 30,200,001                                  | 100                         |
| Lanxiang Technology (Shenzhen) Co., Ltd. | Executive Director | Hsuse, Lien-Jen   | Capital contribution of USD9,400 thousand   | 100                         |
|  | Supervisor         | Chuang, Kuo-Li  |   |                             |
| Synnex China Holdings Ltd.               | Director           | Miau, Matthew Feng Chiang, Tu, Shu-Wu   | 100,200,000                                 | 100                         |
| Synnex Investments (China) Ltd.          | Director           | Tu, Shu-Wu, Su, Chih-Ching, Lin, Tai-Yang   | Capital contribution of USD200,000 thousand | 100                         |
|  | Supervisor         | Li, I-Hui   |   |                             |
|  | President          | Lin, Tai-Yang   |   |                             |
| Synnex Distributions (China) Ltd.        | Director           | Lui, Kar-Fai, Lin, Tai-Yang, Su, Chih-Ching   | Capital contribution of USD463,000 thousand | 100                         |
|  | Supervisor         | Li, I-Hui   |   |                             |
|  | President          | Lui, Kar-Fai  |   |                             |
| Synnex Technology Development Ltd.       | Executive Director | Wang, Ke  | Capital contribution of RMB50,000 thousand  | 100                         |
|  | Supervisor         | Lin, Tai-Yang   |   |                             |
|  | President          | Wang, Ke  |   |                             |
| Synnex (Beijing) Ltd.                    | Executive Director | Huang, Ming-Feng  | Capital contribution of US\$9,000 thousand  | 100                         |
|  | Supervisor         | Lin, Tai-Yang   |   |                             |
|  | President          | Huang, Ming-Feng  |   |                             |
| Synnex (Shanghai) Ltd.                   | Executive Director | Huang, Ming-Feng  | Capital contribution of USD22,000 thousand  | 100                         |
|  | Supervisor         | Lin, Tai-Yang   |   |                             |
|  | President          | Huang, Ming-Feng  |   |                             |
| Synnex (Chengdu) Ltd.                    | Executive Director | Huang, Ming-Feng  | Capital contribution of USD5,000 thousand   | 100                         |
|  | Supervisor         | Lin, Tai-Yang   |   |                             |
|  | President          | Huang, Ming-Feng  |   |                             |
| Synnex (Nanjing) Ltd.                    | Executive Director | Huang, Ming-Feng  | Capital contribution of USD5,000 thousand   | 100                         |
|  | Supervisor         | Lin, Tai-Yang   |   |                             |
|  | President          | Huang, Ming-Feng  |   |                             |
| Synnex (Shenyang) Ltd.                   | Executive Director | Huang, Ming-Feng  | Capital contribution of USD3,000 thousand   | 100                         |
|  | Supervisor         | Lin, Tai-Yang   |   |                             |
|  | President          | Huang, Ming-Feng  |   |                             |
| Synnex (Tianjin) Ltd.                    | Executive Director | Huang, Ming-Feng  | Capital contribution of US\$4,500 thousand  | 100                         |
|  | Supervisor         | Lin, Tai-Yang   |   |                             |
|  | President          | Huang, Ming-Feng  |   |                             |
| Synnex (Hangzhou) Ltd.                   | Executive Director | Huang, Ming-Feng  | Capital contribution of USD5,000 thousand   | 100                         |
|  | Supervisor         | Lin, Tai-Yang   |   |                             |
|  | President          | Huang, Ming-Feng  |   |                             |
| Synnex (Qingdao) Ltd.                    | Executive Director | Huang, Ming-Feng  | Capital contribution of USD5,000 thousand   | 100                         |
|  | Supervisor         | Lin, Tai-Yang   |   |                             |
|  | President          | Huang, Ming-Feng  |   |                             |

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| Company name                           | Title              | Name or representative | Shareholding                               |                             |
|--|--------------------|------------------------|--|-----------------------------|
|  |                    |                        | Shares                                     | Shareholding percentage (%) |
| Synnex (Guangzhou) Ltd.                | Executive Director | Huang, Ming-Feng       | Capital contribution of USD12,000 thousand | 100                         |
|  | Supervisor         | Lin, Tai-Yang          |  |                             |
|  | President          | Huang, Ming-Feng       |  |                             |
| Synnex (Xi'an) Ltd.                    | Executive Director | Huang, Ming-Feng       | Capital contribution of USD4,000 thousand  | 100                         |
|  | Supervisor         | Lin, Tai-Yang          |  |                             |
|  | President          | Huang, Ming-Feng       |  |                             |
| Synnex (Suzhou) Ltd.                   | Executive Director | Huang, Ming-Feng       | Capital contribution of USD6,000 thousand  | 100                         |
|  | Supervisor         | Lin, Tai-Yang          |  |                             |
|  | President          | Huang, Ming-Feng       |  |                             |
| Synnex (Wuhan) Ltd.                    | Executive Director | Huang, Ming-Feng       | Capital contribution of USD5,000 thousand  | 100                         |
|  | Supervisor         | Lin, Tai-Yang          |  |                             |
|  | President          | Huang, Ming-Feng       |  |                             |
| Synnex (Jinan) Ltd.                    | Executive Director | Huang, Ming-Feng       | Capital contribution of USD5,000 thousand  | 100                         |
|  | Supervisor         | Lin, Tai-Yang          |  |                             |
|  | President          | Huang, Ming-Feng       |  |                             |
| Synnex (Zhengzhou) Ltd.                | Executive Director | Huang, Ming-Feng       | Capital contribution of USD5,000 thousand  | 100                         |
|  | Supervisor         | Lin, Tai-Yang          |  |                             |
|  | President          | Huang, Ming-Feng       |  |                             |
| Synnex (Changsha) Ltd.                 | Executive Director | Huang, Ming-Feng       | Capital contribution of USD4,000 thousand  | 100                         |
|  | Supervisor         | Lin, Tai-Yang          |  |                             |
|  | President          | Huang, Ming-Feng       |  |                             |
| Synnex (Hefei) Ltd.                    | Executive Director | Huang, Ming-Feng       | Capital contribution of US\$6,100 thousand | 100                         |
|  | Supervisor         | Lin, Tai-Yang          |  |                             |
|  | President          | Huang, Ming-Feng       |  |                             |
| Synnex (Nanchang) Ltd.                 | Executive Director | Huang, Ming-Feng       | Capital contribution of USD4,000 thousand  | 100                         |
|  | Supervisor         | Lin, Tai-Yang          |  |                             |
|  | President          | Huang, Ming-Feng       |  |                             |
| Synnex (Harbin) Ltd.                   | Executive Director | Huang, Ming-Feng       | Capital contribution of USD5,000 thousand  | 100                         |
|  | Supervisor         | Lin, Tai-Yang          |  |                             |
|  | President          | Huang, Ming-Feng       |  |                             |
| Synnex (Xiamen) Ltd.                   | Executive Director | Huang, Ming-Feng       | Capital contribution of USD6,000 thousand  | 100                         |
|  | Supervisor         | Lin, Tai-Yang          |  |                             |
|  | President          | Huang, Ming-Feng       |  |                             |
| Jifu Intelligent Logistics Corporation | Director           | Huang, Ming-Feng       | Capital contribution of RMB50,000 thousand | 100                         |
|  | Supervisor         | Lin, Tai-Yang          |  |                             |
|  | President          | Huang, Ming-Feng       |  |                             |

## (V) Business overview of affiliates

### Financial status and financial performance of affiliates as of December 31, 2023

Unit: NT\$ thousand  
(Except for earnings per share in NT\$)

| Company name                              | Capital    | Total assets | Total liabilities | Net worth   | Operating revenue | Operating profit | Net profit after tax | Earnings per share (after tax) | Remarks (Note 1) |
|---|------------|--------------|-------------------|-------------|-------------------|------------------|----------------------|--------------------------------|------------------|
| Synergy Intelligent Logistics Corp.       | 50,000     | 445,258      | 269,668           | 175,590     | 834,287           | 84,342           | 69,939               | 13.99                          |                  |
| Synergy Intelligent Logistics (HK) Ltd.   | 182,210    | 7,871        | 98                | 7,773       | 6,242             | 402              | 420                  | 4.2                            |                  |
| Synergy Intelligent Technology Co., Ltd.  | 100,000    | 100,036      | 93                | 99,944      | 9                 | (133)            | (43)                 | (0.43)                         |                  |
| E-Fan Investments Corp.                   | 225,000    | 304,836      | 4,420             | 300,416     | 23,067            | 22,967           | 18,447               | 0.82                           |                  |
| Leveltech Limited                         | 9,227      | 228,994      | 184,956           | 44,038      | 1,487,438         | 25,262           | 21,074               | 70.25                          |                  |
| Seper Technology Corp.                    | 1,000      | 788,833      | 709,079           | 79,755      | 6,001,009         | 97,462           | 76,324               | 763.23                         |                  |
| BESTCOM Infotech Corp.                    | 1,032,033  | 5,731,795    | 3,611,160         | 2,120,636   | 11,449,594        | 363,051          | 298,028              | 2.89                           |                  |
| Bizwave Tech Co., Ltd.                    | 20,000     | 39,698       | 11,201            | 28,497      | 48,287            | 4,117            | 3,349                | 1.67                           |                  |
| Synnex Technology International (HK) Ltd. | 236,220    | 10,235,830   | 9,086,393         | 1,149,437   | 42,459,895        | 921,931          | 696,937              | 11.62                          |                  |
| PT. Synnex Metrodata Indonesia            | 1,045,626  | 10,823,780   | 5,483,270         | 5,340,510   | 33,887,883        | 1,542,831        | 1,183,096            | 3,943.65                       |                  |
| Syntech Asia Ltd.                         | 9,227      | 32,692,383   | 31,651,084        | 1,041,298   | 118,051,249       | 1,053,583        | 777,752              | 2,592.51                       |                  |
| Synnex Global Ltd.                        | 17,607,381 | 120,606,353  | 669,386           | 119,936,968 | 3,001,752         | 2,912,749        | 3,002,514            | 5.48                           |                  |
| King's Eye Investments Ltd.               | 1,921,480  | 10,580,004   | -                 | 10,580,004  | 1,341,741         | 1,341,524        | 1,325,632            | 21.22                          |                  |
| Synnex Australia Pty. Ltd.                | 5,129,473  | 24,829,835   | 17,971,807        | 6,858,028   | 54,512,497        | 1,301,343        | 832,015              | 3.63                           |                  |
| Fortune Ideal Ltd.                        | 57,155     | 225,151      | -                 | 225,151     | -                 | (7,125)          | 6,439                | 0.44                           |                  |
| Golden Thinking Ltd.                      | 111,015    | 1,243,630    | 1,070,706         | 172,924     | -                 | (9,965)          | 15,591               | 0.56                           |                  |
| Synnex New Zealand Ltd.                   | 159,523    | 1,825,405    | 1,631,641         | 193,763     | 3,736,180         | 57,436           | 22,292               | 14.86                          |                  |
| Trade Vanguard Global Ltd.                | 20,298,300 | 19,995,544   | -                 | 19,995,544  | 27,093            | 23,025           | 29,990               | 0.05                           |                  |
| Synnex Mauritius Ltd.                     | 31         | 23,103       | -                 | 23,103      | (44,860)          | (49,544)         | (49,544)             | (2.06)                         |                  |
| Peer Developments Ltd.                    | 928,801    | 22,546,942   | -                 | 22,546,943  | 322,366           | 321,722          | 234,805              | 7.78                           |                  |
| Lanxiang Technology (Shenzhen) Co., Ltd.  | 292,758    | 976,002      | 630,185           | 345,819     | 4,520,488         | (55,406)         | 32,644               | 3.43                           |                  |
| Synnex China Holdings Ltd.                | 3,081,651  | 14,756,765   | 3,032,948         | 11,723,817  | 1,119,246         | 1,119,142        | 1,437,104            | 14.34                          |                  |
| Synnex Investments (China) Ltd.           | 6,151,000  | 27,602,785   | 12,846,020        | 14,756,765  | 270,811           | 270,149          | 1,119,246            | -                              |                  |
| Synnex Distributions (China) Ltd.         | 14,301,075 | 45,191,048   | 28,939,499        | 16,251,549  | 82,650,656        | 987,528          | 1,013,114            | -                              |                  |
| Synnex Technology Development Ltd.        | 216,161    | 471,403      | 179,878           | 291,525     | 913,284           | 15,040           | 34,244               | -                              |                  |
| Synnex (Beijing) Ltd.                     | 276,795    | 661,341      | 456,788           | 204,552     | 48,406            | (24,987)         | (23,235)             | -                              |                  |
| Synnex (Shanghai) Ltd.                    | 676,610    | 2,319,613    | 1,177,788         | 1,141,824   | 542,545           | 225,396          | 172,544              | -                              |                  |
| Synnex (Chengdu) Ltd.                     | 153,775    | 205,330      | 29,139            | 176,191     | 23,038            | 579              | 5,227                | -                              |                  |
| Synnex (Nanjing) Ltd.                     | 153,775    | 163,940      | 2,437             | 161,503     | 15,842            | 437              | 1,239                | -                              |                  |
| Synnex (Shenyang) Ltd.                    | 92,265     | 118,700      | 14,577            | 104,123     | 8,423             | (4,094)          | (2,339)              | -                              |                  |
| Synnex (Tianjin) Ltd.                     | 138,398    | 105,284      | 27,475            | 77,809      | -                 | (5,196)          | (4,963)              | -                              |                  |
| Synnex (Hangzhou) Ltd.                    | 153,775    | 159,669      | 2,549             | 157,121     | 14,597            | 2,675            | 3,830                | -                              |                  |
| Synnex (Qingdao) Ltd.                     | 153,775    | 139,427      | 4,031             | 135,395     | 6,913             | 191              | 1,734                | -                              |                  |
| Synnex (Guangzhou) Ltd.                   | 369,060    | 346,019      | 4,724             | 341,294     | 21,532            | (2,619)          | 1,400                | -                              |                  |
| Synnex (Xi'an) Ltd.                       | 123,020    | 132,757      | 4,075             | 128,682     | 16,320            | 5,452            | 6,959                | -                              |                  |
| Synnex (Suzhou) Ltd.                      | 184,530    | 170,354      | 3,087             | 167,267     | 9,925             | 3,202            | 4,232                | -                              |                  |
| Synnex (Wuhan) Ltd.                       | 153,775    | 147,435      | 2,156             | 145,279     | 13,219            | 2,587            | 4,327                | -                              |                  |
| Synnex (Jinan) Ltd.                       | 153,775    | 369,474      | 180,276           | 189,197     | 34,136            | 6,992            | 6,891                | -                              |                  |
| Synnex (Zhengzhou) Ltd.                   | 153,775    | 167,357      | 34,883            | 132,475     | 9,476             | (2,289)          | (1,382)              | -                              |                  |
| Synnex (Changsha) Ltd.                    | 123,020    | 255,406      | 196,643           | 58,763      | 13,869            | (128)            | (3,333)              | -                              |                  |
| Synnex (Hefei) Ltd.                       | 187,606    | 240,471      | 109,413           | 131,057     | 29,690            | 10,323           | 8,685                | -                              |                  |
| Synnex (Nanchang) Ltd.                    | 123,020    | 222,568      | 231,983           | (9,415)     | 7,207             | (11,754)         | (13,342)             | -                              |                  |
| Synnex (Harbin) Ltd.                      | 153,775    | 273,289      | 264,160           | 9,129       | 18,018            | 7,618            | 2,769                | -                              |                  |
| Synnex (Xiamen) Ltd.                      | 184,530    | 156,651      | 13,910            | 142,741     | 18,285            | 8,393            | 7,258                | -                              |                  |
| Jifu Intelligent Logistics Corporation    | 216,161    | 244,413      | 4,632             | 239,781     | 56,156            | 23,322           | 20,842               | -                              |                  |

Note 1: The affiliates are foreign companies. The capital amount is converted according to historical exchange rates. The balance sheet accounts are converted at the exchange rate on the reporting date. The profit and loss account is converted into NTD according to the average exchange rate of the current year. The exchange rates are as follows:

December 31, 2023 reporting date exchange rates: US\$1=NT\$30.76 HK\$1=NT\$3.94 AUD\$1=NT\$20.91 IDR\$1=NT\$0.001998 RMB\$1=NT\$4.32  
2023 average exchange rates: US\$1=NT\$31.21 HK\$1=NT\$4.01 AUD\$1=NT\$20.72 IDR\$1=NT\$0.002049 RMB\$1=NT\$4.40

## (VI) Consolidated financial statement of affiliates

For the 2023 year, companies that should be included in the consolidated financial statement of affiliates as provided by the "Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports of Affiliated Enterprises, and Consolidated Financial Statements of Affiliated Enterprises" are the same as what should be included in the consolidated financial statements of parent and subsidiary companies as provided in IFRS No. 10, and the relevant information that should be disclosed in the consolidated financial statements of affiliates has been disclosed in the consolidated financial statements of the parent and its subsidiaries. The company shall not be required to prepare separate consolidated financial statements of affiliates. The company has issued the aforementioned declaration; please refer to the consolidated financial statements and audit report by the independent accountant in Attachment 4.

- II. Progress of private placement of securities: None.**
- III. Holding or disposal of stocks of the company by subsidiaries: None.**
- IV. Other supplemental information: None.**
- V. Corporate events with material impact on shareholders' equity or stock prices set forth in Article 36, Paragraph 2, Subparagraph 2 of Securities and Exchange Act in the past year and up to the date of report: None.**

## Financial reports

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## **I. Consolidated financial report and independent auditor's report**

**SYNNEX TECHNOLOGY INTERNATIONAL  
CORPORATION AND SUBSIDIARIES  
CONSOLIDATED FINANCIAL STATEMENTS AND  
INDEPENDENT AUDITORS' REPORT  
DECEMBER 31, 2023 AND 2022**

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For the convenience of readers and for information purpose only, the auditors' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. In the event of any discrepancy between the English version and the original Chinese version or any differences in the interpretation of the two versions, the Chinese-language auditors' report and financial statements shall prevail.

SYNNEX TECHNOLOGY INTERNATIONAL CORPORATION  
DECEMBER 31, 2023 AND 2022 CONSOLIDATED FINANCIAL STATEMENTS  
AND INDEPENDENT AUDITORS' REPORT  
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SYNNEX TECHNOLOGY INTERNATIONAL CORPORATION AND ITS SUBSIDIARIES

Declaration of Consolidated Financial Statements of Affiliated Enterprises

In connection with the Consolidated Financial Statements of Affiliated Enterprises of Synnex Technology International Corporation (the “Consolidated FS of the Affiliates”), we represent to you that, the entities required to be included in the Consolidated FS of the Affiliates as of and for the year ended December 31, 2023 in accordance with the “Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises” are the same as those required to be included in the Consolidated Financial Statements of Synnex Technology International Corporation and its subsidiaries (the “Consolidated FS of the Group”) in accordance with International Financial Reporting Standard 10. In addition, the information required to be disclosed in the Consolidated FS of Affiliates is disclosed in the Consolidated FS of the Group. Consequently, Synnex Technology International Corporation does not prepare a separate set of Consolidated FS of Affiliates.

Very truly yours,

Synnex Technology International Corporation

By

Matthew Miao Feng Chiang, Chairman

March 13, 2024

## INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

PWCR23000440

To the Board of Directors and Shareholders of Synnex Technology International Corporation

### ***Opinion***

We have audited the accompanying consolidated balance sheets of Synnex Technology International Corporation and its subsidiaries (the “Group”) as at December 31, 2023 and 2022, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of material accounting policies.

In our opinion, based on our audits and the reports of other auditors (see information disclosed in the *Other Matter* section of our report), the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2023 and 2022, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission.

### ***Basis for opinion***

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance

with 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 judgement, were of most significance in our audit of the Group's 2023 consolidated financial statements. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters for the Group's 2023 consolidated financial statements are stated as follows:

### ***Assessment of allowance for uncollectible accounts***

#### **Description**

Please refer to Notes 4(10) & (11) for accounting policies adopted for accounts receivable. Please refer to Note 5(2), for critical accounting estimates and key sources of assumption uncertainty of loss allowance for accounts receivable. Please refer to Note 6(5) for details of accounts receivable.

The Group is primarily engaged in the sale of communication products, consumer electronic products, and semiconductor products. The Group manages the collection of accounts receivable from customers and bears the associated credit risk. The Group assesses impairment of accounts receivable in accordance with IFRS 9, 'Financial instruments'. The management categorized the accounts receivable assessment into individual provision and group provision. For individually assessed accounts receivable, allowance is recognised on a case by case basis. The assessment process is affected by

management's judgement on various factors: customers' financial conditions, internal credit ratings, historical transaction records, and current economic conditions, etc. For group assessed accounts receivable, assessment process is affected by management's judgement on historical uncollectible records, current economic conditions and the forecastability information to assess the default possibility of uncollectible accounts.

As management's judgement on allowance for uncollectible accounts is relatively subjective and the estimated amount is material to the financial statements, therefore, we indicated that the assessment of allowance for uncollectible accounts as one of the key audit matters.

#### How our audit addressed the matter

We performed the following audit procedures in relation to the key audit matter:

1. Obtained an understanding of the credit quality of the Group's customers, assessed the classification of accounts receivable, the policies and the procedures applied in loss allowance provision.
2. For individually assessed accounts, selected and verified samples of managements' impairment evaluation. Discussed with management the assessment results and evaluated the provision.
3. For accounts assessed as a group, considered historical uncollectible records and the management's forecastability adjustment information to determine the provision ratio of allowance for uncollectible accounts. For significant accounts, examined subsequent collections after balance sheet date.

### ***Assessment of allowance for valuation of inventory***

#### Description

Please refer to Note 4(14) for description of accounting policies on allowance for inventory valuation.

Please refer to Note 5(2) for accounting estimates and assumption uncertainty. Please refer

to Note 6(8) for details of inventory items.

The Group is primarily engaged in the sale of communication products, consumer electronic products, and semiconductor products. For the purpose of meeting diverse customer needs, the Group applied multi-brand and multi-product strategy. However, due to rapid changes in technology, the short life cycle of electronic products, and the price highly affected by market fluctuation, there is a high risk of incurring inventory valuation losses. The Group's inventory policy on inventory valuation is based on the lower of cost or net realisable value. The net realisable value of inventory was identified on an item-by-item basis. The Group then applied the lower of cost or net realisable value method for recognizing loss on decline in market value.

As management's judgement on net realisable value of inventory is relatively subjective and the valuation amount is material to the financial statements, therefore, we indicated that the assessment of allowance for valuation of inventory as one of the key audit matters.

#### How our audit addressed the matter

We performed the following audit procedures in relation to the key audit matter:

1. Obtained an understanding of the policy applied to the assessment of allowance for valuation of inventory loss. Assessed whether the allowance recognition policy is applied.
2. Obtained net realisable value report for inventory items and verified the systematic logic applied to the calculation. First, tested the assumptions such as: sources of sales or purchases data and relevant supporting estimation documents. Second, recalculated net realizable value item-by-item, then applied the lower of cost or net realisable value method for valuation and examined whether reasonable allowance was recognised.
3. Compared current and previous years' rate of allowance for valuation of inventory. Reviewed each period's days sales of inventory in order to assess the recognition of allowance.

## ***Assessment of purchase rebate***

### **Description**

Please refer to Note 4(14) for accounting policies adopted for the recognition of purchase rebate. Please refer to Note 5(2) for critical accounting estimates and assumptions applied in the accounting policy for the recognition of purchase rebate.

The Group is primarily engaged in the sale of communication products, consumer electronic products, electronic products and semiconductor products. The Group engages in various purchase contracts for different items with different suppliers. There are various types of rebate programs including incentives for certain purchase volume from vendors, purchase discounts and allowances, participations in special purchase promotions, and subsidies for marketing. The Group estimates rebates that shall be recognized in accordance with the percentage of achievement of the rebate contract terms.

There are various types of rebate programs, complicated calculations and transactions with different suppliers as well as the manual process involved in the verification and calculation of rebates. All of these aforementioned factors add to the complexity of assessing purchasing rebate. Thus, we indicated that the assessment of purchase rebate as one of the key audit matters.

### **How our audit addressed the matter**

We performed the following audit procedures in relation to the key audit matter:

1. Obtained an understanding and tested the internal control over the estimation of purchase rebate. Tested the appropriate controls over contractual terms regarding rebates. Checked whether the recognition of rebate amount has been approved by the proper authority.
2. Selected samples of details of purchase rebate estimation, reviewed the inventory items and obtained the supporting documents in order to recalculate the rebate amount and assess estimated amount.

3. Sampled details of purchase rebate estimation without notice from suppliers that has been recognised as of the balance sheet date and obtained debit notes or other supporting documents that were received from suppliers after the balance sheet date to evaluate the estimation. In addition, after balance sheet date, examined whether there were significant new rebates that should be recognised as of the balance sheet date.
4. Selected samples of significant outstanding rebate receivable accounts and tested subsequent collections after the balance sheet date.

***Other matter – Reference to report of other independent auditors***

We did not audit the financial statements of certain subsidiaries which were included in the consolidated financial statements of the Group and were audited by other auditors whose reports thereon have been furnished to us, and our opinion expressed herein, in so far as it relates to the amounts and the information disclosed in Note 13 included in these financial statements, is based solely on the reports of the other auditors. Those subsidiaries' statements reflect total assets of NT\$11,586 thousand and NT\$1,689,177 thousand, constituting 0% and 1% of the consolidated total assets as of December 31, 2023, and 2022, respectively, and total operating revenues of both NT\$0 thousand, both constituting 0% of the consolidated total operating revenues for the years then ended. In addition, as stated in Note 6(9), the financial statements and the information disclosed in Note 13 of certain investments accounted for using equity method were audited by other auditors whose reports thereon have been furnished to us. For the years ended December 31, 2023, and 2022, the recognised net profit of investments accounted for using equity method was NT\$1,281,817 thousand and NT\$1,591,659 thousand, respectively, constituting 16% and 10% of the consolidated net profits, respectively; the recognised comprehensive income of investments accounted for using equity method was NT\$931,148 thousand and NT\$1,879,052 thousand, respectively, constituting 16% and 10% of the consolidated comprehensive income, respectively. As of December 31, 2023 and 2022, the balance of related investments was NT\$7,826,078 thousand and NT\$7,326,951 thousand, respectively, constituting 4% and 3% of the consolidated total assets, respectively.

***Other matter – Parent company only financial reports***

We have audited and expressed an unqualified opinion with other matter section on the parent company only financial statements of Synnex Technology International Corporation as of and for the years ended December 31, 2023 and 2022.

***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 the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission, 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 Group'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 Group or to cease operations, or has no realistic alternative but to do so.

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

***Auditor's 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 auditor's 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 judgement and 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 Group'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 Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's 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 auditor's report. However, future events or conditions may cause the Group 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 appropriate audit evidence regarding the financial information of the entities or business activities within the Group 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 of the current period and are therefore the key audit matters. We describe these matters in our auditor's 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.

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Huang, Shih-Chun

Liang Yi Chang

For and on behalf of PricewaterhouseCoopers, Taiwan

March 13, 2024

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The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

SYNNEX TECHNOLOGY INTERNATIONAL CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

DECEMBER 31, 2023 AND 2022

(Expressed in thousands of New Taiwan dollars)

| Assets             |   | Notes         | December 31, 2023 |             | December 31, 2022 |    |             |     |
|--------------------|---|---------------|-------------------|-------------|-------------------|----|-------------|-----|
|                    |   |               | AMOUNT            | %           | AMOUNT            | %  |             |     |
| Current assets     |   |               |                   |             |                   |    |             |     |
| 1100               | Cash and cash equivalents   | 6(1)          | \$                | 11,156,269  | 5                 | \$ | 14,482,285  | 7   |
| 1110               | Current financial assets at fair value through profit or loss                 | 6(2)          |                   | 603,939     | -                 |    | 181,682     | -   |
| 1120               | Current financial assets at fair value through other comprehensive income     | 6(3)          |                   | 22,207,018  | 10                |    | 25,768,699  | 12  |
| 1136               | Current financial assets at amortised cost                                    | 6(4) and 8    |                   | -           | -                 |    | 6,684       | -   |
| 1150               | Notes receivable, net   | 6(5)          |                   | 5,499,794   | 3                 |    | 6,842,112   | 3   |
| 1170               | Accounts receivable, net  | 6(5) and 8    |                   | 73,497,234  | 34                |    | 71,827,487  | 32  |
| 1180               | Accounts receivable - related parties, net                                    | 6(5) and 7(2) |                   | 816,249     | -                 |    | 499,491     | -   |
| 1200               | Other receivables   | 6(7) and 7(2) |                   | 6,264,555   | 3                 |    | 7,234,780   | 3   |
| 1220               | Current income tax assets   |               |                   | 212,509     | -                 |    | 111,526     | -   |
| 130X               | Inventories   | 6(8) and 8    |                   | 53,143,236  | 25                |    | 57,299,453  | 26  |
| 1410               | Prepayments   |               |                   | 7,282,154   | 4                 |    | 6,313,650   | 3   |
| 11XX               | Total current assets  |               |                   | 180,682,957 | 84                |    | 190,567,849 | 86  |
| Non-current assets |   |               |                   |             |                   |    |             |     |
| 1517               | Non-current financial assets at fair value through other comprehensive income | 6(3)          |                   | 7,077,564   | 3                 |    | 5,683,237   | 3   |
| 1535               | Non-current financial assets at amortised cost                                | 6(4) and 8    |                   | 803,361     | -                 |    | 866,178     | -   |
| 1550               | Investments accounted for under equity method                                 | 6(9)          |                   | 9,456,422   | 4                 |    | 8,964,673   | 4   |
| 1600               | Property, plant and equipment   | 6(10) and 8   |                   | 10,440,594  | 5                 |    | 9,757,191   | 4   |
| 1755               | Right-of-use assets   | 6(11)         |                   | 1,186,510   | 1                 |    | 1,195,314   | 1   |
| 1760               | Investment property, net  | 6(13)         |                   | 935,040     | 1                 |    | 987,460     | -   |
| 1780               | Intangible assets   | 6(14)         |                   | 651,330     | -                 |    | 665,725     | -   |
| 1840               | Deferred income tax assets  | 6(33)         |                   | 1,310,583   | 1                 |    | 1,241,023   | 1   |
| 1900               | Other non-current assets  | 6(15)         |                   | 1,695,960   | 1                 |    | 1,717,668   | 1   |
| 15XX               | Total non-current assets  |               |                   | 33,557,364  | 16                |    | 31,078,469  | 14  |
| 1XXX               | Total assets  |               | \$                | 214,240,321 | 100               | \$ | 221,646,318 | 100 |

(Continued)

**SYNNEX TECHNOLOGY INTERNATIONAL CORPORATION AND SUBSIDIARIES**

**CONSOLIDATED BALANCE SHEETS**

**DECEMBER 31, 2023 AND 2022**

(Expressed in thousands of New Taiwan dollars)

|      | Liabilities and Equity   | Notes          | December 31, 2023     |            | December 31, 2022     |            |
|------|--|----------------|-----------------------|------------|-----------------------|------------|
|      |  |                | AMOUNT                | %          | AMOUNT                | %          |
|      | <b>Current liabilities</b>   |                |                       |            |                       |            |
| 2100 | Short-term borrowings  | 6(16)          | \$ 51,973,423         | 24         | \$ 73,314,084         | 33         |
| 2110 | Short-term notes and bills payable                                       | 6(17)          | 7,530,000             | 3          | 4,860,000             | 2          |
| 2120 | Current financial liabilities at fair value through profit or loss       | 6(2)           | 426                   | -          | 4,484                 | -          |
| 2150 | Notes payable  |                | 587,007               | -          | 1,239,838             | 1          |
| 2170 | Accounts payable   | 7(2)           | 35,373,766            | 17         | 30,623,774            | 14         |
| 2200 | Other payables   | 6(18) and 7(2) | 7,884,081             | 4          | 7,607,914             | 3          |
| 2230 | Current income tax liabilities   |                | 1,231,591             | 1          | 1,202,706             | 1          |
| 2280 | Current lease liabilities  |                | 182,073               | -          | 285,994               | -          |
| 2320 | Long-term liabilities, current portion                                   | 6(20)          | 1,500,000             | 1          | -                     | -          |
| 2399 | Other current liabilities, others  | 6(19)          | 4,532,833             | 2          | 4,231,772             | 2          |
| 21XX | <b>Total current liabilities</b>   |                | <u>110,795,200</u>    | <u>52</u>  | <u>123,370,566</u>    | <u>56</u>  |
|      | <b>Non-current liabilities</b>   |                |                       |            |                       |            |
| 2540 | Long-term borrowings   | 6(20)          | 21,370,000            | 10         | 15,900,000            | 7          |
| 2570 | Deferred income tax liabilities  | 6(33)          | 6,795,990             | 3          | 6,762,571             | 3          |
| 2580 | Non-current lease liabilities  |                | 389,107               | -          | 268,227               | -          |
| 2600 | Other non-current liabilities  | 6(21)          | 391,322               | -          | 413,920               | -          |
| 25XX | <b>Total non-current liabilities</b>                                     |                | <u>28,946,419</u>     | <u>13</u>  | <u>23,344,718</u>     | <u>10</u>  |
| 2XXX | <b>Total liabilities</b>   |                | <u>139,741,619</u>    | <u>65</u>  | <u>146,715,284</u>    | <u>66</u>  |
|      | <b>Equity attributable to owners of parent</b>                           |                |                       |            |                       |            |
|      | Share capital  | 6(22)          |                       |            |                       |            |
| 3110 | Share capital - ordinary share   |                | 16,679,470            | 8          | 16,679,470            | 7          |
|      | Capital surplus  | 6(23)          |                       |            |                       |            |
| 3200 | Capital surplus  |                | 13,529,272            | 6          | 13,505,904            | 6          |
|      | Retained earnings  | 6(24)          |                       |            |                       |            |
| 3310 | Legal reserve  |                | 12,946,469            | 6          | 11,368,673            | 5          |
| 3320 | Special reserve  |                | 6,038,409             | 3          | 8,247,113             | 4          |
| 3350 | Unappropriated retained earnings   |                | 30,506,999            | 14         | 28,800,686            | 13         |
|      | Other equity interest  | 6(25)          |                       |            |                       |            |
| 3400 | Other equity interest  |                | ( 7,886,325)          | ( 3)       | ( 6,038,409)          | ( 2)       |
| 31XX | <b>Total equity attributable to owners of parent</b>                     |                | <u>71,814,294</u>     | <u>34</u>  | <u>72,563,437</u>     | <u>33</u>  |
| 36XX | Non-controlling interest   |                | <u>2,684,408</u>      | <u>1</u>   | <u>2,367,597</u>      | <u>1</u>   |
| 3XXX | <b>Total equity</b>  |                | <u>74,498,702</u>     | <u>35</u>  | <u>74,931,034</u>     | <u>34</u>  |
|      | Significant contingent liabilities and unrecognized contract commitments | 9              |                       |            |                       |            |
|      | Significant events after the balance sheet date                          | 11             |                       |            |                       |            |
| 3X2X | <b>Total liabilities and equity</b>                                      |                | <u>\$ 214,240,321</u> | <u>100</u> | <u>\$ 221,646,318</u> | <u>100</u> |

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

**SYNNEX TECHNOLOGY INTERNATIONAL CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
**YEARS ENDED DECEMBER 31, 2023 AND 2022**  
(Expressed in thousands of New Taiwan dollars, except for earnings per share amounts)

| Items |  | Notes             | Year ended December 31 |     |                      |     |
|-------|--|-------------------|------------------------|-----|----------------------|-----|
|       |  |                   | 2023                   |     | 2022                 |     |
|       |  |                   | AMOUNT                 | %   | AMOUNT               | %   |
| 4000  | Operating revenue  | 6(26) and 7(2)    | \$ 395,990,829         | 100 | \$ 424,550,420       | 100 |
| 5000  | Operating costs  | 6(8)(31) and 7(2) | ( 378,391,906) ( 96)   |     | ( 406,707,201) ( 96) |     |
| 5950  | Net operating margin   |                   | 17,598,923             | 4   | 17,843,219           | 4   |
|       | Operating expenses   | 6(31)             |                        |     |                      |     |
| 6100  | Selling expenses   |                   | ( 7,276,240) ( 2)      |     | ( 6,926,926) ( 2)    |     |
| 6200  | General and administrative expenses  |                   | ( 1,149,757)           | -   | ( 1,529,338)         | -   |
| 6450  | Impairment loss (impairment gain and reversal of impairment loss) determined in accordance with IFRS 9 | 12(2)             | ( 538,612)             | -   | ( 249,419)           | -   |
| 6000  | Total operating expenses   |                   | ( 8,964,609) ( 2)      |     | ( 8,705,683) ( 2)    |     |
| 6900  | Operating profit   |                   | 8,634,314              | 2   | 9,137,536            | 2   |
|       | Non-operating income and expenses  |                   |                        |     |                      |     |
| 7100  | Interest income  | 6(27)             | 817,777                | -   | 323,504              | -   |
| 7010  | Other income   | 6(28) and 7(2)    | 1,333,029              | -   | 1,297,170            | -   |
| 7020  | Other gains and losses   | 6(29)             | 193,953                | -   | 8,511,724            | 2   |
| 7050  | Finance costs  | 6(30)             | ( 2,027,553)           | -   | ( 1,435,728)         | -   |
| 7060  | Share of profit of associates and joint ventures accounted for using equity method                     | 6(9)              | 1,565,228              | 1   | 2,440,589            | 1   |
| 7000  | Total non-operating income and expenses  |                   | 1,882,434              | 1   | 11,137,259           | 3   |
| 7900  | <b>Profit before income tax</b>  |                   | 10,516,748             | 3   | 20,274,795           | 5   |
| 7950  | Income tax expense   | 6(33)             | ( 2,635,905) ( 1)      |     | ( 3,944,469) ( 1)    |     |
| 8200  | <b>Profit for the year</b>   |                   | \$ 7,880,843           | 2   | \$ 16,330,326        | 4   |

(Continued)

**SYNNEX TECHNOLOGY INTERNATIONAL CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
**YEARS ENDED DECEMBER 31, 2023 AND 2022**

(Expressed in thousands of New Taiwan dollars, except for earnings per share amounts)

|      | Items  | Notes    | Year ended December 31 |             |                      |          |
|------|--|----------|------------------------|-------------|----------------------|----------|
|      |  |          | 2023                   |             | 2022                 |          |
|      |  |          | AMOUNT                 | %           | AMOUNT               | %        |
|      | <b>Other comprehensive income</b>  |          |                        |             |                      |          |
|      | <b>Components of other comprehensive income that will not be reclassified to profit or loss</b>  |          |                        |             |                      |          |
| 8311 | Gains (losses) on remeasurements of defined benefit plans  |          | \$ 1,503               | -           | \$ 37,098            | -        |
| 8316 | Unrealised gains (losses) from investments in equity instruments measured at fair value through other comprehensive income   |          | ( 937,838)             | -           | ( 2,951,537)         | ( 1)     |
| 8320 | Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss | 6(9)(25) | ( 5,422)               | -           | ( 15,948)            | -        |
| 8349 | Income tax related to components of other comprehensive income that will not be reclassified to profit or loss   | 6(33)    | ( 300)                 | -           | ( 7,419)             | -        |
| 8310 | Components of other comprehensive loss that will not be reclassified to profit or loss   |          | ( 942,057)             | -           | ( 2,937,806)         | ( 1)     |
|      | <b>Components of other comprehensive income that will be reclassified to profit or loss</b>  |          |                        |             |                      |          |
| 8361 | Financial statements translation differences of foreign operations   |          | ( 915,065)             | ( 1)        | 4,739,093            | 1        |
| 8370 | Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss     | 6(9)     | ( 345,247)             | -           | 136,572              | -        |
| 8360 | Components of other comprehensive (loss) income that will be reclassified to profit or loss  |          | ( 1,260,312)           | ( 1)        | 4,875,665            | 1        |
| 8300 | <b>Total other comprehensive (loss) income</b>   |          | <u>(\$ 2,202,369)</u>  | <u>( 1)</u> | <u>\$ 1,937,859</u>  | <u>-</u> |
| 8500 | <b>Total comprehensive income for the year</b>   |          | <u>\$ 5,678,474</u>    | <u>1</u>    | <u>\$ 18,268,185</u> | <u>4</u> |
|      | Profit, attributable to:   |          |                        |             |                      |          |
| 8610 | Owners of parent   |          | \$ 7,289,295           | 2           | \$ 15,748,824        | 4        |
| 8620 | Non-controlling interest   |          | 591,548                | -           | 581,502              | -        |
|      | Profit for the year  |          | <u>\$ 7,880,843</u>    | <u>2</u>    | <u>\$ 16,330,326</u> | <u>4</u> |
|      | Comprehensive income attributable to:  |          |                        |             |                      |          |
| 8710 | Owners of parent   |          | \$ 5,061,923           | 1           | \$ 17,681,120        | 4        |
| 8720 | Non-controlling interest   |          | 616,551                | -           | 587,065              | -        |
|      | Comprehensive income for the year  |          | <u>\$ 5,678,474</u>    | <u>1</u>    | <u>\$ 18,268,185</u> | <u>4</u> |
|      | Earnings per share   |          |                        |             |                      |          |
| 9750 | Basic earnings per share   | 6(34)    | <u>\$ 4.37</u>         |             | <u>\$ 9.44</u>       |          |
| 9850 | Diluted earnings per share   | 6(34)    | <u>\$ 4.37</u>         |             | <u>\$ 9.44</u>       |          |

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

SYNNEX TECHNOLOGY INTERNATIONAL CORPORATION AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
YEARS ENDED DECEMBER 31, 2023 AND 2022  
(Expressed in thousands of New Taiwan dollars)

|                                     |  | Equity attributable to owners of the parent |                 |               |                 |                                  |  |   |               |                          |               |
|-------------------------------------|--|---|-----------------|---------------|-----------------|----------------------------------|--|---|---------------|--------------------------|---------------|
|                                     |  | Retained earnings                           |                 |               |                 |                                  | Other equity interest  |   |               |                          |               |
|                                     |  |   |                 |               |                 |                                  | Financial statements translation differences of foreign operations | Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income |               |                          |               |
| Notes                               |  | Share capital - common stock                | Capital surplus | Legal reserve | Special reserve | Unappropriated retained earnings |  |   | Total         | Non-controlling interest | Total equity  |
| <u>Year ended December 31, 2022</u> |  |   |                 |               |                 |                                  |  |   |               |                          |               |
|                                     |  | \$ 16,679,470                               | \$ 14,199,960   | \$ 9,673,477  | \$ 6,336,545    | \$ 24,968,224                    | (\$ 10,641,478 )   | \$ 2,394,366  | \$ 63,610,564 | \$ 2,280,513             | \$ 65,891,077 |
|                                     |  | -   | -               | -             | -               | 15,748,824                       | -  | -   | 15,748,824    | 581,502                  | 16,330,326    |
|                                     |  | -   | -               | -             | -               | 29,679                           | 4,869,983  | ( 2,967,366 )   | 1,932,296     | 5,563                    | 1,937,859     |
|                                     |  | -   | -               | -             | -               | 15,778,503                       | 4,869,983  | ( 2,967,366 )   | 17,681,120    | 587,065                  | 18,268,185    |
|                                     |  | -   | -               | -             | -               | -                                | -  | -   | -             | -                        | -             |
|                                     |  | -   | -               | -             | -               | -                                | -  | -   | -             | -                        | -             |
|                                     |  | -   | -               | -             | -               | -                                | -  | -   | -             | -                        | -             |
|                                     |  | -   | -               | -             | -               | -                                | -  | -   | -             | -                        | -             |
|                                     |  | -   | -               | -             | -               | -                                | -  | -   | -             | -                        | -             |
|                                     |  | -   | -               | -             | -               | -                                | -  | -   | -             | -                        | -             |
|                                     |  | -   | -               | -             | -               | -                                | -  | -   | -             | -                        | -             |
|                                     |  | -   | -               | -             | -               | -                                | -  | -   | -             | -                        | -             |
|                                     |  | -   | -               | -             | -               | -                                | -  | -   | -             | -                        | -             |
|                                     |  | -   | -               | -             | -               | -                                | -  | -   | -             | -                        | -             |
|                                     |  | -   | -               | -             | -               | -                                | -  | -   | -             | -                        | -             |
|                                     |  | -   | -               | -             | -               | -                                | -  | -   | -             | -                        | -             |
|                                     |  | -   | -               | -             | -               | -                                | -  | -   | -             | -                        | -             |
|                                     |  | -   | -               | -             | -               | -                                | -  | -   | -             | -                        | -             |
|                                     |  | -   | -               | -             | -               | -                                | -  | -   | -             | -                        | -             |
|                                     |  | -   | -               | -             | -               | -                                | -  | -   | -             | -                        | -             |
|                                     |  | -   | -               | -             | -               | -                                | -  | -   | -             | -                        | -             |
|                                     |  | -   | -               | -             | -               | -                                | -  | -   | -             | -                        | -             |
|                                     |  | -   | -               | -             | -               | -                                | -  | -   | -             | -                        | -             |
|                                     |  | -   | -               | -             | -               | -                                | -  | -   | -             | -                        | -             |
|                                     |  | -   | -               | -             | -               | -                                | -  | -   | -             | -                        | -             |
|                                     |  | -   | -               | -             | -               | -                                | -  | -   | -             | -                        | -             |
|                                     |  | -   | -               | -             | -               | -                                | -  | -   | -             | -                        | -             |
|                                     |  | -   | -               | -             | -               | -                                | -  | -   | -             | -                        | -             |
|                                     |  | -   | -               | -             | -               | -                                | -  | -   | -             | -                        | -             |
|                                     |  | -   | -               | -             | -               | -                                | -  | -   | -             | -                        | -             |
|                                     |  | -   | -               | -             | -               | -                                | -  | -   | -             | -                        | -             |
|                                     |  | -   | -               | -             | -               | -                                | -  | -   | -             | -                        | -             |
|                                     |  | -   | -               | -             | -               | -                                | -  | -   | -             | -                        | -             |
|                                     |  | -   | -               | -             | -               | -                                | -  | -   | -             | -                        | -             |
|                                     |  | -   | -               | -             | -               | -                                | -  | -   | -             | -                        | -             |
|                                     |  | -   | -               | -             | -               | -                                | -  | -   | -             | -                        | -             |
|                                     |  | -   | -               | -             | -               | -                                | -  | -   | -             | -                        | -             |
|                                     |  | -   | -               | -             | -               | -                                | -  | -   | -             | -                        | -             |
|                                     |  | -   | -               | -             | -               | -                                | -  | -   | -             | -                        | -             |
|                                     |  | -   | -               | -             | -               | -                                | -  | -   | -             | -                        | -             |
|                                     |  | -   | -               | -             | -               | -                                | -  | -   | -             | -                        | -             |
|                                     |  | -   | -               | -             | -               | -                                | -  | -   | -             | -                        | -             |
|                                     |  | -   | -               | -             | -               | -                                | -  | -   | -             | -                        | -             |
|                                     |  | -   | -               | -             | -               | -                                | -  | -   | -             | -                        | -             |
|                                     |  | -   | -               | -             | -               | -                                | -  | -   | -             | -                        | -             |
|                                     |  | -   | -               | -             | -               | -                                | -  | -   | -             | -                        | -             |
|                                     |  | -   | -               | -             | -               | -                                | -  | -   | -             | -                        | -             |
|                                     |  | -   | -               | -             | -               | -                                | -  | -   | -             | -                        | -             |
|                                     |  | -   | -               | -             | -               | -                                | -  | -   | -             | -                        | -             |
|                                     |  | -   | -               | -             | -               | -                                | -  | -   | -             | -                        | -             |
|                                     |  | -   | -               | -             | -               | -                                | -  | -   | -             | -                        | -             |
|                                     |  | -   | -               | -             | -               | -                                | -  | -   | -             | -                        | -             |
|                                     |  | -   | -               | -             | -               | -                                | -  | -   | -             | -                        | -             |
|                                     |  | -   | -               | -             | -               | -                                | -  | -   | -             | -                        | -             |
|                                     |  | -   | -               | -             | -               | -                                | -  | -   | -             | -                        | -             |
|                                     |  | -   | -               | -             | -               | -                                | -  | -   | -             | -                        | -             |
|                                     |  | -   | -               | -             | -               | -                                | -  | -   | -             | -                        | -             |
|                                     |  | -   | -               | -             | -               | -                                | -  | -   | -             | -                        | -             |
|                                     |  | -   | -               | -             | -               | -                                | -  | -   | -             | -                        | -             |
|                                     |  | -   | -               | -             | -               | -                                | -  | -   | -             | -                        | -             |
|                                     |  | -   | -               | -             | -               | -                                | -  | -   | -             | -                        | -             |
|                                     |  | -   | -               | -             | -               | -                                | -  | -   | -             | -                        | -             |
|                                     |  | -   | -               | -             | -               | -                                | -  | -   | -             | -                        | -             |
|                                     |  | -   | -               | -             | -               | -                                | -  | -   | -             | -                        | -             |
|                                     |  | -   | -               | -             | -               | -                                | -  | -   | -             | -                        | -             |
|                                     |  | -   | -               | -             | -               | -                                | -  | -   | -             | -                        | -             |
|                                     |  | -   | -               | -             | -               | -                                | -  | -   | -             | -                        | -             |
|                                     |  | -   | -               | -             | -               | -                                | -  | -   | -             | -                        | -             |
|                                     |  | -   | -               | -             | -               | -                                | -  | -   | -             | -                        | -             |
|                                     |  | -   | -               | -             | -               | -                                | -  | -   | -             | -                        | -             |
|                                     |  | -   | -               | -             | -               | -                                | -  | -   | -             | -                        | -             |
|                                     |  | -   | -               | -             | -               | -                                | -  | -   | -             | -                        | -             |
|                                     |  | -   | -               | -             | -               | -                                | -  | -   | -             | -                        | -             |
|                                     |  | -   | -               | -             | -               | -                                | -  | -   | -             | -                        | -             |
|                                     |  | -   | -               | -             | -               | -                                | -  | -   | -             | -                        | -             |
|                                     |  | -   | -               | -             | -               | -                                | -  | -   | -             | -                        | -             |
|                                     |  | -   | -               | -             | -               | -                                | -  | -   | -             | -                        | -             |
|                                     |  | -   | -               | -             | -               | -                                | -  | -   | -             | -                        | -             |
|                                     |  | -   | -               | -             | -               | -                                | -  | -   | -             | -                        | -             |
|                                     |  | -   | -               | -             | -               | -                                | -  | -   | -             | -                        | -             |
|                                     |  | -   | -               | -             | -               | -                                | -  | -   | -             | -                        | -             |
|                                     |  | -   | -               | -             | -               | -                                | -  | -   | -             | -                        | -             |
|                                     |  | -   | -               | -             | -               | -                                | -  | -   | -             | -                        | -             |
|                                     |  | -   | -               | -             | -               | -                                | -  | -   | -             | -                        | -             |
|                                     |  | -   | -               | -             | -               | -                                | -  | -   | -             | -                        | -             |
|                                     |  | -   | -               | -             | -               | -                                | -  | -   | -             | -                        | -             |
|                                     |  | -   | -               | -             | -               | -                                | -  | -   | -             | -                        | -             |
|                                     |  | -   | -               | -             | -               | -                                | -  | -   | -             | -                        | -             |
|                                     |  | -   | -               | -             | -</             |                                  |  |   |               |                          |               |

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

SYNNEX TECHNOLOGY INTERNATIONAL CORPORATION AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
YEARS ENDED DECEMBER 31, 2023 AND 2022  
(Expressed in thousands of New Taiwan dollars)

|   |       | Year ended December 31 |                |
|---|-------|------------------------|----------------|
|   | Notes | 2023                   | 2022           |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>   |       |                        |                |
| Profit before tax   |       | \$ 10,516,748          | \$ 20,274,795  |
| Adjustments   |       |                        |                |
| Adjustments to reconcile profit (loss)  |       |                        |                |
| Depreciation charges on property, plant and equipment   | 6(31) | 308,713                | 299,072        |
| Depreciation charges on right-of-use assets   | 6(31) | 276,577                | 243,641        |
| Depreciation charges on investment property   | 6(31) | 33,202                 | 35,019         |
| Amortization charges on intangible assets   | 6(31) | 53,973                 | 43,038         |
| Impairment loss (impairment gain and reversal of impairment loss) determined in accordance with IFRS 9)   | 12(2) |                        |                |
|   |       | 538,612                | 249,419        |
| Net gain on financial assets at fair value through profit or loss   | 6(29) | ( 2,075 )              | ( 2,113 )      |
| Allowance for inventory valuation losses  | 6(8)  | 93,959                 | 412,607        |
| Interest expense  | 6(30) | 2,027,553              | 1,435,728      |
| Interest income   | 6(27) | ( 817,777 )            | ( 323,504 )    |
| Dividend income   | 6(28) | ( 536,561 )            | ( 396,196 )    |
| Share of profit of associates accounted for under equity method   | 6(9)  | ( 1,565,228 )          | ( 2,440,589 )  |
| (Loss) gain on disposal of property, plant and equipment and investment property                          | 6(29) | ( 2,094 )              | ( 11,865 )     |
| Gain on disposal of investments   | 6(29) | ( 7,086 )              | -              |
| Gain on remeasurement of investments at fair value that were previously accounted for using equity method | 6(29) | -                      | ( 8,345,108 )  |
| Gain on lease modification  | 6(11) | ( 1,465 )              | ( 194 )        |
| Changes in operating assets and liabilities   |       |                        |                |
| Changes in operating assets   |       |                        |                |
| Notes and accounts receivable   |       | ( 663,436 )            | 6,337,922      |
| Other receivables   |       | 970,225                | ( 951,770 )    |
| Inventories   |       | 4,062,258              | ( 9,998,788 )  |
| Prepayments   |       | ( 968,504 )            | ( 1,384,929 )  |
| Long-term notes and overdue receivables   |       | ( 401,256 )            | ( 227,130 )    |
| Long-term lease receivables   |       | ( 32,174 )             | 25,914         |
| Changes in operating liabilities  |       |                        |                |
| Notes and accounts payable  |       | 4,097,161              | ( 18,229,011 ) |
| Other payables  |       | 272,933                | 404,236        |
| Other current liabilities   |       | 301,061                | ( 550,190 )    |
| Other non-current liabilities   |       | 1,214                  | ( 150,637 )    |
| Cash inflow (outflow) generated from operations   |       | 18,556,533             | ( 13,250,633 ) |
| Dividends received from investments accounted for under equity method                                     |       | 972,695                | 1,231,421      |
| Interest paid   |       | ( 2,027,553 )          | ( 1,435,728 )  |
| Interest received   |       | 817,777                | 323,504        |
| Dividends received  |       | 536,561                | 396,196        |
| Income taxes paid   |       | ( 2,744,445 )          | ( 2,353,130 )  |
| Net cash flows from (used in) operating activities  |       | 16,111,568             | 15,088,370     |

(Continued)

**SYNNEX TECHNOLOGY INTERNATIONAL CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**YEARS ENDED DECEMBER 31, 2023 AND 2022**  
(Expressed in thousands of New Taiwan dollars)

|   | Notes | Year ended December 31<br>2023 | 2022                 |
|---|-------|--------------------------------|----------------------|
| <b><u>CASH FLOWS FROM INVESTING ACTIVITIES</u></b>  |       |                                |                      |
| Decrease in financial assets at fair value through profit or loss                                       |       | (\$ 355,146 )                  | \$ 2,046,087         |
| Proceeds from disposal of non-current financial assets at fair value through other comprehensive income |       | 1,189,856                      | 205,134              |
| Acquisition of property, plant and equipment  | 6(10) | ( 1,036,173 )                  | ( 303,737 )          |
| Proceeds from disposal of property, plant and equipment   |       | 37,185                         | 26,732               |
| Acquisition of investment property  | 6(13) | ( 6,955 )                      | ( 1,795 )            |
| Acquisition of intangible assets  | 6(14) | ( 14,419 )                     | ( 20,362 )           |
| Increase in time deposits maturing within three months to a year  |       | ( 61,088 )                     | ( 239,420 )          |
| Decrease in time deposits maturing within three months to a year  |       | 62,138                         | 238,370              |
| Increase in restricted time deposits  |       | ( 69 )                         | ( 838,223 )          |
| Decrease in restricted time deposits  |       | 68,520                         | 1,405,918            |
| Increase in refundable deposits   |       | ( 59,783 )                     | ( 36,394 )           |
| Decrease in refundable deposits   |       | 61,249                         | 36,369               |
| Increase in other non-current assets  |       | 8,129                          | ( 27,049 )           |
| Net cash flows (used in) from investing activities  |       | ( 106,556 )                    | 2,491,630            |
| <b><u>CASH FLOWS FROM FINANCING ACTIVITIES</u></b>  |       |                                |                      |
| Increase (decrease) in short-term borrowings  | 6(36) | ( 21,340,661 )                 | 19,987,377           |
| Increase (decrease) in short-term notes and bills payable   | 6(36) | 2,670,000                      | ( 7,630,000 )        |
| Increase in long-term borrowings  | 6(36) | 32,790,000                     | 17,400,000           |
| Decrease in long-term borrowings  | 6(36) | ( 25,820,000 )                 | ( 3,000,000 )        |
| Increase in guarantee deposits received   | 6(36) | 264,195                        | 697,267              |
| Decrease in guarantee deposits received   | 6(36) | ( 256,028 )                    | ( 694,006 )          |
| Payments of lease liabilities   | 6(36) | ( 180,369 )                    | ( 188,997 )          |
| Acquisition of additional shares in subsidiary  | 6(35) | -                              | ( 20,944 )           |
| Cash dividends paid   | 6(36) | ( 5,837,814 )                  | ( 8,339,735 )        |
| Cash dividends paid by subsidiaries to non-controlling interests  |       | ( 299,740 )                    | ( 476,952 )          |
| Net cash flows (used in) from financing activities  |       | ( 18,010,417 )                 | 17,734,010           |
| Effects of changes in foreign exchange rates  |       | ( 1,320,611 )                  | 2,292,057            |
| Net (decrease) increase in cash and cash equivalents  |       | ( 3,326,016 )                  | 7,429,327            |
| Cash and cash equivalents at beginning of year  |       | 14,482,285                     | 7,052,958            |
| Cash and cash equivalents at end of year  |       | <u>\$ 11,156,269</u>           | <u>\$ 14,482,285</u> |

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

SYNNEX TECHNOLOGY INTERNATIONAL CORPORATION AND SUBSIDIARIES  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022  
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS,  
EXCEPT AS OTHERWISE INDICATED)

**1. HISTORY AND ORGANISATION**

Synnex Technology International Corporation (the “Company”) was incorporated in 1988 under the provisions of the Company Act of the Republic of China (R.O.C.). The Company and its subsidiaries (collectively referred herein as the “Group”) are primarily engaged in:

- A. Assembly and sale of computers and computer peripherals;
- B. Sale of communication products;
- C. Sale of consumer electronic products;
- D. Sale of semiconductor products;
- E. Warehouse and logistics services; and
- F. Maintenance and technical services for the products mentioned above.

The Company’s shares have been traded on the Taiwan Stock Exchange since December 1995.

**2. THE DATE OF AUTHORISATION FOR ISSUANCE OF THE CONSOLIDATED FINANCIAL STATEMENTS AND PROCEDURES FOR AUTHORISATION**

These consolidated financial statements were reported to the Board of Directors on March 13, 2024.

**3. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS**

**(1) Effect of the adoption of new issuances of or amendments to International Financial Reporting Standards (“IFRS<sup>®</sup>”) Accounting Standards that came into effect as endorsed by the Financial Supervisory Commission (“FSC”)**

New standards, interpretations and amendments endorsed by the FSC and became effective from 2023 are as follows:

| <u>New Standards, Interpretations and Amendments</u>   | <u>Effective date by<br/>International Accounting<br/>Standards Board</u> |
|--|---|
| Amendments to IAS 1, ‘Disclosure of accounting policies’   | January 1, 2023   |
| Amendments to IAS 8, ‘Definition of accounting estimates’  | January 1, 2023   |
| Amendments to IAS 12, ‘Deferred tax related to assets and liabilities arising from a single transaction’ | January 1, 2023   |
| Amendments to IAS 12, ‘International tax reform - pillar two model rules’                                | May 23, 2023  |

Except for the following, the above standards and interpretations have no significant impact to the Group’s consolidated financial condition and consolidated financial performance based on the Group’s assessment.

Amendments to IAS 12, ‘Deferred tax related to assets and liabilities arising from a single transaction’

The amendments require an entity to recognise deferred tax on particular transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences.

Upon adoption, the Group expects to recognise a deferred tax asset and liability for all deductible and taxable temporary differences associated with right-of-use assets and lease liabilities retrospectively

as of January 1, 2022. These amendments resulted to an increase in deferred tax assets by \$95,881, \$116,200 and \$150,001 and deferred tax liabilities by \$95,881, \$116,200 and \$150,001 as of December 31, 2023, January 1, 2022 and December 31, 2022, respectively.

(2) Effect of new issuances of or amendments to IFRS Accounting Standards as endorsed by the FSC but not yet adopted by the Group

New standards, interpretations and amendments endorsed by the FSC and will become effective from 2024 are as follows:

| <u>New Standards, Interpretations and Amendments</u>   | <u>Effective date by<br/>International Accounting<br/>Standards Board</u> |
|--|---|
| Amendments to IFRS 16, 'Lease liability in a sale and leaseback'   | January 1, 2024   |
| Amendments to IAS 1, 'Classification of liabilities as current or non-current'   | January 1, 2024   |
| Amendments to IAS 1, 'Non-current liabilities with covenants'  | January 1, 2024   |
| Amendments to IAS 7 and IFRS 7, 'Supplier finance arrangements'  | January 1, 2024   |
| The above standards and interpretations have no significant impact to the Group's consolidated financial condition and consolidated financial performance based on the Group's assessment. |   |

(3) IFRS Accounting Standards is used by IASB but not yet endorsed by the FSC

New standards, interpretations and amendments issued by IASB but not yet included in the IFRS Accounting Standards as endorsed by the FSC are as follows:

| <u>New Standards, Interpretations and Amendments</u>   | <u>Effective date by<br/>International Accounting<br/>Standards Board</u> |
|--|---|
| 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<br>International<br>Accounting Standards<br>Board     |
| IFRS 17, 'Insurance contracts'   | January 1, 2023   |
| Amendments to IFRS 17, 'Insurance contracts'   | January 1, 2023   |
| Amendment to IFRS 17, 'Initial application of IFRS 17 and IFRS 9 — comparative information'  | January 1, 2023   |
| Amendments to IAS 21, 'Lack of exchangeability'  | January 1, 2025   |
| The above standards and interpretations have no significant impact to the Group's consolidated financial condition and consolidated financial performance based on the Group's assessment. |   |

#### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

##### (1) Compliance statement

The consolidated financial statements of the Group have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the FSC (collectively referred herein as the “IFRSs”).

##### (2) Basis of preparation

- A. Except for the following items, these consolidated financial statements have been prepared under the historical cost convention:
  - (a) Financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.
  - (b) Financial assets and liabilities at fair value through other comprehensive income.
  - (c) Defined benefit liabilities recognised based on the net amount of pension fund assets less present value of defined benefit obligation.
- B. The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

##### (3) Basis of consolidation

- A. Basis for preparation of consolidated financial statements:
  - (a) All subsidiaries are included in the Group’s consolidated financial statements. Subsidiaries are all entities (including structured entities) controlled by the Group. The Group controls an entity when the Group is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Consolidation of subsidiaries begins from the date the Group obtains control of the subsidiaries and ceases when the Group loses control of the subsidiaries.
  - (b) Inter-company transactions, balances and unrealised gains or losses on transactions between companies within the Group are eliminated. Accounting policies of subsidiaries have been adjusted where necessary to ensure consistency with the policies adopted by the Group.
  - (c) Profit or loss and each component of other comprehensive income are attributed to the owners of the parent and to the non-controlling interests. Total comprehensive income is attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.
  - (d) Changes in a parent’s ownership interest in a subsidiary that do not result in the parent losing control of the subsidiary (transactions with non-controlling interests) are accounted for as equity transactions, i.e. transactions with owners in their capacity as owners. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity.
  - (e) When the Group loses control of a subsidiary, the Group remeasures any investment retained

in the former subsidiary at its fair value. That fair value is regarded as the fair value on initial recognition of a financial asset or the cost on initial recognition of the associate or joint venture. Any difference between fair value and carrying amount is recognised in profit or loss. All amounts previously recognised in other comprehensive income in relation to the subsidiary are reclassified to profit or loss on the same basis as would be required if the related assets or liabilities were disposed of. That is, when the Group loses control of a subsidiary, all gains or losses previously recognised in other comprehensive income in relation to the subsidiary should be reclassified from equity to profit or loss, if such gains or losses would be reclassified to profit or loss when the related assets or liabilities are disposed of.

B. Subsidiaries included in the consolidated financial statements:

| Name of investor                            | Name of subsidiary   | Main business<br>Activities        | Ownership(%)         |                      | Description |
|---|--|------------------------------------|----------------------|----------------------|-------------|
|   |  |                                    | December<br>31, 2023 | December<br>31, 2022 |             |
| Synnex Technology International Corporation | Synnex Global Ltd.   | Investment holding                 | 100                  | 100                  | -           |
| Synnex Technology International Corporation | Seper Technology Corporation                               | Sales of 3C products               | 100                  | 100                  | -           |
| Synnex Technology International Corporation | E-Fan Investments CO., LTD.                                | Investment holding                 | 100                  | 100                  | -           |
| Synnex Technology International Corporation | Synergy Intelligent Logistics Corporation                  | Warehouse and logistics services   | 100                  | 100                  | -           |
| Synnex Technology International Corporation | Synergy Technology Services Corporation                    | Maintenance and technical services | 100                  | 100                  | Note 1      |
| Synnex Technology International Corporation | Bestcom Infotech Corp.                                     | Sales of 3C products               | 100                  | 100                  | -           |
| Synnex Technology International Corporation | Syntech Asia Ltd.  | Sales of semiconductor products    | 100                  | 100                  | Note 2      |
| Synnex Technology International Corporation | PT. Synnex Metrodata Indonesia and subsidiaries            | Sales of 3C products               | 50                   | 50                   | Note 3      |
| Synnex Technology International Corporation | Synnex Technology International (HK) Ltd. and subsidiaries | Sales of 3C products               | 100                  | 100                  | Note 4      |
| Synergy Intelligent Logistics Corporation   | Synergy Intelligent Logistics (HK) Corporation             | Warehouse and logistics services   | 100                  | 100                  | Note 5      |
| E-Fan Investments CO., LTD.                 | Leveltech Ltd.   | Sales of semiconductor products    | 100                  | 100                  | Note 6      |
| Bestcom Infotech Corp.                      | Bizwave Tech Co., Ltd.                                     | Sales of 3C products               | 100                  | 100                  | -           |

| Name of investor                | Name of subsidiary   | Main business<br>Activities      | Ownership(%)         |                      | Description |
|---------------------------------|--|----------------------------------|----------------------|----------------------|-------------|
|                                 |  |                                  | December<br>31, 2023 | December<br>31, 2022 |             |
| Synnex Global Ltd.              | King's Eye Investments Ltd.                                | Investment holding               | 100                  | 100                  | -           |
| Synnex Global Ltd.              | Peer Developments Ltd.                                     | Investment holding               | 100                  | 100                  | -           |
| Synnex Global Ltd.              | Synnex Mauritius Ltd.                                      | Investment holding               | 100                  | 100                  | -           |
| Synnex Global Ltd.              | Synnex China Holdings Ltd.                                 | Investment holding               | 100                  | 100                  | -           |
| Synnex Global Ltd.              | Trade Vanguard Global Ltd.                                 | Investment holding               | 100                  | 100                  | -           |
| King's Eye Investments Ltd.     | Laser Computer Holdings Ltd.                               | Investment holding               | -                    | 100                  | Note 7      |
| King's Eye Investments Ltd.     | Synnex Australia Pty. Ltd.                                 | Sales of 3C products             | 100                  | 100                  | -           |
| King's Eye Investments Ltd.     | Synnex New Zealand Ltd.                                    | Sales of 3C products             | 100                  | 100                  | -           |
| King's Eye Investments Ltd.     | Synnex Electronics Hong Kong Ltd.                          | Sales of semiconductor products  | -                    | -                    | Note 8      |
| King's Eye Investments Ltd.     | Syntech Asia Ltd.  | Sales of semiconductor products  | -                    | -                    | Note 2      |
| King's Eye Investments Ltd.     | Fortune Ideal Ltd.   | Real estate investments          | 100                  | 100                  | -           |
| King's Eye Investments Ltd.     | Golden Thinking Ltd.                                       | Real estate investments          | 100                  | 100                  | -           |
| King's Eye Investments Ltd.     | PT. Synnex Metrodata Indonesia and subsidiaries            | Sales of 3C products             | -                    | -                    | Note 3      |
| Laser Computer Holdings Ltd.    | Synnex Technology International (HK) Ltd. and subsidiaries | Sales of 3C products             | -                    | -                    | Note 4      |
| Peer Developments Ltd.          | LianXiang Technology (Shenzhen) Ltd.                       | Sales of semiconductor products  | 100                  | 100                  | -           |
| Peer Developments Ltd.          | Synergy Intelligent Logistics (HK) Corporation             | Warehouse and logistics services | -                    | -                    | Note 5      |
| Synnex China Holdings Ltd.      | Synnex Investments (China) Ltd.                            | Investment holding               | 100                  | 100                  | -           |
| Synnex China Holdings Ltd.      | Leveltech Ltd.   | Sales of semiconductor products  | -                    | -                    | Note 6      |
| Synnex Investments (China) Ltd. | Synnex Distributions (China) Ltd.                          | Sales of 3C products             | 100                  | 100                  | -           |
| Synnex Investments (China) Ltd. | Synnex (Beijing) Ltd.                                      | Warehouse and logistics services | 100                  | 100                  | -           |

| Name of investor                | Name of subsidiary                  | Main business<br>Activities  | Ownership(%)         |                      | Description |
|---------------------------------|-------------------------------------|--|----------------------|----------------------|-------------|
|                                 |                                     |  | December<br>31, 2023 | December<br>31, 2022 |             |
| Synnex Investments (China) Ltd. | Synnex (Shanghai) Ltd.              | Sales of semiconductor products and warehouse and logistics services | 100                  | 100                  | -           |
| Synnex Investments (China) Ltd. | Synnex (Tianjin) Ltd.               | Warehouse and logistics services                                     | 100                  | 100                  | -           |
| Synnex Investments (China) Ltd. | Synnex (Chengdu) Ltd.               | Warehouse and logistics services                                     | 100                  | 100                  | -           |
| Synnex Investments (China) Ltd. | Synnex (Nanjing) Ltd.               | Warehouse and logistics services                                     | 100                  | 100                  | -           |
| Synnex Investments (China) Ltd. | Synnex (Shenyang) Ltd.              | Warehouse and logistics services                                     | 100                  | 100                  | -           |
| Synnex Investments (China) Ltd. | Synnex (Hangzhou) Ltd.              | Warehouse and logistics services                                     | 100                  | 100                  | -           |
| Synnex Investments (China) Ltd. | Synnex (Qingdao) Ltd.               | Warehouse and logistics services                                     | 100                  | 100                  | -           |
| Synnex Investments (China) Ltd. | Synnex (Guangzhou) Ltd.             | Warehouse and logistics services                                     | 100                  | 100                  | -           |
| Synnex Investments (China) Ltd. | Synnex (Xi'an) Ltd.                 | Warehouse and logistics services                                     | 100                  | 100                  | -           |
| Synnex Investments (China) Ltd. | Synnex (Suzhou) Ltd.                | Warehouse and logistics services                                     | 100                  | 100                  | -           |
| Synnex Investments (China) Ltd. | Synnex (Wuhan) Ltd.                 | Warehouse and logistics services                                     | 100                  | 100                  | -           |
| Synnex Investments (China) Ltd. | Synnex (Jinan) Ltd.                 | Warehouse and logistics services                                     | 100                  | 100                  | -           |
| Synnex Investments (China) Ltd. | Synnex (Changsha) Ltd.              | Warehouse and logistics services                                     | 100                  | 100                  | -           |
| Synnex Investments (China) Ltd. | Synnex (Zhengzhou) Ltd.             | Warehouse and logistics services                                     | 100                  | 100                  | -           |
| Synnex Investments (China) Ltd. | Synnex (Hefei) Ltd.                 | Warehouse and logistics services                                     | 100                  | 100                  | -           |
| Synnex Investments (China) Ltd. | Synnex (Nanchang) Ltd.              | Warehouse and logistics services                                     | 100                  | 100                  | -           |
| Synnex Investments (China) Ltd. | Synnex (Harbing) Ltd.               | Warehouse and logistics services                                     | 100                  | 100                  | -           |
| Synnex Investments (China) Ltd. | Synnex (Xiamen) Ltd.                | Warehouse and logistics services                                     | 100                  | 100                  | -           |
| Synnex Investments (China) Ltd. | Yude (Shanghai) Warehouse Co., Ltd. | Warehouse and logistics services                                     | -                    | -                    | Note 9      |
| Synnex Investments (China) Ltd. | Synnex Technology Development Ltd.  | Sales of 3C products   | 100                  | 100                  | -           |

| Name of investor                   | Name of subsidiary                        | Main business<br>Activities         | Ownership(%)         |                      | Description |
|------------------------------------|---|-------------------------------------|----------------------|----------------------|-------------|
|                                    |   |                                     | December<br>31, 2023 | December<br>31, 2022 |             |
| Synnex Investments<br>(China) Ltd. | Jifu Intelligent Logistics<br>Corporation | Warehouse and logistics<br>services | 100                  | 100                  | -           |

Aside from the subsidiaries, Fortune Ideal Ltd. and Golden Thinking Ltd. were audited by other independent auditors, remaining subsidiaries were audited by the Company's appointed independent auditors.

