AUROTEK CORPORATION

CONSOLIDATED FINANCIAL STATEMENTS

AND INDEPENDENT AUDITORS' REPORT

DECEMBER 31, 2024 AND 2023

REPRESENTATION LETTER

For the year ended December 31, 2024 (from January 1 to December 31, 2024), the scope of entities included in the preparation of the consolidated financial statements of affiliated enterprises, as required by the "Regulations Governing the Preparation of the Consolidated Business Report, Consolidated Financial Statements, and Affiliation Report of Affiliated Enterprises," is the same as that required under IFRS 10 "Consolidated Financial Statements" as endorsed by the Financial Supervisory Commission. As all required disclosures of affiliated enterprises have been included in the aforementioned consolidated financial statements prepared in accordance with IFRS 10, the Company does not prepare a separate set of consolidated financial statements for affiliated enterprises.

Very truly yours,

Company name: AUROTEK CORPORATION

Chairman: Cheng, Tien-Chong

March 11, 2025

INDEPENDENT AUDITORS' REPORT

To the Board of Directors and Shareholders of AUROTEK CORPORATION

Opinion

We have audited the accompanying consolidated balance sheets of AUROTEK CORPORATION and subsidiaries (the "Group") as at December 31, 2024 and 2023, 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 (refer to the Other matter section), the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2024 and 2023, 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 the 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 consolidated financial statements section of our report. We are independent of the Group in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. Based on our audits and the audit reports of other auditors, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Group's 2024 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 2024 consolidated financial statements are stated as follows:

The appropriateness of accounting estimates for inventory valuation

Description

The accounting policy for inventory valuation is detailed in Note 4(14) of the financial statements. The accounting estimates and assumptions related to inventory valuation uncertainties are disclosed in Note 5, while the description of inventory accounting items is provided in Note 6(5).

AUROTEK CORPORATION is primarily engaged in the manufacturing, processing, and trading of various automation equipment, machinery systems, and components. Due to rapid technological advancements, the Group is exposed to a higher risk of inventory obsolescence and impairment losses. Given the significant inventory balance and the inherent subjectivity involved in its valuation, the estimation of the provision for inventory valuation losses was identified as a key audit matter for the current year.

How our audit addressed the matter

We performed the following procedures for the above key audit matter:

1. Evaluated the consistency of inventory impairment recognition during the financial reporting period and assessed the reasonableness of the applied model and policies.
2. Performed individual testing of obsolete or damaged inventory items with impairment losses and assessed the reasonableness of the net realizable value allocation.
3. Conducted sample testing to verify that the net realizable value of specific inventory items was consistent with the Group's established policies and validated the reasonableness of transaction records.
4. Verified the accuracy of net realizable values, conducted sample testing of the recorded inventory impairment losses, reviewed supporting documentation, and assessed the adequacy of the provision for inventory valuation losses.

Other matter –Parent company only financial reports

We have audited and expressed an unqualified opinion on the parent company only financial statements of AUROTEK CORPORATION as at and for the years ended December 31, 2024 and 2023.

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.

Auditors' responsibilities for the audit of the consolidated financial statements

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

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and 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 auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the 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; and

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 year 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.

Song-Tse Wang Chun-Yao Lin

for and on behalf of PricewaterhouseCoopers, Taiwan

March 11, 2025

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.

English Translation of Consolidated Financial Statements Originally Issued in Chinese

AUROTEK CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

DECEMBER 31, 2024 and 2023

(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

			December 31, 2024			December 31, 2023		
	Asset	Notes		Amount	%		Amount	%
	Current asset							
1100	Cash and cash equivalents	6(1)	$	556,660	25	$	449,721	24
1110	Financial assets measured at fair value through profit or loss - current	6(2) and 12		305	-		174	-
1136	Financial assets at amortized cost - current	6(1)(3), 8 and 12		18,687	1		103,615	6
1150	Notes receivable, net	6(4)		12,970	1		22,584	1
1170	Accounts receivable, net	6(4)		596,463	27		242,580	13
1200	Other receivables			3,713	-		3,185	-
130X	Inventories	6(5)		399,966	18		355,058	19
1410	Prepayments			16,155	1		8,136	1
11XX	**Total current assets**			1,604,919	73		1,185,053	64
	Non-current assets							
1517	Financial assets measured at fair value through other comprehensive income - non-current	6(6) and 12		119,060	6		227,098	12
1550	Investments under the equity method	6(7)		69,272	3		64,920	3
1600	Property, plant and equipment	6(8) and 8		238,763	11		231,186	13
1755	Right-of-use asset	6(9)		23,629	1		2,929	-
1760	Investment property, net	6(10) and 8		84,009	4		85,064	5
1840	Deferred income tax assets	6(27)		17,137	1		17,662	1
1990	Other non-current assets	6(11)		31,363	1		31,705	2
15XX	**Total non-current assets**			583,233	27		660,564	36
1XXX	**Total assets**		$	2,188,152	100	$	1,845,617	100

(continued)

English Translation of Consolidated Financial Statements Originally Issued in Chinese

AUROTEK CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

DECEMBER 31, 2024 and 2023

(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

			December 31, 2024		December 31, 2023	
	Liabilities and equity	Notes	Amount	%	Amount	%
	Current liabilities					
2100	Short-term borrowings	6(12) and 8	$ 115,000	5	$ 20,000	1
2130	Contract liabilities - current	6(21)	12,050	1	11,543	1
2150	Notes payable		-	-	1,633	-
2170	Accounts payable		277,125	13	97,870	5
2180	Accounts payable - related parties	7	29,227	1	32,602	2
2200	Other payables	6(13)	123,260	6	74,024	4
2230	Current income tax liabilities		39,437	2	24,997	1
2250	Provisions - current	6(14)	7,789	-	6,905	1
2280	Lease liabilities - current		9,472	-	1,356	-
2399	Other current liabilities -other		2,421	-	2,670	-
21XX	**Total current liabilities**		615,781	28	273,600	15
	Non-current liabilities					
2570	Deferred income tax liabilities	6(27)	42,837	2	39,235	2
2580	Lease liabilities - non-current		13,070	1	623	-
2600	Other non-current liabilities	6(15)	5,649	-	5,316	-
25XX	**Total non-current liabilities**		61,556	3	45,174	2
2XXX	**Total liabilities**		677,337	31	318,774	17
	Equity attributable to owners of the parent					
	Share capital	6(17)				
3110	Common stock capital		827,897	38	827,897	45
	Capital surplus	6(18)				
3200	Capital surplus		93,753	4	92,855	5
	Retained earnings	6(19)				
3310	Legal reserve		192,768	9	184,451	10
3320	Special reserve		1,941	-	2,713	-
3350	Unappropriated retained earnings		327,458	15	243,435	14
	Other equity	6(20)				
3400	Other equity		66,998	3	169,945	9
31XX	**Total equity attributable to owners of the parent**		1,510,815	69	1,521,296	83
36XX	**Non-controlling interest**		-	-	5,547	-
3XXX	**Total equity**		1,510,815	69	1,526,843	83
	Significant contingent liabilities and unrecognized contractual commitments	9				
	Significant events after the reporting period	11				
3X2X	**Total liabilities and equity**		$ 2,188,152	100	$ 1,845,617	100

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

English Translation of Consolidated Financial Statements Originally Issued in Chinese
AUROTEK CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2024 and 2023
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS, EXCEPT EARNINGS PER SHARE DATA)

	Item	Notes	2024 Amount	2024 %	2023 Amount	2023 %
4000	Operating revenue	6(21)	$ 1,662,946	100	$ 983,549	100
5000	Operating cost	6(5)(15)(26) and 7	(1,183,444)	(71)	(674,192)	(69)
5900	Gross operating profit		479,502	29	309,357	31
	Operating expenses	6(15)(26)				
6100	Selling expenses		(191,400)	(12)	(141,511)	(14)
6200	General and administrative expenses		(131,535)	(8)	(113,341)	(12)
6300	Research and development expenses		(41,197)	(2)	(37,209)	(4)
6450	Expected credit impairment gain	12	324	-	5,046	1
6000	Total operating expenses		(363,808)	(22)	(287,015)	(29)
6900	Operating profit		115,694	7	22,342	2
	Non-operating income and expenses					
7100	Interest revenue	6(3)(22)	19,314	1	14,857	2
7010	Other income	6(23) and 7	39,533	3	30,917	3
7020	Other gains and losses	6(2)(9)(24)	28,359	2	11,276	1
7050	Financial costs	6(9)(12)(25)	(1,769)	-	(278)	-
7060	Share of profit of affiliated companies and joint ventures under the equity method	6(7)	9,023	-	5,314	1
7000	Total non-operating income and expenses		94,460	6	62,086	7
7900	**Profit before income tax**		210,154	13	84,428	9
7950	Income tax expense	6(27)	(35,366)	(2)	(5,020)	(1)
8200	**Net income for the year**		$ 174,788	11	$ 79,408	8

(continued)

English Translation of Consolidated Financial Statements Originally Issued in Chinese
AUROTEK CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2024 and 2023
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS, EXCEPT EARNINGS PER SHARE DATA)

			2024		2023	
	Item	Notes	Amount	%	Amount	%
	Other comprehensive income (loss)					
	Items not reclassified into profit or loss					
8311	Remeasurement of defined benefit plans	6(15)	($ 534)	-	$ 5,502	1
8316	Unrealized valuation gains or losses on investments in equity instruments measured at fair value through other comprehensive income	6(6)(20) and 12	(108,038)	(6)	120,671	12
8349	Income tax related to items not subject to reclassification	6(27)	107	-	(1,100)	-
8310	Total of items not reclassified to profit or loss		(108,465)	(6)	125,073	13
	Items that may be reclassified subsequently to profit or loss					
8361	Financial statements translation differences of foreign operations	6(20)	5,366	-	(3,148)	-
8370	Share of other comprehensive income of affiliates and joint ventures under the equity method –items that may be reclassified to profit or loss	6(7)(20)	1,207	-	(319)	-
8399	Income tax related to items that may be reclassified	6(20)(27)	(1,295)	-	679	-
8360	Total of items that may be reclassified subsequently to profit or loss		5,278	-	(2,788)	-
8300	**Other comprehensive income (net)**		($ 103,187)	(6)	$ 122,285	13
8500	**Total comprehensive income for the year**		$ 71,601	5	$ 201,693	21
	Net profit attributable to:					
8610	Owners of the parent company		$ 174,876	11	$ 78,773	8
8620	Non-controlling interest		(88)	-	635	-
			$ 174,788	11	$ 79,408	8
	Total comprehensiveincome attributable to:					
8710	Owners of the parent company		$ 71,689	5	$ 201,058	21
8720	Non-controlling interest		(88)	-	635	-
			$ 71,601	5	$ 201,693	21
	Earnings per share	6(28)				
9750	Basic earnings per share		$	2.11	$	0.95
9850	Diluted earnings per share		$	2.11	$	0.95

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

English Translation of Consolidated Financial Statements Originally Issued in Chinese

AUROTEK CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

YEARS ENDED DECEMBER 31, 2024 and 2023

(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

		Equity attributable to owners of the parent												
			Capital surplus				Retained earnings			Other equity				
	Notes	Share capital-common stock	Issuance premium	Changes in net equity of affiliated companies and joint ventures under equity method	Capital surplus - employee stock options	Others	Legal reserve	Special reserves	Unappropriated retained earnings	Financial statements translation differences of foreign operations	Unrealized gains or losses on financial assets at fair value through other comprehensive income	Total	Non-controlling interest	Total equity
2023														
Balance at January 1, 2023		$ 827,897	$ 87,946	$ 3,309	$ -	$ 1,600	$ 162,787	$ 2,713	$ 330,945	($ 12,521)	$ 64,583	$ 1,469,259	$ 4,912	$ 1,474,171
Net income for the year		-	-	-	-	-	-	-	78,773	-	-	78,773	635	79,408
Other comprehensive income in the current year		-	-	-	-	-	-	-	4,402	(2,788)	120,671	122,285	-	122,285
Total comprehensive income for the year		-	-	-	-	-	-	-	83,175	(2,788)	120,671	201,058	635	201,693
Earnings appropriation and distribution for 2022	6(19)													
Appropriation of legal reserve		-	-	-	-	-	21,664	-	(21,664)	-	-	-	-	-
Cash dividends		-	-	-	-	-	-	-	(149,021)	-	-	(149,021)	-	(149,021)
Balance at December 31, 2023		$ 827,897	$ 87,946	$ 3,309	$ -	$ 1,600	$ 184,451	$ 2,713	$ 243,435	($ 15,309)	$ 185,254	$ 1,521,296	$ 5,547	$ 1,526,843
2024														
Balance at January 1, 2024		$ 827,897	$ 87,946	$ 3,309	$ -	$ 1,600	$ 184,451	$ 2,713	$ 243,435	($ 15,309)	$ 185,254	$ 1,521,296	$ 5,547	$ 1,526,843
Net income for the year		-	-	-	-	-	-	-	174,876	-	-	174,876	(88)	174,788
Other comprehensive income in the current year		-	-	-	-	-	-	-	(427)	5,278	(108,038)	(103,187)	-	(103,187)
Total comprehensive income for the year		-	-	-	-	-	-	-	174,449	5,278	(108,038)	71,689	(88)	71,601
Earnings appropriation and distribution for 2023	6(19)													
Appropriation of legal reserve		-	-	-	-	-	8,317	-	(8,317)	-	-	-	-	-
Cash dividends		-	-	-	-	-	-	-	(82,790)	-	-	(82,790)	-	(82,790)
Share-based payment expense	6(16)	-	-	-	898	-	-	-	-	-	-	898	-	898
Disposal of subsidiary	6(20)	-	-	-	-	-	-	(241)	241	2,204	-	2,204	-	2,204
Disposal of investments accounted for using the equity method	6(20)	-	-	-	-	-	-	(531)	531	(2,391)	-	(2,391)	-	(2,391)
Difference between the acquisition cost of subsidiary shares and their carrying amount	6(29)	-	-	-	-	-	-	-	(91)	-	-	(91)	-	(91)
Decrease in Non-controlling Interests	6(29)	-	-	-	-	-	-	-	-	-	-	-	(5,459)	(5,459)
Balance at December 31, 2024		$ 827,897	$ 87,946	$ 3,309	$ 898	$ 1,600	$ 192,768	$ 1,941	$ 327,458	($ 10,218)	$ 77,216	$ 1,510,815	$ -	$ 1,510,815