Note 1: The Company's subsidiary, Synergy Technology Services Corporation(通盛科技服務股份有限公司), formerly named as Synergy Technology Services Corporation(通達技術服務股份有限公司), completed the registration for the change in May 2023.

Note 2: The Group's investment was restructured, and Syntech Asia Ltd. was changed to be directly held by the Company in November 2022.

Note 3: The Group's investment was restructured, and PT. Synnex Metrodata Indonesia and its subsidiaries were changed to be directly held by the Company in November 2022.

Note 4: The Group's investment was restructured, and Synnex Technology International (HK) Ltd. and its subsidiaries were changed to be directly held by the Company in November 2022.

Note 5: The Group's investment was restructured, and Synergy Intelligent Logistics (HK) Corporation was changed to be directly held by the Company's subsidiary, Synergy Intelligent Logistics Corporation, in November 2022.

Note 6: The Group's investment was restructured, and Leveltech Ltd. was changed to be directly held by the Company's subsidiary, E-Fan Investments CO., LTD., in November 2022.

Note 7: Laser Computer Holdings Ltd., was dissolved as resolved by the Board of Directors in October 2023, and its registration was cancelled in November 2023.

Note 8: Synnex Electronics Hong Kong Ltd., was dissolved as resolved by the Board of Directors in July 2022, and its registration was cancelled in October 2022.

Note 9: Yude (Shanghai) Warehouse Co., Ltd. was dissolved as resolved by the Board of Directors in August 2022, and its registration was cancelled in December 2022.

C. Subsidiaries not included in the consolidated financial statements: None.

D. Adjustments for subsidiaries with different balance sheet dates: None.

E. Significant restrictions: None.

F. Subsidiaries that have non-controlling interests that are material to the Group: None.

#### (4) Foreign currency translation

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The Company's functional currency is NTD and the subsidiaries' functional currencies are NTD, RMB, USD, HKD, AUD, NZD and IDR. The consolidated financial statements are presented in NTD, which is the Company's functional and the Group's presentation currency.

##### A. Foreign currency transactions and balances

(a) Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions are recognised in profit or loss in the period in which they arise.

(b) Monetary assets and liabilities denominated in foreign currencies at the period end are re-translated at the exchange rates prevailing at the balance sheet date. Exchange differences arising upon re-translation at the balance sheet date are recognised in profit or loss.

- (c) Non-monetary assets and liabilities denominated in foreign currencies held at fair value through profit or loss are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognised in profit or loss. Non-monetary assets and liabilities denominated in foreign currencies held at fair value through other comprehensive income are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognised in other comprehensive income. However, non-monetary assets and liabilities denominated in foreign currencies that are not measured at fair value are translated using the historical exchange rates at the dates of the initial transactions.
  - (d) All foreign exchange gains and losses are presented in the statement of comprehensive income within 'other gains and losses'.
- B. Translation of foreign operations
- (a) The operating results and financial position of all the group entities and associates that have a functional currency different from the presentation currency are translated into the presentation currency as follows:
    - i. Assets and liabilities for each balance sheet presented are translated at the closing exchange rate at the date of that balance sheet;
    - ii. Income and expenses for each statement of comprehensive income are translated at average exchange rates of that period; and
    - iii. All resulting exchange differences are recognised in other comprehensive income.
  - (b) When the foreign operation partially disposed of or sold is an associate, exchange differences that were recorded in other comprehensive income are proportionately reclassified to profit or loss as part of the gain or loss on sale. In addition, even when the Group retains partial interest in the former foreign associate after losing significant influence over the former foreign associate, such transactions should be accounted for as disposal of all interest in the foreign operation.
  - (c) When the foreign operation partially disposed of or sold is a subsidiary, cumulative exchange differences that were recorded in other comprehensive income are proportionately transferred to the non-controlling interest in this foreign operation. In addition, even when the Group retains partial interest in the former foreign subsidiary after losing control of the former foreign subsidiary, such transactions should be accounted for as disposal of all interest in the foreign operation.

(5) Classification of current and non-current items

- A. Assets that meet one of the following criteria are classified as current assets; otherwise they are classified as non-current assets:
- (a) Assets arising from operating activities that are expected to be realised, or are intended to be sold or consumed within the normal operating cycle;
  - (b) Assets held mainly for trading purposes;
  - (c) Assets that are expected to be realised within twelve months from the balance sheet date;
  - (d) Cash and cash equivalents, excluding restricted cash and cash equivalents and those that are to be exchanged or used to settle liabilities more than twelve months after the balance sheet date.
- B. Liabilities that meet one of the following criteria are classified as current liabilities; otherwise they are classified as non-current liabilities:
- (a) Liabilities that are expected to be settled within the normal operating cycle;
  - (b) Liabilities arising mainly from trading activities;
  - (c) Liabilities that are to be settled within twelve months from the balance sheet date;
  - (d) Liabilities for which the repayment date cannot be extended unconditionally to more than twelve months after the balance sheet date. Terms of a liability that could, at the option of the

counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

(6) Cash equivalents

Cash equivalents refer to short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Time deposits that meet the definition above and are held for the purpose of meeting short-term cash commitments in operations are classified as cash equivalents.

(7) Financial assets at fair value through profit or loss

- A. Financial assets at fair value through profit or loss are financial assets that are not measured at amortised cost or fair value through other comprehensive income.
- B. On a regular way purchase or sale basis, financial assets at fair value through profit or loss are recognised and derecognised using trade date accounting.
- C. At initial recognition, the Group measures the financial assets at fair value and recognises the transaction costs in profit or loss. The Group subsequently measures the financial assets at fair value and recognises the gain or loss in profit or loss.
- D. The Group recognises the dividend income when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

(8) Financial assets at fair value through other comprehensive income

- A. Financial assets at fair value through other comprehensive income comprise equity securities which are not held for trading, and for which the Group has made an irrevocable election at initial recognition to recognise changes in fair value in other comprehensive income.
- B. On a regular way purchase or sale basis, financial assets at fair value through other comprehensive income are recognised and derecognised using trade date accounting.
- C. At initial recognition, the Group measures the financial assets at fair value plus transaction costs. The Group subsequently measures the financial assets at fair value. The changes in fair value of equity investments that were recognised in other comprehensive income are reclassified to retained earnings and are not reclassified to profit or loss following the derecognition of the investments. Dividends are recognised as revenue when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

(9) Financial assets at amortised cost

- A. Financial assets at amortised cost are those that meet all of the following criteria:
  - (a) The objective of the Group's business model is achieved by collecting contractual cash flows.
  - (b) The assets' contractual cash flows represent solely payments of principal and interest.
- B. On a regular way purchase or sale basis, financial assets at amortised cost are recognised and derecognised using trade date accounting.
- C. At initial recognition, the Group measures the financial assets at fair value plus transaction costs. Interest income from these financial assets is included in finance income using the effective interest method. A gain or loss is recognised in profit or loss when the asset is derecognised or impaired.
- D. The Group's time deposits which do not fall under cash equivalents are those with a short maturity period and are measured at initial investment amount as the effect of discounting is immaterial.

(10) Accounts and notes receivable

- A. Accounts and notes receivable entitle the Group a legal right to receive consideration in exchange for transferred goods or rendered services.
- B. The short-term accounts and notes receivable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(11) Impairment of financial assets

For financial assets at amortised cost and lease receivables, at each reporting date, the Group recognises the impairment provision for 12 months expected credit losses if there has not been a significant increase in credit risk since initial recognition or recognizes the impairment provision for lifetime expected credit losses (ECLs) if such credit risk has increased since initial recognition after taking into consideration all reasonable and verifiable information that includes forecasts. On the other hand, for accounts receivable or contract assets that do not contain a significant financing component, the Group recognises the impairment provision for lifetime ECLs.

(12) Derecognition of financial assets

The Group derecognises a financial asset when one of the following conditions is met:

- A. The contractual rights to receive the cash flows from the financial asset expire.
- B. The contractual rights to receive cash flows of the financial asset have been transferred and the Group has transferred substantially all risks and rewards of ownership of the financial asset.
- C. The contractual rights to receive cash flows of the financial asset have been transferred; however, the Group has not retained control of the financial asset.

(13) Leasing arrangements (lessor) – lease receivables/operating leases

- A. Based on the terms of a lease contract, a lease is classified as a finance lease if the lessee assumes substantially all the risks and rewards incidental to ownership of the leased asset.
  - (a) At commencement of the lease term, the lessor should record a finance lease in the balance sheet as ‘lease receivables’ at an amount equal to the gross investment in the lease (including initial direct costs). The difference between gross lease receivable and the present value of the receivable is recognised as ‘unearned finance income of finance lease’.
  - (b) The lessor should allocate finance income over the lease term based on a systematic and rational basis reflecting a constant periodic rate of return on the lessor’s net investment in the finance lease.
  - (c) Lease payments (excluding costs for services) during the lease term are applied against the gross investment in the lease to reduce both the principal and the unearned finance income.
- B. Lease income from an operating lease (net of any incentives given to the lessee) is recognised in profit or loss on a straight-line basis over the lease term.

(14) Inventories

- A. Cost is determined using the weighted-average method. Cost of inventory purchases includes purchasing price, import taxes and all the related costs involved in the process of obtaining inventory. Discounts, allowances and etc. shall be deducted from the cost of inventory purchases. The purchase discount granted by the suppliers is estimated based on the agreed conditions and expected fulfillment conditions agreed between different suppliers, and the recognised amount is limited to the part that is highly likely to not have a significant reversal in the future. Relevant estimated amounts receivable from suppliers as of the balance sheet date are recognised as other receivables.
- B. Inventories are stated at the lower of cost and net realisable value. The item by item approach is used in applying the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs necessary to make the

sale.

(15) Investments accounted for using equity method / associates

- A. Associates are all entities over which the Group has significant influence but not control. In general, it is presumed that the investor has significant influence, if an investor holds, directly or indirectly 20 percent or more of the voting power of the investee. Investments in associates are accounted for using the equity method and are initially recognised at cost.
- B. The Group's share of its associates' post-acquisition profits or losses is recognised in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.
- C. When changes in an associate's equity do not arise from profit or loss or other comprehensive income of the associate and such changes do not affect the Group's ownership percentage of the associate, the Group recognises change in ownership interests in the associate in 'capital surplus' in proportion to its ownership.
- D. Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been adjusted where necessary to ensure consistency with the policies adopted by the Group.
- E. In the case that an associate issues new shares and the Group does not subscribe or acquire new shares proportionately, which results in a change in the Group's ownership percentage of the associate but maintains significant influence on the associate, then 'capital surplus' and 'investments accounted for under the equity method' shall be adjusted for the increase or decrease of its share of equity interest. If the above condition causes a decrease in the Group's ownership percentage of the associate, in addition to the above adjustment, the amounts previously recognised in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately on the same basis as would be required if the relevant assets or liabilities were disposed of.
- F. Upon loss of significant influence over an associate, the Group remeasures any investment retained in the former associate at its fair value. Any difference between fair value and carrying amount is recognised in profit or loss.
- G. When the Group disposes of its investment in an associate and loses significant influence over this associate, the amounts previously recognised in other comprehensive income in relation to the associate are reclassified to profit or loss on the same basis as would be required if the relevant assets or liabilities were disposed of. If it retains significant influence over this associate, the amounts previously recognised in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately in accordance with the aforementioned approach.
- H. When the Group disposes of its investment in an associate and loses significant influence over this associate, the amounts previously recognised as capital surplus in relation to the associate are transferred to profit or loss. If it retains significant influence over this associate, the amounts previously recognised as capital surplus in relation to the associate are transferred to profit or loss proportionately.

(16) Property, plant and equipment

- A. Property, plant and equipment are initially recorded at cost. Borrowing costs incurred during the construction period are capitalised.

- B. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.
- C. Land is not depreciated. Other property, plant and equipment apply cost model and are depreciated using the straight-line method to allocate their cost over their estimated useful lives. Each part of an item of property, plant, and equipment with a cost that is significant in relation to the total cost of the item must be depreciated separately.
- D. The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each financial year-end. If expectations for the assets' residual values and useful lives differ from previous estimates or the patterns of consumption of the assets' future economic benefits embodied in the assets have changed significantly, any change is accounted for as a change in estimate under IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors', from the date of the change.

The estimated useful lives of property, plant and equipment are as follows:

|                          |               |
|--------------------------|---------------|
| Buildings and structures | 20 - 50 years |
| Utilities equipment      | 7 - 15 years  |
| Computer equipment       | 3 - 7 years   |
| Transportation equipment | 10 years      |
| Furniture and fixtures   | 5 years       |
| Tools                    | 5 - 20 years  |
| Leasehold improvements   | 3 years       |

(17) Leasing arrangements (lessee) — right-of-use assets/lease liabilities

- A. Leases are recognised as a right-of-use asset and a corresponding lease liability at the date at which the leased asset is available for use by the Group. For short-term leases or leases of low-value assets, lease payments are recognised as an expense on a straight-line basis over the lease term.
- B. Lease liabilities include the net present value of the remaining lease payments at the commencement date, discounted using the incremental borrowing interest rate. Lease payments are comprised of fixed payments, less any lease incentives receivable.  
The Group subsequently measures the lease liability at amortised cost using the interest method and recognises interest expense over the lease term. The lease liability is remeasured and the amount of remeasurement is recognised as an adjustment to the right-of-use asset when there are changes in the lease term or lease payments and such changes do not arise from contract modifications.
- C. At the commencement date, the right-of-use asset is stated at cost comprising the following:
  - (a) The amount of the initial measurement of lease liability; and
  - (b) Any lease payments made at or before the commencement date.
 The right-of-use asset is measured subsequently using the cost model and is depreciated from the commencement date to the earlier of the end of the asset's useful life or the end of the lease term. When the lease liability is remeasured, the amount of remeasurement is recognised as an adjustment to the right-of-use asset.
- D. For lease modifications that decrease the scope of the lease, the lessee shall decrease the carrying amount of the right-of-use asset to reflect the partial or full termination of the lease and recognise

the difference from remeasured lease liability in profit or loss.

(18) Investment property

An investment property is stated initially at its cost and measured subsequently using the cost model. Except for land, investment property is depreciated on a straight-line basis over its estimated useful life. The estimated useful lives of investment property are as follows:

|                          |               |
|--------------------------|---------------|
| Buildings and structures | 20 - 50 years |
| Utilities equipment      | 7 - 15 years  |

(19) Intangible assets

A. Computer software

Computer software is stated at cost and amortised on a straight-line basis over its estimated useful life of 3 to 7 years.

B. Goodwill

Goodwill arises in a business combination accounted for by applying the acquisition method.

(20) Impairment of non-financial assets

A. The Group assesses at each balance sheet date the recoverable amounts of those assets where there is an indication that they are impaired. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or value in use. Except for goodwill, when the circumstances or reasons for recognizing impairment loss for an asset in prior years no longer exist or diminish, the impairment loss is reversed. The increased carrying amount due to reversal should not be more than what the depreciated or amortised historical cost would have been if the impairment had not been recognised.

B. The recoverable amount of goodwill is evaluated periodically. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. Impairment loss of goodwill previously recognised in profit or loss shall not be reversed in the following years.

C. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units, or groups of cash-generating units, that is/are expected to benefit from the synergies of the business combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level.

(21) Borrowings

Borrowings comprise long-term and short-term bank borrowings. Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

(22) Notes and accounts payable

A. Accounts payable are liabilities for purchases of goods or services and notes payable are those resulting from operating and non-operating activities.

B. The short-term notes and accounts payable without bearing interest are subsequently measured

at initial invoice amount as the effect of discounting is immaterial.

(23) Financial liabilities at fair value through profit or loss

- A. Financial liabilities are classified in this category of held for trading if acquired principally for the purpose of repurchasing in the short-term. Derivatives are also categorised as financial liabilities held for trading unless they are designated as hedges.
- B. At initial recognition, the Group measures the financial liabilities at fair value. All related transaction costs are recognised in profit or loss. The Group subsequently measures these financial liabilities at fair value with any gain or loss recognised in profit or loss.

(24) Derecognition of financial liabilities

A financial liability is derecognised when the obligation specified in the contract is either discharged or cancelled or expires.

(25) Offsetting financial instruments

Financial assets and liabilities are offset and reported in the net amount in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

(26) Non-hedging and embedded derivatives

Non-hedging derivatives are initially recognised at fair value on the date a derivative contract is entered into and recorded as financial assets or financial liabilities at fair value through profit or loss. They are subsequently remeasured at fair value and the gains or losses are recognised in profit or loss.

(27) Provisions

Provisions (mainly warranty provisions) are recognised when the Group has a present legal or constructive obligation as a result of past events, and it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be reliably estimated. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation on the balance sheet date, which is discounted using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to passage of time is recognised as interest expense. Provisions are not recognised for future operating losses.

(28) Employee benefits

A. Short-term employee benefits

Short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in respect of service rendered by employees in a period and should be recognised as expense in that period when the employees render service.

B. Pensions

(a) Defined contribution plans

For defined contribution plans, the contributions are recognised as pension expense when they are due on an accrual basis. Prepaid contributions are recognised as an asset to the extent of a cash refund or a reduction in the future payments.

(b) Defined benefit plans

- i. Net obligation under a defined benefit plan is defined as the present value of an amount of pension benefits that employees will receive on retirement for their services with the Group in current period or prior periods. The liability recognised in the balance sheet in

respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets. The net defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The rate used to discount is determined by using interest rates of government bonds (at the balance sheet date) of a currency and term consistent with the currency and term of the employment benefit obligations.

- ii. Remeasurements arising on defined benefit plans are recognised in other comprehensive income in the period in which they arise and recorded as retained earnings.
  - iii. Past service costs are recognised immediately in profit or loss.
- C. Termination benefits
- Termination benefits are employee benefits provided in exchange for the termination of employment as a result from either the Group's decision to terminate an employee's employment before the normal retirement date, or an employee's decision to accept an offer of redundancy benefits in exchange for the termination of employment. The Group recognises expense as it can no longer withdraw an offer of termination benefits or as it recognises relating restructuring costs, whichever is earlier. Benefits that are expected to be due more than 12 months after balance sheet date shall be discounted to their present value.
- D. Employees' compensation and directors' remuneration
- Employees' compensation and directors' and supervisors' remuneration are recognised as expenses and liabilities, provided that such recognition is required under legal or constructive obligation and those amounts can be reliably estimated. Any difference between the subsequently resolved distributed amounts and the estimated amounts is accounted for as changes in estimates. If employee compensation is paid by shares, the Group calculates the number of shares based on the closing price at the previous day of the board meeting resolution.

(29) Income tax

- A. The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or items recognised directly in equity, in which cases the tax is recognised in other comprehensive income or equity.
- B. The current income tax expense is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Group and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in accordance with applicable tax regulations. It establishes provisions where appropriate based on the amounts expected to be paid to the tax authorities. An additional tax is levied on the unappropriated retained earnings and is recorded as income tax expense in the year the stockholders resolve to retain the earnings.
- C. Deferred tax is recognised, using the balance sheet method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated balance sheet. However, the deferred tax is not accounted for if it arises from initial recognition of goodwill or of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

- D. Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. At each balance sheet date, unrecognised and recognised deferred tax assets are reassessed.
- E. Current income tax assets and liabilities are offset and the net amount is reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. Deferred tax assets and liabilities are offset on the balance sheet when the entity has the legally enforceable right to offset current tax assets against current tax liabilities and they are levied by the same taxation authority on either the same entity or different entities that intend to settle on a net basis or realise the asset and settle the liability simultaneously.

(30) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or stock options are shown in equity as a deduction, net of tax, from the proceeds.

(31) Dividends

Cash dividends were recorded as liabilities in the Company's financial statements after the special resolution of the Board of Directors in accordance with Articles of Incorporation. Stock dividends are recorded as stock dividends to be distributed when they are resolved by the Company's shareholders and are reclassified to ordinary shares on the effective date of new shares issuance.

(32) Revenue recognition

A. Sales of goods

- (a) The Group sells information, communication, semiconductor and consumer electronic products. Sales are recognised when control of the products has transferred, being when the products are delivered to the customer, the customer has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, or the Group has objective evidence that all criteria for acceptance have been satisfied.
- (b) Revenue from these sales is recognised based on the price specified in the contract, net of the estimated sales return, volume discounts, sales discounts and allowances. The estimated volume discounts, sales discounts and allowances given to customers are based on the expected purchase volume and accumulated experience. A refund liability is recognised for expected sales return, volume discounts, sales discounts and allowances payable to customers in relation to sales made until the end of the reporting period. Revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. The estimation is subject to an assessment at each reporting date.
- (c) The sales are usually made with a credit term of advance sales receipts, 1 to 180 days after the receipt of shipment and 5 day to 150 days after monthly billings. For those contracts which the Group entered into with customers, as the time interval between the transfer of committed goods or service and the payment of customer does not exceed one year, the Group does not adjust the transaction price to reflect the time value of money.
- (d) The Group's obligation to provide a refund for faulty products under the standard warranty terms is recognised as a provision.
- (e) A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

B. Service revenue

The Group provides services of inventory management, installation and maintenance services. Revenue from providing services is recognised in the accounting period in which the services are rendered.

C. Rental revenue

The Group is engaged in the leasing business of computers, computer peripheral equipment and office buildings. The leases are classified as finance leases when the lease terms refer that significant risks and rewards are transferred to the lessees. The rest of leases are classified as operating leases. The Group's leasing business belongs to operating leases. Income of operating leases is recognised as income on a straight-line basis over lease term.

(33) Government grants

Government grants are recognised at their fair value only when there is reasonable assurance that the Group will comply with any conditions attached to the grants and the grants will be received. Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises expenses for the related costs for which the grants are intended to compensate.

(34) Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The Group's chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decisions.

5. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND KEY SOURCES OF ASSUMPTION UNCERTAINTY

The preparation of these consolidated financial statements requires management to make critical judgements in applying the Group's accounting policies and make critical assumptions and estimates concerning future events. Assumptions and estimates may differ from the actual results and are continually evaluated and adjusted based on historical experience and other factors. Such assumptions and estimates have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year; and the information is addressed below:

(1) Critical judgements in applying the Group's accounting policies

Revenue recognition on a net/gross basis

The Group determines whether the nature of its performance obligation is to provide the specified goods or services itself (i.e. the Group is a principal) or to arrange for the other party to provide those goods or services (i.e. the Group is an agent) based on the transaction model and its economic substance. The Group is a principal if it controls a promised good or service before it transfers the good or service to a customer. The Group recognises revenue at gross amount of consideration to which it expects to be entitled in exchange for those goods or services transferred. The Group is an agent if it does not control a promised good or service before the good or service is transferred to a customer. The Group recognises revenue at the amount of any fee or commission to which it expects to be entitled in exchange for arranging for the other party to provide its goods or services.

Indicators that the Group controls the good or service before it is provided to a customer include the following:

- A. The Group is primarily responsible for the provision of goods or services;
- B. The Group assumes the inventory risk before transferring the specified goods or services to the customer or after transferring control of the goods or services to the customer; and
- C. The Group has discretion in establishing prices for the goods or services.

(2) Critical accounting estimates and assumptions

A. Assessment of allowance for uncollectible accounts receivable

During the assessment process of allowance for uncollectible accounts receivable, the Group has to utilize judgements and estimates to determine the recoverable amount of accounts receivable. The recoverable amount is affected by various factors such as customers' financial conditions, Group's internal credit ratings, historical transaction records, current economic conditions, and other factors that could affect customers' paying ability. If there is a concern regarding the collectability of the account, the Group shall assess the account's collectability individually and recognize appropriate allowances. Management makes critical assumptions and estimates concerning future events as of balance sheet date, which may differ from actual results. Thus, there might be material changes to the assessment.

B. Evaluation of inventories

As inventories are stated at the lower of cost or net realizable value, the Group must determine the net realizable value of inventories on balance sheet date using judgements and estimates. Due to the rapid technology innovation, the Group evaluates the amounts of normal inventory consumption, obsolete inventories or inventories without market value on balance sheet date, and writes down the cost of inventories to the net realizable value. Such evaluation of inventories is primarily based on the market conditions and historical sales experience on the balance sheet date. Therefore, there might be material changes to the evaluation.

C. Accrual of inventory purchase rebates

Accrual of inventory purchase rebates is estimated based on contract terms and expected achievement rate. However, contract terms for rebates could be in various types, with complicated calculations and entered into with different counterparties. Therefore, a substantial volume of purchase and sale information has to be matched with individual merchandise item manually in order to calculate rebates. Management makes critical assumptions and estimates concerning future events as of balance sheet date, which may differ from actual results. Thus, there might be changes to the assessment.

6. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

|                                       | <u>December 31, 2023</u> | <u>December 31, 2022</u> |
|---------------------------------------|--------------------------|--------------------------|
| Cash on hand and revolving funds      | \$ 428                   | \$ 485                   |
| Checking accounts and demand deposits | 10,881,963               | 12,053,986               |
| Time deposits                         | 273,878                  | 2,427,814                |
|                                       | <u>\$ 11,156,269</u>     | <u>\$ 14,482,285</u>     |

A. The Group transacts with a variety of financial institutions all with high credit quality to disperse credit risk, so it expects that the probability of counterparty default is remote.

B. For information regarding cash and cash equivalents pledged as collateral and reclassified as financial assets at amortised cost, please refer to Notes 6(4) and 8.

(2) Financial assets and liabilities at fair value through profit or loss

|  | <u>December 31, 2023</u> | <u>December 31, 2022</u> |
|--|--------------------------|--------------------------|
| Current items:   |                          |                          |
| Financial assets mandatorily measured at fair value through profit or loss |                          |                          |
| Listed stocks  | \$ 23,806                | \$ 23,807                |
| Private equity fund investment   | 26,821                   | -                        |
| Financial products   | 355,146                  | -                        |
|  | <u>405,773</u>           | <u>23,807</u>            |
| Valuation adjustment   | 198,166                  | 157,875                  |
|  | <u>\$ 603,939</u>        | <u>\$ 181,682</u>        |
| Financial liabilities held for trading                                     |                          |                          |
| Non-hedging derivatives — forward exchange                                 | \$ 426                   | \$ 4,484                 |

A. Amounts recognised in profit or loss in relation to financial assets and liabilities at fair value through profit or loss are listed below:

|  | <u>Year ended<br/>December 31, 2023</u> | <u>Year ended<br/>December 31, 2022</u> |
|--|---|---|
| <u>Financial assets and liabilities at fair value through profit or loss</u> |   |   |
| –Financial products  | \$ 3,136                                | \$ 54,065                               |
| –Equity instruments  | 41,241                                  | ( 26,293)                               |
| –Derivatives   | ( 42,302)                               | ( 25,659)                               |
|  | <u>\$ 2,075</u>                         | <u>\$ 2,113</u>                         |

B. The Group entered into contracts relating to derivative financial instruments which were not accounted for under hedge accounting. The information is listed below:

|                                |                                     | <u>December 31, 2023</u> |                                     |
|--------------------------------|-------------------------------------|--------------------------|-------------------------------------|
|                                |                                     |                          | Nominal                             |
| <u>The subsidiaries</u>        | <u>Items</u>                        | <u>Book Value</u>        | <u>Principal<br/>(in thousands)</u> |
| PT. Synnex Metrodata Indonesia | Forward exchange - buy USD sell IDR | (\$ 632)                 | USD 3,900                           |
| PT. Synnex Metrodata Indonesia | Forward exchange - buy RMB sell IDR | 206                      | RMB 8,300                           |
| PT. Synnex Metrodata Indonesia | Option contract - buy USD sell IDR  | -                        | USD 10,000                          |
|                                |                                     | <u>(\$ 426)</u>          |                                     |

|                       |                                     | December 31, 2022                      |             |
|-----------------------|-------------------------------------|--|-------------|
|                       |                                     | Nominal<br>Principal<br>(in thousands) |             |
| The subsidiaries      | Items                               | Book Value                             |             |
| Synnex New Zealand    | Forward exchange - buy USD sell NZD | (\$ 2)                                 | USD 90      |
| Synnex Global Limited | Forward exchange - buy RMB sell USD | (4,482)                                | RMB 279,908 |
|                       |                                     | (\$ 4,484)                             |             |

The Group undertook forward exchange contracts to hedge risks of foreign currency assets and liabilities arising from fluctuations in exchange rates. However, these forward exchange contracts are not accounted for under hedge accounting.

- C. The Group has no financial assets at fair value through profit or loss pledged to others as collateral.  
D. Information relating to credit risk is provided in Note 12(3).

(3) Financial assets at fair value through other comprehensive income

|                                 | December 31, 2023    | December 31, 2022    |
|---------------------------------|----------------------|----------------------|
| Current items:                  |                      |                      |
| Equity instruments              |                      |                      |
| Listed stocks                   | \$ 28,024,426        | \$ 29,537,730        |
| Valuation adjustment            | (5,817,408)          | (3,769,031)          |
|                                 | <u>\$ 22,207,018</u> | <u>\$ 25,768,699</u> |
| Non-current items:              |                      |                      |
| Equity instruments              |                      |                      |
| Listed stocks                   | \$ 835,880           | \$ 835,880           |
| Non-listed (TSE and OTC) stocks | 2,044,270            | 2,044,281            |
| Valuation adjustment            | 4,197,414            | 2,803,076            |
|                                 | <u>\$ 7,077,564</u>  | <u>\$ 5,683,237</u>  |

- A. The Group has elected to classify share investments that are considered to be strategic investments as financial assets at fair value through other comprehensive income.  
B. Information relating to the Company's financial assets at fair value through other comprehensive income recognised as comprehensive (loss) income is provided in the statement of comprehensive income.  
C. The Group has no financial assets at fair value through other comprehensive income pledged to others as collateral.  
D. Information relating to fair value is provided in Note 12(3).

(4) Financial assets at amortised cost

|   | December 31, 2023 | December 31, 2022 |
|---|-------------------|-------------------|
| Current items:                                  |                   |                   |
| Time deposits maturing within three months to a | \$ -              | \$ 1,050          |
| Pledged time deposits                           | -                 | 5,634             |
|   | <u>\$ -</u>       | <u>\$ 6,684</u>   |
| Non-current items:                              |                   |                   |
| Pledged time deposits                           | <u>\$ 803,361</u> | <u>\$ 868,178</u> |

- A. Information on interest income recognised from financial assets measured at amortised cost is provided in Note 6(27).
- B. Details of the Group's financial assets at amortised cost pledged to others as collateral are provided in Note 8.
- C. The counterparties of the Group's investments in certificates of deposits are financial institutions with high credit quality, so the Group expects that the probability of counterparty default is remote.

(5) Notes, accounts and overdue receivable

|  | <u>December 31, 2023</u> | <u>December 31, 2022</u> |
|--|--------------------------|--------------------------|
| Notes receivable   | \$ 5,520,367             | \$ 6,862,856             |
| Less: Allowance for uncollectible accounts                 | ( 20,573)                | ( 20,744)                |
|  | <u>\$ 5,499,794</u>      | <u>\$ 6,842,112</u>      |
| Accounts receivable  | \$ 73,587,262            | \$ 71,893,768            |
| Accounts receivable due from related parties               | 816,249                  | 499,491                  |
| Lease receivables (expiring within one year)               | 124,299                  | 127,349                  |
|  | <u>74,527,810</u>        | <u>72,520,608</u>        |
| Less: Allowance for uncollectible accounts                 | ( 214,327)               | ( 193,630)               |
|  | <u>74,313,483</u>        | <u>72,326,978</u>        |
| Overdue receivables (recorded as other non-current assets) | 4,245,173                | 3,822,166                |
| Less: Allowance for uncollectible accounts                 | ( 2,814,140)             | ( 2,373,023)             |
|  | <u>1,431,033</u>         | <u>1,449,143</u>         |
|  | <u>\$ 75,744,516</u>     | <u>\$ 73,776,121</u>     |

Overdue receivables consist primarily of amounts due from customers under bankruptcy proceedings and are stated at their estimated net realizable value. As of December 31, 2023 and 2022, the Group received certain security for a portion of the amounts due.

- A. The ageing analysis of notes receivable and accounts receivable (including related parties) is as follows:

|                             | <u>December 31, 2023</u>    |                                |                                |                      |
|-----------------------------|-----------------------------|--------------------------------|--------------------------------|----------------------|
|                             | <u>Notes<br/>receivable</u> | <u>Accounts<br/>receivable</u> | <u>Overdue<br/>receivables</u> | <u>Total</u>         |
| Not past due                | \$ 5,517,486                | \$ 64,092,798                  | \$ -                           | \$ 69,610,284        |
| Up to 60 days past due      | 2,881                       | 7,580,218                      | 56,214                         | 7,639,313            |
| 61-120 days past due        | -                           | 1,393,825                      | 30,156                         | 1,423,981            |
| 121-180 days past due       | -                           | 704,420                        | 58,152                         | 762,572              |
| More than 181 days past due | -                           | 756,549                        | 4,100,651                      | 4,857,200            |
|                             | <u>\$ 5,520,367</u>         | <u>\$ 74,527,810</u>           | <u>\$ 4,245,173</u>            | <u>\$ 84,293,350</u> |

|                             | December 31, 2022   |                        |                        |                      |
|-----------------------------|---------------------|------------------------|------------------------|----------------------|
|                             | Notes<br>receivable | Accounts<br>receivable | Overdue<br>receivables | Total                |
| Not past due                | \$ 6,862,856        | \$ 62,258,418          | \$ -                   | \$ 69,121,274        |
| Up to 60 days past due      | -                   | 7,229,507              | 579                    | 7,230,086            |
| 61-120 days past due        | -                   | 1,799,015              | 26,310                 | 1,825,325            |
| 121-180 days past due       | -                   | 789,698                | 30,457                 | 820,155              |
| More than 181 days past due | -                   | 443,970                | 3,764,820              | 4,208,790            |
|                             | <u>\$ 6,862,856</u> | <u>\$ 72,520,608</u>   | <u>\$ 3,822,166</u>    | <u>\$ 83,205,630</u> |

The above ageing analysis was based on past due date.

- B. As of December 31, 2023, and 2022, accounts receivable and notes receivable were all from contracts with customers. And as of January 1, 2022, the balance of receivables from contracts with customers amounted to \$89,215,559.
- C. Details of the Group's accounts receivable pledged to others as collateral are provided in Note 8.
- D. Certain notes receivable were discounted to banks (pertaining to bankers acceptance). The Group has payment obligation when the acceptors (acceptance banks) of the notes refuse to pay the notes at maturity. However, if the credit rating of the aforesaid acceptors of the notes is high, in general, the Group does not expect that the acceptors of the notes would refuse to pay for the notes at maturity which met the derecognition criteria for financial assets. As of December 31, 2023, and 2022, the Group has derecognised notes receivable (pertaining to bankers acceptance) that were discounted to banks but not yet matured amounting to \$118,774 and \$544,983, respectively. As of December 31, 2023 and 2022, the Group had liabilities arising from discounted notes receivable amounting to \$0 and \$362,955, respectively, and was recorded under other payables.
- E. Lease receivables  
Information relating to lease receivables is provided in Note 6(12).
- F. Information relating to credit risk of notes and accounts receivable is provided in Note 12(2).

(6) Transfer of financial assets

Transferred financial assets that are derecognised in their entirety

The Group entered into factoring agreements with banks to sell its accounts receivable. Under the agreements, the Group is not obligated to bear the default risk of the transferred accounts receivable, but is liable for the losses incurred in any business dispute. The Group does not have any continuing involvement in the transferred accounts receivable. Thus, the Group derecognised the factored accounts receivable, and the related information is as follows:

(Unit: USD thousand)

| December 31, 2023                  |                     |             |                 |  |
|------------------------------------|---------------------|-------------|-----------------|--|
| Accounts receivable<br>transferred | Amount derecognized | Facilities  | Amount advanced |  |
| <u>The Company</u>                 |                     |             |                 |  |
| \$ 2,095,924                       | \$ 2,095,924        | USD 202,000 | \$ 2,095,924    |  |
| (USD 65,998)                       | (USD 65,998)        |             | (USD 65,998)    |  |
| <u>Subsidiaries</u>                |                     |             |                 |  |
| \$ 688,006                         | \$ 688,006          | USD 115,000 | \$ 688,006      |  |
| (USD 22,370)                       | (USD 22,370)        |             | (USD 22,370)    |  |

(Unit: USD thousand)

December 31, 2022

| Accounts receivable transferred | Amount derecognized          | Facilities  | Amount advanced              |
|---------------------------------|------------------------------|-------------|------------------------------|
| <u>The Company</u>              |                              |             |                              |
| \$ 571,103<br>(USD 18,491)      | \$ 571,103<br>(USD 18,491)   | USD 57,500  | \$ 571,103<br>(USD 18,491)   |
| <u>Subsidiaries</u>             |                              |             |                              |
| \$ 2,218,137<br>(USD 72,111)    | \$ 2,218,137<br>(USD 72,111) | USD 115,000 | \$ 2,218,137<br>(USD 72,111) |

- A. The counterparties of the Group's accounts receivable factoring were domestic financial institutions. As of December 31, 2023, and 2022, the interest rate of amount advanced was 6.10%~6.46% and 3.37%~5.18%, respectively.
- B. As of December 31, 2023, and 2022, the commercial papers issued for accounts receivable factoring amounted to US\$187,500 thousand and US\$43,000 thousand, respectively.

(7) Other receivables

|  | December 31, 2023   | December 31, 2022   |
|--|---------------------|---------------------|
| Receivables from suppliers   | \$ 5,687,736        | \$ 6,510,285        |
| Tax refund receivable — business tax                                   | 458,677             | 622,179             |
| Other non-operating receivables, others<br>(including related parties) | 118,142             | 102,316             |
|  | <u>\$ 6,264,555</u> | <u>\$ 7,234,780</u> |

(8) Inventories

|                         | December 31, 2023    |                                 |                      |
|-------------------------|----------------------|---------------------------------|----------------------|
|                         | Cost                 | Allowance for<br>Valuation loss | Book value           |
| Merchandise inventories | \$ 53,375,729        | (\$ 994,753)                    | \$ 52,380,976        |
| Inventory in transit    | 762,260              | -                               | 762,260              |
|                         | <u>\$ 54,137,989</u> | <u>(\$ 994,753)</u>             | <u>\$ 53,143,236</u> |
|                         | December 31, 2022    |                                 |                      |
|                         | Cost                 | Allowance for<br>Valuation loss | Book value           |
| Merchandise inventories | \$ 57,693,596        | (\$ 900,794)                    | \$ 56,792,802        |
| Inventory in transit    | 506,651              | -                               | 506,651              |
|                         | <u>\$ 58,200,247</u> | <u>(\$ 900,794)</u>             | <u>\$ 57,299,453</u> |

- A. Information relating to inventories pledged to others as collaterals is provided in Note 8.
- B. The cost of inventories recognised as expense for the period:

|                                 | Year ended<br>December 31, 2023 | Year ended<br>December 31, 2022 |
|---------------------------------|---------------------------------|---------------------------------|
| Cost of inventories sold        | \$ 378,297,947                  | \$ 406,294,594                  |
| Loss on decline in market value | 93,959                          | 412,607                         |
|                                 | <u>\$ 378,391,906</u>           | <u>\$ 406,707,201</u>           |

(9) Investments accounted for under equity method

A. The details are as follows:

|  | December 31, 2023  |                       | December 31, 2022  |                       |
|--|--------------------|-----------------------|--------------------|-----------------------|
|  | Book<br>value      | Shareholding<br>ratio | Book<br>value      | Shareholding<br>ratio |
| Associates:                              |                    |                       |                    |                       |
| Redington Limited (Note 2)               | \$6,383,799        | 24.13%                | \$5,883,598        | 24.13%                |
| Synnex FPT Joint Stock Company           | 1,601,247          | 47.27%                | 1,608,478          | 47.27%                |
| Synnex (Thailand) Public Company<br>Ltd. | 1,442,279          | 40.00%                | 1,443,353          | 40.00%                |
| Other                                    | 29,097             | 20%~40%               | 29,244             | 20%~40%               |
|  | <u>\$9,456,422</u> |                       | <u>\$8,964,673</u> |                       |

B. The above investments, aside from Redington Limited and Synnex (Thailand) Public Company Ltd., are based on the profit/(loss) and share of other comprehensive income recognised under equity method in associate's audited financial statements by the Company's appointed independent auditors. Details are as follows:

|                                       | Profit/(loss) of associates     |                                 |
|---------------------------------------|---------------------------------|---------------------------------|
|                                       | Year ended<br>December 31, 2023 | Year ended<br>December 31, 2022 |
| Concentrix Corporation (Note 1)       | \$ -                            | \$ 432,077                      |
| Redington Limited (Note 2)            | 1,097,535                       | 1,312,961                       |
| Synnex FPT Joint Stock Company        | 282,119                         | 415,503                         |
| Synnex (Thailand) Public Company Ltd. | 184,282                         | 278,698                         |
| Other                                 | 1,292                           | 1,350                           |
|                                       | <u>\$ 1,565,228</u>             | <u>\$ 2,440,589</u>             |
|                                       | Share of other comprehensive    |                                 |
|                                       | Year ended<br>December 31, 2023 | Year ended<br>December 31, 2022 |
| Concentrix Corporation (Note 1)       | \$ -                            | (\$ 166,769)                    |
| Redington Limited (Note 2)            | ( 345,247)                      | 303,341                         |
| Synnex (Thailand) Public Company Ltd. | ( 5,422)                        | ( 15,948)                       |
|                                       | <u>(\$ 350,669)</u>             | <u>\$ 120,624</u>               |

Note 1: The Group was initially one of the major shareholders of Concentrix Corporation. However, due to the decrease in influence, the Group lost its significant influence over Concentrix Corporation in July 2022. The Group derecognised investments accounted for using equity method at carrying amount on that day, and the investment was remeasured at fair value and was recognised in the financial assets at fair value through other comprehensive income. Accordingly, the differences were recognised as gain on disposal

of investment in the amount of US\$275,676 thousand, approximately NT\$8,345,108.

Note 2: The Group's investment was restructured in December 2022, thus, Redington Limited that was previously held by the Company through Synnex Mauritius Ltd. was changed to be directly held by the Company through a transaction at a price of IDR 32,145,486 thousand, equivalent to NT\$ 11,963,644. Because the transaction is treated as an investment restructuring, it was accounted for using the book value method. The difference between the consideration paid by the Company and the book value of investments accounted for using the equity method held by Synnex Mauritius Ltd. holder was adjusted in shareholders' equity interest account. The share subscriptions payable has been paid at full amount after February 2023.

#### C. Associates

All of the Group's associates were individually immaterial. The carrying amount of the Group's interests in all individually immaterial associates and the Group's share of the operating results are summarized below:

(a) As of December 31, 2023 and 2022, the carrying amount of the Group's individually immaterial associates amounted to \$9,456,421 and \$8,964,673, respectively.

(b) The Group's share of the operating result is summarised below:

|   | Year ended<br>December 31, 2023 | Year ended<br>December 31, 2022 |
|---|---------------------------------|---------------------------------|
| Profit for the period                         | \$ 1,565,228                    | \$ 2,440,589                    |
| Other comprehensive (loss) income, net of tax | ( 350,669)                      | 120,624                         |
| Total comprehensive income                    | <u>\$ 1,214,559</u>             | <u>\$ 2,561,213</u>             |

(c) The fair value calculated proportionately based on ownership shares of the Group's associates with quoted market prices is as follows:

|                                       | December 31, 2023   | December 31, 2022   |
|---------------------------------------|---------------------|---------------------|
| Redington Limited                     | \$ 12,330,137       | \$ 12,673,374       |
| Synnex (Thailand) Public Company Ltd. | <u>\$ 3,153,324</u> | <u>\$ 4,946,009</u> |

(Remainder of page intentionally left blank)

## (10) Property, plant and equipment

2023

|   | Land                | Buildings and structures |                     |                     | Utilities equipment | Computer equipment | Transportation equipment | Furniture and fixtures | Tools             | Leasehold improvements | Construction in progress and equipment to be inspected | Total                |
|---|---------------------|--------------------------|---------------------|---------------------|---------------------|--------------------|--------------------------|------------------------|-------------------|------------------------|--|----------------------|
|   | Owner-occupied      | Owner-occupied           | Lease               | Subtotal            | Owner-occupied      | Owner-occupied     | Owner-occupied           | Owner-occupied         | Owner-occupied    | Owner-occupied         | Owner-occupied   |                      |
| <u>At January 1</u>                     |                     |                          |                     |                     |                     |                    |                          |                        |                   |                        |  |                      |
| Cost                                    | \$ 1,472,456        | \$ 4,056,238             | \$ 1,620,566        | \$ 5,676,804        | \$ 422,088          | \$ 216,771         | \$ 193,358               | \$ 88,264              | \$ 585,651        | \$ 103,635             | \$ 3,270,652   | \$ 12,029,679        |
| Accumulated depreciation and impairment | -                   | ( 1,146,641)             | ( 305,288)          | ( 1,451,929)        | ( 232,770)          | ( 135,081)         | ( 86,209)                | ( 71,400)              | ( 235,556)        | ( 59,543)              | -  | ( 2,272,488)         |
|   | <u>\$ 1,472,456</u> | <u>\$ 2,909,597</u>      | <u>\$ 1,315,278</u> | <u>\$ 4,224,875</u> | <u>\$ 189,318</u>   | <u>\$ 81,690</u>   | <u>\$ 107,149</u>        | <u>\$ 16,864</u>       | <u>\$ 350,095</u> | <u>\$ 44,092</u>       | <u>\$ 3,270,652</u>                                    | <u>\$ 9,757,191</u>  |
| Opening net book amount                 | \$ 1,472,456        | \$ 2,909,597             | \$ 1,315,278        | \$ 4,224,875        | \$ 189,318          | \$ 81,690          | \$ 107,149               | \$ 16,864              | \$ 350,095        | \$ 44,092              | \$ 3,270,652   | \$ 9,757,191         |
| Additions                               | 4,215               | 111,053                  | 1,970               | 113,023             | 3,867               | 2,398              | 276                      | 6,775                  | 22,795            | 12,807                 | 870,017  | 1,036,173            |
| Disposals                               | ( 1,662)            | ( 24,726)                | -                   | ( 24,726)           | -                   | ( 163)             | ( 1,681)                 | -                      | ( 934)            | ( 4,931)               | ( 995)   | ( 35,092)            |
| Reclassifications                       | -                   | 487,514                  | ( 22,643)           | 464,871             | 16,283              | 3,099              | 6,024                    | 7,363                  | 202,693           | 18,383                 | ( 673,865)   | 44,851               |
| Depreciation charge                     | -                   | ( 111,866)               | ( 37,503)           | ( 149,369)          | ( 36,773)           | ( 31,952)          | ( 17,546)                | ( 7,247)               | ( 43,044)         | ( 22,782)              | -  | ( 308,713)           |
| Effect of exchange rate changes         | 1,930               | ( 26,917)                | ( 25,435)           | ( 52,352)           | ( 2,943)            | ( 81)              | ( 12)                    | 115                    | ( 484)            | ( 585)                 | 596  | ( 53,816)            |
| Closing net book amount                 | <u>\$ 1,476,939</u> | <u>\$ 3,344,655</u>      | <u>\$ 1,231,667</u> | <u>\$ 4,576,322</u> | <u>\$ 169,752</u>   | <u>\$ 54,991</u>   | <u>\$ 94,210</u>         | <u>\$ 23,870</u>       | <u>\$ 531,121</u> | <u>\$ 46,984</u>       | <u>\$ 3,466,405</u>                                    | <u>\$ 10,440,594</u> |
| <u>At December 31</u>                   |                     |                          |                     |                     |                     |                    |                          |                        |                   |                        |  |                      |
| Cost                                    | \$ 1,476,939        | \$ 4,394,731             | \$ 1,559,250        | \$ 5,953,981        | \$ 427,038          | \$ 186,596         | \$ 175,464               | \$ 100,565             | \$ 681,236        | \$ 112,252             | \$ 3,466,405   | \$ 12,580,476        |
| Accumulated depreciation and impairment | -                   | ( 1,050,076)             | ( 327,583)          | ( 1,377,659)        | ( 257,286)          | ( 131,605)         | ( 81,254)                | ( 76,695)              | ( 150,115)        | ( 65,268)              | -  | ( 2,139,882)         |
|   | <u>\$ 1,476,939</u> | <u>\$ 3,344,655</u>      | <u>\$ 1,231,667</u> | <u>\$ 4,576,322</u> | <u>\$ 169,752</u>   | <u>\$ 54,991</u>   | <u>\$ 94,210</u>         | <u>\$ 23,870</u>       | <u>\$ 531,121</u> | <u>\$ 46,984</u>       | <u>\$ 3,466,405</u>                                    | <u>\$ 10,440,594</u> |

|   |                     |                          |                     |                     |                     |                       |                             |                           |                    |                           | Construction<br>in progress<br>and equipment<br>to be inspected | Total               |
|---|---------------------|--------------------------|---------------------|---------------------|---------------------|-----------------------|-----------------------------|---------------------------|--------------------|---------------------------|---|---------------------|
|   | Land                | Buildings and structures |                     |                     | Utilities equipment | Computer<br>equipment | Transportation<br>equipment | Furniture and<br>fixtures | Tools              | Leasehold<br>improvements |   |                     |
|   | Owner<br>-occupied  | Owner<br>-occupied       | Lease               | Subtotal            | Owner<br>-occupied  | Owner<br>-occupied    | Owner<br>-occupied          | Owner<br>-occupied        | Owner<br>-occupied | Owner<br>-occupied        | Owner<br>-occupied  |                     |
| <u>At January 1</u>                     |                     |                          |                     |                     |                     |                       |                             |                           |                    |                           |   |                     |
| Cost                                    | \$ 1,444,237        | \$ 3,935,891             | \$ 1,601,720        | \$ 5,537,611        | \$ 428,854          | \$ 270,128            | \$ 182,227                  | \$ 79,859                 | \$ 558,903         | \$ 69,502                 | \$ 3,076,245  | \$ 11,647,566       |
| Accumulated depreciation and impairment | - (                 | 1,035,263)               | ( 271,765)          | ( 1,307,028)        | ( 219,107)          | ( 156,952)            | ( 84,905)                   | ( 61,785)                 | ( 195,915)         | ( 53,687)                 | - (   | 2,079,379)          |
|   | <u>\$ 1,444,237</u> | <u>\$ 2,900,628</u>      | <u>\$ 1,329,955</u> | <u>\$ 4,230,583</u> | <u>\$ 209,747</u>   | <u>\$ 113,176</u>     | <u>\$ 97,322</u>            | <u>\$ 18,074</u>          | <u>\$ 362,988</u>  | <u>\$ 15,815</u>          | <u>\$ 3,076,245</u>   | <u>\$ 9,568,187</u> |
| Opening net book amount                 | \$ 1,444,237        | \$ 2,900,628             | \$ 1,329,955        | \$ 4,230,583        | \$ 209,747          | \$ 113,176            | \$ 97,322                   | \$ 18,074                 | \$ 362,988         | \$ 15,815                 | \$ 3,076,245  | \$ 9,568,187        |
| Additions                               | -                   | 48,760                   | 163                 | 48,923              | 1,947               | 8,349                 | -                           | 6,417                     | 17,847             | 26,391                    | 193,863   | 303,737             |
| Disposals                               | ( 1,529)            | ( 97)                    | - (                 | 97)                 | ( 2,689)            | ( 77)                 | ( 5,333)                    | - (                       | 1,570)             | ( 2,939)                  | ( 633)  | ( 14,867)           |
| Reclassifications                       | -                   | 6,324                    | 2,546               | 8,870               | 12,654              | -                     | 33,358                      | 946                       | 2,130              | 13,454                    | ( 18,951)   | 52,461              |
| Depreciation charge                     | - (                 | 104,954)                 | ( 39,371)           | ( 144,325)          | ( 37,068)           | ( 40,316)             | ( 18,366)                   | ( 9,042)                  | ( 40,538)          | ( 9,417)                  | - (   | 299,072)            |
| Effect of exchange rate changes         | 29,748              | 58,936                   | 21,985              | 80,921              | 4,727               | 558                   | 168                         | 469                       | 9,238              | 788                       | 20,128  | 146,745             |
| Closing net book amount                 | <u>\$ 1,472,456</u> | <u>\$ 2,909,597</u>      | <u>\$ 1,315,278</u> | <u>\$ 4,224,875</u> | <u>\$ 189,318</u>   | <u>\$ 81,690</u>      | <u>\$ 107,149</u>           | <u>\$ 16,864</u>          | <u>\$ 350,095</u>  | <u>\$ 44,092</u>          | <u>\$ 3,270,652</u>   | <u>\$ 9,757,191</u> |
| <u>At December 31</u>                   |                     |                          |                     |                     |                     |                       |                             |                           |                    |                           |   |                     |
| Cost                                    | \$ 1,472,456        | \$ 4,056,238             | \$ 1,620,566        | \$ 5,676,804        | \$ 422,088          | \$ 216,771            | \$ 193,358                  | \$ 88,264                 | \$ 585,651         | \$ 103,635                | \$ 3,270,652  | \$ 12,029,679       |
| Accumulated depreciation and impairment | - (                 | 1,146,641)               | ( 305,288)          | ( 1,451,929)        | ( 232,770)          | ( 135,081)            | ( 86,209)                   | ( 71,400)                 | ( 235,556)         | ( 59,543)                 | - (   | 2,272,488)          |
|   | <u>\$ 1,472,456</u> | <u>\$ 2,909,597</u>      | <u>\$ 1,315,278</u> | <u>\$ 4,224,875</u> | <u>\$ 189,318</u>   | <u>\$ 81,690</u>      | <u>\$ 107,149</u>           | <u>\$ 16,864</u>          | <u>\$ 350,095</u>  | <u>\$ 44,092</u>          | <u>\$ 3,270,652</u>   | <u>\$ 9,757,191</u> |

Note 1: The Group's property in Nangang District, Taipei City has been under construction since February 2020 and was shown under construction in progress. Thus, for the years ended December 31, 2023 and 2022, the interest of property, plant and equipment has been capitalized. Amount of borrowing costs for property, plant and equipment capitalised and interest rate range are as follows:

|  | Year ended<br>December 31, 2023 | Year ended<br>December 31, 2022 |
|--|---------------------------------|---------------------------------|
| Amount capitalised                             | \$ 43,579                       | \$ 23,172                       |
| Range of the interest rates for capitalisation | 1.74%~1.81%                     | 0.82%~1.31%                     |

Note 2: Details of the Group's property, plant and equipment pledged to others as collateral are provided in Note 8.

(11) Leasing arrangements — lessee

A. The Group leases various assets including land use rights and buildings. Rental contracts are typically made for periods of 1 to 10 years for buildings and 44 to 50 years for land use rights. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose covenants, but leased assets may not be used as security for borrowing purposes.

B. The carrying amount of right-of-use assets and the depreciation charge are as follows:

|                                 | Land use rights   | Buildings         | Total               |
|---------------------------------|-------------------|-------------------|---------------------|
| January 1, 2023                 | \$ 655,201        | \$ 540,113        | \$ 1,195,314        |
| Additions                       | -                 | 395,376           | 395,376             |
| Depreciation charge             | ( 18,051)         | ( 258,526)        | ( 276,577)          |
| Lease modifications             | -                 | ( 16,557)         | ( 16,557)           |
| Early termination of leases     | -                 | ( 83,755)         | ( 83,755)           |
| Effect of exchange rate changes | ( 12,850)         | ( 14,441)         | ( 27,291)           |
| December 31, 2023               | <u>\$ 624,300</u> | <u>\$ 562,210</u> | <u>\$ 1,186,510</u> |

|                                 | Land use rights   | Buildings         | Total               |
|---------------------------------|-------------------|-------------------|---------------------|
| January 1, 2022                 | \$ 678,316        | \$ 427,338        | \$ 1,105,654        |
| Additions                       | -                 | 373,341           | 373,341             |
| Depreciation charge             | ( 18,305)         | ( 225,336)        | ( 243,641)          |
| Lease modifications             | ( 16,062)         | ( 50,285)         | ( 66,347)           |
| Early termination of leases     | -                 | ( 12,315)         | ( 12,315)           |
| Effect of exchange rate changes | 11,252            | 27,370            | 38,622              |
| December 31, 2022               | <u>\$ 655,201</u> | <u>\$ 540,113</u> | <u>\$ 1,195,314</u> |

C. Information on profit or loss relating to lease contracts is as follows:

|                                       | Year ended<br>December 31, 2023 | Year ended<br>December 31, 2022 |
|---------------------------------------|---------------------------------|---------------------------------|
| <u>Items affecting profit or loss</u> |                                 |                                 |
| Interest expense on lease liabilities | \$ 23,222                       | \$ 9,054                        |
| Expense on short-term lease contracts | 89,209                          | 128,214                         |
| Expense on leases of low-value assets | 11,148                          | 8,961                           |
| Loss (gain) on lease modification     | ( 1,465)                        | ( 194)                          |

D. Apart from the cash outflow relating to the lease expense mentioned above, the Group's cash outflow arising from the payment of lease liabilities amounted is provided in Note 6(36).

(12) Leasing arrangements — lessor

- A. The Group leases various assets including office buildings. Rental contracts are typically made for periods of 1 to 10 years. Lease terms are negotiated on an individual basis. To protect the lessor's ownership rights on the leased assets, all or certain leased assets may not be subleased, sublet and pledged.
- B. The Group leases computers and computer peripherals assets to others under a finance lease. Based on the terms of the lease contract, the ownership of the assets will be transferred to lessees provided that the lessees exercise the purchase option when the leases expire. Information on profit or loss in relation to lease contracts is as follows:

|  | Year ended<br>December 31, 2023 | Year ended<br>December 31, 2022 |
|--|---------------------------------|---------------------------------|
| Sales profit   | \$ 87,642                       | \$ 44,812                       |
| Finance income from the net investment in the<br>finance lease | 11,671                          | 12,241                          |
|  | <u>\$ 99,313</u>                | <u>\$ 57,053</u>                |

C. The maturity analysis of the undiscounted lease payments in the finance lease is as follows:

|               | December 31, 2023 | December 31, 2022 |
|---------------|-------------------|-------------------|
| Within 1 year | \$ 148,557        | \$ 151,501        |
| 1-5 year(s)   | 153,115           | 118,121           |
|               | <u>\$ 301,672</u> | <u>\$ 269,622</u> |

D. Reconciliation of the undiscounted lease payments and the net investment in the finance lease is provided as follows:

|                             | December 31, 2023 |                   |                   |
|-----------------------------|-------------------|-------------------|-------------------|
|                             | Current           | Non-current       | Total             |
| Undiscounted lease payments | \$ 148,557        | \$ 153,115        | \$ 301,672        |
| Unearned finance income     | ( 24,258)         | ( 20,516)         | ( 44,774)         |
| Net investment in the lease | <u>\$ 124,299</u> | <u>\$ 132,599</u> | <u>\$ 256,898</u> |

|                             | December 31, 2022 |                   |                   |
|-----------------------------|-------------------|-------------------|-------------------|
|                             | Current           | Non-current       | Total             |
| Undiscounted lease payments | \$ 151,501        | \$ 118,121        | \$ 269,622        |
| Unearned finance income     | ( 24,152)         | ( 17,696)         | ( 41,848)         |
| Net investment in the lease | <u>\$ 127,349</u> | <u>\$ 100,425</u> | <u>\$ 227,774</u> |

E. Gain arising from operating lease agreements for the years ended December 31, 2023 and 2022 are as follows:

|  | Year ended<br>December 31, 2023 | Year ended<br>December 31, 2022 |
|--|---------------------------------|---------------------------------|
| Rental income (including operating revenue and other income) | <u>\$ 554,704</u>               | <u>\$ 595,901</u>               |

F. The maturity analysis of the lease payments under the operating leases is as follows:

|               | December 31, 2023   | December 31, 2022   |
|---------------|---------------------|---------------------|
| Within 1 year | \$ 395,974          | \$ 419,333          |
| 1-5 year(s)   | 675,592             | 994,926             |
| Over 5 years  | <u>222,612</u>      | <u>281,255</u>      |
|               | <u>\$ 1,294,178</u> | <u>\$ 1,695,514</u> |

(13) Investment property

|                          | 2023                        |                        |                     |
|--------------------------|-----------------------------|------------------------|---------------------|
|                          | Buildings<br>and structures | Utilities<br>equipment | Total               |
| <u>At January 1</u>      |                             |                        |                     |
| Cost                     | \$ 1,355,029                | \$ 17,289              | \$ 1,372,318        |
| Accumulated depreciation | ( 374,067)                  | ( 10,791)              | ( 384,858)          |
|                          | <u>\$ 980,962</u>           | <u>\$ 6,498</u>        | <u>\$ 987,460</u>   |
| Opening net book amount  | \$ 980,962                  | \$ 6,498               | \$ 987,460          |
| Additions                | 5,347                       | 1,608                  | 6,955               |
| Reclassifications        | -                           | ( 6,918)               | ( 6,918)            |
| Depreciation charge      | ( 32,024)                   | ( 1,178)               | ( 33,202)           |
| Net exchange differences | ( 19,245)                   | ( 10)                  | ( 19,255)           |
| Closing net book amount  | <u>\$ 935,040</u>           | <u>\$ -</u>            | <u>\$ 935,040</u>   |
| <u>At December 31</u>    |                             |                        |                     |
| Cost                     | \$ 1,333,043                | \$ -                   | \$ 1,333,043        |
| Accumulated depreciation | ( 398,003)                  | -                      | ( 398,003)          |
|                          | <u>\$ 935,040</u>           | <u>\$ -</u>            | <u>\$ 935,040</u>   |
|                          | 2022                        |                        |                     |
|                          | Buildings<br>and structures | Utilities<br>equipment | Total               |
| <u>At January 1</u>      |                             |                        |                     |
| Cost                     | \$ 1,333,076                | \$ 34,973              | \$ 1,368,049        |
| Accumulated depreciation | ( 336,602)                  | ( 27,376)              | ( 363,978)          |
|                          | <u>\$ 996,474</u>           | <u>\$ 7,597</u>        | <u>\$ 1,004,071</u> |
| Opening net book amount  | \$ 996,474                  | \$ 7,597               | \$ 1,004,071        |
| Additions                | -                           | 1,795                  | 1,795               |
| Depreciation charge      | ( 31,998)                   | ( 3,021)               | ( 35,019)           |
| Net exchange differences | 16,486                      | 127                    | 16,613              |
| Closing net book amount  | <u>\$ 980,962</u>           | <u>\$ 6,498</u>        | <u>\$ 987,460</u>   |
| <u>At December 31</u>    |                             |                        |                     |
| Cost                     | \$ 1,355,029                | \$ 17,289              | \$ 1,372,318        |
| Accumulated depreciation | ( 374,067)                  | ( 10,791)              | ( 384,858)          |
|                          | <u>\$ 980,962</u>           | <u>\$ 6,498</u>        | <u>\$ 987,460</u>   |

- A. Rental income from investment property and direct operating expenses arising from investment property are shown below:

|   | Year ended<br>December 31, 2023 | Year ended<br>December 31, 2022 |
|---|---------------------------------|---------------------------------|
| Rental income from investment property  | \$ 385,529                      | \$ 388,237                      |
| Direct operating expenses arising from the investment property that generated rental income during the period | \$ 81,604                       | \$ 85,738                       |

- B. The fair value of the investment property held by the Group as of December 31, 2023, and 2022 was \$2,584,535 and \$3,067,536, respectively, which is calculated based on the present value of rental revenue for the next 10 years and disposal value. The valuation approach is categorized within level 3 in the fair value hierarchy. The growth rates used are consistent with the forecasts included in market quotation reports and historical experiences. The discount rates used are pre-tax and reflect specific risks relating to the relevant operating segments.
- C. The Group has no investment property pledged to others as collateral and capitalization of interests as of December 31, 2023, and 2022.

(14) Intangible assets

|                                 | 2023                      |                   |                   |
|---------------------------------|---------------------------|-------------------|-------------------|
|                                 | Computer<br>software cost | Goodwill          | Total             |
| <u>At January 1</u>             |                           |                   |                   |
| Cost                            | \$ 194,340                | \$ 554,455        | \$ 748,795        |
| Accumulated amortisation        | ( 83,070)                 | -                 | ( 83,070)         |
|                                 | <u>\$ 111,270</u>         | <u>\$ 554,455</u> | <u>\$ 665,725</u> |
| Opening net book amount         | \$ 111,270                | \$ 554,455        | \$ 665,725        |
| Additions - acquired separately | 14,419                    | -                 | 14,419            |
| Reclassifications               | 25,120                    | -                 | 25,120            |
| Amortisation charge             | ( 53,973)                 | -                 | ( 53,973)         |
| Net exchange differences        | 132                       | ( 93)             | 39                |
| Closing net book amount         | <u>\$ 96,968</u>          | <u>\$ 554,362</u> | <u>\$ 651,330</u> |
| <u>At December 31</u>           |                           |                   |                   |
| Cost                            | \$ 166,480                | \$ 554,362        | \$ 720,842        |
| Accumulated amortisation        | ( 69,512)                 | -                 | ( 69,512)         |
|                                 | <u>\$ 96,968</u>          | <u>\$ 554,362</u> | <u>\$ 651,330</u> |

|                                 | 2022                      |                   |                   |
|---------------------------------|---------------------------|-------------------|-------------------|
|                                 | Computer<br>software cost | Goodwill          | Total             |
| <u>At January 1</u>             |                           |                   |                   |
| Cost                            | \$ 185,001                | \$ 524,197        | \$ 709,198        |
| Accumulated amortisation        | ( 69,279)                 | -                 | ( 69,279)         |
|                                 | <u>\$ 115,722</u>         | <u>\$ 524,197</u> | <u>\$ 639,919</u> |
| Opening net book amount         | \$ 115,722                | \$ 524,197        | \$ 639,919        |
| Additions - acquired separately | 20,362                    | -                 | 20,362            |
| Reclassifications               | 17,019                    | -                 | 17,019            |
| Amortisation charge             | ( 43,038)                 | -                 | ( 43,038)         |
| Net exchange differences        | 1,205                     | 30,258            | 31,463            |
| Closing net book amount         | <u>\$ 111,270</u>         | <u>\$ 554,455</u> | <u>\$ 665,725</u> |
| <u>At December 31</u>           |                           |                   |                   |
| Cost                            | \$ 194,340                | \$ 554,455        | \$ 748,795        |
| Accumulated amortisation        | ( 83,070)                 | -                 | ( 83,070)         |
|                                 | <u>\$ 111,270</u>         | <u>\$ 554,455</u> | <u>\$ 665,725</u> |

A. Amortisation charges on intangible assets were recognised as administrative expenses amounting to \$53,973 and \$43,038 for the years ended December 31, 2023 and 2022, respectively.

B. Goodwill is allocated to the Group's cash-generating units:

|           | December 31, 2023 | December 31, 2022 |
|-----------|-------------------|-------------------|
| Taiwan    | \$ 239,479        | \$ 239,479        |
| Hong Kong | 305,275           | 305,473           |
| Indonesia | 9,608             | 9,503             |
|           | <u>\$ 554,362</u> | <u>\$ 554,455</u> |

C. Impairment of non-financial assets

Goodwill is allocated to the Group's cash-generating units identified according to operation segment. The recoverable amount of all cash-generating units has been determined based on value-in-use calculations. These calculations use pre-tax cash flow projections based on financial budgets approved by the management covering a five-year period.

The recoverable amount of all cash-generating units calculated using the value-in-use exceeded their carrying amount, so goodwill was not impaired.

D. This Group has no intangible assets pledged to others as collateral as of December 31, 2023 and 2022.

(15) Other non-current assets

|   | <u>December 31, 2023</u> | <u>December 31, 2022</u> |
|---|--------------------------|--------------------------|
| Refundable deposits                     | \$ 115,386               | \$ 117,909               |
| Long-term notes and overdue receivables | 1,431,033                | 1,449,143                |
| Long-term lease receivables             | 132,599                  | 100,425                  |
| Others                                  | 16,942                   | 50,191                   |
|   | <u>\$ 1,695,960</u>      | <u>\$ 1,717,668</u>      |

For details of long-term lease receivables, please refer to Note 6(12).

(16) Short-term borrowings

|                      | <u>December 31, 2023</u> | <u>December 31, 2022</u> |
|----------------------|--------------------------|--------------------------|
| Bank borrowings      |                          |                          |
| Unsecured borrowings | \$ 50,452,098            | \$ 73,314,084            |
| Secured borrowings   | 1,521,325                | -                        |
|                      | <u>\$ 51,973,423</u>     | <u>\$ 73,314,084</u>     |
| Interest rate range  |                          |                          |
| Unsecured borrowings | <u>1.75%~6.66%</u>       | <u>1.37%~5.60%</u>       |
| Secured borrowings   | <u>5.36%~6.80%</u>       | <u>-</u>                 |
| Collateral           |                          |                          |
| Unsecured borrowings | None                     | None                     |
| Secured borrowings   | Note 8                   | None                     |

Interest expense recognised in profit or loss, please refer to Note 6(30).

(17) Short-term notes and bills payable

|                          | <u>December 31, 2023</u> | <u>December 31, 2022</u> |
|--------------------------|--------------------------|--------------------------|
| Commercial paper payable | \$ 7,530,000             | \$ 4,860,000             |
| Interest rate range      | <u>1.80%~1.86%</u>       | <u>1.86%~1.98%</u>       |

The above-mentioned short-term notes and bills payables are issued and accepted by financial institutions. The interest includes costs related to issuance.

(18) Other payables

|   | <u>December 31, 2023</u> | <u>December 31, 2022</u> |
|---|--------------------------|--------------------------|
| Temporary receipt of suppliers' payment             | \$ 4,722,473             | \$ 4,643,453             |
| Salary and bonus payable                            | 904,190                  | 956,662                  |
| Accrued expenses — others                           | 620,233                  | 731,622                  |
| Other payables — others (including related parties) | 1,637,185                | 1,276,177                |
|   | <u>\$ 7,884,081</u>      | <u>\$ 7,607,914</u>      |

(19) Other current liabilities

|   | December 31, 2023   | December 31, 2022   |
|---|---------------------|---------------------|
| Refund liability—dealers' rebates payable | \$ 4,232,170        | \$ 4,109,787        |
| Other current liabilities—others          | 300,663             | 121,985             |
|   | <u>\$ 4,532,833</u> | <u>\$ 4,231,772</u> |

(20) Long-term borrowings

| Type of borrowings  | Borrowing period<br>and repayment term   | Interest<br>rate range | Collateral | December 31, 2023    |
|---|--|------------------------|------------|----------------------|
| Unsecured borrowings  | Borrowing period is from December 30, 2021 to December 30, 2024; principal is repayable in full at maturity; interest is repayable monthly.        | 2.11%                  | None       | \$ 1,500,000         |
| Syndicated Loans<br>signed with Mega<br>International<br>Commercial Bank<br>and other 8 banks<br>-Tranche A | Five years from the date of first drawdown (August 1, 2022); principal is repayable in full at maturity; interest is repayable monthly.            | 1.80%                  | None       | 11,520,000           |
| Syndicated Loans<br>signed with Taiwan<br>Cooperative Bank<br>and other 8 banks<br>-Tranche A               | Five years from the date of first drawdown of Tranche A (Nov 17, 2023); principal is repayable in full at maturity; interest is repayable monthly. | 1.80%                  | None       | 9,850,000            |
|   |  |                        |            | <u>\$ 22,870,000</u> |
| Less: Long-term liabilities, Current portion  |  |                        |            | <u>( 1,500,000)</u>  |
|   |  |                        |            | <u>\$ 21,370,000</u> |

| Type of borrowings   | Borrowing period and repayment term   | Interest rate range | Collateral | December 31, 2022 |
|--|---|---------------------|------------|-------------------|
| Unsecured borrowings   | Borrowing period is from December 30, 2021 to December 30, 2024; principal is repayable in full at maturity; interest is repayable monthly.           | 1.99%               | None       | \$ 1,500,000      |
| Syndicated Loans signed with Mega International Commercial Bank and other 8 banks -Tranche A | Five years from the date of first drawdown (August 1, 2022); principal is repayable in full at maturity; interest is repayable monthly.               | 1.79%~1.81%         | None       | 11,400,000        |
| Syndicated Loans signed with Mega International Commercial Bank and other 8 banks -Tranche B | Five years from the date of first drawdown (August 1, 2022); principal is repayable in full at maturity; interest is repayable in full at face value. | 1.78%~1.80%         | None       | 3,000,000         |
|  |   |                     |            | \$ 15,900,000     |
| Less: Long-term liabilities, Current portion   |   |                     |            | -                 |
|  |   |                     |            | \$ 15,900,000     |

A. As of December 31, 2023 and 2022, the terms of syndicated borrowing agreement are as follows:

(a) According to the syndicated borrowing agreement signed with 9 syndicated borrowing banks, including Mega International Commercial Bank as the arranger, on June 23, 2022, details of the main terms in above agreement are as follows:

i. Credit items and facilities: total credit line of the syndicated loans amounting to NT\$14.4 billion.

(i) Tranche A:

The credit line of medium-term borrowings amounted to NT\$14.4 billion and can be revolved.

(ii) Tranche B:

The credit line of issuing commercial paper guarantee amounted to NT\$11.52 billion and can be revolved.

(iii) Tranche C:

The credit line of issuing cooperate bond guarantee amounted to NT\$7.272 billion but can not be revolved.

ii. Contract term:

(i) The contract terms to Tranche A and Tranche B are both five years from the date of first drawdown.

- (ii) The contract term to Tranche C is no more than five years from the date of collecting payments of corporate bonds.
- iii. Drawdown period:
  - (i) Tranche A and Tranche B: The facility is revolving during the facility period.
  - (ii) Tranche C: The loan is drawn in a lump sum within 12 months from the day of signing the contract, and the undrawn amount will be canceled on the expiry date and kept intact.
- iv. Covenants:
 

Borrowers shall comply with the following financial ratio which should be calculated based on the consolidated financial statements audited by borrowers' independent auditors and assess the ratio once a year.

  - (i) Current ratio (current assets/current liabilities) shall not be less than 100%;
  - (ii) Debt ratio ((medium and long-term borrowings + short-term borrowings (including current portion) + the balance of short-term notes and bills payable + domestic and foreign cooperative bonds (including convertible bonds) – cash) / net tangible assets) shall not be more than 200%.
  - (iii) Interest coverage ratio ((income before tax + interest expense + depreciation expense and amortisation expense) / interest expense) shall not be less than three times.
  - (iv) Net tangible assets (net asset value - intangible asset) shall be at least NT\$40 billion.
- (b) According to the syndicated borrowing agreement signed with 9 syndicated borrowing banks, including Taiwan Cooperative Bank as the arranger, on June 30, 2023, details of the main terms in above agreement are as follows:
  - i. Credit items and facilities: total credit line of the syndicated loans amounting to NT\$20.7 billion.
    - (i) Tranche A:
 

The credit line of medium-term borrowings amounted to NT\$20.7 billion and can be revolved.
    - (ii) Tranche B:
 

The credit line of issuing commercial paper guarantee amounted to NT\$14.49 billion and can be revolved.
  - ii. Contract term:
    - (i) The contract terms to Tranche A and Tranche B are both five years from the date of first drawdown.
  - iii. Drawdown period:
    - (i) Tranche A and Tranche B: The facility is revolving during the facility period, but the maturity date of each loan shall not exceed the expiration date of the credit period.
  - iv. Covenants:
 

Borrowers shall comply with the following financial ratio which should be calculated based on the consolidated financial statements audited by borrowers' independent auditors and

assess the ratio once a year (the annual inspection date is 3/31). Unless otherwise provided in the contract, the accounting terms in the financial covenants are according to Generally Accepted Accounting Principles of the Republic of China:

- (i) Current ratio (current assets/current liabilities) shall not be less than 100%;
- (ii) Debt ratio ((medium and long-term borrowings + short-term borrowings (including current portion) + the balance of short-term notes and bills payable + domestic and foreign cooperate bonds (including convertible bonds) – cash) / net tangible assets) shall not be more than 250%.
- (iii) Interest coverage ratio ((income before tax + interest expense + depreciation expense and amortisation expense) / interest expense) shall not be less than two times.
- (iv) Net tangible assets (net asset value - intangible asset) shall be at least NT\$40 billion.

B. Information on interest expense recognised in profit or loss is provided in Note 6(30).

## (21) Pensions

### A. Defined benefit plans

- (a) The Company and its domestic subsidiaries have a defined benefit pension plan in accordance with the Labor Standards Law. The pension benefits are paid based on the service years and the average monthly salaries of the last 1 month prior to retirement. The Company contributes monthly an amount equal to 2% of the employees' monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, the trustee, under the name of the independent retirement fund committee. Also, the Company would assess the balance in the aforementioned labor pension reserve account by December 31, every year. If the account balance is insufficient to pay the pension calculated by the aforementioned method to the employees expected to qualify for retirement in the following year, the Company will make contributions to cover the deficit by next March. The subsidiary, PT. Synnex Metrodata Indonesia, also adopted a defined benefit plan.

- (b) The amounts recognised in the balance sheet are as follows:

|  | <u>December 31, 2023</u> | <u>December 31, 2022</u> |
|--|--------------------------|--------------------------|
| Present value of defined benefit obligations | (\$ 425,372)             | (\$ 435,241)             |
| Fair value of plan assets                    | <u>207,524</u>           | <u>221,226</u>           |
| Net defined benefit liability                | <u>(\$ 217,848)</u>      | <u>(\$ 214,015)</u>      |

- (c) Movements in net defined benefit liabilities are as follows:

|  | 2023   |                                 |                                  |
|--|--|---------------------------------|----------------------------------|
|  | Present value of<br>defined benefit<br>obligations | Fair value<br>of plan<br>assets | Net defined<br>benefit liability |
| At January 1   | (\$ 435,241)                                       | \$ 221,226                      | (\$ 214,015)                     |
| Current service cost   | ( 11,352)  | -                               | ( 11,352)                        |
| Interest (expense) income  | ( 9,374)   | 2,954                           | ( 6,420)                         |
|  | <u>( 455,967)</u>                                  | <u>224,180</u>                  | <u>( 231,787)</u>                |
| Remeasurements:  |  |                                 |                                  |
| Return on plan assets<br>(excluding amounts included in<br>interest income or expense) | -  | 145                             | 145                              |
| Change in demographic assumptions  | -  | -                               | -                                |
| Conversion difference  | ( 420)   | -                               | ( 420)                           |
| Change in financial assumptions  | ( 8,282)   | -                               | ( 8,282)                         |
| Experience adjustments   | <u>8,440</u>                                       | <u>-</u>                        | <u>8,440</u>                     |
|  | <u>( 262)</u>                                      | <u>145</u>                      | <u>( 117)</u>                    |
| Pension fund contribution  | -  | 4,284                           | 4,284                            |
| Paid pension   | <u>30,857</u>                                      | <u>( 21,085)</u>                | <u>9,772</u>                     |
| At December 31   | <u>(\$ 425,372)</u>                                | <u>\$ 207,524</u>               | <u>(\$ 217,848)</u>              |
|  | 2022   |                                 |                                  |
|  | Present value of<br>defined benefit<br>obligations | Fair value<br>of plan<br>assets | Net defined<br>benefit liability |
| At January 1   | (\$ 465,746)                                       | \$ 62,008                       | (\$ 403,738)                     |
| Current service cost   | ( 10,813)  | -                               | ( 10,813)                        |
| Interest (expense) income  | ( 6,243)   | 480                             | ( 5,763)                         |
| Past service cost  | -  | -                               | -                                |
| Settlement profit or loss  | -  | -                               | -                                |
|  | <u>( 482,802)</u>                                  | <u>62,488</u>                   | <u>( 420,314)</u>                |
| Remeasurements:  |  |                                 |                                  |
| Return on plan assets<br>(excluding amounts included in<br>interest income or expense) | -  | 6,876                           | 6,876                            |
| Change in demographic assumptions  | -  | -                               | -                                |
| Conversion difference  | 11,904   | -                               | 11,904                           |
| Change in financial assumptions  | 20,290   | -                               | 20,290                           |
| Experience adjustments   | <u>12,922</u>                                      | <u>-</u>                        | <u>12,922</u>                    |
|  | <u>45,116</u>                                      | <u>6,876</u>                    | <u>51,992</u>                    |
| Pension fund contribution  | -  | 153,952                         | 153,952                          |
| Paid pension   | <u>2,445</u>                                       | <u>( 2,090)</u>                 | <u>355</u>                       |
| Exchange difference  | -  | -                               | -                                |
| Effect of business combination   | -  | -                               | -                                |
| At December 31   | <u>(\$ 435,241)</u>                                | <u>\$ 221,226</u>               | <u>(\$ 214,015)</u>              |

(d) The Bank of Taiwan was commissioned to manage the Fund of the Company's and domestic subsidiaries' defined benefit pension plan in accordance with the Fund's annual investment and utilisation plan and the "Regulations for Revenues, Expenditures, Safeguard and Utilisation of the Labor Retirement Fund" (Article 6: The scope of utilisation for the Fund includes deposit in domestic or foreign financial institutions, investment in domestic or foreign listed, over-the-counter, or private placement equity securities, investment in domestic or foreign real estate securitisation products, etc.). With regard to the utilisation of the Fund, its minimum earnings in the annual distributions on the final financial statements shall be no less than the earnings attainable from the amounts accrued from two-year time deposits with the interest rates offered by local banks. If the earnings is less than aforementioned rates, government shall make payment for the deficit after being authorised by the Regulator. The Company has no right to participate in managing and operating that fund and hence the Company is unable to disclose the classification of plan assets fair value in accordance with IAS 19 paragraph 142. The composition of fair value of plan assets as of December 31, 2023 and 2022 is given in the Annual Labor Retirement Fund Utilisation Report announced by the government.

(e) The principal actuarial assumptions used were as follows:

i. The actuarial assumptions for the Company and subsidiaries in Taiwan are as follows:

|                             | Year ended<br>December 31, 2023 | Year ended<br>December 31, 2022 |
|-----------------------------|---------------------------------|---------------------------------|
| Discount rate               | 1.2%~1.3%                       | 1.3%~1.4%                       |
| Future salary increase rate | 3%~4%                           | 3%~4%                           |

Mortality rate was estimated based on the 5th Taiwan Standard Ordinary Experience Mortality Table.

Because the main actuarial assumption changed, the present value of defined benefit obligation is affected. The analysis was as follows:

|   | Discount rate |          | Future salary increases |            |
|---|---------------|----------|-------------------------|------------|
|   | Increase      | Decrease | Increase                | Decrease   |
|   | 0.25%         | 0.25%    | 0.25%                   | 0.25%      |
| <u>December 31, 2023</u>                              |               |          |                         |            |
| Effect on present value of defined benefit obligation | (\$ 6,716)    | \$ 6,914 | \$ 6,574                | (\$ 6,420) |
| <u>December 31, 2022</u>                              |               |          |                         |            |
| Effect on present value of defined benefit obligation | (\$ 7,486)    | \$ 7,715 | \$ 7,343                | (\$ 7,164) |

The sensitivity analysis above is based on one assumption which changed while the other conditions that remain unchanged. In practice, more than one assumption may change all at once. The method of analysing sensitivity and the method of calculating net pension liability

in the balance sheet are the same.

Except for adjustments to the actuarial assumptions of the discount rate and future salary increase rate in the preparation of the sensitivity analysis for this period, the remaining methods and assumptions used are the same as those of the previous period.

ii. The actuarial assumptions for overseas subsidiaries are as follows:

|                             | Year ended<br>December 31, 2023 | Year ended<br>December 31, 2022 |
|-----------------------------|---------------------------------|---------------------------------|
| Discount rate               | 6.75%                           | 7.50%                           |
| Future salary increase rate | 9.00%                           | 9.00%                           |

Assumptions about future mortality rates are based on TMI3 estimates issued by the Insurance Council of Indonesia.

Analysis of the present value of defined benefit obligations affected by changes in the main actuarial assumptions adopted is as follows:

|   | Discount rate  |                | Future salary increases |                |
|---|----------------|----------------|-------------------------|----------------|
|   | Increase<br>1% | Decrease<br>1% | Increase<br>1%          | Decrease<br>1% |
| <u>December 31, 2023</u>                              |                |                |                         |                |
| Effect on present value of defined benefit obligation | (\$ 8,329)     | \$ 7,227       | \$ 7,410                | (\$ 8,387)     |
| <u>December 31, 2022</u>                              |                |                |                         |                |
| Effect on present value of defined benefit obligation | (\$ 6,863)     | \$ 5,945       | \$ 6,137                | (\$ 6,963)     |

(f) As of December 31, 2023, the weighted average duration of the pension plan is 8 to 17.7 years.

(g) The Group's estimated provision for retirement plans in 2024 is \$13,000.

#### B. Defined contribution plans

(a) No pension plan is established for certain overseas investment holding companies since these companies are not required to have an employee pension plan in accordance with the local legislation. Except for the above, other companies have established a funded defined contribution pension plan and therefore contribute monthly a certain percentage of the employees' monthly salaries and wages to the retirement fund. Except for monthly contributions to the retirement fund, these companies have no further obligations.

(b) The pension costs under defined contribution pension plans of the Group for years ended December 31, 2023, and 2022 were \$349,628 and \$332,675, respectively.

#### (22) Share capital

A. As of December 31, 2023, the Company's authorised capital was \$24,000,000 (including \$500,000 reserved for the conversion of employees' stock options which have not been issued),

and the paid-in capital was \$16,679,470 with a par value of NT\$10 (in dollars) per share. Shares yet to be issued can be issued several times by the Board of Directors depending on the demand, and some of them can be distributed in the form of preferred shares. All proceeds from shares issued have been collected.

Movements in the number of the Company's ordinary shares outstanding are as follows: (Unit: shares)

|                               | 2023                 | 2022                 |
|-------------------------------|----------------------|----------------------|
| At January 1 (At December 31) | <u>1,667,946,968</u> | <u>1,667,946,968</u> |

B. In 1997 and 1999, the Company issued new shares and Mitac Incorporated and other major shareholders offered part of their shares to jointly participate in the issuance of global depository shares (GDSs). These GDSs were issued in Europe, Asia and the USA. Each GDS represents 4 shares of ordinary share. After several issuances of GDSs by issuing new shares, the total number of GDSs outstanding as of December 31, 2023 was 23,174 units, representing 92,708 shares of ordinary share. The main terms and conditions of the GDSs are as follows:

(a) Voting rights

The holders of GDSs have no right to directly attend any shareholders' meeting of the Company, vote, or speak. However, when the Depositary receives the same instruction from more than 51% of the holders of GDSs on a proposal, the Depositary shall vote on the proposal as instructed by the holders of GDSs.

(b) Conversion of GDSs

Commencing three months after the initial issuance of GDSs, subject to the terms of the Deposit Agreement and applicable laws of the R.O.C., a holder of GDSs may request the Depositary to redeem and deliver or sell the Company's ordinary share represented by the GDSs.

(c) Dividends

The holders of GDSs are entitled to receive dividends to the same extent as the holders of ordinary shares.

(23) Capital surplus

Pursuant to the R.O.C. Company Act, capital surplus arising from paid-in capital in excess of par value on issuance of common stocks and donations can be used to cover accumulated deficit or to issue new stocks or cash to shareholders in proportion to their share ownership, provided that the Company has no accumulated deficit. Further, the R.O.C. Securities and Exchange Act requires that the amount of capital surplus to be capitalized mentioned above should not exceed 10% of the paid-in capital each year. Capital surplus should not be used to cover accumulated deficit unless the legal reserve is insufficient.

| 2023   |                      |                             |                                  |                   |                 |                      |
|--|----------------------|-----------------------------|----------------------------------|-------------------|-----------------|----------------------|
|  | Changes in equity    |                             |                                  |                   |                 |                      |
|  | Share premium        | Treasury share transactions | of associates and joint ventures | Stock options     | Others          | Total                |
| At January 1                                       | \$ 12,814,051        | \$ 340,678                  | \$ 118,239                       | \$ 228,445        | \$ 4,491        | \$ 13,505,904        |
| Changes in equity of associates and joint ventures | -                    | -                           | 23,154                           | -                 | -               | 23,154               |
| Unclaimed dividends                                | -                    | -                           | -                                | -                 | 214             | 214                  |
| At December 31                                     | <u>\$ 12,814,051</u> | <u>\$ 340,678</u>           | <u>\$ 141,393</u>                | <u>\$ 228,445</u> | <u>\$ 4,705</u> | <u>\$ 13,529,272</u> |

| 2022  |                      |                             |                                  |                   |                 |                      |
|---|----------------------|-----------------------------|----------------------------------|-------------------|-----------------|----------------------|
|   | Changes in equity    |                             |                                  |                   |                 |                      |
|   | Share premium        | Treasury share transactions | of associates and joint ventures | Stock options     | Others          | Total                |
| At January 1  | \$ 13,626,940        | \$ 340,678                  | \$ -                             | \$ 228,445        | \$ 3,897        | \$ 14,199,960        |
| Changes in equity of associates and joint ventures                            | -                    | -                           | 121,504                          | -                 | -               | 121,504              |
| Difference between consideration and carrying amount of subsidiaries acquired | -                    | -                           | 2,085                            | -                 | -               | 2,085                |
| Disposal of investments accounted for using equity method                     | -                    | -                           | ( 5,350)                         | -                 | -               | ( 5,350)             |
| Unclaimed dividends   | -                    | -                           | -                                | -                 | 594             | 594                  |
| Influenced amounts on group's restructure                                     | ( 812,889)           | -                           | -                                | -                 | -               | ( 812,889)           |
| At December 31  | <u>\$ 12,814,051</u> | <u>\$ 340,678</u>           | <u>\$ 118,239</u>                | <u>\$ 228,445</u> | <u>\$ 4,491</u> | <u>\$ 13,505,904</u> |

(24) Retained earnings

A. The Company's Articles of Incorporation:

- (a) If the Company's final accounts show a profit, the current year's earnings shall first be used to pay all taxes, offset prior year's losses, and then 10% of the remaining amount shall be set aside for legal reserve and provision for or reversal of special reserve as required by law. After setting aside or reversing a special reserve in accordance with related laws, the remaining earnings, if any, shall first be appropriated as stock dividends for preferred stock. If there is profit remaining, the Board of Directors shall propose to distribute the balance amount, together with any accumulated non-distributed profit. Where dividends are distributed in the form of stocks, the distribution shall be subject to the approval of the shareholders at the shareholders' meeting. Where dividends are distributed in the form of cash, the Board of Directors is authorized to make such distribution by approval of more than half of directors present at a meeting where more than two-thirds of the directors are in attendance, and the distribution shall also be reported at the shareholders' meeting. The Board of Directors

shall determine the shareholders' cash dividend ratio with the consideration of the financial structure of the Company, future earnings situation, and business development; however, the cash dividend ratio may not be less than 15% of the total current dividend distributed to shareholders.

- (b) Where the Company incurs no loss, the Board of Directors may draft distribution proposals to distribute part or all of the legal reserve and capital surplus specified in Article 241 of the Company Act to shareholders. Where dividends are distributed in the form of stocks, the distribution shall be subject to the approval of the shareholders at the shareholders' meeting. Where dividends are distributed in the form of cash, the Board of Directors is authorized to make such distribution by approval of more than half of the directors present at the meeting where more than two-thirds of the directors are in attendance, and the distribution shall also be reported at the shareholders' meeting.

- B. The appropriations of 2022 and 2021 earnings had been resolved at the shareholders' meeting on May 30, 2023 and May 30, 2022, respectively. Details are summarized below:

|   | Years ended December 31, |                                  |              |                                  |
|---|--------------------------|----------------------------------|--------------|----------------------------------|
|   | 2022                     |                                  | 2021         |                                  |
|   | Amount                   | Dividends per share (in dollars) | Amount       | Dividends per share (in dollars) |
| Provision for legal reserve                 | \$ 1,577,796             |                                  | \$ 1,695,196 |                                  |
| (Reversal of) provision for special reserve | ( 2,208,704)             |                                  | 1,910,568    |                                  |
| Cash dividends                              | 5,837,814                | 3.50                             | 8,339,735    | 5.00                             |

- C. The appropriation of 2023 earnings had been proposed at the Board of Directors' meeting on March 13, 2024. Details are summarized below:

|                               | Year ended December 31, |                                  |
|-------------------------------|-------------------------|----------------------------------|
|                               | 2023                    |                                  |
|                               | Amount                  | Dividends per share (in dollars) |
| Provision for legal reserve   | \$ 691,332              |                                  |
| Provision for special reserve | 1,847,916               |                                  |
| Cash dividends                | 5,003,841               | 3.00                             |

(25) Other equity items

|   | Currency<br>translation | Unrealised<br>gains (losses)<br>on valuation | Total                 |
|---|-------------------------|--|-----------------------|
| At January 1, 2023                            | (\$ 5,467,061)          | (\$ 571,348)                                 | (\$ 6,038,409)        |
| Revaluation:                                  |                         |  |                       |
| –Group  | -                       | ( 937,838)                                   | ( 937,838)            |
| –Associates                                   | -                       | ( 5,422)                                     | ( 5,422)              |
| Revaluation transferred to retained earnings: |                         |  |                       |
| –Group  | -                       | 380,659                                      | 380,659               |
| Currency translation differences:             |                         |  |                       |
| –Group  | ( 940,068)              | -  | ( 940,068)            |
| –Associates                                   | ( 345,247)              | -  | ( 345,247)            |
| At December 31, 2023                          | <u>(\$ 6,752,376)</u>   | <u>(\$ 1,133,949)</u>                        | <u>(\$ 7,886,325)</u> |

|   | Currency<br>translation | Unrealised<br>gains (losses)<br>on valuation | Total                 |
|---|-------------------------|--|-----------------------|
| At January 1, 2022                            | (\$ 10,641,478)         | \$ 2,394,366                                 | (\$ 8,247,112)        |
| Revaluation:                                  |                         |  |                       |
| –Group  | -                       | ( 2,951,418)                                 | ( 2,951,418)          |
| –Associates                                   | -                       | ( 15,948)                                    | ( 15,948)             |
| Revaluation transferred to retained earnings: |                         |  |                       |
| –Group  | -                       | 1,652  | 1,652                 |
| Currency translation differences:             |                         |  |                       |
| –Group  | 4,733,411               | -  | 4,733,411             |
| –Associates                                   | 441,006                 | -  | 441,006               |
| At December 31, 2022                          | <u>(\$ 5,467,061)</u>   | <u>(\$ 571,348)</u>                          | <u>(\$ 6,038,409)</u> |

(26) Operating revenue

Disaggregation of revenue from contracts with customers

The Group derives revenue from the transfer of goods and services over time and at a point in time in the following major product lines:

|  | Timing of revenue  | Year ended<br>December 31, 2023 | Year ended<br>December 31, 2022 |
|--|--------------------|---------------------------------|---------------------------------|
| Revenue from 3C and semiconductor products, etc. | At a point in time | \$ 393,804,180                  | \$ 422,971,310                  |
| Others   | Over time          | 2,186,649                       | 1,579,110                       |
|  |                    | <u>\$ 395,990,829</u>           | <u>\$ 424,550,420</u>           |

(27) Interest income

|                                    | Year ended<br>December 31, 2023 | Year ended<br>December 31, 2022 |
|------------------------------------|---------------------------------|---------------------------------|
| Interest income from bank deposits | \$ 453,877                      | \$ 75,327                       |
| Other interest income              | 363,900                         | 248,177                         |
|                                    | <u>\$ 817,777</u>               | <u>\$ 323,504</u>               |

(28) Other income

|                 | Year ended<br>December 31, 2023 | Year ended<br>December 31, 2022 |
|-----------------|---------------------------------|---------------------------------|
| Rental income   | \$ 553,611                      | \$ 594,307                      |
| Dividend income | 536,561                         | 396,196                         |
| Others          | 242,857                         | 306,667                         |
|                 | <u>\$ 1,333,029</u>             | <u>\$ 1,297,170</u>             |

(29) Other gains and (losses)

|   | Year ended<br>December 31, 2023 | Year ended<br>December 31, 2022 |
|---|---------------------------------|---------------------------------|
| Net (losses) gains on financial assets at fair value through profit or loss   | \$ 2,075                        | \$ 2,113                        |
| Net currency exchange gains   | 252,186                         | 202,268                         |
| Gain on disposal of property, plant and equipment and investment property   | 2,094                           | 11,865                          |
| Related expense charges on investment property  | ( 81,604)                       | ( 85,738)                       |
| Gains on disposal of investments  | 7,086                           | -                               |
| Gains on disposal of investments – gains on remeasurement at fair value of investments which were no longer accounted for using equity method | -                               | 8,345,108                       |
| Others  | 12,116                          | 36,108                          |
|   | <u>\$ 193,953</u>               | <u>\$ 8,511,724</u>             |

(30) Finance costs

|  | Year ended<br>December 31, 2023 | Year ended<br>December 31, 2022 |
|--|---------------------------------|---------------------------------|
| Interest expense on bank borrowings                    | \$ 1,813,333                    | \$ 1,300,839                    |
| Interest expense on short-term notes and bills payable | 234,577                         | 149,007                         |
| Interest expense on lease liabilities                  | 23,222                          | 9,054                           |
| Less: Capitalisation of qualifying assets              | ( 43,579)                       | ( 23,172)                       |
|  | <u>\$ 2,027,553</u>             | <u>\$ 1,435,728</u>             |

(31) Expenses by nature

|   | Year ended<br>December 31, 2023 | Year ended<br>December 31, 2022 |
|---|---------------------------------|---------------------------------|
| Employee benefit expense                              | \$ 5,295,544                    | \$ 5,435,423                    |
| Depreciation charges on property, plant and equipment | \$ 308,713                      | \$ 299,072                      |
| Depreciation charges on right-of-use assets           | \$ 2,476,577                    | \$ 243,641                      |
| Depreciation charges on investment property           | \$ 33,202                       | \$ 35,019                       |
| Amortisation charges on intangible assets             | \$ 53,973                       | \$ 43,038                       |

(32) Employee benefit expense

|                                  | Year ended<br>December 31, 2023 | Year ended<br>December 31, 2022 |
|----------------------------------|---------------------------------|---------------------------------|
| Wages and salaries               | \$ 4,523,501                    | \$ 4,684,940                    |
| Employee social security expense | 269,864                         | 266,823                         |
| Pension costs                    | 367,400                         | 343,040                         |
| Directors' remuneration          | 8,168                           | 7,900                           |
| Other personnel expenses         | 126,611                         | 132,720                         |
|                                  | <u>\$ 5,295,544</u>             | <u>\$ 5,435,423</u>             |

A. In accordance with the Articles of Incorporation of the Company, the Company's net income before tax before deducting remuneration to employees and directors and after covering for losses in the current fiscal year, should be applied to pay remuneration to employees in an amount not exceeding 10% and not less than 0.01% of the balance, and to directors for an amount not more than 1% of the balance. Employee remuneration may be distributed in stock or cash and directors' remuneration may be distributed in cash subject to a resolution adopted by a majority vote at a meeting of the Board of Directors attended by two-thirds of the total number of directors. Employee remuneration may be distributed in stock; remuneration may also be distributed for employees of controlled or affiliated companies that meet the criteria. The Chairman of the Board is authorized to set such criteria.

B. For the years ended December 31, 2023, and 2022, employees' compensation (bonus) was accrued at \$800 and \$2,000, respectively; directors' remuneration was accrued at \$8,168 and \$7,900, respectively. The aforementioned amounts were recognised in salary expenses.

The employees' compensation and directors' remuneration were estimated and accrued based on 0.01% and 0.1% of distributable profit of current year for the year ended December 31, 2023. The employees' compensation and directors' remuneration resolved by the Board of Directors were \$900 and \$9,000 and will be distributed in the form of cash.

For 2022, the employees' compensation and directors' remuneration resolved by the Board of Directors amounted to \$2,000 and \$8,168, respectively. The differences between the amounts resolved by the Board of Directors and the amounts of \$2,000 and \$7,900 recognised in the 2022 financial statements had been adjusted in the profit or loss of 2023.

C. Information about employees' compensation and directors' remuneration of the Company as resolved by the Board of Directors is posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(33) Income tax

A. Income tax expense

(a) Components of income tax expense:

|   | Year ended<br>December 31, 2023 | Year ended<br>December 31, 2022 |
|---|---------------------------------|---------------------------------|
| Current tax:  | \$ 1,173,114                    | \$ 405,793                      |
| Current tax on profits for the period                       | 15,599                          | ( 492,107)                      |
| Prior period income tax underestimation<br>(overestimation) | 1,483,634                       | 1,648,070                       |
| Prepaid income tax  | ( 528,497)                      | ( 266,327)                      |
| Tax on undistributed earnings                               | 2,143,850                       | 1,295,429                       |
| Total current tax   |                                 |                                 |
| Deferred tax:   |                                 |                                 |
| Origination and reversal of temporary differences           | ( 36,442)                       | 2,382,713                       |
| Total deferred tax  |                                 |                                 |
| Other:  |                                 |                                 |
| Tax on undistributed earnings                               | 528,497                         | 266,327                         |
| Income tax expense  | <u>\$ 2,635,905</u>             | <u>\$ 3,944,469</u>             |

(b) The income tax (charge)/credit relating to components of other comprehensive income is as follows :

|  | Year ended<br>December 31, 2023 | Year ended<br>December 31, 2022 |
|--|---------------------------------|---------------------------------|
| Remeasurement of defined benefit obligations | <u>\$ 300</u>                   | <u>\$ 7,419</u>                 |

(c) The income tax charged/(credited) to equity during the period is as follows:

|  | Year ended<br>December 31, 2023 | Year ended<br>December 31, 2022 |
|--|---------------------------------|---------------------------------|
| Influenced amounts on investments<br>restructure | <u>\$ -</u>                     | <u>\$ 812,889</u>               |

B. Reconciliation between income tax expense and accounting profit

|   | Year ended<br>December 31, 2023 | Year ended<br>December 31, 2022 |
|---|---------------------------------|---------------------------------|
| Tax calculated based on profit before tax and statutory tax rate (note)               | \$ 3,378,674                    | \$ 5,767,370                    |
| Effects from items disallowed by tax regulation                                       | ( 167,825)                      | 20,555                          |
| Tax-exempt on income from domestic investment   | ( 92,539)                       | ( 116,892)                      |
| Temporary differences not recognised as deferred tax assets                           | ( 1,233,257)                    | ( 3,377,022)                    |
| Change in assessment of realisation of taxable loss recognised as deferred tax assets | 18,793                          | ( 113,649)                      |
| Tax on undistributed earnings   | 528,497                         | 266,327                         |
| Income tax on overseas investment income  | 163,700                         | 1,834,226                       |
| Prior year income tax (over) underestimation  | 15,599                          | ( 492,107)                      |
| Separate taxation   | 42,615                          | 155,661                         |
| Others  | ( 18,352)                       | -                               |
| Income tax expense  | <u>\$ 2,635,905</u>             | <u>\$ 3,944,469</u>             |

Note: The basis for computing the applicable tax rate are the rates applicable in the respective countries where the Group entities operate.

C. Amounts of deferred tax assets or liabilities as a result of temporary differences, tax losses and investment tax credits are as follows:

|   | 2023                  |                                    |   |  |                       |
|---|-----------------------|------------------------------------|---|--|-----------------------|
|   | January 1             | Recognised<br>in profit<br>or loss | Recognised<br>in other<br>comprehensive<br>income | Influenced<br>amounts on<br>exchange<br>rates or<br>others | December 31           |
| Deferred tax assets:  |                       |                                    |   |  |                       |
| - Temporary differences:  |                       |                                    |   |  |                       |
| Amount of allowance for bad debts that exceed the limit for tax purpose | \$ 591,238            | \$ 96,747                          | \$ -  | \$ 1,060   | \$ 689,045            |
| Loss on inventory   | 83,673                | 4,057                              | -   | 142  | 87,872                |
| Depreciation expense  | 96,023                | 22                                 | -   | 155  | 96,200                |
| Payable for unpaid annual leave   | 17,263                | ( 51)                              | -   | 28   | 17,240                |
| Payable for pension   | 43,987                | ( 1,241)                           | ( 300)  | 69   | 42,515                |
| Payable for unrealised expenses   | 11,979                | 191                                | -   | 20   | 12,190                |
| Lease liabilities   | 150,001               | ( 54,120)                          | -   | -  | 95,881                |
| Others  | 12,778                | 24,672                             | -   | 54   | 37,504                |
| - Tax losses  | 234,081               | ( 2,576)                           | -   | 631  | 232,136               |
| Subtotal  | <u>\$ 1,241,023</u>   | <u>\$ 67,701</u>                   | <u>(\$ 300)</u>                                   | <u>\$ 2,159</u>  | <u>\$ 1,310,583</u>   |
| Deferred tax liabilities:   |                       |                                    |   |  |                       |
| - Temporary differences:  |                       |                                    |   |  |                       |
| Unrealised discounts on purchases                                       | (\$ 229,066)          | (\$ 69,737)                        | \$ -  | (\$ 783)   | (\$ 299,586)          |
| Unrealised exchange gain  | ( 3,172)              | ( 13,428)                          | -   | ( 217)   | ( 16,817)             |
| Unrealised expense  | ( 50,603)             | 53                                 | -   | ( 82)  | ( 50,632)             |
| Gain on investment  | ( 5,669,453)          | -                                  | -   | -  | ( 5,669,453)          |
| Right-of-use assets   | ( 150,001)            | 54,120                             | -   | -  | ( 95,881)             |
| Others  | ( 660,276)            | ( 2,267)                           | -   | ( 1,078)   | ( 663,621)            |
| Subtotal  | <u>(\$ 6,762,571)</u> | <u>(\$ 31,259)</u>                 | <u>\$ -</u>                                       | <u>(\$ 2,160)</u>  | <u>(\$ 6,795,990)</u> |
| Total   | <u>( 5,521,548)</u>   | <u>36,442</u>                      | <u>( 300)</u>                                     | <u>( 1)</u>  | <u>( 5,485,407)</u>   |

| 2022  |                       |                                    |   |  |                       |
|---|-----------------------|------------------------------------|---|--|-----------------------|
|   | January 1             | Recognised<br>in profit<br>or loss | Recognised<br>in other<br>comprehensive<br>income | Influenced<br>amounts on<br>exchange<br>rates or<br>others | December 31           |
| Deferred tax assets:  |                       |                                    |   |  |                       |
| - Temporary differences:  |                       |                                    |   |  |                       |
| Amount of allowance for bad debts that exceed the limit for tax purpose | \$ 580,685            | \$ 11,498                          | \$ -  | (\$ 945)   | \$ 591,238            |
| Loss on inventory   | 53,990                | 29,817                             | -   | ( 134)   | 83,673                |
| Depreciation expense  | 89,715                | 6,461                              | -   | ( 153)   | 96,023                |
| Unrealised exchange loss  | -                     | -                                  | -   | -  | -                     |
| Payable for unpaid annual leave   | 10,033                | 7,258                              | -   | ( 28)  | 17,263                |
| Payable for pension   | 80,680                | ( 29,203)                          | ( 7,419)  | ( 71)  | 43,987                |
| Payable for unrealised expenses   | 97,829                | ( 85,831)                          | -   | ( 19)  | 11,979                |
| Lease liabilities   | 37,681                | 197,000                            | -   | ( 600)   | 234,081               |
| Others  | -                     | 150,001                            | -   | -  | 150,001               |
| Tax losses  | 19,430                | ( 6,633)                           | -   | ( 19)  | 12,778                |
| Subtotal  | <u>\$ 970,043</u>     | <u>\$ 280,368</u>                  | <u>(\$ 7,419)</u>                                 | <u>(\$ 1,969)</u>  | <u>\$ 1,241,023</u>   |
| Deferred tax liabilities:   |                       |                                    |   |  |                       |
| - Temporary differences:  |                       |                                    |   |  |                       |
| Unrealised discounts on purchases                                       | (\$ 178,342)          | (\$ 51,091)                        | \$ -  | \$ 367   | (\$ 229,066)          |
| Unrealised exchange gain  | ( 22,217)             | 19,040                             | -   | 5  | ( 3,172)              |
| Unrealised expense  | ( 47,460)             | ( 3,224)                           | -   | 81   | ( 50,603)             |
| Gain on investment  | ( 3,835,227)          | ( 1,843,291)                       | -   | 9,065  | ( 5,669,453)          |
| Right-of-use assets   | -                     | ( 150,001)                         | -   | -  | ( 150,001)            |
| Others  | ( 26,816)             | ( 634,514)                         | -   | 1,054  | ( 660,276)            |
| Subtotal  | <u>(\$ 4,110,062)</u> | <u>(\$ 2,663,081)</u>              | <u>\$ -</u>                                       | <u>\$ 10,572</u>   | <u>(\$ 6,762,571)</u> |
| Total   | <u>( 3,140,019)</u>   | <u>( 2,382,713)</u>                | <u>( 7,419)</u>                                   | <u>8,603</u>   | <u>( 5,521,548)</u>   |

D. Expiration dates of unused tax losses and amounts of unrecognised deferred tax assets are as follows:

| December 31, 2023 |                           |                     |                                     |             |
|-------------------|---------------------------|---------------------|-------------------------------------|-------------|
| Year incurred     | Amount filed/<br>assessed | Unused amount       | Unrecognised<br>deferred tax assets | Expiry year |
| 2014~2023         | <u>\$ 2,126,793</u>       | <u>\$ 1,566,582</u> | <u>\$ 638,035</u>                   | 2023~2033   |

December 31, 2022

| Year incurred | Amount filed/<br>assessed | Unused amount | Unrecognised<br>deferred tax assets | Expiry year |
|---------------|---------------------------|---------------|-------------------------------------|-------------|
| 2013~2022     | \$ 1,530,516              | \$ 1,499,192  | \$ 562,865                          | 2022~2032   |

- E. The amounts of deductible temporary difference that are not recognized as deferred tax assets are as follows: None.
- F. The Company has not recognised taxable temporary differences associated with investment in subsidiaries as deferred tax liabilities. As of December 31, 2023 and 2022, the amounts of temporary difference that are not recognised as deferred tax liabilities were \$14,569,659 and \$14,956,268, respectively.
- G. The Company's and its domestic subsidiaries, besides Bestcom Infotech Corporation, income tax returns of 2021 have been assessed and approved by the Tax Authority.  
Bestcom Infotech Corporation's income tax returns of 2020 have been assessed and approved by the Tax Authority.
- H. The deferred tax liabilities recognised by the Group on December 31, 2023, and 2022 when assessing the repatriation of profits from the reinvested company were both \$5,669,453.

(34) Earnings per share

| Year ended December 31, 2023   |                     |  |                                       |
|--|---------------------|--|---------------------------------------|
|  | Amount<br>after tax | Weighted average<br>number of ordinary<br>shares outstanding<br>(share in thousands) | Earnings<br>per share<br>(in dollars) |
| <u>Basic earnings per share</u>  |                     |  |                                       |
| Profit attributable to ordinary shareholders of the parent   | \$ 7,289,295        | 1,667,947  | 4.37                                  |
| <u>Diluted earnings per share</u>  |                     |  |                                       |
| Profit attributable to ordinary shareholders of the parent   | \$ 7,289,295        | 1,667,947  |                                       |
| Assumed conversion of all dilutive potential ordinary shares   |                     |  |                                       |
| Employees' compensation  | -                   | 17   |                                       |
| Profit attributable to ordinary shareholders of parent plus assumed conversion of all dilutive potential ordinary shares | \$ 7,289,295        | 1,667,964  | 4.37                                  |

|  | Year ended December 31, 2022 |  |                                       |
|--|------------------------------|--|---------------------------------------|
|  | Amount<br>after tax          | Weighted average<br>number of ordinary<br>shares outstanding<br>(share in thousands) | Earnings<br>per share<br>(in dollars) |
| <u>Basic earnings per share</u>  |                              |  |                                       |
| Profit attributable to ordinary shareholders of the parent   | \$ 15,748,824                | 1,667,947  | 9.44                                  |
| <u>Diluted earnings per share</u>  |                              |  |                                       |
| Profit attributable to ordinary shareholders of the parent   | \$ 15,748,824                | 1,667,947  |                                       |
| Assumed conversion of all dilutive potential ordinary shares   |                              |  |                                       |
| Employees' compensation  | -                            | 39   |                                       |
| Profit attributable to ordinary shareholders of parent plus assumed conversion of all dilutive potential ordinary shares | \$ 15,748,824                | 1,667,986  | 9.44                                  |

(35) Transactions with non-controlling interests

Acquisition of additional equity interest in a subsidiary

The Group acquired an additional 1.07% shares of Bestcom Infotech Corp. for a cash consideration of \$20,944 on March 31, 2022.

The effect of changes in interests in Bestcom Infotech Corp. on the equity attributable to owners of the parent for the year ended December 31, 2022, is shown below:

|   | Year ended December 31,<br>2022 |
|---|---------------------------------|
| Consideration paid to non-controlling interest  | (\$ 20,944)                     |
| Decrease in carrying amount of non-controlling interest                                       | 23,029                          |
| Capital surplus - difference between consideration and carrying amount of subsidiary acquired | \$ 2,085                        |

(36) Changes in liabilities from financing activities

|  | Cash dividends payable | Short-term borrowings | Short-term notes and bills payable | Long-term borrowings | Current/ Non-current lease liabilities | Guarantee deposits received |
|--|------------------------|-----------------------|------------------------------------|----------------------|--|-----------------------------|
| At January 1, 2023                             | \$ -                   | \$ 73,314,084         | \$ 4,860,000                       | \$ 15,900,000        | \$ 554,220                             | \$ 190,167                  |
| Cash dividends declared                        | 6,137,554              | -                     | -                                  | -                    | -                                      | -                           |
| Cash dividends paid                            | ( 6,137,554)           | -                     | -                                  | -                    | -                                      | -                           |
| Increase in short-term borrowings              | -                      | -                     | -                                  | 32,790,000           | -                                      | -                           |
| Decrease in short-term borrowings              | -                      | ( 21,340,661)         | -                                  | ( 25,820,000)        | -                                      | -                           |
| Increase in short-term notes and bills payable | -                      | -                     | 2,670,000                          | -                    | -                                      | -                           |
| Payments of lease liabilities                  | -                      | -                     | -                                  | -                    | ( 180,369)                             | -                           |
| Increase in lease liabilities                  | -                      | -                     | -                                  | -                    | 395,376                                | -                           |
| Changes in other non-cash items                | -                      | -                     | -                                  | -                    | ( 101,777)                             | -                           |
| Increase in guarantee deposits received        | -                      | -                     | -                                  | -                    | -                                      | 264,195                     |
| Decrease in guarantee deposits received        | -                      | -                     | -                                  | -                    | -                                      | ( 256,028)                  |
| Impact of changes in foreign exchange rate     | -                      | -                     | -                                  | -                    | ( 96,269)                              | ( 31,979)                   |
| At December 31, 2023                           | <u>\$ -</u>            | <u>\$ 51,973,423</u>  | <u>\$ 7,530,000</u>                | <u>\$ 22,870,000</u> | <u>\$ 571,181</u>                      | <u>\$ 166,355</u>           |
|  | Cash dividends payable | Short-term borrowings | Short-term notes and bills payable | Long-term borrowings | Current/ Non-current lease liabilities | Guarantee deposits received |
| At January 1, 2022                             | \$ -                   | \$ 53,326,707         | \$ 12,490,000                      | \$ 1,500,000         | \$ 446,021                             | \$ 190,368                  |
| Cash dividends declared                        | 8,816,687              | -                     | -                                  | -                    | -                                      | -                           |
| Cash dividends paid                            | ( 8,816,687)           | -                     | -                                  | -                    | -                                      | -                           |
| Increase in short-term borrowings              | -                      | 19,987,377            | -                                  | 17,400,000           | -                                      | -                           |
| Decrease in short-term borrowings              | -                      | -                     | -                                  | ( 3,000,000)         | -                                      | -                           |
| Decrease in short-term notes and bills payable | -                      | -                     | ( 7,630,000)                       | -                    | -                                      | -                           |
| Payments of lease liabilities                  | -                      | -                     | -                                  | -                    | ( 188,997)                             | -                           |
| Increase in lease liabilities                  | -                      | -                     | -                                  | -                    | 373,341                                | -                           |
| Changes in other non-cash items                | -                      | -                     | -                                  | -                    | ( 62,794)                              | -                           |
| Increase in guarantee deposits received        | -                      | -                     | -                                  | -                    | -                                      | 697,267                     |
| Decrease in guarantee deposits received        | -                      | -                     | -                                  | -                    | -                                      | ( 694,006)                  |
| Impact of changes in foreign exchange rate     | -                      | -                     | -                                  | -                    | ( 13,351)                              | ( 3,462)                    |
| At December 31, 2023                           | <u>\$ -</u>            | <u>\$ 73,314,084</u>  | <u>\$ 4,860,000</u>                | <u>\$ 15,900,000</u> | <u>\$ 554,220</u>                      | <u>\$ 190,167</u>           |

## 7. RELATED PARTY TRANSACTIONS

### (1) Names of related parties and relationship

| <u>Names of related parties</u>  | <u>Relationship with the Group</u>  |
|--|---|
| <u>Associates:</u>   |   |
| Synnex (Thailand) Public Company Ltd. and its Subsidiaries (Synnex Thailand) | King's Eye's investee accounted for using equity method                                 |
| Synnex FPT Joint Stock Company and its Subsidiaries (Synnex FPT)             | King's Eye's investee accounted for using equity method                                 |
| Redington Limited  | Investee accounted for using equity method  |
| Asgard System, Inc.  | Indirect investee of Bestcom Infotech Corp.   |
| <u>Other related parties:</u>  |   |
| Mitac Incorporated   | The Company's chairperson is the related party's chairperson                            |
| Mitac Information Technology Corporation                                     | The Company's chairperson is the related party's director                               |
| Mitac International Corporation  | The Company's chairperson is the related party's chairperson                            |
| Mitac Digital Technology Corporation   | The Company's chairperson is the related party's director                               |
| Mitac Computing Technology Corporation                                       | The Company's chairperson is the related party's director                               |
| Getac Holdings Corporation and its Subsidiaries                              | The Company's chairperson is the related party's director                               |
| Lien Hwa Industrial Holdings Corporation                                     | The Company's chairperson is the related party's chairperson                            |
| Linde Lienhwa Industrial Gases Co., Ltd.                                     | The Company's chairperson is the related party's director                               |
| UPC Technology Corporation   | The Company's chairperson is the related party's chairperson                            |
| Mitac Communication Co., Ltd.  | The related party's director is the second-degree relative of the Company's chairperson |
| Shunda Computer Factory Co., Ltd.  | Indirect wholly-owned subsidiary of Mitac International Corporation                     |

| <u>Names of related parties</u>                                    | <u>Relationship with the Group</u>  |
|--|---|
| Tong Da Investment Corporation                                     | The Company's director is the related party's chairperson                         |
| Lien Yuan Investment Corp.   | The Company's director is the related party's chairperson                         |
| Jetwell Computer Co., Ltd.   | The Company's subsidiary, Bestcom Infotech Corp., is the related party's director |
| Zong Yi Information Co., Ltd.                                      | Wholly-owned subsidiary of Jetwell Computer Co., Ltd.                             |
| Inforcom Technology Inc.   | The Company's subsidiary, Bestcom Infotech Corp., is the related party's director |
| Din Yen Technology Inc.  | 99.97%-owned subsidiary of Inforcom Technology Inc.                               |
| Udar Digital Inc.  | 96.38%-owned subsidiary of Inforcom Technology Inc.                               |
| Digitimes Inc.   | The Company is the related party's director                                       |
| Lien Hwa Milling Corporation                                       | The Company's chairperson is the related party's director                         |
| PT. Mitra Integrasi Informatika (MII)                              | Subsidiary's other related party  |
| PT. Metrodata Electronics, Tbk (MTDL)                              | SMI's director  |
| PT. Soltius Indonesia (SI)   | Subsidiary's other related party  |
| Packet System Indonesia (PSI)                                      | Subsidiary's other related party  |
| PT. Sinergi Transformasi Digital (STD)                             | Subsidiary's other related party  |
| PT. Cacafly Metrodata Indonesia (CMI)                              | Subsidiary's other related party  |
| PT. Aneka Teknologi Utama (ATU)                                    | Subsidiary's other related party  |
| All directors, general managers and key management personnel, etc. | The Group's key management and governance body                                    |

(2) Significant related party transactions and balances

A. Operating revenue

|                         | Year ended<br>December 31, 2023 | Year ended<br>December 31, 2022 |
|-------------------------|---------------------------------|---------------------------------|
| Sales of goods:         |                                 |                                 |
| — Associates            | \$ 35,192                       | \$ 72,468                       |
| — Other related parties | 5,938,790                       | 2,424,354                       |
|                         | <u>\$ 5,973,982</u>             | <u>\$ 2,496,822</u>             |

Goods are sold based on the price lists in force and terms that would be available to third parties. The Group's collection term for related parties is within credit term of advance sales receipts or 30 to 120 days of the date of billing statement. The collection term for third parties is within credit term of advance sales receipts, 1 to 180 days after the receipt of shipment and 5 day to 150 days after monthly billings.

B. Receivables from related parties

|                         | December 31, 2023 | December 31, 2022 |
|-------------------------|-------------------|-------------------|
| Accounts receivable:    |                   |                   |
| — Associates            | \$ 7,244          | \$ 43,687         |
| — Other related parties | 809,005           | 455,804           |
|                         | <u>\$ 816,249</u> | <u>\$ 499,491</u> |

The receivables from related parties arise mainly from sales of goods.

C. Purchases of goods

|                         | Year ended<br>December 31, 2023 | Year ended<br>December 31, 2022 |
|-------------------------|---------------------------------|---------------------------------|
| Purchases of goods:     |                                 |                                 |
| — Other related parties | <u>\$ 190,150</u>               | <u>\$ 177,272</u>               |

Goods are purchased from associates on normal commercial terms and conditions. The Group's payment term for related parties is within 30~60 days of the date of billing statement. The payment term for third parties is within 25~75 days of the date of billing.

D. Payables to related parties

|                         | December 31, 2023 | December 31, 2022 |
|-------------------------|-------------------|-------------------|
| Accounts payable:       |                   |                   |
| — Other related parties | <u>\$ 26,461</u>  | <u>\$ 20,839</u>  |

The payables to related parties arise mainly from purchase transactions.

E. Other transactions

The details of other receivables, other payables and dividend income that the Group provides to related parties are as follows:

|                       | <u>December 31, 2023</u> | <u>December 31, 2022</u> |
|-----------------------|--------------------------|--------------------------|
| Other receivables:    |                          |                          |
| Associates            | \$ 106                   | \$ 169                   |
| Other related parties | 4,503                    | -                        |
|                       | <u>\$ 4,609</u>          | <u>\$ 169</u>            |

|                       | <u>December 31, 2023</u> | <u>December 31, 2022</u> |
|-----------------------|--------------------------|--------------------------|
| Other payables:       |                          |                          |
| Other related parties | <u>\$ 4,526</u>          | <u>\$ 4,797</u>          |

|                       | <u>Year ended December 31, 2023</u> |                 |
|-----------------------|-------------------------------------|-----------------|
|                       | <u>Dividend income</u>              | <u>Others</u>   |
| Mitac Incorporated    | \$ 186,910                          | \$ -            |
| Other related parties | 59,913                              | 1,477           |
|                       | <u>\$ 246,823</u>                   | <u>\$ 1,477</u> |

|                       | <u>Year ended December 31, 2022</u> |                 |
|-----------------------|-------------------------------------|-----------------|
|                       | <u>Dividend income</u>              | <u>Others</u>   |
| Associates            | \$ -                                | \$ 31           |
| Other related parties | 214,261                             | 1,125           |
|                       | <u>\$ 214,261</u>                   | <u>\$ 1,156</u> |

|                       | <u>Year ended<br/>December 31, 2023</u> | <u>Year ended<br/>December 31, 2022</u> |
|-----------------------|---|---|
| Other expenses:       |   |   |
| Other related parties | <u>\$ 15,526</u>                        | <u>\$ -</u>                             |

The details of the dividend income allocated to the Group due to its investment in related parties (the table shows investment deductions for equity method investments) are as follows:

|                   | <u>Year ended<br/>December 31, 2023</u> | <u>Year ended<br/>December 31, 2022</u> |
|-------------------|---|---|
| Redington Limited | \$ 521,084                              | \$ 443,255                              |
| Synnex Thailand   | 191,874                                 | 202,252                                 |
| Synnex FPT        | 259,737                                 | 505,394                                 |
|                   | <u>\$ 972,695</u>                       | <u>\$ 1,150,901</u>                     |

As of December 31, 2023 and 2022, there were no other receivables arising from the aforementioned transactions.

(3) Key management compensation

|                                 | Year ended<br>December 31, 2023 | Year ended<br>December 31, 2022 |
|---------------------------------|---------------------------------|---------------------------------|
| Short-term employee benefits    | \$ 120,709                      | \$ 127,720                      |
| Post-employment benefits (Note) | 4,623                           | 4,716                           |
| Total                           | <u>\$ 125,332</u>               | <u>\$ 132,436</u>               |

Note: Benefits are provisions that are not actually distributed.

8. PLEDGED ASSETS

The Group's assets pledged as collateral are as follows:

| Pledged asset                                   | Book value          |                     | Purpose                           |
|---|---------------------|---------------------|-----------------------------------|
|   | December 31, 2023   | December 31, 2022   |                                   |
| Current financial assets at amortised cost:     |                     |                     |                                   |
| Pledged time deposits                           | \$ -                | \$ 5,634            | Guarantees for performance bond   |
| Non-current financial assets at amortised cost: |                     |                     |                                   |
| Pledged time deposits                           | 803,361             | 866,178             | Guarantees for purchases          |
| Property, plant and equipment                   | 666,950             | -                   | Pledged for short-term borrowings |
| Accounts receivable                             | 1,092,089           | 1,424,405           | Pledged for short-term borrowings |
| Inventories                                     | 1,092,104           | 1,455,615           | Pledged for short-term borrowings |
|   | <u>\$ 3,654,504</u> | <u>\$ 3,751,832</u> |                                   |

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNISED CONTRACT COMMITMENTS

(1) Contingencies

On November 13, 2017, Unisplendour Digital (Suzhou) Group Co. Ltd. (Unisplendour Digital) filed a sales dispute against Synnex Distributions (China) Ltd. in Suzhou Xiangcheng People's Court in China. In the complaint, Unisplendour Digital claimed the goods it received were not the subject matter of the contract and requested for a refund of the payment. On January 22, 2018, the Court dismissed the complaint on the ground that the law enforcement has initiated an investigation. In August 2020, Unisplendour Digital refiled the complaint to claim for compensation of RMB 28,926 thousand, RMB 17,401 thousand and RMB 5,593 thousand and a default fine for breach of contract on the ground that the law enforcement has cancelled the investigation. The Company lost the above-mentioned case based on the judgement of final instance by the Suzhou Xiangcheng People's Court in China. Therefore, the Group has fully paid the related compensations and default fine in May 2022 and filed a motion for retrial in August 2022.

(2) Commitments

A. As of December 31, 2023 and 2022, the individual financing endorsement guarantee limits within the Group were \$78,424,811 and \$85,566,500, and the amounts used were \$15,187,229 and \$33,521,147, respectively.

B. As of December 31, 2023 and 2022, the Group issued promissory notes to guarantee the suppliers' credit limit amounting to \$2,987,097 and \$4,199,856, respectively, for inventory purchases.

C. Capital expenditure contracted for at the balance sheet date but not yet incurred is as follows:

|                               | <u>December 31, 2023</u> | <u>December 31, 2022</u> |
|-------------------------------|--------------------------|--------------------------|
| Property, plant and equipment | <u>\$ 4,224,820</u>      | <u>\$ 2,506,080</u>      |

December 31, 2023: It refers to the contract commitments of the Group to acquire the property located in Nangang Dist., Taipei City and the logistics center in Melbourne.

December 31, 2022: It refers to the contract commitments of the Group to acquire the property located in Nangang Dist., Taipei City and to build the second stage of the logistics center in Sydney.

#### 10. SIGNIFICANT DISASTER LOSS

None.

#### 11. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

On March 13, 2024, the Board of Directors resolved the distribution of earnings for the year of 2023. Please refer to Note 6(24).

#### 12. OTHERS

##### (1) Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt. The Group monitors capital on the basis of the net borrowing ratio. This ratio is calculated as net borrowings divided by shareholders' equity. Net borrowings are calculated as all amounts of short-term borrowings, short-term notes and bills payable, and long-term borrowings less all amounts of cash and cash equivalents, financial products at fair value through profit or loss, and time deposits maturing over three months as shown in the consolidated balance sheet. Shareholders' equity is calculated as total equity as shown in the consolidated balance sheet.

The net borrowing ratios as of December 31, 2023 and 2022 were 95% and 106%, respectively.

##### (2) Financial instruments

###### A. Financial instruments by category

Please refer to the consolidated balance sheets and related information in Note 6 for the Group's financial assets (cash and cash equivalents, current financial assets at fair value through profit or loss, current financial assets at fair value through other comprehensive income, current financial assets at amortised cost, notes receivable, accounts receivable (including related parties), other

receivables, non-current financial assets at fair value through other comprehensive income, non-current financial assets at amortised cost, other non-current assets-refundable deposits, other non-current assets-long-term notes and overdue receivables and other non-current assets-long-term lease receivables) and financial liabilities (short-term borrowings, short-term notes and bills payable, current financial liabilities at fair value through profit or loss, notes payable, accounts payable, other payables, other current liabilities-refund liability, long-term borrowings (including current portion), other non-current liabilities-guarantee deposits received, lease liabilities (current and non-current)).

**B. Financial risk management policies**

- (a) The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk.
- (b) Risk management is carried out by a central treasury department (Group treasury) under policies approved by the Board of Directors. Group treasury identifies, evaluates, and hedges financial risks in close co-operation with the Group's operating units. The Board provides written principles for overall risk management, as well as written policies covering specific areas and matters, such as foreign exchange risk, interest rate risk, credit risk, use of derivative and non-derivative financial instruments, and investment of excess liquidity.

**C. Significant financial risks and degrees of financial risks**

**(a) Market risk**

**Foreign exchange risk**

- i. The Group operates internationally and is exposed to foreign exchange risk arising from the transactions of the Company and its subsidiaries used in various functional currency, primarily with respect to the USD and RMB. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities.
- ii. Management has set up a policy to require group companies to manage their foreign exchange risk against their functional currency. The companies are required to hedge their entire foreign exchange risk exposure with the Group treasury.
- iii. The Group hedges foreign exchange risk by using foreign exchange forward contracts. However, these contracts are not accounted for under hedge accounting. The contracts are recorded as financial assets or liabilities at fair value through profit or loss. Please refer to Note 6(2).
- iv. The Group's businesses involve some non-functional currency operations (the Company's and certain subsidiaries' functional currency: NTD; other certain subsidiaries' functional currency: RMB, USD and AUD). The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

December 31, 2023

|   | Foreign currency<br>amount<br>(in thousands) | Exchange rate | Book value<br>(NTD) |
|---|--|---------------|---------------------|
| (Foreign currency: functional currency) |  |               |                     |
| <u>Financial assets</u>                 |  |               |                     |
| <u>Monetary items</u>                   |  |               |                     |
| USD:NTD                                 | 299,982                                      | 30.76         | \$ 9,227,446        |
| USD:HKD                                 | 70,093                                       | 7.81          | 2,155,705           |
| USD:AUD                                 | 16,647                                       | 1.47          | 511,978             |
| NZD:USD                                 | 20,512                                       | 0.63          | 397,498             |
| RMB:HKD                                 | 160,103                                      | 1.10          | 692,160             |
| USD:IDR                                 | 23,148                                       | 15,384.62     | 712,032             |
| USD:NZD                                 | 24,589                                       | 4.32          | 106,304             |
| HKD:RMB                                 | 457,435                                      | 0.91          | 1,800,996           |
| AUD:USD                                 | 10,553                                       | 0.68          | 220,735             |
| <u>Non-monetary items</u>               |  |               |                     |
| INR:NTD                                 | 17,515,113                                   | 0.369767      | \$ 6,383,799        |
| THB:USD                                 | 1,655,790                                    | 0.029087      | 1,442,279           |
| VND:USD                                 | 1,270,409,875                                | 0.000041      | 1,601,247           |
| <u>Financial liabilities</u>            |  |               |                     |
| <u>Monetary items</u>                   |  |               |                     |
| USD:NTD                                 | 539,754                                      | 30.76         | \$ 16,602,833       |
| USD:HKD                                 | 151,216                                      | 7.81          | 4,650,637           |
| USD:AUD                                 | 9,489  | 1.47          | 291,834             |
| USD:RMB                                 | 3,390  | 7.11          | 104,259             |
| AUD:USD                                 | 2,403  | 0.68          | 50,263              |
| USD:IDR                                 | 15,747                                       | 15,384.62     | 484,378             |
| RMB:HKD                                 | 166,504                                      | 1.10          | 719,833             |

| December 31, 2022                       |  |               |                     |
|---|--|---------------|---------------------|
|   | Foreign currency<br>amount<br>(in thousands) | Exchange rate | Book value<br>(NTD) |
| (Foreign currency: functional currency) |  |               |                     |
| <u>Financial assets</u>                 |  |               |                     |
| <u>Monetary items</u>                   |  |               |                     |
| USD:NTD                                 | 147,740                                      | 30.76         | \$ 4,544,482        |
| USD:HKD                                 | 48,357                                       | 7.80          | 1,487,426           |
| USD:AUD                                 | 13,948                                       | 1.47          | 429,040             |
| NZD:USD                                 | 20,468                                       | 0.63          | 396,645             |
| RMB:HKD                                 | 1,096,128                                    | 1.12          | 4,835,781           |
| USD:IDR                                 | 24,865                                       | 15,625.00     | 759,311             |
| HKD:RMB                                 | 359,702                                      | 0.89          | 1,419,018           |
| AUD:USD                                 | 11,527                                       | 0.68          | 241,108             |
| <u>Non-monetary items</u>               |  |               |                     |
| INR:NTD                                 | 15,830,035                                   | 0.371673      | \$ 5,883,598        |
| THB:USD                                 | 1,622,119                                    | 0.028927      | 1,443,353           |
| VND:USD                                 | 1,245,029,252                                | 0.000042      | 1,608,478           |
| <u>Financial liabilities</u>            |  |               |                     |
| <u>Monetary items</u>                   |  |               |                     |
| USD:NTD                                 | 125,172                                      | 30.76         | \$ 3,850,291        |
| USD:HKD                                 | 194,088                                      | 7.80          | 5,970,006           |
| USD:AUD                                 | 14,361                                       | 1.47          | 441,744             |
| USD:RMB                                 | 2,808  | 6.97          | 86,374              |
| USD:IDR                                 | 24,518                                       | 15,625.00     | 754,174             |
| RMB:HKD                                 | 707,806                                      | 1.12          | 3,122,623           |
| NTD:RMB                                 | 152,451                                      | 0.23          | 152,451             |
| RMB:IDR                                 | 14,761                                       | 2,241.01      | 65,365              |

- v. For the total exchange gain (loss), including realized and unrealized, arising from significant foreign exchange variation on the monetary items held by the Group for the years ended December 31, 2023 and 2022, please refer to Note 6(29).

vi. Analysis of foreign currency market risk arising from significant foreign exchange variation:

| Year ended December 31, 2023            |                     |                          |                                      |   |
|---|---------------------|--------------------------|--------------------------------------|---|
| Sensitivity analysis                    |                     |                          |                                      |   |
|   | Degree of variation | Effect on profit or loss | Effect on other comprehensive income |   |
| (Foreign currency: functional currency) |                     |                          |                                      |   |
| <u>Financial assets</u>                 |                     |                          |                                      |   |
| <u>Monetary items</u>                   |                     |                          |                                      |   |
| USD:NTD                                 | 1%                  | \$ 92,274                | \$                                   | - |
| USD:HKD                                 | 1%                  | 21,557                   |                                      | - |
| USD:AUD                                 | 1%                  | 5,120                    |                                      | - |
| NZD:USD                                 | 1%                  | 3,975                    |                                      | - |
| RMB:HKD                                 | 1%                  | 6,922                    |                                      | - |
| USD:IDR                                 | 1%                  | 7,120                    |                                      | - |
| USD:NZD                                 | 1%                  | 1,063                    |                                      | - |
| HKD:RMB                                 | 1%                  | 18,010                   |                                      | - |
| AUD:USD                                 | 1%                  | 2,207                    |                                      | - |
| <u>Financial liabilities</u>            |                     |                          |                                      |   |
| <u>Monetary items</u>                   |                     |                          |                                      |   |
| USD:NTD                                 | 1%                  | (\$ 166,028)             | \$                                   | - |
| USD:HKD                                 | 1%                  | ( 46,506)                |                                      | - |
| USD:AUD                                 | 1%                  | ( 2,918)                 |                                      | - |
| USD:RMB                                 | 1%                  | ( 1,043)                 |                                      | - |
| AUD:USD                                 | 1%                  | ( 503)                   |                                      | - |
| USD:IDR                                 | 1%                  | ( 4,844)                 |                                      | - |
| RMB:HKD                                 | 1%                  | ( 7,198)                 |                                      | - |

| Year ended December 31, 2022            |                     |                          |                                      |   |
|---|---------------------|--------------------------|--------------------------------------|---|
| Sensitivity analysis                    |                     |                          |                                      |   |
|   | Degree of variation | Effect on profit or loss | Effect on other comprehensive income |   |
| (Foreign currency: functional currency) |                     |                          |                                      |   |
| <u>Financial assets</u>                 |                     |                          |                                      |   |
| <u>Monetary items</u>                   |                     |                          |                                      |   |
| USD:NTD                                 | 1%                  | \$ 45,445                | \$                                   | - |
| USD:HKD                                 | 1%                  | 14,874                   |                                      | - |
| USD:AUD                                 | 1%                  | 4,290                    |                                      | - |
| NZD:USD                                 | 1%                  | 3,966                    |                                      | - |
| RMB:HKD                                 | 1%                  | 48,358                   |                                      | - |
| USD:IDR                                 | 1%                  | 7,593                    |                                      | - |
| HKD:RMB                                 | 1%                  | 14,190                   |                                      | - |
| AUD:USD                                 | 1%                  | 2,411                    |                                      | - |
| <u>Financial liabilities</u>            |                     |                          |                                      |   |
| <u>Monetary items</u>                   |                     |                          |                                      |   |
| USD:NTD                                 | 1%                  | (\$ 38,503)              | \$                                   | - |
| USD:HKD                                 | 1%                  | ( 59,700)                |                                      | - |
| USD:AUD                                 | 1%                  | ( 4,417)                 |                                      | - |
| USD:RMB                                 | 1%                  | ( 864)                   |                                      | - |
| USD:IDR                                 | 1%                  | ( 7,542)                 |                                      | - |
| RMB:HKD                                 | 1%                  | ( 31,226)                |                                      | - |
| NTD:RMB                                 | 1%                  | ( 1,525)                 |                                      | - |
| RMB:IDR                                 | 1%                  | ( 654)                   |                                      | - |

#### Price risk

- i. The Group's equity instruments, which are exposed to price risk, are the held financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income. To manage the price risk arising from investments in equity instruments, the Group diversifies its portfolio in accordance with the limits set by the Group.
- ii. The Group primarily invests in equity instruments issued by domestic and foreign companies. The prices of equity instruments would be affected by the uncertainty of the future value of underlying investments. If the prices of these equity instruments had increased/decreased by 1% with all other variables held constant, post-tax profit for the years ended December 31, 2023 and 2022 would have increased/decreased by \$6,039 and \$1,817, respectively, as a result of gains/losses on equity instruments at fair value through profit or loss. Other components of equity would have increased/decreased by \$292,846 and \$314,519, respectively, as a result of gains/losses from equity instruments at fair value through other comprehensive income.

#### Cash flow and fair value interest rate risk

- i. The Group's interest rate risk arises mainly from short-term borrowings with variable rates, which expose the Group to cash flow interest rate risk. During for years ended December 31, 2023, and 2022, the Group's borrowings at variable rate were mainly denominated in NTD, USD, and AUD.
- ii. The Group's borrowings are measured at amortised cost. The borrowings are periodically contractually repriced and to that extent are also exposed to the risk of future changes in market interest rates.
- iii. If the borrowing interest rates had increased/decreased by 0.25% with all other variables held constant, interest expense for the years ended December 31, 2023, and 2022 would have decreased/increased by \$208,112 and \$203,834, respectively. The main factor is the changes in interest expense resulting from floating-rate borrowings.

#### **(b) Credit risk**

- i. Credit risk refers to the risk of financial loss to the Group arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is that counterparties could not repay in full the accounts receivable based on the agreed terms.
- ii. The Group manages their credit risk taking into consideration the entire group's concern. According to the Group's credit policy, the Group is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings. The utilisation of credit limits is regularly monitored.
- iii. If the contract payments were past due over 30 days based on the terms, there has been a significant increase in credit risk on that instrument since initial recognition after taking into consideration the historical experiences.
- iv. In accordance with historical collections and customers' credit rating levels, the default occurs when the contract payments are past due over certain periods classified based on the credit rating of customers.
- v. The Group classifies customers' accounts receivable and lease receivables in accordance with credit rating of customer. The Group applies the modified approach using loss rate method to estimate expected credit loss.
- vi. The Group will continue executing the recourse procedures to secure their rights on those defaulted financial assets. The Group wrote-off the financial assets, which cannot be reasonably expected to be recovered, after initiating recourse procedures. However, the Group will continue executing the recourse procedures to secure their rights.

vii. The Group used the forecastability to adjust historical and timely information to assess the default possibility of notes receivable (including related parties), accounts receivable (including related parties), overdue receivables, and lease receivables. As of December 31, 2023, and 2022, the assessment is as follows:

|                             | Group provision | Individual provision |              |              |                | Total          |
|-----------------------------|-----------------|----------------------|--------------|--------------|----------------|----------------|
|                             |                 | Group A              | Group B      | Group C      | Group D        |                |
| <u>At December 31, 2023</u> |                 |                      |              |              |                |                |
| Expected loss rate          | 0.2%-0.4%       | 15%                  | 50%          | 75%          | 100%           |                |
| Total book value            | \$80,048,177    | \$ 1,237,015         | \$ 593,454   | \$ 331,375   | \$ 2,083,329   | \$ 84,293,350  |
| Loss allowance              | (\$ 234,900)    | (\$ 185,552)         | (\$ 296,727) | (\$ 248,532) | (\$ 2,083,329) | (\$ 3,049,040) |

|                             | Group provision | Individual provision |              |              |                | Total          |
|-----------------------------|-----------------|----------------------|--------------|--------------|----------------|----------------|
|                             |                 | Group A              | Group B      | Group C      | Group D        |                |
| <u>At December 31, 2022</u> |                 |                      |              |              |                |                |
| Expected loss rate          | 0.2%-0.3%       | 15%                  | 50%          | 75%          | 100%           |                |
| Total book value            | \$79,383,464    | \$ 1,474,604         | \$ 293,201   | \$ 196,516   | \$ 1,857,845   | \$ 83,205,630  |
| Loss allowance              | (\$ 214,374)    | (\$ 221,190)         | (\$ 146,601) | (\$ 147,387) | (\$ 1,857,845) | (\$ 2,587,397) |

viii. Movements in relation to the Group applying the modified approach to provide loss allowance for notes receivable, accounts receivable (including related parties), overdue receivables, and lease receivables are as follows:

|  | 2023                |                        |                        |                      |                     |
|--|---------------------|------------------------|------------------------|----------------------|---------------------|
|  | Notes<br>receivable | Accounts<br>receivable | Overdue<br>receivables | Total                |                     |
| At January 1                                   | \$ 20,744           | \$ 193,630             | \$ 2,373,023           | \$ 2,587,397         |                     |
| Provision for (reversal of)<br>impairment loss | 200                 | 23,731                 | 514,681                | 538,612              |                     |
| Write-offs                                     | -                   | ( 1,277)               | ( 21,751)              | ( 23,028)            |                     |
| Effect of exchange rate changes                | ( 371)              | ( 1,757)               | ( 51,813)              | ( 53,941)            |                     |
| At December 31                                 | <u>\$ 20,573</u>    | <u>\$ 214,327</u>      | <u>\$ 2,814,140</u>    | <u>\$ 3,049,040</u>  |                     |
|  | 2022                |                        |                        |                      |                     |
|  | Notes<br>receivable | Accounts<br>receivable | Overdue<br>receivables | Other<br>receivables | Total               |
| At January 1                                   | \$ 15,997           | \$ 187,106             | \$ 2,202,041           | \$ -                 | \$ 2,405,144        |
| Provision for (reversal of)<br>impairment loss | 4,387               | 56,950                 | 171,456                | 16,626               | 249,419             |
| Write-offs                                     | -                   | ( 56,590)              | ( 44,273)              | ( 16,626)            | ( 117,489)          |
| Effect of exchange rate changes                | 360                 | 6,164                  | 43,799                 | -                    | 50,323              |
| At December 31                                 | <u>\$ 20,744</u>    | <u>\$ 193,630</u>      | <u>\$ 2,373,023</u>    | <u>\$ -</u>          | <u>\$ 2,587,397</u> |

(c) Liquidity risk

- i. Cash flow forecasting is performed in the operating entities of the Group and aggregated by Group treasury. Group treasury monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs.
- ii. Surplus cash held by the operating entities over and above balance required for working capital management is transferred to the Group treasury. Group treasury invests surplus cash in interest-bearing demand deposits, time deposits, money market deposits, and marketable securities, choosing instruments with appropriate maturities or sufficient liquidity to provide sufficient head-room as determined by the above-mentioned forecasts.
- iii. The Group's derivative and non-derivative financial liabilities are classified into relevant maturity groups based on the remaining period from the balance sheet date to the contractual maturity date. Except for those maturing within a year whose contractual undiscounted cash flows approximate the amounts presented in the balance sheet, the remaining contractual undiscounted cash flows of non-derivative financial liabilities are disclosed in the table below:

| <u>December 31, 2023</u>                            | <u>Less than 1 year</u> | <u>Over 1 year</u> | <u>Total</u> |
|---|-------------------------|--------------------|--------------|
| <u>Non-derivative financial liabilities:</u>        |                         |                    |              |
| Lease liabilities (current/non-current)             | \$ 204,974              | \$ 448,345         | \$ 653,319   |
| Guarantee deposits received                         | -                       | 166,355            | 166,355      |
| Long-term borrowings<br>(including current portion) | 1,537,978               | 21,370,087         | 22,908,065   |
| <u>December 31, 2022</u>                            | <u>Less than 1 year</u> | <u>Over 1 year</u> | <u>Total</u> |
| <u>Non-derivative financial liabilities:</u>        |                         |                    |              |
| Lease liabilities (current/non-current)             | \$ 185,810              | \$ 426,999         | \$ 612,809   |
| Guarantee deposits received                         | -                       | 190,167            | 190,167      |
| Long-term borrowings                                | 54,906                  | 15,931,550         | 15,986,456   |

(3) Fair value information

- A. The different levels in which the inputs to valuation techniques are used to measure fair value of financial and non-financial instruments have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. A market is regarded as active where transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The fair value of the Group's investment in listed stocks is included in Level 1.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. The fair value of the Group's investment in unlisted stocks and derivative instruments is included in Level 2.

Level 3: Unobservable inputs for the asset or liability. The fair value of the Group's investment in equity instruments and private equity fund investment without active market is included in Level 3.