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

English Translation of Consolidated Financial Statements Originally Issued in Chinese
AUROTEK CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2024 and 2023
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

	Notes	2024	2023
Cash flow from operating activities			
Net income before tax for the current year		$ 210,154	$ 84,428
Adjusted items			
Income and expenses			
Depreciation expense	6(8)(9)(10)(26)	21,925	25,618
Amortization expense		24	-
Reversal gain of expected credit impairment	12	(324)	(5,046)
Interest expense	6(25)	1,769	278
Share-based payments		898	-
Net (gain) loss on financial assets at fair value through profit or loss	6(2)(24)	(131)	(55)
Losses from disposal of property, plant and equipment	6(24)	292	460
Gains and losses on sale and leaseback interest revenue	6(9)(24)	-	(16,607)
Gain on lease modification	6(9)(24)	(55)	-
Interest revenue	6(22)	(19,314)	(14,857)
Dividend income	6(23)	(15,400)	(20,426)
Share of profit of affiliates companies under the equity method	6(7)	(9,023)	(5,314)
Changes in assets/liabilities relating to operating activities			
Net changes in assets relating to operating activities			
Notes receivable		9,761	19,524
Accounts receivable		(351,496)	119,572
Other receivables		(528)	3,643
Inventories		(49,622)	28,069
Prepayments		(8,019)	904
Net changes in liabilities relating to operating activities			
Contract liabilities - current		507	8,594
Notes payable		-	222
Accounts payable		173,771	1,438
Accounts payable - related parties		(1,633)	4,991
Other payables		49,236	(42,295)
Provisions - current		884	(733)
Other current liabilities		(249)	2,310
Other non-current liabilities		(409)	(4,709)
Cash inflow generated from operations		13,018	190,009
Interest received		19,314	14,857
Dividends received		18,613	23,812
Interest paid		(1,769)	(278)
Income tax paid		(17,862)	(52,445)
Net cash inflow from operating activities		31,314	175,955

(continued)

English Translation of Consolidated Financial Statements Originally Issued in Chinese
AUROTEK CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2024 and 2023
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

	Notes	2024	2023
Cash flow from investing activities			
(Increase) decrease in financial assets at amortized cost		$ 84,928	($ 3,130)
Acquisition of property, plant and equipment	6(8)	(12,945)	(4,540)
Proceeds from the disposal of property, plant and equipment		2,003	1,031
Decrease (increase) of other non-current assets		260	20,216
Proceeds from the disposal of investments accounted for using the equity method	6(7)	2,665	-
Refundable deposits (listed as other non-current assets) (increase) decrease		1,003	(165)
Acquisition of intangible assets		(875)	-
Net cash inflow from investing activities		77,039	13,412
Cash flow from financing activities			
Increase (decrease) of short-term borrowings	6(30)	95,000	20,000
Distribution of cash dividends	6(19)	(82,790)	(149,021)
Lease principal repayment	6(30)	(11,583)	(19,024)
Increase in guarantee deposits received	6(30)	208	1,080
Changes in non-controlling interests	6(29)	(5,550)	-
Net cash outflow from financing activities		(4,715)	(146,965)
Exchange rate effect		3,301	138
Increase in cash and cash equivalents in the current period		106,939	42,540
Opening balance of cash and cash equivalents		449,721	407,181
Closing balance of cash and cash equivalents		$ 556,660	$ 449,721

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

AUROTEK CORPORATION AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

(Amounts in Thousands of New Taiwan Dollars, Unless Specified Otherwise)

I. HISTORY AND ORGANISATION

AUROTEK CORPORATION (the "Company") was incorporated in the Republic of China (R.O.C.). The Company and its subsidiaries (collectively referred herein as the Group) are mainly engaged in the manufacturing, processing, trading of various automation equipment and system components, the manufacturing, processing, trading of various electronic product process equipment and industrial controllers, as well as automatic smoke extraction system engineering, building structure vibration isolation system engineering, and distribution, quotation and procurement of related products from domestic and foreign manufacturers. The Company's shares have been traded at the Taipei Exchange since December 2002, and on the Taiwan Stock Exchange since December 31, 2007.

II. THE DATE OF AUTHORISATION FOR ISSUANCE OF THE PARENT COMPANY ONLY FINANCIAL STATEMENTS AND PROCEDURES FOR AUTHORISATION

The consolidated financial statements were approved and authorized for issue by the Board of Directors on March 11, 2025.

III. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS

(I) Effect of the adoption of new issuances or amendments to International Financial Reporting Standards (“IFRS”) Accounting Standards that came into effect as endorsed by the Financial Supervisory Commission (“FSC”)

New, amended and revised standards and interpretations endorsed by the FSC and became effective from 2024 are as follows:

New, Amended and Revised Standards and Interpretations	Effective date by International Accounting Standards Board
Amendments to IFRS 16 “Lease Liabilities in a Sale and Leaseback Transaction”	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 Financing Arrangements”	January 1, 2024

The above standards and interpretations have no significant impact on the Group’s financial condition and financial performance based on the Group’s assessment.

(II) Effect of new issuances 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 became effective from 2025 are as follows:

New, Amended and Revised Standards and Interpretations	Effective date by International Accounting Standards Board
Amendments to IAS 21 “Lack of Exchangeability”	January 1, 2025

The above standards and interpretations have no significant impact on the Group’s financial condition and financial performance based on the Group’s assessment.

(III) Impacts of IFRSs issued by the International Accounting Standards Board 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, Amended and Revised Standards and Interpretations	Effective date by International Accounting Standards Board
Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments"	January 1, 2026
Amendments to IFRS 9 and IFRS 7 “Disclosures—Contracts for Renewable Electricity”	January 1, 2026
Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets between an Investor and its Associate or Joint Venture”	To be decided by IASB
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
IFRS 18 “Presentation and Disclosure of Financial Statements”	January 1, 2027
IFRS 19 “Subsidiaries Without Public Accountability: Disclosures”	January 1, 2027
IFRS Accounting Standards ”Annual Improvements—Volume 11”	January 1, 2026

Except for the following, the Group has assessed that the above standards and interpretations do not have a significant impact on its financial position and financial performance:

IFRS 18 “Presentation and Disclosure of Financial Statements”

IV. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

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.

(I) Statement of Compliance

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').

(II) Basis of Preparation

1. Except for the following items, the consolidated financial statements have been prepared using the historical cost convention:
   (1) Financial assets and financial liabilities measured at fair value through profit or loss (including derivatives).
   (2) Financial assets measured at fair value through other comprehensive income.
   (3) Defined benefit liabilities recognized as the net amount of pension fund assets, net of the present value of defined benefit obligations.
2. The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

(III) Basis for Consolidation

1. Basis for preparation of consolidated financial statements:
   (1) 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.
   (2) Inter-company transactions, balances and unrealised gains or losses on transactions between companies within the Group are eliminated. Accounting policies of subsidiaries are consistent with the policies adopted by the Group.
   (3) 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.
   (4) 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.

(5) 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 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.

2. Subsidiaries included in the consolidated financial statements:

			Ownership (%)		
Name of investee	Name of subsidiary	Main business activities	December 31,2024	December 31,2023	Description
AUROTEK CORPORATION	TAIWAN OILES INDUSTRY CO., LTD. (hereinafter referred to as “Taiwan Oiles")	Manufacturing and trading of self-lubricating bearings and parts	-	90	Note1
AUROTEK CORPORATION	Aurotek (Shanghai) Inc. (hereinafter referred to as "Aurotek Shanghai")	International trade, processing and assembly machinery, electronic board divider	100	100	
AUROTEK CORPORATION	AUROTEK INC.	Export trading of electronic machines and robotic arms	-	100	Note2
AUROTEK CORPORATION	Kunshan Yichun Industrial Technology Co., Ltd. (Kunshan Yichun)	Production and sale of various electronic equipment and high-end construction hardware and other related parts	100	100	

Note1: On May 10, 2024, the Group acquired an additional 10% of the issued shares of TAIWAN OILES INDUSTRY CO., LTD. For details, please refer to Note 6(29). Additionally, TAIWAN OILES INDUSTRY CO., LTD. was resolved for liquidation by the Board of Directors on September 30, 2024.

Note2: AUROTEK INC. was resolved for liquidation by the shareholders’ meeting on January 31, 2024. It was registered for dissolution and liquidation on February 5, 2024, and the liquidation process was completed on May 27, 2024

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

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

5. Significant restrictions: None.

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

(IV) Foreign Currencies Translation

Items included in the financial statements of each entity within the Group are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in New Taiwan dollars (NTD), which is the Company's functional and the Group's presentation currency.

1. Foreign currency transactions and balances

(1) Transactions denominated in foreign currencies are translated into the functional currency at the spot exchange rate at the transaction date or the measurement date, and any resulting translation differences are recognized in profit or loss for the period.

(2) The balance of monetary assets and liabilities denominated in foreign currencies is remeasured at the spot exchange rate on the balance sheet date, and any resulting translation differences are recognized in profit or loss for the period.

(3) The balance of non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value through profit or loss (FVTPL) is remeasured at the spot exchange rate on the balance sheet date, and any resulting exchange differences are recognized in other comprehensive income. If not measured at fair value, the item is measured at the historical exchange rate at the transaction date.

(4) All foreign exchange gains and losses are recognized under "Other Gains and Losses" in the income statement.

2. Translation of foreign operations

(1) The operating results and financial position of all entities and associates that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

A. Assets and liabilities for each balance sheet are translated at the closing exchange rate at the balance sheet date;

B. Income and expenses for each statement of comprehensive income are translated at the average exchange rates for the period;

C. All resulting exchange differences are recognized in other comprehensive income.

(2) When the foreign operation that is partially disposed of or sold is an associate, exchange differences recognized in other comprehensive income are proportionately reclassified to profit or loss as part of the gain or loss on sale. In addition, even if the Group still retains a partial interest in the former foreign associate or loses joint control of the associate, such transactions should be accounted for as a disposal of the entire interest in the foreign operation.

(3) When the foreign operation that is partially disposed of or sold is a subsidiary, accumulated exchange differences recognized in other comprehensive income are proportionately transferred to the non-controlling interest within the foreign operation. In addition, even if the Group still retains a partial interest in or loses control of the former foreign subsidiary, such transactions should be accounted for as a disposal of the entire interest in the foreign operation.

(V) Classification of Current and Noncurrent Assets and Liabilities

1. Assets that meet one of the following conditions are classified as current assets; otherwise they are classified as non-current assets:
   (1) Assets arising from operating activities that are expected to be realized, or intended to be sold or consumed within the normal operating cycle;
   (2) Assets held primary for trading;
   (3) Assets that are expected to be realized within 12 months after the balance sheet date;
   (4) Cash or cash equivalents, excluding restricted cash and cash equivalents, as well as those that are to be exchanged or used for settling liabilities at least 12 months after the balance sheet date.
2. Liabilities that meet one of the following conditions are classified as current liabilities; otherwise they are classified as non-current liabilities:
   (1) Liabilities that are expected to be settled within the normal operating cycle;
   (2) Liabilities arising primary for trading;
   (3) Liabilities that are expected to be settled within 12 months after the balance sheet date.
   (4) Does not have the right to defer the settlement of the liability for at least 12 months after the reporting period.

(VI) Cash Equivalents

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

(VII) Financial Assets Measured at Fair Value through Profit or Loss

1. Financial assets measured at fair value through profit or loss are financial assets that do not qualify for measurement at amortized cost or fair value through other comprehensive income.
2. Under the regular way purchase or sale method, financial assets measured at fair value through profit or loss are recognized and derecognized using trade date accounting.
3. At initial recognition, the Group measures financial assets at fair value and recognizes the transaction costs in profit or loss. Subsequently, these financial assets are remeasured at fair value, with any resulting gains or losses recognized in profit or loss.
4. The Group recognized 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.

(VIII) Financial Assets Measured at Fair Value through Other Comprehensive Income

1. Financial assets measured 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 recognize changes in fair value in other comprehensive income; or debt instruments that meet both of the following conditions:
   (1) The financial asset is held within a business model whose objective is to both collect contractual cash flows and sell financial assets;
   (2) The contractual terms of the financial asset give rise to cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding.

2. The Group adopts trade date accounting for financial assets measured at fair value through other comprehensive income that meet the criteria of regular way purchases or sales.

3. At initial recognition, the Group measures these financial assets at fair value plus transaction costs. Subsequently, they are measured at fair value:

   Changes in fair value of equity investments that were recognized in other comprehensive income are reclassified to retained earnings and are not reclassified to profit or loss following the derecognition of the investment. Dividends are recognized 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.

(IX) Financial Assets at Amortized Cost

1. Financial assets at amortized cost are those that meet all of the following criteria:
   (1) The objective of the Group's business model is achieved by collecting contractual cash flows.
   (2) The assets' contractual cash flows represent solely payments of principal and interest.

2. The Group adopts trade date accounting for financial assets measured at amortized cost that meet the criteria of regular way purchases or sales.

3. At initial recognition, the Group measures these financial assets at fair value plus transaction costs. Subsequently, interest income is recognized over the life of the asset using the effective interest method, impairment losses are recognized as necessary, and any gain or loss on derecognition is recognized in profit or loss.

4. 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.

(X) Accounts and Notes Receivable

1. Accounts and notes receivable entitle the Group a legal right to receive consideration in exchange for transferred goods or rendered services.

2. The short-term accounts and notes receivable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

3. The Group's business model for accounts receivable held for sale is to collect contractual cash flows and sell them. They are measured at fair value, with changes recognized in other comprehensive income.

(XI) Impairment of Financial Assets

At each reporting date, the Group assesses impairment for financial assets measured at fair value through other comprehensive income and financial assets measured at amortized cost, including debt instruments and accounts receivable with a significant financing component. Based on all reasonable and verifiable information, if the credit risk has not significantly increased since initial recognition, the Group recognizes a provision for 12 months expected credit losses (ECLs). If the credit risk has significantly increased, a provision for lifetime ECLs is recognized. For accounts receivable or contract assets without a significant financing component, the Group measures impairment using lifetime ECLs.

(XII) Derecognition of Financial Assets

The Group derecognizes a financial asset when the contractual rights to receive the cash flows from the financial asset expire.

(XIII) Lessor's Lease Transactions

Lease income from operating leases, net of any incentives provided to the lessee, is recognized in profit or loss on a straight-line basis over the lease term.

(XIV) Inventories

Inventories are stated at the lower of cost and net realizable value, with cost determined using the weighted average method. The cost of finished goods and work in process comprises raw materials, direct labor, other direct costs, and related production overheads (allocated based on normal operating capacity). Borrowing costs are excluded. The item-by-item approach is applied when determining the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and applicable variable selling expenses.

(XV) Investments Under the Equity Method - Subsidiaries and Associates

1. 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 recognized at cost.

2. The Group's share of its associates' post-acquisition profits or losses is recognized in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognized 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 recognize further losses unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

3. 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 recognizes the Group's share of the change in equity of the associate in 'capital surplus' in proportion to its ownership.

4. Unrealized gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates are consistent with the policies adopted by the Group.

5. When the Group disposes its investment in an associate and loses significant influence over this associate, the amounts previously recognized 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 recognized in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately in accordance with the aforementioned approach.

(XVI) Property, Plant and Equipment

1. Property, plant and equipment are initially recorded at cost. Borrowing costs incurred during the construction period are capitalized.

2. Subsequent costs are included in the asset's carrying amount or recognized 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 derecognized. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred. The carrying amount of the replaced part is derecognized. All other repair and maintenance costs are recognized in profit or loss when incurred.

3. 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 (lease allocates its cost over contractual period). 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.

4. The asset's residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each financial year-end. If expectations for the asset's residual values and useful lives differ from previous estimates or the patterns of consumption of the asset's 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 useful lives of each asset are as follows:

Buildings	25 years	~	50 years
Transportation equipment			5 years
Machinery equipment	3 years	~	5 years
Office equipment	2 years	~	5 years
Other equipment	3 years	~	5 years

(XVII) Lessee's Lease Transactions - Right-of-use assets/Lease liabilities

1. Leases are recognized 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 recognized as an expense on a straight-line basis over the lease term.

2. 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 fixed payments, less any lease incentives receivable. The Group subsequently measures the lease liability at amortized cost using the interest method and recognizes interest expense over the lease term. The lease liability is remeasured and the amount of remeasurement is recognized 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.

3. At the commencement date, the right-of-use asset is stated at cost comprising the following:

   (1) The amount of the initial measurement of lease liability; and

   (2) Any initial direct costs incurred;

   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 recognized as an adjustment to the right-of-use asset.

(XVIII) Investment Property

Investment properties are initially recognized at acquisition cost and subsequently measured using the cost model. Except for land, depreciation is provided on a straight-line basis over the estimated useful life of 50 years.

(XIX) Impairment of Non-Financial Assets

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 recognized 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 amortized historical cost would have been if the impairment had not been recognized.

(XX) Borrowings

1. Borrowings refer to long-term and short-term funds obtained from banks. At initial recognition, borrowings are measured at fair value net of transaction costs. Subsequently, they are carried at amortized cost, and any difference between the net proceeds and the redemption value is amortized using the effective interest method and recognized in profit or loss over the borrowing period.
2. Fees paid when establishing a borrowing facility are recognized as transaction costs if it is highly probable that part or all of the facility will be drawn. These costs are deferred and recognized as an adjustment to the effective interest rate upon drawdown. If it is unlikely that part or all of the facility will be drawn, the fees are recognized as a prepaid expense and amortized over the relevant period of the facility.

(XXI) Accounts Payable and Notes Payable

1. Accounts payable and notes payable represent obligations arising from credit purchases of raw materials, goods, or services, as well as notes payable related to both operating and non-operating activities.
2. Short-term accounts payable and notes payable that do not bear interest are subsequently measured at their original invoice amount, as the impact of discounting is immaterial.

(XXII) Derecognition of Financial Liabilities

A financial liability is derecognized when the obligation specified in the contract is discharged, cancelled or expired.

(XXIII) Offsetting of 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 recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

(XXIV) Provisions

Provisions (including warranty liabilities and litigation provisions) are recognized when the Group has a present legal or constructive obligation from past events, an outflow of economic benefits is probable, and the amount can be reliably estimated. Provisions are measured at the best estimate of the settlement amount at the balance sheet date, discounted to present value if the time value of money is material. The discount rate is a pre-tax rate reflecting market assessments of the time value of money and liability-specific risks. The unwinding of the discount is recognized as interest expense. Future operating losses are not recognized as provisions.

(XXV) Employee Benefits

1. 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 recognized as expense in that period when the employees render service.

2. Pension

   (1) Defined contribution plans

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

   (2) Defined benefit plan

   A. The net obligation under a defined benefit plan is the present value of pension benefits that employees have earned for their services with the Group in the current and prior periods, discounted to present value. The liability recognized in the balance sheet for the defined benefit pension plan 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 discount rate is determined based on market yields of high-quality corporate bonds that have the same currency and maturity as the defined benefit obligation at the balance sheet date. If a deep market for high-quality corporate bonds is not available, the market yield of government bonds at the balance sheet date is used instead.

   B. Remeasurements arising on defined benefit plan are recognized in other comprehensive income in the period in which they arise and are recorded as retained earnings.

   C. Past service costs are recognized immediately in profit or loss.

3. Termination benefits

   Termination benefits are provided when employment is terminated before the normal retirement date or when an employee accepts the Group's offer of benefits in exchange for termination of employment. The Group recognizes expenses at the earlier of when it can no longer withdraw the offer of termination benefits or when the related restructuring costs are recognized. Termination benefits that are not expected to be fully settled within 12 months after the balance sheet date shall be discounted.

4. Employees' compensation and directors' and supervisors' remuneration

   Employees' compensation and directors' and supervisors' remuneration are recognized as expense and liability, provided that such recognition is required under legal or constructive obligation and those amounts can be reliably estimated. Any difference between the resolved amounts and the subsequently actual distributed 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.

(XXVI) Share-based Payment for Employees

Equity-settled share-based payment arrangements are measured at the fair value of the equity instruments granted on the grant date. The cost of employee services received is recognized as compensation expense over the vesting period, with a corresponding increase in equity. The fair value of equity instruments reflects the impact of market-based vesting conditions and non-vesting conditions. The recognized compensation cost is adjusted based on the expected number of awards that will meet service conditions and non-market-based vesting conditions, until the final amount is determined based on the actual number of vested awards at the vesting date.

(XXVII) Income Tax Expense

1. The tax expense for the period comprises current and deferred tax. Tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or items recognized directly in equity, in which cases the tax is recognized in other comprehensive income or equity.
2. The current income tax charge is calculated based on tax laws enacted or substantively enacted at the balance sheet date in the country where operations are conducted and taxable income is generated. 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.
3. Deferred tax is recognized, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the parent company only financial statements. 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, 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 substantively enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realized or the deferred tax liability is settled.
4. Deferred tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. At each balance sheet date, unrecognized and recognized deferred tax assets are reassessed.
5. 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 recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets and liabilities, and the deferred tax assets and liabilities arise from the same taxable entity under the same tax authority, or from different taxable entities that intend to settle on a net basis or to realize the assets and settle the liabilities simultaneously.
6. Deferred tax assets arising from unused income tax credits carried forward from the acquisition of equipment, technology, research, and development expenditures are recognized to the extent that it is probable that future taxable profit will be available to utilize the unused tax credits.

(XXVIII) 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.

(XXIX) Dividends

Dividends are recorded in the Group's financial statements in the period in which they are resolved by the Group's shareholders. Cash dividends are recorded as liabilities, while stock dividends declared are recognized as stock dividends to be distributed and reclassified to ordinary shares on the record date of the new share issuance.

(XXX) Revenue Recognition

1. Sale of goods
   (1) The Group manufactures and sells various automation equipment and system components. Revenue from sales is recognized when control of the product is transferred to the customer, which occurs when the product is delivered to the customer, the customer has full discretion over the use and benefits of the product, and the Group has no remaining performance obligations that could affect the customer's acceptance of the product. Delivery is deemed to have occurred when the product has been shipped to the specified location, the risks of obsolescence and loss have transferred to the customer, and the customer has either accepted the product in accordance with the sales contract or there is objective evidence that all acceptance criteria have been met.
   (2) The Group provides standard warranties for certain sold products and is obligated to repair product defects. A provision is recognized at the time of sale.
   (3) Accounts receivable are recognized when the goods are delivered to the customer, as the Group has an unconditional right to the contractual consideration at that point, and collection is only subject to the passage of time.
2. Engineering services
   (1) The Group provides installation services for smoke extraction systems and louver-related solutions. Service revenue is recognized over the financial reporting period in which the services are provided to the customer. For fixed-price contracts, revenue is recognized based on the proportion of services performed to date relative to the total services required under the contract as at the balance sheet date. The percentage of completion is determined based on actual costs incurred relative to the estimated total costs. Customers make payments according to the agreed payment schedule. If the services provided exceed the amount billable to the customer, a contract asset is recognized. Conversely, if the amount billable to the customer exceeds the services provided, a contract liability is recognized.
   (2) The Group revises its estimates of revenue, costs, and completion progress as circumstances change. Any increases or decreases in estimated revenue or costs due to changes in estimates are reflected in profit or loss in the period when the changes become known to management.

(XXXI) Government Grants

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

(XXXII) Operation Department

The Group’s operating segment information is reported in a manner consistent with the internal management reports provided to the chief operating decision maker. The chief operating decision maker is responsible for allocating resources to the operating segments and assessing their performance.

V. CRITICAL ACCOUNTING JUDGMENTS, ESTIMATES AND KEY SOURCES OF ASSUMPTION UNCERTAINTY

The preparation of the consolidated financial statements requires management to make critical judgments 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. The Group has no critical accounting judgments in applying accounting policies; and the critical accounting estimates and assumptions uncertainty information is addressed below:

Critical Accounting Estimates and Assumptions

Inventory Valuation

As inventories are measured at the lower of cost and net realizable value, the Group must exercise judgment and make estimates to determine the net realizable value of inventories as at the balance sheet date. Due to rapid technological advancements, the Group assesses the amount of inventory subject to normal wear and tear, obsolescence, or lack of marketability as at the balance sheet date and writes down inventory costs to net realizable value when necessary. This inventory valuation is primarily based on estimated product demand over a specific future period, which may result in significant changes.

As at December 31, 2024, the carrying amount of the Group's inventories was $399,966.

VI. DETAILS OF MATERIAL ACCOUNTS

(I) Cash and Cash Equivalents

	December 31, 2024	December 31,2023
Cash on hand and revolving funds	$ 306	$ 175
Checking accounts and demand deposit	321,770	253,418
Time deposits	234,584	196,128
	$ 556,660	$ 449,721

1. The Group engages with a variety of financial institutions, all with high credit quality, to mitigate credit risk. As a result, it expects that the probability of counterparty default is minimal.
2. As at December 31, 2024, and 2023, the Group's cash and cash equivalents each amounted to $775, which are subject to restrictions due to construction performance and borrowings pledged as collateral. Details of the pledged assets are provided in Note 8.
3. As at December 31, 2024, and 2023, the Group's time deposits that do not qualify as cash equivalents amounted to $18,687 and $103,615, respectively, and were presented as "financial assets at amortized cost".

(II) Financial Assets Measured at Fair Value through Profit or Loss

Item	December 31, 2024	December 31, 2023
Current items		
Financial assets mandatorily measured at fair value through profit or loss		
Listed stocks	$ 1,150	$1,150
Valuation adjustment	(845)	(976)
	$ 305	$ 174

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

	Years Ended December 31	
	2024	2023
Financial assets mandatorily measured at fair value through profit or loss		
Equity instruments	$ 131	$ 55

2. The Group has no financial assets measured at fair value through profit or loss pledged to others.
3. For market risk information related to financial assets measured at fair value through profit or loss, please refer to Note 12(2).

(III) Financial Assets at Amortized Cost

Item	December 31, 2024	December 31, 2023
Current items		
Time deposits with original maturity date of more than 3 months	$ 17,912	$ 102,840
Pledged time deposits	775	775
	$ 18,687	$ 103,615

1. The breakdown of financial assets measured at amortized cost recognized in profit or loss is as follows:

	Years Ended December 31	
	2024	2023
Interest income	$ 4,618	$ 1,939

2. Without considering collateral held or other credit enhancements, the maximum exposure to credit risk for the Group's financial assets measured at amortized cost as at December 31, 2024, and 2023, amounted to $18,687 and $103,615, respectively.
3. For details on financial assets measured at amortized cost pledged as collateral, please refer to Note 8.
4. Please refer to Note 12(2) for credit risk information related to financial assets measured at amortized cost. The Group's counterparties for time deposit investments are financial institutions with high credit quality, and the probability of default is expected to be minimal.

(IV) Notes and Accounts Receivable

	December 31, 2024	December 31, 2023
Notes receivable	$ 12,970	$ 22,584

	December 31, 2024	December 31, 2023
Accounts receivable	$ 602,133	$ 248,399
Less: Loss Allowance	(5,670)	(5,819)
	$ 596,463	$ 242,580

1. The aging analysis of notes receivable is as follows:

	December 31, 2024	December 31, 2023
Not past due	$ 12,970	$ 22,584

2. The aging analysis of accounts receivable is as follows:

	December 31, 2024	December 31, 2023
Not past due	$ 588,358	$ 226,137
Past due within 90 days	9,121	16,297
Past due over 91 days	4,654	5,965
	$ 602,133	$ 248,399

The above aging analysis was based on past due date.