B. Fair value information of investment property at cost is provided in Note 6(13).

C. Financial instruments not measured at fair value

The carrying amounts of the Group's financial instruments not measured at fair value (including cash and cash equivalents, notes receivable, accounts receivable (including related parties), other receivables, current financial assets at amortised cost, non-current financial assets at amortised cost, other non-current assets-refundable deposits, other non-current assets-long-term notes and overdue receivables, other non-current assets-long-term lease receivables, short-term borrowings, short-term notes and bills payable, notes payable, accounts payable, other payables, other current liabilities-refund liability, long-term borrowings(including current portion), and other non-current liabilities-guarantee deposits received) are approximate to their fair values.

D. The related information of financial and non-financial instruments measured at fair value by level on the basis of the nature, characteristics and risks of the assets and liabilities is as follows:

(a) The related information of natures of the assets and liabilities is as follows:

| December 31, 2023   | Level 1             | Level 2           | Level 3             | Total               |
|---|---------------------|-------------------|---------------------|---------------------|
| <b>Assets:</b>  |                     |                   |                     |                     |
| <u>Recurring fair value measurements</u>                                      |                     |                   |                     |                     |
| Financial assets at fair value through profit or loss                         |                     |                   |                     |                     |
| Equity securities   | \$ 221,972          | \$ -              | \$ -                | \$ 221,972          |
| private equity fund   | -                   | -                 | 26,821              | 26,821              |
| Financial products  | -                   | 355,146           | -                   | 355,146             |
| Current financial assets at fair value through other comprehensive income     |                     |                   |                     |                     |
| Equity securities   | 22,207,018          | -                 | -                   | 22,207,018          |
| Non-current financial assets at fair value through other comprehensive income |                     |                   |                     |                     |
| Equity securities   | <u>1,351,350</u>    | <u>138,462</u>    | <u>5,587,752</u>    | <u>7,077,564</u>    |
|   | <u>\$23,780,340</u> | <u>\$ 493,608</u> | <u>\$ 5,614,573</u> | <u>\$29,888,521</u> |
| <b>Liabilities:</b>   |                     |                   |                     |                     |
| <u>Recurring fair value measurements</u>                                      |                     |                   |                     |                     |
| Financial liabilities at fair value through profit or loss                    |                     |                   |                     |                     |
| Forward exchange contracts  | <u>\$ -</u>         | <u>\$ 426</u>     | <u>\$ -</u>         | <u>\$ 426</u>       |

| December 31, 2022   | Level 1             | Level 2           | Level 3             | Total               |
|---|---------------------|-------------------|---------------------|---------------------|
| <b>Assets:</b>  |                     |                   |                     |                     |
| <u>Recurring fair value measurements</u>                                      |                     |                   |                     |                     |
| Financial assets at fair value through profit or loss                         |                     |                   |                     |                     |
| Equity securities   | \$ 181,682          | \$ -              | \$ -                | \$ 181,682          |
| Current financial assets at fair value through other comprehensive income     |                     |                   |                     |                     |
| Equity securities   | 25,768,699          | -                 | -                   | 25,768,699          |
| Non-current financial assets at fair value through other comprehensive income |                     |                   |                     |                     |
| Equity securities   | <u>1,106,876</u>    | <u>108,598</u>    | <u>4,467,763</u>    | <u>5,683,237</u>    |
|   | <u>\$27,057,257</u> | <u>\$ 108,598</u> | <u>\$ 4,467,763</u> | <u>\$31,633,618</u> |
| <b>Liabilities:</b>   |                     |                   |                     |                     |
| <u>Recurring fair value measurements</u>                                      |                     |                   |                     |                     |
| Financial liabilities at fair value through profit or loss                    |                     |                   |                     |                     |
| Forward exchange contracts  | <u>\$ -</u>         | <u>\$ 4,484</u>   | <u>\$ -</u>         | <u>\$ 4,484</u>     |

(b) The methods and assumptions the Group used to measure fair value are as follows:

- i. For the instruments the Group used market quoted prices as their fair values (that is, Level 1), listed shares are measured at closing price at the balance sheet date.
- ii. Except for financial instruments with active markets, the fair value of other financial instruments is measured by using valuation techniques or by reference to counterparty quotes. The fair value of financial instruments measured by using valuation techniques can be referred to current fair value of instruments with similar terms and characteristics in substance, discounted cash flow method, or other valuation methods, including calculation by applying model using market information available at the consolidated balance sheet date.
- iii. When assessing non-standard and low-complexity financial instruments, the Group adopts valuation technique that is widely used by market participants. The inputs used in the valuation method to measure these financial instruments are normally observable in the market.
- iv. The output of valuation model is an estimated value and the valuation technique may not be able to capture all relevant factors of the Group's financial and non-financial instruments. Therefore, the estimated value derived using valuation model is adjusted accordingly with additional inputs, such as model risk or liquidity risk and etc. In accordance with the Group's management policies and relevant control procedures relating to the valuation models used for fair value measurement, management believes adjustment to valuation is necessary in order to reasonably represent the fair value of

financial and non-financial instruments in the consolidated balance sheet. The inputs and pricing information used during valuation are carefully assessed and adjusted based on current market conditions.

- v. Forward exchange contracts are usually valued based on the current forward exchange rate.
- vi. The Group takes into account adjustments for credit risks to measure the fair value of financial and non-financial instruments to reflect credit risk of the counterparty and the Group's credit quality.

- E. For the years ended December 31, 2023 and 2022, there was no transfer between Level 1 and Level 2.
- F. The following chart is the movement of Level 3 for the years ended December 31, 2023 and 2022:

|   | <u>2023</u>                                 | <u>2022</u>                                 |
|---|---|---|
|   | <u>Non-derivative<br/>equity instrument</u> | <u>Non-derivative<br/>equity instrument</u> |
| At January 1  | \$ 4,467,763                                | \$ 4,790,889                                |
| Gains and losses recognised in other comprehensive income   |   |   |
| Recorded as unrealised gains (losses) on valuation of investments in equity instruments measured at fair value through other comprehensive income | 1,120,000 (                                 | 325,602)                                    |
| Acquired in the period  | 27,531                                      | -   |
| Effect of exchange rate changes   | ( 721)                                      | 2,476                                       |
| At December 31  | <u>\$ 5,614,573</u>                         | <u>\$ 4,467,763</u>                         |

- G. For the years ended December 31, 2023 and 2022, there was no transfer into or out from Level 3.
- H. Financial quality management segment is in charge of valuation procedures for fair value measurements being categorised within Level 3, which is to verify independent fair value of financial instruments. Such assessment is to ensure the valuation results are reasonable by applying independent information to make results close to current market conditions, confirming the resource of information is independent, reliable, in line with other resources, and represented as the exercisable price, frequently calibrating valuation model, performing back-testing, updating inputs used to the valuation model, and making any other necessary adjustments to the fair value.
- I. The following is the quantitative information of significant unobservable inputs and sensitivity analysis of changes in significant unobservable inputs to valuation model used in Level 3 fair value measurement:

|                                      | Fair value at<br>December 31, 2023 | Valuation<br>technique            | Significant<br>unobservable input     | Range<br>(weighted average) | Relationship of<br>inputs to fair value   |
|--------------------------------------|------------------------------------|-----------------------------------|---------------------------------------|-----------------------------|---|
| Non-derivative<br>equity instrument: |                                    |                                   |                                       |                             |   |
| Unlisted shares                      | \$ 151,032                         | Market<br>comparable<br>companies | Discount for lack of<br>marketability | 0.7                         | The higher the discount<br>for lack of marketability,<br>the lower the fair value |
| Unlisted shares                      | 5,436,720                          | Net asset<br>value                | Not applicable                        | -                           | Not applicable  |
| Private equity fund<br>investment    | 26,821                             | Net asset<br>value                | Not applicable                        | -                           | Not applicable  |
| Total                                | <u>\$ 5,614,573</u>                |                                   |                                       |                             |   |

|                                      | Fair value at<br>December 31, 2022 | Valuation<br>technique            | Significant<br>unobservable input     | Range<br>(weighted average) | Relationship of<br>inputs to fair value   |
|--------------------------------------|------------------------------------|-----------------------------------|---------------------------------------|-----------------------------|---|
| Non-derivative<br>equity instrument: |                                    |                                   |                                       |                             |   |
| Unlisted shares                      | \$ 99,749                          | Market<br>comparable<br>companies | Discount for lack of<br>marketability | 0.7                         | The higher the discount<br>for lack of marketability,<br>the lower the fair value |
| Unlisted shares                      | 4,368,014                          | Net asset<br>value                | Not applicable                        | -                           | Not applicable  |
| Total                                | <u>\$ 4,467,763</u>                |                                   |                                       |                             |   |

J. The Group has carefully assessed the valuation models and assumptions used to measure fair value. However, using different valuation models or assumptions may result in different measurement. The following is the effect of profit or loss or of other comprehensive income from financial assets and liabilities categorized within Level 3 if the inputs to valuation models have changed:

| December 31, 2023 |                                       |        |                              |                        |   |                        |
|-------------------|---------------------------------------|--------|------------------------------|------------------------|---|------------------------|
|                   |                                       |        | Recognised in profit or loss |                        | Recognised in other<br>comprehensive income |                        |
|                   |                                       |        | Favourable<br>change         | Unfavourable<br>change | Favourable<br>change                        | Unfavourable<br>change |
|                   | Input                                 | Change |                              |                        |   |                        |
| Financial assets  |                                       |        |                              |                        |   |                        |
| Equity instrument | Discount for lack of<br>marketability | ± 10%  | \$ -                         | \$ -                   | \$ 15,103                                   | (\$ 15,103)            |
| Equity instrument | Net asset value                       | ± 1%   | \$ 268                       | (\$ 268)               | \$ 54,367                                   | (\$ 54,367)            |
| December 31, 2022 |                                       |        |                              |                        |   |                        |
|                   |                                       |        | Recognised in profit or loss |                        | Recognised in other<br>comprehensive income |                        |
|                   |                                       |        | Favourable<br>change         | Unfavourable<br>change | Favourable<br>change                        | Unfavourable<br>change |
|                   | Input                                 | Change |                              |                        |   |                        |
| Financial assets  |                                       |        |                              |                        |   |                        |
| Equity instrument | Discount for lack of<br>marketability | ± 10%  | \$ -                         | \$ -                   | \$ 9,975                                    | (\$ 9,975)             |
| Equity instrument | Net asset value                       | ± 1%   | \$ -                         | \$ -                   | \$ 43,680                                   | (\$ 43,680)            |

### 13. SUPPLEMENTARY DISCLOSURES

#### (1) Significant transactions information

- A. Loans to others: Please refer to table 1.
- B. Provision of endorsements and guarantees to others: Please refer to table 2.
- C. Holding of marketable securities at the end of the period (not including subsidiaries, associates, and joint ventures): Please refer to table 3.
- D. Acquisition or sale of the same security with the accumulated cost exceeding \$300 million or 20% of the Company's paid-in capital: Please refer to table 4.
- E. Acquisition of real estate reaching \$300 million or 20% of paid-in capital or more: Please refer to table 5.
- F. Disposal of real estate reaching \$300 million or 20% of paid-in capital or more: Please refer to table 6.
- G. Purchases or sales of goods from or to related parties reaching \$100 million or 20% of paid-in capital or more: Please refer to table 7.
- H. Receivables from related parties reaching \$100 million or 20% of paid-in capital or more: Please refer to table 8.
- I. Trading in derivative instruments undertaken during the reporting periods: Please refer to Note 6(2).
- J. Significant inter-company transactions during the reporting periods: Please refer to table 9.

#### (2) Information on investees

Names, locations, and other information of investee companies (not including investees in Mainland China): Please refer to table 10.

#### (3) Information on investments in Mainland China

- A. Basic information: Please refer to table 11.
- B. Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area: Please refer to table 9.

#### (4) Major shareholders information

Major shareholders information: Please refer to table 12.

### 14. SEGMENT INFORMATION

#### (1) General information

The Group operates in the distribution industry and is primarily engaged in the sale of 3C and semiconductor products. Given the characteristics of the industry the Group operates in, the Board of Directors and management team set up operating strategies and allocate resources based on the operating performance of IT/Telecom business and semiconductor business.

#### (2) Measurement of segment information

The chief operating decision-maker of the Group evaluates the performance of the operating segments based on the operating profit (loss). This measurement basis includes operating revenue

achievement percentage, gross profit achievement percentage, operating income achievement percentage, etc. The chief operating decision-maker reviews the conditions of overspending or underspending monthly, so as to assess the rationality of resources depletion.

(3) Segment information

The segment information provided to the chief operating decision-maker for the reportable segments is as follows:

Year ended December 31, 2023

|                                 | IT/Telecom<br>business | Semiconductor<br>business | Reconciliation         | Total                 |
|---------------------------------|------------------------|---------------------------|------------------------|-----------------------|
| Revenue from external customers | \$ 258,256,366         | \$ 137,734,463            | \$ -                   | \$ 395,990,829        |
| Inter-segment revenue           | 17,137,473             | 13,248,901                | ( 30,386,374)          | -                     |
| Segment revenue                 | <u>\$ 275,393,839</u>  | <u>\$ 150,983,364</u>     | <u>(\$ 30,386,374)</u> | <u>\$ 395,990,829</u> |
| Segment profit                  | <u>\$ 6,034,880</u>    | <u>\$ 2,599,434</u>       | <u>\$ -</u>            | <u>\$ 8,634,314</u>   |
| Segment assets                  | <u>\$ 176,781,621</u>  | <u>\$ 37,458,700</u>      | <u>\$ -</u>            | <u>\$ 214,240,321</u> |

Year ended December 31, 2022

|                                 | IT/Telecom<br>business | Semiconductor<br>business | Reconciliation         | Total                 |
|---------------------------------|------------------------|---------------------------|------------------------|-----------------------|
| Revenue from external customers | \$ 286,333,110         | \$ 138,217,310            | \$ -                   | \$ 424,550,420        |
| Inter-segment revenue           | 25,386,986             | 17,301,630                | ( 42,688,616)          | -                     |
| Segment revenue                 | <u>\$ 311,720,096</u>  | <u>\$ 155,518,940</u>     | <u>(\$ 42,688,616)</u> | <u>\$ 424,550,420</u> |
| Segment profit                  | <u>\$ 6,713,278</u>    | <u>\$ 2,424,258</u>       | <u>\$ -</u>            | <u>\$ 9,137,536</u>   |
| Segment assets                  | <u>\$ 185,268,752</u>  | <u>\$ 36,377,566</u>      | <u>\$ -</u>            | <u>\$ 221,646,318</u> |

(4) Reconciliation for segment income (loss)

A. Sales between segments are carried out at arm's length. The revenue from external customers reported to the chief operating decision-maker is measured in a manner consistent with that in the statement of comprehensive income. A reconciliation of reportable segment (loss) income and the income/(loss) before tax from continuing operations is provided as follows:

|   | Year ended<br>December 31, 2023 | Year ended<br>December 31, 2022 |
|---|---------------------------------|---------------------------------|
| Reportable segment profit               | \$ 8,634,314                    | \$ 9,137,536                    |
| Total non-operating income and expenses | <u>1,882,434</u>                | <u>11,137,259</u>               |
| Income before tax                       | <u>\$ 10,516,748</u>            | <u>\$ 20,274,795</u>            |

B. The amounts provided to the chief operating decision-maker with respect to total assets are measured in a manner consistent with those in the balance sheet, and the Group's reportable segment assets equalled to total assets, and thus the reconciliation is not required.

(5) Information on products and services

The Group is primarily engaged in 3C and semiconductor product sales and maintenance, warehouse, logistics and other services, the details on revenue balance are shown as follows:

|                 | Year ended<br>December 31, 2023 | Year ended<br>December 31, 2022 |
|-----------------|---------------------------------|---------------------------------|
| Sales revenue   | \$ 393,804,180                  | \$ 422,971,310                  |
| Service revenue | 2,186,649                       | 1,579,110                       |
|                 | <u>\$ 395,990,829</u>           | <u>\$ 424,550,420</u>           |

(6) Geographical information

The external revenue is grouped according to the locations of the customers, and the non-current assets are grouped according to the locations of the non-current assets. Breakdown of revenue and non-current assets by geographic area is as follows:

|   | Year ended December 31, 2023 |                              | Year ended December 31, 2022 |                              |
|---|------------------------------|------------------------------|------------------------------|------------------------------|
|   | Revenue                      | Non-current<br>assets (Note) | Revenue                      | Non-current<br>assets (Note) |
| Taiwan                                  | \$ 70,815,531                | \$ 4,096,255                 | \$ 78,957,648                | \$ 4,135,270                 |
| Cina and Hong Kong                      | 233,054,550                  | 5,430,501                    | 247,903,073                  | 5,073,388                    |
| Australia, New Zealand<br>and Indonesia | 92,120,748                   | 3,703,660                    | 97,689,699                   | 3,447,223                    |
|   | <u>\$ 395,990,829</u>        | <u>\$ 13,230,416</u>         | <u>\$ 424,550,420</u>        | <u>\$ 12,655,881</u>         |

Note : Non-current assets do not include financial assets and deferred income assets.

(7) Major customer information

The Group has no customer accounting for more than 10% of operating revenue for the years ended December 31, 2023 and 2022.

SYNNEX TECHNOLOGY INTERNATIONAL CORPORATION AND SUBSIDIARIES

Loans to others  
Year ended December 31, 2023

Table 1

Expressed in thousands of NTD  
(Except as otherwise indicated)

| No. | Creditor                                    | Borrower                                    | General ledger account | Is a related party | Maximum outstanding balance during the year ended | Balance at December 31, 2023 | Actual amount drawn down | Interest rate | Nature of loan | Amount of transactions with the borrower | Reason for short-term financing | Allowance for doubtful | Collateral |       | Limit on loans granted to | Ceiling on total loans | Footnote |
|-----|---|---|------------------------|--------------------|---|------------------------------|--------------------------|---------------|----------------|--|---------------------------------|------------------------|------------|-------|---------------------------|------------------------|----------|
|     |   |   |                        |                    | December 31, 2023<br>( Note 9 )                   |                              |                          |               |                |  |                                 | accounts               | Item       | Value | a single party            | granted                |          |
| 0   | Synnex Technology International Corporation | Seper Technology Corporation                | Other receivables      | Y                  | \$ 1,000,000                                      | \$ 1,000,000                 | \$ 228,071               | 1.75%~1.82%   | (Note 1)       | \$ -                                     | Operating turnover              | \$ -                   | -          | \$ -  | \$ 28,725,718             | \$ 28,725,718          | (Note 2) |
| 0   | Synnex Technology International Corporation | Synnex Global Ltd.                          | Other receivables      | Y                  | 3,247,500   | 3,075,500                    | -                        | -             | (Note 1)       | -  | Operating turnover              | -                      | -          | -     | 28,725,718                | 28,725,718             | (Note 2) |
| 1   | Synnex Global Ltd.                          | Synnex Australia Pty. Ltd.                  | Other receivables      | Y                  | 2,107,900   | 2,091,300                    | -                        | -             | (Note 1)       | -  | Operating turnover              | -                      | -          | -     | 83,955,877                | 119,936,967            | (Note 3) |
| 1   | Synnex Global Ltd.                          | Synnex New Zealand Ltd.                     | Other receivables      | Y                  | 877,455   | 873,270                      | 378,417                  | -             | (Note 1)       | -  | Operating turnover              | -                      | -          | -     | 83,955,877                | 119,936,967            | (Note 3) |
| 1   | Synnex Global Ltd.                          | Synnex China Holdings Ltd.                  | Other receivables      | Y                  | 3,279,975   | 3,106,255                    | 3,032,948                | -             | (Note 1)       | -  | Operating turnover              | -                      | -          | -     | 83,955,877                | 119,936,967            | (Note 3) |
| 1   | Synnex Global Ltd.                          | Syntech Asia Ltd.                           | Other receivables      | Y                  | 29,227,500  | 27,679,500                   | 25,086,177               | -             | (Note 1)       | -  | Operating turnover              | -                      | -          | -     | 83,955,877                | 119,936,967            | (Note 3) |
| 1   | Synnex Global Ltd.                          | Leveltech Ltd.                              | Other receivables      | Y                  | 1,623,750   | 1,537,750                    | 59,203                   | -             | (Note 1)       | -  | Operating turnover              | -                      | -          | -     | 83,955,877                | 119,936,967            | (Note 3) |
| 1   | Synnex Global Ltd.                          | Synnex Technology International (HK) Ltd.   | Other receivables      | Y                  | 12,990,000  | 12,302,000                   | 892,971                  | -             | (Note 1)       | -  | Operating turnover              | -                      | -          | -     | 83,955,877                | 119,936,967            | (Note 3) |
| 1   | Synnex Global Ltd.                          | Synnex Technology International Corporation | Other receivables      | Y                  | 9,742,500   | 9,226,500                    | 3,619,864                | -             | (Note 1)       | -  | Operating turnover              | -                      | -          | -     | 83,955,877                | 119,936,967            | (Note 3) |
| 2   | Synnex Investments (China) Ltd.             | Synnex (Jinan) Ltd.                         | Other receivables      | Y                  | 253,228   | 246,422                      | 171,631                  | 1.65%         | (Note 1)       | -  | Operating turnover              | -                      | -          | -     | 14,756,768                | 14,756,768             | (Note 4) |
| 2   | Synnex Investments (China) Ltd.             | Synnex (Nanchang) Ltd.                      | Other receivables      | Y                  | 246,422   | 246,422                      | 229,951                  | 1.65%         | (Note 1)       | -  | Operating turnover              | -                      | -          | -     | 14,756,768                | 14,756,768             | (Note 4) |
| 2   | Synnex Investments (China) Ltd.             | Synnex (Harbing) Ltd.                       | Other receivables      | Y                  | 302,097   | 272,362                      | 259,219                  | 1.65%         | (Note 1)       | -  | Operating turnover              | -                      | -          | -     | 14,756,768                | 14,756,768             | (Note 4) |
| 2   | Synnex Investments (China) Ltd.             | Synnex(Changsha) Ltd.                       | Other receivables      | Y                  | 231,015   | 203,190                      | 195,409                  | 1.65%         | (Note 1)       | -  | Operating turnover              | -                      | -          | -     | 14,756,768                | 14,756,768             | (Note 4) |
| 2   | Synnex Investments (China) Ltd.             | Synnex (Beijing) Ltd.                       | Other receivables      | Y                  | 590,866   | 518,784                      | 445,722                  | 1.65%         | (Note 1)       | -  | Operating turnover              | -                      | -          | -     | 14,756,768                | 14,756,768             | (Note 4) |
| 2   | Synnex Investments (China) Ltd.             | Synnex Distributions (China) Ltd.           | Other receivables      | Y                  | 7,996,680   | 7,781,760                    | 3,890,880                | 1.65%         | (Note 1)       | -  | Operating turnover              | -                      | -          | -     | 14,756,768                | 14,756,768             | (Note 4) |
| 2   | Synnex Investments (China) Ltd.             | Synnex (Hefei) Ltd.                         | Other receivables      | Y                  | 153,270   | 149,150                      | 102,892                  | 1.65%         | (Note 1)       | -  | Operating turnover              | -                      | -          | -     | 14,756,768                | 14,756,768             | (Note 4) |
| 2   | Synnex Investments (China) Ltd.             | Synnex (Tianjin) Ltd.                       | Other receivables      | Y                  | 28,877  | 28,101                       | 27,323                   | 1.65%         | (Note 1)       | -  | Operating turnover              | -                      | -          | -     | 14,756,768                | 14,756,768             | (Note 4) |
| 2   | Synnex Investments (China) Ltd.             | Synnex (Xiamen) Ltd.                        | Other receivables      | Y                  | 42,205  | 41,070                       | 10,808                   | 1.65%         | (Note 1)       | -  | Operating turnover              | -                      | -          | -     | 14,756,768                | 14,756,768             | (Note 4) |
| 2   | Synnex Investments (China) Ltd.             | Synnex (ZhenZhou) Ltd.                      | Other receivables      | Y                  | 35,541  | 34,586                       | 33,289                   | 1.65%         | (Note 1)       | -  | Operating turnover              | -                      | -          | -     | 14,756,768                | 14,756,768             | (Note 4) |
| 2   | Synnex Investments (China) Ltd.             | Synnex (Shenyang) Ltd.                      | Other receivables      | Y                  | 22,213  | 21,616                       | 12,970                   | 1.65%         | (Note 1)       | -  | Operating turnover              | -                      | -          | -     | 14,756,768                | 14,756,768             | (Note 4) |

| No. | Creditor                    | Borrower                                    | General ledger account | Is a related party | Maximum outstanding balance during the year ended | Balance at December 31, 2023 | Actual amount drawn down | Interest rate | Nature of loan | Amount of transactions with the borrower | Reason for short-term financing | Allowance for doubtful accounts | Collateral |       | Limit on loans granted to a single party | Ceiling on total loans granted | Footnote |
|-----|-----------------------------|---|------------------------|--------------------|---|------------------------------|--------------------------|---------------|----------------|--|---------------------------------|---------------------------------|------------|-------|--|--------------------------------|----------|
|     |                             |   |                        |                    | December 31, 2023<br>( Note 9 )                   |                              |                          |               |                |  |                                 |                                 | Item       | Value |  |                                |          |
| 3   | Trade Vanguard Global Ltd.  | Synnex Distributions (China) Ltd.           | Other receivables      | Y                  | \$ 19,103,180                                     | 18,589,760                   | 15,866,144               | -             | (Note 1)       | \$ -                                     | Operating turnover              | \$ -                            | -          | \$ -  | \$ 43,990,208                            | \$ 43,990,208                  | (Note 5) |
| 3   | Trade Vanguard Global Ltd.  | Synnex Technology International (HK) Ltd.   | Other receivables      | Y                  | 4,442,600   | 4,323,200                    | 674,643                  | -             | (Note 1)       | -  | Operating turnover              | -                               | -          | -     | 43,990,208                               | 43,990,208                     | (Note 5) |
| 3   | Trade Vanguard Global Ltd.  | Synnex Investments (China) Ltd.             | Other receivables      | Y                  | 3,554,080   | 3,458,560                    | 2,939,776                | -             | (Note 1)       | -  | Operating turnover              | -                               | -          | -     | 43,990,208                               | 43,990,208                     | (Note 5) |
| 4   | E-Fan Investments CO., LTD. | Synnex Technology International Corporation | Other receivables      | Y                  | 112,000   | 112,000                      | 112,000                  | 1.75%~1.82%   | (Note 1)       | -  | Operating turnover              | -                               | -          | -     | 120,166                                  | 120,166                        | (Note 6) |
| 5   | Golden Thinking Ltd.        | Synnex Global Ltd.                          | Other receivables      | Y                  | 1,264,740   | 1,254,780                    | -                        | -             | (Note 1)       | -  | Operating turnover              | -                               | -          | -     | 1,729,240                                | 1,729,240                      | (Note 7) |

Note 1: Short-term financing.

Note 2: Limit on loans granted to a single party by Synnex Technology International Corporation and ceiling on total loans granted:

- a) Limit on loans granted to a single party is 40% of the net assets value per the latest audited or reviewed financial statements of Synnex Technology International Corporation.
- b) Ceiling on total loans granted to all parties is 40% of the net assets value per the latest audited or reviewed financial statements of Synnex Technology International Corporation.

Note 3: Limit on loans granted to a single party by Synnex Global Ltd., with an audited net assets value of \$119,936,967 based on the latest financial statements(December 31,2023), and ceiling on total loans granted:

- a) Ceiling on loans granted to parties whose shares held by the Company over 80% is 40% of the net assets value per the latest audited or reviewed financial statements of the Company. Limit on loans granted to a single party is 40% of the aforementioned net assets value.
- b) Ceiling on loans granted to parties whose shares held by the Company under 80% is 20% of the net assets value per the latest audited or reviewed financial statements of the Company. Limit on loans granted to a single party is 5% of the aforementioned net assets value.
- c) Ceiling on loans granted to the Company’s parent company and non-Taiwanese companies whose voting rights are directly and indirectly held by the Company’s parent company is 100% of the net assets value based on the latest audited or reviewed financial statements of the Company. Limit on loans granted to a single party is 70% of the aforementioned net assets value.
- d) Ceiling on loans granted to Taiwanese subsidiaries which were wholly-owned by the Company’s parent company is 10% of the net assets based on the latest audited or reviewed financial statements of the Company. Limit on loans granted to a single party is 10% of the aforementioned net assets value.

Note 4: Limit on loans granted to a single party by Synnex Investments (China) Ltd., with an audited net assets value of \$14,756,768 based on the latest financial statements(December 31,2023), and ceiling on total loans granted:

- a) Ceiling on loans granted to parties whose shares held by the Company over 80% is 40% of the net assets value per the latest audited or reviewed financial statements of the Company. Limit on loans granted to a single party is 40% of the aforementioned net assets value.
- b) Ceiling on loans granted to parties whose shares held by the Company under 80% is 20% of the net assets value per the latest audited or reviewed financial statements of the Company. Limit on loans granted to a single party is 5% of the aforementioned net assets value.
- c) Ceiling on loans granted to parties whose voting rights are directly or indirectly held by the Company and which are located outside Taiwan is 100% of the net assets value per the latest audited or reviewed financial statements of the Company. Limit on loans granted to a single party is 100% of the aforementioned net assets value.

Note 5: Limit on loans granted to a single party by Trade Vanguard Global Ltd., with an audited net assets value of \$19,995,549 based on the latest financial statements(December 31,2023), and ceiling on total loans granted:

- a) Ceiling on loans granted to parties whose shares held by the Company over 80% is 40% of the net assets value per the latest audited or reviewed financial statements of the Company. Limit on loans granted to a single party is 40% of the aforementioned net assets value.
- b) Ceiling on loans granted to parties whose shares held by the Company under 80% is 20% of the net assets value per the latest audited or reviewed financial statements of the Company. Limit on loans granted to a single party is 5% of the aforementioned net assets value.
- c) Ceiling on loans granted to parties whose voting rights are directly or indirectly held by the Company and which are located outside Taiwan is 220% of the net assets value per the latest audited or reviewed financial statements of the Company. Limit on loans granted to a single party is 220% of the aforementioned net assets value.

Note 6:Limit on loans granted to a single party by E-Fan Investments CO., LTD., with an audited net assets value of \$300,416 based on the latest financial statements(December 31,2023), and ceiling on total loans granted:

- a) Ceiling on loans granted to the subsidiaries which were held by the Company over 80% equity interests is 40% of the net assets based on the latest audited or reviewed financial statements of the Company. Limit on loans granted to a single party is 40% of the aforementioned net assets value.
- b) Ceiling on loans granted to the subsidiaries which were held by the Company less than 80% equity is 20% of the net assets based on the latest audited or reviewed financial statements of the Company. Limit on loans granted to a single party is 5% of the aforementioned net assets value.
- c) Ceiling on loans granted to the Company’s parent company and Taiwan subsidiaries whose equity were wholly held by the Company is 40% of the net assets based on the latest audited or reviewed financial statements of the Company. Limit on loans granted to a single party is 40% of the aforementioned net assets value.

Note 7: Limit on loans granted to a single party by Golden Thinking Ltd., with an audited net assets value of \$172,924 based on the latest financial statements(December 31,2023), and ceiling on total loans granted:

- a) Ceiling on loans granted to parties whose shares held by the Company over 80% is 40% of the net assets value per the latest audited or reviewed financial statements of the Company. Limit on loans granted to a single party is 40% of the aforementioned net assets value.
- b) Ceiling on loans granted to parties whose shares held by the Company under 80% is 20% of the net assets value per the latest audited or reviewed financial statements of the Company. Limit on loans granted to a single party is 5% of the aforementioned net assets value.
- c) Ceiling on loans granted to the Company’s ultimate parent company and non-Taiwanese companies whose voting rights are directly and indirectly held by the Company’s ultimate parent company is 1000% of the net assets value based on the latest audited or reviewed financial statements of the Company. Limit on loans granted to a single party is 1000% of the aforementioned net assets value.

Note 8: Translated into New Taiwan Dollars using the exchange rate of US: NT=1:30.76.

Note 9: The limit on loans balance are resolved by the Board of Directors.

SYNNEX TECHNOLOGY INTERNATIONAL CORPORATION AND SUBSIDIARIES

Provision of endorsements and guarantees to others

Year ended December 31, 2023

Table 2

Expressed in thousands of NTD

(Except as otherwise indicated)

| Number | Endorser/<br>guarantor                      | Company name                              | Party being<br>endorsed/guaranteed  | Limit on<br>endorsements/<br>guarantees<br>provided for a<br>single party | Maximum<br>outstanding<br>endorsement/<br>guarantee<br>amount as of<br>December<br>31, 2023 | Outstanding<br>endorsement/<br>guarantee<br>amount at<br>December<br>31, 2023 | Actual amount<br>drawn down | Amount of<br>endorsements/<br>guarantees<br>secured with<br>collateral | Ratio of<br>accumulated<br>endorsement/<br>guarantee<br>amount to net<br>asset value of<br>the endorser/<br>guarantor<br>company | Ceiling on<br>total amount of<br>endorsements/<br>guarantees<br>provided<br>( Note 1 ) | Provision of<br>endorsements/<br>guarantees by<br>parent<br>company to<br>subsidiary | Provision of<br>endorsements/<br>guarantees by<br>subsidiary to<br>parent<br>company | Provision of<br>endorsements/<br>guarantees to<br>the party in<br>Mainland<br>China | Footnote |
|--------|---|---|---|---|---|---|-----------------------------|--|--|--|--|--|---|----------|
|        |   |   | Relationship<br>with the<br>endorser/<br>guarantor  |   |   |   |                             |  |  |  |  |  |   |          |
| 0      | Synnex Technology International Corporation | Synnex Global Ltd.                        | B. The endorser/guarantor parent company owns directly and indirectly more than 50% voting shares of the endorsed /guaranteed subsidiary. | \$ 71,814,294   | \$ 27,557,050   | \$ 22,451,150   | \$ 600,107                  | \$ -   | 31%  | \$ 143,628,588   | Y  | N  | N   | (Note 1) |
| 0      | Synnex Technology International Corporation | Synnex Australia Pty. Ltd.                | B. The endorser/guarantor parent company owns directly and indirectly more than 50% voting shares of the endorsed /guaranteed subsidiary. | 71,814,294  | 10,536,322  | 10,218,492  | 5,416,269                   | -  | 14%  | 143,628,588  | Y  | N  | N   | (Note 1) |
| 0      | Synnex Technology International Corporation | Synnex Technology International (HK) Ltd. | B. The endorser/guarantor parent company owns directly and indirectly more than 50% voting shares of the endorsed /guaranteed subsidiary. | 71,814,294  | 18,523,120  | 16,373,962  | 4,006,013                   | -  | 23%  | 143,628,588  | Y  | N  | N   | (Note 1) |
| 0      | Synnex Technology International Corporation | Synnex New Zealand Ltd.                   | B. The endorser/guarantor parent company owns directly and indirectly more than 50% voting shares of the endorsed /guaranteed subsidiary. | 71,814,294  | 1,216,288   | 1,181,340   | 454,080                     | -  | 2%   | 143,628,588  | Y  | N  | N   | (Note 1) |
| 0      | Synnex Technology International Corporation | Seper Technology Corporation              | B. The endorser/guarantor parent company owns directly and indirectly more than 50% voting shares of the endorsed /guaranteed subsidiary. | 71,814,294  | 2,400,000   | 2,400,000   | 410,466                     | -  | 3%   | 143,628,588  | Y  | N  | N   | (Note 1) |
| 0      | Synnex Technology International Corporation | Syntech Asia Ltd.                         | B. The endorser/guarantor parent company owns directly and indirectly more than 50% voting shares of the endorsed /guaranteed subsidiary. | 71,814,294  | 23,477,248  | 17,788,692  | 2,844,833                   | -  | 25%  | 143,628,588  | Y  | N  | N   | (Note 1) |
| 0      | Synnex Technology International Corporation | Synnex Distributions (China) Ltd.         | B. The endorser/guarantor parent company owns directly and indirectly more than 50% voting shares of the endorsed /guaranteed subsidiary. | 71,814,294  | 2,500,575   | 2,368,135   | 1,064,649                   | -  | 3%   | 143,628,588  | Y  | N  | Y   | (Note 1) |
| 0      | Synnex Technology International Corporation | Leveltech Ltd.                            | B. The endorser/guarantor parent company owns directly and indirectly more than 50% voting shares of the endorsed /guaranteed subsidiary. | 71,814,294  | 454,650   | 430,570   | 84,274                      | -  | 1%   | 143,628,588  | Y  | N  | N   | (Note 1) |
| 0      | Synnex Technology International Corporation | Trade Vanguard Global Ltd.                | B. The endorser/guarantor parent company owns directly and indirectly more than 50% voting shares of the endorsed /guaranteed subsidiary. | 71,814,294  | 1,623,750   | 1,537,750   | -                           | -  | 2%   | 143,628,588  | Y  | N  | N   | (Note 1) |
| 0      | Synnex Technology International Corporation | LianXiang Technology (Shenzhen) Ltd.      | B. The endorser/guarantor parent company owns directly and indirectly more than 50% voting shares of the endorsed /guaranteed subsidiary. | 71,814,294  | 1,106,875   | 1,080,800   | 306,538                     | -  | 2%   | 143,628,588  | Y  | N  | Y   | (Note 1) |
| 1      | Synnex Investments (China) Ltd.             | Synnex Distributions (China) Ltd.         | B. The endorser/guarantor parent company owns directly and indirectly more than 50% voting shares of the endorsed /guaranteed subsidiary. | 14,756,768  | 2,665,560   | 2,593,920   | -                           | -  | 18%  | 14,756,768   | N  | N  | Y   | (Note 2) |
| 2      | Golden Thinking Ltd.                        | Synnex Australia Pty. Ltd.                | D. The endorser/guarantor parent company owns directly and indirectly more than 90% voting shares of the endorsed /guaranteed subsidiary. | 1,729,240   | 1,027,406   | -   | -                           | -  | -  | 1,729,240  | N  | N  | N   | (Note 3) |

Note 1: Endorser/ guarantor: Synnex Technology International Corporation

a) Limit on endorsements and guarantees provided for a single party is 100% of the net assets value per the latest audited or reviewed financial statements of the Company.

b) Ceiling on total endorsements and guarantees provided for all parties is 200% of the net assets value per the latest audited or reviewed financial statements of the Company.

Note 2: Endorser/ guarantor: Synnex Investments (China) Ltd. The audited net assets value of Synnex Investments (China) Ltd. amounted to \$14,756,768 for the year ended December 31, 2023.

a) Limit on endorsements and guarantees provided for a single party is 100% of the net assets value per the latest audited or reviewed financial statements of Synnex Investments (China) Ltd..

b) Ceiling on total endorsements and guarantees provided for all parties is 100% of the net assets value per the latest audited or reviewed financial statements of Synnex Investments (China) Ltd..

Note 3: Endorser/ guarantor: Golden Thinking Ltd.. The audited net assets value of Golden Thinking Ltd. amounted to \$172,924 for the year ended December 31, 2023.

a) Limit on endorsements and guarantees provided for a single party is 1000% of the net assets value per the latest audited financial statements of Golden Thinking Ltd..

b) Ceiling on total endorsements and guarantees provided for all parties is 1000% of the net assets value per the latest audited financial statements of Golden Thinking Ltd..

SYNNEX TECHNOLOGY INTERNATIONAL CORPORATION AND SUBSIDIARIES

Holding of marketable securities at the end of the period (not including subsidiaries, associates, and joint ventures)

December 31, 2023

Table 3

Expressed in thousands of NTD

(Except as otherwise indicated)

| Securities held by                          | Marketable securities                     | Relationship with the securities issuer                           | General ledger account  | As of December 31, 2023 |              |               |              | Footnote |
|---|---|---|---|-------------------------|--------------|---------------|--------------|----------|
|   |   |   |   | Number of shares        | Book value   | Ownership (%) | Fair value   |          |
| Synnex Technology International Corporation | Lien Hwa Industrial Holdings Corporation  | The issuer's chairperson is the same as the Company's chairperson | Current financial assets at fair value through profit or loss                 | 2,322,231               | \$ 154,893   | 0.15%         | \$ 154,893   |          |
| Synnex Technology International Corporation | UPC Technology Corporation                | The issuer's chairperson is the same as the Company's chairperson | Non-current financial assets at fair value through other comprehensive income | 68,992,033              | \$ 1,048,679 | 5.06%         | \$ 1,048,679 |          |
| Synnex Technology International Corporation | Mitac Information Technology Corporation  | The issuer's director is the same as the Company's chairperson    | Non-current financial assets at fair value through other comprehensive income | 8,262,486               | 151,032      | 4.86%         | 151,032      |          |
| Synnex Technology International Corporation | Tong Da Investment Corporation            | The issuer's chairperson is the same as the Company's chairperson | Non-current financial assets at fair value through other comprehensive income | 4,848,125               | 138,462      | 19.99%        | 138,462      |          |
| Synnex Technology International Corporation | Mitac Incorporated                        | The issuer's chairperson is the same as the Company's chairperson | Non-current financial assets at fair value through other comprehensive income | 74,763,853              | 5,192,816    | 18.39%        | 5,192,816    |          |
| Synnex Technology International Corporation | Harbinger Venture Capital Corporation     | The issuer's chairperson is the same as the Company's chairperson | Non-current financial assets at fair value through other comprehensive income | 25,848                  | -            | 13.05%        | -            |          |
| Synnex Technology International Corporation | Harbinger III Venture Capital Corporation | The issuer's chairperson is the same as the Company's director    | Non-current financial assets at fair value through other comprehensive income | 19,000                  | 493          | 19.00%        | 493          |          |
| Synnex Technology International Corporation | Lien Yuan Investment Corp.                | The issuer's chairperson is the same as the Company's director    | Non-current financial assets at fair value through other comprehensive income | 9,217,196               | 169,228      | 19.99%        | 169,228      |          |
| Synnex Technology International Corporation | Taiwan Paging Network Inc.                | None  | Non-current financial assets at fair value through other comprehensive income | 1,450,000               | -            | 3.58%         | -            |          |
| Synnex Technology International Corporation | Digitimes Inc.                            | The Company is the issuer's director                              | Non-current financial assets at fair value through other comprehensive income | 504,000                 | 7,547        | 2.39%         | 7,547        |          |
| Synnex Technology International Corporation | Harbinger Capital Management Co., Ltd.    | The issuer's chairperson is the same as the Company's chairperson | Non-current financial assets at fair value through other comprehensive income | 862,922                 | 16,473       | 19.99%        | 16,473       |          |
| Total                                       |   |   |   |                         | \$ 6,724,730 |               | \$ 6,724,730 |          |

| Securities held by          | Marketable securities  | Relationship with the securities issuer         | General ledger account  | As of December 31, 2023 |                      |               |                      | Footnote |
|-----------------------------|--|---|---|-------------------------|----------------------|---------------|----------------------|----------|
|                             |  |   |   | Number of shares        | Book value           | Ownership (%) | Fair value           |          |
| Bestcom Infotech Corp.      | Jetwell Computer Co., Ltd.   | Bestcom Infotech Corp. is the issuer's director | Non-current financial assets at fair value through other comprehensive income | 3,254,524               | \$ 302,671           | 8.34%         | \$ 302,671           |          |
| Bestcom Infotech Corp.      | Inforcom Technology Inc.   | Bestcom Infotech Corp. is the issuer's director | Non-current financial assets at fair value through other comprehensive income | 1,765,424               | <u>25,607</u>        | 10.01%        | <u>25,607</u>        |          |
| Total                       |  |   |   |                         | <u>\$ 328,278</u>    |               | <u>\$ 328,278</u>    |          |
| Synnex Global Ltd.          | Budworth Investment Ltd.   | None  | Non-current financial assets at fair value through other comprehensive income | 125,807                 | \$ -                 | 13.83%        | \$ -                 |          |
| Synnex Global Ltd.          | Pilot View Ltd.  | None  | Non-current financial assets at fair value through other comprehensive income | 84,457                  | <u>-</u>             | 1.21%         | <u>-</u>             |          |
| Total                       |  |   |   |                         | <u>\$ -</u>          |               | <u>\$ -</u>          |          |
| King's Eye Investments Ltd. | Hi Food Co., Ltd   | None  | Non-current financial assets at fair value through other comprehensive income | 2,150,000               | <u>\$ 24,556</u>     | 10.00%        | <u>\$ 24,556</u>     |          |
| King's Eye Investments Ltd. | Listed common stock  | None  | Current financial assets at fair value through profit or loss                 | 62,762,015              | <u>\$ 67,079</u>     | 0.51%         | <u>\$ 67,079</u>     |          |
| Peer Developments Ltd.      | TD Synnex Corporation  | None  | Current financial assets at fair value through other comprehensive income     | 3,473,888               | \$ 11,496,991        | 3.92%         | \$ 11,496,991        |          |
| Peer Developments Ltd.      | Concentrix Corporation   | None  | Current financial assets at fair value through other comprehensive income     | 3,545,840               | <u>10,710,027</u>    | 5.39%         | <u>10,710,027</u>    |          |
| Total                       |  |   |   |                         | <u>\$ 22,207,018</u> |               | <u>\$ 22,207,018</u> |          |
| Synnex (Shanghai) Ltd.      | Guangdong Yigao Youwu Enterprise Management Consulting Partnership Private Equity Fund | None  | Current financial assets at fair value through profit or loss                 | -                       | <u>\$ 26,821</u>     | -             | <u>\$ 26,821</u>     |          |
| Synnex (Guangzhou) Ltd.     | Chao Zhao Jin No.7007  | None  | Current financial assets at fair value through profit or loss                 | -                       | <u>\$ 173,242</u>    | -             | <u>\$ 173,242</u>    |          |
| Synnex (Hangzhou) Ltd.      | Chao Zhao Jin No.7007  | None  | Current financial assets at fair value through profit or loss                 | -                       | <u>\$ 69,297</u>     | -             | <u>\$ 69,297</u>     |          |
| Synnex (Qingdao) Ltd.       | Chao Zhao Jin No.7007  | None  | Current financial assets at fair value through profit or loss                 | -                       | <u>\$ 34,648</u>     | -             | <u>\$ 34,648</u>     |          |

|                      |                       |   |   | As of December 31, 2023 |                  |               |                  |          |
|----------------------|-----------------------|---|---|-------------------------|------------------|---------------|------------------|----------|
| Securities held by   | Marketable securities | Relationship with the securities issuer | General ledger account  | Number of shares        | Book value       | Ownership (%) | Fair value       | Footnote |
| Synnex (Suzhou) Ltd. | Chao Zhao Jin No.7007 | None                                    | Current financial assets at fair value through profit or loss | -                       | \$ <u>43,310</u> | -             | \$ <u>43,310</u> |          |
| Synnex (Wuhan) Ltd.  | Chao Zhao Jin No.7007 | None                                    | Current financial assets at fair value through profit or loss | -                       | \$ <u>34,649</u> | -             | \$ <u>34,649</u> |          |

SYNNEX TECHNOLOGY INTERNATIONAL CORPORATION AND SUBSIDIARIES  
Acquisition or sale of the same security with the accumulated cost exceeding \$300 million or 20% of the Company's paid-in capital  
Year ended December 31, 2023

Table 4

Expressed in thousands of NTD  
(Except as otherwise indicated)

| Investor               | Marketable securities                 | General ledger account  | Counterparty             | Relationship with the investor | Transaction currency | Balance as at January 1, 2023 |               | Addition         |        | Disposal         |               |              |                         | Other | Balance as at December 31, 2023 |               | Footnote |
|------------------------|---------------------------------------|---|--------------------------|--------------------------------|----------------------|-------------------------------|---------------|------------------|--------|------------------|---------------|--------------|-------------------------|-------|---------------------------------|---------------|----------|
|                        |                                       |   |                          |                                |                      | Number of shares              | Amount        | Number of shares | Amount | Number of shares | Selling price | Book value   | Gain (loss) on disposal |       | Number of shares                | Amount        |          |
| Peer Developments Ltd. | TD Synnex Corporation Ordinary Shares | Current financial assets at fair value through other comprehensive income | Trade on the open market | None                           | USD                  | 3,859,888                     | \$ 11,244,933 | -                | \$ -   | 386,000          | \$ 1,189,856  | \$ 1,570,515 | (\$ 380,659)            | None  | 3,473,888                       | \$ 11,496,991 |          |

SYNNEX TECHNOLOGY INTERNATIONAL CORPORATION AND SUBSIDIARIES

Acquisition of real estate reaching NT\$300 million or 20% of paid-in capital or more

For the year ended December 31, 2023

Table 5

Expressed in thousands of NTD  
(Except as otherwise indicated)

| If the counterparty is a related party, information as to the last transaction of the real estate is disclosed below: |  |                   |                    |                     |                      |                                    |   |  |                                  |                     |  | Reason for acquisition of real estate and status of the real estate | Other commitments |
|---|--|-------------------|--------------------|---------------------|----------------------|------------------------------------|---|--|----------------------------------|---------------------|--|---|-------------------|
| Real estate acquired by   | Real estate acquired                               | Date of the event | Transaction amount | Status of payment   | Counterparty         | Relationship with the counterparty | Original owner who sold the real estate to the counterparty | Relationship between the original owner and the acquirer | Date of the original transaction | Amount              | Basis or reference used in setting the price   |   |                   |
| Synnex Australia Pty.Ltd  | Land, buildings and equipment in Sydney, Australia | 2023/5/25         | \$ 1,482,802       | Outstanding Payment | Golden Thinking Ltd. | An affiliate                       | Australian Co-operative Foods Limited                       | N  | 2000/11/2                        | \$ 241,550 (Note 1) | The Board of Directors of the Company took reference to the opinions on price reasonableness from professional appraisal firms and independent appraisers. | Operating needs   | N                 |

Note 1 : The previous transferred amount of \$241,550 only included the payment for purchase of land.

Note 2: Translated into New Taiwan Dollars using the exchange rate of AUD: NT=1:20.9134.

## SYNNEX TECHNOLOGY INTERNATIONAL CORPORATION AND SUBSIDIARIES

Disposal of real estate reaching NT\$300 million or 20% of paid-in capital or more

For the year ended December 31, 2023

Table 6

Expressed in thousands of NTD

(Except as otherwise indicated)

| Real estate disposed by | Real estate  | Transaction date or date of the event | Date of acquisition | Book value   | Disposal amount | Status of collection of proceeds | Gain (loss) on disposal | Counterparty            | Relationship with the seller | Reason for disposal                                    | Basis or reference used in setting the price   | Other commitments |
|-------------------------|--|---------------------------------------|---------------------|--------------|-----------------|----------------------------------|-------------------------|-------------------------|------------------------------|--|--|-------------------|
| Golden Thinking Ltd.    | Land, buildings and equipment in Sydney, Australia | 2023/5/25                             | 2000/11/2           | \$ 1,482,802 | \$ 1,482,802    | Outstanding receivables          | \$ -                    | Synnex Ausralia Pty.Ltd | Affiliated company           | To cooperate with overall operating plan of the Group. | The Board of Directors of the Company took reference to the opinions on price reasonableness from professional appraisal firms and independent appraisers. | N                 |

Note : Translated into New Taiwan Dollars using the exchange rate of AUD: NT=1:20.9134.

SYNNEX TECHNOLOGY INTERNATIONAL CORPORATION AND SUBSIDIARIES

Purchases or sales of goods from or to related parties reaching NT\$100 million or 20% of paid-in capital or more

Year ended December 31, 2023

Table 7

Expressed in thousands of NTD

(Except as otherwise indicated)

| Purchaser/seller                            | Counterparty   | Relationship with the counterparty | Transaction       |                |                                       |             |   | Differences in transaction terms compared to third party transactions |              | Notes/accounts receivable (payable)                     |  | Footnote |
|---|--|------------------------------------|-------------------|----------------|---------------------------------------|-------------|---|---|--------------|---|--|----------|
|   |  |                                    | Purchases (sales) | Amount         | Percentage of total purchases (sales) | Credit term | Unit price                                  | Credit term   | Balance      | Percentage of total notes/accounts receivable (payable) |  |          |
|   |  |                                    |                   |                |                                       |             |   |   |              |   |  |          |
| Synnex Technology International Corporation | Syntech Asia Ltd.  | Direct wholly-owned subsidiary     | (Sales)           | (\$ 5,418,920) | (9%)                                  | 60 days     | Standard selling price and collection terms | Insignificant difference  | \$ 1,643,046 | 16%   |  |          |
| Synnex Technology International Corporation | Syntech Asia Ltd.  | Direct wholly-owned subsidiary     | Purchases         | 6,902,842      | 11%                                   | 60 days     | Standard purchasing price and payment terms | Insignificant difference  | ( 198,588)   | (1%)  |  |          |
| Synnex Technology International Corporation | Seper Technology Corporation                                   | Direct wholly-owned subsidiary     | Purchases         | 1,680,066      | 3%                                    | 30 days     | Standard purchasing price and payment terms | Insignificant difference  | ( 16,080)    | -   |  |          |
| Synnex Technology International Corporation | Bestcom Infortech Corp.  | Direct wholly-owned subsidiary     | (Sales)           | ( 201,919)     | -                                     | 60 days     | Standard selling price and collection terms | Insignificant difference  | 50,917       | 1%  |  |          |
| Synnex Technology International Corporation | Synnex Technology International (HK) Ltd. and its subsidiaries | Direct wholly-owned subsidiary     | (Sales)           | ( 132,879)     | -                                     | 30 days     | Standard selling price and collection terms | Insignificant difference  | 3,380        | -   |  |          |
| Synnex Technology International Corporation | Jetwell Computer Co., Ltd.                                     | Other related party                | (Sales)           | ( 205,931)     | -                                     | 60 days     | Standard selling price and collection terms | Insignificant difference  | 80,844       | 1%  |  |          |
| Synnex Technology International Corporation | Getac Technology Corporation                                   | Other related party                | (Sales)           | ( 151,792)     | -                                     | 120 days    | Standard selling price and collection terms | Insignificant difference  | 51,147       | 1%  |  |          |
| Seper Technology Corporation                | Synnex Technology International Corporation                    | Parent company                     | (Sales)           | ( 1,680,066)   | (28%)                                 | 30 days     | Standard selling price and collection terms | Insignificant difference  | 16,080       | 4%  |  |          |
| Bestcom Infortech Corp.                     | Synnex Technology International Corporation                    | Parent company                     | Purchases         | 201,919        | 2%                                    | 60 days     | Standard purchasing price and payment terms | Insignificant difference  | ( 50,917)    | (5%)  |  |          |
| Bestcom Infortech Corp.                     | Mitac Information Technology Corp.                             | Other related party                | (Sales)           | ( 497,533)     | (4%)                                  | 75 days     | Standard selling price and collection terms | Insignificant difference  | 329,277      | 10%   |  |          |

| Purchaser/seller   | Counterparty   | Relationship with the counterparty | Transaction       |              |                                       |                                | Differences in transaction terms compared to third party transactions |                          | Notes/accounts receivable (payable) |   | Footnote |
|--|--|------------------------------------|-------------------|--------------|---------------------------------------|--------------------------------|---|--------------------------|-------------------------------------|---|----------|
|  |  |                                    | Purchases (sales) | Amount       | Percentage of total purchases (sales) | Credit term                    | Unit price  | Credit term              | Balance                             | Percentage of total notes/accounts receivable (payable) |          |
|  |  |                                    |                   |              |                                       |                                |   |                          |                                     |   |          |
| Bestcom Infortech Corp.  | Jetwell Computer Co., Ltd.                                     | Other related party                | (Sales)           | (\$ 198,881) | (2%)                                  | 60 days                        | Standard selling price and collection terms                           | Insignificant difference | \$ 20,833                           | 1%  |          |
| Synnex Technology International (HK) Ltd. and its subsidiaries | Synnex Technology International Corporation                    | Parent company                     | Purchases         | 132,879      | -                                     | 30 days                        | Standard purchasing price and payment terms                           | Insignificant difference | ( 3,380)                            | -   |          |
| Synnex Technology International (HK) Ltd. and its subsidiaries | Synnex Distributions (China) Ltd.                              | An affiliate                       | (Sales)           | ( 7,467,949) | (16%)                                 | 90 days after receipt of goods | Standard selling price and collection terms                           | Insignificant difference | 249,742                             | 4%  |          |
| Synnex Technology International (HK) Ltd. and its subsidiaries | Syntech Asia Ltd.  | An affiliate                       | (Sales)           | ( 3,235,374) | (7%)                                  | 30 days                        | Standard selling price and collection terms                           | Insignificant difference | -                                   | -   |          |
| Syntech Asia Ltd.  | Synnex Technology International Corporation                    | Parent company                     | (Sales)           | ( 6,902,842) | (6%)                                  | 60 days                        | Standard selling price and collection terms                           | Insignificant difference | 198,588                             | 1%  |          |
| Syntech Asia Ltd.  | Synnex Technology International Corporation                    | Parent company                     | Purchases         | 5,418,920    | 5%                                    | 60 days                        | Standard purchasing price and payment terms                           | Insignificant difference | ( 1,643,046)                        | (39%)   |          |
| Syntech Asia Ltd.  | Synnex Technology International (HK) Ltd. and its subsidiaries | An affiliate                       | Purchases         | 3,235,374    | 3%                                    | 30 days                        | Standard purchasing price and payment terms                           | Insignificant difference | -                                   | -   |          |
| Syntech Asia Ltd.  | Mitac Computing Technology Corporation                         | Other related party                | (Sales)           | ( 2,578,898) | (2%)                                  | 120 days                       | Standard selling price and collection terms                           | Insignificant difference | 47,986                              | -   |          |
| Syntech Asia Ltd.  | LianXiang Technology (Shenzhen) Ltd.                           | An affiliate                       | (Sales)           | ( 594,388)   | (1%)                                  | 90 days                        | Standard selling price and collection terms                           | Insignificant difference | 98,298                              | 1%  |          |
| Synnex Distributions (China) Ltd.                              | Synnex Technology International (HK) Ltd. and its subsidiaries | An affiliate                       | Purchases         | 7,467,949    | 10%                                   | 90 days after receipt of goods | Standard purchasing price and payment terms                           | Insignificant difference | ( 249,742)                          | (13%)   |          |
| Synnex Distributions (China) Ltd.                              | Synnex Technology International (HK) Ltd. and its subsidiaries | An affiliate                       | (Sales)           | ( 349,716)   | -                                     | 30 days                        | Standard selling price and collection terms                           | Insignificant difference | -                                   | -   |          |
| Synnex Technology International (HK) Ltd. and its subsidiaries | Synnex Distributions (China) Ltd.                              | An affiliate                       | Purchases         | 349,716      | 1%                                    | 30 days                        | Standard purchasing price and payment terms                           | Insignificant difference | -                                   | -   |          |
| PT. Synnex Metrodata Indonesia                                 | PT. Mitra Integrasi Informatika                                | Other related party                | (Sales)           | ( 1,317,315) | (4%)                                  | 30 days                        | Standard selling price and collection terms                           | Insignificant difference | 43,584                              | 1%  |          |
| PT. Synnex Metrodata Indonesia                                 | PT. Aneka Teknologi Utama                                      | Other related party                | (Sales)           | ( 677,523)   | (2%)                                  | 30 days                        | Standard selling price and collection terms                           | Insignificant difference | 167,541                             | 3%  |          |
| Synnex(Shanghai) Ltd.  | LianXiang Technology (Shenzhen) Ltd.                           | An affiliate                       | (Sales)           | ( 224,888)   | (94%)                                 | 90 days                        | Standard selling price and collection terms                           | Insignificant difference | -                                   | -   |          |

| Purchaser/seller                        | Counterparty          | Relationship with the<br>counterparty | Transaction          |            |   |             | Differences in transaction terms<br>compared to third party<br>transactions |                             | Notes/accounts receivable (payable) |   | Footnote |
|---|-----------------------|---------------------------------------|----------------------|------------|---|-------------|---|-----------------------------|-------------------------------------|---|----------|
|   |                       |                                       | Purchases<br>(sales) | Amount     | Percentage of<br>total purchases<br>(sales) | Credit term | Unit price  | Credit term                 | Balance                             | Percentage of<br>total notes/accounts<br>receivable (payable) |          |
| LianXiang Technology<br>(Shenzhen) Ltd. | Synnex(Shanghai) Ltd. | An affiliate                          | Purchases            | \$ 224,888 | 5%  | 90 days     | Standard purchasing<br>price and payment<br>terms                           | Insignificant<br>difference | \$ -                                | -   |          |
| LianXiang Technology<br>(Shenzhen) Ltd. | Syntech Asia Ltd.     | An affiliate                          | Purchases            | 594,388    | 13%   | 90 days     | Standard purchasing<br>price and payment<br>terms                           | Insignificant<br>difference | ( 98,298)                           | (19%)   |          |

SYNNEX TECHNOLOGY INTERNATIONAL CORPORATION AND SUBSIDIARIES  
Receivables from related parties reaching NT\$100 million or 20% of paid-in capital or more  
December 31, 2023

Table 8

Expressed in thousands of NTD  
(Except as otherwise indicated)

| Creditor   | Counterparty   | Relationship<br>with the counterparty | Balance as at<br>December 31, 2023 | Turnover rate | Overdue receivables |              | Amount collected<br>subsequent to the<br>balance sheet date | Allowance for<br>doubtful accounts |
|--|--|---------------------------------------|------------------------------------|---------------|---------------------|--------------|---|------------------------------------|
|  |  |                                       |                                    |               | Amount              | Action taken |   |                                    |
| Synnex Technology International Corporation                    | Syntech Asia Ltd.  | Direct wholly-owned subsidiary        | \$ 6,287,224                       | 6.26          | \$ -                | -            | \$ 5,530,992  | \$ -                               |
| Synnex Technology International Corporation                    | Synnex Technology International (HK) Ltd. and its subsidiaries | Direct wholly-owned subsidiary        | 106,388                            | 6.26          | -                   | -            | 95,952  | -                                  |
| Synnex Technology International Corporation                    | Synnex Distributions (China) Ltd.                              | Indirect wholly-owned subsidiary      | 131,739                            | -             | -                   | -            | -   | -                                  |
| Bestcom Infortech Corp.  | Mitac Information Technology Corp.                             | Other related party                   | 329,277                            | 3.38          | -                   | -            | 263,285   | -                                  |
| Synnex Global Ltd.   | Synnex Australia Pty. Ltd                                      | Indirect wholly-owned subsidiary      | 215,325                            | -             | -                   | -            | -   | -                                  |
| Syntech Asia Ltd   | Synnex Technology International Corporation                    | Parent                                | 198,588                            | 8.65          | -                   | -            | 198,588   | -                                  |
| Golden Thinking Ltd.   | Synnex Australia Pty. Ltd                                      | An affiliate                          | 1,243,971                          | -             | -                   | -            | 685   | -                                  |
| Fortune Ideal Ltd.   | Synnex Australia Pty. Ltd                                      | An affiliate                          | 163,156                            | -             | -                   | -            | -   | -                                  |
| Synnex Technology International (HK) Ltd. and its subsidiaries | Synnex Distributions (China) Ltd.                              | An affiliate                          | 577,250                            | 5.52          | -                   | -            | 577,250   | -                                  |
| Synnex Investments (China) Ltd.                                | LianZhongHongYu Information Technology(Beijing) Co.,Ltd.       | Parent                                | 112,620                            | -             | -                   | -            | 21,616  | -                                  |
| Synnex(Shanghai) Ltd.  | LianXiang Technology (Shenzhen) Ltd.                           | An affiliate                          | 372,745                            | -             | -                   | -            | 372,745   | -                                  |
| Synnex Distributions (China) Ltd.                              | Synnex Technology International (HK) Ltd. and its subsidiaries | An affiliate                          | 1,800,930                          | -             | -                   | -            | 5,337   | -                                  |
| Synnex Distributions (China) Ltd.                              | Synnex Technology Development Ltd.                             | An affiliate                          | 210,086                            | -             | -                   | -            | 210,086   | -                                  |
| PT. Synnex Metrodata Indonesia                                 | PT. Aneka Teknologi Utama                                      | Other related party                   | 172,044                            | 7.56          | -                   | -            | 155,027   | -                                  |

Note : Refer to table 1 for the details of the accounts receivable arising from loans to others.

## SYNNEX TECHNOLOGY INTERNATIONAL CORPORATION AND SUBSIDIARIES

Significant inter-company transactions during the reporting periods

Year ended December 31, 2023

Table 9

Expressed in thousands of NTD

(Except as otherwise indicated)

| Number<br>(Note 1) | Company name                                | Counterparty   | Relationship   | General ledger account | Transaction  |                             | Percentage of<br>consolidated total<br>operating revenues<br>or total assets<br>(Note 2) |
|--------------------|---|--|--|------------------------|--------------|-----------------------------|--|
|                    |   |  |  |                        | Amount       | Transaction terms           |  |
| 0                  | Synnex Technology International Corporation | Syntech Asia Ltd.  | Parent company to directly wholly-owned subsidiary                     | Sales                  | \$ 5,418,920 | The same with third parties | 1%   |
| 0                  | Synnex Technology International Corporation | Syntech Asia Ltd.  | Parent company to directly wholly-owned subsidiary                     | Accounts receivable    | 1,643,046    | The same with third parties | 1%   |
| 0                  | Synnex Technology International Corporation | Syntech Asia Ltd.  | Parent company to directly wholly-owned subsidiary                     | Other receivables      | 3,887,945    | -                           | 2%   |
| 0                  | Synnex Technology International Corporation | Syntech Asia Ltd.  | Parent company to directly wholly-owned subsidiary                     | Other receivables      | 756,233      | Note 4                      | -  |
| 0                  | Synnex Technology International Corporation | Syntech Asia Ltd.  | Parent company to directly wholly-owned subsidiary                     | Other revenue          | 998,413      | Note 8                      | -  |
| 0                  | Synnex Technology International Corporation | Bestcom Infortech Corp.  | Parent company to directly wholly-owned subsidiary                     | Sales                  | 201,919      | The same with third parties | -  |
| 0                  | Synnex Technology International Corporation | Synnex Australia Pty. Ltd                                      | Parent company to indirectly wholly-owned subsidiary                   | Other revenue          | 218,618      | Note 8                      | -  |
| 0                  | Synnex Technology International Corporation | Synnex Distributions (China) Ltd.                              | Parent company to indirectly wholly-owned subsidiary                   | Other receivables      | 131,739      | Note 4                      | -  |
| 0                  | Synnex Technology International Corporation | Synnex Distributions (China) Ltd.                              | Parent company to indirectly wholly-owned subsidiary                   | Other revenue          | 131,739      | Note 8                      | -  |
| 0                  | Synnex Technology International Corporation | Synergy Intelligent Logistics Corporation                      | Parent company to directly wholly-owned subsidiary                     | Other revenue          | 116,926      | Note 7, 8                   | -  |
| 0                  | Synnex Technology International Corporation | Synnex Technology International (HK) Ltd. and its subsidiaries | Parent company to directly wholly-owned subsidiary                     | Sales                  | 132,879      | The same with third parties | -  |
| 0                  | Synnex Technology International Corporation | Synnex Technology International (HK) Ltd. and its subsidiaries | Parent company to directly wholly-owned subsidiary                     | Other receivables      | 103,008      | Note 4                      | -  |
| 1                  | Seper Technology Corporation                | Synnex Technology International Corporation                    | Directly wholly-owned subsidiary to parent company                     | Sales                  | 1,680,066    | The same with third parties | -  |
| 2                  | Synergy Intelligent Logistics Corporation   | Synnex Technology International Corporation                    | Directly wholly-owned subsidiary to parent company                     | Sales                  | 375,658      | The same with third parties | -  |
| 3                  | Synnex Global Ltd.                          | Synnex Australia Pty. Ltd                                      | Directly wholly-owned subsidiary to indirectly wholly-owned subsidiary | Other receivables      | 215,325      | Note 4                      | -  |
| 4                  | Syntech Asia Ltd.                           | Synnex Technology International Corporation                    | Directly wholly-owned subsidiary to parent company                     | Sales                  | 6,902,842    | The same with third parties | 2%   |
| 4                  | Syntech Asia Ltd.                           | Synnex Technology International Corporation                    | Directly wholly-owned subsidiary to parent company                     | Accounts receivable    | 198,588      | The same with third parties | -  |

| Number<br>(Note 1) | Company name   | Counterparty   | Relationship   | Transaction                    |           |                             |   |
|--------------------|--|--|--|--------------------------------|-----------|-----------------------------|---|
|                    |  |  |  | General ledger account         | Amount    | Transaction terms           | Percentage of consolidated total operating revenues or total assets<br>(Note 2) |
| 4                  | Syntech Asia Ltd.  | LianXiang Technology (Shenzhen) Ltd.                           | Directly wholly-owned subsidiary to indirectly wholly-owned subsidiary   | Sales                          | 594,388   | The same with third parties | -   |
| 5                  | Golden Thinking Ltd.   | Synnex Australia Pty. Ltd.                                     | Indirectly wholly-owned subsidiary to indirectly wholly-owned subsidiary | Property, plant, and equipment | 1,483,804 | -                           | 1%  |
| 5                  | Golden Thinking Ltd.   | Synnex Australia Pty. Ltd.                                     | Indirectly wholly-owned subsidiary to indirectly wholly-owned subsidiary | Other receivables              | 1,243,971 | -                           | 1%  |
| 6                  | Fortune Ideal Ltd.   | Synnex Australia Pty. Ltd.                                     | Indirectly wholly-owned subsidiary to indirectly wholly-owned subsidiary | Property, plant, and equipment | 174,058   | -                           | -   |
| 6                  | Fortune Ideal Ltd.   | Synnex Australia Pty. Ltd.                                     | Indirectly wholly-owned subsidiary to indirectly wholly-owned subsidiary | Other receivables              | 163,156   | -                           | -   |
| 7                  | Synnex Technology International (HK) Ltd. and its subsidiaries | Synnex Distributions (China) Ltd.                              | Directly wholly-owned subsidiary to indirectly wholly-owned subsidiary   | Sales                          | 7,467,949 | The same with third parties | 2%  |
| 7                  | Synnex Technology International (HK) Ltd. and its subsidiaries | Synnex Distributions (China) Ltd.                              | Directly wholly-owned subsidiary to indirectly wholly-owned subsidiary   | Accounts receivable            | 249,742   | The same with third parties | -   |
| 7                  | Synnex Technology International (HK) Ltd. and its subsidiaries | Synnex Distributions (China) Ltd.                              | Directly wholly-owned subsidiary to indirectly wholly-owned subsidiary   | Other receivables              | 327,508   | -                           | 1%  |
| 7                  | Synnex Technology International (HK) Ltd. and its subsidiaries | Syntech Asia Ltd.  | Directly wholly-owned subsidiary to directly wholly-owned subsidiary     | Sales                          | 3,235,374 | The same with third parties | -   |
| 8                  | Synnex Investments (China) Ltd.                                | LianZhongHongYu Information Technology(Beijing) Co.,Ltd.       | Indirectly wholly-owned subsidiary to indirectly wholly-owned subsidiary | Other receivables              | 112,620   | -                           | -   |
| 9                  | Synnex(Shanghai) Ltd.  | LianXiang Technology (Shenzhen) Ltd.                           | Indirectly wholly-owned subsidiary to indirectly wholly-owned subsidiary | Sales                          | 224,888   | The same with third parties | -   |
| 9                  | Synnex(Shanghai) Ltd.  | LianXiang Technology (Shenzhen) Ltd.                           | Indirectly wholly-owned subsidiary to indirectly wholly-owned subsidiary | Other receivables              | 372,745   | -                           | -   |
| 10                 | Synnex Distributions (China) Ltd.                              | Synnex Technology Development Ltd.                             | Indirectly wholly-owned subsidiary to indirectly wholly-owned subsidiary | Other receivables              | 210,086   | -                           | -   |
| 10                 | Synnex Distributions (China) Ltd.                              | Synnex Technology International (HK) Ltd. and its subsidiaries | Indirectly wholly-owned subsidiary to directly wholly-owned subsidiary   | Sales                          | 349,716   | The same with third parties | 1%  |
| 10                 | Synnex Distributions (China) Ltd.                              | Synnex Technology International (HK) Ltd. and its subsidiaries | Indirectly wholly-owned subsidiary to directly wholly-owned subsidiary   | Other receivables              | 1,800,930 | -                           | -   |
| 11                 | LianXiang Technology (Shenzhen) Ltd.                           | Syntech Asia Ltd.  | Indirectly wholly-owned subsidiary to directly wholly-owned subsidiary   | Other revenue                  | 100,838   | Note 8                      | -   |

Note 1: The numbers filled in for the transaction company in respect of inter-company transactions are as follows:

(1)Parent company is '0'.

(2)The subsidiaries are numbered in order starting from '1'.

Note 2: Percentage of total consolidated revenues or total assets is calculated using the total consolidated assets at the end of the period when the subject of transaction is an asset/liability, and is calculated using total consolidated revenues during the period when the subject of transaction is a revenue/expense.

Note 3: It is not disclosed for individual transaction below \$100 million.

Note 4: For information relating to receivables from related parties arising on financing, please refer to table 1 Loans to others.

Note 5: For information relating to endorsements and guarantees between the Company and subsidiaries, please refer to table 2 Provision of endorsements and guarantees to others.

Note 6: It was the Company's technical service receivable from related parties.

Note 7: Represents rent revenue from related parties.

Note 8: Represents technical service revenue from the Company's provision of technical service to related parties.