3. As at December 31, 2024, December 31, 2023, and January 1, 2023 accounts receivable and notes receivable were all from contracts with customers. As at January 1, 2023, the balance of receivables from contracts with customers and the loss allowance amounted to $416,336 and $10,921, respectively.
4. As at December 31, 2024 and 2023, without taking into account any collateral held or other credit enhancements, the maximum hedge to credit risk in respect of the amount that best represents the Group’s notes receivable were $12,970 and $22,584, and accounts receivable were $596,463 and $242,580, respectively.
5. The Group does not hold any collateral for its accounts receivable.
6. Information related to credit risk is provided in Note 12(2).

(V) Inventories

	December 31, 2024		
	Cost	Allowance for inventory valuation loss	Carrying amount
Raw materials	$ 84,928	($ 15,676)	$ 69,252
Work in progress	28,749	(4,819)	23,930
Finished goods	55,896	(9,242)	46,654
Merchandise	278,566	(18,467)	260,099
Inventory in transit	31	-	31
	$ 448,170	($ 48,204)	$ 399,966

	December 31, 2023		
	Cost	Allowance for inventory valuation loss	Carrying amount
Raw materials	$ 74,706	($ 17,549)	$ 57,157
Work in progress	27,386	(70)	27,316
Finished goods	39,323	(13,472)	25,851
Merchandise	260,176	(15,517)	244,659
Inventory in transit	75	-	75
	$ 401,666	($ 46,608)	$ 355,058

The cost of inventories recognized as expense losses for the year:

	Years Ended December 31	
	2024	2023
Cost of goods sold	$ 1,135,659	$ 647,368
Other operating costs	46,189	47,626
Inventory valuation loss (reversal gain)	1,596	(20,802)
	$ 1,183,444	$ 674,192

In 2023, the Group recognized an inventory reversal gain due to the sale of previously valuation-loss recorded inventory.

(VI) Financial assets measured at fair value through other comprehensive income

Item	December 31, 2024	December 31, 2023
Non-current items		
Equity instruments		
Unlisted stocks	$ 58,973	$ 58,973
Valuation adjustment	60,087	168,125
	$ 119,060	$ 227,098

1. The Group has elected to classify investments that are considered to be strategic investments as financial assets measured at fair value through other comprehensive income. The fair value of such investments amounted to $119,060 and $227,098 as at December 31, 2024 and 2023, respectively.

2. Amounts recognized in profit or loss and other comprehensive income in relation to the financial assets measured at fair value through other comprehensive income are listed below:

	Years Ended December 31	
	2024	2023
Equity instruments at fair value through other comprehensive income		
Fair value change recognized in other comprehensive income	($ 108,038)	$ 120,671

3. As at December 31, 2024 and 2023, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the financial assets measured at fair value through other comprehensive income held by the Group were $119,060 and $227,098, respectively.

4. The Group has no financial assets measured at fair value through other comprehensive income pledged to others as collateral.

5. Market risk information related to financial assets measured at fair value through other comprehensive income is provided in Note 12(3).

(VII) Investments Under the Equity Method

1. The details of investments under the equity method are as follows:

	December 31, 2024	December 31, 2023
PLENTY ISLAND (THAI) CO., LTD.	$ -	$ 601
KUNSHAN KYOWA UNIVERSAL JOINT CO., LTD.	37,978	34,289
3e Yamaichi Electronics Co., Ltd.	31,294	30,030
	$ 69,272	$ 64,920

	Years Ended December 31	
	2024	2023
Balance at January 1	$ 64,920	$ 63,311
Disposal of investments under the equity method	(2,665)	-
Share of profit and loss of investment accounted for using the equity method	9,023	5,314
Distribution of earnings from investment accounted for using the equity method	(3,213)	(3,386)
Other changes in equity	1,207	(319)
Balance at December 31	$ 69,272	$ 64,920

2. The Group's investee, PLENTY ISLAND (THAI) CO., LTD., completed its liquidation process on September 27, 2024, and the related capital has been recovered.

3. Associates

The Group’s associates accounted for using the equity method are all considered individually immaterial. The aggregated share of their operating results is summarized as follows:

As at December 31, 2024 and 2023, the total carrying amount of the Group’s individually immaterial associates amounted to $69,272 and $64,920, respectively.

	Years Ended December 31	
	2024	2023
Profit from continuing operations	$ 9,023	$ 5,314
Other comprehensive income (net of tax)	-	-
Total comprehensive income for the year	$ 9,023	$ 5,314

(VIII) Property, Plant and Equipment

	Land	Buildings	Machinery equipment	Transportation equipment	Office equipment	Other equipment	Construction in progress	Total
Balance at January 1, 2024								
Cost	$ 150,319	$ 112,079	$ 9,548	$ 2,969	$ 6,714	$ 17,369	$ 1,462	$ 300,460
Accumulated depreciation	-	(43,641)	(7,341)	(2,275)	(4,469)	(11,548)	-	(69,274)
	$ 150,319	$ 68,438	$ 2,207	$ 694	$ 2,245	$ 5,821	$ 1,462	$ 231,186
2024								
Balance at January 1	$ 150,319	$ 68,438	$ 2,207	$ 694	$ 2,245	$ 5,821	$ 1,462	$ 231,186
Additions	-	-	8,783	-	204	2,643	1,315	12,945
Disposals	-	-	(1,215)	-	(37)	(1,043)	-	(2,295)
Reclassification (Note)	-	-	3,534	-	-	5,514	(2,803)	6,245
Depreciation charge	-	(2,297)	(2,516)	(331)	(1,276)	(3,037)	-	(9,457)
Exchange rate effect	-	-	(6)	14	2	103	26	139
December 31	$ 150,319	$ 66,141	$ 10,787	$ 377	$ 1,138	$ 10,001	$ -	$ 238,763
Balance at December 31, 2024								
Cost	$ 150,319	$ 112,079	$ 14,817	$ 3,037	$ 6,560	$ 17,623	$ -	$ 304,435
Accumulated depreciation	-	(45,938)	(4,030)	(2,660)	(5,422)	(7,622)	-	(65,672)
	$ 150,319	$ 66,141	$ 10,787	$ 377	$ 1,138	$ 10,001	$ -	$ 238,763

	Land	Buildings	Machinery and equipment: Self-use	Machinery and equipment: Available for lease	Machinery and equipment: Subtotal	Transportation equipment	Office equipment	Other equipment	Construction in progress	Total
Balance at January 1, 2023										
Cost	$ 150,319	$ 112,079	$ 24,888	$ 1,247	$ 26,135	$ 3,214	$ 5,468	$ 17,062	$ -	$ 314,277
Accumulated depreciation	-	(41,344)	(19,667)	(1,019)	(20,686)	(1,880)	(3,404)	(9,556)	-	(76,870)
	$ 150,319	$ 70,735	$ 5,221	$ 228	$ 5,449	$ 1,334	$ 2,064	$ 7,506	$ -	$ 237,407
2023										
Balance at January 1	$ 150,319	$ 70,735	$ 5,221	$ 228	$ 5,449	$ 1,334	$ 2,064	$ 7,506	$ -	$ 237,407
Additions	-	-	707	-	707	-	1,587	784	1,462	4,540
Disposals	-	-	(495)	-	(495)	-	(27)	(49)	-	(571)
Reclassification (Note)	-	-	-	-	-	-	-	123	-	123
Depreciation charge	-	(2,297)	(3,204)	(228)	(3,432)	(633)	(1,378)	(2,515)	-	(10,255)
Exchange rate effect	-	-	(22)	-	(22)	(7)	(1)	(28)	-	(58)
Balance at December 31	$ 150,319	$ 68,438	$ 2,207	$ -	$ 2,207	$ 694	$ 2,245	$ 5,821	$ 1,462	$ 231,186
Balance at December 31, 2023										
Cost	$ 150,319	$ 112,079	$ 9,548	$ -	$ 9,548	$ 2,969	$ 6,714	$ 17,369	$ 1,462	$ 300,460
Accumulated depreciation	-	(43,641)	(7,341)	-	(7,341)	(2,275)	(4,469)	(11,548)	-	(69,274)
	$ 150,319	$ 68,438	$ 2,207	$ -	$ 2,207	$ 694	$ 2,245	$ 5,821	$ 1,462	$ 231,186

Note: Primarily due to reclassification from inventories.

1. The Company has no interest capitalization.
2. Information on property, plant, and equipment pledged as collateral is provided in Note 8.

(IX) Lessee’s Lease Transactions

1. The Group leases various assets, including land use rights, buildings, company vehicles, and multifunctional office equipment. Rental contracts typically have a term of 1 to 4 years. Lease terms are negotiated on an individual basis and contain various terms and conditions, with no additional restrictions imposed.

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

	December 31, 2024	December 31, 2023
Right-of-use assets:	Carrying amount	Carrying amount
Buildings	$ 21,966	$ 2,519
Machinery equipment	-	35
Transportation equipment	1,228	375
Production equipment	435	-
	$ 23,629	$ 2,929

	Years Ended December 31	
	2024	2023
	Depreciation charge	Depreciation charge
Buildings	$ 10,809	$ 13,983
Machinery equipment	36	134
Transportation equipment	481	191
Production equipment	87	-
	$ 11,413	$ 14,308

3. For the years ended December 31, 2024 and 2023, the additions to right-of-use assets were $33,000 and $1,313, respectively.

4. Information on profit or loss in relation to lease contracts is as follows:

	Years Ended December 31	
	2024	2023
Items affecting profit or loss		
Interest expense of lease liabilities	$ 798	$ 165
Expense for short-term lease contracts	2,411	841
Expense for lease of low-value assets	29	153
Gain on lease modification	55	-
Gain or loss on sale and leaseback transactions (Note)	-	16,607

Note: In the first quarter of 2021, the Group entered into a three-year lease agreement for buildings to meet operational needs. Based on the initial assessment to exercise the extension option, the lease term was extended to five years. However, in 2023, the Group reassessed the lease and decided not to exercise the extension option. Accordingly, the right-of-use asset and lease liability were remeasured and reduced, with the resulting difference recognized in profit or loss.

5. For the years ended December 31, 2024 and 2023, the Group’s total cash outflow for leases were $14,821 and $20,183, respectively.

(X) Investment Property

	Land	Buildings	Total
Balance at January 1, 2024			
Cost	$ 51,933	$ 53,782	$ 105,715
Accumulated depreciation	-	(20,651)	(20,651)
	$ 51,933	$ 33,131	$ 85,064
2024			
Balance at January 1	$ 51,933	$ 33,131	$ 85,064
Depreciation charge	-	(1,055)	(1,055)
Balance at December 31	$ 51,933	$ 32,076	$ 84,009
Balance at December 31, 2024			
Cost	$ 51,933	$ 53,782	$ 105,715
Accumulated depreciation	-	(21,706)	(21,706)
	$ 51,933	$ 32,076	$ 84,009

	Land	Buildings	Total
Balance at January 1, 2023			
Cost	$ 51,933	$ 53,782	$ 105,715
Accumulated depreciation	-	(19,596)	(19,596)
	$ 51,933	$ 34,186	$ 86,119
2023			
Balance at January 1	$ 51,933	$ 34,186	$ 86,119
Depreciation charge	-	(1,055)	(1,055)
Balance at December 31	$ 51,933	$ 33,131	$ 85,064
Balance at December 31, 2023			
Cost	$ 51,933	$ 53,782	$ 105,715
Accumulated depreciation	-	(20,651)	(20,651)
	$ 51,933	$ 33,131	$ 85,064

1. Rental income and direct operating expenses of investment property:

	Years Ended December 31	
	2024	2023
Rent income from investment property	$ 5,157	$ 5,002
Direct operating expenses incurred for investment property that generated rental income during the year	$ 1,055	$ 1,055

2. The fair value of the Group's investment property as at December 31, 2024 and 2023 amounted to $215,258 and $177,761, respectively. The valuation was primarily based on the government-assessed land value and the market transaction prices of comparable properties in the surrounding areas.

3. The aforementioned investment property comprises two leased properties located on Zhouzi Street, Neihu District. The respective lease periods are: from January 15, 2019 to March 31, 2024; from April 1, 2024 to March 31, 2029; from August 1, 2022 to July 31, 2024; and from August 1, 2024 to July 31, 2026.

4. Information on investment property pledged as collateral is provided in Note 8.

(XI) Other Non-current Assets

	December 31, 2024	December 31, 2023
Guarantee deposits paid	$ 3,724	$ 5,001
Other assets - others	27,639	26,704
	$ 31,363	$ 31,705

(XII) Short-term Borrowings

Type of borrowings	December 31, 2024	Interest rate range	Collateral
Bank borrowings			
Unsecured loans	$ 115,000	0.5%~1.875%	None

Type of borrowings	December 31, 2023	Interest rate range	Collateral
Bank borrowings			
Unsecured loans	$ 20,000	1.70%	None

1. For the years ended December 31, 2024 and 2023, interest expense recognized in profit or loss amounted to $971 and $113, respectively.

2. Information on collateral arrangements is provided in Note 8.

(XIII) Other Payables

	December 31, 2024	December 31, 2023
Salary and bonus payable	$ 70,420	$ 35,855
Employees' and directors' compensation payable	18,071	7,126
Commission payable	3,993	6,242
Other expenses payable	27,402	19,941
Others	3,374	4,860
	$ 123,260	$ 74,024

(XIV) Provisions

	Years Ended December 31	
	2024	2023
Balance at January 1	$ 6,905	$ 7,638
Provisions increased in the period	3,976	3,510
Provisions used in the period	(3,092)	(4,243)
Balance at December 31	$ 7,789	$ 6,905

The Group's provision for warranty liabilities is primarily related to the sale of self-manufactured products and is estimated based on historical warranty data for these products.

(XV) Pension

1.(1) The Company has a defined benefit pension plan in accordance with the Labor Standards Act, covering all regular employees' service years prior to the enforcement of the Labor Pension Act on July 1, 2005 and service years thereafter of employees who chose to continue to be subject to the pension mechanism under the Labor Standards Act. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months 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 not enough 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 contribution for the deficit by next March.

(2) The amounts recognized in the balance sheet are as follows:

	December 31, 2024	December 31, 2023
Present value of defined benefit obligations	($ 31,174)	($ 29,416)
Fair value of plan assets	27,621	25,988
Net defined benefit liabilities (shown as "Other non-current liabilities")	($ 3,553)	($ 3,428)

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

	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liability
Year ended December 31,2024			
Balance at January 1	($ 29,416)	$ 25,988	($ 3,428)
Interest (expense) income	(353)	312	(41)
	(29,769)	26,300	(3,469)
Remeasurements:			
Return on plan assets (excluding amounts included in interest income or expense)	-	2,275	2,275
Change in financial assumptions	785	-	785
Experience adjustments	(3,594)	-	(3,594)
	(2,809)	2,275	(534)
Pension fund contribution	-	450	450
Paid pension	1,404	(1,404)	-
Balance at December 31	($ 31,174)	$ 27,621	($ 3,553)

	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liability
Year ended December 31,2023			
Balance at January 1	($ 34,321)	$ 25,084	($ 9,237)
Interest (expense) income	(446)	326	(120)
	(34,767)	25,410	(9,357)
Remeasurements:			
Return on plan assets (excluding amounts included in interest income or expense)	-	151	151
Change in financial assumptions	(214)	-	(214)
Experience adjustments	5,565	-	5,565
	5,351	151	5,502
Pension fund contribution	-	427	427
Paid pension	-	-	-
Balance at December 31	($ 29,416)	$ 25,988	($ 3,428)

(4) 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 utilization plan and the "Regulations for Revenues, Expenditures, Safeguard and Utilization of the Labor Retirement Fund" (Article 6: The scope of utilization 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 utilization 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 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 assets fair value in accordance with IAS 19 paragraph 142. The composition of fair value of plan assets as at December 31, 2024 and 2023 is given in the Annual Labor Retirement Fund Utilization Report announced by the government.

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

	Years Ended December 31	
	2024	2023
Discount rate	1.60%	1.20%
Future salary increases rate	2.25%	2.25%

The assumption regarding future mortality is based on the 6th Taiwan Life Insurance 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 increase rate	
	Increase 0.25%	Decrease 0.25%	Increase 0.25%	Decrease 0.25%
December 31, 2024				
Effect on the present value of defined benefit obligation	($ 473)	$ 486	$ 405	($ 396)

	Discount rate		Future salary increase rate	
	Increase 0.25%	Decrease 0.25%	Increase 0.25%	Decrease 0.25%
December 31, 2023				
Effect on the present value of defined benefit obligation	($ 529)	$ 545	$ 465	($ 454)

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 analyzing sensitivity and the method of calculating net pension liability in the balance sheet are the same. The method and assumptions used in the sensitivity analysis for the current period are consistent with those used in the prior period.

(6) Expected contributions to the defined benefit pension plan of the Company for the year ending December 31, 2025 amount to $412.

(7) As at December 31, 2024, the weighted average duration of the retirement plan is 7 years.

2.(1) Effective July 1, 2005, the Company and its domestic subsidiaries have 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 a lump sum upon termination of employment.

(2) The subsidiaries of the Group registered in the People's Republic of China (PRC) contribute monthly to the pension schemes in accordance with the regulations of the PRC government at a certain percentage of the total salaries of local employees. The pension benefits are managed and administered by the government. Except for the monthly contributions, the Group has no further obligations.

(3) The pension costs under the defined contribution pension plan of the Group for the years ended December 31, 2024 and 2023 were $9,591 and $8,145, respectively.

(XVI) Share-based Payment

1. For the year ended December 31, 2024, the Group's share-based payment arrangements are as follows:

Type of arrangement	Grant date	Number of grants	Contract period	Vesting conditions
Employee Stock Options Plan	2024.12.09	1,860,000	5 years	Note1

Note1: The option holders may exercise 40% of the stock options granted after two years from the grant date, 60% cumulatively after three years, and 100% cumulatively after four years.

The Group's share-based payment arrangements are all equity-settled.

2. Details of the above share-based payment arrangement is as follows:

	Year ended December 31, 2024	
	Stock options Quantity (shares in thousands)	Weighted average exercise price (in dollars)
Balance of outstanding stock options at January 1	-	$ -
Stock options granted during the year	1,860	57.10
Stock options forfeited during the year	(15)	57.10
Balance of outstanding stock options at December 31	1,845	57.10
Exercisable stock options at December 31	-	-

3. No stock options were granted in 2024.

4. Expiry date and exercise price of outstanding stock options as at the balance sheet date are as follows:

			2024.12.31	
Type of arrangement	Grant date	Expiry Date	Shares (in thousands)	Exercise price (in dollars)
Employee Stock Option Plan	2024.12.09	2029.12.08	1,845	$ 57.10

5. The Group used the Black-Scholes option pricing model to estimate the fair value of stock options granted. The relevant information is as follows:

Type of arrangement	Grant date	Stock price (in dollars)	Exercise price (in dollars)	Expected volatility (%) (Note)	Expected life (year)	Expected divided yield(%)	Risk-free interest rate(%)	Fair value per unit (in dollars)
Employee Stock Options Plan	2024.12.09	57.10	57.10	46.16	4	-	1.46	21.34

Note: The expected volatility is estimated based on the standard deviation of stock returns over the most recent period equivalent to the expected life of the stock options, using stock prices within that sample period.

6. The total share-based payment expense recognized by the Company for the year ended December 31, 2024, amounted to $898.

(XVII) Share Capital

1. As at December 31, 2024, the Company's authorized capital was $1,500,000, divided into 150,000 thousand shares, including 10,000 thousand shares reserved for employee stock options. The paid-in capital of $827,897, with a par value of $10 per share. All issued shares have been fully paid.

2. The number of outstanding common shares at the beginning and end of the year was 82,790 thousand shares.

(XVIII) Capital Surplus

Pursuant to the R.O.C. Company Law, 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 Law 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.

(XIX) Retained Earnings

1. If the Company generates earnings in the annual final accounting, it shall first pay taxes in accordance with the law, offset accumulated deficits, and then allocate 10% of the earnings as a legal reserve. However, if the legal reserve has reached the Company's paid-in capital, no further appropriation shall be made. Any remaining amount shall be allocated or reversed as a special reserve in accordance with applicable laws and regulations. The remaining earnings, if any, shall be retained or distributed together with undistributed earnings from previous years. The Board of Directors shall propose an earnings distribution plan and submit it to the shareholders' meeting for approval.

2. The Company’s dividend policy is as follows: To support current and future development plans while considering the investment environment, capital requirements, and shareholders’ interests, the Company shall allocate no less than 10% of distributable earnings as dividends to shareholders each year. Dividends may be distributed in cash or shares, with cash dividends comprising at least 20% of the total dividends.

3. Except for covering accumulated deficit or issuing new stocks or cash to shareholders in proportion to their share ownership, the legal reserve shall not be used for any other purpose. The use of legal reserve for the issuance of stocks or cash to shareholders in proportion to their share ownership is permitted, provided that the distribution of the reserve is limited to the portion in excess of 25% of the Company’s paid-in capital.

4. (1) In accordance with the regulations, the Company shall set aside special reserve from the debit balance on other equity items at the balance sheet date before distributing earnings. When debit balance on other equity items is reversed subsequently, the reversed amount could be included in the distributable earnings.

   (2) As at December 31, 2024 and 2023, the special reserve amounted to $1,941 and $ 2,713, respectively. This is the first time that the Group has adopted IFRSs to recognize that the cumulative translation difference generated by the foreign operation is zero, and to recognize an adjustment and the special reserve in the same amount. When the Company uses, disposes or reclassifies the relevant assets later, the proportion of the original special reserve may be reversed for distribution earnings.

5. The appropriations of 2023 and 2022 earnings had been approved by the shareholders during their meeting on June 18, 2024 and June 9, 2023, respectively. Details are summarized below:

	Years Ended December 31			
	2023		2022	
	Amount	Dividend per share (in dollars)	Amount	Dividend per share (in dollars)
Legal reserve appropriated	$ 8,317		$ 21,664	
Cash dividends	82,790	$ 1.00	149,021	$ 1.80
	$ 91,107		$ 170,685	

(1) Information on employees' and directors' compensation is provided in Note 6(26).

(2) Information about the appropriation of earnings will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

6. The appropriations of 2024 earnings had been proposed by the Board of Directors on March 11, 2025. Details are summarized below:

	Year Ended December 31, 2024	
	Amount	Dividend per share (in dollars)
Legal reserve appropriated	$ 17,445	
Cash dividends	124,185	$ 1.50
	$ 141,630	

(1) Information on employees' and director' compensation is provided in Note 6(26).
(2) The aforementioned appropriation of 2024 earnings has not yet been approved by the stockholders.

(XX) Other Equity Items

	Year Ended December 31, 2024		
	Unrealized valuation gains (losses)	Exchange Differences	Total
Balance at January 1	$ 185,254	($ 15,309)	$ 169,945
Valuation adjustments	(108,038)	-	(108,038)
- Group	-	5,366	5,366
- Tax impact on Group	-	(1,073)	(1,073)
- Associates	-	1,207	1,207
- Tax impact on Associates	-	(222)	(222)
- Impact of Disposal of Equity Method Investments	-	(2,391)	(2,391)
- Impact of Disposal of Subsidiary's Shareholder Equity	-	2,204	2,204
Balance at December 31	$ 77,216	($ 10,218)	$ 66,998

	Year Ended December 31, 2023		
	Unrealized valuation gains (losses)	Exchange Differences	Total
Balance at January 1	$ 64,583	($ 12,521)	$ 52,062
Valuation adjustments	120,671	-	120,671
- Group	-	(3,148)	(3,148)
- Tax impact on Group	-	629	629
- Associates	-	(319)	(319)
- Tax impact on Associates	-	50	50
Balance at December 31	$ 185,254	($ 15,309)	$ 169,945

(XXI) Operating Revenue

1. Disaggregation of revenue from contracts with customers

   The Group recognizes revenue from the transfer of goods and services, which is disaggregated into the following major product lines and geographic regions:

	Year Ended December 31, 2024											
	Automation components				Automation equipment				Energy conservation and safety	Others		
	Taiwan	Mainland China	Japan	Others	Taiwan	Mainland China	Japan	Others	Taiwan	Taiwan	Others	Total
Revenue	$ 743,565	$ 130,922	$ -	$ -	$ 318,239	$ 143,614	$ 21,774	$ 210,112	$ 50,475	$ 18,236	$ 26,009	$1,662,946
Timing of revenue recognition												
At a point in time	$ 743,565	$ 130,922	$ -	$ -	$ 318,239	$ 143,614	$ 21,774	$ 210,112	$ 50, 475	$ 18,236	$ 26,009	$1,662,946

	Year Ended December 31, 2023											
	Automation components				Automation equipment				Energy conservation and safety	Others		
	Taiwan	Mainland China	Japan	Others	Taiwan	Mainland China	Japan	Others	Taiwan	Taiwan	Others	Total
Revenue	$ 331,130	$ 126,261	$ 22,796	$ 386	$ 47,947	$ 214,229	$ 23,806	$ 153,353	$ 48,587	$ 15,054	$ -	$ 983,549
Timing of revenue recognition												
At a point in time	$ 331,130	$ 126,261	$ 22,796	$ 386	$ 47,947	$ 214,229	$ 23,806	$ 153,353	$ 48,587	$ 15,054	$ -	$ 983,549

2. Contract assets and liabilities

(1) The contractual liabilities related to the customer contract revenue recognized by the Group are as follows:

	December 31, 2024	December 31, 2023	January 1, 2023
Contract liabilities:			
Advance sales receipts	$ 12,050	$ 11,543	$ 2,949

(2) Revenue recognized that was included in the contract liability balance at the beginning of the year

	Years Ended December 31	
	2024	2023
Revenue recognized that was included in the contract liability balance at the beginning of the year		
Advance sales receipts	$ 10,612	$ 2,949

(XXII) Interest Income

	Years Ended December 31	
	2024	2023
Interest income form bank deposits	$ 14,696	$ 12,918
Interest income from financial assets measured at amortized cost	4,618	1,939
	$ 19,314	$ 14,857

(XXIII) Other Income

	Years Ended December 31	
	2024	2023
Dividend income	$ 15,400	$ 20,426
Rental income	9,176	7,336
Government grants	1,099	325
Others	13,858	2,830
	$ 39,533	$ 30,917

(XXIV) Other Gains and Losses

	Years Ended December 31	
	2024	2023
Gain (loss) on financial assets measured at fair value through profit or loss	$ 131	$ 55
Net foreign currency gain (loss)	28,678	(4,036)
Gains on disposal of property, plant and equipment	(292)	(460)
Gain on lease modification	55	-
Gain on sale and leaseback rights transfer (Note)	-	16,607
Other losses	(213)	(890)
	$ 28,359	($ 11,276)

Note: Please refer to Note 6(9) for details.