## SYNNEX TECHNOLOGY INTERNATIONAL CORPORATION AND SUBSIDIARIES

Information on investees  
Year ended December 31, 2023

Table 10

Expressed in thousands of NTD  
(Except as otherwise indicated)

| Investor                                    | Investee   | Location               | Main business activities           | Initial investment amount       |                                 | Shares held as at December 31, 2023 |               |                | Net profit (loss) of the investee for the year ended December 31, 2023 | Investment income(loss) recognised by the Company for the year ended December 31, 2023 | Footnote |
|---|--|------------------------|------------------------------------|---------------------------------|---------------------------------|-------------------------------------|---------------|----------------|--|--|----------|
|   |  |                        |                                    | Balance as at December 31, 2023 | Balance as at December 31, 2022 | Number of shares                    | Ownership (%) | Book value     |  |  |          |
|   |  |                        |                                    |                                 |                                 |                                     |               |                |  |  |          |
| Synnex Technology International Corporation | Synnex Global Ltd.   | British Virgin Islands | Investment holding                 | \$ 17,607,381                   | \$ 17,607,381                   | 548,250,000                         | 100.00        | \$ 119,936,968 | \$ 3,002,514   | \$ 3,002,514   |          |
| Synnex Technology International Corporation | Bestcom Infotech Corp.   | Taiwan                 | Sales of 3C products               | 1,677,762                       | 1,677,762                       | 103,203,296                         | 100.00        | 2,345,961      | 298,028  | 298,028  |          |
| Synnex Technology International Corporation | E-Fan Investments CO., LTD.                                    | Taiwan                 | Investment holding                 | 1,145,384                       | 1,145,384                       | 22,500,000                          | 100.00        | 300,416        | 18,447   | 18,447   |          |
| Synnex Technology International Corporation | Synergy Intelligent Logistics Corporation                      | Taiwan                 | Warehouse and logistics services   | 50,000                          | 50,000                          | 5,000,000                           | 100.00        | 175,590        | 69,939   | 69,939   |          |
| Synnex Technology International Corporation | Seper Technology Corporation                                   | Taiwan                 | Sales of 3C products               | 1,426                           | 1,426                           | 100,000                             | 100.00        | 79,755         | 76,324   | 76,324   |          |
| Synnex Technology International Corporation | Synergy Technology Services Corporation                        | Taiwan                 | Maintenance and technical services | 100,000                         | 1,000                           | 10,000,000                          | 100.00        | 99,944 (       | 43) (  | 43)  |          |
| Synnex Technology International Corporation | Syntech Asia Ltd.  | Hong Kong              | Sales of semiconductor products    | 43,474                          | 43,474                          | 300,000                             | 100.00        | 1,041,298      | 777,752  | 777,752  |          |
| Synnex Technology International Corporation | Synnex Technology International (HK) Ltd. and its subsidiaries | Hong Kong              | Sales of 3C products               | 290,107                         | 290,107                         | 60,000,000                          | 100.00        | 1,454,712      | 696,937  | 696,937  |          |
| Synnex Technology International Corporation | PT. Synnex Metrodata Indonesia                                 | Indonesia              | Sales of 3C products               | 3,038,867                       | 3,038,867                       | 150,000                             | 50.00         | 2,670,255      | 1,183,096  | 591,548  |          |
| Synnex Technology International Corporation | Redington Limited  | India                  | Sales of 3C products               | 11,995,229                      | 11,995,229                      | 188,591,880                         | 24.13         | 6,383,799      | 5,257,397  | 1,097,535  |          |
| E-Fan Investments CO., LTD.                 | Leveltech Ltd.   | Hong Kong              | Sales of semiconductor products    | 15,407                          | 15,407                          | 300,000                             | 100.00        | 44,038         | 21,074   | -  | Note 1   |
| Synergy Intelligent Logistics Corporation   | Synergy Intellingent Logistics (HK) Corporation                | Hong Kong              | Warehouse and logistics services   | 7,338                           | 7,338                           | 1,500,000                           | 100.00        | 7,773          | 420  | -  | Note 1   |
| Synnex Global Ltd.                          | King's Eye Investments Ltd.                                    | British Virgin Islands | Investment holding                 | 1,921,480                       | 1,921,480                       | 62,477,000                          | 100.00        | 10,585,588     | 1,325,632  | -  | Note 1   |

| Investor                    | Investee                              | Location               | Main business activities | Initial investment amount       |                                 | Shares held as at December 31, 2023 |               |               | Net profit (loss) of the investee for the year ended December 31, 2023 | Investment income(loss) recognised by the Company for the year ended December 31, 2023 | Footnote |
|-----------------------------|---------------------------------------|------------------------|--------------------------|---------------------------------|---------------------------------|-------------------------------------|---------------|---------------|--|--|----------|
|                             |                                       |                        |                          | Balance as at December 31, 2023 | Balance as at December 31, 2022 | Number of shares                    | Ownership (%) | Book value    |  |  |          |
| Synnex Global Ltd.          | Synnex China Holdings Ltd.            | British Virgin Islands | Investment holding       | \$ 3,081,651                    | \$ 3,081,651                    | 100,200,000                         | 100.00        | \$ 11,723,817 | \$ 1,437,104   | \$ -   | Note 1   |
| Synnex Global Ltd.          | Synnex Mauritius Ltd.                 | Mauritius              | Investment holding       | 31                              | 738,120                         | 1,000                               | 100.00        | 23,103        | ( 49,544)  | -  | Note 1   |
| Synnex Global Ltd.          | Peer Developments Ltd.                | British Virgin Islands | Investment holding       | 962,632                         | 962,632                         | 30,200,001                          | 100.00        | 22,546,943    | 234,805  | -  | Note 1   |
| Synnex Global Ltd.          | Trade Vanguard Global Ltd.            | British Virgin Islands | Investment holding       | 23,066,250                      | 19,990,750                      | 750,000,000                         | 100.00        | 19,995,544    | 29,990   | -  | Note 1   |
| King's Eye Investments Ltd. | Laser Computer Holdings Ltd.          | British Virgin Islands | Investment holding       | 1,133,229                       | 1,133,229                       | 36,850,001                          | 100.00        | -             | -  | -  | Note 1   |
| King's Eye Investments Ltd. | Synnex Australia Pty. Ltd.            | Australia              | Sales of 3C products     | 912,962                         | 912,962                         | 233,250,000                         | 100.00        | 6,844,186     | 832,015  | -  | Note 1   |
| Synnex Global Ltd.          | Synnex Australia Pty. Ltd.            | Australia              | Sales of 3C products     | 5,228,350                       | 5,224,506                       | -                                   | -             | 5,228,350     | -  | -  | Note 2   |
| King's Eye Investments Ltd. | Synnex New Zealand Ltd.               | New Zealand            | Sales of 3C products     | 31,432                          | 31,432                          | 1,500,000                           | 100.00        | 193,763       | 22,292   | -  | Note 1   |
| Synnex Global Ltd.          | Synnex New Zealand Ltd.               | New Zealand            | Sales of 3C products     | 194,064                         | 194,833                         | -                                   | -             | 194,064       | -  | -  | Note 2   |
| King's Eye Investments Ltd. | Synnex (Thailand) Public Company Ltd. | Thailand               | Sales of 3C products     | 274,147                         | 274,147                         | 338,939,513                         | 40.00         | 1,442,279     | 460,706  | -  | Note 1   |
| King's Eye Investments Ltd. | Synnex FPT Joint Stock Company        | Vietnam                | Sales of 3C products     | 885,372                         | 885,372                         | 55,854,748                          | 47.27         | 1,601,247     | 596,572  | -  | Note 1   |
| King's Eye Investments Ltd. | Fortune Ideal Ltd.                    | Hong Kong              | Real estate              | 57,087                          | 57,087                          | 14,500,000                          | 100.00        | 225,151       | 6,439  | -  | Note 1   |
| King's Eye Investments Ltd. | Golden Thinking Ltd.                  | Hong Kong              | Real estate              | 110,236                         | 110,236                         | 28,000,000                          | 100.00        | 172,924       | 15,591   | -  | Note 1   |
| Synnex Global Ltd.          | Golden Thinking Ltd.                  | Hong Kong              | Real estate              | 1,062,401                       | 1,061,620                       | -                                   | -             | 1,062,401     | -  | -  | Note 2   |
| Synnex Global Ltd.          | Synnex Investments (China) Ltd.       | China                  | Investment holding       | 9,906,186                       | 9,906,186                       | -                                   | -             | 9,906,186     | -  | -  | Note 2   |
| Synnex Global Ltd.          | Synnex Distributions (China) Ltd.     | China                  | Sales of 3C products     | 4,720,893                       | 4,720,893                       | -                                   | -             | 4,720,893     | -  | -  | Note 2   |

| Investor               | Investee               | Location | Main business activities  | Initial investment amount       |                                 | Shares held as at December 31, 2023 |               |              | Net profit (loss) of the investee for the year ended December 31, 2023 | Investment income(loss) recognised by the Company for the year ended December 31, 2023 | Footnote |
|------------------------|------------------------|----------|---|---------------------------------|---------------------------------|-------------------------------------|---------------|--------------|--|--|----------|
|                        |                        |          |   | Balance as at December 31, 2023 | Balance as at December 31, 2022 | Number of shares                    | Ownership (%) | Book value   |  |  |          |
| Synnex Global Ltd.     | Synnex (Shanghai) Ltd. | China    | Sales of semiconductor products and Warehouse and logistics services                                    | \$ 1,014,915                    | \$ 1,014,915                    | -                                   | -             | \$ 1,014,915 | \$ -   | \$ -   | Note 2   |
| Bestcom Infotech Corp. | Bizwave Tech Co., Ltd. | Taiwan   | Wholesale and retailing of computer software and hardware. Accreditaion and consulting services.        | 19,940                          | 19,940                          | 2,000,000                           | 100.00        | 28,497       | 3,349  | -  | Note 1   |
| Bestcom Infotech Corp. | Asgard System, Inc.    | Taiwan   | Wholesale of computer software and hardware. Computer information system planning, analysis and design. | 19,956                          | 19,956                          | 2,400,000                           | 20.00         | 29,096       | 6,460  | -  | Note 1   |
| Bestcom Infotech Corp. | I-Direction Co., Ltd.  | Taiwan   | Wholesale and retailing of computers. Information system provider.                                      | 8,000                           | 8,000                           | 800,000                             | 40.00         | -            | -  | -  | Note 1   |

Note 1: Investment income (loss) is not disclosed as the profit or loss of the investees of the Company's directly wholly-owned subsidiaries was recognised by each investor company.

Note 2: The investment amount is an amount for long-term investment.

SYNNEX TECHNOLOGY INTERNATIONAL CORPORATION AND SUBSIDIARIES

Information on investments in Mainland China

Year ended December 31, 2023

Table 11

Expressed in thousands of NTD  
(Except as otherwise indicated)

| Investee in<br>Mainland China                       | Main business<br>activities  | Paid-in capital<br>(Note 10) | Investment<br>method<br>(Note 1) | Accumulated<br>amount of<br>remittance from<br>Taiwan to<br>Mainland China<br>as of January 1,<br>2023 | Amount remitted from Taiwan<br>to Mainland China/<br>Amount remitted back<br>to Taiwan for the year ended<br>December 31, 2023 (Note 10) |                            | Accumulated<br>amount<br>of remittance<br>from Taiwan to<br>Mainland China<br>as of December<br>31, 2023 | Net income of<br>investee for the<br>year ended<br>December<br>31, 2023 | Ownership<br>held by<br>the<br>Company<br>(direct or<br>indirect) | Investment income<br>(loss) recognised<br>by the Company<br>for the year<br>ended December<br>31, 2023<br>(Note 3) | Book value of<br>investments in<br>Mainland China<br>as of December<br>31, 2023 | Accumulated<br>amount<br>of investment<br>income<br>remitted back to<br>Taiwan as of<br>December<br>31, 2023 | Footnote             |
|---|--|------------------------------|----------------------------------|--|--|----------------------------|--|---|---|--|---|--|----------------------|
|   |  |                              |                                  |  | Remitted to<br>Mainland China  | Remitted back<br>to Taiwan |  |   |   |  |   |  |                      |
| Laser International Trading (Shanghai) Company Ltd. | International trade  | \$ 30,755                    | 2                                | \$ 30,755  | \$ -   | \$ -                       | \$ 30,755  | \$ 75,927   | 100.00  | \$ 75,927  | \$ 174,045  | —  | (Note 2)<br>(Note 4) |
| Hi Food (Shanghai) Co., Ltd.                        | Manufacture and sales of food  | 615,100                      | 2                                | 55,359   | -  | -                          | 55,359   | -   | 10.00   | -  | 55,359  | —  | (Note 2)<br>(Note 5) |
| Synnex Investments (China) Ltd.                     | Investment holding   | 6,151,000                    | 2                                | 6,151,000  | -  | -                          | 6,151,000  | 1,119,246   | 100.00  | 1,119,246  | 14,756,765  | —  | (Note 2)<br>(Note 6) |
| Synnex Distributions (China) Ltd.                   | Sales of 3C products   | 10,149,150                   | 2                                | 10,149,150   | -  | -                          | 10,149,150   | 1,013,114   | 100.00  | 1,013,114  | 16,251,549  | —  | (Note 2)<br>(Note 6) |
| Synnex (Shanghai) Ltd.                              | Sales of semiconductor products and warehouse and logistics services | 676,610                      | 2                                | 676,610  | -  | -                          | 676,610  | 172,544   | 100.00  | 172,544  | 1,141,824   | —  | (Note 2)<br>(Note 6) |
| Synnex (Beijing) Ltd.                               | Warehouse and logistics services                                     | 276,795                      | 2                                | 276,795  | -  | -                          | 276,795  | ( 23,235)   | 100.00  | ( 23,235)  | 204,552   | —  | (Note 2)<br>(Note 6) |
| Synnex (Nanjing) Ltd.                               | Warehouse and logistics services                                     | 153,775                      | 2                                | 153,775  | -  | -                          | 153,775  | 1,239   | 100.00  | 1,239  | 161,503   | —  | (Note 2)<br>(Note 6) |
| Synnex (Chengdu) Ltd.                               | Warehouse and logistics services                                     | 153,775                      | 2                                | 153,775  | -  | -                          | 153,775  | 5,227   | 100.00  | 5,227  | 176,191   | —  | (Note 2)<br>(Note 6) |
| Synnex (Shenyang) Ltd.                              | Warehouse and logistics services                                     | 92,265                       | 2                                | 92,265   | -  | -                          | 92,265   | ( 2,339)  | 100.00  | ( 2,339)   | 104,123   | —  | (Note 2)<br>(Note 6) |
| Synnex (Tianjin) Ltd.                               | Warehouse and logistics services                                     | 138,398                      | 2                                | 138,398  | -  | -                          | 138,398  | ( 4,963)  | 100.00  | ( 4,963)   | 77,809  | —  | (Note 2)<br>(Note 6) |
| Synnex (Hangzhou) Ltd.                              | Warehouse and logistics services                                     | 153,775                      | 2                                | 153,775  | -  | -                          | 153,775  | 3,830   | 100.00  | 3,830  | 157,121   | —  | (Note 2)<br>(Note 6) |
| Synnex (Qingdao) Ltd.                               | Warehouse and logistics services                                     | 153,775                      | 2                                | 153,775  | -  | -                          | 153,775  | 1,734   | 100.00  | 1,734  | 135,395   | —  | (Note 2)<br>(Note 6) |
| Synnex (Guangzhou) Ltd.                             | Warehouse and logistics services                                     | 369,060                      | 2                                | 369,060  | -  | -                          | 369,060  | 1,400   | 100.00  | 1,400  | 341,294   | —  | (Note 2)<br>(Note 6) |
| Synnex (Xi'an) Ltd.                                 | Warehouse and logistics services                                     | 123,020                      | 2                                | 123,020  | -  | -                          | 123,020  | 6,959   | 100.00  | 6,959  | 128,682   | —  | (Note 2)<br>(Note 6) |
| Synnex (Suzhou) Ltd.                                | Warehouse and logistics services                                     | 184,530                      | 2                                | 184,530  | -  | -                          | 184,530  | 4,232   | 100.00  | 4,232  | 167,267   | —  | (Note 2)<br>(Note 6) |
| Synnex (Wuhan) Ltd.                                 | Warehouse and logistics services                                     | 153,775                      | 2                                | 153,775  | -  | -                          | 153,775  | 4,327   | 100.00  | 4,327  | 145,279   | —  | (Note 2)<br>(Note 6) |
| Synnex (Jinan) Ltd.                                 | Warehouse and logistics services                                     | 153,775                      | 2                                | 153,775  | -  | -                          | 153,775  | 6,891   | 100.00  | 6,891  | 189,197   | —  | (Note 2)<br>(Note 6) |
| Synnex (Zhengzhou) Ltd.                             | Warehouse and logistics services                                     | 153,775                      | 2                                | 153,775  | -  | -                          | 153,775  | ( 1,382)  | 100.00  | ( 1,382)   | 132,475   | —  | (Note 2)<br>(Note 6) |
| Synnex (Changsha) Ltd.                              | Warehouse and logistics services                                     | 123,020                      | 2                                | 123,020  | -  | -                          | 123,020  | ( 3,333)  | 100.00  | ( 3,333)   | 58,763  | —  | (Note 2)<br>(Note 6) |
| Synnex (Hefei) Ltd.                                 | Warehouse and logistics services                                     | 187,606                      | 2                                | 187,606  | -  | -                          | 187,606  | 8,685   | 100.00  | 8,685  | 131,057   | —  | (Note 2)<br>(Note 6) |

| Investee in<br>Mainland China                   | Main business<br>activities         | Paid-in capital<br>(Note 10) | Investment<br>method<br>(Note 1) | Accumulated<br>amount of<br>remittance from<br>Taiwan to<br>Mainland China<br>as of January 1,<br>2023 | Amount remitted from Taiwan<br>to Mainland China/<br>Amount remitted back<br>to Taiwan for the year ended<br>December 31, 2023 (Note 10) |             | Accumulated<br>amount<br>of remittance<br>from Taiwan to<br>Mainland China<br>as of December<br>31, 2023 | Net income of<br>investee for the<br>year ended<br>December<br>31, 2023 | Ownership<br>held by<br>the<br>Company<br>(direct or<br>indirect) | Investment income<br>(loss) recognised<br>by the Company<br>for the year<br>ended December<br>31, 2023<br>(Note 3) | Book value of<br>investments in<br>Mainland China<br>as of December<br>31, 2023 | Accumulated<br>amount<br>of investment<br>income<br>remitted back to<br>Taiwan as of<br>December<br>31, 2023 | Footnote              |
|---|-------------------------------------|------------------------------|----------------------------------|--|--|-------------|--|---|---|--|---|--|-----------------------|
|   |                                     |                              |                                  | Remitted to<br>Mainland China  | Remitted back<br>to Taiwan   |             |  |   |   |  |   |  |                       |
| Synnex (Nanchang) Ltd.                          | Warehouse and logistics<br>services | \$ 123,020                   | 2                                | \$ 123,020   | \$ -   | \$ -        | \$ 123,020   | (\$ 13,342)   | 100.00  | (\$ 13,342)  | (\$ 9,415)  | —  | (Note 2)<br>(Note 6)  |
| Synnex (Harbing) Ltd.                           | Warehouse and logistics<br>services | 153,775                      | 2                                | 153,775  | -  | -           | 153,775  | 2,769   | 100.00  | 2,769  | 9,129   | —  | (Note 2)<br>(Note 6)  |
| Synnex (Xiamen) Ltd.                            | Warehouse and logistics<br>services | 184,530                      | 2                                | 184,530  | -  | -           | 184,530  | 7,258   | 100.00  | 7,258  | 142,741   | —  | (Note 2)<br>(Note 6)  |
| Synnex Technology Development<br>(Beijing) Ltd. | Sales of 3C products                | 220,484                      | 2                                | -  | -  | -           | -  | 34,244  | 100.00  | 34,244   | 313,798   | —  | (Note 2)<br>(Note 7)  |
| LianXiang Technology (Shenzhen)<br>Ltd.         | Sales of semiconductor products     | 144,549                      | 2                                | 6,151  | 138,398  | -           | 144,549  | 32,644  | 100.00  | 32,644   | 345,819   | —  | (Note 2)<br>(Note 8)  |
| Jifu Intelligent Logistics Corporation          | Warehouse and logistics<br>services | 216,161                      | 2                                | 216,161  | -  | -           | 216,161  | 20,842  | 100.00  | 20,842   | 239,781   | —  | (Note 6)<br>(Note 11) |
|   |                                     |                              |                                  | <u>\$ 20,317,630</u>   | <u>\$ 138,398</u>  | <u>\$ -</u> | <u>\$ 20,456,028</u>   |   |   |  |   |  |                       |

Note 1: Investment methods are classsified into the following three categories; fill in the number of category each case belongs to:

- (1) Directly invest in a company in Mainland China.
- (2) Through investing in an existing company in the third area, which then invested in the investee in Mainland China.
- (3) Others.

Note 2: Indirect investment in PRC through existing companies located in the third area. Partial capital of Synnex (Nanjing) Ltd. and Synnex (Shenyang) Ltd. were invested by indirect wholly-owned subsidiary, and total membership contributions are US\$1,500 and US\$3,000 thousand, respectively. Due to the Company’s restructuring in November 2008, the entire capital of Synnex Distributions (China) Ltd., Synnex (Shanghai) Ltd., Synnex (Beijing) Ltd., Synnex (Nanjing) Ltd. and Synnex (Chengdu) Ltd., amounting to US\$13,000, US\$22,000, US\$9,000, US\$1,000 and US\$2,000 thousand, respectively, was changed to be owned by Synnex Investments (China) Ltd. Total membership contribution is USD\$47,000 thousand.

Note 3: Investment income (loss) for the year ended December 31, 2023 were recognised based on the financial statements which were reviewed by independent auditors.

Note 4: Laser International Trading (Shanghai) Company Ltd. is a 100% owned subsidiary of Groupware Solutions Ltd., which is a wholly-owned subsidiary of Synnex Technology International (HK) Ltd. Synnex Technology International (HK) Ltd. is an direct wholly-owned subsidiary of the Company. Total membership contribution is US\$1,000 thousand.

Note 5: Hi Food (Shanghai) Co., Ltd. is a 10% owned invested company of Hi Food Co., Ltd. Hi Food Co., Ltd. is 10% indirectly owned by the Company. Total membership contribution is US\$1,800 thousand.

Note 6: Synnex Investments (China) Ltd. is a 100% owned subsidiary of Synnex China Holdings Ltd. Synnex China Holdings Ltd. is an indirect wholly-owned subsidiary of the Company. Total membership contribution is US\$200,000 thousand. Additionally, Synnex Investments (China) Ltd. reinvested in other subsidiaries in Mainland China. Total membership contribution is translated into New Taiwan Dollars using the exchange rate of US\$1:NT\$30.76.

Note 7: Synnex Technology Development (Beijing) Ltd. is a 100% owned subsidiary of Synnex Distributions (China) Ltd. Synnex Distributions (China) Ltd. is an indirect wholly-owned subsidiary of the Company. Total membership contribution is RMB\$50,000 thousand.

Note 8: LianXiang Technology (Shenzhen) Ltd. is a 100% owned subsidiary of Peer Developments Ltd. Peer Developments Ltd. is an indirect wholly-owned subsidiary of the Company. Total membership contribution is US\$4,700 thousand.

Note 9: Synnex Distributions (China) Ltd. is a 100% owned subsidiary of Synnex Investments (China) Ltd. Synnex Investments (China) Ltd. is an indirect wholly-owned subsidiary of the Company. Total membership contribution is USD\$100,000 thousand.

Note 10: Translated into New Taiwan Dollars using the exchange rates of US\$1:NT30.76 and RMB\$1:NT\$4.3232.

Note 11: Jifu Intelligent Logistics Corporation is a 100% owned subsidiary of Synnex Investments (China) Ltd. Synnex Investments (China) Ltd. is an indirect wholly-owned subsidiary of the Company. Total membership contribution is RMB\$50,000 thousand.

| Company name                                      | Accumulated<br>amount of<br>remittance<br>from Taiwan<br>to Mainland<br>China<br>as of December 31,<br>2023 | Investment<br>amount approved<br>by the<br>Investment<br>Commission of<br>the Ministry of<br>Economic<br>Affairs (MOEA) | Ceiling on<br>investments in<br>Mainland China<br>imposed by the<br>Investment<br>Commission of<br>MOEA |
|---|---|---|---|
| Synnex Technology International Corporation(Note) | \$ 20,456,028   | \$ 24,930,003   | \$ 44,699,221   |

Note: The ceiling is calculated based on the Tai-Tsai-Tseng (1) Letter No. 006130 issued by the Securities and Futures Commission, Ministry of Finance, Executive Yuan (90), effective November 16, 2001.

## SYNNEX TECHNOLOGY INTERNATIONAL CORPORATION AND SUBSIDIARIES

## Major shareholders information

December 31, 2023

Table 12

| Name of major shareholders   | Shares                |                    |
|--|-----------------------|--------------------|
|  | Number of shares held | Shareholding ratio |
| Mitac Incorporated   | 260,521,054           | 15.61%             |
| Independent accounts securities investment trust fund of Cathay MSCI Taiwan ESG Sustainability High Dividend Yield ETF (umbrella fund) entrusted to Taishin International Bank | 129,025,000           | 7.73%              |

Note 1: The major shareholders information was derived from the data that the Company issued common shares (including treasury shares) and preference shares in dematerialised form which were registered and held by the shareholders above 5% on the last operating date of each quarter and was calculated by Taiwan Depository & Clearing Corporation.

The share capital which was recorded in the financial statements may differ from the actual number of shares issued in dematerialised form because of a different calculation basis.

Note 2: If the aforementioned data contains shares which were held in trust by the shareholders, the data disclosed is the settlor's separate account for the fund set by the trustee.

As for the shareholder who reports share equity as an insider whose shareholding ratio is greater than 10% in accordance with Securities and Exchange Act, the shares include the self-owned shares and shares held in trust, and at the same time, the shareholder has the power to decide how to allocate the trust assets.

The information on the reported share equity of insider is provided in the "Market Observation Post System".

## **II. Individual financial report and independent auditor's report**

**SYNNEX TECHNOLOGY INTERNATIONAL  
CORPORATION  
PARENT COMPANY ONLY FINANCIAL  
STATEMENTS AND INDEPENDENT AUDITORS'  
REPORT  
DECEMBER 31, 2023 AND 2022**

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For the convenience of readers and for information purpose only, the auditors' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. In the event of any discrepancy between the English version and the original Chinese version or any differences in the interpretation of the two versions, the Chinese-language auditors' report and financial statements shall prevail.

SYNNEX TECHNOLOGY INTERNATIONAL CORPORATION  
DECEMBER 31, 2023 AND 2022 PARENT COMPANY ONLY FINANCIAL  
STATEMENTS AND INDEPENDENT AUDITORS' REPORT  
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## INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

PWCR23000425

To the Board of Directors and Shareholders of Synnex Technology International Corporation

### ***Opinion***

We have audited the accompanying parent company only balance sheets of Synnex Technology International Corporation (the “Company”) as of December 31, 2023 and 2022, and the related parent company only statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the parent company only financial statements, including a summary of material accounting policies.

In our opinion, based on our audits and the reports of other auditors (see information disclosed in the *Other Matter* section of our report), the accompanying parent company only financial statements present fairly, in all material respects, the parent company only financial position of the Company as of December 31, 2023 and 2022, and its parent company only financial performance and its parent company only cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

### ***Basis for opinion***

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and 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 Parent Company Only Financial Statements* section of our report. We are independent of the Company in accordance with the Norm of Professional Ethics for Certified Public

Accountants 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 judgement, were of most significance in our audit of the Company's 2023 parent company only financial statements. These matters were addressed in the context of our audit of the parent company only financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters in relation to the parent company only financial statements for the year ended December 31, 2023 are stated as follows:

### ***Assessment of allowance for uncollectible accounts***

#### **Description**

Please refer to Notes 4(9) and (10) for accounting policies adopted for accounts receivable. Please refer to Note 5(2), for critical accounting estimates and key sources of assumption uncertainty of loss allowance for accounts receivable. Please refer to Note 6(5) for details of accounts receivable.

The Company is primarily engaged in the sale of communication products, consumer electronic products, electronic products and semiconductor products. The Company manages the collection of accounts receivable from customers and bears the associated credit risk. The Company assesses impairment of accounts receivable in accordance with IFRS 9, 'Financial instruments'. The management categorized the accounts receivable assessment into individual provision and group provision. For individually assessed accounts receivable, allowance is recognised on a case by case basis. The assessment process is affected by management's judgment on various factors: customers' financial

conditions, internal credit ratings, historical transaction records, and current economic conditions, etc. For group assessed accounts receivable, assessment process is affected by management's judgment on historical uncollectibility records, current economic conditions and the forecastability information to assess the default possibility of uncollectible accounts.

As management's judgement on allowance for uncollectible accounts is relatively subjective and the estimated amount is material to the financial statements, therefore, we indicated that the assessment of allowance for uncollectible accounts as one of the key audit matters.

#### How our audit addressed the matter

We performed the following audit procedures in relation to the key audit matter:

1. Obtained an understanding of the credit quality of the Company's customers, assessed the classification of accounts receivable, the policies and the procedures applied in loss allowance provision.
2. For individually assessed accounts, selected and verified samples of managements' impairment evaluation. Discussed with management the assessment results and evaluated the provision.
3. For accounts assessed as a group, considered historical uncollectibility records and the management's forecastability adjustment information to determine the provision ratio of allowance for uncollectible accounts. For significant accounts, examined subsequent collections after balance sheet date.

### ***Assessment of allowance for valuation of inventory***

#### Description

Please refer to Note 4(13) for description of accounting policies on allowance for inventory valuation. Please refer to Note 5(2) for accounting estimates and assumption uncertainty. Please refer to Note 6(8) for details of inventory items.

The Company is primarily engaged in the sale of communication products, consumer electronic products, and semiconductor products. For the purpose of meeting diverse customer needs, the Company applied multi-brand and multi-product strategy. However, due to rapid changes in technology, the short life cycle of electronic products, and the price highly affected by market fluctuation, there is a high risk of incurring inventory valuation losses. The Company's inventory policy on inventory valuation is based on the lower of cost or net realisable value. The net realisable value of inventory was identified on an item-by-item basis. The Company then applied the lower of cost or net realisable value method for recognizing loss on decline in market value.

As management's judgement on net realisable value of inventory is relatively subjective and the valuation amount is material to the financial statements, therefore, we indicated that the assessment of allowance for valuation of inventory as one of the key audit matters.

#### How our audit addressed the matter

We performed the following audit procedures in relation to the key audit matter:

1. Obtained an understanding of the policy applied to the assessment of allowance for valuation of inventory loss. Assessed whether the allowance recognition policy is applied.
2. Obtained net realisable value report for inventory items and verified that a systematic logic applied to the calculation. First, tested the assumptions such as: sources of sales or purchases data and relevant supporting estimation documents. Second, recalculated net realisable value item-by-item, then applied the lower of cost or net realisable value method for valuation and examined whether reasonable allowance was recognised.
3. Compared current and previous years' rate of allowance for valuation of inventory. Reviewed each period's days sales of inventory in order to assess the recognition of allowance.

## ***Assessment of purchase rebate***

### **Description**

Please refer to Note 4(13) for accounting policies adopted for the recognition of purchase rebate. Please refer to Note 5(2) for critical accounting estimates and assumptions applied in the accounting policy for the recognition of purchase rebate.

The Company is primarily engaged in the sale of communication products, consumer electronic products, electronic products and semiconductor products. The Company engages in various purchase contracts for different items with different suppliers. There are various types of rebate programs including incentives for certain purchase volume from vendors, purchase discounts and allowances, participations in special purchase promotions, and subsidies for marketing. The Company estimates rebates that shall be recognised in accordance with the percentage of achievement of the rebate contract terms.

There are various types of rebate programs, complicated calculations and transactions with different suppliers as well as the manual process involved in the verification and calculation of rebates. All of these aforementioned factors add to the complexity of assessing purchasing rebate. Thus, we indicated that the assessment of purchase rebate as one of the key audit matters.

### **How our audit addressed the matter**

We performed the following audit procedures in relation to the key audit matter:

1. Obtained an understanding and tested the internal control over the estimation of purchase rebate. Tested the controls over contractual terms regarding rebates. Checked whether the recognition of rebate amount has been approved by the proper authority.
2. Selected samples of details of purchase rebate estimation, reviewed the inventory items and obtained the supporting documents in order to recalculate the rebate amount and assess the estimation.
3. Sampled details of purchase rebate estimation without notice from suppliers that has

been recognised as of the balance sheet date and obtained debit notes or other supporting documents that were received from suppliers after the balance sheet date to evaluate the estimation. In addition, after balance sheet date, examined whether there were significant new rebates that should be recognised as of the balance sheet date.

4. Selected samples of significant outstanding rebate receivable accounts and tested subsequent collections after the balance sheet date.

***Other matter – Reference to report of other independent auditors***

We did not audit the financial statements of certain investments accounted for using equity method which were included in the parent company only financial statements of the Company and were audited by other auditors whose reports thereon have been furnished to us, and our opinion expressed herein, in so far as it relates to the investments accounted for using equity method and the amounts and the information disclosed in Note 13 included in these financial statements, is based solely on the reports of the other auditors.

As of December 31, 2023 and 2022, the balance of investments accounted for using equity method of certain subsidiaries was NT\$8,224,154 thousand and NT\$7,702,578 thousand, respectively, constituting 5% and 5% of the parent company only total assets, respectively. For the years ended December 31, 2023 and 2022, the recognised net profit of investments accounted for using equity method was NT\$1,303,847 thousand and NT\$1,645,136 thousand, respectively, constituting 18% and 10% of the parent company only net profits, respectively; for the years ended December 31, 2023 and 2022, the recognised comprehensive income of investments accounted for using equity method was NT\$953,178 thousand and NT\$1,932,529 thousand, respectively, constituting 19% and 11% of the parent company only comprehensive income, respectively.

***Responsibilities of management and those charged with governance for the parent company only financial statements***

Management is responsible for the preparation and fair presentation of the parent company only financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and for such internal control as management determines is necessary to enable the preparation of parent company only financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the parent company only 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 the audit committee, are responsible for overseeing the Company's financial reporting process.

***Auditors' responsibilities for the audit of the parent company only financial statements***

Our objectives are to obtain reasonable assurance about whether the parent company only 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 parent company only financial statements.

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

1. Identify and assess the risks of material misstatement of the parent company only 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 parent company only 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 parent company only financial statements, including the disclosures, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the

entities or business activities within the Company to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the 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 parent company only financial statements of the current period 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.

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Huang, Shih-Chun

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Liang Yi Chang

For and on behalf of PricewaterhouseCoopers, Taiwan

March 13, 2024

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The accompanying parent company only financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying parent company only financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

**SYNNEX TECHNOLOGY INTERNATIONAL CORPORATION**  
**PARENT COMPANY ONLY BALANCE SHEETS**  
**DECEMBER 31, 2023 AND 2022**  
(Expressed in thousands of New Taiwan dollars)

| Assets             |   | Notes         | December 31, 2023 |     | December 31, 2022 |     |
|--------------------|---|---------------|-------------------|-----|-------------------|-----|
|                    |   |               | AMOUNT            | %   | AMOUNT            | %   |
| Current assets     |   |               |                   |     |                   |     |
| 1100               | Cash and cash equivalents   | 6(1)          | \$ 731,184        | -   | \$ 711,178        | 1   |
| 1110               | Current financial assets at fair value through profit or loss                 | 6(2)          | 154,893           | -   | 108,733           | -   |
| 1136               | Current financial assets at amortised cost                                    | 6(4)          | -                 | -   | 1,050             | -   |
| 1150               | Notes receivable, net   | 6(5)          | 118,641           | -   | 191,984           | -   |
| 1170               | Accounts receivable, net  | 6(5)          | 7,987,761         | 5   | 8,761,226         | 6   |
| 1180               | Accounts receivable - related parties, net                                    | 6(5) and 7(2) | 277,133           | -   | 264,348           | -   |
| 1200               | Other receivables   | 6(7)          | 3,743,869         | 2   | 639,323           | -   |
| 1210               | Other receivables - related parties   | 7(2)          | 6,741,107         | 4   | 437,569           | -   |
| 130X               | Inventories   | 6(8)          | 8,345,607         | 5   | 5,809,692         | 4   |
| 1410               | Prepayments   |               | 113,726           | -   | 125,085           | -   |
| 11XX               | Total current assets  |               | 28,213,921        | 16  | 17,050,188        | 11  |
| Non-current assets |   |               |                   |     |                   |     |
| 1517               | Non-current financial assets at fair value through other comprehensive income | 6(3)          | 6,724,730         | 4   | 5,466,252         | 3   |
| 1535               | Non-current financial assets at amortised cost                                | 6(4) and 8    | 787,705           | 1   | 802,156           | 1   |
| 1550               | Investments accounted for under equity method                                 | 6(9)          | 134,488,698       | 77  | 132,563,511       | 83  |
| 1600               | Property, plant and equipment   | 6(10)         | 3,554,348         | 2   | 3,524,766         | 2   |
| 1755               | Right-of-use assets   | 6(11)         | -                 | -   | 48,872            | -   |
| 1780               | Intangible assets   |               | 44,228            | -   | 71,515            | -   |
| 1840               | Deferred income tax assets  | 6(30)         | 76,103            | -   | 77,537            | -   |
| 1900               | Other non-current assets  | 6(5)          | 28,998            | -   | 28,212            | -   |
| 15XX               | Total non-current assets  |               | 145,704,810       | 84  | 142,582,821       | 89  |
| 1XXX               | Total assets  |               | \$ 173,918,731    | 100 | \$ 159,633,009    | 100 |

(Continued)

**SYNNEX TECHNOLOGY INTERNATIONAL CORPORATION**  
**PARENT COMPANY ONLY BALANCE SHEETS**  
**DECEMBER 31, 2023 AND 2022**  
(Expressed in thousands of New Taiwan dollars)

| Liabilities and Equity  |  |       | December 31, 2023 |             | December 31, 2022 |        |             |            |   |    |
|-------------------------|--|-------|-------------------|-------------|-------------------|--------|-------------|------------|---|----|
|                         |  |       | Notes             | AMOUNT      | %                 | AMOUNT | %           |            |   |    |
| Current liabilities     |  |       |                   |             |                   |        |             |            |   |    |
| 2100                    | Short-term borrowings  | 6(13) | \$                | 43,970,000  | 25                | \$     | 40,280,000  | 25         |   |    |
| 2110                    | Short-term notes and bills payable                                       | 6(14) |                   | 6,680,000   | 4                 |        | 4,030,000   | 3          |   |    |
| 2150                    | Notes payable  |       |                   | 193,805     | -                 |        | 235,880     | -          |   |    |
| 2170                    | Accounts payable   |       |                   | 14,553,985  | 9                 |        | 3,651,609   | 3          |   |    |
| 2180                    | Accounts payable - related parties                                       | 7(2)  |                   | 223,091     | -                 |        | 80,865      | -          |   |    |
| 2200                    | Other payables   | 6(15) |                   | 2,206,324   | 1                 |        | 973,433     | 1          |   |    |
| 2220                    | Other payables - related parties   | 7(2)  |                   | 3,759,583   | 2                 |        | 14,626,177  | 9          |   |    |
| 2230                    | Current income tax liabilities   | 6(30) |                   | 724,296     | 1                 |        | 396,650     | -          |   |    |
| 2280                    | Current lease liabilities  |       |                   | -           | -                 |        | 49,199      | -          |   |    |
| 2320                    | Long-term liabilities, current portion                                   | 6(17) |                   | 1,500,000   | 1                 |        | -           | -          |   |    |
| 2399                    | Other current liabilities, others  | 6(16) |                   | 467,686     | -                 |        | 385,744     | -          |   |    |
| 21XX                    | Total current liabilities  |       |                   | 74,278,770  | 43                |        | 64,709,557  | 41         |   |    |
| Non-current liabilities |  |       |                   |             |                   |        |             |            |   |    |
| 2540                    | Long-term borrowings   | 6(17) |                   | 21,370,000  | 12                |        | 15,900,000  | 10         |   |    |
| 2570                    | Deferred income tax liabilities  | 6(30) |                   | 6,318,709   | 4                 |        | 6,318,709   | 4          |   |    |
| 2600                    | Other non-current liabilities  | 6(18) |                   | 136,958     | -                 |        | 141,306     | -          |   |    |
| 25XX                    | Total non-current liabilities  |       |                   | 27,825,667  | 16                |        | 22,360,015  | 14         |   |    |
| 2XXX                    | Total liabilities  |       |                   | 102,104,437 | 59                |        | 87,069,572  | 55         |   |    |
| Equity                  |  |       |                   |             |                   |        |             |            |   |    |
|                         | Share capital  | 6(19) |                   |             |                   |        |             |            |   |    |
| 3110                    | Share capital - ordinary share   |       |                   | 16,679,470  | 10                |        | 16,679,470  | 10         |   |    |
|                         | Capital surplus  | 6(20) |                   |             |                   |        |             |            |   |    |
| 3200                    | Capital surplus  |       |                   | 13,529,272  | 8                 |        | 13,505,904  | 8          |   |    |
|                         | Retained earnings  | 6(21) |                   |             |                   |        |             |            |   |    |
| 3310                    | Legal reserve  |       |                   | 12,946,469  | 7                 |        | 11,368,673  | 7          |   |    |
| 3320                    | Special reserve  |       |                   | 6,038,409   | 3                 |        | 8,247,113   | 5          |   |    |
| 3350                    | Unappropriated retained earnings   |       |                   | 30,506,999  | 18                |        | 28,800,686  | 18         |   |    |
|                         | Other equity interest  | 6(22) |                   |             |                   |        |             |            |   |    |
| 3400                    | Other equity interest  |       | (                 | 7,886,325)  | (                 | 5)     | (           | 6,038,409) | ( | 3) |
| 3XXX                    | Total equity   |       |                   | 71,814,294  | 41                |        | 72,563,437  | 45         |   |    |
|                         | Significant contingent liabilities and unrecognized contract commitments | 9     |                   |             |                   |        |             |            |   |    |
|                         | Significant events after the balance sheet date                          | 11    |                   |             |                   |        |             |            |   |    |
| 3X2X                    | Total liabilities and equity   |       | \$                | 173,918,731 | 100               | \$     | 159,633,009 | 100        |   |    |

The accompanying notes are an integral part of these parent company only financial statements.

SYNNEX TECHNOLOGY INTERNATIONAL CORPORATION  
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME  
YEARS ENDED DECEMBER 31, 2023 AND 2022  
(Expressed in thousands of New Taiwan dollars, except for earnings per share amounts)

|  |                    |  | Year ended December 31 |             |                      |             |
|--|--------------------|--|------------------------|-------------|----------------------|-------------|
|  |                    |  | 2023                   |             | 2022                 |             |
| Items  | Notes              |  | AMOUNT                 | %           | AMOUNT               | %           |
| 4000 Operating revenue   | 6(23) and 7(2)     |  | \$ 60,226,061          | 100         | \$ 67,860,595        | 100         |
| 5000 Operating costs   | 6(8) and 7(2)      |  | ( 57,769,828)          | ( 96)       | ( 65,067,250)        | ( 96)       |
| 5950 Net operating margin  |                    |  | <u>2,456,233</u>       | <u>4</u>    | <u>2,793,345</u>     | <u>4</u>    |
| Operating expenses   | 6(28)(29) and 7(2) |  |                        |             |                      |             |
| 6100 Selling expenses  |                    |  | ( 1,115,255)           | ( 2)        | ( 1,125,893)         | ( 2)        |
| 6200 General and administrative expenses   |                    |  | ( 773,436)             | ( 1)        | ( 986,613)           | ( 1)        |
| 6450 Impairment loss (Impairment gain and reversal of impairment loss) determined in accordance with IFRS 9  | 12(2)              |  | <u>2,093</u>           | <u>-</u>    | <u>( 16,092)</u>     | <u>-</u>    |
| 6000 Total operating expenses  |                    |  | ( 1,886,598)           | ( 3)        | ( 2,128,598)         | ( 3)        |
| 6900 Operating profit  |                    |  | <u>569,635</u>         | <u>1</u>    | <u>664,747</u>       | <u>1</u>    |
| Non-operating income and expenses  |                    |  |                        |             |                      |             |
| 7100 Interest income   | 6(24) and 7(2)     |  | 24,197                 | -           | 10,075               | -           |
| 7010 Other income  | 6(25) and 7(2)     |  | 1,969,441              | 3           | 1,205,668            | 2           |
| 7020 Other gains and losses  | 6(26)              |  | 296,982                | 1           | ( 6,846)             | -           |
| 7050 Finance costs   | 6(27)              |  | ( 1,264,159)           | ( 2)        | ( 643,928)           | ( 1)        |
| 7070 Share of profit of subsidiaries, associates, and joint ventures accounted for using equity method   | 6(9)               |  | <u>6,628,981</u>       | <u>11</u>   | <u>17,469,572</u>    | <u>25</u>   |
| 7000 Total non-operating income and expenses   |                    |  | <u>7,655,442</u>       | <u>13</u>   | <u>18,034,541</u>    | <u>26</u>   |
| 7900 Profit before income tax  |                    |  | <u>8,225,077</u>       | <u>14</u>   | <u>18,699,288</u>    | <u>27</u>   |
| 7950 Income tax expense  | 6(30)              |  | ( 935,782)             | ( 2)        | ( 2,950,464)         | ( 4)        |
| 8200 Profit for the year   |                    |  | <u>\$ 7,289,295</u>    | <u>12</u>   | <u>\$ 15,748,824</u> | <u>23</u>   |
| Other comprehensive income   |                    |  |                        |             |                      |             |
| Components of other comprehensive income that will not be reclassified to profit or loss   |                    |  |                        |             |                      |             |
| 8311 Gains on remeasurements of defined benefit plans  | 6(18)              |  | \$ 3,401               | -           | \$ 29,861            | -           |
| 8316 Unrealised gains from investments in equity instruments measured at fair value through other comprehensive income   | 6(3)               |  | 1,258,478              | 2           | ( 938,062)           | ( 1)        |
| 8330 Share of other comprehensive income of subsidiaries, associates, and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss |                    |  | ( 2,203,256)           | ( 4)        | ( 2,023,514)         | ( 3)        |
| 8349 Income tax related to components of other comprehensive income that will not be reclassified to profit or loss  | 6(30)              |  | <u>( 680)</u>          | <u>-</u>    | <u>( 5,972)</u>      | <u>-</u>    |
| 8310 Components of other comprehensive loss that will not be reclassified to profit or loss  |                    |  | <u>( 942,057)</u>      | <u>( 2)</u> | <u>( 2,937,687)</u>  | <u>( 4)</u> |
| Components of other comprehensive income that will be reclassified to profit or loss   |                    |  |                        |             |                      |             |
| 8361 Financial statements translation differences of foreign operations  | 6(22)              |  | ( 939,754)             | ( 1)        | 4,733,411            | 7           |
| 8380 Share of other comprehensive income of subsidiaries, associates, and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss     |                    |  | <u>( 345,561)</u>      | <u>( 1)</u> | <u>136,572</u>       | <u>-</u>    |
| 8360 Components of other comprehensive (loss) income that will be reclassified to profit or loss   |                    |  | <u>( 1,285,315)</u>    | <u>( 2)</u> | <u>4,869,983</u>     | <u>7</u>    |
| 8300 Other comprehensive (loss) income   |                    |  | <u>( \$ 2,227,372)</u> | <u>( 4)</u> | <u>\$ 1,932,296</u>  | <u>3</u>    |
| 8500 Total comprehensive income for the year   |                    |  | <u>\$ 5,061,923</u>    | <u>8</u>    | <u>\$ 17,681,120</u> | <u>26</u>   |
| Earnings per share   | 6(31)              |  |                        |             |                      |             |
| 9750 Basic earnings per share  |                    |  | <u>\$ 4.37</u>         |             | <u>\$ 9.44</u>       |             |
| Diluted earnings per share   | 6(31)              |  |                        |             |                      |             |
| 9850 Diluted earnings per share  |                    |  | <u>\$ 4.37</u>         |             | <u>\$ 9.44</u>       |             |

The accompanying notes are an integral part of these parent company only financial statements.

SYNNEX TECHNOLOGY INTERNATIONAL CORPORATION  
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY  
YEARS ENDED DECEMBER 31, 2023 AND 2022  
(Expressed in thousands of New Taiwan dollars)

|   |       | Retained Earnings            |   |               |                 | Other equity interest            |  |   |               |
|---|-------|------------------------------|---|---------------|-----------------|----------------------------------|--|---|---------------|
|   |       | Share capital - common stock | Capital surplus, additional paid-in capital | Legal reserve | Special reserve | Unappropriated retained earnings | Financial statements translation differences of foreign operations | Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income | Total equity  |
|   | Notes |                              |   |               |                 |                                  |  |   |               |
| <u>Year ended December 31, 2022</u>   |       |                              |   |               |                 |                                  |  |   |               |
| Balance at January 1, 2022  |       | \$ 16,679,470                | \$ 14,199,960                               | \$ 9,673,477  | \$ 6,336,545    | \$ 24,968,224                    | (\$ 10,641,478 )   | \$ 2,394,366  | \$ 63,610,564 |
| Profit  |       | -                            | -   | -             | -               | 15,748,824                       | -  | -   | 15,748,824    |
| Other comprehensive income (loss)   | 6(22) | -                            | -   | -             | -               | 29,679                           | 4,869,983  | ( 2,967,366 )   | 1,932,296     |
| Total comprehensive income (loss)   |       | -                            | -   | -             | -               | 15,778,503                       | 4,869,983  | ( 2,967,366 )   | 17,681,120    |
| Appropriations of 2021 earnings   | 6(21) |                              |   |               |                 |                                  |  |   |               |
| Legal reserve   |       | -                            | -   | 1,695,196     | -               | ( 1,695,196 )                    | -  | -   | -             |
| Special reserve   |       | -                            | -   | -             | 1,910,568       | ( 1,910,568 )                    | -  | -   | -             |
| Cash dividends  |       | -                            | -   | -             | -               | ( 8,339,735 )                    | -  | -   | ( 8,339,735 ) |
| Changes in equity of associates and joint ventures accounted for using equity method              | 6(20) | -                            | 121,504                                     | -             | -               | 1,110                            | -  | -   | 122,614       |
| Difference between consideration and carrying amount of subsidiaries acquired                     | 6(32) | -                            | 2,085                                       | -             | -               | -                                | -  | -   | 2,085         |
| Capital surplus transferred from unclaimed dividends  | 6(20) | -                            | 594   | -             | -               | -                                | -  | -   | 594           |
| Disposal of investments accounted for using equity method   |       | -                            | ( 5,350 )                                   | -             | -               | -                                | 304,434  | -   | 299,084       |
| Disposal of equity instruments at fair value through other comprehensive income                   | 6(20) | -                            | -   | -             | -               | ( 1,652 )                        | -  | 1,652   | -             |
| Effect of reorganisations   |       | -                            | ( 812,889 )                                 | -             | -               | -                                | -  | -   | ( 812,889 )   |
| Balance at December 31, 2022  |       | \$ 16,679,470                | \$ 13,505,904                               | \$ 11,368,673 | \$ 8,247,113    | \$ 28,800,686                    | (\$ 5,467,061 )  | (\$ 571,348 )   | \$ 72,563,437 |
| <u>Year ended December 31, 2023</u>   |       |                              |   |               |                 |                                  |  |   |               |
| Balance at January 1, 2023  |       | \$ 16,679,470                | \$ 13,505,904                               | \$ 11,368,673 | \$ 8,247,113    | \$ 28,800,686                    | (\$ 5,467,061 )  | (\$ 571,348 )   | \$ 72,563,437 |
| Profit  |       | -                            | -   | -             | -               | 7,289,295                        | -  | -   | 7,289,295     |
| Other comprehensive income (loss)   | 6(22) | -                            | -   | -             | -               | 1,203                            | ( 1,285,315 )  | ( 943,260 )   | ( 2,227,372 ) |
| Total comprehensive income (loss)   |       | -                            | -   | -             | -               | 7,290,498                        | ( 1,285,315 )  | ( 943,260 )   | 5,061,923     |
| Appropriations of 2022 earnings   | 6(21) |                              |   |               |                 |                                  |  |   |               |
| Legal reserve   |       | -                            | -   | 1,577,796     | -               | ( 1,577,796 )                    | -  | -   | -             |
| Special reserve   |       | -                            | -   | -             | ( 2,208,704 )   | 2,208,704                        | -  | -   | -             |
| Cash dividends  |       | -                            | -   | -             | -               | ( 5,837,814 )                    | -  | -   | ( 5,837,814 ) |
| Changes in equity of associates and joint ventures accounted for using equity method              | 6(20) | -                            | 23,154                                      | -             | -               | 3,380                            | -  | -   | 26,534        |
| Capital surplus transferred from unclaimed dividends  | 6(20) | -                            | 214   | -             | -               | -                                | -  | -   | 214           |
| Disposal of equity instruments at fair value through other comprehensive income by the subsidiary | 6(20) | -                            | -   | -             | -               | ( 380,659 )                      | -  | 380,659   | -             |
| Balance at December 31, 2023  |       | \$ 16,679,470                | \$ 13,529,272                               | \$ 12,946,469 | \$ 6,038,409    | \$ 30,506,999                    | (\$ 6,752,376 )  | (\$ 1,133,949 )   | \$ 71,814,294 |

The accompanying notes are an integral part of these parent company only financial statements.

SYNNEX TECHNOLOGY INTERNATIONAL CORPORATION  
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS  
YEARS ENDED DECEMBER 31, 2023 AND 2022  
(Expressed in thousands of New Taiwan dollars)

|  |       | Year ended December 31 |                |
|--|-------|------------------------|----------------|
|  | Notes | 2023                   | 2022           |
| <b><u>CASH FLOWS FROM OPERATING ACTIVITIES</u></b>   |       |                        |                |
| Profit before tax  |       | \$ 8,225,077           | \$ 18,699,288  |
| Adjustments  |       |                        |                |
| Adjustments to reconcile profit (loss)   |       |                        |                |
| Depreciation charges on property, plant and equipment  | 6(28) | 45,138                 | 53,047         |
| Depreciation charges on right-of-use assets  | 6(28) | 48,872                 | 50,643         |
| Amortization charges on intangible assets  | 6(28) | 39,063                 | 27,944         |
| Impairment loss (impairment gain and reversal of impairment loss) determined in accordance with IFRS 9 | 12(2) | ( 2,093 )              | 16,092         |
| Net loss (gain) on financial assets at fair value through profit or loss                               | 6(26) | ( 46,160 )             | 19,212         |
| Loss on decline in (gain on reversal of) market value and obsolete and slow-moving inventories         | 6(8)  | ( 11,724 )             | 32,571         |
| Interest expense   | 6(27) | 1,264,159              | 643,928        |
| Interest income  | 6(24) | ( 24,197 )             | ( 10,075 )     |
| Dividend income  | 6(25) | ( 228,870 )            | ( 212,941 )    |
| Share of profit of subsidiaries, associates and joint ventures accounted for using equity method       | 6(9)  | ( 6,628,981 )          | ( 17,469,572 ) |
| Gain on disposal of property, plant and equipment  | 6(26) | ( 2,935 )              | ( 1,397 )      |
| Changes in operating assets and liabilities  |       |                        |                |
| Changes in operating assets  |       |                        |                |
| Accounts and notes receivable  |       | 835,657                | ( 3,492,573 )  |
| Inventories  |       | ( 2,524,191 )          | ( 917,836 )    |
| Other receivables  |       | ( 9,333,961 )          | 401,400        |
| Prepayments  |       | 11,359                 | ( 33,162 )     |
| Long-term notes and overdue receivables  |       | 855                    | 1,710          |
| Changes in operating liabilities   |       |                        |                |
| Notes and accounts payable   |       | 11,002,527             | ( 891,727 )    |
| Other payables   |       | 1,202,972              | 3,535          |
| Other current liabilities  |       | 81,942                 | ( 57,360 )     |
| Accrued pension liabilities  |       | ( 6,011 )              | ( 128,171 )    |
| Cash inflow (outflow) generated from operations  |       | 3,948,498              | ( 3,265,444 )  |
| Dividends received from investments accounted for under equity method                                  |       | 1,359,910              | 582,335        |
| Interest paid  |       | ( 1,264,159 )          | ( 643,928 )    |
| Interest received  |       | 24,197                 | 10,075         |
| Dividends received   |       | 228,870                | 212,941        |
| Income tax paid  |       | ( 607,383 )            | ( 379,689 )    |
| Net cash flows from (used in) operating activities   |       | 3,689,933              | ( 3,483,710 )  |

(Continued)

SYNNEX TECHNOLOGY INTERNATIONAL CORPORATION  
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS  
YEARS ENDED DECEMBER 31, 2023 AND 2022  
(Expressed in thousands of New Taiwan dollars)

|  |       | Year ended December 31 |                |
|--|-------|------------------------|----------------|
|  | Notes | 2023                   | 2022           |
| <u>CASH FLOWS FROM INVESTING ACTIVITIES</u>                          |       |                        |                |
| Decrease in other receivables due from related parties               | 7(2)  | ( \$ 74,123 )          | ( \$ 107,847 ) |
| Increase in time deposits maturing over three months                 |       | 1,050                  | ( 1,050 )      |
| Increase in restricted time deposits                                 |       | 14,451                 | ( 72,567 )     |
| Acquisition of investments accounted for using equity method         | 6(33) | ( 11,963,644 )         | ( 3,393,392 )  |
| Acquisition of property, plant and equipment                         | 6(10) | ( 71,590 )             | ( 30,913 )     |
| Proceeds from disposal of property, plant and equipment              |       | 5,329                  | 6,754          |
| Acquisition of intangible assets                                     |       | ( 11,776 )             | ( 17,565 )     |
| Decrease in refundable deposits                                      |       | ( 301 )                | 400            |
| Increase in other non-current assets                                 |       | ( 6,404 )              | ( 2,282 )      |
| Net cash flows used in investing activities                          |       | ( 12,107,008 )         | ( 3,618,462 )  |
| <u>CASH FLOWS FROM FINANCING ACTIVITIES</u>                          |       |                        |                |
| Proceeds from issuing shares by subsidiaries for using equity method | 7(2)  | ( 99,000 )             | -              |
| Increase in short-term borrowings                                    | 6(34) | 3,690,000              | 6,510,000      |
| Increase (decrease) in short-term notes and bills payable            | 6(34) | 2,650,000              | ( 7,550,000 )  |
| Increase in long-term borrowings                                     | 6(34) | 32,790,000             | 17,400,000     |
| Decrease in long-term borrowings                                     | 6(34) | ( 25,820,000 )         | ( 3,000,000 )  |
| Decrease in guarantee deposits received                              | 6(34) | 5,061                  | ( 540 )        |
| Increase in other payables to related parties                        | 7(2)  | 1,112,924              | 2,083,751      |
| Repayments of principal portion of lease liabilities                 | 6(34) | ( 49,199 )             | ( 50,580 )     |
| Payments of cash dividends   | 6(34) | ( 5,837,814 )          | ( 8,339,735 )  |
| Net cash flows from financing activities                             |       | 8,441,972              | 7,052,896      |
| Effect of exchange rate changes                                      |       | ( 4,891 )              | -              |
| Net increase (decrease) in cash and cash equivalents                 |       | 20,006                 | ( 49,276 )     |
| Cash and cash equivalents at beginning of year                       |       | 711,178                | 760,454        |
| Cash and cash equivalents at end of year                             |       | \$ 731,184             | \$ 711,178     |

The accompanying notes are an integral part of these parent company only financial statements.

SYNNEX TECHNOLOGY INTERNATIONAL CORPORATION  
NOTES TO THE PARENT COMPANY ONLY FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2023 AND 2022  
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS,  
EXCEPT AS OTHERWISE INDICATED)

**1. HISTORY AND ORGANISATION**

Synnex Technology International Corporation (the “Company”) was incorporated in September 1988 under the provisions of the Company Act of the Republic of China (R.O.C.). The Company is primarily engaged in:

- A. Assembly and sale of computers and computer peripherals;
- B. Sale of communication products;
- C. Sale of consumer electronic products;
- D. Sale of semiconductor products;
- E. Warehouse and logistics services; and
- F. Maintenance and technical services for the products mentioned above.

The Company’s shares have been traded on the Taiwan Stock Exchange since December 1995.

**2. THE DATE OF AUTHORISATION FOR ISSUANCE OF THE PARENT COMPANY ONLY FINANCIAL STATEMENTS AND PROCEDURES FOR AUTHORISATION**

These parent company only financial statements were authorised for issuance by the Board of Directors on March 13, 2024.

**3. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS**

**(1) Effect of the adoption of new issuances of or amendments to International Financial Reporting Standards (“IFRS<sup>®</sup>”) Accounting Standards that came into effect as endorsed by the Financial Supervisory Commission (“FSC”)**

New standards, interpretations and amendments endorsed by FSC and became effective from 2023 are as follows:

| New Standards, Interpretations and Amendments  | Effective date by<br>International Accounting<br>Standards Board |
|--|--|
| Amendments to IAS 1, ‘Disclosure of accounting policies’   | January 1, 2023  |
| Amendments to IAS 8, ‘Definition of accounting estimates’  | January 1, 2023  |
| Amendments to IAS 12, ‘Deferred tax related to assets and liabilities arising from a single transaction’ | January 1, 2023  |
| Amendments to IAS 12, ‘International tax reform - pillar two model rules’                                | May 23, 2023   |

The above standards and interpretations have no significant impact to the Company’s financial condition and financial performance based on the Company’s assessment.

(2) Effect of new issuances of or amendments to IFRS Accounting Standards as endorsed by the FSC but not yet adopted by the Company

New standards, interpretations and amendments endorsed by the FSC and will become effective from 2024 are as follows:

| New Standards, Interpretations and Amendments                          | Effective date by<br>International Accounting<br>Standards Board |
|--|--|
| Amendments to IFRS 16, 'Lease liability in a sale and leaseback'       | January 1, 2024  |
| Amendments to IAS 1, 'Classification of liabilities as current or non- | January 1, 2024  |
| Amendments to IAS 1, 'Non-current liabilities with covenants'          | January 1, 2024  |
| Amendments to IAS 7 and IFRS 7, 'Supplier finance arrangements'        | January 1, 2024  |

The above standards and interpretations have no significant impact to the Company's financial condition and financial performance based on the Company's assessment.

(3) IFRS Accounting Standards is used by IASB but not yet endorsed by the FSC

New standards, interpretations and amendments issued by IASB but not yet included in the IFRS Accounting Standards as endorsed by the FSC are as follows:

| New Standards, Interpretations and Amendments  | Effective date by<br>International Accounting<br>Standards Board   |
|--|--|
| Amendments to IFRS 10 and IAS 28, 'Sale or contribution of<br>assets between an investor and its associate or joint venture' | To be determined by<br>International Accounting<br>Standards Board |
| IFRS 17, 'Insurance contracts'   | January 1, 2023  |
| Amendments to IFRS 17, 'Insurance contracts'   | January 1, 2023  |
| Amendment to IFRS 17, 'Initial application of IFRS 17 and IFRS 9 –<br>comparative information'                               | January 1, 2023  |
| Amendments to IAS 21, 'Lack of exchangeability'  | January 1, 2025  |

The above standards and interpretations have no significant impact to the Company's financial condition and financial performance based on the Company's assessment.

#### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these parent company only financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(1) Compliance statement

The parent company only financial statements of the Company have been prepared in accordance

with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

(2) Basis of preparation

- A. Except for the following items, these parent company only financial statements have been prepared under the historical cost convention:
- (a) Financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.
  - (b) Financial assets at fair value through other comprehensive income.
  - (c) Defined benefit liabilities recognised based on the net amount of pension fund assets less present value of defined benefit obligation.
- B. The preparation of financial statements in conformity with International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the FSC (collectively referred herein as the “IFRSs”) requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the parent company only financial statements are disclosed in Note 5.

(3) Foreign currency translation

Items included in the parent company only financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (the “functional currency”). The parent company only financial statements are presented in New Taiwan dollars, which is the Company’s functional currency.

A. Foreign currency transactions and balances

- (a) Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions are recognised in profit or loss in the period in which they arise.
- (b) Monetary assets and liabilities denominated in foreign currencies at the period end are re-translated at the exchange rates prevailing at the balance sheet date. Exchange differences arising upon re-translation at the balance sheet date are recognised in profit or loss.
- (c) Non-monetary assets and liabilities denominated in foreign currencies held at fair value through profit or loss are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognised in profit or loss. Non-monetary assets and liabilities denominated in foreign currencies held at fair value through other comprehensive income are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognised in other comprehensive income. However, non-monetary assets and liabilities denominated in foreign currencies that are not measured at fair

- value are translated using the historical exchange rates at the dates of the initial transactions.
- (d) All foreign exchange gains and losses are presented in the statement of comprehensive income within 'other gains and losses'.

**B. Translation of foreign operations**

- (a) The operating results and financial position of all the Company entities and associates that have a functional currency different from the presentation currency are translated into the presentation currency as follows:
- i. Assets and liabilities for each balance sheet presented are translated at the closing exchange rate at the date of that balance sheet;
  - ii. Income and expenses for each statement of comprehensive income are translated at average exchange rates of that period; and
  - iii. All resulting exchange differences are recognised in other comprehensive income.
- (b) When the foreign operation partially disposed of or sold is an associate, exchange differences that were recorded in other comprehensive income are proportionately reclassified to profit or loss as part of the gain or loss on sale. In addition, even when the Company retains partial interest in the former foreign associate after losing significant influence over the former foreign associate, such transactions should be accounted for as disposal of all interest in the foreign operation.
- (c) When the foreign operation partially disposed of or sold is a subsidiary, cumulative exchange differences that were recorded in other comprehensive income are proportionately transferred to the non-controlling interest in this foreign operation. In addition, even when the Company retains partial interest in the former foreign subsidiary after losing control of the former foreign subsidiary, such transactions should be accounted for as disposal of all interest in the foreign operation.

**(4) Classification of current and non-current items**

- A. Assets that meet one of the following criteria are classified as current assets; otherwise they are classified as non-current assets:
- (a) Assets arising from operating activities that are expected to be realised, or are intended to be sold or consumed within the normal operating cycle;
  - (b) Assets held mainly for trading purposes;
  - (c) Assets that are expected to be realised within twelve months from the balance sheet date;
  - (d) Cash and cash equivalents, excluding restricted cash and cash equivalents and those that are to be exchanged or used to settle liabilities more than twelve months after the balance sheet date.
- B. Liabilities that meet one of the following criteria are classified as current liabilities; otherwise they are classified as non-current liabilities:

- (a) Liabilities that are expected to be settled within the normal operating cycle;
- (b) Liabilities arising mainly from trading activities;
- (c) Liabilities that are to be settled within twelve months from the balance sheet date;
- (d) Liabilities for which the repayment date cannot be extended unconditionally to more than twelve months after the balance sheet date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

(5) Cash equivalents

Cash equivalents refer to short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(6) Financial assets at fair value through profit or loss

- A. Financial assets at fair value through profit or loss are financial assets that are not measured at amortised cost or fair value through other comprehensive income.
- B. On a regular way purchase or sale basis, financial assets at fair value through profit or loss are recognised and derecognised using trade date accounting.
- C. At initial recognition, the Company measures the financial assets at fair value. All related transaction costs are recognised in profit or loss. The Company subsequently measures the financial assets at fair value and recognizes the gain or loss in profit or loss.
- D. Dividends are recognised as revenue when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably.

(7) Financial assets at fair value through other comprehensive income

- A. Financial assets at fair value through other comprehensive income comprise equity securities which are not held for trading, and for which the Company has made an irrevocable election at initial recognition to recognise changes in fair value in other comprehensive income.
- B. On a regular way purchase or sale basis, financial assets at fair value through other comprehensive income are recognised and derecognised using trade date accounting.
- C. The Company initially recognises the financial assets at fair value plus transaction costs and subsequently measures the financial assets at fair value. The changes in fair value of equity investments that were recognised in other comprehensive income are reclassified to retained earnings and are not reclassified to profit or loss following the derecognition of the investments. Dividends are recognised as revenue when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably.

(8) Financial assets at amortised cost

- A. Financial assets at amortised cost are those that meet all of the following criteria:
- (a) The objective of the Company's business model is achieved by collecting contractual cash flows.
  - (b) The assets' contractual cash flows represent solely payments of principal and interest.
- B. On a regular way purchase or sale basis, financial assets at amortised cost are recognised and derecognised using trade date accounting.
- C. At initial recognition, the Company measures the financial assets at fair value plus transaction costs. Interest income from these financial assets is included in finance income using the effective interest method. A gain or loss is recognised in profit or loss when the asset is derecognised or impaired.
- D. The Company's time deposits which do not fall under cash equivalents are those with a short maturity period and are measured at initial investment amount as the effect of discounting is immaterial.

(9) Accounts and notes receivable

- A. Accounts and notes receivable entitle the Company a legal right to receive consideration in exchange for transferred goods or rendered services.
- B. The short-term accounts and notes receivable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(10) Impairment of financial assets

For financial assets at amortised cost, at each reporting date, the Company recognises the impairment provision for 12 months expected credit losses if there has not been a significant increase in credit risk since initial recognition or recognises the impairment provision for lifetime expected credit losses (ECLs) if such credit risk has increased since initial recognition after taking into consideration all reasonable and verifiable information that includes forecasts. On the other hand, for accounts receivable that does not contain a significant financing component, the Company recognises the impairment provision for lifetime ECLs.

(11) Derecognition of financial assets

The Company derecognises a financial asset when one of the following conditions is met:

- A. The contractual rights to receive the cash flows from the financial asset expire.
- B. The contractual rights to receive cash flows of the financial asset have been transferred and the Company has transferred substantially all risks and rewards of ownership of the financial asset.
- C. The contractual rights to receive cash flows of the financial asset have been transferred; however, the Company has not retained control of the financial asset.

(12) Leasing arrangements (lessor) — operating leases

Lease income from an operating lease (net of any incentives given to the lessee) is recognised in profit or loss on a straight-line basis over the lease term.

(13) Inventories

- A. Cost is determined using the weighted-average method. Cost of inventory purchases includes purchasing price, import taxes and all the related costs involved in the process of obtaining inventory. Discounts, allowances and etc. shall be deducted from the cost of inventory purchases. The purchase discount granted by the suppliers is estimated based on the agreed conditions and expected fulfillment conditions agreed between different suppliers, and the recognised amount is limited to the part that is highly likely to not have a significant reversal in the future. Relevant estimated amounts receivable from suppliers as of the balance sheet date are recognised as other receivables.
- B. Inventories are stated at the lower of cost and net realisable value. The item by item approach is used in applying the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs necessary to make the sale.

(14) Investments accounted for using equity method / subsidiaries and associates

- A. Subsidiaries are all entities controlled by the Company. The Company controls an entity when the Company is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.
- B. Unrealised gains or losses on transactions between the Company and subsidiaries have been eliminated. The accounting policies of the subsidiaries have been adjusted where necessary to ensure consistency with the policies adopted by the Company.
- C. The Company's share of its subsidiaries' post-acquisition profits or losses is recognised in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. When the Company's share of losses in a subsidiary equals or exceeds its interest in the subsidiary, the Company continues to recognise losses proportionate to its ownership.
- D. Associates are all entities over which the Company has significant influence but not control. In general, it is presumed that the investor has significant influence, if an investor holds, directly or indirectly 20 percent or more of the voting power of the investee. Investments in associates are accounted for using the equity method and are initially recognised at cost.
- E. The Company's share of its associates' post-acquisition profits or losses is recognised in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. When the Company's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the

Company does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

- F. When changes in an associate's equity do not arise from profit or loss or other comprehensive income of the associate and such changes do not affect the Company's ownership percentage of the associate, the Company recognises change in ownership interests in the associate in 'capital surplus' in proportion to its ownership.
- G. Unrealised gains on transactions between the Company and its associates are eliminated to the extent of the Company's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been adjusted where necessary to ensure consistency with the policies adopted by the Company.
- H. In the case that an associate issues new shares and the Company does not subscribe or acquire new shares proportionately, which results in a change in the Company's ownership percentage of the associate but maintains significant influence on the associate, then 'capital surplus' and 'investments accounted for under the equity method' shall be adjusted for the increase or decrease of its share of equity interest. If the above condition causes a decrease in the Company's ownership percentage of the associate, in addition to the above adjustment, the amounts previously recognised in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately on the same basis as would be required if the relevant assets or liabilities were disposed of.
- I. When the Company disposes of its investment in an associate and loses significant influence over this associate, the amounts previously recognised in other comprehensive income in relation to the associate are reclassified to profit or loss on the same basis as would be required if the relevant assets or liabilities were disposed of. If it retains significant influence over this associate, the amounts previously recognised in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately in accordance with the aforementioned approach.
- J. When the Company disposes of its investment in an associate and loses significant influence over this associate, the amounts previously recognised as capital surplus in relation to the associate are transferred to profit or loss. If it retains significant influence over this associate, the amounts previously recognised as capital surplus in relation to the associate are transferred to profit or loss proportionately.
- K. Pursuant to the Regulations Governing the Preparation of Financial Reports by Securities Issuers, profit (loss) of the current period and other comprehensive income in the non-consolidated financial statements shall equal to the amount attributable to owners of the parent in the financial statements prepared with basis for consolidation. Owners' equity in the non-consolidated financial statements shall equal to equity attributable to owners of the parent in the financial statements prepared with basis for consolidation.

(15) Property, plant and equipment

- A. Property, plant and equipment are initially recorded at cost. Borrowing costs incurred during the construction period are capitalised.
- B. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.
- C. Land is not depreciated. Other property, plant and equipment apply cost model and are depreciated using the straight-line method to allocate their cost over their estimated useful lives. Each part of an item of property, plant, and equipment with a cost that is significant in relation to the total cost of the item must be depreciated separately.
- D. The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each financial year-end. If expectations for the assets' residual values and useful lives differ from previous estimates or the patterns of consumption of the assets' future economic benefits embodied in the assets have changed significantly, any change is accounted for as a change in estimate under IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors', from the date of the change.