(XXV) Financial Costs

	Years Ended December 31	
	2024	2023
Interest expense:		
Interest expense of bank borrowings	$ 971	$ 113
Interest expense of lease liabilities	798	165
	$ 1,769	$ 278

(XXVI) Employee Benefit Expense and Depreciation Charges

1. Employee benefit expense and depreciation charges

by function / by nature	Year Ended December 31, 2024		
	Recognized in cost of revenue	Recognized in operating expenses	Total
Employee benefit expense			
Salary expenses	$ 21,572	$ 215,862	$ 237,434
Share-based Payment	26	872	898
Labor and health expenses	1,735	13,598	15,333
Pension expense	1,131	8,501	9,632
Others	1,467	7,821	9,288
Depreciation charges	2,621	19,328	21,949

by function / by nature	Year Ended December 31, 2023		
	Recognized in cost of revenue	Recognized in operating expenses	Total
Employee benefit expense			
Salary expenses	$ 15,791	$ 154,466	$ 170,257
Labor and health expenses	1,635	13,549	15,184
Pension expense	906	7,359	8,265
Others	999	7,437	8,436
Depreciation expense	3,195	22,423	25,618

2. Employees’ compensation and directors’ and supervisors’ remuneration

(1) According to the Company’s Articles of Incorporation, if the Company generates profits for the year, after covering accumulated deficits, it shall allocate no less than 5% of the profits as employees' compensation and no more than 5% as directors’ remuneration.

(2) For the years ended December 31, 2024 and 2023, employees’ compensation was accrued at $11,294 and $4,454, respectively; while directors’ remuneration was accrued at $6,777 and $2,672, respectively. The aforementioned amounts were recognized as salary expenses.
For the year ended December 31, 2024, employees’ compensation and directors’ remuneration were estimated at 5% and 3% of the current year's distributable profit, respectively, in accordance with the Company’s Articles of Incorporation. The employees’ compensation and directors’ remuneration for 2023, as resolved by the Board of Directors, were consistent with the amounts recognized in the 2023 financial

statements.
Information regarding the employees' compensation and directors' remuneration approved by the Board of Directors is available on the "Market Observation Post System" on the Taiwan Stock Exchange website.

(XXVII) Income Tax Expense

1. Income tax expense

(1) Components of income tax expense:

	Years Ended December 31	
	2024	2023
Current tax:		
Current tax on profits for the year	$ 33,782	$ 10,301
Tax on undistributed surplus earnings	-	2,297
Prior year income tax overestimation	(1,355)	(8,815)
Total current tax	32,427	3,783
Deferred tax:		
Origination and reversal of temporary differences	2,939	1,237
Income tax expense	$ 35,366	$ 5,020

(2) The income tax relating to other comprehensive income:

	Years Ended December 31	
	2024	2023
Currency translation differences	($ 1,073)	$ 629
Share of other comprehensive income of associates	(222)	50
Remeasurement of defined benefit obligations	107	(1,100)
	($ 1,188)	($ 421)

2. Reconciliation between income tax expense and accounting profit:

	Years Ended December 31	
	2024	2023
Income tax based on net profit before tax and statutory tax rate (Note)	$ 43,753	$ 23,433
Effects from items adjusted in accordance with tax regulations	(9,971)	(10,658)
Changes in the assessment of the realizability of deferred tax assets	2,939	(1,237)
Tax on undistributed surplus earnings	-	2,297
Prior year income tax overestimation	(1,355)	(8,815)
Income tax expense	$ 35,366	$ 5,020

Note: The applicable tax rate is determined based on the tax rate prescribed by the R.O.C. Income Tax Law.

3. Amounts of deferred tax assets or liabilities as a result of temporary difference as follows:

	Year Ended December 31, 2024			
	January 1	Recognized in profit or loss	Recognized in other comprehensive income	December 31
- Deferred tax assets:				
Temporary differences:				
Unrealized loss on inventory valuation	$ 9,612	$ 206	$ -	$ 9,818
Pension liability	686	(82)	107	711
Unrealized exchange losses	581	(581)	-	-
Expected credit loss	5,038	(1,832)	-	3,206
Others	1,745	1,657	-	3,402
Subtotal	17,662	(632)	107	17,137
-Deferred tax liabilities:				
Temporary difference:				
Currency translation differences	(1,033)	-	(1,295)	(2,328)
Unrealized exchange gains	(3)	(3,185)	-	(3,188)
Share of profit from equity-accounted investees	(38,199)	878	-	(37,321)
Subtotal	(39,235)	(2,307)	(1,295)	(42,837)
Total	($ 21,573)	($ 2,939)	($ 1,188)	($ 25,700)

	Year Ended December 31, 2023			
	January 1	Recognized in profit or loss	Recognized in other comprehensive income	December 31
- Deferred tax assets:				
Temporary differences:				
Unrealized loss on inventory valuation	$ 12,575	($ 2,963)	$ -	$ 9,612
Pension liability	1,848	(62)	(1,100)	686
Unrealized contingent liabilities	-	-	-	-
Unrealized exchange losses	-	581	-	581
Expected credit loss	3,006	2,032	-	5,038
Others	3,270	(1,525)	-	1,745
Subtotal	20,699	(1,937)	(1,100)	17,662
-Deferred tax liabilities:				
Temporary difference:				
Currency translation differences	(1,712)	-	679	(1,033)
Unrealized exchange gains	(1,106)	1,103	-	(3)
Share of profit from equity-accounted investees	(37,796)	(403)	-	(38,199)
Subtotal	(40,614)	700	679	(39,235)
Total	($ 19,915)	($ 1,237)	($ 421)	($ 21,573)

4. The Company's corporate income tax returns have been assessed and approved by the tax authorities through the year 2022, except for the year 2021.

(XXVIII) Earnings Per Share

	Year Ended December 31, 2024		
Basic earnings per share	Amount after-tax	Weighted average number of outstanding shares (shares in thousands)	Earnings per share (in dollars)
Profit for the period attributable to owners of the parent	$ 174,876	82,790	$ 2.11
Diluted earnings per share			
Assumed conversion of all dilutive potential ordinary shares			
Employee's compensation	-	186	
Employee stock options	-	55	
Profit for the period attributable to owners of the parent plus the effect of potential ordinary shares	$ 174,876	83,031	$ 2.11

	Year Ended December 31, 2023		
Basic earnings per share	Amount after-tax	Weighted average number of outstanding shares (shares in thousands)	Earnings per share (in dollars)
Profit for the period attributable to owners of the parent	$ 78,773	82,790	$ 0.95
Diluted earnings per share			
Assumed conversion of all dilutive potential ordinary shares			
Employee's compensation	-	341	
Profit for the period attributable to owners of the parent plus the effect of potential ordinary shares	$ 78,773	83,131	$ 0.95

(XXIX) Transactions with Non-controlling Interests

1. Acquisition of additional interests in a subsidiary

On May 10, 2024, the Group acquired an additional 10% of the issued shares of its subsidiary, Taiwan Oiles Industry Co., Ltd., for a cash consideration of $5,550. The carrying amount of the non-controlling interests in Taiwan Oiles Industry Co., Ltd. on the acquisition date was $5,459. As a result of the transaction, non-controlling interests decreased by $5,459. The impact of the change in ownership interest in Taiwan Oiles Industry Co., Ltd. on the equity attributable to owners of the parent for the year ended December 31, 2024, is as follows:

	Year Ended December 31, 2024
Carrying amount of non-controlling interests acquired	$ 5,459
Consideration paid to non-controlling interests	(5,550)
Retained earnings	($ 91)

2. The Group did not have any transactions with non-controlling interests in 2023.

(XXX) Changes in liabilities from financing activities

	Short-term borrowings	lease liabilities	Guarantee deposits paid (Note)	Liabilities from financing activities-gross
Balance at January 1, 2024	$ 20,000	$ 1,979	$ 1,888	$ 23,867
Changes in financing cash flow	95,000	(11,583)	208	83,625
Other non-cash changes	-	31,920	-	31,920
Exchange rate effect	-	226	-	226
Balance at December 31, 2024	$ 115,000	$ 22,542	$ 2,096	$ 139,638

	Short-term borrowings	lease liabilities	Guarantee deposits paid (Note)	Liabilities from financing activities-gross
Balance at January 1, 2023	$ -	$ 49,038	$ 808	$ 49,846
Changes in financing cash flow	20,000	(19,024)	1,080	2,056
Other non-cash changes	-	(26,173)	-	(26,173)
Exchange rate effect	-	(1,862)	-	(1,862)
Balance at December 31, 2023	$ 20,000	$ 1,979	$ 1,888	$ 23,867

Note: Listed as "Other non-current liabilities."

VII. RELATED PARTY TRANSACTIONS

(1) Names and Relationship of Related Parties

Name of related party	Relationship with the Group
KUNSHAN KYOWA UNIVERSAL JOINT CO., LTD. ("Kunshan Kyowa")	Affiliated enterprises of the Company

(II) Significant Transactions and Balances with Related Parties

1. Purchase

	Years Ended December 31	
	2024	2023
Purchase of goods:		
KUNSHAN KYOWA UNIVERSAL	$ 87,400	$ 76,117

The purchase prices from related parties are determined with reference to market prices. The payment terms for related parties are approximately 60 days from the end of the month, while the payment terms for general suppliers range from 90 to 180 days from the end of the month.

2. Payables to related parties

	December 31, 2024	December 31, 2023
Accounts payable:		
KUNSHAN KYOWA UNIVERSAL	$ 29,227	$ 32,602

3. Rental income

	Years Ended December 31	
	2024	2023
KUNSHAN KYOWA UNIVERSAL	$ 3,947	$ 2,231

(III) Key Management Compensation

	Years Ended December 31	
	2024	2023
Salaries and other short-term employee benefits	$ 38,572	$ 22,924
Post-employment benefits	746	531
Share-based Payment	413	-
	$ 39,731	$ 23,455

VIII. PLEDGED ASSETS

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

	Book value		
Pledged assets	December 31, 2024	December 31, 2023	Pledge purpose
Time deposits (Shown as financial assets at amortized cost)	$ 775	$ 775	performance guarantee deposit for construction contracts
Property, plant and equipment	205,949	207,978	short-term borrowings
Investment property	84,009	85,064	facility limit
	$ 290,733	$ 293,817	

IX. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED CONTRACT COMMITMENTS

(I) Contingencies

None.

(II) Commitments

1. As at December 31, 2024 and 2023, the Group issued guarantee notes for performance guarantee deposits under construction contracts amounting to $9,160 and $10,790, respectively.

2. As at December 31, 2024 and 2023, the guarantee letters issued by banks for the Group's customs duty deposits amounted to $1,500 and $1,000, respectively.

X. SIGNIFICANT DISASTER LOSS

None.

XI. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

For the earnings distribution proposal for the year 2024, please refer to Note 6(19)6.

XII. OTHERS

(I) Capital Risk Management

The Group's capital management objectives are to ensure business continuity, maintain an optimal capital structure to minimize the cost of capital, and maximize shareholder returns. To maintain or adjust its capital structure, the Group may modify dividend distributions, return capital to shareholders, issue new shares, or sell assets to reduce debt.

(II) Financial Instruments

1. Financial instruments by category

	December 31, 2024	December 31, 2023
Financial assets		
Financial assets measured at fair value through profit or loss		
Financial assets mandatorily measured at fair value through profit or loss	$ 305	$ 174
Financial assets measured at fair value through other comprehensive income		
Equity instruments designated at fair value through other comprehensive income	$ 119,060	$ 227,098
Financial assets at amortized cost		
Cash and cash equivalents	$ 556,660	$ 449,721
Financial assets at amortized cost	18,687	103,615
Notes receivable	12,970	22,584
Accounts receivable	596,463	242,580
Other receivables	3,713	3,185
Refundable deposits paid (listed as other non-current assets)	3,724	5,001
	$ 1,192,217	$ 826,686
Financial liabilities		
Financial liabilities at amortized cost		
Short-term borrowings	$ 115,000	$ 20,000
Notes payable	-	1,633
Accounts payable (including related parties)	306,352	130,472
Other payables	123,260	74,024
Guarantee deposits received (listed as other non-current liabilities)	2,096	1,888
	$ 546,708	$ 228,017
Lease liabilities (including current and non-current)	$ 22,542	$ 1,979

2. Financial risk management policies

(1) 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. The Group’s overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group’s financial position and financial performance.

(2) The Group's finance and accounting department is responsible for executing risk management operations in accordance with policies approved by the Board of Directors. The finance and accounting department collaborates closely with various business units within the Group to identify, assess, and mitigate financial risks. The Board of Directors has established written principles for overall risk management and has also provided specific written policies on certain areas and matters, such as foreign exchange risk, interest rate risk, credit risk, the use of derivative and non-derivative financial instruments, and the investment of surplus liquidity.

3. Significant financial risk and degrees of financial risks

(1) Market risk

Foreign exchange risk

A. The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the USD, CNY, JPY and THB. Foreign exchange risk arises from future commercial transactions and recognized assets and liabilities.

B. Management has set up a policy to manage its foreign exchange risk against the functional currency.

C. The Group's businesses involve some non-functional currency operations (the functional currency of the Company and certain subsidiaries is NTD, while the functional currency of certain other subsidiaries is RMB and JPY). 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, 2024		
(Foreign currency: functional currency)	Foreign currency amount (in thousand)	Exchange rate	Book value (NTD)
Financial assets			
Monetary items			
USD: NTD	$ 10,354	32.7850	$ 339,456
JPY: NTD	40,801	0.2099	8,564
CNY: NTD	245	4.4780	1,097
USD:CNY	1,597	7.3215	11,692
Non-monetary items			
CNY: NTD	$ 8,481	4.4780	$ 37,978
Financial liabilities			
Monetary items			
USD: NTD	$ 109	32.7850	$ 3,574
JPY: NTD	25,544	0.2099	5,362
CNY: NTD	10,455	4.4780	46,817
USD:CNY	20	7.3215	146

(Foreign currency: functional currency)	December 31, 2023 Foreign currency amount (in thousand)	Exchange rate	Book value (NTD)
Financial assets			
Monetary items			
USD: NTD	$ 12,489	30.71	$ 383,537
JPY: NTD	65,105	0.2172	14,141
CNY: NTD	2,290	4.3780	10,026
USD:CNY	464	7.0963	3,293
Non-monetary items			
CNY: NTD	$ 7,832	4.3780	$ 34,289
THB: NTD	667	0.9017	601
Financial liabilities			
Monetary items			
USD: NTD	$ 176	30.71	$ 5,405
JPY: NTD	18,214	0.2172	3,956
CNY: NTD	765	4.3780	3,349
USD:CNY	266	7.0963	1,888

D. 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, 2024 and 2023 amounted to $28,678 and ($4,036), respectively.

E. Based on the Group’s sensitivity analysis of all monetary assets and liabilities during the years 2024 and 2023, assuming a 1% fluctuation in the exchange rate of the NTD against other currencies while all other factors remain unchanged, the Group’s net profit would decrease or increase by $3,049 and $3,963, respectively.