The estimated useful lives of property, plant and equipment are as follows:

|                          |               |
|--------------------------|---------------|
| Buildings and structures | 20 - 50 years |
| Utilities equipment      | 7 - 15 years  |
| Computer equipment       | 3 - 7 years   |
| Transportation equipment | 10 years      |
| Furniture and fixtures   | 5 years       |
| Tools                    | 5 - 20 years  |

(16) Leasing arrangements (lessee) — right-of-use assets/ lease liabilities

- A. Leases are recognised as a right-of-use asset and a corresponding lease liability at the date at which the leased asset is available for use by the Company. For short-term leases or leases of low value assets, lease payments are recognised as an expense on a straight-line basis over the lease term.
- B. Lease liabilities include the net present value of the remaining lease payments at the commencement date, discounted using the incremental borrowing interest rate. Lease payments are comprised of fixed payments, less any lease incentives receivable.

The Company subsequently measures the lease liability at amortised cost using the interest method and recognises interest expense over the lease term. The lease liability is remeasured and the amount of remeasurement is recognised as an adjustment to the right-of-use asset when there are changes in the lease term or lease payments and such changes do not arise from contract modifications.

C. At the commencement date, the right-of-use asset is stated at cost comprising the following:

- (a) The amount of the initial measurement of lease liability; and
- (b) Any lease payments made at or before the commencement date.

The right-of-use asset is measured subsequently using the cost model and is depreciated from the commencement date to the earlier of the end of the asset's useful life or the end of the lease term. When the lease liability is remeasured, the amount of remeasurement is recognised as an adjustment to the right-of-use asset.

D. For lease modifications that decrease the scope of the lease, the lessee shall decrease the carrying amount of the right-of-use asset and remeasure the lease liability to reflect the partial or full termination of the lease, and recognise the difference in profit or loss.

(17) Intangible assets

Computer software is stated at cost and amortised on a straight-line basis over its estimated useful life of 3 to 7 years.

(18) Impairment of non-financial assets

The Company assesses at each balance sheet date the recoverable amounts of those assets where there is an indication that they are impaired. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or value in use. When the circumstances or reasons for recognizing impairment loss for an asset in prior years no longer exist or diminish, the impairment loss is reversed. The increased carrying amount due to reversal should not be more than what the depreciated or amortised historical cost would have been if the impairment had not been recognised.

(19) Borrowings

Borrowings comprise long-term and short-term bank borrowings. Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

(20) Accounts and notes payable

- A. Accounts payable are liabilities for purchases of goods or services and notes payable are those resulting from operating and non-operating activities.
- B. The short-term accounts and notes payable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(21) Derecognition of financial liabilities

A financial liability is derecognised when the obligation specified in the contract is discharged or cancelled or expires.

(22) Offsetting financial instruments

Financial assets and liabilities are offset and reported in the net amount in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

(23) Provisions

Provisions (mainly warranty provisions) are recognised when the Company has a present legal or constructive obligation as a result of past events, and it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be reliably estimated. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation on the balance sheet date. Provisions are not recognized for future operating losses.

(24) Employee benefits

A. Short-term employee benefits

Short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in respect of service rendered by employees in a period and should be recognised as expense in that period when the employees render service.

B. Pensions

(a) Defined contribution plans

For defined contribution plans, the contributions are recognised as pension expense when they are due on an accrual basis. Prepaid contributions are recognised as an asset to the extent of a cash refund or a reduction in the future payments.

(b) Defined benefit plans

- i. Net obligation under a defined benefit plan is defined as the present value of an amount of pension benefits that employees will receive on retirement for their services with the Company in current period or prior periods. The liability recognised in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets. The net defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The rate used to discount is determined by using interest rates of government bonds (at the balance sheet date) of a currency and term consistent with the currency and term of the employment benefit obligations.
- ii. Remeasurements arising on defined benefit plans are recognised in other comprehensive income in the period in which they arise and recorded as retained earnings.

iii. Past service costs are recognised immediately in profit or loss.

C. Termination benefits

Termination benefits are employee benefits provided in exchange for the termination of employment as a result from either the Company's decision to terminate an employee's employment before the normal retirement date, or an employee's decision to accept an offer of redundancy benefits in exchange for the termination of employment. The Company recognises expense as it can no longer withdraw an offer of termination benefits or as it recognises relating restructuring costs, whichever is earlier. Benefits that are expected to be due more than 12 months after balance sheet date shall be discounted to their present value.

D. Employees' compensation and directors' remuneration

Employees' compensation and directors' and supervisors' remuneration are recognised as expenses and liabilities, provided that such recognition is required under legal or constructive obligation and those amounts can be reliably estimated. Any difference between the subsequently resolved distributed amounts and the estimated amounts is accounted for as changes in estimates. If employee compensation is paid by shares, the Company calculates the number of shares based on the closing price at the previous day of the board meeting resolution.

(25) Income tax

- A. The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or items recognised directly in equity, in which cases the tax is recognised in other comprehensive income or equity.
- B. The current income tax expense is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in accordance with applicable tax regulations. It establishes provisions where appropriate based on the amounts expected to be paid to the tax authorities. An additional tax is levied on the unappropriated retained earnings and is recorded as income tax expense in the year the stockholders resolve to retain the earnings.
- C. Deferred income tax is recognised, using the balance sheet method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the parent company only balance sheet. Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

- D. Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. At each balance sheet date, unrecognised and recognised deferred income tax assets are reassessed.
- E. Current income tax assets and liabilities are offset and the net amount is reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. Deferred income tax assets and liabilities are offset on the balance sheet when the entity has the legally enforceable right to offset current tax assets against current tax liabilities and they are levied by the same taxation authority on either the same entity or different entities that intend to settle on a net basis or realise the asset and settle the liability simultaneously.

(26) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or stock options are shown in equity as a deduction, net of tax, from the proceeds.

(27) Dividends

Cash dividends were recorded as liabilities in the Company's financial statements after the special resolution of the Board of Directors in accordance with Articles of Incorporation. Stock dividends are recorded as stock dividends to be distributed when they are resolved by the Company's shareholders and are reclassified to ordinary shares on the effective date of new shares issuance.

(28) Revenue recognition

A. Sales of goods

- (a) The Company sells information, communication, semiconductor and consumer electronic products. Sales are recognised when control of the products has transferred, being when the products are delivered to the customer, the customer has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, or the Company has objective evidence that all criteria for acceptance have been satisfied.
- (b) Revenue from these sales is recognised based on the price specified in the contract, net of the estimated sales return, volume discounts, sales discounts and allowances. The estimated volume discounts, sales discounts and allowances given to customers are based on the expected purchase volume and accumulated experience. A refund liability is recognised for expected sales return, volume discounts, sales discounts and allowances payable to customers in relation to sales made until the end of the reporting period. Revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. The estimation

is subject to an assessment at each reporting date.

- (c) The sales are usually made with a credit term of advance sales receipts, 7 to 120 days after the receipt of shipment and 5 to 150 days after monthly billings. For those contracts which the Company entered into with customers, as the time interval between the transfer of committed goods or service and the payment of customer does not exceed one year, the Company does not adjust the transaction price to reflect the time value of money.
- (d) The Company's obligation to provide a refund for faulty products under the standard warranty terms is recognised as a provision.
- (e) A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

#### B. Service revenue

The Company provides services of inventory management, installation and maintenance services. Revenue from providing services is recognised in the accounting period in which the services are rendered.

### 5. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND KEY SOURCES OF ASSUMPTION UNCERTAINTY

The preparation of these parent company only financial statements requires management to make critical judgements in applying the Company's accounting policies and make critical assumptions and estimates concerning future events. Assumptions and estimates may differ from the actual results and are continually evaluated and adjusted based on historical experience and other factors. Such assumptions and estimates have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year; and the information is addressed below:

#### (1) Critical judgements in applying the Company's accounting policies

##### Revenue recognition on a net/gross basis

The Company determines whether the nature of its performance obligation is to provide the specified goods or services itself (i.e. the Company is a principal) or to arrange for the other party to provide those goods or services (i.e. the Company is an agent) based on the transaction model and its economic substance. The Company is a principal if it controls a promised good or service before it transfers the good or service to a customer. The Company recognises revenue at gross amount of consideration to which it expects to be entitled in exchange for those goods or services transferred. The Company is an agent if it does not control a promised good or service before the good or service is transferred to a customer. The Company recognises revenue at the amount of any fee or commission to which it expects to be entitled in exchange for arranging for the other party to provide its goods or services.

Indicators that the Company controls the good or service before it is provided to a customer include the following:

- A. The Company is primarily responsible for the provision of goods or services;
- B. The Company assumes the inventory risk before transferring the specified goods or services to the customer or after transferring control of the goods or services to the customer; and
- C. The Company has discretion in establishing prices for the goods or services.

(2) Critical accounting estimates and assumptions

A. Assessment of allowance for uncollectible accounts receivable

During the assessment process of allowance for uncollectible accounts receivable, the Company has to utilize judgements and estimates to determine the recoverable amount of accounts receivable. The recoverable amount is affected by various factors such as customers' financial conditions, Company's internal credit ratings, historical transaction records, current economic conditions and other factors that could affect customers' paying ability. If there is a concern regarding the collectability of the account, the Company shall assess the account's collectability individually and recognize appropriate allowances. Management makes critical assumptions and estimates concerning future events as of balance sheet date, which may differ from actual results. Thus, there might be material changes to the assessment.

B. Evaluation of inventories

As inventories are stated at the lower of cost or net realisable value, the Company must determine the net realisable value of inventories on balance sheet date using judgements and estimates. Due to the rapid technology innovation, the Company evaluates the amounts of normal inventory consumption, obsolete inventories or inventories without market value on balance sheet date, and writes down the cost of inventories to the net realisable value. Such evaluation of inventories is primarily based on the market conditions at the balance sheet date and historical sales experience judgment. Therefore, there might be material changes to the evaluation.

C. Accrual of inventory purchase rebates

Accrual of inventory purchase rebates is estimated based on contract terms and expected achievement rate. However, contract terms for rebates could be in various types, with complicated calculations and entered into with different counterparties. Therefore, it has to be matched with individual merchandise item manually in order to calculate rebates. Management makes critical assumptions and estimates concerning future events as of balance sheet date, which may differ from actual results. Thus, there might be material changes to the assessment.

6. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

|                                       | <u>December 31, 2023</u> | <u>December 31, 2022</u> |
|---------------------------------------|--------------------------|--------------------------|
| Cash on hand and revolving funds      | \$ 90                    | \$ 159                   |
| Checking accounts and demand deposits | <u>731,094</u>           | <u>711,019</u>           |
|                                       | <u>\$ 731,184</u>        | <u>\$ 711,178</u>        |

- A. The Company transacts with a variety of financial institutions all with high credit quality to disperse credit risk, so it expects that the probability of counterparty default is remote.
- B. For information regarding cash and cash equivalents pledged as collateral and reclassified as financial assets at amortised cost, please refer to Notes 6(4) and 8.

(2) Financial assets at fair value through profit or loss

|  | <u>December 31, 2023</u> | <u>December 31, 2022</u> |
|--|--------------------------|--------------------------|
| Current items:   |                          |                          |
| Financial assets mandatorily measured at fair value through profit or loss |                          |                          |
| Listed stocks  | \$ 18,806                | \$ 18,806                |
| Valuation adjustment   | <u>136,087</u>           | <u>89,927</u>            |
|  | <u>\$ 154,893</u>        | <u>\$ 108,733</u>        |

- A. Refer to Note 6(26) for details of the Company's net gain (loss) on financial assets at fair value through profit or loss.
- B. The Company has no financial assets at fair value through profit or loss pledged to others as collateral.
- C. Information relating to credit risk is provided in Note 12(3).

(3) Financial assets at fair value through other comprehensive income

|                                 | <u>December 31, 2023</u> | <u>December 31, 2022</u> |
|---------------------------------|--------------------------|--------------------------|
| Non-current items:              |                          |                          |
| Equity instruments              |                          |                          |
| Listed stocks                   | \$ 798,693               | \$ 798,693               |
| Non-listed (TSE and OTC) stocks | <u>1,952,125</u>         | <u>1,952,125</u>         |
|                                 | 2,750,818                | 2,750,818                |
| Valuation adjustment            | <u>3,973,912</u>         | <u>2,715,434</u>         |
|                                 | <u>\$ 6,724,730</u>      | <u>\$ 5,466,252</u>      |

- A. The Company has elected to classify share investments that are considered to be strategic investments as financial assets at fair value through other comprehensive income.
- B. Information relating to the Company's financial assets at fair value through other comprehensive income recognised as comprehensive (loss) income is provided in the statement of comprehensive income.
- C. The Company has no financial assets at fair value through other comprehensive income pledged to others as collateral.
- D. Information relating to fair value is provided in Note 12(3).

(4) Financial assets at amortised cost

|  | <u>December 31, 2023</u> | <u>December 31, 2022</u> |
|--|--------------------------|--------------------------|
| Current items:                                       |                          |                          |
| Time deposits maturing within three months to a year | \$ -                     | \$ 1,050                 |
| Non-current items:                                   |                          |                          |
| Pledged time deposits                                | \$ 787,705               | \$ 802,156               |

- A. Information on interest income recognised from financial assets measured at amortised cost is provided in Note 6(27).
- B. Details of the Company's financial assets at amortised cost pledged to others as collateral are provided in Note 8.
- C. The counterparties of the Company's investments in certificates of deposits are financial institutions with high credit quality, so the Company expects that the probability of counterparty default is remote.

(5) Notes, accounts and overdue receivable

|  | <u>December 31, 2023</u> | <u>December 31, 2022</u> |
|--|--------------------------|--------------------------|
| Notes receivable   | \$ 118,879               | \$ 192,369               |
| Less: Allowance for uncollectible accounts                 | ( 238)                   | ( 385)                   |
|  | <u>\$ 118,641</u>        | <u>\$ 191,984</u>        |
| Accounts receivable  | 8,004,524                | 8,779,476                |
| Accounts receivable due from related parties               | 277,133                  | 264,348                  |
|  | 8,281,657                | 9,043,824                |
| Less: Allowance for uncollectible accounts                 | ( 16,763)                | ( 18,250)                |
|  | <u>8,264,894</u>         | <u>9,025,574</u>         |
| Overdue receivables (recorded as other non-current assets) | \$ 17,300                | \$ 18,787                |
| Less: Allowance for uncollectible accounts                 | ( 14,589)                | ( 15,680)                |
|  | 2,711                    | 3,107                    |
|  | <u>\$ 8,267,605</u>      | <u>\$ 9,028,681</u>      |

Overdue receivables consist primarily of amounts due from customers under bankruptcy proceedings and are stated at their estimated net realizable value. As of December 31, 2023 and 2022, the Company received certain security for a portion of the amounts due.

- A. The ageing analysis of notes receivable and accounts receivable (including related parties) is as follows:

|                             | December 31, 2023   |                        |                        |                     |
|-----------------------------|---------------------|------------------------|------------------------|---------------------|
|                             | Notes<br>receivable | Accounts<br>receivable | Overdue<br>receivables | Total               |
| Not past due                | \$ 115,998          | \$ 7,804,384           | \$ -                   | \$ 7,920,382        |
| Up to 60 days past due      | 2,881               | 435,542                | -                      | 438,423             |
| 61-120 days past due        | -                   | 9,694                  | -                      | 9,694               |
| 121-180 days past due       | -                   | 4,247                  | 104                    | 4,351               |
| More than 181 days past due | -                   | 27,790                 | 17,196                 | 44,986              |
|                             | <u>\$ 118,879</u>   | <u>\$ 8,281,657</u>    | <u>\$ 17,300</u>       | <u>\$ 8,417,836</u> |
|                             | December 31, 2022   |                        |                        |                     |
|                             | Notes<br>receivable | Accounts<br>receivable | Overdue<br>receivables | Total               |
| Not past due                | \$ 190,093          | \$ 8,426,194           | \$ -                   | \$ 8,616,287        |
| Up to 60 days past due      | 2,276               | 341,989                | 277                    | 344,542             |
| 61-120 days past due        | -                   | 274,300                | 881                    | 275,181             |
| 121-180 days past due       | -                   | 428                    | 150                    | 578                 |
| More than 181 days past due | -                   | 913                    | 17,479                 | 18,392              |
|                             | <u>\$ 192,369</u>   | <u>\$ 9,043,824</u>    | <u>\$ 18,787</u>       | <u>\$ 9,254,980</u> |

The above ageing analysis was based on past due date.

B. As of December 31, 2023 and 2022, accounts receivable and notes receivable were all from contracts with customers. And as of January 1, 2022, the balance of receivables from contracts with customers amounted to \$5,764,116.

C. Information relating to credit risk of notes and accounts receivable is provided in Note 12(2).

(6) Transfer of financial assets

Transferred financial assets that are derecognised in their entirety

The Company entered into factoring agreements with banks to sell its accounts receivable. Under the agreements, the Company is not obligated to bear the default risk of the transferred accounts receivable, but is liable for the losses incurred in any business dispute. The Company does not have any continuing involvement in the transferred accounts receivable. Thus, the Company derecognised the factored accounts receivable, and the related information is as follows:

(Unit: USD thousand)

| December 31, 2023               |                              |             |                              |
|---------------------------------|------------------------------|-------------|------------------------------|
| Accounts receivable transferred | Amount derecognised          | Facilities  | Amount advanced              |
| \$ 2,095,924<br>(USD 65,998)    | \$ 2,095,924<br>(USD 65,998) | USD 202,000 | \$ 2,095,924<br>(USD 65,998) |

(Unit: USD thousand)

| December 31, 2022               |                            |            |                            |
|---------------------------------|----------------------------|------------|----------------------------|
| Accounts receivable transferred | Amount derecognised        | Facilities | Amount advanced            |
| \$ 571,103<br>(USD 18,491)      | \$ 571,103<br>(USD 18,491) | USD 57,500 | \$ 571,103<br>(USD 18,491) |

- A. The counterparties of the Company's accounts receivable factoring were domestic financial institutions. As of December 31, 2023 and 2022, the interest rate of amount advanced was 6.11%~6.46% and 3.83%~5.18%, respectively.
- B. As of December 31, 2023 and 2022, the commercial papers issued for accounts receivable factoring amounted to USD182,500 thousand and USD38,000 thousand, respectively.

(7) Other receivables

|   | December 31, 2023   | December 31, 2022 |
|---|---------------------|-------------------|
| Receivables from suppliers  | \$ 3,617,490        | \$ 583,763        |
| Tax refund receivable — business tax                                | 119,968             | 54,243            |
| Other non-operating receivables, others (including related parties) | 6,411               | 1,317             |
|   | <u>\$ 3,743,869</u> | <u>\$ 639,323</u> |

(8) Inventories

|                         | December 31, 2023   |                              |                     |
|-------------------------|---------------------|------------------------------|---------------------|
|                         | Cost                | Allowance for valuation loss | Book value          |
| Merchandise inventories | <u>\$ 8,401,211</u> | <u>(\$ 55,604)</u>           | <u>\$ 8,345,607</u> |
|                         | December 31, 2022   |                              |                     |
|                         | Cost                | Allowance for valuation loss | Book value          |
| Merchandise inventories | <u>\$ 5,877,020</u> | <u>(\$ 67,328)</u>           | <u>\$ 5,809,692</u> |

- A. Inventories were not pledged to others as collateral.
- B. The cost of inventories recognised as expense for the period:

|   | Years ended December 31, |                      |
|---|--------------------------|----------------------|
|   | 2023                     | 2022                 |
| Cost of inventories sold                              | \$ 57,787,531            | \$ 65,036,209        |
| (Gain on reversal of) loss on decline in market value | ( 11,724)                | 32,571               |
|   | ( 5,979)                 | ( 1,530)             |
|   | <u>\$ 57,769,828</u>     | <u>\$ 65,067,250</u> |

Gain on reversal of valuation loss and obsolescence arose after the inventories were scrapped or sold.

(9) Investments accounted for using equity method

A. The details are as follows:

|  | December 31, 2023    |                      | December 31, 2022    |                      |
|--|----------------------|----------------------|----------------------|----------------------|
|  | Balance              | Percentage ownership | Balance              | Percentage ownership |
| Subsidiaries:                                  |                      |                      |                      |                      |
| Synnex Global Ltd.                             | \$119,936,968        | 100.00%              | \$120,735,984        | 100.00%              |
| Bestcom Infotech Corp.                         | 2,345,961            | 100.00%              | 2,264,419            | 100.00%              |
| E-Fan Investments CO., LTD.                    | 300,416              | 100.00%              | 289,685              | 100.00%              |
| Seper Technology Corporation                   | 79,755               | 100.00%              | 85,129               | 100.00%              |
| Synergy Intellingent Logistics Corporation     | 175,590              | 100.00%              | 207,638              | 100.00%              |
| Synergy Technology Services Corporation (Note) | 99,944               | 100.00%              | 987                  | 100.00%              |
| Synnex Technology International (HK) Ltd.      | 1,454,712            | 100.00%              | 467,809              | 100.00%              |
| Syntech Asia Ltd.                              | 1,041,298            | 100.00%              | 274,820              | 100.00%              |
| PT. Synnex Metrodata Indonesia                 | 2,670,255            | 50.00%               | 2,353,442            | 50.00%               |
| Associates:                                    |                      |                      |                      |                      |
| Redington Limited                              | <u>6,383,799</u>     | 24.13%               | <u>5,883,598</u>     | 24.13%               |
|  | <u>\$134,488,698</u> |                      | <u>\$132,563,511</u> |                      |

- B. The above investments accounted for under the equity method are profit/(loss) and share of other comprehensive income of associates and subsidiaries recognised based on financial statements that were audited by the investees' auditors. Details are as follows:

|  |     | Profit/(loss) of subsidiaries and associates                       |                       |
|--|-----|--|-----------------------|
|  |     | Years ended December 31,   |                       |
|  |     | 2023   | 2022                  |
| Subsidiaries:                                  |     |  |                       |
| Synnex Global Ltd.                             | \$  | 3,002,514  | \$ 16,339,605         |
| Bestcom Infotech Corp.                         |     | 298,028  | 381,220               |
| E-Fan Investments CO., LTD.                    |     | 18,447   | 8,231                 |
| Seper Technology Corporation                   |     | 76,324   | 81,698                |
| Synergy Intelligent Logistics Corporation      |     | 69,939   | 113,313               |
| Synergy Technology Services Corporation (Note) | (   | 43)  | ( 2)                  |
| Synnex Technology International (HK) Ltd.      |     | 696,937  | 172,899               |
| Syntech Asia Ltd.                              |     | 777,752  | 224,671               |
| PT. Synnex Metrodata Indonesia                 |     | 591,548  | 147,937               |
| Associates:                                    |     |  |                       |
| Redington Limited                              |     | 1,097,535  | -                     |
|  | \$  | <u>6,628,981</u>   | <u>\$ 17,469,572</u>  |
|  |     | Share of other comprehensive income of subsidiaries and associates |                       |
|  |     | Years ended December 31,   |                       |
|  |     | 2023   | 2022                  |
| Subsidiaries:                                  |     |  |                       |
| Synnex Global Ltd.                             | (\$ | 2,336,994)   | (\$ 2,201,462)        |
| Bestcom Infotech Corp.                         |     | 133,738  | 11,179                |
| E-Fan Investments CO., LTD.                    | (   | 308)   | -                     |
| Synergy Intelligent Logistics Corporation      | (   | 6)   | -                     |
| Associates:                                    |     |  |                       |
| Redington Limited                              | (   | 345,247)   | 303,341               |
|  | (\$ | <u>2,548,817</u> )   | <u>(\$ 1,886,942)</u> |

Note: The company was formerly known as Synergy Technology Services Corporation(通達技術服務股份有限公司) and was changed to Synergy Technology Services Corporation(通盛科技服務股份有限公司) in May 4, 2023.

### C. Subsidiaries

#### (a) Synnex Global Ltd.

We did not audit the financial statements of investees accounted for using equity method of

Synnex Global Ltd. which were audited by other auditors. The financial statements of certain investees were prepared using a different framework for financial reporting for the year ended December 31, 2021. Therefore, the Company changed the framework for preparation of the investees' financial statements to the Regulations Governing the Preparation of Financial Reports by Securities Issuers. The investment profits amounting to \$206,312 and \$1,645,136 as well as other comprehensive (loss) income amounting to (\$5,422) and \$287,393 for the years ended December 31, 2023 and 2022, respectively, were recognised based on the investees' financial statements audited by other auditors. As of December 31, 2023 and 2022, the related investments were stated at \$1,840,355 and \$1,818,980, respectively.

(b) Bestcom Infotech Corp

Information relating to acquisition of equity interest in a subsidiary is provided in Note 6(32).

(c) To cooperate with the Group's investment restructuring, some subsidiaries which were formerly and indirectly invested through Synnex Global Ltd. were changed to be directly invested by the Company. Because the transaction is treated as an investment restructuring, it was accounted for using the book value method. The difference between the consideration paid by the Company and the book value of investments accounted for using the equity method held by the former equity holder would be adjusted in shareholders' equity interest account.

i. Synnex Technology International (HK) Ltd.

On December 20, 2022, 100% of equity interests in Synnex Technology International (HK) Ltd. that was previously indirectly held by the Company was changed to be directly held by the Company through a transaction at a price of HKD 73,437 thousand, equivalent to NT\$ 290,107.

ii. Syntech Asia Ltd.

On November 30, 2022, 100% of equity interests in Syntech Asia Ltd. that was previously indirectly held by the Company was changed to be directly held by the Company through a transaction at a price of USD 1,405 thousand, equivalent to NT\$ 43,474.

iii. PT. Synnex Metrodata Indonesia

On November 23, 2022, 50% of equity interests in PT. Synnex Metrodata Indonesia that was previously indirectly held by the Company was changed to be directly held by the Company through a transaction at a price of IDR 1,522,500,000 thousand, equivalent to NT\$ 3,038,867.

#### D. Associates

(a) Redington Limited

To cooperate with the Group's investment restructuring, on December 26, 2022, an associate that was previously indirectly held by the Company through Synnex Global Ltd. was changed to be directly held by the Company through a transaction at a price of IDR 32,145,486

thousand, equivalent to NT\$ 11,963,644. Because the transaction is treated as a reorganisation, it was accounted for using the book value method. The difference between the consideration paid by the Company and the book value of investments accounted for using the equity method held by the former equity holder was adjusted in shareholders' equity interest account. As of December 31, 2022, the share subscriptions payable of the aforementioned transactions had not been paid and was shown as other payables. It has been paid at full amount after February 24, 2023 in the subsequent period.

In addition, the Company's auditors did not audit the financial statements of those associates which were audited by other auditors.

- (b) The Company had no material associates as of December 31, 2023 and 2022.

The carrying amount of the Company's interests in all individually immaterial associates and the Company's share of the operating results are summarized below:

As of December 31, 2023 and 2022, the carrying amount of the Company's individually immaterial associates amounted to \$6,383,799 and \$5,883,598, respectively.

- (c) The fair value calculated proportionately based on ownership shares of the Company's associates with quoted market prices is as follows:

|                   | <u>December 31, 2023</u> | <u>December 31, 2022</u> |
|-------------------|--------------------------|--------------------------|
| Redington Limited | <u>\$ 12,330,137</u>     | <u>\$ 12,673,374</u>     |

(Remainder of page intentionally left blank)

(10) Property, plant and equipment

|  | Land              | Buildings<br>and<br>structures | Utilities<br>equipment | Computer<br>equipment | Transportation<br>equipment | Furniture and<br>fixtures | Tools            | Construction<br>in progress<br>and equipment<br>to be inspected | Total               |
|--|-------------------|--------------------------------|------------------------|-----------------------|-----------------------------|---------------------------|------------------|---|---------------------|
| <u>At January 1, 2023</u>                    |                   |                                |                        |                       |                             |                           |                  |   |                     |
| Cost   | \$ 568,811        | \$ 640,820                     | \$ 4,653               | \$ 162,623            | \$ 12,983                   | \$ 323                    | \$ 52,236        | \$ 2,573,134  | \$ 4,015,583        |
| Accumulated depreciation                     | -                 | ( 366,108)                     | ( 3,113)               | ( 98,527)             | ( 11,224)                   | ( 134)                    | ( 11,711)        | -   | ( 490,817)          |
|  | <u>\$ 568,811</u> | <u>\$ 274,712</u>              | <u>\$ 1,540</u>        | <u>\$ 64,096</u>      | <u>\$ 1,759</u>             | <u>\$ 189</u>             | <u>\$ 40,525</u> | <u>\$ 2,573,134</u>   | <u>\$ 3,524,766</u> |
| <u>2023</u>                                  |                   |                                |                        |                       |                             |                           |                  |   |                     |
| Opening net book amount<br>as at January 1   | \$ 568,811        | \$ 274,712                     | \$ 1,540               | \$ 64,096             | \$ 1,759                    | \$ 189                    | \$ 40,525        | \$ 2,573,134  | \$ 3,524,766        |
| Additions                                    | -                 | 21,139                         | -                      | 1,428                 | 276                         | 924                       | 2,339            | 45,484  | 71,590              |
| Reclassifications                            | -                 | -                              | -                      | -                     | 5,524                       | -                         | -                | -   | 5,524               |
| Disposals                                    | ( 1,662)          | -                              | -                      | -                     | ( 732)                      | -                         | -                | -   | ( 2,394)            |
| Depreciation charge                          | -                 | ( 18,032)                      | ( 560)                 | ( 22,110)             | ( 787)                      | ( 80)                     | ( 3,569)         | -   | ( 45,138)           |
| Closing net book amount<br>as at December 31 | <u>\$ 567,149</u> | <u>\$ 277,819</u>              | <u>\$ 980</u>          | <u>\$ 43,414</u>      | <u>\$ 6,040</u>             | <u>\$ 1,033</u>           | <u>\$ 39,295</u> | <u>\$ 2,618,618</u>   | <u>\$ 3,554,348</u> |
| <u>At December 31, 2023</u>                  |                   |                                |                        |                       |                             |                           |                  |   |                     |
| Cost   | \$ 567,149        | \$ 658,210                     | \$ 3,475               | \$ 133,916            | \$ 11,521                   | \$ 1,247                  | \$ 53,715        | \$ 2,618,618  | \$ 4,047,851        |
| Accumulated depreciation                     | -                 | ( 380,391)                     | ( 2,495)               | ( 90,502)             | ( 5,481)                    | ( 214)                    | ( 14,420)        | -   | ( 493,503)          |
|  | <u>\$ 567,149</u> | <u>\$ 277,819</u>              | <u>\$ 980</u>          | <u>\$ 43,414</u>      | <u>\$ 6,040</u>             | <u>\$ 1,033</u>           | <u>\$ 39,295</u> | <u>\$ 2,618,618</u>   | <u>\$ 3,554,348</u> |

|  | Land              | Buildings<br>and<br>structures | Utilities<br>equipment | Computer<br>equipment | Transportation<br>equipment | Furniture and<br>fixtures | Tools            | Construction<br>in progress<br>and equipment<br>to be inspected | Total               |
|--|-------------------|--------------------------------|------------------------|-----------------------|-----------------------------|---------------------------|------------------|---|---------------------|
| <u>At January 1, 2022</u>                    |                   |                                |                        |                       |                             |                           |                  |   |                     |
| Cost   | \$ 570,340        | \$ 644,921                     | \$ 5,533               | \$ 212,588            | \$ 25,646                   | \$ 711                    | \$ 49,455        | \$ 2,547,581  | \$ 4,056,775        |
| Accumulated depreciation                     | -                 | ( 352,484)                     | ( 3,426)               | ( 121,696)            | ( 18,630)                   | ( 419)                    | ( 9,573)         | -   | ( 506,228)          |
|  | <u>\$ 570,340</u> | <u>\$ 292,437</u>              | <u>\$ 2,107</u>        | <u>\$ 90,892</u>      | <u>\$ 7,016</u>             | <u>\$ 292</u>             | <u>\$ 39,882</u> | <u>\$ 2,547,581</u>   | <u>\$ 3,550,547</u> |
| <u>2022</u>                                  |                   |                                |                        |                       |                             |                           |                  |   |                     |
| Opening net book amount<br>as at January 1   | \$ 570,340        | \$ 292,437                     | \$ 2,107               | \$ 90,892             | \$ 7,016                    | \$ 292                    | \$ 39,882        | \$ 2,547,581  | \$ 3,550,547        |
| Additions                                    | -                 | -                              | 175                    | 2,896                 | -                           | -                         | 2,289            | 25,553  | 30,913              |
| Reclassifications                            | -                 | -                              | -                      | -                     | -                           | -                         | 1,710            | -   | 1,710               |
| Disposals                                    | ( 1,529)          | -                              | ( 14)                  | -                     | ( 3,814)                    | -                         | -                | -   | ( 5,357)            |
| Depreciation charge                          | -                 | ( 17,726)                      | ( 728)                 | ( 29,691)             | ( 1,443)                    | ( 103)                    | ( 3,356)         | -   | ( 53,047)           |
| Closing net book amount<br>as at December 31 | <u>\$ 568,811</u> | <u>\$ 274,711</u>              | <u>\$ 1,540</u>        | <u>\$ 64,097</u>      | <u>\$ 1,759</u>             | <u>\$ 189</u>             | <u>\$ 40,525</u> | <u>\$ 2,573,134</u>   | <u>\$ 3,524,766</u> |
| <u>At December 31, 2022</u>                  |                   |                                |                        |                       |                             |                           |                  |   |                     |
| Cost   | \$ 568,811        | \$ 640,820                     | \$ 4,653               | \$ 162,623            | \$ 12,983                   | \$ 323                    | \$ 52,236        | \$ 2,573,134  | \$ 4,015,583        |
| Accumulated depreciation                     | -                 | ( 366,108)                     | ( 3,113)               | ( 98,527)             | ( 11,224)                   | ( 134)                    | ( 11,711)        | -   | ( 490,817)          |
|  | <u>\$ 568,811</u> | <u>\$ 274,712</u>              | <u>\$ 1,540</u>        | <u>\$ 64,096</u>      | <u>\$ 1,759</u>             | <u>\$ 189</u>             | <u>\$ 40,525</u> | <u>\$ 2,573,134</u>   | <u>\$ 3,524,766</u> |

Note 1: The Company's property in Nangang District, Taipei City has been under construction since February 2020 and was shown under construction in progress. Thus, for the years ended December 31, 2023 and 2022, the interest of property, plant and equipment has been capitalized. Amount of borrowing costs for property, plant and equipment capitalised and interest rate range are as follows:

|  | Years ended December 31, |             |
|--|--------------------------|-------------|
|  | 2023                     | 2022        |
| Amount capitalised                             | \$ 43,579                | \$ 23,172   |
| Range of the interest rates for capitalisation | 1.74%~1.81%              | 0.82%~1.79% |

Note 2: The Company had no property, plant and equipment pledged to others as collateral as of December 31, 2023 and 2022.

Note 3: Property, plant and equipment were acquired for self-use and leasing to the Group subsidiaries.

(11) Leasing arrangements — lessee

- A. The Company leases various assets including buildings. Rental contracts are typically made for periods of 2 to 5 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose covenants, but leased assets may not be used as security for borrowing purposes.
- B. The book value of the right-of-use assets and the depreciation expense recognized are as follows:

|                     | <u>Buildings</u> |
|---------------------|------------------|
| January 1, 2023     | \$ 48,872        |
| Depreciation charge | ( 48,872)        |
| December 31, 2023   | <u>\$ -</u>      |
|                     | <u>Buildings</u> |
| January 1, 2022     | \$ 99,515        |
| Depreciation charge | ( 50,643)        |
| December 31, 2022   | <u>\$ 48,872</u> |

- C. Information on profit or loss relating to lease contracts is as follows:

|                                       | <u>Years ended December 31,</u> |             |
|---------------------------------------|---------------------------------|-------------|
|                                       | <u>2023</u>                     | <u>2022</u> |
| <u>Items affecting profit or loss</u> |                                 |             |
| Interest expense on lease liabilities | \$ 207                          | \$ 625      |
| Expense on short-term lease contracts | 4,766                           | 3,913       |
| Expense on leases of low-value assets | 1,750                           | 1,616       |

- D. Apart from the cash outflow relating to the lease expense mentioned above in Note 6(11)C, the Company's cash outflow arising from the payments of lease liabilities for the years ended December 31, 2023 and 2022 is provided in Note 6(34).

(12) Leasing arrangements — lessor

- A. The Company leases various assets including warehouses. Rental contracts are typically made for periods of 1 to 3 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. To protect the lessor's ownership rights on the leased assets, leased assets may not be used as security for borrowing purposes, or a residual value guarantee was required.
- B. The details of the Company's rent income arising from operating lease agreements for the years ended December 31, 2023 and 2022 is provided in Note 6(25).

C. The maturity analysis of the lease payments under the operating leases is as follows:

|               | December 31, 2023 | December 31, 2022 |
|---------------|-------------------|-------------------|
| Within 1 year | \$ 90,976         | \$ 87,439         |
| 1~5 years     | 11,069            | -                 |
|               | <u>\$ 102,045</u> | <u>\$ 87,439</u>  |

(13) Short-term borrowings

|                      | December 31, 2023    | December 31, 2022    |
|----------------------|----------------------|----------------------|
| Bank borrowings      |                      |                      |
| Unsecured borrowings | <u>\$ 43,970,000</u> | <u>\$ 40,280,000</u> |
| Interest rate range  | <u>1.75%~2.11%</u>   | <u>1.37%~2.40%</u>   |
| Collateral           | None                 | None                 |

Interest expense recognised in profit or loss, please refer to Note 6(27).

(14) Short-term notes and bills payable

|                          | December 31, 2023   | December 31, 2022   |
|--------------------------|---------------------|---------------------|
| Commercial paper payable | <u>\$ 6,680,000</u> | <u>\$ 4,030,000</u> |
| Interest rate range      | <u>1.80%~1.85%</u>  | <u>1.86%~1.94%</u>  |

The above-mentioned short-term notes and bills payables were issued and accepted by financial institutions. The interest includes costs related to issuance.

(15) Other payables

|   | December 31, 2023   | December 31, 2022 |
|---|---------------------|-------------------|
| Salary and bonus payable                | \$ 306,735          | \$ 339,587        |
| Temporary receipt of suppliers' payment | 1,189,939           | 408,157           |
| Accrued expenses - others               | 686,995             | 203,581           |
| Other payables - others                 | 22,655              | 22,108            |
|   | <u>\$ 2,206,324</u> | <u>\$ 973,433</u> |

(16) Other current liabilities

|   | December 31, 2023 | December 31, 2022 |
|---|-------------------|-------------------|
| Refund liability - dealers' rebates payable | <u>\$ 467,686</u> | <u>\$ 385,744</u> |

(17) Long-term borrowings

| Type of borrowings   | Borrowing period and repayment term   | Interest rate range | Collateral | December 31, 2023    |
|--|---|---------------------|------------|----------------------|
| Unsecured borrowings   | Borrowing period is from December 30, 2021 to December 30, 2024; principal is repayable in full at maturity; interest is repayable monthly.             | 2.11%               | None       | \$ 1,500,000         |
| Syndicated Loans signed with Mega International Commercial Bank and other 8 banks -Tranche A | Five years from the date of first drawdown (August 1, 2022); principal is repayable in full at maturity; interest is repayable monthly.                 | 1.80%               | None       | 11,520,000           |
| Syndicated Loans signed with Taiwan Cooperative Bank and other 8 banks -Tranche A            | Five years from the date of first drawdown of Tranche A (November 17, 2023); principal is repayable in full at maturity; interest is repayable monthly. | 1.80%               | None       | 9,850,000            |
|  |   |                     |            | <u>22,870,000</u>    |
| Less: Long-term liabilities, Current portion   |   |                     |            | ( <u>1,500,000</u> ) |
|  |   |                     |            | <u>\$ 21,370,000</u> |

| Type of borrowings   | Borrowing period and repayment term   | Interest rate range | Collateral | December 31, 2022    |
|--|---|---------------------|------------|----------------------|
| Unsecured borrowings   | Borrowing period is from December 30, 2021 to December 30, 2024; principal is repayable in full at maturity; interest is repayable monthly.           | 1.99%               | None       | \$ 1,500,000         |
| Syndicated Loans signed with Mega International Commercial Bank and other 8 banks -Tranche A | Five years from the date of first drawdown (August 1, 2022); principal is repayable in full at maturity; interest is repayable monthly.               | 1.79%~1.81%         | None       | 11,400,000           |
| Syndicated Loans signed with Mega International Commercial Bank and other 8 banks -Tranche B | Five years from the date of first drawdown (August 1, 2022); principal is repayable in full at maturity; interest is repayable in full at face value. | 1.78%~1.80%         | None       | 3,000,000            |
|  |   |                     |            | <u>15,900,000</u>    |
| Less: Long-term liabilities, Current portion   |   |                     |            | -                    |
|  |   |                     |            | <u>\$ 15,900,000</u> |

- A. As of December 31, 2023 and 2022, the terms of syndicated borrowing agreement are as follow:
- (a) According to the syndicated borrowing agreement signed with 9 syndicated borrowing banks, including Mega International Commercial Bank as the arranger, on June 23, 2022, details of the main terms in above agreement are as follows::
- I. Credit items and facilities: total credit line of the syndicated loans amounting to NT\$14.4 billion.
- i. Tranche A:  
The credit line of medium-term borrowings amounted to NT\$14.4 billion and can be revolved.
- ii. Tranche B:  
The credit line of issuing commercial paper guarantee amounted to NT\$11.52 billion and can be revolved.
- iii. Tranche C:  
The credit line of issuing cooperate bond guarantee amounted to NT\$7.272 billion and can not be revolved.
- II. Contract term:
- i. The contract terms to Tranche A and Tranche B are both five years from the date of first drawdown.
- ii. The contract term to Tranche C is no more than five years from the date of collecting payments of corporate bonds.
- III. Drawdown period:
- i. Tranche A and Tranche B: The facility is revolving during the facility period.
- ii. Tranche C: The loan is drawn in a lump sum within 12 months from the day of signing the contract, and the undrawn amount will be canceled on the expiry date and kept intact.
- IV. Covenants:
- Borrowers shall comply with the following financial ratio which should be calculated based on the consolidated financial statements audited by borrowers' independent auditors and assess the ratio once a year..
- i. Current ratio (current assets/current liabilities) shall not be less than 100%.
- ii. Debt ratio ((medium and long term borrowings + short-term borrowings (including current portion) + the balance of short-term notes and bills payable + domestic and foreign cooperate bonds (including convertible bonds) – cash) / net tangible assets) shall not be more than 200%.
- iii. Interest coverage ratio ((income before tax + interest expense + depreciation expense and amortisation expense) / interest expense) shall not be less than three times.

- iv. Net tangible assets (net asset value - intangible asset) shall be at least NT\$40 billion.
- (b) According to the syndicated borrowing agreement signed with 9 syndicated borrowing banks, including Taiwan Cooperative Bank as the arranger, on June 30, 2023, details of the main terms in above agreement are as follows:
  - I. Credit items and facilities: total credit line of the syndicated loans amounting to NT\$20.7 billion.
    - i. Tranche A:  
The credit line of medium-term borrowings amounted to NT\$20.7 billion and can be revolved.
    - ii. Tranche B:  
The credit line of issuing commercial paper guarantee amounted to NT\$14.49 billion and can be revolved.
  - II. Contract term:
    - i. The contract terms to Tranche A and Tranche B are both five years from the date of first drawdown.
  - III. Drawdown period:
    - i. Tranche A and Tranche B: The facility is revolving during the facility period, but the maturity date of each loan shall not exceed the expiration date of the credit period.
  - IV. Covenants:
 

Borrowers shall comply with the following financial ratio which should be calculated based on the consolidated financial statements audited by borrowers' independent auditors and assess the ratio once a year (the annual inspection date is 3/31). Unless otherwise provided in the contract, the accounting terms in the financial covenants are according to Generally Accepted Accounting Principles of the Republic of China:.

    - i. Current ratio (current assets/current liabilities) shall not be less than 100%.
    - ii. Debt ratio ((medium and long term borrowings + short-term borrowings (including current portion) + the balance of short-term notes and bills payable + domestic and foreign cooperate bonds (including convertible bonds) – cash) / net tangible assets) shall not be more than 250%.
    - iii. Interest coverage ratio ((income before tax + interest expense + depreciation expense and amortisation expense) / interest expense) shall not be less than two times.
    - iv. Net tangible assets (net asset value - intangible asset) shall be at least NT\$40 billion.
- B. Information on interest expense recognised in profit or loss is provided in Note 6(27).

(18) Pensions

A. Defined benefit plan

- (a) The Company has a defined benefit pension plan in accordance with the Labor Standards Law. The pension benefits are paid based on the service years and the average monthly salaries of the last 1 month prior to retirement. The Company contributes monthly an amount equal to 2% of the employees' monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, the trustee, under the name of the independent retirement fund committee. Also, the Company would assess the balance in the aforementioned labor pension reserve account by December 31, every year. If the account balance is insufficient to pay the pension calculated by the aforementioned method to the employees expected to qualify for retirement in the following year, the Company will make contributions to cover the deficit by next March.

- (b) The amounts recognized in the balance sheet are as follows:

|   | <u>December 31, 2023</u> | <u>December 31, 2022</u> |
|---|--------------------------|--------------------------|
| Present value of defined benefit obligations                              | (\$ 309,073)             | (\$ 322,351)             |
| Fair value of plan assets   | <u>178,004</u>           | <u>181,870</u>           |
| Net defined benefit liability (recorded as other non-current liabilities) | <u>(\$ 131,069)</u>      | <u>(\$ 140,481)</u>      |

- (c) Movements in net defined benefit liabilities are as follows:

|  | <u>Present value of<br/>defined benefit<br/>obligations</u> | <u>Fair value of<br/>plan assets</u> | <u>Net defined<br/>benefit liability</u> |
|--|---|--------------------------------------|--|
| Year ended December 31, 2023   |   |                                      |  |
| Balance at January 1   | (\$ 322,351)  | \$ 181,870                           | (\$ 140,481)                             |
| Current service cost   | ( 1,190)  | -                                    | ( 1,190)                                 |
| Interest (expense) income  | <u>( 4,191)</u>   | <u>2,386</u>                         | <u>( 1,805)</u>                          |
|  | <u>( 327,732)</u>   | <u>184,256</u>                       | <u>( 143,476)</u>                        |
| Remeasurements:  |   |                                      |  |
| Return on plan assets (excluding amounts included in interest income or expense) | -   | ( 4)                                 | ( 4)                                     |
| Change in financial assumptions  | ( 2,263)  | -                                    | ( 2,263)                                 |
| Experience adjustments   | <u>5,668</u>  | <u>-</u>                             | <u>5,668</u>                             |
|  | <u>3,405</u>  | <u>( 4)</u>                          | <u>3,401</u>                             |
| Pension fund contribution  | <u>-</u>  | <u>3,524</u>                         | <u>3,524</u>                             |
| Paid pension   | <u>15,254</u>   | <u>( 9,772)</u>                      | <u>5,482</u>                             |
| Balance at December 31   | <u>(\$ 309,073)</u>   | <u>\$ 178,004</u>                    | <u>(\$ 131,069)</u>                      |

|   | Present value of<br>defined benefit<br>obligations | Fair value of<br>plan assets | Net defined<br>benefit liability |
|---|--|------------------------------|----------------------------------|
| Year ended December 31, 2022  |  |                              |                                  |
| Balance at January 1  | (\$ 345,050)                                       | \$ 46,538                    | (\$ 298,512)                     |
| Current service cost  | ( 1,078)   | -                            | ( 1,078)                         |
| Interest (expense) income   | ( 2,070)   | 279                          | ( 1,791)                         |
|   | ( 348,198)   | 46,817                       | ( 301,381)                       |
| Remeasurements:   |  |                              |                                  |
| Return on plan assets (excluding amounts<br>included in interest income or expense) | -  | 4,014                        | 4,014                            |
| Change in financial assumptions   | 17,264   | -                            | 17,264                           |
| Experience adjustments  | 8,583  | -                            | 8,583                            |
|   | 25,847   | 4,014                        | 29,861                           |
| Pension fund contribution   | -  | 131,039                      | 131,039                          |
| Paid pension  | -  | -                            | -                                |
| Balance at December 31  | (\$ 322,351)                                       | \$ 181,870                   | (\$ 140,481)                     |

- (d) The Bank of Taiwan was commissioned to manage the Fund of the Company's defined benefit pension plan in accordance with the Fund's annual investment and utilisation plan and the "Regulations for Revenues, Expenditures, Safeguard and Utilisation of the Labor Retirement Fund" (Article 6: The scope of utilisation for the Fund includes deposit in domestic or foreign financial institutions, investment in domestic or foreign listed, over-the-counter, or private placement equity securities, investment in domestic or foreign real estate securitization products, etc.). With regard to the utilisation of the Fund, its minimum earnings in the annual distributions on the final financial statements shall be no less than the earnings attainable from the amounts accrued from two-year time deposits with the interest rates offered by local banks. If the earnings are less than aforementioned rates, government shall make payment for the deficit after being authorized by the Regulator. The Company has no right to participate in managing and operating that fund and hence the Company is unable to disclose the classification of plan asset fair value in accordance with IAS 19 paragraph 142. The composition of fair value of plan assets as of December 31, 2023 and 2022 is given in the Annual Labor Retirement Fund Utilisation Report announced by the government.
- (e) The principal actuarial assumptions used were as follows:

|                         | Years ended December 31, |       |
|-------------------------|--------------------------|-------|
|                         | 2023                     | 2022  |
| Discount rate           | 1.20%                    | 1.30% |
| Future salary increases | 4.00%                    | 4.00% |

Future mortality rate was estimated based on the 5th Taiwan Standard Ordinary Experience Mortality Table.

Because the main actuarial assumption changed, the present value of defined benefit obligation is affected. The analysis was as follows:

|   | <u>Discount rate</u>  |                       | <u>Future salary increases</u> |                       |
|---|-----------------------|-----------------------|--------------------------------|-----------------------|
|   | <u>Increase 0.25%</u> | <u>Decrease 0.25%</u> | <u>Increase 0.25%</u>          | <u>Decrease 0.25%</u> |
| <u>December 31, 2023</u>                              |                       |                       |                                |                       |
| Effect on present value of defined benefit obligation | (\$ <u>5,786</u> )    | \$ <u>5,956</u>       | \$ <u>5,655</u>                | (\$ <u>5,524</u> )    |
| <u>December 31, 2022</u>                              |                       |                       |                                |                       |
| Effect on present value of defined benefit obligation | (\$ <u>6,229</u> )    | \$ <u>6,490</u>       | \$ <u>6,167</u>                | (\$ <u>6,020</u> )    |

The sensitivity analysis above is based on one assumption which changed while the other conditions remain unchanged. In practice, more than one assumption may change all at once. The method of analysing sensitivity and the method of calculating net pension liability in the balance sheet are the same.

The method and assumptions used for the preparation of sensitivity analysis during 2023 and 2022 are the same, except the actuarial assumption of discount rate and future salary increases.

- (f) Expected contributions to the defined benefit pension plans of the Company for the year ending December 31, 2024 amount to \$3,524.
- (g) As of December 31, 2023, the weighted average duration of the retirement plan is 8 years.

**B. Defined contribution plan**

- (a) Effective July 1, 2005, the Company has established a defined contribution pension plan (the "New Plan") under the Labor Pension Act, covering all regular employees with R.O.C. nationality. Under the New Plan, the Company contributes monthly an amount based on 6% of the employees' monthly salaries and wages to the employees' individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment.
- (b) The pension costs under defined contribution pension plans of the Company for the years ended December 31, 2023 and 2022 were \$36,945 and \$36,373, respectively.

**(19) Share capital**

- A. As of December 31, 2023, the Company's authorised capital was \$24,000,000 (including \$500,000 reserved for the conversion of employees' stock options which have not been issued), and the paid-in capital was \$16,679,470 with a par value of NT\$10 (in dollars) per share. Shares yet to be issued can be issued several times by the Board of Directors depending on the demand, and some of them can be distributed in the form of preferred shares. All proceeds from shares

issued have been collected.

Movements in the number of the Company's ordinary shares outstanding are as follows:  
(Unit:shares)

|                               | 2023             | 2022             |
|-------------------------------|------------------|------------------|
| At January 1 (At December 31) | \$ 1,667,946,968 | \$ 1,667,946,968 |

- B. In 1997 and 1999, the Company issued new shares and Mitac Incorporated and other major shareholders offered part of their shares to jointly participate in the issuance of global depository shares (GDSs). These GDSs were issued in Europe, Asia and the USA. Each GDS represents 4 shares of ordinary share. After several issuances of GDSs by issuing new shares, the total number of GDSs outstanding as of December 31, 2023 was 23,174 units, representing 92,708 shares of ordinary share. The main terms and conditions of the GDSs are as follows:

(a) Voting rights

The holders of GDSs have no right to directly attend any shareholders' meeting of the Company, vote, or speak. However, when the Depositary receives the same instruction from more than 51% of the holders of GDSs on a proposal, the Depositary shall vote on the proposal as instructed by the holders of GDSs.

(b) Conversion of GDSs

Commencing three months after the initial issuance of GDSs, subject to the terms of the Deposit Agreement and applicable laws of the R.O.C., a holder of GDSs may request the Depositary to redeem and deliver or sell the Company's ordinary share represented by the GDRs.

(c) Dividends

The holders of GDSs are entitled to receive dividends to the same extent as the holders of ordinary shares.

(20) Capital surplus

Pursuant to the R.O.C. Company Act, capital surplus arising from paid-in capital in excess of par value on issuance of common stocks and donations can be used to cover accumulated deficit or to issue new stocks or cash to shareholders in proportion to their share ownership, provided that the Company has no accumulated deficit. Further, the R.O.C. Securities and Exchange Act requires that the amount of capital surplus to be capitalized mentioned above should not exceed 10% of the paid-in capital each year. Capital surplus should not be used to cover accumulated deficit unless the legal reserve is insufficient.

| 2023  |                      |                                   |   |                   |                 |                      |
|---|----------------------|-----------------------------------|---|-------------------|-----------------|----------------------|
|   | Share<br>premium     | Treasury<br>share<br>transactions | Changes in<br>equity of<br>associates and<br>joint ventures | Stock options     | Others          | Total                |
| At January 1  | \$ 12,814,051        | \$ 340,678                        | \$ 118,239  | \$ 228,445        | \$ 4,491        | \$ 13,505,904        |
| Changes in equity<br>of associates and<br>joint ventures                                  | -                    | -                                 | 23,154  | -                 | -               | 23,154               |
| Unclaimed<br>dividends  | -                    | -                                 | -   | -                 | 214             | 214                  |
| At December 31  | <u>\$ 12,814,051</u> | <u>\$ 340,678</u>                 | <u>\$ 141,393</u>   | <u>\$ 228,445</u> | <u>\$ 4,705</u> | <u>\$ 13,529,272</u> |
| 2022  |                      |                                   |   |                   |                 |                      |
|   | Share<br>premium     | Treasury<br>share<br>transactions | Changes in<br>equity of<br>associates and<br>joint ventures | Stock options     | Others          | Total                |
| At January 1  | \$ 13,626,940        | \$ 340,678                        | \$ -  | \$ 228,445        | \$ 3,897        | \$ 14,199,960        |
| Changes in equity<br>of associates and<br>joint ventures                                  | -                    | -                                 | 121,504   | -                 | -               | 121,504              |
| Difference between<br>consideration and<br>carrying amount<br>of subsidiaries<br>acquired | -                    | -                                 | 2,085   | -                 | -               | 2,085                |
| Disposal of<br>investments<br>accounted for<br>using equity<br>method                     | -                    | -                                 | ( 5,350)  | -                 | -               | ( 5,350)             |
| Unclaimed<br>dividends  | -                    | -                                 | -   | -                 | 594             | 594                  |
| Effect of<br>reorganisations  | ( 812,889)           | -                                 | -   | -                 | -               | ( 812,889)           |
| At December 31  | <u>\$ 12,814,051</u> | <u>\$ 340,678</u>                 | <u>\$ 118,239</u>   | <u>\$ 228,445</u> | <u>\$ 4,491</u> | <u>\$ 13,505,904</u> |

(21) Retained earnings / Events after the balance sheet date

A. The Company's Articles of Incorporation

- (a) If the Company's final accounts show a profit, the current year's earnings shall first be used to pay all taxes, offset prior year's losses, and then 10% of the remaining amount shall be set aside for legal reserve and provision for or reversal of special reserve as required by law. After setting aside or reversing a special reserve in accordance with related laws, the remaining earnings, if any, shall first be appropriated as stock dividends for preferred stock. If there is profit remaining, the Board of Directors shall propose to distribute the balance

amount, together with any accumulated non-distributed profit. Where dividends are distributed in the form of stocks, the distribution shall be subject to the approval of the shareholders at the shareholders' meeting. Where dividends are distributed in the form of cash, the Board of Directors is authorized to make such distribution by approval of more than half of the directors present at a meeting where more than two-thirds of the directors are in attendance, and the distribution shall also be reported at the shareholders' meeting.

The Board of Directors shall determine the shareholders' cash dividend ratio with the consideration of the financial structure of the Company, future earnings situation, and business development; however, the cash dividend ratio may not be less than 15% of the total current dividend distributed to shareholders.

- (b) Where the Company incurs no loss, the Board of Directors may draft distribution proposals to distribute part or all of the legal reserve and capital surplus specified in Article 241 of the Company Act to shareholders. Where dividends are distributed in the form of stocks, the distribution shall be subject to the approval of the shareholders at the shareholders' meeting. Where dividends are distributed in the form of cash, the Board of Directors is authorized to make such distribution by approval of more than half of the directors present at the meeting where more than two-thirds of the directors are in attendance, and the distribution shall also be reported at the shareholders' meeting.

B. The Company's appropriation of earnings

- (a) The appropriation of 2022 and 2021 earnings had been resolved at the shareholders' meeting on May 30, 2023 and May 30, 2022, respectively. Details are summarized below:

|   | Years ended December 31, |                                  |              |                                  |
|---|--------------------------|----------------------------------|--------------|----------------------------------|
|   | 2022                     |                                  | 2021         |                                  |
|   | Amount                   | Dividends per share (in dollars) | Amount       | Dividends per share (in dollars) |
| Provision for legal reserve                 | \$ 1,577,796             |                                  | \$ 1,695,196 |                                  |
| (Reversal of) provision for special reserve | ( 2,208,704)             |                                  | 1,910,568    |                                  |
| Cash dividends                              | 5,837,814                | 3.50                             | 8,339,735    | 5.00                             |

- (b) The appropriation of 2023 earnings had been proposed at the Board of Directors' meeting on March 13, 2024. Details are summarized below:

|                               | Year ended December 31, 2023 |                                  |
|-------------------------------|------------------------------|----------------------------------|
|                               | Amount                       | Dividends per share (in dollars) |
| Provision for legal reserve   | \$ 691,322                   |                                  |
| Provision for special reserve | 1,847,916                    |                                  |
| Cash dividends                | 5,003,841                    | 3.00                             |

(22) Other equity items

|   | Currency translation  | Unrealised gains<br>(losses) on<br>valuation | Total                 |
|---|-----------------------|--|-----------------------|
| At January 1, 2023                            | (\$ 5,467,061)        | (\$ 571,348)                                 | (\$ 6,038,409)        |
| Revaluation:                                  |                       |  |                       |
| -The Company                                  | -                     | 1,258,478                                    | 1,258,478             |
| -Subsidiaries and associates                  | -                     | ( 2,201,738)                                 | ( 2,201,738)          |
| Revaluation transferred to retained earnings: |                       |  |                       |
| -Group  | -                     | 380,659                                      | 380,659               |
| Currency translation differences:             |                       |  |                       |
| -Group  | ( 940,068)            | -  | ( 940,068)            |
| -Associates                                   | ( 345,247)            | -  | ( 345,247)            |
| At December 31, 2023                          | <u>(\$ 6,752,376)</u> | <u>(\$ 1,133,949)</u>                        | <u>(\$ 7,886,325)</u> |

|   | Currency translation  | Unrealised gains<br>(losses) on<br>valuation | Total                 |
|---|-----------------------|--|-----------------------|
| At January 1, 2022                            | (\$ 10,641,478)       | \$ 2,394,366                                 | (\$ 8,247,112)        |
| Revaluation:                                  |                       |  |                       |
| -The Company                                  | -                     | ( 938,062)                                   | ( 938,062)            |
| -Subsidiaries and associates                  | -                     | ( 2,029,304)                                 | ( 2,029,304)          |
| Revaluation transferred to retained earnings: |                       |  |                       |
| -Group  | -                     | 1,652  | 1,652                 |
| Currency translation differences:             |                       |  |                       |
| -Group  | 4,733,411             | -  | 4,733,411             |
| -Associates                                   | 441,006               | -  | 441,006               |
| At December 31, 2022                          | <u>(\$ 5,467,061)</u> | <u>(\$ 571,348)</u>                          | <u>(\$ 6,038,409)</u> |

(23) Operating revenue

Disaggregation of revenue from contracts with customers

The Company derives revenue from the transfer of goods and services over time and at a point in time in the following major product lines:

|  | Timing of revenue  | Years ended December 31, |                      |
|--|--------------------|--------------------------|----------------------|
|  |                    | 2023                     | 2022                 |
| Revenue from 3C and semiconductor products, etc. | At a point in time | \$ 59,968,792            | \$ 67,541,486        |
| Others   | Over time          | 257,269                  | 319,109              |
|  |                    | <u>\$ 60,226,061</u>     | <u>\$ 67,860,595</u> |

(24) Interest income

|   | Years ended December 31, |                  |
|---|--------------------------|------------------|
|   | 2023                     | 2022             |
| Interest income from bank deposits                          | \$ 11,872                | \$ 401           |
| Interest income from financial assets measured at amortised | 10,186                   | 4,788            |
| Other interest income                                       | 2,139                    | 4,886            |
|   | <u>\$ 24,197</u>         | <u>\$ 10,075</u> |

(25) Other income

|                            | Years ended December 31, |                     |
|----------------------------|--------------------------|---------------------|
|                            | 2023                     | 2022                |
| Rental income              | \$ 88,994                | \$ 88,696           |
| Dividend income            | 228,870                  | 212,941             |
| Management services income | 1,641,198                | 900,962             |
| Others                     | 10,379                   | 3,069               |
|                            | <u>\$ 1,969,441</u>      | <u>\$ 1,205,668</u> |

(26) Other gains and losses

|   | Years ended December 31, |                   |
|---|--------------------------|-------------------|
|   | 2023                     | 2022              |
| Net gains (losses) on financial assets at fair value through profit or loss | \$ 46,160                | (\$ 19,212)       |
| Net currency exchange (losses) gains  | 249,234                  | 17,306            |
| Gains on disposal of property, plant and equipment                          | 2,935                    | 1,397             |
| Others  | (1,347)                  | (6,337)           |
|   | <u>\$ 296,982</u>        | <u>(\$ 6,846)</u> |

(27) Finance costs

|  | Years ended December 31, |                   |
|--|--------------------------|-------------------|
|  | 2023                     | 2022              |
| Interest expense on bank borrowings                    | \$ 1,061,010             | \$ 525,960        |
| Interest expense on short-term notes and bills payable | 210,702                  | 133,417           |
| Interest expense on lease liabilities                  | 207                      | 625               |
| Other interest expense                                 | 35,819                   | 7,098             |
| Less: Capitalisation of qualifying assets              | (43,579)                 | (23,172)          |
|  | <u>\$ 1,264,159</u>      | <u>\$ 643,928</u> |

(28) Expenses by nature

|   | Years ended December 31, |              |
|---|--------------------------|--------------|
|   | 2023                     | 2022         |
| Employee benefit expense                              | \$ 1,041,901             | \$ 1,094,378 |
| Depreciation charges on property, plant and equipment | \$ 45,138                | \$ 53,047    |
| Depreciation charges on right-of-use assets           | \$ 48,872                | \$ 50,643    |
| Amortisation charges on intangible assets             | \$ 39,063                | \$ 27,944    |

(29) Employee benefit expense

|                                  | Years ended December 31, |                     |
|----------------------------------|--------------------------|---------------------|
|                                  | 2023                     | 2022                |
| Wages and salaries               | \$ 892,944               | \$ 941,144          |
| Employee social security expense | 68,094                   | 69,249              |
| Pension costs                    | 39,940                   | 39,242              |
| Directors' remuneration          | 8,168                    | 7,900               |
| Other personnel expenses         | 32,755                   | 36,843              |
|                                  | <u>\$ 1,041,901</u>      | <u>\$ 1,094,378</u> |

A. In accordance with the Articles of Incorporation of the Company, the Company's net income before tax before deducting remuneration to employees and directors and after covering for losses in the current fiscal year, should be applied to pay remuneration to employees in an amount not exceeding 10% and not less than 0.01% of the balance, and to directors for an amount not more than 1% of the balance. Employee remuneration may be distributed in stock or cash and directors' remuneration may be distributed in cash subject to a resolution adopted by a majority vote at a meeting of the Board of Directors attended by two-thirds of the total number of directors.

Employee remuneration may be distributed in stock; remuneration may also be distributed for employees of controlled or affiliated companies that meet the criteria. The Chairman of the Board is authorized to set such criteria.

B. For the years ended December 31, 2023 and 2022, employees' compensation (bonus) was accrued at \$800 and \$2,000, respectively; directors' remuneration was accrued at \$8,168 and \$7,900, respectively. The aforementioned amounts were recognized in salary expenses.

The employees' compensation and directors' remuneration were estimated and accrued based on 0.01% and 0.1% of distributable profit of current year for the year ended December 31, 2023. The employees' compensation and directors' remuneration resolved by the Board of Directors were \$900 and \$9,000, and will be distributed in the form of cash.

For 2022, the employees' compensation and directors' remuneration resolved by the Board of Directors amounted to \$2,000 and \$8,168, respectively. The differences between the amounts resolved by the Board of Directors and the amounts of \$2,000 and \$7,900 recognised in the 2022

financial statements had been adjusted in the profit or loss of 2023.

- C. Information about employees' compensation and directors' remuneration of the Company as resolved by the Board of Directors and by shareholders in the meetings is posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(30) Income tax

A. Income tax expense

(a) Components of income tax expense:

|   | Years ended December 31, |                     |
|---|--------------------------|---------------------|
|   | 2023                     | 2022                |
| Current tax:  |                          |                     |
| Current tax liabilities                                   | \$ 724,296               | \$ 396,650          |
| Prior year income tax underestimation<br>(overestimation) | 1,773 (                  | 6,815)              |
| Prepaid income tax  | 208,959                  | 89,587              |
| Tax on undistributed earnings                             | ( 528,497)               | ( 266,327)          |
| Total current tax   | <u>406,531</u>           | <u>213,095</u>      |
| Deferred tax:   |                          |                     |
| Origination and reversal of temporary<br>differences      | <u>754</u>               | <u>2,471,042</u>    |
| Total deferred tax  | <u>754</u>               | <u>2,471,042</u>    |
| Others:   |                          |                     |
| Tax on undistributed earnings                             | <u>528,497</u>           | <u>266,327</u>      |
| Income tax expense  | <u>\$ 935,782</u>        | <u>\$ 2,950,464</u> |

(b) The income tax relating to components of other comprehensive income is as follows:

|  | Years ended December 31, |                   |
|--|--------------------------|-------------------|
|  | 2023                     | 2022              |
| Remeasurement of defined benefit obligations | <u>(\$ 680)</u>          | <u>(\$ 5,972)</u> |

- (c) For the years ended December 31, 2023 and 2022, the Company has no income tax charged or credited directly to equity.

B. Reconciliation between income tax expense and accounting profit:

|  | Years ended December 31, |                     |
|--|--------------------------|---------------------|
|  | 2023                     | 2022                |
| Tax calculated based on profit before tax and statutory tax rate | \$ 1,645,015             | \$ 3,739,857        |
| Effects from items disallowed by tax regulation                  | ( 59,055)                | ( 38,473)           |
| Tax-exempt on domestic investment income                         | ( 92,539)                | ( 116,892)          |
| Temporary differences not recognised as deferred tax liabilities | ( 1,233,257)             | ( 3,377,022)        |
| Income tax on foreign investment income                          | 163,700                  | 1,834,226           |
| Tax on undistributed earnings                                    | 528,497                  | 266,327             |
| Prior year income tax underestimation (overestimation)           | 1,773                    | ( 6,815)            |
| Other  | ( 18,352)                | 649,256             |
| Income tax expense   | <u>\$ 935,782</u>        | <u>\$ 2,950,464</u> |

C. Amounts of deferred tax assets or liabilities as a result of temporary differences are as follows:

|  | Year ended December 31, 2023 |                              |  |                       |
|--|------------------------------|------------------------------|--|-----------------------|
|  | January 1                    | Recognised in profit or loss | Recognised in other comprehensive income | December 31           |
| Deferred tax assets:                           |                              |                              |  |                       |
| -Temporary differences:                        |                              |                              |  |                       |
| Unrealised bad debts                           | \$ 859                       | (\$ 419)                     | \$ -                                     | \$ 440                |
| Unrealised loss on decline in inventory value  | 13,467                       | ( 2,345)                     | -  | 11,122                |
| Repair and warranty expenses                   | 4,276                        | ( 1,664)                     | -  | 2,612                 |
| Unused compensated absences                    | 2,452                        | 72                           | -  | 2,524                 |
| Accrued pensions                               | 28,096                       | ( 1,202)                     | ( 680)                                   | 26,214                |
| Unrealised exchange loss                       | 18,462                       | ( 14,746)                    | -  | 3,716                 |
| Unrealised impairment loss on financial assets | 9,925                        | -                            | -  | 9,925                 |
| Others   | -                            | 19,550                       | -  | 19,550                |
| Subtotal                                       | <u>77,537</u>                | <u>( 754)</u>                | <u>( 680)</u>                            | <u>76,103</u>         |
| Deferred tax liabilities:                      |                              |                              |  |                       |
| Investment income                              | (\$ 5,669,453)               | \$ -                         | \$ -                                     | (\$ 5,669,453)        |
| Others   | ( 649,256)                   | -                            | -  | ( 649,256)            |
| Subtotal                                       | <u>( 6,318,709)</u>          | <u>-</u>                     | <u>-</u>                                 | <u>( 6,318,709)</u>   |
| Total  | <u>(\$ 6,241,172)</u>        | <u>(\$ 754)</u>              | <u>(\$ 680)</u>                          | <u>(\$ 6,242,606)</u> |

| Year ended December 31, 2022                      |                |                                 |  |                |
|---|----------------|---------------------------------|--|----------------|
|   | January 1      | Recognised in<br>profit or loss | Recognised in<br>other comprehensive<br>income | December 31    |
| Deferred tax assets:                              |                |                                 |  |                |
| -Temporary differences:                           |                |                                 |  |                |
| Unrealised bad debts                              | \$ 1,132       | (\$ 273)                        | \$ -   | \$ 859         |
| Unrealised loss on decline<br>in inventory value  | 6,953          | 6,514                           | -  | 13,467         |
| Repair and warranty<br>expenses                   | 4,609          | ( 333)                          | -  | 4,276          |
| Unused compensated<br>absences                    | 2,374          | 78                              | -  | 2,452          |
| Accrued pensions                                  | 59,702         | ( 25,634)                       | ( 5,972)                                       | 28,096         |
| Unrealised exchange loss                          | -              | 18,462                          | -  | 18,462         |
| Unrealised impairment loss<br>on financial assets | 9,925          | -                               | -  | 9,925          |
| Subtotal  | 84,695         | ( 1,186)                        | ( 5,972)                                       | 77,537         |
| Deferred tax liabilities:                         |                |                                 |  |                |
| Unrealised exchange gain                          | (\$ 13,626)    | \$ 13,626                       | \$ -   | \$ -           |
| Investment income                                 | ( 3,835,227)   | ( 1,834,226)                    | -  | ( 5,669,453)   |
| Others  | -              | ( 649,256)                      | -  | ( 649,256)     |
| Subtotal  | ( 3,848,853)   | ( 2,469,856)                    | -  | ( 6,318,709)   |
| Total   | (\$ 3,764,158) | (\$ 2,471,042)                  | (\$ 5,972)                                     | (\$ 6,241,172) |

- D. The amounts of deductible temporary difference that are not recognised as deferred tax assets are as follows: None.
- E. The Company has not recognised taxable temporary differences associated with investment in subsidiaries as deferred tax liabilities. As of December 31, 2023 and 2022, the amounts of temporary difference unrecognised as deferred tax liabilities were \$14,569,659 thousands and \$14,956,268 thousands, respectively.
- F. The Company's income tax returns through 2021 have been assessed and approved by the Tax Authority.
- G. As of December 31, 2023 and 2022, the Company recognised deferred income tax liabilities all amounting to \$5,669,453 for the earnings that were assessed to be repatriated by investees.

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(31) Earnings per share

| Year ended December 31, 2023   |                  |  |                                    |
|--|------------------|--|------------------------------------|
|  | Amount after tax | Weighted average<br>number of ordinary<br>shares outstanding<br>(share in thousands) | Earnings per<br>share (in dollars) |
| <u>Basic earnings per share</u>  |                  |  |                                    |
| Profit attributable to ordinary<br>shareholders  | \$ 7,289,295     | 1,667,947  | 4.37                               |
| <u>Diluted earnings per share</u>  |                  |  |                                    |
| Profit attributable to ordinary<br>shareholders  | 7,289,295        | 1,667,947  |                                    |
| Assumed conversion of all dilutive<br>potential ordinary shares  |                  |  |                                    |
| Employees' compensation  | -                | 17   |                                    |
| Profit attributable to ordinary shareholders<br>plus assumed conversion of all dilutive<br>potential ordinary shares | \$ 7,289,295     | 1,667,964  | 4.37                               |
| Year ended December 31, 2022   |                  |  |                                    |
|  | Amount after tax | Weighted average<br>number of ordinary<br>shares outstanding<br>(share in thousands) | Earnings per<br>share (in dollars) |
| <u>Basic earnings per share</u>  |                  |  |                                    |
| Profit attributable to ordinary<br>shareholders  | \$ 15,748,824    | 1,667,947  | 9.44                               |
| <u>Diluted earnings per share</u>  |                  |  |                                    |
| Profit attributable to ordinary<br>shareholders  | 15,748,824       | 1,667,947  |                                    |
| Assumed conversion of all dilutive<br>potential ordinary shares  |                  |  |                                    |
| Employees' compensation  | -                | 39   |                                    |
| Profit attributable to ordinary shareholders<br>plus assumed conversion of all dilutive<br>potential ordinary shares | \$ 15,748,824    | 1,667,986  | 9.44                               |

(32) Acquisition of ownership interests in subsidiaries

Acquisition of additional equity interest in a subsidiary

The Company acquired an additional 1.07% shares of Bestcom Infotech Corp. for a cash consideration of \$20,944 in the year of 2022. The effect of changes in interests in Bestcom Infotech Corp. on the equity attributable to owners of the parent for the years ended December 31, 2023 and 2022 is shown below:

|  | Year ended<br>December 31, 2022 |
|--|---------------------------------|
| Consideration paid to non-controlling interest   | (\$ 20,944)                     |
| Decrease in carrying amount of non-controlling interest  | <u>23,029</u>                   |
| Capital surplus - difference between consideration and<br>carrying amount of subsidiary acquired | <u>\$ 2,085</u>                 |

(33) Supplemental cash flow information

Investing activities with partial cash payments:

|   | Years ended December 31, |                      |
|---|--------------------------|----------------------|
|   | <u>2023</u>              | <u>2022</u>          |
| Increase in investments accounted for under equity method | \$ -                     | \$ 15,357,036        |
| Add: Opening balance of payables for investments          | 11,963,644               | -                    |
| Less: Ending balance of payables for investments          | <u>-</u>                 | <u>( 11,963,644)</u> |
| Cash paid during the year                                 | <u>\$ 11,963,644</u>     | <u>\$ 3,393,392</u>  |

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(34) Changes in liabilities from financing activities

|   | Short-term<br>borrowings | Short-term<br>notes and<br>bills payable | Other<br>payables<br>-related<br>parties | Long-term<br>borrowings<br>(including<br>current portion) | Current/<br>Non-current<br>lease liabilities | Guarantee<br>deposits<br>received | Cash<br>dividends<br>payable |
|---|--------------------------|--|--|---|--|-----------------------------------|------------------------------|
| At January 1,<br>2023                                 | \$ 40,280,000            | \$ 4,030,000                             | \$2,618,940                              | \$ 15,900,000   | \$ 49,199                                    | \$ 826                            | \$ -                         |
| Increase in other<br>payables to<br>related parties   | -                        | -  | 1,112,924                                | -   | -  | -                                 | -                            |
| Cash dividends<br>declared                            | -                        | -  | -  | -   | -  | -                                 | 5,837,814                    |
| Cash dividends<br>paid                                | -                        | -  | -  | -   | -  | -                                 | ( 5,837,814)                 |
| Increase in<br>borrowings                             | 3,690,000                | -  | -  | 32,790,000  | -  | -                                 | -                            |
| Decrease in<br>borrowings                             | -                        | -  | -  | ( 25,820,000)   | -  | -                                 | -                            |
| Increase in short-<br>term notes and<br>bills payable | -                        | 2,650,000                                | -  | -   | -  | -                                 | -                            |
| Payments of lease<br>liabilities                      | -                        | -  | -  | -   | ( 49,199)                                    | -                                 | -                            |
| Increase in<br>guarantee deposits<br>received         | -                        | -  | -  | -   | -  | 6,571                             | -                            |
| Decrease in<br>guarantee deposits<br>received         | -                        | -  | -  | -   | -  | ( 1,510)                          | -                            |
| At December 31,<br>2023                               | <u>\$ 43,970,000</u>     | <u>\$ 6,680,000</u>                      | <u>\$3,731,864</u>                       | <u>\$ 22,870,000</u>                                      | <u>\$ -</u>                                  | <u>\$ 5,887</u>                   | <u>\$ -</u>                  |

|  | Short-term borrowings | Short-term notes and bills payable | Other payables -related parties | Long-term borrowings | Current/ Non-current lease liabilities | Guarantee deposits received | Cash dividends payable |
|--|-----------------------|------------------------------------|---------------------------------|----------------------|--|-----------------------------|------------------------|
| At January 1, 2022                             | \$ 33,770,000         | \$ 11,580,000                      | \$ 535,189                      | \$ 1,500,000         | \$ 99,779                              | \$ 1,366                    | \$ -                   |
| Increase in other payables to related parties  | -                     | -                                  | 2,083,751                       | -                    | -                                      | -                           | -                      |
| Cash dividends declared                        | -                     | -                                  | -                               | -                    | -                                      | -                           | 8,339,735              |
| Cash dividends paid                            | -                     | -                                  | -                               | -                    | -                                      | -                           | ( 8,339,735)           |
| Increase in borrowings                         | 6,510,000             | -                                  | -                               | 17,400,000           | -                                      | -                           | -                      |
| Decrease in borrowings                         | -                     | -                                  | ( 3,000,000)                    | -                    | -                                      | -                           | -                      |
| Decrease in short-term notes and bills payable | ( 7,550,000)          | -                                  | -                               | -                    | -                                      | -                           | -                      |
| Increase in long-term borrowings               | -                     | -                                  | -                               | -                    | -                                      | -                           | -                      |
| Payments of lease liabilities                  | -                     | -                                  | -                               | ( 50,580)            | -                                      | -                           | -                      |
| Decrease in guarantee deposits received        | -                     | -                                  | -                               | -                    | ( 540)                                 | -                           | -                      |
| At December 31, 2022                           | <u>\$ 40,280,000</u>  | <u>\$ 4,030,000</u>                | <u>\$2,618,940</u>              | <u>\$15,900,000</u>  | <u>\$ 49,199</u>                       | <u>\$ 826</u>               | <u>\$ -</u>            |

## 7. RELATED PARTY TRANSACTIONS

### (1) Names of related parties and relationship

| Names of related parties   | Relationship with the Company  |
|--|--|
| <b>Subsidiaries:</b>   |  |
| E-Fan Investments CO., LTD.  | Subsidiary wholly owned by the Company                                     |
| Seper Technology Corporation   | Subsidiary wholly owned by the Company                                     |
| Synergy Intelligent Logistics Corporation  | Subsidiary wholly owned by the Company                                     |
| Synergy Technology Services Corporation<br>(Originally named: Synergy Technology Services) | Subsidiary wholly owned by the Company                                     |
| Synnex Global Ltd.(Synnex Global)  | Subsidiary wholly owned by the Company                                     |
| Syntech Asia Ltd.(SAL)   | Subsidiary wholly owned by the Company                                     |
| Synnex Australia Pty. Ltd. (Synnex Australia)  | Indirect subsidiary wholly owned by the Company                            |
| Synnex New Zealand Ltd. (Synnex New Zealand)   | Indirect subsidiary wholly owned by the Company                            |
| Leveltech Ltd.   | Indirect subsidiary wholly owned by the Company                            |
| Synnex (Shanghai) Ltd.   | Indirect subsidiary wholly owned by the Company                            |
| Synnex Distributions (China) Ltd.  | Indirect subsidiary wholly owned by the Company                            |
| LianXiang Technology (Shenzhen) Ltd.   | Indirect subsidiary wholly owned by the Company                            |
| Synnex Technology International (HK) Ltd. and its subsidiaries (Synnex HK)                 | Subsidiary wholly owned by the Company                                     |
| Bestcom Infotech Corp.   | Subsidiary wholly owned by the Company                                     |
| Bizwave Tech Co., Ltd.   | Subsidiary wholly owned by the Company's subsidiary Bestcom Infotech Corp. |
| Synnex Mauritius Ltd.(Mauritius)   | Indirect subsidiary wholly owned by the Company                            |
| Trade Vangurad Global Ltd.(Trade)  | Indirect subsidiary wholly owned by the Company                            |

| Names of related parties   | Relationship with the Company   |
|--|---|
| <u>Associates:</u>   |   |
| Synnex (Thailand) Public Company Ltd. and its Subsidiaries (Synnex Thailand) | King's Eye's investee accounted for using equity method                                 |
| Synnex FPT Joint Stock Company(Synnex FPT)                                   | King's Eye's investee accounted for using equity method                                 |
| <u>Other related parties:</u>  |   |
| Mitac Incorporated   | The Company's chairperson is the related party's chairperson                            |
| Mitac Information Technology Corporation                                     | The Company's chairperson is the related party's director                               |
| Mitac International Corporation  | The Company's chairperson is the related party's chairperson                            |
| Lien Hwa Industrial Corporation  | The Company's chairperson is the related party's chairperson                            |
| Union Petrochemical Corporation  | The Company's chairperson is the related party's chairperson                            |
| Mitac Computing Technology Corporation                                       | The Company's chairperson is the related party's director                               |
| Getac Holdings Corporation and its Subsidiaries                              | The Company's chairperson is the related party's director                               |
| Mitac Communication Co., Ltd.  | The related party's director is the second-degree relative of the Company's chairperson |
| Tong Da Investment Corporation (Tong Da)                                     | The Company's director is the related party's chairperson                               |
| Digitimes Corp.  | The Company is the related party's director   |
| Lien Yuan Investment Corp.   | The Company's director is the related party's chairperson                               |
| Jetwell Computer Co., Ltd.   | The Company's subsidiary, Bestcom Infotech Corp., is the related party's director       |
| All directors, general managers and key management personnel                 | The Company's key management and governance body  |

## (2) Significant related party transactions and balances

### A. Sales transaction

#### (a) Operating revenue

|                         | Years ended December 31, |                     |
|-------------------------|--------------------------|---------------------|
|                         | 2023                     | 2022                |
| Sales of goods:         |                          |                     |
| — Subsidiaries          | \$ 5,513,494             | \$ 5,160,150        |
| — Associates            | 18                       | 3,027               |
| — Other related parties | 522,483                  | 490,137             |
|                         | <u>\$ 6,035,995</u>      | <u>\$ 5,653,314</u> |

Goods are sold based on the price lists in force and terms that would be available to third parties. The collection term for related parties is within credit term of advance sales receipts or 30~120 days of the date of billing statement. The collection term for third parties is within credit term of advance sales receipts, 22~90 days the receipt of shipment or 5~150 days of the date of billing statement.

Part of the operating income between the Company and SAL is from assisting it to purchase goods from manufacturers. Based on the judgement of the transaction type and economic substance, the Company acts as the agent for the project transaction and will use the operating income and operating costs generated by the transaction. Expressed in net terms, the amount of write-off in 2023 was \$65,499,049, but the accounts receivable and payable were collected and paid in full. On December 31, 2023, the amount generated by the above transaction was

recorded as "Other receivables- related parties".

(b) Accounts receivable

The Company's details of accounts receivable from the above-mentioned related parties transactions are as follows:

|                         | <u>December 31, 2023</u> | <u>December 31, 2022</u> |
|-------------------------|--------------------------|--------------------------|
| Accounts receivable:    |                          |                          |
| — Subsidiaries          | \$ 103,600               | \$ 150,700               |
| — Other related parties | <u>173,533</u>           | <u>113,648</u>           |
|                         | <u>\$ 277,133</u>        | <u>\$ 264,348</u>        |

The receivables from related parties arise mainly from sales of goods.

B. Purchases of goods transaction

(a) Operating cost

|                         | <u>Years ended December 31,</u> |                      |
|-------------------------|---------------------------------|----------------------|
|                         | <u>2023</u>                     | <u>2022</u>          |
| Purchases of goods:     |                                 |                      |
| — Subsidiaries          |                                 |                      |
| SAL                     | \$ 6,902,842                    | \$ 11,512,607        |
| Others                  | <u>1,556,983</u>                | <u>1,864,351</u>     |
|                         | 8,459,825                       | 13,376,958           |
| — Other related parties | <u>-</u>                        | <u>104</u>           |
|                         | <u>\$ 8,459,825</u>             | <u>\$ 13,377,062</u> |

Goods are sold based on the price lists in force and terms that would be available to third parties. The Company's payment term for related parties is within credit term of advance sales receipts or 30~60 days of the date of billing statement. The payment term for third parties is within credit term of advance sales receipts, 1~90 days after receipt of goods or 25~75 days of the date of billing statement.

(b) Accounts payable

|                   | <u>December 31, 2023</u> | <u>December 31, 2022</u> |
|-------------------|--------------------------|--------------------------|
| Accounts payable: |                          |                          |
| — Subsidiaries    |                          |                          |
| SAL               | \$ 200,022               | \$ 42,848                |
| Others            | <u>23,069</u>            | <u>38,017</u>            |
|                   | <u>\$ 223,091</u>        | <u>\$ 80,865</u>         |

The payables to related parties arise mainly from purchase transactions. The payables bear no interest.

### C. Other transactions

The details of other receivables, other payments on behalf of others, procurement agent receivables, dividend receivables, rental income, dividend income arising from management services and endorsement guarantees and management income that the Company provides to related parties are as follows:

|                         | December 31, 2023        |                       | December 31, 2022        |                       |
|-------------------------|--------------------------|-----------------------|--------------------------|-----------------------|
|                         | <u>Other receivables</u> | <u>Other payables</u> | <u>Other receivables</u> | <u>Other payables</u> |
| — Subsidiaries          |                          |                       |                          |                       |
| SAL                     | \$ 6,237,944             | \$ -                  | \$ -                     | \$ -                  |
| Others                  | 274,986                  | 27,546                | 283,452                  | 41,052                |
| — Associates            | 106                      | -                     | -                        | -                     |
| — Other related parties | -                        | 132                   | 169                      | 391                   |
|                         | <u>\$ 6,513,036</u>      | <u>\$ 27,678</u>      | <u>\$ 283,621</u>        | <u>\$ 41,443</u>      |

|  | Year ended December 31, 2023 |                        |                          |                 |                     |
|--|------------------------------|------------------------|--------------------------|-----------------|---------------------|
|  | <u>Rental income</u>         | <u>Dividend income</u> | <u>Management income</u> | <u>Others</u>   | <u>Total</u>        |
| Synnex Global  | \$ -                         | \$ -                   | \$ 64,685                | \$ -            | \$ 64,685           |
| Synnex Australia   | -                            | -                      | 218,618                  | -               | 218,618             |
| SAL  | -                            | -                      | 998,413                  | -               | 998,413             |
| Synnex Distributions (China) Ltd.                              | -                            | -                      | 131,739                  | -               | 131,739             |
| Synergy Intelligent Logistics Corporation                      | 79,200                       | -                      | 37,726                   | -               | 116,926             |
| Synnex Technology International (HK) Ltd. and its subsidiaries | -                            | -                      | 95,751                   | -               | 95,751              |
| Mitac Incorporated   | -                            | 186,910                | -                        | 1,000           | 187,910             |
| Others   | 1,555                        | 41,960                 | 94,266                   | -               | 137,781             |
|  | <u>\$ 80,755</u>             | <u>\$ 228,870</u>      | <u>\$ 1,641,198</u>      | <u>\$ 1,000</u> | <u>\$ 1,951,823</u> |

|  | Year ended December 31, 2022 |                        |                          |                 |                     |
|--|------------------------------|------------------------|--------------------------|-----------------|---------------------|
|  | <u>Rental income</u>         | <u>Dividend income</u> | <u>Management income</u> | <u>Others</u>   | <u>Total</u>        |
| Synnex Global  | \$ -                         | \$ -                   | \$ 61,924                | \$ -            | \$ 61,924           |
| Synnex Australia   | -                            | -                      | 238,436                  | -               | 238,436             |
| SAL  | -                            | -                      | 220,356                  | -               | 220,356             |
| Synnex Distributions (China) Ltd.                              | -                            | -                      | 141,991                  | -               | 141,991             |
| Synergy Intelligent Logistics Corporation                      | 79,200                       | -                      | 37,612                   | -               | 116,812             |
| Synnex Technology International (HK) Ltd. and its subsidiaries | -                            | -                      | 104,333                  | -               | 104,333             |
| Mitac Incorporated   | -                            | 104,321                | -                        | 1,000           | 105,321             |
| Others   | 1,257                        | 108,620                | 96,310                   | 125             | 206,312             |
|  | <u>\$ 80,457</u>             | <u>\$ 212,941</u>      | <u>\$ 900,962</u>        | <u>\$ 1,125</u> | <u>\$ 1,195,485</u> |

The details of warehousing, distribution and maintenance service fees incurred by the Company due to the provision of warehousing, distribution and maintenance services by related parties are

as follows:

|   | Years ended December 31, |                   |
|---|--------------------------|-------------------|
|   | 2023                     | 2022              |
| Operating expenses                        |                          |                   |
| — Subsidiaries                            |                          |                   |
| Synergy Intelligent Logistics Corporation | \$ 375,658               | \$ 498,688        |
| Others                                    | 965                      | 1,808             |
|   | <u>\$ 376,623</u>        | <u>\$ 500,496</u> |

D. Financing activities

(a) Receivables from related parties (recorded in ‘Other receivables-related parties’)

|                              | December 31, 2023 | December 31, 2022 |
|------------------------------|-------------------|-------------------|
| Subsidiaries                 |                   |                   |
| Seper Technology Corporation | <u>\$ 228,071</u> | <u>\$ 153,948</u> |

Other information on loans to others is provided in Note 13, table 1.

(b) Interest income

|                              | Years ended December 31, |                 |
|------------------------------|--------------------------|-----------------|
|                              | 2023                     | 2022            |
| Subsidiaries                 |                          |                 |
| Seper Technology Corporation | \$ 2,139                 | \$ 1,752        |
| Synnex Global                | -                        | 3,133           |
|                              | <u>\$ 2,139</u>          | <u>\$ 4,885</u> |
| Interest rate range          | <u>0%~1.82%</u>          | <u>0%~1.81%</u> |

(c) Payables to related parties (recorded in ‘Other payables-related parties’)

|               | December 31, 2023   | December 31, 2022   |
|---------------|---------------------|---------------------|
| Subsidiaries  |                     |                     |
| Synnex Global | \$ 3,619,864        | \$ 2,506,940        |
| Others        | 112,000             | 112,000             |
|               | <u>\$ 3,731,864</u> | <u>\$ 2,618,940</u> |

(d) Interest expense

|                     | Years ended December 31, |          |
|---------------------|--------------------------|----------|
|                     | 2023                     | 2022     |
| Subsidiaries        | \$ 1,992                 | -        |
| Interest rate range | <u>1.75%~1.82%</u>       | <u>-</u> |

E. Related parties provide endorsement guarantee

The details of the information on financing and purchasing guarantees provided for subsidiaries’

bank borrowings are as follows:

|  | Years ended December 31, |                      |
|--|--------------------------|----------------------|
|  | 2023                     | 2022                 |
| Guaranteed amount  |                          |                      |
| — Synnex Global  | \$ 22,451,150            | \$ 25,992,200        |
| — Synnex Australia   | 10,218,492               | 10,498,456           |
| — Synnex Technology International (HK) Ltd. and its subsidiaries | 16,373,962               | 16,038,264           |
| — Synnex New Zealand   | 1,181,340                | 1,216,288            |
| — Synergy Intellingent Logistics Corporation                     | 2,400,000                | 2,400,000            |
| — SAL  | 17,788,692               | 21,418,188           |
| — Synnex Distributions (China) Ltd.                              | 2,368,135                | 2,368,520            |
| — Leveltech Ltd.   | 430,570                  | 430,640              |
| — Trade Vangurad Global Ltd.                                     | 1,537,750                | 1,538,000            |
| — LianXiang Technology (Shenzhen) Ltd.                           | 1,080,800                | -                    |
|  | <u>\$ 75,830,891</u>     | <u>\$ 81,900,556</u> |
|  |                          |                      |
|  | Years ended December 31, |                      |
|  | 2023                     | 2022                 |
| Actual amount drawn down   |                          |                      |
| — Synnex Global  | \$ 600,107               | \$ 1,432,061         |
| — Synnex Australia   | 5,416,269                | 6,317,522            |
| — Synnex Technology International (HK) Ltd. and its subsidiaries | 4,006,013                | 6,692,208            |
| — Synnex New Zealand   | 454,080                  | 1,005,885            |
| — Synergy Intellingent Logistics Corporation                     | 410,466                  | 388,369              |
| — SAL  | 2,844,833                | 14,136,745           |
| — Synnex Distributions (China) Ltd.                              | 1,064,649                | 1,158,538            |
| — Leveltech Ltd.   | 84,274                   | 183,969              |
| — Trade Vangurad Global Ltd.                                     | -                        | -                    |
| — LianXiang Technology (Shenzhen) Ltd.                           | 306,538                  | -                    |
|  | <u>\$ 15,187,229</u>     | <u>\$ 31,315,297</u> |

F. Property transactions

(a) Acquisition of property, plant and equipment

|              | Years ended December 31, |          |
|--------------|--------------------------|----------|
|              | 2023                     | 2022     |
| Subsidiaries | \$ 134                   | \$ 2,086 |

As of December 31, 2023 and 2022, the Company's other payables (recorded in 'Other payables-related parties') arising from above transactions amounted to \$41 and \$2,150, respectively.

(b) Acquisition of financial assets

|   |   |   |                                    |                | Year ended<br>December 31, 2023 |
|---|---|---|------------------------------------|----------------|---------------------------------|
| Counterparty                            | Assets acquired                         | Accounts                                      | No. of shares<br>(thousand shares) | Objects        | Consideration                   |
| Synergy Technology Services Corporation | Synergy Technology Services Corporation | Investments accounted for using equity method | 99,000                             | Ordinary share | \$ 99,000                       |
|   |   |   |                                    |                | Year ended<br>December 31, 2022 |
| Counterparty                            | Assets acquired                         | Accounts                                      | No. of shares<br>(thousand shares) | Objects        | Consideration                   |
| KINGS                                   | SMI                                     | Investments accounted for using equity method | 300                                | Ordinary share | \$ 3,038,867                    |
| KINGS                                   | SAL                                     | Investments accounted for using equity method | 300                                | Ordinary share | 43,474                          |
| KINGS                                   | Synnex HK                               | Investments accounted for using equity method | 60,000                             | Ordinary share | 290,107                         |
| Mauritius                               | Redington                               | Investments accounted for using equity method | 188,592                            | Ordinary share | 11,963,644                      |
|   |   |   |                                    |                | <u>\$ 15,336,092</u>            |

As of December 31, 2023 and 2022, the Company's other payables (recorded in 'Other payables-related parties') arising from above transactions amounted to \$0 and \$11,963,644, respectively.

(3) Key management compensation

|                                 |    | Years ended December 31, |                   |
|---------------------------------|----|--------------------------|-------------------|
|                                 |    | 2023                     | 2022              |
| Short-term employee benefits    | \$ | 114,824                  | \$ 127,720        |
| Post-employment benefits (Note) |    | 4,397                    | 4,716             |
| Total                           | \$ | <u>119,221</u>           | <u>\$ 132,436</u> |

Note: Benefits are provisions that are not actually distributed.

8. PLEDGED ASSETS

The Company's assets pledged as collateral are as follows:

| Pledged asset                                   | Book value        |                   | Purpose                  |
|---|-------------------|-------------------|--------------------------|
|   | December 31, 2023 | December 31, 2022 |                          |
| Non-current financial assets at amortised cost: |                   |                   |                          |
| Pledged time deposits                           | \$ 787,705        | \$ 802,156        | Guarantees for purchases |

## 9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNISED CONTRACT COMMITMENTS

### (1) Significant contingent liabilities

None.

### (2) Significant unrecognized contract commitments

A. As of December 31, 2023 and 2022, the Company issued promissory notes to guarantee the suppliers' credit limit amounting to \$1,326,327 and \$2,954,076, respectively, for inventory purchases.

B. Capital expenditure contracted for at the balance sheet date but not yet incurred is as follows:

|                               | <u>December 31, 2023</u> | <u>December 31, 2022</u> |
|-------------------------------|--------------------------|--------------------------|
| Property, plant and equipment | <u>\$ 2,441,582</u>      | <u>\$ 2,441,582</u>      |

The above refers to the contract commitment of the Company to acquire the property located in Nangang Dist., Taipei City.

## 10. SIGNIFICANT DISASTER LOSS

None.

## 11. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

On March 13, 2024, the Board of Directors resolved the distribution of earnings for the year of 2023. Please refer to Note 6(21).

## 12. OTHERS

### (1) Capital management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. The Company monitors capital on the basis of the net borrowing ratio. This ratio is calculated as net borrowings divided by shareholders' equity. Net borrowings are calculated as all amounts of short-term borrowings, short-term notes and bills payable, long-term borrowings less all amounts of cash and cash equivalents and time deposits maturing over three months as shown in the balance sheet. Shareholders' equity is calculated as total equity as shown in the balance sheet.

The net borrowing ratios as of December 31, 2023 and 2022 were 101% and 82%, respectively.

### (2) Financial instruments

#### A. Financial instruments by category

Refer to the Company's balance sheets and related information in Note 6 for the Company's financial assets (cash and cash equivalents, current financial assets at fair value through profit

or loss, current financial assets at amortised cost, notes receivable, accounts receivable, accounts receivable-related parties, other receivables, other receivables-related parties, non-current financial asset at fair value through other comprehensive income, non-current financial assets at amortised cost, other non-current assets - guarantee deposits paid, other non-current assets - long-term notes and overdue receivables) and financial liabilities (short-term borrowings, short-term notes and bills payable, notes payable, accounts payable, accounts payable-related parties, other payables, other payables-related parties, long-term borrowings(including current portion), other non-current liabilities - guarantee deposits received, current lease liabilities and non-current lease liabilities).

B. Financial risk management policies

- (a) The Company's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk.
- (b) Risk management is carried out by a central treasury department (Company treasury) under policies approved by the Board of Directors. Company treasury identifies, evaluates, and hedges financial risks in close co-operation with the Company's operating units. The Board provides written principles for overall risk management, as well as written policies covering specific areas and matters, such as foreign exchange risk, interest rate risk, credit risk, use of derivative and non-derivative financial instruments, and investment of excess liquidity.

C. Significant financial risks and degrees of financial risks

(a) Market risk

Foreign exchange risk

- i. The Company operates internationally and is exposed to foreign exchange risk arising from the transactions of the Company and its subsidiaries used in various functional currency, primarily with respect to the USD and RMB. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities.
- ii. Management has set up a policy to require company to manage their foreign exchange risk against their functional currency. The company is required to hedge their entire foreign exchange risk exposure with the company treasury.
- iii. The Company's businesses involve some non-functional currency operations (the Company's functional currency: NTD). The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

| December 31, 2023                                    |  |               |                     |
|--|--|---------------|---------------------|
|  | Foreign currency<br>amount<br>(in thousands) | Exchange rate | Book value<br>(NTD) |
| (Foreign currency: functional currency)              |  |               |                     |
| <u>Financial assets</u>                              |  |               |                     |
| <u>Monetary items</u>                                |  |               |                     |
| USD:NTD  | \$ 299,982                                   | 30.76         | \$ 9,225,946        |
| <u>Investments accounted for using equity method</u> |  |               |                     |
| USD:NTD  | \$ 3,933,613                                 | 30.76         | \$ 120,978,266      |
| HKD:NTD  | 369,498                                      | 3.937000      | 1,454,712           |
| IDR:NTD  | 1,336,463,964                                | 0.001998      | 2,670,255           |
| INR:NTD  | 17,264,364                                   | 0.369767      | 6,383,799           |
| <u>Financial liabilities</u>                         |  |               |                     |
| <u>Monetary items</u>                                |  |               |                     |
| USD:NTD  | \$ 539,754                                   | 30.76         | \$ 16,600,134       |
| December 31, 2022                                    |  |               |                     |
|  | Foreign currency<br>amount<br>(in thousands) | Exchange rate | Book value<br>(NTD) |
| (Foreign currency: functional currency)              |  |               |                     |
| <u>Financial assets</u>                              |  |               |                     |
| <u>Monetary items</u>                                |  |               |                     |
| USD:NTD  | \$ 147,740                                   | 30.76         | \$ 4,544,482        |
| <u>Investments accounted for using equity method</u> |  |               |                     |
| USD:NTD  | \$ 3,934,031                                 | 30.76         | \$ 121,010,804      |
| HKD:NTD  | 118,580                                      | 3.945093      | 467,809             |
| IDR:NTD  | 1,195,247,334                                | 0.001969      | 2,353,442           |
| INR:NTD  | 15,830,039                                   | 0.371673      | 5,883,598           |
| <u>Financial liabilities</u>                         |  |               |                     |
| <u>Monetary items</u>                                |  |               |                     |
| USD:NTD  | \$ 125,172                                   | 30.76         | \$ 3,850,291        |

- iv. For the total exchange gain (loss), including realized and unrealized, arising from significant foreign exchange variation on the monetary items held by the Company for the years ended December 31, 2023 and 2022, please refer to Note 6(26).
- v. Analysis of foreign currency market risk arising from significant foreign exchange variation:

| Year ended December 31, 2023            |                     |                          |                                      |
|---|---------------------|--------------------------|--------------------------------------|
| Sensitivity analysis                    |                     |                          |                                      |
|   | Degree of variation | Effect on profit or loss | Effect on other comprehensive income |
| (Foreign currency: functional currency) |                     |                          |                                      |
| <u>Financial assets</u>                 |                     |                          |                                      |
| <u>Monetary items</u>                   |                     |                          |                                      |
| USD:NTD                                 | 1%                  | \$ 92,259                | \$ -                                 |
| <u>Financial liabilities</u>            |                     |                          |                                      |
| <u>Monetary items</u>                   |                     |                          |                                      |
| USD:NTD                                 | 1%                  | (\$ 166,001)             | \$ -                                 |
| Year ended December 31, 2022            |                     |                          |                                      |
| Sensitivity analysis                    |                     |                          |                                      |
|   | Degree of variation | Effect on profit or loss | Effect on other comprehensive income |
| (Foreign currency: functional currency) |                     |                          |                                      |
| <u>Financial assets</u>                 |                     |                          |                                      |
| <u>Monetary items</u>                   |                     |                          |                                      |
| USD:NTD                                 | 1%                  | \$ 45,445                | \$ -                                 |
| <u>Financial liabilities</u>            |                     |                          |                                      |
| <u>Monetary items</u>                   |                     |                          |                                      |
| USD:NTD                                 | 1%                  | (\$ 38,503)              | \$ -                                 |

#### Price risk

- i. The Company's equity instruments, which are exposed to price risk, are the held financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income. To manage the price risk arising from investments in equity instruments, the Company diversifies its portfolio in accordance with the limits set by the Company.
- ii. The Company primarily invests in equity instruments issued by domestic and foreign companies. The prices of equity instruments would be affected by the uncertainty of the future value of underlying investments. If the prices of these equity investments had increased/decreased by 1% with all other variables held constant, post-tax profit for the years ended December 31, 2023 and 2022 would have increased/decreased by \$1,549 and \$1,087, respectively, as a result of gains/losses on equity instruments at fair value through profit or loss. Other components of equity would have increased/decreased by

\$67,247 and \$54,663, respectively, as a result of gains/ losses from equity instruments at fair value through other comprehensive income.

Cash flow and fair value interest rate risk

- i. The Company's interest rate risk arises mainly from short-term borrowings and long-term borrowings with variable rates, which expose the Company to cash flow interest rate risk. During the years ended December 31, 2023 and 2022, the Company's borrowings at variable rate were mainly denominated in New Taiwan dollars.
- ii. The Company's borrowings are measured at amortised cost. The borrowings are periodically contractually repriced and to that extent are also exposed to the risk of future changes in market interest rates.
- iii. If the borrowing interest rates had increased/decreased by 0.25% with all other variables held constant, interest expense for the years ended December 31, 2023 and 2022 would have decreased/increased by \$176,781 and \$137,423, respectively. The main factor is the changes in interest expense resulting from floating-rate borrowings.

(b) Credit risk

- i. Credit risk refers to the risk of financial loss to the Company arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is that counterparties could not repay in full the accounts receivable based on the agreed terms.
- ii. The Company manages its credit risk taking into consideration the entire company's concern. According to the Company's credit policy, the Company is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings by the Management. The utilisation of credit limits is regularly monitored.
- iii. If the contract payments were past due over 30 days based on the terms, there has been a significant increase in credit risk on that instrument since initial recognition after taking into consideration the historical experiences.
- iv. In accordance with historical collections and customers' credit rating levels, the default occurs when the contract payments are past due over certain periods classified based on the credit rating of customer.
- v. The Company classifies customers' accounts receivable in accordance with credit rating of customer. The Company applies the modified approach using loss rate method to estimate expected credit loss.
- vi. The Company will continue executing the recourse procedures to secure its rights on those defaulted financial assets. The Company wrote-off the financial assets, which

cannot be reasonably expected to be recovered, after initiating recourse procedures. However, the Company will continue executing the recourse procedures to secure its rights.

- vii. The Company used the forecastability to adjust historical and timely information to assess the default possibility of notes receivable, accounts receivable (including related parties), and overdue receivables. As of December 31, 2023 and 2022, the assessment is as follows:

|                    |                 | Individual provision |          |            |             |              |
|--------------------|-----------------|----------------------|----------|------------|-------------|--------------|
|                    | Group provision | Group A              | Group B  | Group C    | Group D     | Total        |
| <u>2023</u>        |                 |                      |          |            |             |              |
| Expected loss rate | 0.2%            | 15%                  | 50%      | 75%        | 100%        |              |
| Total book value   | \$ 8,400,536    | \$ 2,783             | \$ 6     | \$ 1,373   | \$ 13,138   | \$ 8,417,836 |
| Loss allowance     | (\$ 17,001)     | (\$ 418)             | (\$ 3)   | (\$ 1,030) | (\$ 13,138) | (\$ 31,590)  |
|                    |                 | Individual provision |          |            |             |              |
|                    | Group provision | Group A              | Group B  | Group C    | Group D     | Total        |
| <u>2022</u>        |                 |                      |          |            |             |              |
| Expected loss rate | 0.2%            | 15%                  | 50%      | 75%        | 100%        |              |
| Total book value   | \$ 9,236,193    | \$ 2,975             | \$ 470   | \$ 1,373   | \$ 13,969   | \$ 9,254,980 |
| Loss allowance     | (\$ 18,635)     | (\$ 446)             | (\$ 235) | (\$ 1,030) | (\$ 13,969) | (\$ 34,315)  |

- viii. Movements in relation to the Company applying the modified approach to provide loss allowance for notes receivable, accounts receivable (including related parties) and overdue receivables are as follows:

|   | Year ended December 31, 2023 |                     |                     |                  |
|---|------------------------------|---------------------|---------------------|------------------|
|   | Notes receivable             | Accounts receivable | Overdue receivables | Total            |
| At January 1                                | \$ 385                       | \$ 18,250           | \$ 15,680           | \$ 34,315        |
| Provision for (reversal of) impairment loss | ( 147)                       | ( 1,487)            | ( 459)              | ( 2,093)         |
| Write-offs                                  | -                            | -                   | ( 632)              | ( 632)           |
| At December 31                              | <u>\$ 238</u>                | <u>\$ 16,763</u>    | <u>\$ 14,589</u>    | <u>\$ 31,590</u> |
|   | Year ended December 31, 2022 |                     |                     |                  |
|   | Notes receivable             | Accounts receivable | Overdue receivables | Total            |
| At January 1                                | \$ 76                        | \$ 1,834            | \$ 16,313           | \$ 18,223        |
| Provision for (reversal of) impairment loss | 309                          | 16,416              | ( 633)              | 16,092           |
| At December 31                              | <u>\$ 385</u>                | <u>\$ 18,250</u>    | <u>\$ 15,680</u>    | <u>\$ 34,315</u> |

(c) Liquidity risk

- i. Cash flow forecasting is performed in the departments of the Company and aggregated by Company treasury. Company treasury monitors rolling forecasts of the Company's liquidity requirements to ensure it has sufficient cash to meet operational needs.
- ii. Surplus cash held by the departments over and above balance required for working capital management is transferred to the Company treasury. Company treasury invests surplus cash in interest-bearing demand deposits, time deposits, money market deposits and marketable securities, choosing instruments with appropriate maturities or sufficient liquidity to provide sufficient head-room as determined by the above-mentioned forecasts.
- iii. The Company's derivative and non-derivative financial liabilities are classified into relevant maturity groups based on the remaining period from the balance sheet date to the contractual maturity date. Except for those maturing within a year whose contractual undiscounted cash flows approximate the amounts presented in the balance sheet, the remaining contractual undiscounted cash flows of non-derivative financial liabilities are disclosed in the table below:

Non-derivative financial liabilities:

|   | Less than |             |            |
|---|-----------|-------------|------------|
| December 31, 2023                                   | 1 year    | Over 1 year | Total      |
| Guarantee deposit received                          | \$ -      | \$ 5,887    | \$ 5,887   |
| Long-term borrowings<br>(including current portion) | 1,537,978 | 21,370,087  | 22,908,065 |

Non-derivative financial liabilities:

|                            | Less than  |             |            |
|----------------------------|------------|-------------|------------|
| December 31, 2022          | 1 year     | Over 1 year | Total      |
| Lease liabilities          | \$ 49,199  | \$ -        | \$ 49,199  |
| Guarantee deposit received | -          | 826         | 826        |
| Long-term borrowings       | 14,456,592 | 1,529,864   | 15,986,456 |

- iv. The Company does not expect the timing of occurrence of the cash flows estimated through the maturity date analysis will be significantly earlier, nor expect the actual cash flow amount will be significantly different.

(3) Fair value information

- A. The different levels in which the inputs to valuation techniques are used to measure fair value of financial and non-financial instruments have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. A market is regarded as active where

transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The fair value of the Company's investment in listed stocks is included in Level 1.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. The fair value of the Company's investment in unlisted stocks and derivative instruments is included in Level 2.

Level 3: Unobservable inputs for the asset or liability. The fair value of the Company's investment in equity instruments without active market is included in Level 3.

**B. Financial instruments not measured at fair value**

The carrying amounts of the Company's financial instruments not measured at fair value (including cash and cash equivalents, current financial assets at amortised cost, notes receivable, accounts receivable (including related parties), other receivables (including related parties), non-current financial assets at amortised cost, other non-current assets—guarantee deposits paid, other non-current assets—long-term notes and overdue receivables, short-term borrowings, short-term notes and bills payable, notes payable, accounts payable (including related parties), other payables (including related parties), long-term borrowings(including current portion), and other non-current liabilities—guarantee deposits received) are approximate to their fair values.

**C. The related information of financial and non-financial instruments measured at fair value by level on the basis of the nature, characteristics and risks of the assets and liabilities is as follows:**

(a) The related information of natures of the assets and liabilities is as follows:

| <u>December 31, 2023</u>  | <u>Level 1</u>     | <u>Level 2</u>    | <u>Level 3</u>      | <u>Total</u>       |
|---|--------------------|-------------------|---------------------|--------------------|
| <b>Assets</b>   |                    |                   |                     |                    |
| <u>Recurring fair value measurements</u>                                      |                    |                   |                     |                    |
| Financial assets at fair value through profit or loss                         |                    |                   |                     |                    |
| Equity securities   | \$ 154,893         | \$ -              | \$ -                | \$ 154,893         |
| Non-current financial assets at fair value through other comprehensive income |                    |                   |                     |                    |
| Equity securities   | <u>1,048,680</u>   | <u>138,462</u>    | <u>5,537,588</u>    | <u>6,724,730</u>   |
| Total   | <u>\$1,203,573</u> | <u>\$ 138,462</u> | <u>\$ 5,537,588</u> | <u>\$6,879,623</u> |

| <u>December 31, 2022</u>  | <u>Level 1</u>            | <u>Level 2</u>           | <u>Level 3</u>             | <u>Total</u>              |
|---|---------------------------|--------------------------|----------------------------|---------------------------|
| <b>Assets</b>   |                           |                          |                            |                           |
| <u>Recurring fair value measurements</u>  |                           |                          |                            |                           |
| Financial assets at fair value through<br>profit or loss                            |                           |                          |                            |                           |
| Equity securities   | \$ 108,733                | \$ -                     | \$ -                       | \$ 108,733                |
| Non-current financial assets at fair<br>value through other comprehensive<br>income |                           |                          |                            |                           |
| Equity securities   | <u>938,291</u>            | <u>108,598</u>           | <u>4,419,363</u>           | <u>5,466,252</u>          |
| <b>Total</b>  | <b><u>\$1,047,024</u></b> | <b><u>\$ 108,598</u></b> | <b><u>\$ 4,419,363</u></b> | <b><u>\$5,574,985</u></b> |

- (b) The methods and assumptions the Company used to measure fair value are as follows:
- For the instruments the Company used market quoted prices as their fair values (that is, Level 1), listed shares are measured at closing price at the balance sheet date.
  - Except for financial instruments with active markets, the fair value of other financial instruments is measured by using valuation techniques or by reference to counterparty quotes. The fair value of financial instruments measured by using valuation techniques can be referred to current fair value of instruments with similar terms and characteristics in substance, discounted cash flow method, or other valuation methods, including calculation by applying model using market information available at the balance sheet date.
  - When assessing non-standard and low-complexity financial instruments, the Company adopts valuation technique that is widely used by market participants. The inputs used in the valuation method to measure these financial instruments are normally observable in the market.
  - The output of valuation model is an estimated value and the valuation technique may not be able to capture all relevant factors of the Company's financial and non-financial instruments. Therefore, the estimated value derived using valuation model is adjusted accordingly with additional inputs, such as model risk or liquidity risk and etc. In accordance with the Company's management policies and relevant control procedures relating to the valuation models used for fair value measurement, management believes adjustment to valuation is necessary in order to reasonably represent the fair value of financial and non-financial instruments in the balance sheet. The inputs and pricing information used during valuation are carefully assessed and adjusted based on current market conditions.
  - The Company takes into account adjustments for credit risks to measure the fair value of financial and non-financial instruments to reflect credit risk of the counterparty and the Company's credit quality.

- D. For the years ended December 31, 2023 and 2022, there was no transfer between Level 1 and Level 2.
- E. The following chart is the movement of Level 3 for the years ended December 31, 2023 and 2022:

|  | 2023                                | 2022                                |
|--|-------------------------------------|-------------------------------------|
|  | Non-derivative<br>equity instrument | Non-derivative<br>equity instrument |
| At January 1   | \$ 4,419,363                        | \$ 4,744,833                        |
| Gains and losses recognised in other<br>comprehensive income   |                                     |                                     |
| Recorded as unrealised gains (losses) on<br>valuation of investments in equity<br>instruments measured at fair value<br>through other comprehensive income | 1,118,225                           | ( 325,470)                          |
| At December 31   | <u>\$ 5,537,588</u>                 | <u>\$ 4,419,363</u>                 |

- F. For the years ended December 31, 2023 and 2022 there was no transfer into or out from Level 3.
- G. Financial quality management segment is in charge of valuation procedures for fair value measurements being categorised within Level 3, which is to verify independent fair value of financial instruments. Such assessment is to ensure the valuation results are reasonable by applying independent information to make results close to current market conditions, confirming the resource of information is independent, reliable, in line with other resources, and represented as the exercisable price, frequently calibrating valuation model, performing back-testing, updating inputs used to the valuation model, and making any other necessary adjustments to the fair value.
- H. The following is the quantitative information of significant unobservable inputs and sensitivity analysis of changes in significant unobservable inputs to valuation model used in Level 3 fair value measurement:

|                                   | Fair value at<br>December 31, 2023 | Valuation<br>technique            | Significant<br>unobservable input     | Range<br>weighted average | Relationship of<br>inputs to fair value   |
|-----------------------------------|------------------------------------|-----------------------------------|---------------------------------------|---------------------------|---|
| Non-derivative equity instrument: |                                    |                                   |                                       |                           |   |
| Unlisted shares                   | \$ 151,031                         | Market<br>comparable<br>companies | Discount for lack of<br>marketability | 0.7                       | The higher the discount<br>for lack of marketability,<br>the lower the fair value |
| Unlisted shares                   | 5,386,557                          | Net asset<br>value                | Not applicable                        | -                         | Not applicable  |
|                                   | <u>\$ 5,537,588</u>                |                                   |                                       |                           |   |

|                                   | Fair value at<br>December 31, 2022 | Valuation<br>technique            | Significant<br>unobservable input     | Range<br>weighted average | Relationship of<br>inputs to fair value   |
|-----------------------------------|------------------------------------|-----------------------------------|---------------------------------------|---------------------------|---|
| Non-derivative equity instrument: |                                    |                                   |                                       |                           |   |
| Unlisted shares                   | \$ 99,749                          | Market<br>comparable<br>companies | Discount for lack of<br>marketability | X                         | The higher the discount<br>for lack of marketability,<br>the lower the fair value |
| Unlisted shares                   |                                    | Net asset<br>value                | Not applicable                        | -                         | Not applicable  |
|                                   | <u>4,319,614</u>                   |                                   |                                       |                           |   |
|                                   | <u>\$ 4,419,363</u>                |                                   |                                       |                           |   |

- I. The Company has carefully assessed the valuation models and assumptions used to measure fair value. However, using different valuation models or assumptions may result in different measurement. The following is the effect of profit or loss or of other comprehensive income from financial assets and liabilities categorized within Level 3 if the inputs to valuation models have changed:

|                   |                                       | December 31, 2023               |                      |   |                      |                        |
|-------------------|---------------------------------------|---------------------------------|----------------------|---|----------------------|------------------------|
|                   |                                       | Recognised in<br>profit or loss |                      | Recognised in other<br>comprehensive income |                      |                        |
|                   | Input                                 | Change                          | Favourable<br>change | Unfavourable<br>change                      | Favourable<br>change | Unfavourable<br>change |
| Financial assets  |                                       |                                 |                      |   |                      |                        |
| Equity instrument | Discount for lack<br>of marketability | ± 10%                           | \$ -                 | \$ -  | \$ 15,103            | (\$ 15,103)            |
| Equity instrument | Net asset value                       | ± 1%                            | \$ -                 | \$ -  | \$ 53,866            | (\$ 53,866)            |
|                   |                                       | December 31, 2022               |                      |   |                      |                        |
|                   |                                       | Recognised in<br>profit or loss |                      | Recognised in other<br>comprehensive income |                      |                        |
|                   | Input                                 | Change                          | Favourable<br>change | Unfavourable<br>change                      | Favourable<br>change | Unfavourable<br>change |
| Financial assets  |                                       |                                 |                      |   |                      |                        |
| Equity instrument | Discount for lack<br>of marketability | ± 10%                           | \$ -                 | \$ -  | \$ 9,975             | (\$ 9,975)             |
| Equity instrument | Net asset value                       | ± 1%                            | \$ -                 | \$ -  | \$ 43,196            | (\$ 43,196)            |

### 13. SUPPLEMENTARY DISCLOSURES

#### (1) Significant transactions information

- Loans to others: Please refer to table 1.
- Provision of endorsements and guarantees to others: Please refer to table 2.
- Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): Please refer to table 3.
- Acquisition or sale of the same security with the accumulated cost exceeding \$300 million or 20% of the Company's paid-in capital: Please refer to table 4.
- Acquisition of real estate reaching \$300 million or 20% of paid-in capital or more: Please refer to table 5.

- F. Disposal of real estate reaching \$300 million or 20% of paid-in capital or more: Please refer to table 6.
- G. Purchases or sales of goods from or to related parties reaching \$100 million or 20% of paid-in capital or more: Please refer to table 7.
- H. Receivables from related parties reaching \$100 million or 20% of paid-in capital or more: Please refer to table 8.
- I. Trading in derivative instruments undertaken during the reporting periods: Please refer to Note 6(2) in the Company's consolidated financial statements for the year ended December 31, 2023.
- J. Significant inter-company transactions during the reporting periods: Please refer to table 9.

(2) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China): Please refer to table 10.

(3) Information on investments in Mainland China

A. Basic information: Please refer to table 11.

Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area: Please refer to table 9.

(4) Major shareholders information

Major shareholders information: Please refer to table 12.

14. SEGMENT INFORMATION

Not applicable.

SYNNEX TECHNOLOGY INTERNATIONAL CORPORATION AND SUBSIDIARIES

Loans to others  
Year ended December 31, 2023

Table 1

Expressed in thousands of NTD  
(Except as otherwise indicated)

| No. | Creditor                                    | Borrower                                    | General ledger account | Is a related party | Maximum outstanding balance during the year ended | Balance at December 31, 2023 | Actual amount drawn down | Interest rate | Nature of loan | Amount of transactions with the borrower | Reason for short-term financing | Allowance             | Collateral |       | Limit on loans            | Ceiling on total loans | Footnote |
|-----|---|---|------------------------|--------------------|---|------------------------------|--------------------------|---------------|----------------|--|---------------------------------|-----------------------|------------|-------|---------------------------|------------------------|----------|
|     |   |   |                        |                    | December 31, 2023                                 |                              |                          |               |                |  |                                 | for doubtful accounts | Item       | Value | granted to a single party | granted                |          |
|     |   |   |                        |                    | ( Note 9 )  |                              |                          |               |                |  |                                 |                       |            |       |                           |                        |          |
| 0   | Synnex Technology International Corporation | Seper Technology Corporation                | Other receivables      | Y                  | \$ 1,000,000                                      | \$ 1,000,000                 | \$ 228,071               | 1.75%~1.82%   | (Note 1)       | \$ -                                     | Operating turnover              | \$ -                  | -          | \$ -  | \$ 28,725,718             | \$ 28,725,718          | (Note 2) |
| 0   | Synnex Technology International Corporation | Synnex Global Ltd.                          | Other receivables      | Y                  | 3,247,500   | 3,075,500                    | -                        | -             | (Note 1)       | -  | Operating turnover              | -                     | -          | -     | 28,725,718                | 28,725,718             | (Note 2) |
| 1   | Synnex Global Ltd.                          | Synnex Australia Pty. Ltd.                  | Other receivables      | Y                  | 2,107,900   | 2,091,300                    | -                        | -             | (Note 1)       | -  | Operating turnover              | -                     | -          | -     | 83,955,877                | 119,936,967            | (Note 3) |
| 1   | Synnex Global Ltd.                          | Synnex New Zealand Ltd.                     | Other receivables      | Y                  | 877,455   | 873,270                      | 378,417                  | -             | (Note 1)       | -  | Operating turnover              | -                     | -          | -     | 83,955,877                | 119,936,967            | (Note 3) |
| 1   | Synnex Global Ltd.                          | Synnex China Holdings Ltd.                  | Other receivables      | Y                  | 3,279,975   | 3,106,255                    | 3,032,948                | -             | (Note 1)       | -  | Operating turnover              | -                     | -          | -     | 83,955,877                | 119,936,967            | (Note 3) |
| 1   | Synnex Global Ltd.                          | Syntech Asia Ltd.                           | Other receivables      | Y                  | 29,227,500  | 27,679,500                   | 25,086,177               | -             | (Note 1)       | -  | Operating turnover              | -                     | -          | -     | 83,955,877                | 119,936,967            | (Note 3) |
| 1   | Synnex Global Ltd.                          | Leveltech Ltd.                              | Other receivables      | Y                  | 1,623,750   | 1,537,750                    | 59,203                   | -             | (Note 1)       | -  | Operating turnover              | -                     | -          | -     | 83,955,877                | 119,936,967            | (Note 3) |
| 1   | Synnex Global Ltd.                          | Synnex Technology International (HK) Ltd.   | Other receivables      | Y                  | 12,990,000  | 12,302,000                   | 892,971                  | -             | (Note 1)       | -  | Operating turnover              | -                     | -          | -     | 83,955,877                | 119,936,967            | (Note 3) |
| 1   | Synnex Global Ltd.                          | Synnex Technology International Corporation | Other receivables      | Y                  | 9,742,500   | 9,226,500                    | 3,619,864                | -             | (Note 1)       | -  | Operating turnover              | -                     | -          | -     | 83,955,877                | 119,936,967            | (Note 3) |
| 2   | Synnex Investments (China) Ltd.             | Synnex (Jinan) Ltd.                         | Other receivables      | Y                  | 253,228   | 246,422                      | 171,631                  | 1.65%         | (Note 1)       | -  | Operating turnover              | -                     | -          | -     | 14,756,768                | 14,756,768             | (Note 4) |
| 2   | Synnex Investments (China) Ltd.             | Synnex (Nanchang) Ltd.                      | Other receivables      | Y                  | 246,422   | 246,422                      | 229,951                  | 1.65%         | (Note 1)       | -  | Operating turnover              | -                     | -          | -     | 14,756,768                | 14,756,768             | (Note 4) |
| 2   | Synnex Investments (China) Ltd.             | Synnex (Harbing) Ltd.                       | Other receivables      | Y                  | 302,097   | 272,362                      | 259,219                  | 1.65%         | (Note 1)       | -  | Operating turnover              | -                     | -          | -     | 14,756,768                | 14,756,768             | (Note 4) |
| 2   | Synnex Investments (China) Ltd.             | Synnex(Changsha) Ltd.                       | Other receivables      | Y                  | 231,015   | 203,190                      | 195,409                  | 1.65%         | (Note 1)       | -  | Operating turnover              | -                     | -          | -     | 14,756,768                | 14,756,768             | (Note 4) |
| 2   | Synnex Investments (China) Ltd.             | Synnex (Beijing) Ltd.                       | Other receivables      | Y                  | 590,866   | 518,784                      | 445,722                  | 1.65%         | (Note 1)       | -  | Operating turnover              | -                     | -          | -     | 14,756,768                | 14,756,768             | (Note 4) |
| 2   | Synnex Investments (China) Ltd.             | Synnex Distributions (China) Ltd.           | Other receivables      | Y                  | 7,996,680   | 7,781,760                    | 3,890,880                | 1.65%         | (Note 1)       | -  | Operating turnover              | -                     | -          | -     | 14,756,768                | 14,756,768             | (Note 4) |
| 2   | Synnex Investments (China) Ltd.             | Synnex (Hefei) Ltd.                         | Other receivables      | Y                  | 153,270   | 149,150                      | 102,892                  | 1.65%         | (Note 1)       | -  | Operating turnover              | -                     | -          | -     | 14,756,768                | 14,756,768             | (Note 4) |
| 2   | Synnex Investments (China) Ltd.             | Synnex (Tianjin) Ltd.                       | Other receivables      | Y                  | 28,877  | 28,101                       | 27,323                   | 1.65%         | (Note 1)       | -  | Operating turnover              | -                     | -          | -     | 14,756,768                | 14,756,768             | (Note 4) |
| 2   | Synnex Investments (China) Ltd.             | Synnex (Xiamen) Ltd.                        | Other receivables      | Y                  | 42,205  | 41,070                       | 10,808                   | 1.65%         | (Note 1)       | -  | Operating turnover              | -                     | -          | -     | 14,756,768                | 14,756,768             | (Note 4) |
| 2   | Synnex Investments (China) Ltd.             | Synnex (ZhenZhou) Ltd.                      | Other receivables      | Y                  | 35,541  | 34,586                       | 33,289                   | 1.65%         | (Note 1)       | -  | Operating turnover              | -                     | -          | -     | 14,756,768                | 14,756,768             | (Note 4) |
| 2   | Synnex Investments (China) Ltd.             | Synnex (Shenyang) Ltd.                      | Other receivables      | Y                  | 22,213  | 21,616                       | 12,970                   | 1.65%         | (Note 1)       | -  | Operating turnover              | -                     | -          | -     | 14,756,768                | 14,756,768             | (Note 4) |

| No. | Creditor                    | Borrower                                    | General ledger account | Is a related party | Maximum outstanding balance during the year ended | Balance at December 31, 2023 | Actual amount drawn down | Interest rate | Nature of loan | Amount of transactions with the borrower | Reason for short-term financing | Allowance for doubtful accounts | Collateral |       | Limit on loans granted to a single party | Ceiling on total loans granted | Footnote |
|-----|-----------------------------|---|------------------------|--------------------|---|------------------------------|--------------------------|---------------|----------------|--|---------------------------------|---------------------------------|------------|-------|--|--------------------------------|----------|
|     |                             |   |                        |                    | December 31, 2023 (Note 9)                        |                              |                          |               |                |  |                                 |                                 | Item       | Value |  |                                |          |
| 3   | Trade Vanguard Global Ltd.  | Synnex Distributions (China) Ltd.           | Other receivables      | Y                  | \$ 19,103,180                                     | 18,589,760                   | 15,866,144               | -             | (Note 1)       | \$ -                                     | Operating turnover              | \$ -                            | -          | \$ -  | \$ 43,990,208                            | \$ 43,990,208                  | (Note 5) |
| 3   | Trade Vanguard Global Ltd.  | Synnex Technology International (HK) Ltd.   | Other receivables      | Y                  | 4,442,600   | 4,323,200                    | 674,643                  | -             | (Note 1)       | -  | Operating turnover              | -                               | -          | -     | 43,990,208                               | 43,990,208                     | (Note 5) |
| 3   | Trade Vanguard Global Ltd.  | Synnex Investments (China) Ltd.             | Other receivables      | Y                  | 3,554,080   | 3,458,560                    | 2,939,776                | -             | (Note 1)       | -  | Operating turnover              | -                               | -          | -     | 43,990,208                               | 43,990,208                     | (Note 5) |
| 4   | E-Fan Investments CO., LTD. | Synnex Technology International Corporation | Other receivables      | Y                  | 112,000   | 112,000                      | 112,000                  | 1.75%~1.82%   | (Note 1)       | -  | Operating turnover              | -                               | -          | -     | 120,166                                  | 120,166                        | (Note 6) |
| 5   | Golden Thinking Ltd.        | Synnex Global Ltd.                          | Other receivables      | Y                  | 1,264,740   | 1,254,780                    | -                        | -             | (Note 1)       | -  | Operating turnover              | -                               | -          | -     | 1,729,240                                | 1,729,240                      | (Note 7) |

Note 1: Short-term financing.

Note 2: Limit on loans granted to a single party by Synnex Technology International Corporation and ceiling on total loans granted:

- a) Limit on loans granted to a single party is 40% of the net assets value per the latest audited or reviewed financial statements of Synnex Technology International Corporation.
- b) Ceiling on total loans granted to all parties is 40% of the net assets value per the latest audited or reviewed financial statements of Synnex Technology International Corporation.

Note 3: Limit on loans granted to a single party by Synnex Global Ltd., with an audited net assets value of \$119,936,967 based on the latest financial statements(December 31,2023), and ceiling on total loans granted:

- a) Ceiling on loans granted to parties whose shares held by the Company over 80% is 40% of the net assets value per the latest audited or reviewed financial statements of the Company. Limit on loans granted to a single party is 40% of the aforementioned net assets value.
- b) Ceiling on loans granted to parties whose shares held by the Company under 80% is 20% of the net assets value per the latest audited or reviewed financial statements of the Company. Limit on loans granted to a single party is 5% of the aforementioned net assets value.
- c) Ceiling on loans granted to the Company’s parent company and non-Taiwanese companies whose voting rights are directly and indirectly held by the Company’s parent company is 100% of the net assets value based on the latest audited or reviewed financial statements of the Company. Limit on loans granted to a single party is 70% of the aforementioned net assets value.
- d) Ceiling on loans granted to Taiwanese subsidiaries which were wholly-owned by the Company’s parent company is 10% of the net assets based on the latest audited or reviewed financial statements of the Company. Limit on loans granted to a single party is 10% of the aforementioned net assets value.

Note 4: Limit on loans granted to a single party by Synnex Investments (China) Ltd., with an audited net assets value of \$14,756,768 based on the latest financial statements(December 31,2023), and ceiling on total loans granted:

- a) Ceiling on loans granted to parties whose shares held by the Company over 80% is 40% of the net assets value per the latest audited or reviewed financial statements of the Company. Limit on loans granted to a single party is 40% of the aforementioned net assets value.
- b) Ceiling on loans granted to parties whose shares held by the Company under 80% is 20% of the net assets value per the latest audited or reviewed financial statements of the Company. Limit on loans granted to a single party is 5% of the aforementioned net assets value.
- c) Ceiling on loans granted to parties whose voting rights are directly or indirectly held by the Company and which are located outside Taiwan is 100% of the net assets value per the latest audited or reviewed financial statements of the Company. Limit on loans granted to a single party is 100% of the aforementioned net assets value.

Note 5: Limit on loans granted to a single party by Trade Vanguard Global Ltd., with an audited net assets value of \$19,995,549 based on the latest financial statements(December 31,2023), and ceiling on total loans granted:

- a) Ceiling on loans granted to parties whose shares held by the Company over 80% is 40% of the net assets value per the latest audited or reviewed financial statements of the Company. Limit on loans granted to a single party is 40% of the aforementioned net assets value.
- b) Ceiling on loans granted to parties whose shares held by the Company under 80% is 20% of the net assets value per the latest audited or reviewed financial statements of the Company. Limit on loans granted to a single party is 5% of the aforementioned net assets value.
- c) Ceiling on loans granted to parties whose voting rights are directly or indirectly held by the Company and which are located outside Taiwan is 220% of the net assets value per the latest audited or reviewed financial statements of the Company. Limit on loans granted to a single party is 220% of the aforementioned net assets value.

Note 6:Limit on loans granted to a single party by E-Fan Investments CO., LTD., with an audited net assets value of \$300,416 based on the latest financial statements(December 31,2023), and ceiling on total loans granted:

- a) Ceiling on loans granted to the subsidiaries which were held by the Company over 80% equity interests is 40% of the net assets based on the latest audited or reviewed financial statements of the Company. Limit on loans granted to a single party is 40% of the aforementioned net assets value.
- b) Ceiling on loans granted to the subsidiaries which were held by the Company less than 80% equity is 20% of the net assets based on the latest audited or reviewed financial statements of the Company. Limit on loans granted to a single party is 5% of the aforementioned net assets value.
- c) Ceiling on loans granted to the Company’s parent company and Taiwan subsidiaries whose equity were wholly held by the Company is 40% of the net assets based on the latest audited or reviewed financial statements of the Company. Limit on loans granted to a single party is 40% of the aforementioned net assets value.

Note 7: Limit on loans granted to a single party by Golden Thinking Ltd., with an audited net assets value of \$172,924 based on the latest financial statements(December 31,2023), and ceiling on total loans granted:

- a) Ceiling on loans granted to parties whose shares held by the Company over 80% is 40% of the net assets value per the latest audited or reviewed financial statements of the Company. Limit on loans granted to a single party is 40% of the aforementioned net assets value.
- b) Ceiling on loans granted to parties whose shares held by the Company under 80% is 20% of the net assets value per the latest audited or reviewed financial statements of the Company. Limit on loans granted to a single party is 5% of the aforementioned net assets value.
- c) Ceiling on loans granted to the Company’s ultimate parent company and non-Taiwanese companies whose voting rights are directly and indirectly held by the Company’s ultimate parent company is 1000% of the net assets value based on the latest audited or reviewed financial statements of the Company. Limit on loans granted to a single party is 1000% of the aforementioned net assets value.

Note 8: Translated into New Taiwan Dollars using the exchange rate of US: NT=1:30.76.

Note 9: The limit on loans balance are resolved by the Board of Directors.

SYNNEX TECHNOLOGY INTERNATIONAL CORPORATION AND SUBSIDIARIES

Provision of endorsements and guarantees to others

Year ended December 31, 2023

Table 2

Expressed in thousands of NTD

(Except as otherwise indicated)

| Number | Endorser/<br>guarantor                      | Company name                              | Party being<br>endorsed/guaranteed  | Limit on<br>endorsements/<br>guarantees<br>provided for a<br>single party | Maximum<br>outstanding<br>endorsement/<br>guarantee<br>amount as of<br>December<br>31, 2023 | Outstanding<br>endorsement/<br>guarantee<br>amount at<br>December<br>31, 2023 | Actual amount<br>drawn down | Amount of<br>endorsements/<br>guarantees<br>secured with<br>collateral | Ratio of<br>accumulated<br>endorsement/<br>guarantee<br>amount to net<br>asset value of<br>the endorser/<br>guarantor<br>company | Ceiling on<br>total amount of<br>endorsements/<br>guarantees<br>provided<br>( Note 1 ) | Provision of<br>endorsements/<br>guarantees by<br>parent<br>company to<br>subsidiary | Provision of<br>endorsements/<br>guarantees by<br>subsidiary to<br>parent<br>company | Provision of<br>endorsements/<br>guarantees to<br>the party in<br>Mainland<br>China | Footnote |
|--------|---|---|---|---|---|---|-----------------------------|--|--|--|--|--|---|----------|
|        |   |   | Relationship<br>with the<br>endorser/<br>guarantor  |   |   |   |                             |  |  |  |  |  |   |          |
| 0      | Synnex Technology International Corporation | Synnex Global Ltd.                        | B. The endorser/guarantor parent company owns directly and indirectly more than 50% voting shares of the endorsed /guaranteed subsidiary. | \$ 71,814,294   | \$ 27,557,050   | \$ 22,451,150   | \$ 600,107                  | \$ -   | 31%  | \$ 143,628,588   | Y  | N  | N   | (Note 1) |
| 0      | Synnex Technology International Corporation | Synnex Australia Pty. Ltd.                | B. The endorser/guarantor parent company owns directly and indirectly more than 50% voting shares of the endorsed /guaranteed subsidiary. | 71,814,294  | 10,536,322  | 10,218,492  | 5,416,269                   | -  | 14%  | 143,628,588  | Y  | N  | N   | (Note 1) |
| 0      | Synnex Technology International Corporation | Synnex Technology International (HK) Ltd. | B. The endorser/guarantor parent company owns directly and indirectly more than 50% voting shares of the endorsed /guaranteed subsidiary. | 71,814,294  | 18,523,120  | 16,373,962  | 4,006,013                   | -  | 23%  | 143,628,588  | Y  | N  | N   | (Note 1) |
| 0      | Synnex Technology International Corporation | Synnex New Zealand Ltd.                   | B. The endorser/guarantor parent company owns directly and indirectly more than 50% voting shares of the endorsed /guaranteed subsidiary. | 71,814,294  | 1,216,288   | 1,181,340   | 454,080                     | -  | 2%   | 143,628,588  | Y  | N  | N   | (Note 1) |
| 0      | Synnex Technology International Corporation | Seper Technology Corporation              | B. The endorser/guarantor parent company owns directly and indirectly more than 50% voting shares of the endorsed /guaranteed subsidiary. | 71,814,294  | 2,400,000   | 2,400,000   | 410,466                     | -  | 3%   | 143,628,588  | Y  | N  | N   | (Note 1) |
| 0      | Synnex Technology International Corporation | Syntech Asia Ltd.                         | B. The endorser/guarantor parent company owns directly and indirectly more than 50% voting shares of the endorsed /guaranteed subsidiary. | 71,814,294  | 23,477,248  | 17,788,692  | 2,844,833                   | -  | 25%  | 143,628,588  | Y  | N  | N   | (Note 1) |
| 0      | Synnex Technology International Corporation | Synnex Distributions (China) Ltd.         | B. The endorser/guarantor parent company owns directly and indirectly more than 50% voting shares of the endorsed /guaranteed subsidiary. | 71,814,294  | 2,500,575   | 2,368,135   | 1,064,649                   | -  | 3%   | 143,628,588  | Y  | N  | Y   | (Note 1) |
| 0      | Synnex Technology International Corporation | Leveltech Ltd.                            | B. The endorser/guarantor parent company owns directly and indirectly more than 50% voting shares of the endorsed /guaranteed subsidiary. | 71,814,294  | 454,650   | 430,570   | 84,274                      | -  | 1%   | 143,628,588  | Y  | N  | N   | (Note 1) |
| 0      | Synnex Technology International Corporation | Trade Vanguard Global Ltd.                | B. The endorser/guarantor parent company owns directly and indirectly more than 50% voting shares of the endorsed /guaranteed subsidiary. | 71,814,294  | 1,623,750   | 1,537,750   | -                           | -  | 2%   | 143,628,588  | Y  | N  | N   | (Note 1) |
| 0      | Synnex Technology International Corporation | LianXiang Technology (Shenzhen) Ltd.      | B. The endorser/guarantor parent company owns directly and indirectly more than 50% voting shares of the endorsed /guaranteed subsidiary. | 71,814,294  | 1,106,875   | 1,080,800   | 306,538                     | -  | 2%   | 143,628,588  | Y  | N  | Y   | (Note 1) |
| 1      | Synnex Investments (China) Ltd.             | Synnex Distributions (China) Ltd.         | B. The endorser/guarantor parent company owns directly and indirectly more than 50% voting shares of the endorsed /guaranteed subsidiary. | 14,756,768  | 2,665,560   | 2,593,920   | -                           | -  | 18%  | 14,756,768   | N  | N  | Y   | (Note 2) |
| 2      | Golden Thinking Ltd.                        | Synnex Australia Pty. Ltd.                | D. The endorser/guarantor parent company owns directly and indirectly more than 90% voting shares of the endorsed /guaranteed subsidiary. | 1,729,240   | 1,027,406   | -   | -                           | -  | -  | 1,729,240  | N  | N  | N   | (Note 3) |

Note 1: Endorser/ guarantor: Synnex Technology International Corporation

a) Limit on endorsements and guarantees provided for a single party is 100% of the net assets value per the latest audited or reviewed financial statements of the Company.

b) Ceiling on total endorsements and guarantees provided for all parties is 200% of the net assets value per the latest audited or reviewed financial statements of the Company.

Note 2: Endorser/ guarantor: Synnex Investments (China) Ltd. The audited net assets value of Synnex Investments (China) Ltd. amounted to \$14,756,768 for the year ended December 31, 2023.

a) Limit on endorsements and guarantees provided for a single party is 100% of the net assets value per the latest audited or reviewed financial statements of Synnex Investments (China) Ltd..

b) Ceiling on total endorsements and guarantees provided for all parties is 100% of the net assets value per the latest audited or reviewed financial statements of Synnex Investments (China) Ltd..

Note 3: Endorser/ guarantor: Golden Thinking Ltd.. The audited net assets value of Golden Thinking Ltd. amounted to \$172,924 for the year ended December 31, 2023.

a) Limit on endorsements and guarantees provided for a single party is 1000% of the net assets value per the latest audited financial statements of Golden Thinking Ltd..

b) Ceiling on total endorsements and guarantees provided for all parties is 1000% of the net assets value per the latest audited financial statements of Golden Thinking Ltd..