Price risk

A. The Group’s equity securities, which are exposed to price risk, are the held financial assets measured at fair value through profit or loss and financial assets measured at fair value through other comprehensive income. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio.

B. The Group’s investments in equity securities comprise shares issued by the domestic companies. The prices of equity securities would change due to the change of the future value of investee companies. If the price of these equity securities had increased/decreased by 1% with all other variables held constant, post-tax profit for the years ended December 31, 2024 and 2023 would have increased/decreased by $2 and $1, respectively, as a result of gain/loss on equity securities classified as at fair value through profit or loss. Other components of equity would have increased/decreased by $952 and $1,817, respectively, as a result of other comprehensive income classified as equity investment at fair value through other comprehensive income.

Cash flow and fair value interest rate risk

A. The Group's interest rate risk primarily arises from short-term borrowings issued at variable rates, exposing the Group to cash flow interest rate risk. During 2024 and 2023, the Group's borrowings issued at variable rates were mainly denominated in NTD.

B. The Group's borrowings are measured at amortized cost. According to the contract, the interest rate is priced again every year. Therefore, the Group is exposed to the risk of future changes in market interest rates.

C. If the NTD borrowing interest rate increases or decreases by 1%, with all other variables held constant, net profit after tax for the years ended December 31, 2024 and 2023 would have decreased or increased by $920 and $160, respectively. The primary reason is that interest expense fluctuates with changes in floating rate borrowings.

(2) Credit risk

A. 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, and the contract cash flows of financial instruments which were settled in accordance with trading conditions.

B. The Group establishes credit risk management from a corporate perspective. For banks and financial institutions, only well-rated parties are accepted. According to the Group’s credit policy, each local entity in the Group is responsible for managing and analyzing 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 in accordance with limits set by the credit controller. The utilization of credit limits is regularly monitored.

C. The Group adopts historical experience and industry characteristics to determine that a default occurs when contract payments are past due over 120 days based on the agreed payment terms.

D. The Group applies the presumption under IFRS 9 that if contract payments are past due for more than 90 days based on the agreed payment terms, it is presumed that the credit risk of the financial asset has significantly increased since initial recognition.

E. The indicators used by the Group to determine whether an investment in debt instruments has experienced credit impairment are as follows:

(A) The issuer experiences significant financial difficulties or there is a significant increase in the likelihood of entering bankruptcy or other financial restructuring;

(B) The issuer encounters financial difficulties, leading to the disappearance of an active market for the financial asset;

(C) The issuer delays or fails to pay interest or principal;

(D) Adverse national or regional economic conditions that increase the likelihood of issuer default.

F. The Group classifies customers’ accounts receivable and contract assets in accordance with customer types. The Group applies the simplified approach using the provision matrix and loss rate methodology to estimate expected credit loss.

G. For accounts receivable that are not reasonably expected to be recovered, the Group continues to pursue legal proceedings to preserve its claims. As at December 31, 2024 and 2023, the amounts transferred to overdue receivables through collection procedures and fully recognized as loss allowances were both $0.

H. The Group incorporates forward-looking information related to global economic conditions to adjust the loss rates established based on historical and current information over a specific period in estimating the allowance for expected credit losses on accounts receivable and contract assets. As at December 31, 2024 and 2023, the provision matrix and loss rates are as follows:

Balance at December 31, 2024	Expected loss rate	Total book value	Loss allowance
Not past due	0.01%	$ 601,328	($ 5,354)
Past due within 90 days	0.01%~0.04%	9,121	(91)
Past due over 91 days	0.04%~100%	4,654	(225)
		$ 615,103	($ 5,670)

Balance at December 31, 2023	Expected loss rate	Total book value	Loss allowance
Not past due	0.01%	$ 248,721	($ 5,525)
Past due within 90 days	0.01%~0.04%	16,297	(101)
Past due over 91 days	0.04%~100%	5,965	(193)
		$ 270,983	($ 5,819)

I. Movements in the Group's loss allowance for accounts receivable and contract assets under the simplified approach are as follows:

	Year Ended December 31, 2024		
	Accounts receivable		
	Individual assessment	Group assessment	Total
Balance at January 1	$ -	$ 5,819	$ 5,819
Reversal of impairment loss	-	(324)	(324)
Exchange rate effect	-	175	175
Balance at December 31	$ -	$ 5,670	$ 5,670

	Year Ended December 31, 2023		
	Accounts receivable		
	Individual assessment	Group assessment	Total
Balance at January 1	$ -	$ 10,921	$ 10,921
Reversal of impairment loss	-	(5,046)	(5,046)
Exchange rate effect	-	(56)	(56)
Balance at December 31	$ -	$ 5,819	$ 5,819

For the years ended December 31, 2024 and 2023, the reversal of impairment losses on receivables arising from customers' contracts amounted to $324 and $5,046, respectively.

J. The credit rating information of the Group's debt instrument investments measured at amortized cost is as follows:

	December 31, 2024			
		By staging period		
	12-month ECL	Credit risk significantly increased	Credit-impaired	Total
Financial assets at amortized cost				
Group 1	$ 18,687	$ -	$	$ 18,687

	December 31, 2023			
		By staging period		
	12-month ECL	Credit risk significantly increased	Credit-impaired	Total
Financial assets at amortized cost				
Group 1	$ 103,615	$ -	$	$ 103,615

Group 1: Time deposits earning fixed interest.

(3) Liquidity risk

A. Cash flow forecasts are conducted by each operating entity within the Group and consolidated by the finance and accounting department. The Group's treasury monitors rolling forecasts of liquidity requirements to ensure sufficient funds are available to meet operational needs. Additionally, the Group maintains adequate unutilized borrowing facilities at all times to prevent any breaches of borrowing limits or covenants.

B. The table below analyses the Group's non-derivative financial liabilities and net-settled or gross-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date for non-derivative financial liabilities:

Non-derivative financial liabilities:

December 31, 2024	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Total
Short-term borrowings	$ 115,414	$ -	$ -	$ 115,414
Accounts payable (including related parties)	306,352	-	-	306,352
Other payables	123,260	-	-	123,260
Lease liabilities	12,382	13,206	45	25,633

Non-derivative financial liabilities:

December 31, 2023	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Total
Short-term borrowings	$ 20,006	$ -	$ -	$ 20,006
Notes payable	1,633	-	-	1,633
Accounts payable (including related parties)	130,472	-	-	130,472
Other payables	74,024	-	-	74,024
Lease liabilities	1,376	447	183	2,006

(III) Fair value information

1. The different levels that 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. An active market is one in which transactions for the asset or liability occur with sufficient frequency and volume to provide pricing information on an ongoing basis. The fair value of listed equity investments held by the Group is classified as Level 1.

   Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. The fair value of the Group's financial bond investments is classified as Level 2.

   Level 3: Unobservable inputs for the asset or liability. The fair value of the Group's investments in equity instruments without an active market is classified as Level 3.

2. The carrying amounts of financial instruments not measured at fair value, excluding financial assets measured at amortized cost but including cash and cash equivalents, notes receivable, accounts receivable, other receivables, short-term borrowings, notes payable, accounts payable and other payables are approximate to their fair values.

3. The related information on 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:

   (1) The related information by level on the basis of the nature of the assets and liabilities is as follows:

December 31, 2024	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value measurements				
Financial assets measured at fair value through profit or loss				
Equity securities	$ 305	$ -	$ -	$ 305
Financial assets measured at fair value through other comprehensive income				
Equity instruments	-	-	119,060	119,060
	$ 305	$ -	$ 119,060	$ 119,365

December 31, 2023	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value measurements				
Financial assets measured at fair value through profit or loss				
Equity securities	$ 174	$ -	$ -	$ 174
Financial assets measured at fair value through other comprehensive income				
Equity instruments	-	-	227,098	227,098
	$ 174	$ -	$ 227,098	$ 227,272

(2) The methods and assumptions that the Group used to measure fair value are as follows:

A. The Group adopts market quoted prices as inputs for fair value measurement (i.e., Level 1): Listed company shares are measured at their closing prices.

B. Except for financial instruments with active markets, the fair value of other financial instruments is measured using valuation techniques or by referencing counterparty quotations. These valuation techniques may include referencing the fair value of similar financial instruments with comparable terms and characteristics, discounted cash flow methods, or other valuation models incorporating market information available as at the consolidated balance sheet date (e.g., OTC market reference yield curve and Reuters' average commercial paper interest rate quotations).

C. The Group incorporates credit risk adjustments into the fair value measurement of financial and non-financial instruments to reflect both counterparty credit risk and the Group's credit quality.

4. For the years ended December 31, 2024 and 2023, there was no transfer between Level 1 and Level 2.

5. The following chart is the movement of Level 3 for the years ended December 31, 2024 and 2023:

	2024	2023
	Equity instruments	Equity instruments
Balance at January 1	$ 227,098	$ 106,427
Gains or losses recognized in profit or loss		
Unrealized valuation gains or losses on equity instrument investments measured at fair value through other comprehensive income	(108,038)	120,671
Balance at December 31	$ 119,060	$ 227,098

6. For the years ended December 31, 2024 and 2023, there was no transfer in or out of Level 3.

7. The Finance and Accounting Department oversees the valuation process for Level 3 fair value measurements, ensuring independent verification of financial instruments' fair value. This process incorporates independent data sources, verifies data reliability and consistency, and ensures data reflects executable prices. The department also periodically calibrates valuation

models, updates input data, and makes necessary fair value adjustments to maintain reasonable valuation results.

8. 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 December 31, 2024	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instruments:					
Unlisted shares	$ 119,060	Market comparable companies	Price-to-earnings multiple, enterprise value multiple	Not applicable.	The higher the multiple and control premium, the higher the fair value.

	Fair value at December 31, 2023	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instruments:					
Unlisted shares	$ 227,098	Market comparable companies	Price-to-earnings multiple, enterprise value multiple	Not applicable.	The higher the multiple and control premium, the higher the fair value.

9. The Group carefully assesses the valuation models and assumptions used to measure fair value. However, the use of different valuation models or assumptions may lead to different measurement results. The following is the effect on profit or loss or on other comprehensive income from financial assets categorized within Level 3 for the years ended December 31, 2024 and 2023 if the inputs used to valuation models have changed:

			December 31, 2024	
			Recognized in other comprehensive income (loss)	
	Input	Change	Favorable change	Unfavorable change
Financial assets				
Equity instruments	Stock price	±10 %	$ 11,906	($ 11,906)
	Liquidity discount	±1%	1,191	(1,191)
			$ 13,097	($ 13,097)

	Input	Change	December 31, 2023 Recognized in other comprehensive income (loss) Favorable change	Unfavorable change
Financial assets				
Equity instruments	Stock price	±10%	$ 22,710	($ 22,710)
	Liquidity discount	±1%	2,271	(2,271)
			$ 24,981	($ 24,981)

XIII. SUPPLEMENTARY DISCLOSURES

(I) Significant Transactions Information

1. Loans to others: Please refer to table 1.
2. Provision of endorsements and guarantees to others: None.
3. Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): Please refer to table 2.
4. Acquisition or sale of the same security with the accumulated cost exceeding $300 million or 20% of the Company's paid-in capital: None.
5. Acquisition of real estate reaching $300 million or 20% of paid-in capital or more: None.
6. Disposal of real estate reaching $300 million or 20% of paid-in capital or more: None.
7. Purchases or sales of goods from or to related parties reaching $100 million or 20% of paid-in capital or more: None.
8. Receivables from related parties reaching $100 million or 20% of paid-in capital or more: None.
9. Trading in derivative instruments undertaken during the reporting periods: None.
10. Significant inter-company transactions during the reporting periods: Please refer to table 3.

(II) Information on Investees

Names, locations and other information of investee companies (not including investees in Mainland China): Please refer to table 4.

(III) Mainland China Investment Information

1. Basic information: Please refer to table 5.
2. Significant transactions, either directly or indirectly through a third area, with investee companies in Mainland China: Please refer to table 3.

(IV) Major Shareholders Information

Major shareholders information: Please refer to table 6.

XIV. OPERATING SEGMENT INFORMATION

(I) General Information

For management purposes, the Group is organized into operating units based on the nature of products, and accordingly identifies the reportable segments. The Group has the following three reportable segments:

1. Automation components operating unit: Responsible for the operation of automation products within the Group, including the development, R&D, production, sales, and technical support of various new products, electronic components, and modules.

2. Automation equipment operating unit: Responsible for the development, R&D, production, sales, and technical support of automation equipment, optical communication products, photonic crystal technologies, and optoelectronic component applications within the Group.

3. Energy-saving and safety operating unit: Responsible for the development, R&D, production, sales, and technical support of energy-saving and safety products within the Group.

(II) Measuring of Segment Information

The Group's management monitors the operating results of its operating units separately for the purpose of making decisions about resource allocation and performance assessment. The performance of each operating unit is evaluated based on profit or loss before tax, excluding the effects of non-recurring income and expenses, and is measured consistently with the Group's consolidated financial statements.