SYNNEX TECHNOLOGY INTERNATIONAL CORPORATION AND SUBSIDIARIES

Holding of marketable securities at the end of the period (not including subsidiaries, associates, and joint ventures)

December 31, 2023

Table 3

Expressed in thousands of NTD

(Except as otherwise indicated)

| Securities held by                          | Marketable securities                     | Relationship with the securities issuer                           | General ledger account  | As of December 31, 2023 |              |               |              | Footnote |
|---|---|---|---|-------------------------|--------------|---------------|--------------|----------|
|   |   |   |   | Number of shares        | Book value   | Ownership (%) | Fair value   |          |
| Synnex Technology International Corporation | Lien Hwa Industrial Holdings Corporation  | The issuer's chairperson is the same as the Company's chairperson | Current financial assets at fair value through profit or loss                 | 2,322,231               | \$ 154,893   | 0.15%         | \$ 154,893   |          |
| Synnex Technology International Corporation | UPC Technology Corporation                | The issuer's chairperson is the same as the Company's chairperson | Non-current financial assets at fair value through other comprehensive income | 68,992,033              | \$ 1,048,679 | 5.06%         | \$ 1,048,679 |          |
| Synnex Technology International Corporation | Mitac Information Technology Corporation  | The issuer's director is the same as the Company's chairperson    | Non-current financial assets at fair value through other comprehensive income | 8,262,486               | 151,032      | 4.86%         | 151,032      |          |
| Synnex Technology International Corporation | Tong Da Investment Corporation            | The issuer's chairperson is the same as the Company's chairperson | Non-current financial assets at fair value through other comprehensive income | 4,848,125               | 138,462      | 19.99%        | 138,462      |          |
| Synnex Technology International Corporation | Mitac Incorporated                        | The issuer's chairperson is the same as the Company's chairperson | Non-current financial assets at fair value through other comprehensive income | 74,763,853              | 5,192,816    | 18.39%        | 5,192,816    |          |
| Synnex Technology International Corporation | Harbinger Venture Capital Corporation     | The issuer's chairperson is the same as the Company's chairperson | Non-current financial assets at fair value through other comprehensive income | 25,848                  | -            | 13.05%        | -            |          |
| Synnex Technology International Corporation | Harbinger III Venture Capital Corporation | The issuer's chairperson is the same as the Company's director    | Non-current financial assets at fair value through other comprehensive income | 19,000                  | 493          | 19.00%        | 493          |          |
| Synnex Technology International Corporation | Lien Yuan Investment Corp.                | The issuer's chairperson is the same as the Company's director    | Non-current financial assets at fair value through other comprehensive income | 9,217,196               | 169,228      | 19.99%        | 169,228      |          |
| Synnex Technology International Corporation | Taiwan Paging Network Inc.                | None  | Non-current financial assets at fair value through other comprehensive income | 1,450,000               | -            | 3.58%         | -            |          |
| Synnex Technology International Corporation | Digitimes Inc.                            | The Company is the issuer's director                              | Non-current financial assets at fair value through other comprehensive income | 504,000                 | 7,547        | 2.39%         | 7,547        |          |
| Synnex Technology International Corporation | Harbinger Capital Management Co., Ltd.    | The issuer's chairperson is the same as the Company's chairperson | Non-current financial assets at fair value through other comprehensive income | 862,922                 | 16,473       | 19.99%        | 16,473       |          |
| Total                                       |   |   |   |                         | \$ 6,724,730 |               | \$ 6,724,730 |          |

| Securities held by          | Marketable securities  | Relationship with the securities issuer         | General ledger account  | As of December 31, 2023 |                      |               |                      | Footnote |
|-----------------------------|--|---|---|-------------------------|----------------------|---------------|----------------------|----------|
|                             |  |   |   | Number of shares        | Book value           | Ownership (%) | Fair value           |          |
| Bestcom Infotech Corp.      | Jetwell Computer Co., Ltd.   | Bestcom Infotech Corp. is the issuer's director | Non-current financial assets at fair value through other comprehensive income | 3,254,524               | \$ 302,671           | 8.34%         | \$ 302,671           |          |
| Bestcom Infotech Corp.      | Inforcom Technology Inc.   | Bestcom Infotech Corp. is the issuer's director | Non-current financial assets at fair value through other comprehensive income | 1,765,424               | <u>25,607</u>        | 10.01%        | <u>25,607</u>        |          |
| Total                       |  |   |   |                         | <u>\$ 328,278</u>    |               | <u>\$ 328,278</u>    |          |
| Synnex Global Ltd.          | Budworth Investment Ltd.   | None  | Non-current financial assets at fair value through other comprehensive income | 125,807                 | \$ -                 | 13.83%        | \$ -                 |          |
| Synnex Global Ltd.          | Pilot View Ltd.  | None  | Non-current financial assets at fair value through other comprehensive income | 84,457                  | <u>-</u>             | 1.21%         | <u>-</u>             |          |
| Total                       |  |   |   |                         | <u>\$ -</u>          |               | <u>\$ -</u>          |          |
| King's Eye Investments Ltd. | Hi Food Co., Ltd   | None  | Non-current financial assets at fair value through other comprehensive income | 2,150,000               | <u>24,556</u>        | 10.00%        | <u>24,556</u>        |          |
| King's Eye Investments Ltd. | Listed common stock  | None  | Current financial assets at fair value through profit or loss                 | 62,762,015              | <u>67,079</u>        | 0.51%         | <u>67,079</u>        |          |
| Peer Developments Ltd.      | TD Synnex Corporation  | None  | Current financial assets at fair value through other comprehensive income     | 3,473,888               | \$ 11,496,991        | 3.92%         | \$ 11,496,991        |          |
| Peer Developments Ltd.      | Concentrix Corporation   | None  | Current financial assets at fair value through other comprehensive income     | 3,545,840               | <u>10,710,027</u>    | 5.39%         | <u>10,710,027</u>    |          |
| Total                       |  |   |   |                         | <u>\$ 22,207,018</u> |               | <u>\$ 22,207,018</u> |          |
| Synnex (Shanghai) Ltd.      | Guangdong Yigao Youwu Enterprise Management Consulting Partnership Private Equity Fund | None  | Current financial assets at fair value through profit or loss                 | -                       | <u>26,821</u>        | -             | <u>26,821</u>        |          |
| Synnex (Guangzhou) Ltd.     | Chao Zhao Jin No.7007  | None  | Current financial assets at fair value through profit or loss                 | -                       | <u>173,242</u>       | -             | <u>173,242</u>       |          |
| Synnex (Hangzhou) Ltd.      | Chao Zhao Jin No.7007  | None  | Current financial assets at fair value through profit or loss                 | -                       | <u>69,297</u>        | -             | <u>69,297</u>        |          |
| Synnex (Qingdao) Ltd.       | Chao Zhao Jin No.7007  | None  | Current financial assets at fair value through profit or loss                 | -                       | <u>34,648</u>        | -             | <u>34,648</u>        |          |

| Securities held by   | Marketable securities | Relationship with the securities issuer | General ledger account  | As of December 31, 2023 |                  |               |                  | Footnote |
|----------------------|-----------------------|---|---|-------------------------|------------------|---------------|------------------|----------|
|                      |                       |   |   | Number of shares        | Book value       | Ownership (%) | Fair value       |          |
| Synnex (Suzhou) Ltd. | Chao Zhao Jin No.7007 | None                                    | Current financial assets at fair value through profit or loss | -                       | \$ <u>43,310</u> | -             | \$ <u>43,310</u> |          |
| Synnex (Wuhan) Ltd.  | Chao Zhao Jin No.7007 | None                                    | Current financial assets at fair value through profit or loss | -                       | \$ <u>34,649</u> | -             | \$ <u>34,649</u> |          |

SYNNEX TECHNOLOGY INTERNATIONAL CORPORATION AND SUBSIDIARIES  
Acquisition or sale of the same security with the accumulated cost exceeding \$300 million or 20% of the Company's paid-in capital  
Year ended December 31, 2023

Table 4

Expressed in thousands of NTD  
(Except as otherwise indicated)

| Investor               | Marketable securities                 | General ledger account  | Counterparty             | Relationship with the investor | Transaction currency | Balance as at January 1, 2023 |               | Addition         |        | Disposal         |               |              |                         | Other | Balance as at December 31, 2023 |               | Footnote |
|------------------------|---------------------------------------|---|--------------------------|--------------------------------|----------------------|-------------------------------|---------------|------------------|--------|------------------|---------------|--------------|-------------------------|-------|---------------------------------|---------------|----------|
|                        |                                       |   |                          |                                |                      | Number of shares              | Amount        | Number of shares | Amount | Number of shares | Selling price | Book value   | Gain (loss) on disposal |       | Number of shares                | Amount        |          |
| Peer Developments Ltd. | TD Synnex Corporation Ordinary Shares | Current financial assets at fair value through other comprehensive income | Trade on the open market | None                           | USD                  | 3,859,888                     | \$ 11,244,933 | -                | \$ -   | 386,000          | \$ 1,189,856  | \$ 1,570,515 | (\$ 380,659)            | None  | 3,473,888                       | \$ 11,496,991 |          |

SYNNEX TECHNOLOGY INTERNATIONAL CORPORATION AND SUBSIDIARIES

Acquisition of real estate reaching NT\$300 million or 20% of paid-in capital or more

For the year ended December 31, 2023

Table 5

Expressed in thousands of NTD  
(Except as otherwise indicated)

| If the counterparty is a related party, information as to the last transaction of the real estate is disclosed below: |  |                   |                    |                     |                      |                                    |   |  |                                  |                     |  | Reason for acquisition of real estate and status of the real estate | Other commitments |
|---|--|-------------------|--------------------|---------------------|----------------------|------------------------------------|---|--|----------------------------------|---------------------|--|---|-------------------|
| Real estate acquired by   | Real estate acquired                               | Date of the event | Transaction amount | Status of payment   | Counterparty         | Relationship with the counterparty | Original owner who sold the real estate to the counterparty | Relationship between the original owner and the acquirer | Date of the original transaction | Amount              | Basis or reference used in setting the price   |   |                   |
| Synnex Australia Pty.Ltd  | Land, buildings and equipment in Sydney, Australia | 2023/5/25         | \$ 1,482,802       | Outstanding Payment | Golden Thinking Ltd. | An affiliate                       | Australian Co-operative Foods Limited                       | N  | 2000/11/2                        | \$ 241,550 (Note 1) | The Board of Directors of the Company took reference to the opinions on price reasonableness from professional appraisal firms and independent appraisers. | Operating needs   | N                 |

Note 1 : The previous transferred amount of \$241,550 only included the payment for purchase of land.

Note 2: Translated into New Taiwan Dollars using the exchange rate of AUD: NT=1:20.9134.

## SYNNEX TECHNOLOGY INTERNATIONAL CORPORATION AND SUBSIDIARIES

Disposal of real estate reaching NT\$300 million or 20% of paid-in capital or more

For the year ended December 31, 2023

Table 6

Expressed in thousands of NTD

(Except as otherwise indicated)

| Real estate disposed by | Real estate  | Transaction date or date of the event | Date of acquisition | Book value   | Disposal amount | Status of collection of proceeds | Gain (loss) on disposal | Counterparty            | Relationship with the seller | Reason for disposal                                    | Basis or reference used in setting the price   | Other commitments |
|-------------------------|--|---------------------------------------|---------------------|--------------|-----------------|----------------------------------|-------------------------|-------------------------|------------------------------|--|--|-------------------|
| Golden Thinking Ltd.    | Land, buildings and equipment in Sydney, Australia | 2023/5/25                             | 2000/11/2           | \$ 1,482,802 | \$ 1,482,802    | Outstanding receivables          | \$ -                    | Synnex Ausralia Pty.Ltd | Affiliated company           | To cooperate with overall operating plan of the Group. | The Board of Directors of the Company took reference to the opinions on price reasonableness from professional appraisal firms and independent appraisers. | N                 |

Note : Translated into New Taiwan Dollars using the exchange rate of AUD: NT=1:20.9134.

SYNNEX TECHNOLOGY INTERNATIONAL CORPORATION AND SUBSIDIARIES

Purchases or sales of goods from or to related parties reaching NT\$100 million or 20% of paid-in capital or more

Year ended December 31, 2023

Table 7

Expressed in thousands of NTD

(Except as otherwise indicated)

| Purchaser/seller                            | Counterparty   | Relationship with the counterparty | Transaction       |                |                                       |             |   | Differences in transaction terms compared to third party transactions |              | Notes/accounts receivable (payable)                     |  | Footnote |
|---|--|------------------------------------|-------------------|----------------|---------------------------------------|-------------|---|---|--------------|---|--|----------|
|   |  |                                    | Purchases (sales) | Amount         | Percentage of total purchases (sales) | Credit term | Unit price                                  | Credit term   | Balance      | Percentage of total notes/accounts receivable (payable) |  |          |
|   |  |                                    |                   |                |                                       |             |   |   |              |   |  |          |
| Synnex Technology International Corporation | Syntech Asia Ltd.  | Direct wholly-owned subsidiary     | (Sales)           | (\$ 5,418,920) | (9%)                                  | 60 days     | Standard selling price and collection terms | Insignificant difference  | \$ 1,643,046 | 16%   |  |          |
| Synnex Technology International Corporation | Syntech Asia Ltd.  | Direct wholly-owned subsidiary     | Purchases         | 6,902,842      | 11%                                   | 60 days     | Standard purchasing price and payment terms | Insignificant difference  | ( 198,588)   | (1%)  |  |          |
| Synnex Technology International Corporation | Seper Technology Corporation                                   | Direct wholly-owned subsidiary     | Purchases         | 1,680,066      | 3%                                    | 30 days     | Standard purchasing price and payment terms | Insignificant difference  | ( 16,080)    | -   |  |          |
| Synnex Technology International Corporation | Bestcom Infortech Corp.  | Direct wholly-owned subsidiary     | (Sales)           | ( 201,919)     | -                                     | 60 days     | Standard selling price and collection terms | Insignificant difference  | 50,917       | 1%  |  |          |
| Synnex Technology International Corporation | Synnex Technology International (HK) Ltd. and its subsidiaries | Direct wholly-owned subsidiary     | (Sales)           | ( 132,879)     | -                                     | 30 days     | Standard selling price and collection terms | Insignificant difference  | 3,380        | -   |  |          |
| Synnex Technology International Corporation | Jetwell Computer Co., Ltd.                                     | Other related party                | (Sales)           | ( 205,931)     | -                                     | 60 days     | Standard selling price and collection terms | Insignificant difference  | 80,844       | 1%  |  |          |
| Synnex Technology International Corporation | Getac Technology Corporation                                   | Other related party                | (Sales)           | ( 151,792)     | -                                     | 120 days    | Standard selling price and collection terms | Insignificant difference  | 51,147       | 1%  |  |          |
| Seper Technology Corporation                | Synnex Technology International Corporation                    | Parent company                     | (Sales)           | ( 1,680,066)   | (28%)                                 | 30 days     | Standard selling price and collection terms | Insignificant difference  | 16,080       | 4%  |  |          |
| Bestcom Infortech Corp.                     | Synnex Technology International Corporation                    | Parent company                     | Purchases         | 201,919        | 2%                                    | 60 days     | Standard purchasing price and payment terms | Insignificant difference  | ( 50,917)    | (5%)  |  |          |
| Bestcom Infortech Corp.                     | Mitac Information Technology Corp.                             | Other related party                | (Sales)           | ( 497,533)     | (4%)                                  | 75 days     | Standard selling price and collection terms | Insignificant difference  | 329,277      | 10%   |  |          |

| Purchaser/seller   | Counterparty   | Relationship with the counterparty | Transaction       |              |                                       |                                | Differences in transaction terms compared to third party transactions |                          | Notes/accounts receivable (payable) |   | Footnote |
|--|--|------------------------------------|-------------------|--------------|---------------------------------------|--------------------------------|---|--------------------------|-------------------------------------|---|----------|
|  |  |                                    | Purchases (sales) | Amount       | Percentage of total purchases (sales) | Credit term                    | Unit price  | Credit term              | Balance                             | Percentage of total notes/accounts receivable (payable) |          |
|  |  |                                    |                   |              |                                       |                                |   |                          |                                     |   |          |
| Bestcom Infortech Corp.  | Jetwell Computer Co., Ltd.                                     | Other related party                | (Sales)           | (\$ 198,881) | (2%)                                  | 60 days                        | Standard selling price and collection terms                           | Insignificant difference | \$ 20,833                           | 1%  |          |
| Synnex Technology International (HK) Ltd. and its subsidiaries | Synnex Technology International Corporation                    | Parent company                     | Purchases         | 132,879      | -                                     | 30 days                        | Standard purchasing price and payment terms                           | Insignificant difference | ( 3,380)                            | -   |          |
| Synnex Technology International (HK) Ltd. and its subsidiaries | Synnex Distributions (China) Ltd.                              | An affiliate                       | (Sales)           | ( 7,467,949) | (16%)                                 | 90 days after receipt of goods | Standard selling price and collection terms                           | Insignificant difference | 249,742                             | 4%  |          |
| Synnex Technology International (HK) Ltd. and its subsidiaries | Syntech Asia Ltd.  | An affiliate                       | (Sales)           | ( 3,235,374) | (7%)                                  | 30 days                        | Standard selling price and collection terms                           | Insignificant difference | -                                   | -   |          |
| Syntech Asia Ltd.  | Synnex Technology International Corporation                    | Parent company                     | (Sales)           | ( 6,902,842) | (6%)                                  | 60 days                        | Standard selling price and collection terms                           | Insignificant difference | 198,588                             | 1%  |          |
| Syntech Asia Ltd.  | Synnex Technology International Corporation                    | Parent company                     | Purchases         | 5,418,920    | 5%                                    | 60 days                        | Standard purchasing price and payment terms                           | Insignificant difference | ( 1,643,046)                        | (39%)   |          |
| Syntech Asia Ltd.  | Synnex Technology International (HK) Ltd. and its subsidiaries | An affiliate                       | Purchases         | 3,235,374    | 3%                                    | 30 days                        | Standard purchasing price and payment terms                           | Insignificant difference | -                                   | -   |          |
| Syntech Asia Ltd.  | Mitac Computing Technology Corporation                         | Other related party                | (Sales)           | ( 2,578,898) | (2%)                                  | 120 days                       | Standard selling price and collection terms                           | Insignificant difference | 47,986                              | -   |          |
| Syntech Asia Ltd.  | LianXiang Technology (Shenzhen) Ltd.                           | An affiliate                       | (Sales)           | ( 594,388)   | (1%)                                  | 90 days                        | Standard selling price and collection terms                           | Insignificant difference | 98,298                              | 1%  |          |
| Synnex Distributions (China) Ltd.                              | Synnex Technology International (HK) Ltd. and its subsidiaries | An affiliate                       | Purchases         | 7,467,949    | 10%                                   | 90 days after receipt of goods | Standard purchasing price and payment terms                           | Insignificant difference | ( 249,742)                          | (13%)   |          |
| Synnex Distributions (China) Ltd.                              | Synnex Technology International (HK) Ltd. and its subsidiaries | An affiliate                       | (Sales)           | ( 349,716)   | -                                     | 30 days                        | Standard selling price and collection terms                           | Insignificant difference | -                                   | -   |          |
| Synnex Technology International (HK) Ltd. and its subsidiaries | Synnex Distributions (China) Ltd.                              | An affiliate                       | Purchases         | 349,716      | 1%                                    | 30 days                        | Standard purchasing price and payment terms                           | Insignificant difference | -                                   | -   |          |
| PT. Synnex Metrodata Indonesia                                 | PT. Mitra Integrasi Informatika                                | Other related party                | (Sales)           | ( 1,317,315) | (4%)                                  | 30 days                        | Standard selling price and collection terms                           | Insignificant difference | 43,584                              | 1%  |          |
| PT. Synnex Metrodata Indonesia                                 | PT. Aneka Teknologi Utama                                      | Other related party                | (Sales)           | ( 677,523)   | (2%)                                  | 30 days                        | Standard selling price and collection terms                           | Insignificant difference | 167,541                             | 3%  |          |
| Synnex(Shanghai) Ltd.  | LianXiang Technology (Shenzhen) Ltd.                           | An affiliate                       | (Sales)           | ( 224,888)   | (94%)                                 | 90 days                        | Standard selling price and collection terms                           | Insignificant difference | -                                   | -   |          |

| Purchaser/seller                        | Counterparty          | Relationship with the<br>counterparty | Transaction          |            |   |             | Differences in transaction terms<br>compared to third party<br>transactions |                             | Notes/accounts receivable (payable) |   | Footnote |
|---|-----------------------|---------------------------------------|----------------------|------------|---|-------------|---|-----------------------------|-------------------------------------|---|----------|
|   |                       |                                       | Purchases<br>(sales) | Amount     | Percentage of<br>total purchases<br>(sales) | Credit term | Unit price  | Credit term                 | Balance                             | Percentage of<br>total notes/accounts<br>receivable (payable) |          |
| LianXiang Technology<br>(Shenzhen) Ltd. | Synnex(Shanghai) Ltd. | An affiliate                          | Purchases            | \$ 224,888 | 5%  | 90 days     | Standard purchasing<br>price and payment<br>terms                           | Insignificant<br>difference | \$ -                                | -   |          |
| LianXiang Technology<br>(Shenzhen) Ltd. | Syntech Asia Ltd.     | An affiliate                          | Purchases            | 594,388    | 13%   | 90 days     | Standard purchasing<br>price and payment<br>terms                           | Insignificant<br>difference | ( 98,298)                           | (19%)   |          |

SYNNEX TECHNOLOGY INTERNATIONAL CORPORATION AND SUBSIDIARIES  
Receivables from related parties reaching NT\$100 million or 20% of paid-in capital or more  
December 31, 2023

Table 8

Expressed in thousands of NTD  
(Except as otherwise indicated)

| Creditor   | Counterparty   | Relationship<br>with the counterparty | Balance as at<br>December 31, 2023 | Turnover rate | Overdue receivables |              | Amount collected<br>subsequent to the<br>balance sheet date | Allowance for<br>doubtful accounts |
|--|--|---------------------------------------|------------------------------------|---------------|---------------------|--------------|---|------------------------------------|
|  |  |                                       |                                    |               | Amount              | Action taken |   |                                    |
| Synnex Technology International Corporation                    | Syntech Asia Ltd.  | Direct wholly-owned subsidiary        | \$ 6,287,224                       | 6.26          | \$ -                | -            | \$ 5,530,992  | \$ -                               |
| Synnex Technology International Corporation                    | Synnex Technology International (HK) Ltd. and its subsidiaries | Direct wholly-owned subsidiary        | 106,388                            | 6.26          | -                   | -            | 95,952  | -                                  |
| Synnex Technology International Corporation                    | Synnex Distributions (China) Ltd.                              | Indirect wholly-owned subsidiary      | 131,739                            | -             | -                   | -            | -   | -                                  |
| Bestcom Infortech Corp.  | Mitac Information Technology Corp.                             | Other related party                   | 329,277                            | 3.38          | -                   | -            | 263,285   | -                                  |
| Synnex Global Ltd.   | Synnex Australia Pty. Ltd                                      | Indirect wholly-owned subsidiary      | 215,325                            | -             | -                   | -            | -   | -                                  |
| Syntech Asia Ltd   | Synnex Technology International Corporation                    | Parent                                | 198,588                            | 8.65          | -                   | -            | 198,588   | -                                  |
| Golden Thinking Ltd.   | Synnex Australia Pty. Ltd                                      | An affiliate                          | 1,243,971                          | -             | -                   | -            | 685   | -                                  |
| Fortune Ideal Ltd.   | Synnex Australia Pty. Ltd                                      | An affiliate                          | 163,156                            | -             | -                   | -            | -   | -                                  |
| Synnex Technology International (HK) Ltd. and its subsidiaries | Synnex Distributions (China) Ltd.                              | An affiliate                          | 577,250                            | 5.52          | -                   | -            | 577,250   | -                                  |
| Synnex Investments (China) Ltd.                                | LianZhongHongYu Information Technology(Beijing) Co.,Ltd.       | Parent                                | 112,620                            | -             | -                   | -            | 21,616  | -                                  |
| Synnex(Shanghai) Ltd.  | LianXiang Technology (Shenzhen) Ltd.                           | An affiliate                          | 372,745                            | -             | -                   | -            | 372,745   | -                                  |
| Synnex Distributions (China) Ltd.                              | Synnex Technology International (HK) Ltd. and its subsidiaries | An affiliate                          | 1,800,930                          | -             | -                   | -            | 5,337   | -                                  |
| Synnex Distributions (China) Ltd.                              | Synnex Technology Development Ltd.                             | An affiliate                          | 210,086                            | -             | -                   | -            | 210,086   | -                                  |
| PT. Synnex Metrodata Indonesia                                 | PT. Aneka Teknologi Utama                                      | Other related party                   | 172,044                            | 7.56          | -                   | -            | 155,027   | -                                  |

Note : Refer to table 1 for the details of the accounts receivable arising from loans to others.

## SYNNEX TECHNOLOGY INTERNATIONAL CORPORATION AND SUBSIDIARIES

Significant inter-company transactions during the reporting periods

Year ended December 31, 2023

Table 9

Expressed in thousands of NTD

(Except as otherwise indicated)

| Number<br>(Note 1) | Company name                                | Counterparty   | Relationship   | General ledger account | Transaction  |                             | Percentage of<br>consolidated total<br>operating revenues<br>or total assets<br>(Note 2) |
|--------------------|---|--|--|------------------------|--------------|-----------------------------|--|
|                    |   |  |  |                        | Amount       | Transaction terms           |  |
| 0                  | Synnex Technology International Corporation | Syntech Asia Ltd.  | Parent company to directly wholly-owned subsidiary                     | Sales                  | \$ 5,418,920 | The same with third parties | 1%   |
| 0                  | Synnex Technology International Corporation | Syntech Asia Ltd.  | Parent company to directly wholly-owned subsidiary                     | Accounts receivable    | 1,643,046    | The same with third parties | 1%   |
| 0                  | Synnex Technology International Corporation | Syntech Asia Ltd.  | Parent company to directly wholly-owned subsidiary                     | Other receivables      | 3,887,945    | -                           | 2%   |
| 0                  | Synnex Technology International Corporation | Syntech Asia Ltd.  | Parent company to directly wholly-owned subsidiary                     | Other receivables      | 756,233      | Note 4                      | -  |
| 0                  | Synnex Technology International Corporation | Syntech Asia Ltd.  | Parent company to directly wholly-owned subsidiary                     | Other revenue          | 998,413      | Note 8                      | -  |
| 0                  | Synnex Technology International Corporation | Bestcom Infortech Corp.  | Parent company to directly wholly-owned subsidiary                     | Sales                  | 201,919      | The same with third parties | -  |
| 0                  | Synnex Technology International Corporation | Synnex Australia Pty. Ltd                                      | Parent company to indirectly wholly-owned subsidiary                   | Other revenue          | 218,618      | Note 8                      | -  |
| 0                  | Synnex Technology International Corporation | Synnex Distributions (China) Ltd.                              | Parent company to indirectly wholly-owned subsidiary                   | Other receivables      | 131,739      | Note 4                      | -  |
| 0                  | Synnex Technology International Corporation | Synnex Distributions (China) Ltd.                              | Parent company to indirectly wholly-owned subsidiary                   | Other revenue          | 131,739      | Note 8                      | -  |
| 0                  | Synnex Technology International Corporation | Synergy Intelligent Logistics Corporation                      | Parent company to directly wholly-owned subsidiary                     | Other revenue          | 116,926      | Note 7, 8                   | -  |
| 0                  | Synnex Technology International Corporation | Synnex Technology International (HK) Ltd. and its subsidiaries | Parent company to directly wholly-owned subsidiary                     | Sales                  | 132,879      | The same with third parties | -  |
| 0                  | Synnex Technology International Corporation | Synnex Technology International (HK) Ltd. and its subsidiaries | Parent company to directly wholly-owned subsidiary                     | Other receivables      | 103,008      | Note 4                      | -  |
| 1                  | Seper Technology Corporation                | Synnex Technology International Corporation                    | Directly wholly-owned subsidiary to parent company                     | Sales                  | 1,680,066    | The same with third parties | -  |
| 2                  | Synergy Intelligent Logistics Corporation   | Synnex Technology International Corporation                    | Directly wholly-owned subsidiary to parent company                     | Sales                  | 375,658      | The same with third parties | -  |
| 3                  | Synnex Global Ltd.                          | Synnex Australia Pty. Ltd                                      | Directly wholly-owned subsidiary to indirectly wholly-owned subsidiary | Other receivables      | 215,325      | Note 4                      | -  |
| 4                  | Syntech Asia Ltd.                           | Synnex Technology International Corporation                    | Directly wholly-owned subsidiary to parent company                     | Sales                  | 6,902,842    | The same with third parties | 2%   |
| 4                  | Syntech Asia Ltd.                           | Synnex Technology International Corporation                    | Directly wholly-owned subsidiary to parent company                     | Accounts receivable    | 198,588      | The same with third parties | -  |

| Number<br>(Note 1) | Company name   | Counterparty   | Relationship   | Transaction                    |           |                             |   |
|--------------------|--|--|--|--------------------------------|-----------|-----------------------------|---|
|                    |  |  |  | General ledger account         | Amount    | Transaction terms           | Percentage of consolidated total operating revenues or total assets<br>(Note 2) |
| 4                  | Syntech Asia Ltd.  | LianXiang Technology (Shenzhen) Ltd.                           | Directly wholly-owned subsidiary to indirectly wholly-owned subsidiary   | Sales                          | 594,388   | The same with third parties | -   |
| 5                  | Golden Thinking Ltd.   | Synnex Australia Pty. Ltd.                                     | Indirectly wholly-owned subsidiary to indirectly wholly-owned subsidiary | Property, plant, and equipment | 1,483,804 | -                           | 1%  |
| 5                  | Golden Thinking Ltd.   | Synnex Australia Pty. Ltd.                                     | Indirectly wholly-owned subsidiary to indirectly wholly-owned subsidiary | Other receivables              | 1,243,971 | -                           | 1%  |
| 6                  | Fortune Ideal Ltd.   | Synnex Australia Pty. Ltd.                                     | Indirectly wholly-owned subsidiary to indirectly wholly-owned subsidiary | Property, plant, and equipment | 174,058   | -                           | -   |
| 6                  | Fortune Ideal Ltd.   | Synnex Australia Pty. Ltd.                                     | Indirectly wholly-owned subsidiary to indirectly wholly-owned subsidiary | Other receivables              | 163,156   | -                           | -   |
| 7                  | Synnex Technology International (HK) Ltd. and its subsidiaries | Synnex Distributions (China) Ltd.                              | Directly wholly-owned subsidiary to indirectly wholly-owned subsidiary   | Sales                          | 7,467,949 | The same with third parties | 2%  |
| 7                  | Synnex Technology International (HK) Ltd. and its subsidiaries | Synnex Distributions (China) Ltd.                              | Directly wholly-owned subsidiary to indirectly wholly-owned subsidiary   | Accounts receivable            | 249,742   | The same with third parties | -   |
| 7                  | Synnex Technology International (HK) Ltd. and its subsidiaries | Synnex Distributions (China) Ltd.                              | Directly wholly-owned subsidiary to indirectly wholly-owned subsidiary   | Other receivables              | 327,508   | -                           | 1%  |
| 7                  | Synnex Technology International (HK) Ltd. and its subsidiaries | Syntech Asia Ltd.  | Directly wholly-owned subsidiary to directly wholly-owned subsidiary     | Sales                          | 3,235,374 | The same with third parties | -   |
| 8                  | Synnex Investments (China) Ltd.                                | LianZhongHongYu Information Technology(Beijing) Co.,Ltd.       | Indirectly wholly-owned subsidiary to indirectly wholly-owned subsidiary | Other receivables              | 112,620   | -                           | -   |
| 9                  | Synnex(Shanghai) Ltd.  | LianXiang Technology (Shenzhen) Ltd.                           | Indirectly wholly-owned subsidiary to indirectly wholly-owned subsidiary | Sales                          | 224,888   | The same with third parties | -   |
| 9                  | Synnex(Shanghai) Ltd.  | LianXiang Technology (Shenzhen) Ltd.                           | Indirectly wholly-owned subsidiary to indirectly wholly-owned subsidiary | Other receivables              | 372,745   | -                           | -   |
| 10                 | Synnex Distributions (China) Ltd.                              | Synnex Technology Development Ltd.                             | Indirectly wholly-owned subsidiary to indirectly wholly-owned subsidiary | Other receivables              | 210,086   | -                           | -   |
| 10                 | Synnex Distributions (China) Ltd.                              | Synnex Technology International (HK) Ltd. and its subsidiaries | Indirectly wholly-owned subsidiary to directly wholly-owned subsidiary   | Sales                          | 349,716   | The same with third parties | 1%  |
| 10                 | Synnex Distributions (China) Ltd.                              | Synnex Technology International (HK) Ltd. and its subsidiaries | Indirectly wholly-owned subsidiary to directly wholly-owned subsidiary   | Other receivables              | 1,800,930 | -                           | -   |
| 11                 | LianXiang Technology (Shenzhen) Ltd.                           | Syntech Asia Ltd.  | Indirectly wholly-owned subsidiary to directly wholly-owned subsidiary   | Other revenue                  | 100,838   | Note 8                      | -   |

Note 1: The numbers filled in for the transaction company in respect of inter-company transactions are as follows:

(1)Parent company is ‘0’.

(2)The subsidiaries are numbered in order starting from ‘1’.

Note 2: Percentage of total consolidated revenues or total assets is calculated using the total consolidated assets at the end of the period when the subject of transaction is an asset/liability, and is calculated using total consolidated revenues during the period when the subject of transaction is a revenue/expense.

Note 3: It is not disclosed for individual transaction below \$100 million.

Note 4: For information relating to receivables from related parties arising on financing, please refer to table 1 Loans to others.

Note 5: For information relating to endorsements and guarantees between the Company and subsidiaries, please refer to table 2 Provision of endorsements and guarantees to others.

Note 6: It was the Company’s technical service receivable from related parties.

Note 7: Represents rent revenue from related parties.

Note 8: Represents technical service revenue from the Company’s provision of technical service to related parties.

## SYNNEX TECHNOLOGY INTERNATIONAL CORPORATION AND SUBSIDIARIES

Information on investees  
Year ended December 31, 2023

Table 10

Expressed in thousands of NTD  
(Except as otherwise indicated)

| Investor                                    | Investee   | Location               | Main business activities           | Initial investment amount       |                                 | Shares held as at December 31, 2023 |               |                | Net profit (loss) of the investee for the year ended December 31, 2023 | Investment income(loss) recognised by the Company for the year ended December 31, 2023 | Footnote |
|---|--|------------------------|------------------------------------|---------------------------------|---------------------------------|-------------------------------------|---------------|----------------|--|--|----------|
|   |  |                        |                                    | Balance as at December 31, 2023 | Balance as at December 31, 2022 | Number of shares                    | Ownership (%) | Book value     |  |  |          |
|   |  |                        |                                    |                                 |                                 |                                     |               |                |  |  |          |
| Synnex Technology International Corporation | Synnex Global Ltd.   | British Virgin Islands | Investment holding                 | \$ 17,607,381                   | \$ 17,607,381                   | 548,250,000                         | 100.00        | \$ 119,936,968 | \$ 3,002,514   | \$ 3,002,514   |          |
| Synnex Technology International Corporation | Bestcom Infotech Corp.   | Taiwan                 | Sales of 3C products               | 1,677,762                       | 1,677,762                       | 103,203,296                         | 100.00        | 2,345,961      | 298,028  | 298,028  |          |
| Synnex Technology International Corporation | E-Fan Investments CO., LTD.                                    | Taiwan                 | Investment holding                 | 1,145,384                       | 1,145,384                       | 22,500,000                          | 100.00        | 300,416        | 18,447   | 18,447   |          |
| Synnex Technology International Corporation | Synergy Intelligent Logistics Corporation                      | Taiwan                 | Warehouse and logistics services   | 50,000                          | 50,000                          | 5,000,000                           | 100.00        | 175,590        | 69,939   | 69,939   |          |
| Synnex Technology International Corporation | Seper Technology Corporation                                   | Taiwan                 | Sales of 3C products               | 1,426                           | 1,426                           | 100,000                             | 100.00        | 79,755         | 76,324   | 76,324   |          |
| Synnex Technology International Corporation | Synergy Technology Services Corporation                        | Taiwan                 | Maintenance and technical services | 100,000                         | 1,000                           | 10,000,000                          | 100.00        | 99,944 (       | 43) (  | 43)  |          |
| Synnex Technology International Corporation | Syntech Asia Ltd.  | Hong Kong              | Sales of semiconductor products    | 43,474                          | 43,474                          | 300,000                             | 100.00        | 1,041,298      | 777,752  | 777,752  |          |
| Synnex Technology International Corporation | Synnex Technology International (HK) Ltd. and its subsidiaries | Hong Kong              | Sales of 3C products               | 290,107                         | 290,107                         | 60,000,000                          | 100.00        | 1,454,712      | 696,937  | 696,937  |          |
| Synnex Technology International Corporation | PT. Synnex Metrodata Indonesia                                 | Indonesia              | Sales of 3C products               | 3,038,867                       | 3,038,867                       | 150,000                             | 50.00         | 2,670,255      | 1,183,096  | 591,548  |          |
| Synnex Technology International Corporation | Redington Limited  | India                  | Sales of 3C products               | 11,995,229                      | 11,995,229                      | 188,591,880                         | 24.13         | 6,383,799      | 5,257,397  | 1,097,535  |          |
| E-Fan Investments CO., LTD.                 | Leveltech Ltd.   | Hong Kong              | Sales of semiconductor products    | 15,407                          | 15,407                          | 300,000                             | 100.00        | 44,038         | 21,074   | -  | Note 1   |
| Synergy Intelligent Logistics Corporation   | Synergy Intellingent Logistics (HK) Corporation                | Hong Kong              | Warehouse and logistics services   | 7,338                           | 7,338                           | 1,500,000                           | 100.00        | 7,773          | 420  | -  | Note 1   |
| Synnex Global Ltd.                          | King's Eye Investments Ltd.                                    | British Virgin Islands | Investment holding                 | 1,921,480                       | 1,921,480                       | 62,477,000                          | 100.00        | 10,585,588     | 1,325,632  | -  | Note 1   |

| Investor                    | Investee                              | Location               | Main business activities | Initial investment amount       |                                 | Shares held as at December 31, 2023 |               |               | Net profit (loss) of the investee for the year ended December 31, 2023 | Investment income(loss) recognised by the Company for the year ended December 31, 2023 | Footnote |
|-----------------------------|---------------------------------------|------------------------|--------------------------|---------------------------------|---------------------------------|-------------------------------------|---------------|---------------|--|--|----------|
|                             |                                       |                        |                          | Balance as at December 31, 2023 | Balance as at December 31, 2022 | Number of shares                    | Ownership (%) | Book value    |  |  |          |
|                             |                                       |                        |                          |                                 |                                 |                                     |               |               |  |  |          |
| Synnex Global Ltd.          | Synnex China Holdings Ltd.            | British Virgin Islands | Investment holding       | \$ 3,081,651                    | \$ 3,081,651                    | 100,200,000                         | 100.00        | \$ 11,723,817 | \$ 1,437,104   | \$ -   | Note 1   |
| Synnex Global Ltd.          | Synnex Mauritius Ltd.                 | Mauritius              | Investment holding       | 31                              | 738,120                         | 1,000                               | 100.00        | 23,103        | ( 49,544)  | -  | Note 1   |
| Synnex Global Ltd.          | Peer Developments Ltd.                | British Virgin Islands | Investment holding       | 962,632                         | 962,632                         | 30,200,001                          | 100.00        | 22,546,943    | 234,805  | -  | Note 1   |
| Synnex Global Ltd.          | Trade Vanguard Global Ltd.            | British Virgin Islands | Investment holding       | 23,066,250                      | 19,990,750                      | 750,000,000                         | 100.00        | 19,995,544    | 29,990   | -  | Note 1   |
| King's Eye Investments Ltd. | Laser Computer Holdings Ltd.          | British Virgin Islands | Investment holding       | 1,133,229                       | 1,133,229                       | 36,850,001                          | 100.00        | -             | -  | -  | Note 1   |
| King's Eye Investments Ltd. | Synnex Australia Pty. Ltd.            | Australia              | Sales of 3C products     | 912,962                         | 912,962                         | 233,250,000                         | 100.00        | 6,844,186     | 832,015  | -  | Note 1   |
| Synnex Global Ltd.          | Synnex Australia Pty. Ltd.            | Australia              | Sales of 3C products     | 5,228,350                       | 5,224,506                       | -                                   | -             | 5,228,350     | -  | -  | Note 2   |
| King's Eye Investments Ltd. | Synnex New Zealand Ltd.               | New Zealand            | Sales of 3C products     | 31,432                          | 31,432                          | 1,500,000                           | 100.00        | 193,763       | 22,292   | -  | Note 1   |
| Synnex Global Ltd.          | Synnex New Zealand Ltd.               | New Zealand            | Sales of 3C products     | 194,064                         | 194,833                         | -                                   | -             | 194,064       | -  | -  | Note 2   |
| King's Eye Investments Ltd. | Synnex (Thailand) Public Company Ltd. | Thailand               | Sales of 3C products     | 274,147                         | 274,147                         | 338,939,513                         | 40.00         | 1,442,279     | 460,706  | -  | Note 1   |
| King's Eye Investments Ltd. | Synnex FPT Joint Stock Company        | Vietnam                | Sales of 3C products     | 885,372                         | 885,372                         | 55,854,748                          | 47.27         | 1,601,247     | 596,572  | -  | Note 1   |
| King's Eye Investments Ltd. | Fortune Ideal Ltd.                    | Hong Kong              | Real estate              | 57,087                          | 57,087                          | 14,500,000                          | 100.00        | 225,151       | 6,439  | -  | Note 1   |
| King's Eye Investments Ltd. | Golden Thinking Ltd.                  | Hong Kong              | Real estate              | 110,236                         | 110,236                         | 28,000,000                          | 100.00        | 172,924       | 15,591   | -  | Note 1   |
| Synnex Global Ltd.          | Golden Thinking Ltd.                  | Hong Kong              | Real estate              | 1,062,401                       | 1,061,620                       | -                                   | -             | 1,062,401     | -  | -  | Note 2   |
| Synnex Global Ltd.          | Synnex Investments (China) Ltd.       | China                  | Investment holding       | 9,906,186                       | 9,906,186                       | -                                   | -             | 9,906,186     | -  | -  | Note 2   |
| Synnex Global Ltd.          | Synnex Distributions (China) Ltd.     | China                  | Sales of 3C products     | 4,720,893                       | 4,720,893                       | -                                   | -             | 4,720,893     | -  | -  | Note 2   |

| Investor               | Investee               | Location | Main business activities  | Initial investment amount       |                                 | Shares held as at December 31, 2023 |               |              | Net profit (loss) of the investee for the year ended December 31, 2023 | Investment income(loss) recognised by the Company for the year ended December 31, 2023 | Footnote |
|------------------------|------------------------|----------|---|---------------------------------|---------------------------------|-------------------------------------|---------------|--------------|--|--|----------|
|                        |                        |          |   | Balance as at December 31, 2023 | Balance as at December 31, 2022 | Number of shares                    | Ownership (%) | Book value   |  |  |          |
|                        |                        |          |   |                                 |                                 |                                     |               |              |  |  |          |
| Synnex Global Ltd.     | Synnex (Shanghai) Ltd. | China    | Sales of semiconductor products and Warehouse and logistics services                                    | \$ 1,014,915                    | \$ 1,014,915                    | -                                   | -             | \$ 1,014,915 | \$ -   | \$ -   | Note 2   |
| Bestcom Infotech Corp. | Bizwave Tech Co., Ltd. | Taiwan   | Wholesale and retailing of computer software and hardware. Accreditaion and consulting services.        | 19,940                          | 19,940                          | 2,000,000                           | 100.00        | 28,497       | 3,349  | -  | Note 1   |
| Bestcom Infotech Corp. | Asgard System, Inc.    | Taiwan   | Wholesale of computer software and hardware. Computer information system planning, analysis and design. | 19,956                          | 19,956                          | 2,400,000                           | 20.00         | 29,096       | 6,460  | -  | Note 1   |
| Bestcom Infotech Corp. | I-Direction Co., Ltd.  | Taiwan   | Wholesale and retailing of computers. Information system provider.                                      | 8,000                           | 8,000                           | 800,000                             | 40.00         | -            | -  | -  | Note 1   |

Note 1: Investment income (loss) is not disclosed as the profit or loss of the investees of the Company's directly wholly-owned subsidiaries was recognised by each investor company.

Note 2: The investment amount is an amount for long-term investment.

SYNNEX TECHNOLOGY INTERNATIONAL CORPORATION AND SUBSIDIARIES

Information on investments in Mainland China

Year ended December 31, 2023

Table 11 Expressed in thousands of NTD  
(Except as otherwise indicated)

| Investee in<br>Mainland China                       | Main business<br>activities  | Paid-in capital<br>( Note 10 ) | Investment<br>method<br>( Note 1 ) | Accumulated   | Amount remitted from Taiwan   |                            | Accumulated   | Net income of<br>investee for the<br>year ended<br>December<br>31, 2023 | Ownership<br>held by<br>the<br>Company<br>(direct or<br>indirect) | Investment income   | Book value of<br>investments in<br>Mainland China<br>as of December<br>31, 2023 | Accumulated   | Footnote             |
|---|--|--------------------------------|------------------------------------|---|---|----------------------------|---|---|---|---|---|---|----------------------|
|   |  |                                |                                    | amount of<br>remittance from<br>Taiwan to<br>Mainland China | to Mainland China/<br>Amount remitted back<br>to Taiwan for the year ended<br>December 31, 2023 ( Note 10 ) |                            | amount<br>of remittance<br>from Taiwan to<br>Mainland China |   |   | (loss) recognised<br>by the Company<br>for the year<br>ended December<br>31, 2023<br>( Note 3 ) |   | amount<br>of investment<br>income<br>remitted back to<br>Taiwan as of<br>December<br>31, 2023 |                      |
|   |  |                                |                                    | as of January 1,<br>2023                                    | Remitted to<br>Mainland China   | Remitted back<br>to Taiwan | as of December<br>31, 2023                                  |   |   |   |   |   |                      |
| Laser International Trading (Shanghai) Company Ltd. | International trade  | \$ 30,755                      | 2                                  | \$ 30,755   | \$ -  | \$ -                       | \$ 30,755   | \$ 75,927   | 100.00  | \$ 75,927   | \$ 174,045  | —   | (Note 2)<br>(Note 4) |
| Hi Food (Shanghai) Co., Ltd.                        | Manufacture and sales of food  | 615,100                        | 2                                  | 55,359  | -   | -                          | 55,359  | -   | 10.00   | -   | 55,359  | —   | (Note 2)<br>(Note 5) |
| Synnex Investments (China) Ltd.                     | Investment holding   | 6,151,000                      | 2                                  | 6,151,000   | -   | -                          | 6,151,000   | 1,119,246   | 100.00  | 1,119,246   | 14,756,765  | —   | (Note 2)<br>(Note 6) |
| Synnex Distributions (China) Ltd.                   | Sales of 3C products   | 10,149,150                     | 2                                  | 10,149,150  | -   | -                          | 10,149,150  | 1,013,114   | 100.00  | 1,013,114   | 16,251,549  | —   | (Note 2)<br>(Note 6) |
| Synnex (Shanghai) Ltd.                              | Sales of semiconductor products and warehouse and logistics services | 676,610                        | 2                                  | 676,610   | -   | -                          | 676,610   | 172,544   | 100.00  | 172,544   | 1,141,824   | —   | (Note 2)<br>(Note 6) |
| Synnex (Beijing) Ltd.                               | Warehouse and logistics services                                     | 276,795                        | 2                                  | 276,795   | -   | -                          | 276,795   | ( 23,235)   | 100.00  | ( 23,235)   | 204,552   | —   | (Note 2)<br>(Note 6) |
| Synnex (Nanjing) Ltd.                               | Warehouse and logistics services                                     | 153,775                        | 2                                  | 153,775   | -   | -                          | 153,775   | 1,239   | 100.00  | 1,239   | 161,503   | —   | (Note 2)<br>(Note 6) |
| Synnex (Chengdu) Ltd.                               | Warehouse and logistics services                                     | 153,775                        | 2                                  | 153,775   | -   | -                          | 153,775   | 5,227   | 100.00  | 5,227   | 176,191   | —   | (Note 2)<br>(Note 6) |
| Synnex (Shenyang) Ltd.                              | Warehouse and logistics services                                     | 92,265                         | 2                                  | 92,265  | -   | -                          | 92,265  | ( 2,339)  | 100.00  | ( 2,339)  | 104,123   | —   | (Note 2)<br>(Note 6) |
| Synnex (Tianjin) Ltd.                               | Warehouse and logistics services                                     | 138,398                        | 2                                  | 138,398   | -   | -                          | 138,398   | ( 4,963)  | 100.00  | ( 4,963)  | 77,809  | —   | (Note 2)<br>(Note 6) |
| Synnex (Hangzhou) Ltd.                              | Warehouse and logistics services                                     | 153,775                        | 2                                  | 153,775   | -   | -                          | 153,775   | 3,830   | 100.00  | 3,830   | 157,121   | —   | (Note 2)<br>(Note 6) |
| Synnex (Qingdao) Ltd.                               | Warehouse and logistics services                                     | 153,775                        | 2                                  | 153,775   | -   | -                          | 153,775   | 1,734   | 100.00  | 1,734   | 135,395   | —   | (Note 2)<br>(Note 6) |
| Synnex (Guangzhou) Ltd.                             | Warehouse and logistics services                                     | 369,060                        | 2                                  | 369,060   | -   | -                          | 369,060   | 1,400   | 100.00  | 1,400   | 341,294   | —   | (Note 2)<br>(Note 6) |
| Synnex (Xi'an) Ltd.                                 | Warehouse and logistics services                                     | 123,020                        | 2                                  | 123,020   | -   | -                          | 123,020   | 6,959   | 100.00  | 6,959   | 128,682   | —   | (Note 2)<br>(Note 6) |
| Synnex (Suzhou) Ltd.                                | Warehouse and logistics services                                     | 184,530                        | 2                                  | 184,530   | -   | -                          | 184,530   | 4,232   | 100.00  | 4,232   | 167,267   | —   | (Note 2)<br>(Note 6) |
| Synnex (Wuhan) Ltd.                                 | Warehouse and logistics services                                     | 153,775                        | 2                                  | 153,775   | -   | -                          | 153,775   | 4,327   | 100.00  | 4,327   | 145,279   | —   | (Note 2)<br>(Note 6) |
| Synnex (Jinan) Ltd.                                 | Warehouse and logistics services                                     | 153,775                        | 2                                  | 153,775   | -   | -                          | 153,775   | 6,891   | 100.00  | 6,891   | 189,197   | —   | (Note 2)<br>(Note 6) |
| Synnex (Zhengzhou) Ltd.                             | Warehouse and logistics services                                     | 153,775                        | 2                                  | 153,775   | -   | -                          | 153,775   | ( 1,382)  | 100.00  | ( 1,382)  | 132,475   | —   | (Note 2)<br>(Note 6) |
| Synnex (Changsha) Ltd.                              | Warehouse and logistics services                                     | 123,020                        | 2                                  | 123,020   | -   | -                          | 123,020   | ( 3,333)  | 100.00  | ( 3,333)  | 58,763  | —   | (Note 2)<br>(Note 6) |
| Synnex (Hefei) Ltd.                                 | Warehouse and logistics services                                     | 187,606                        | 2                                  | 187,606   | -   | -                          | 187,606   | 8,685   | 100.00  | 8,685   | 131,057   | —   | (Note 2)<br>(Note 6) |

| Investee in<br>Mainland China                   | Main business<br>activities         | Paid-in capital<br>(Note 10) | Investment<br>method<br>(Note 1) | Accumulated<br>amount of<br>remittance from<br>Taiwan to<br>Mainland China | Amount remitted from Taiwan<br>to Mainland China/<br>Amount remitted back<br>to Taiwan for the year ended<br>December 31, 2023 (Note 10) |                            | Accumulated<br>amount<br>of remittance<br>from Taiwan to<br>Mainland China | Net income of<br>investee for the<br>year ended<br>December<br>31, 2023 | Ownership<br>held by<br>the<br>Company<br>(direct or<br>indirect) | Investment income<br>(loss) recognised<br>by the Company<br>for the year<br>ended December<br>31, 2023<br>(Note 3) | Book value of<br>investments in<br>Mainland China<br>as of December<br>31, 2023 | Accumulated<br>amount<br>of investment<br>income<br>remitted back to<br>Taiwan as of<br>December<br>31, 2023 | Footnote              |
|---|-------------------------------------|------------------------------|----------------------------------|--|--|----------------------------|--|---|---|--|---|--|-----------------------|
|   |                                     |                              |                                  | as of January 1,<br>2023   | Remitted to<br>Mainland China  | Remitted back<br>to Taiwan | as of December<br>31, 2023   |   |   |  |   |  |                       |
| Synnex (Nanchang) Ltd.                          | Warehouse and logistics<br>services | \$ 123,020                   | 2                                | \$ 123,020   | \$ -   | \$ -                       | \$ 123,020   | (\$ 13,342)   | 100.00  | (\$ 13,342)  | (\$ 9,415)  | —  | (Note 2)<br>(Note 6)  |
| Synnex (Harbing) Ltd.                           | Warehouse and logistics<br>services | 153,775                      | 2                                | 153,775  | -  | -                          | 153,775  | 2,769   | 100.00  | 2,769  | 9,129   | —  | (Note 2)<br>(Note 6)  |
| Synnex (Xiamen) Ltd.                            | Warehouse and logistics<br>services | 184,530                      | 2                                | 184,530  | -  | -                          | 184,530  | 7,258   | 100.00  | 7,258  | 142,741   | —  | (Note 2)<br>(Note 6)  |
| Synnex Technology Development<br>(Beijing) Ltd. | Sales of 3C products                | 220,484                      | 2                                | -  | -  | -                          | -  | 34,244  | 100.00  | 34,244   | 313,798   | —  | (Note 2)<br>(Note 7)  |
| LianXiang Technology (Shenzhen)<br>Ltd.         | Sales of semiconductor products     | 144,549                      | 2                                | 6,151  | 138,398  | -                          | 144,549  | 32,644  | 100.00  | 32,644   | 345,819   | —  | (Note 2)<br>(Note 8)  |
| Jifu Intelligent Logistics Corporation          | Warehouse and logistics<br>services | 216,161                      | 2                                | 216,161  | -  | -                          | 216,161  | 20,842  | 100.00  | 20,842   | 239,781   | —  | (Note 6)<br>(Note 11) |
|   |                                     |                              |                                  | <u>\$ 20,317,630</u>   | <u>\$ 138,398</u>  | <u>\$ -</u>                | <u>\$ 20,456,028</u>   |   |   |  |   |  |                       |

Note 1: Investment methods are classsified into the following three categories; fill in the number of category each case belongs to:

- (1) Directly invest in a company in Mainland China.
- (2) Through investing in an existing company in the third area, which then invested in the investee in Mainland China.
- (3) Others.

Note 2: Indirect investment in PRC through existing companies located in the third area. Partial capital of Synnex (Nanjing) Ltd. and Synnex (Shenyang) Ltd. were invested by indirect wholly-owned subsidiary, and total membership contributions are US\$1,500 and US\$3,000 thousand, respectively. Due to the Company’s restructuring in November 2008, the entire capital of Synnex Distributions (China) Ltd., Synnex (Shanghai) Ltd., Synnex (Beijing) Ltd., Synnex (Nanjing) Ltd. and Synnex (Chengdu) Ltd., amounting to US\$13,000, US\$22,000, US\$9,000, US\$1,000 and US\$2,000 thousand, respectively, was changed to be owned by Synnex Investments (China) Ltd. Total membership contribution is USD\$47,000 thousand.

Note 3: Investment income (loss) for the year ended December 31, 2023 were recognised based on the financial statements which were reviewed by independent auditors.

Note 4: Laser International Trading (Shanghai) Company Ltd. is a 100% owned subsidiary of Groupware Solutions Ltd., which is a wholly-owned subsidiary of Synnex Technology International (HK) Ltd. Synnex Technology International (HK) Ltd. is an direct wholly-owned subsidiary of the Company. Total membership contribution is US\$1,000 thousand.

Note 5: Hi Food (Shanghai) Co., Ltd. is a 10% owned invested company of Hi Food Co., Ltd. Hi Food Co., Ltd. is 10% indirectly owned by the Company. Total membership contribution is US\$1,800 thousand.

Note 6: Synnex Investments (China) Ltd. is a 100% owned subsidiary of Synnex China Holdings Ltd. Synnex China Holdings Ltd. is an indirect wholly-owned subsidiary of the Company. Total membership contribution is US\$200,000 thousand. Additionally, Synnex Investments (China) Ltd. reinvested in other subsidiaries in Mainland China. Total membership contribution is translated into New Taiwan Dollars using the exchange rate of US\$1:NT\$30.76.

Note 7: Synnex Technology Development (Beijing) Ltd. is a 100% owned subsidiary of Synnex Distributions (China) Ltd. Synnex Distributions (China) Ltd. is an indirect wholly-owned subsidiary of the Company. Total membership contribution is RMB\$50,000 thousand.

Note 8: LianXiang Technology (Shenzhen) Ltd. is a 100% owned subsidiary of Peer Developments Ltd. Peer Developments Ltd. is an indirect wholly-owned subsidiary of the Company. Total membership contribution is US\$4,700 thousand.

Note 9: Synnex Distributions (China) Ltd. is a 100% owned subsidiary of Synnex Investments (China) Ltd. Synnex Investments (China) Ltd. is an indirect wholly-owned subsidiary of the Company. Total membership contribution is USD\$100,000 thousand.

Note 10: Translated into New Taiwan Dollars using the exchange rates of US\$1:NT30.76 and RMB\$1:NT\$4.3232.

Note 11: Jifu Intelligent Logistics Corporation is a 100% owned subsidiary of Synnex Investments (China) Ltd. Synnex Investments (China) Ltd. is an indirect wholly-owned subsidiary of the Company. Total membership contribution is RMB\$50,000 thousand.

| Company name                                      | Accumulated<br>amount of<br>remittance<br>from Taiwan<br>to Mainland<br>China<br>as of December 31,<br>2023 | Investment<br>amount approved<br>by the<br>Investment<br>Commission of<br>the Ministry of<br>Economic<br>Affairs (MOEA) | Ceiling on<br>investments in<br>Mainland China<br>imposed by the<br>Investment<br>Commission of<br>MOEA |
|---|---|---|---|
| Synnex Technology International Corporation(Note) | \$ 20,456,028   | \$ 24,930,003   | \$ 44,699,221   |

Note: The ceiling is calculated based on the Tai-Tsai-Tseng (1) Letter No. 006130 issued by the Securities and Futures Commission, Ministry of Finance, Executive Yuan (90), effective November 16, 2001.

## SYNNEX TECHNOLOGY INTERNATIONAL CORPORATION AND SUBSIDIARIES

## Major shareholders information

December 31, 2023

Table 12

| Name of major shareholders   | Shares                |                    |
|--|-----------------------|--------------------|
|  | Number of shares held | Shareholding ratio |
| Mitac Incorporated   | 260,521,054           | 15.61%             |
| Independent accounts securities investment trust fund of Cathay MSCI Taiwan ESG Sustainability High Dividend Yield ETF (umbrella fund) entrusted to Taishin International Bank | 129,025,000           | 7.73%              |

Note 1: The major shareholders information was derived from the data that the Company issued common shares (including treasury shares) and preference shares in dematerialised form which were registered and held by the shareholders above 5% on the last operating date of each quarter and was calculated by Taiwan Depository & Clearing Corporation.

The share capital which was recorded in the financial statements may differ from the actual number of shares issued in dematerialised form because of a different calculation basis.

Note 2: If the aforementioned data contains shares which were held in trust by the shareholders, the data disclosed is the settlor's separate account for the fund set by the trustee.

As for the shareholder who reports share equity as an insider whose shareholding ratio is greater than 10% in accordance with Securities and Exchange Act, the shares include the self-owned shares and shares held in trust, and at the same time, the shareholder has the power to decide how to allocate the trust assets.

The information on the reported share equity of insider is provided in the "Market Observation Post System".

SYNNEX TECHNOLOGY INTERNATIONAL CORPORATION  
DETAILS OF ACCOUNTS RECEIVABLE  
DECEMBER 31, 2023  
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

Tabel 1

| Customer name                              | Summary | Amount           | Note  |
|--|---------|------------------|---|
| General customer -                         |         |                  |   |
| ADATA TECHNOLOGY CO., LTD.                 | \$      | 1,859,334        |   |
| Dimension Computer Technology Co.,         |         | 545,087          |   |
| Wistron Corporation                        |         | 501,651          |   |
|  |         |                  | The balance of each customer has not exceeded 5% of total accounts receivable |
| Others                                     |         | 5,098,452        |   |
| Less: Allowance for uncollectible accounts | (       | 16,763)          |   |
| Subtotal from non-related parties          |         | <u>7,987,761</u> |   |
| Related party -                            |         |                  |   |
| Syntech Asia Ltd.                          | \$      | 49,280           |   |
| Getac Technology Corporation               |         | 51,147           |   |
| Bestcom Infotech Corp.                     |         | 50,917           |   |
| Jetwell Computer Co., Ltd.                 |         | 80,844           |   |
| Mitac Computing Technology Corporation     |         | 20,879           |   |
| Mitac Information Technology Corporation   |         | 20,244           |   |
|  |         |                  | The balance of each customer has not exceeded 5% of total accounts receivable |
| Others                                     |         | <u>3,822</u>     |   |
| Subtotal from related parties              |         | <u>277,133</u>   |   |
|  | \$      | <u>8,264,894</u> |   |

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SYNNEX TECHNOLOGY INTERNATIONAL CORPORATION  
DETAILS OF OTHER RECEIVABLES  
DECEMBER 31, 2023

(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Tabel 2

| Item                                 | Summary | Amount               | Note |
|--------------------------------------|---------|----------------------|------|
| General customer -                   |         |                      |      |
| Receivables from suppliers           |         | \$ 3,617,490         |      |
| Tax refund receivable — business tax |         | 119,968              |      |
| Others                               |         | <u>6,411</u>         |      |
| Subtotal from non-related parties    |         | <u>3,743,869</u>     |      |
| Related party -                      |         |                      |      |
| Syntech Asia Ltd.                    |         | \$ 6,237,944         |      |
| Others                               |         | 275,092              |      |
| Financing receivables                |         | <u>228,071</u>       |      |
| Subtotal from related parties        |         | <u>6,741,107</u>     |      |
|                                      |         | <u>\$ 10,484,976</u> |      |

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SYNNEX TECHNOLOGY INTERNATIONAL CORPORATION  
DETAILS OF INVENTORIES  
DECEMBER 31, 2023  
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

Tabel 3

| Item   | Amount              |                     | Note  |
|--|---------------------|---------------------|---|
|  | Cost                | Market price        |   |
| Goods inventories                              | \$ 8,401,211        | <u>\$ 8,782,372</u> | Use the net realisable value to be the market price |
| Less: Allowance for inventory valuation losses | ( 55,604)           |                     |   |
|  | <u>\$ 8,345,607</u> |                     |   |

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**SYNNEX TECHNOLOGY INTERNATIONAL CORPORATION**  
**DETAILS OF INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**  
**(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)**

Tabel 4

| Name  | Opening balance                          |                       | Additions                                |                  | Investment<br>(loss) gain | Cumulative<br>translation<br>adjustment | Other<br>adjustment        | Reductions                               |                       | Number of shares<br>(share in thousands) | Ending Balance                           |                       | Net equity |                            | Pledged to<br>others as<br>collateral |
|---|--|-----------------------|--|------------------|---------------------------|---|----------------------------|--|-----------------------|--|--|-----------------------|------------|----------------------------|---------------------------------------|
|   | Number of shares<br>(share in thousands) | Amount                | Number of shares<br>(share in thousands) | Amount           |                           |   |                            | Number of shares<br>(share in thousands) | Amount<br>(Note 1)    |  | Number of shares<br>(share in thousands) | Shareholding ratio    | Amount     | Unit Price<br>(in dollars) | Total price                           |
| Seper Technology Corporation                        | 100                                      | \$ 85,129             | -  | \$ -             | \$ 76,324                 | \$ -                                    | \$ -                       | -  | (\$ 81,698)           | 100                                      | 100.00                                   | \$ 79,755             | \$ 797.55  | \$ 79,755                  | None                                  |
| Bestcom Infotech Corp.                              | 103,204                                  | 2,264,419             | -  | -                | 298,028                   | -                                       | 133,738<br>(Note 2)        | -  | ( 350,224)            | 103,204                                  | 100.00                                   | 2,345,961             | 22.73      | 2,345,961                  | "                                     |
| E-Fan Investments CO., Ltd.                         | 22,500                                   | 289,685               | -  | -                | 18,447                    | ( 308)                                  | -                          | -  | ( 7,408)              | 22,500                                   | 100.00                                   | 300,416               | 13.35      | 300,416                    | "                                     |
| Synergy Intelligent Logistics Corporation           | 5,000                                    | 207,638               | -  | -                | 69,939                    | ( 6)                                    | -                          | -  | ( 101,981)            | 5,000                                    | 100.00                                   | 175,590               | 35.12      | 175,590                    | "                                     |
| Synergy Technology Services Corporation<br>(Note 4) | 100                                      | 987                   | 9,900                                    | 99,000           | ( 43)                     | -                                       | -                          | -  | -                     | 10,000                                   | 100.00                                   | 99,944                | 9.99       | 99,944                     | "                                     |
| Synnex Global Ltd.                                  | 548,250                                  | 120,735,984           | -  | -                | 3,002,514                 | ( 1,162,520)                            | ( 2,639,010)<br>(Note 2、3) | -  | -                     | 548,250                                  | 100.00                                   | 119,936,968           | 218.76     | 119,936,968                | "                                     |
| Syntech Asia Ltd.                                   | 300                                      | 274,820               | -  | -                | 777,752                   | ( 11,274)                               | -                          | -  | -                     | 300                                      | 100.00                                   | 1,041,298             | 3,470.99   | 1,041,298                  | "                                     |
| Synnex Technology International (HK) Ltd.           | 60,000                                   | 467,809               | -  | -                | 696,937                   | ( 15,309)                               | 305,275<br>(Note 3)        | -  | -                     | 60,000                                   | 100.00                                   | 1,454,712             | 24.25      | 1,454,712                  | "                                     |
| PT. Synnex Metrodata Indonesia                      | 300                                      | 2,353,442             | -  | -                | 591,548                   | 22,781                                  | -                          | -  | ( 297,516)            | 300                                      | 50.00                                    | 2,670,255             | 8,900.85   | 2,670,255                  | "                                     |
| Redington Limited                                   | 188,592                                  | 5,883,598             | -  | -                | 1,097,535                 | ( 113,787)                              | 37,537<br>(Note 3)         | -  | ( 521,084)            | 188,592                                  | 24.13                                    | 6,383,799             | 33.85      | 6,383,799                  | "                                     |
|   |  | <u>\$ 132,563,511</u> |  | <u>\$ 99,000</u> | <u>\$ 6,628,981</u>       | <u>(\$ 1,280,423)</u>                   | <u>(\$ 2,162,460)</u>      |  | <u>(\$ 1,359,911)</u> |  |  | <u>\$ 134,488,698</u> |            |                            |                                       |

Note 1: The reductions were caused by receiving cash dividends from investees.

Note 2: The changes were caused by the Company recognising unrealised gains (losses) on financial assets of investees.

Note 3: The changes were caused by the effects of changes in proportion to its interest to the investees, disposals of investments accounted for using equity method.

Note 4: The company was formerly known as Synergy Technology Services Corporation(通達技術服務股份有限公司) and was changed to Synergy Technology Services Corporation(通盛科技服務股份有限公司) in May 4, 2023.

SYNNEX TECHNOLOGY INTERNATIONAL CORPORATION  
DETAILS OF SHORT-TERM BORROWINGS  
DECEMBER 31, 2023  
 (EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

Tabel 5

| Nature               | Description  | Ending Balance | Contract Period          | Range of Interest |  | Credit Line   | Collateral | Note |
|----------------------|--|----------------|--------------------------|-------------------|--|---------------|------------|------|
|                      |  |                |                          | Rate              |  |               |            |      |
| Unsecured borrowings | Borrowing from 21 finance institutions, including Bank of Taiwan | \$ 43,970,000  | Expiring within one year | 1.75%~2.11%       |  | \$ 58,716,975 | None       |      |

SYNNEX TECHNOLOGY INTERNATIONAL CORPORATION  
DETAILS OF ACCOUNTS PAYABLE  
DECEMBER 31, 2023  
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

Table 6

| Vendor name                       | Summary | Amount               | Note   |
|-----------------------------------|---------|----------------------|--|
| General supplier -                |         |                      |  |
| Innolux Corporation               |         | \$ 3,931,924         |  |
| INTEL SEMICONDUCTOR (US) LLC.     |         | 4,183,411            |  |
| SK HYNIX SEMICONDUCTOR TAIWAN,    |         | 767,842              |  |
| Others                            |         | 5,670,808            | The balance of each vendor has not exceeded 5% of total accounts payable |
| Subtotal from non-related parties |         | <u>14,553,985</u>    |  |
| Related party -                   |         |                      |  |
| Syntech Asia Ltd.                 |         | 200,022              |  |
| Seper Technology Corporation      |         | 16,080               |  |
| Bestcom Infotech Corp.            |         | 6,989                |  |
| Subtotal from related parties     |         | <u>223,091</u>       |  |
|                                   |         | <u>\$ 14,777,076</u> |  |

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SYNNEX TECHNOLOGY INTERNATIONAL CORPORATION  
DETAILS OF LONG-TERM BORROWINGS  
DECEMBER 31, 2023  
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

Tabel 7

| Creditor                                     | Summary                    | Amount                                       | Contract Period  | Interest Rate | Collateral or Security | Note |
|--|----------------------------|--|--|---------------|------------------------|------|
| MUFG Bank                                    | Unsecured borrowings       | \$ 1,500,000                                 | Borrowing period is from December 30, 2021 to December 30, 2024. | 2.11%         | None                   |      |
| Mega International Commercial Bank           | Syndicated loans-tranche A | 11,520,000                                   | Five years from the date of first drawdown (August 1, 2022).     | 1.80%         | None                   |      |
| Taiwan Cooperative Bank                      | Syndicated loans-tranche A | 9,850,000                                    | Five years from the date of first drawdown (November 7, 2023).   | 1.80%         | None                   |      |
|  |                            | <u>\$ 22,870,000</u>                         |  |               |                        |      |
| Less: Long-term liabilities, Current portion |                            | ( 1,500,000)                                 |  |               |                        |      |
|  |                            | <u>\$ 21,370,000</u>                         |  |               |                        |      |
|  |                            | (Remainder of page intentionally left blank) |  |               |                        |      |

SYNNEX TECHNOLOGY INTERNATIONAL CORPORATION  
DETAILS OF OPERATING REVENUE  
FOR THE YEAR ENDED DECEMBER 31, 2023  
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

Tabel 8

| Item                            | Amount               | Note |
|---------------------------------|----------------------|------|
| Net sales revenue               | \$ 59,968,792        |      |
| Repairs and maintenance revenue | 153,495              |      |
| Others                          | 103,774              |      |
| Other operating revenue         | 257,269              |      |
|                                 | <u>\$ 60,226,061</u> |      |

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SYNNEX TECHNOLOGY INTERNATIONAL CORPORATION  
DETAILS OF OPERATING COST  
FOR THE YEAR ENDED DECEMBER 31, 2023  
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

Table 9

| Items                                  | Amount               | Note |
|--|----------------------|------|
| Inventory at beginning of year         | \$ 5,877,020         |      |
| Add: Purchased during the year         | 60,488,112           |      |
| Less: Inventory at end of year         | ( 8,401,211)         |      |
| Reclassification to operating expenses | ( 160,995)           |      |
| Others                                 | ( 15,395)            |      |
| Cost of sales                          | 57,787,531           |      |
| Loss on decline in market value        | ( 11,724)            |      |
| Others                                 | ( 5,979)             |      |
|  | <u>\$ 57,769,828</u> |      |

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SYNNEX TECHNOLOGY INTERNATIONAL CORPORATION

DETAILS OF OPERATING EXPENSES

FOR THE YEAR ENDED DECEMBER 31, 2023

(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Table 10

| Items               | Selling<br>expense  | Administrative<br>expense | Expected<br>credit loss | Total               | Note  |
|---------------------|---------------------|---------------------------|-------------------------|---------------------|---|
| Wages and salaries  | \$ 527,860          | \$ 365,084                | \$ -                    | \$ 892,944          |   |
| Warehousing expense | 91,333              | 63,169                    | -                       | 154,502             |   |
| Material used       | 119,017             | 82,315                    | -                       | 201,332             |   |
| Freight             | 104,814             | 72,493                    | -                       | 177,307             |   |
| Impairment benefit  | -                   | -                         | ( 2,093)                | ( 2,093)            |   |
| Other expenses      | 272,231             | 190,375                   | -                       | 462,606             | The balance of each item has not exceeded 5% of total expenses. |
|                     | <u>\$ 1,115,255</u> | <u>\$ 773,436</u>         | <u>(\$ 2,093)</u>       | <u>\$ 1,886,598</u> |   |

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SYNNEX TECHNOLOGY INTERNATIONAL CORPORATION  
DETAILS OF CURRENT EMPLOYEE BENEFITS, DEPRECIATION AND AMORTISATION EXPENSES SUMMARIZED BY FUNCTION  
FOR THE YEAR ENDED DECEMBER 31, 2023 AND 2022  
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

Table 11

|                          | Years ended December 31, |                     |                     |                 |                     |                     |
|--------------------------|--------------------------|---------------------|---------------------|-----------------|---------------------|---------------------|
|                          | 2023                     |                     |                     | 2022            |                     |                     |
|                          | Operating Costs          | Operating Expenses  | Total               | Operating Costs | Operating Expenses  | Total               |
| Employee benefit         |                          |                     |                     |                 |                     |                     |
| Wages and salaries       | \$ -                     | \$ 892,944          | \$ 892,944          | \$ -            | \$ 941,144          | \$ 941,144          |
| Employee social security | -                        | 68,094              | 68,094              | -               | 69,249              | 69,249              |
| Pension                  | -                        | 39,940              | 39,940              | -               | 39,242              | 39,242              |
| Directors' remuneration  | -                        | 8,168               | 8,168               | -               | 7,900               | 7,900               |
| Other employee benefit   | -                        | 32,755              | 32,755              | -               | 36,843              | 36,843              |
|                          | <u>\$ -</u>              | <u>\$ 1,041,901</u> | <u>\$ 1,041,901</u> | <u>\$ -</u>     | <u>\$ 1,094,378</u> | <u>\$ 1,094,378</u> |
| Depreciation             | \$ -                     | \$ 94,010           | \$ 94,010           | \$ -            | \$ 103,690          | \$ 103,690          |
| Amortisation             | \$ -                     | \$ 39,063           | \$ 39,063           | \$ -            | \$ 27,944           | \$ 27,944           |

1. As of December 31, 2023 and 2022, the Company had 686 and 746 employees, and both including 6 non-employee directors.

2.A company whose stock is listed for trading on the stock exchange or over-the-counter securities exchange shall additionally disclose the following information:

(1) Average employee benefit expense in current year was \$1,520 ((Total employee benefit expense in current year-Total directors' compensation in current year)/(Number of employees in current year-Number of non-employee directors in current year)).

Average employee benefit expense in previous year was \$1,468 ((Total employee benefit expense in previous year-Total directors' compensation in previous year)/(Number of employees in previous year-Number of non-employee directors in previous year)).

(2) Average employee salary in current year was \$1,313 (Total employee salaries in current year / (Number of employees in current year-Number of non-employee directors in current year)).

Average employee salary in previous year was \$1,272 (Total employee salaries in previous year/(Number of employees in previous year-Number of non-employee directors in previous year)).

SYNNEX TECHNOLOGY INTERNATIONAL CORPORATION  
DETAILS OF CURRENT EMPLOYEE BENEFITS, DEPRECIATION AND AMORTISATION EXPENSES SUMMARIZED BY FUNCTION (Cont.)  
FOR THE YEAR ENDED DECEMBER 31, 2023 AND 2022  
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

Table 11

- (3) Adjustment of average employee salary was 3.22% ((Average employee salary in current year-Average employee salary in previous year)/Average employee salary in previous year).
- (4) The Company has independent directors; thus, there is no remuneration for supervisors.
- (5) The Company's policies for remuneration payments:
  - A. Directors: Under the Article 38 of the Company's Articles of Incorporation, a ratio of distributable profit of the current year shall be distributed as directors' remuneration. The ratio shall not be higher than 1%. The Company established a remuneration committee. The remuneration committee shall provide recommendations for directors' remuneration after taking into consideration the related regulations and the Company's annual operating profit. The directors' remuneration shall be proposed to the Board of Directors for approval and be reported at the shareholders' meeting.
  - B. Managerial officers: The Company established a remuneration committee. Performance assessments and compensation levels of managerial officers shall take into account the general pay levels in the industry. Also, to be evaluated are the reasonableness of the correlation between the individual's performance and the Company's operational performance and future risk exposure.
  - C. Employees: The Company concentrates on providing a harmonious work environment, a lifelong development opportunity to employees and a long-term promise in relation to joint development with the Company. The Company reviews the standard salary level in the market on a regular basis to ensure its salary level is reasonable and competitive. The Company offers a competitive and differential salary standard along with the differential contribution in order to encourage productive employees to earn a good compensation in comparison, and salary is correlated with the ability and performance of employees.

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