(III) Segment Information

The reportable segment information provided to the chief operating decision maker is as follows:

2024	Automation components	Automation equipment	Energy conservation and safety	Others	Adjustment and elimination	Total
External income	$ 874,487	$ 693,739	$ 50,475	$ 44,245	$ -	$ 1,662,946
Inter-segment revenue	17,775	107,072	35,970	2,212	(163,029)	-
Segment revenue	$ 892,262	$ 800,811	$ 86,445	$ 46,457	($ 163,029)	$ 1,662,946
segment profit or loss	$ 174,245	$ 99,924	$ 11,467	($ 70,588)	($ 4,894)	$ 210,154
Segment profit or loss includes:						
Depreciation and amortization						$ 21,949
Interest income						$ 19,314
Interest expense						$ 1,769
Share of profit or loss of associates under the equity method						$ 9,023

2023	Automation components	Automation equipment	Energy conservation and safety	Others	Adjustment and elimination	Total
External income	$ 480,573	$ 439,335	$ 48,587	$ 15,054	$ -	$ 983,549
Inter-segment revenue	19,394	139,121	38,084	93	(196,692)	-
Segment revenue	$ 499,967	$ 578,456	$ 86,671	$ 15,147	($ 196,692)	$ 983,549
segment profit or loss	$ 35,134	$ 16,502	$ 10,013	$ 22,747	$ 32	$ 84,428
Segment profit or loss includes:						
Depreciation and amortization						$ 25,618
Interest income						$ 14,857
Interest expense						$ 278
Share of profit or loss of associates under the equity method						$ 5,314

(IV) Reconciliation of Segment Profit or Loss

There is no difference between the statements used by the chief operating decision maker for segment decision-making and the segment profit or loss statements; therefore, no reconciliation is required.

(V) Information by Product

The composition of revenue is detailed as follow:

	Years Ended December 31	
	2024	2023
Automation components revenue	$ 874,487	$ 480,573
Automation equipment revenue	693,739	439,335
Energy conservation and safety revenue	50,475	48,587
Others	44,245	15,054
	$ 1,662,946	$ 983,549

(VI) Geographical Information

The geographic information of the Group for the years ended December 31, 2024 and 2023 is as follows:

	Years Ended December 31			
	2024		2023	
	Revenue	Non-current assets	Revenue	Non-current assets
Taiwan	$ 1,130,515	$ 347,501	$ 442,718	$ 337,299
Mainland China	300,545	25,688	340,490	7,349
Japan	21,774	-	46,602	1,234
Others	210,112	-	153,739	-
	$ 1,662,946	$ 373,189	$ 983,549	$ 345,882

(VII) Information of Major Customers

For the years ended December 31, 2024 and 2023, the information on major customers accounting for more than 10% of the consolidated revenue is as follows:
For the year 2023: None.

	Year Ended December 31, 2024	
	Revenue	Segment
71-0937	$ 369,962	Taiwan
71-1384	322,291	Taiwan
	$ 692,253	

AUROTEK CORPORATION
FINANCINGS PROVIDED
FOR THE YEAR ENDED DECEMBER 31, 2024
(Amounts in Thousands of New Taiwan Dollars, Unless Specified Otherwise)

Table 1

No. (Note 1)	Financing Company	Counterparty	Financial statement account (Note 2)	Related party	Maximum balance for the period (Note 3)	Ending balance (Note 8)	Amount actually drawn	Interest rate	Nature for financing (Note 4)	Transaction amounts (Note 5)	Reason for financing (Note 6)	Allowance for bad debt	Collateral		Financing limits for each borrowing company (Note 7)	Financing Company's Total Financing amount limits (Note 7)	Note
													Name	Value			
0	AUROTEK CORPORATION	Aurotek (Shanghai) Inc.	Other receivables from related parties	Y	$ 46,125	$ -	$ -	-	2	$ -	Operating turnover	$ -	-	$ -	$ 302,163	$ 604,326	-

Note 1: The numbers filled in for the loans provided by the Company or subsidiaries are as follows:
(1) The company is "0".
(2) The subsidiaries are numbered in order starting from "1".
Note 2: Accounts such as receivables from related parties, amounts due from related persons, shareholder transactions, prepayments, and temporary payments, if they are of a lending nature, must be reported in this column.
Note 3: The highest balance of funds loaned to others during the year is calculated using the exchange rate on the balance sheet date multiplied by the originally disclosed foreign currency amount.
Note 4: Nature of loans:
(1) Business transactions: 1.
(2) Short-term financing: 2.
Note 5: For fund lending categorized as business transactions, the transaction amount should be reported. The transaction amount refers to the amount of business transactions between the lending company and the borrower in the most recent fiscal year.
Note 6: For fund lending categorized as short-term financing needs, the reason for lending and the intended use of the funds by the borrower should be specifically explained, such as repayment of loans, acquisition of equipment, or working capital.
Note 7: Limits on loans to individual entities:
(1) Aurotek- For business transactions, the amount of an individual loan shall not exceed the higher of the purchase or sales amount between the company and the borrower in the most recent fiscal year or up to the date of the loan. If the loan is for short-term financing needs, the amount shall not exceed 20% of the company's most recent CPA-audited or reviewed financial report's net worth.
(2) Aurotek Shanghai - For short-term financing needs, the amount of an individual loan shall not exceed 20% of the company's most recent CPA-audited or reviewed financial statements' net worth.
Aggregate loan limits:
(1) Aurotek - The total amount of funds loaned to others shall not exceed 40% of the company's most recent CPA-audited or reviewed financial report's net worth.
(2) Aurotek Shanghai - The total amount of funds loaned to others shall not exceed 40% of the company's most recent CPA-audited or reviewed financial statements' net worth.
Note 8: If a public company approves loans on a case-by-case basis in accordance with Article 14, Paragraph 1 of the "Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies," and the funds have not yet been disbursed, the approved loan amount shall still be included in the disclosed balance to reflect the assumed risk.
However, if the funds are subsequently repaid, the remaining balance should be disclosed to reflect the adjusted risk. If a public company, based on Article 14, Paragraph 2 of the same regulations, authorizes the chairman to disburse loans up to a certain limit within one year, whether in installments or as a revolving loan, the disclosed balance should still be based on the approved loan limit passed by the board of directors. Even if the funds are subsequently repaid, the disclosed balance should remain the board-approved loan limit, considering the possibility of re-disbursement.

AUROTEK CORPORATION
HOLDING OF MARKETABLE SECURITIES AT THE END OF THE PERIOD
(NOT INCLUDING SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES)
DECEMBER 31, 2024
(Amounts in Thousands of New Taiwan Dollars, Unless Specified Otherwise)

Table 2

Securities held by	Marketable securities (Note 1)	Relationship with the securities issuer (Note 2)	General ledger account	As at December 31,2024 Number of shares	Carrying amount (Note 3)	Ownership (%)	Fair value	Note (Note 4)
AUROTEK CORPORATION	SHANGHAI OILES BEARING INC	None	Financial assets measured at fair value through other comprehensive income - non-current	-	$ 26,497	10	$ 26,497	None
AUROTEK CORPORATION	OILES (THAILAND) CO., LTD.	None	Financial assets measured at fair value through other comprehensive income - non-current	156,000	84,728	15	84,728	None
AUROTEK CORPORATION	Career Consulting Co., Ltd.	None	Financial assets measured at fair value through other comprehensive income - non-current	403,055	7,835	2.58	7,835	None
AUROTEK CORPORATION	OURS TECHNOLOGY INC.	None	Financial assets measured at fair value through other comprehensive income - non-current	8,186	-	0.14	-	None
AUROTEK CORPORATION	WiSilica Inc.	None	Financial assets measured at fair value through other comprehensive income - non-current	384,615	-	2.73	-	None
AUROTEK CORPORATION	TEKCORE CO., LTD	None	Financial assets measured at fair value through profit or loss - current	9,412	305	-	305	None

Note 1: The marketable securities mentioned in this table refer to stocks, bonds, beneficiary certificates, and derivative securities arising from these items that fall within the scope of IAS 39 "Financial Instruments: Recognition and Measurement."

Note 2: If the issuer of the marketable securities is not a related party, this column may be omitted.

Note 3: For securities measured at fair value, the carrying amount should reflect fair value adjustments and be net of accumulated impairment. For securities not measured at fair value, the carrying amount should reflect the original acquisition cost or amortized cost, net of accumulated impairment.

Note 4: If the listed marketable securities are pledged as collateral, loan security or subject to other usage restrictions under agreements, the remarks column should specify the number of pledged shares, the amount of collateral or pledged securities, and the nature of the restriction.

AUROTEK CORPORATION
SIGNIFICANT INTER-COMPANY TRANSACTIONS DURING THE REPORTING PERIOD
FOR THE YEAR ENDED DECEMBER 31, 2024
(Amounts in Thousands of New Taiwan Dollars, Unless Specified Otherwise)

Table 3

No. (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction: General ledger account	Transaction: Amount	Transaction: Trading terms	Transaction: Percentage of consolidated total operating revenues or total assets (Note 3)
0	AUROTEK CORPORATION	TAIWAN OILES INDUSTRY CO., LTD.	1	Purchase of goods	41,327	Note 2	2%
1	Aurotek (Shanghai) Inc.	KUNSHAN KYOWA UNIVERSAL JOINT CO., LTD.	4	Accounts payable	29,227	Note 1	1%
1	Aurotek (Shanghai) Inc.	KUNSHAN KYOWA UNIVERSAL JOINT CO., LTD.	4	Purchase of goods	87,400	Note 2	5%
1	Aurotek (Shanghai) Inc.	Kunshan Yichun Industrial Technology Co., Ltd.	3	Purchase of goods	54,885	Note 2	3%

Note 1: If there are purchase and sales transactions between the Group and related parties, collections shall follow the agreed payment terms. The credit policy for related parties is approximately net 180 days. For general customers, the credit policy is net 90 to 180 days.
Note 2: The Group determines the purchase price for related parties with reference to market prices, and the payment terms are net 180 days. Payment terms for general customers range from net 90 to 180 days.
Note 3: Represents loans and receivables.

Note I: 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 II: Relationship between transaction company and counterparty is classified into the following three categories:

1. Parent company to subsidiary.
2. Subsidiary to parent company.
3. Subsidiary to subsidiary.
4. Subsidiary to associate.

Note III: Regarding percentage of transaction amount to consolidated total operating revenues or total assets, it is computed based on period-end balance of transaction to consolidated total assets for balance sheet accounts and based on accumulated transaction amount for the period to consolidated total operating revenues for income statement accounts.
Individual transaction amounts that do not reach 1% of total revenue or total assets are not disclosed.

AUROTEK CORPORATION

NAMES, LOCATIONS, AND RELATED INFORMATION OF INVESTEES OVER WHICH THE COMPANY EXERCISES SIGNIFICANT INFLUENCE

(EXCLUDING INFORMATION ON INVESTMENT IN MAINLAND CHINA)

FOR THE YEAR ENDED DECEMBER 31, 2024

(Amounts in Thousands of New Taiwan Dollars, Unless Specified Otherwise)

Table 4

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held at December 31,2024			Net profit (loss) of the investee for the year ended December 31,2024	Investment income (loss) recognized by the Company for the year ended December 31,2024	Note
				Balance as at December 31,2024	Balance as at December 31,2023	Number of shares	Ownership (%)	Carrying amount			
AUROTEK CORPORATION	TAIWAN OILES INDUSTRY CO., LTD.	Taiwan	Manufacturing and trading of self-lubricating bearings and parts	$ -	$ 39,793	-	0	$ -	($ 1,886)	($ 1,591)	Note 1
AUROTEK CORPORATION	AUROTEK INC.	Japan	Export trading of electronic machines and robotic arms	-	37,226	-	0	-	(1,205)	2,519	Note 2
AUROTEK CORPORATION	PLENTY ISLAND (THAI) CO., LTD.	Thailand	Trading of self-lubricating bearings and parts	-	2,203	-	0	-	-	1,762	Note 3
AUROTEK CORPORATION	3e Yamaichi Electronics Co., Ltd.	Taiwan	Sale of electronic components	24,130	24,130	2,413,000	19	31,294	12,781	2,373	-

Note 1: TAIWAN OILES INDUSTRY CO., LTD. was approved for liquidation by the Board of Directors on September 30, 2024.

Note 2: AUROTEK INC. was approved for liquidation by the shareholders' meeting on January 31, 2024. The company was officially dissolved and entered liquidation procedures on February 5, 2024, and the liquidation process was completed on May 27, 2024.

Note 3: PLENTY ISLAND (THAI) CO., LTD. completed its liquidation process and recovered the related share capital on September 27, 2024.

AUROTEK CORPORATION
INFORMATION ON INVESTMENTS IN MAINLAND CHINA
FOR THE YEAR ENDED DECEMBER 31, 2024
(Amounts in Thousands of New Taiwan Dollars, Unless Specified Otherwise)

Table 5

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to China as at January 1,2024	Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan for the year ended December 31,2024		Accumulated amount of remittance from Taiwan to Mainland China as at December 31,2024	Net income (loss) of investee for the year ended December 31,2024	Ownership held by the Company (direct or indirect) (%)	Net income (loss) recognized by the Company for the year ended December 31,2024	Carrying amount of investments in Mainland China as at December 31,2024	Accumulated amount of investment income remitted back to Taiwan as at December 31,2024	Note
					Remitted to Mainland China	Remitted back to Taiwan							
Aurotek (Shanghai) Inc.	International trade, processing and assembly machinery, electronic board divider	$ 46,592	1	$ 46,592	$ -	$ -	$ 46,592	$ 8,172	100	$ 9,315	$ 199,662	$ 8,698	Note 2(2)B
SHANGHAI OILES BEARING INC	Production and sale of precision bearings and self-lubricating bearings of various specifications	97,161	1	10,402	-	-	10,402	-	10	-	26,497	12,476	Note 4
KUNSHAN KYOWA UNIVERSAL JOINT CO., LTD.	Production and sale of couplings and auto parts	67,072	1	20,121	-	-	20,121	16,294	30	4,888	37,978	7,851	Note 2(2)C
Kunshan Yichun Industrial Technology Co., Ltd.	Production and sale of various electronic equipment and high-end construction hardware and other related parts	14,983	1	14,983	-	-	14,983	(275)	100	(1,652)	27,778	-	Note 2(2)B

Company Name	Accumulated amount of remittance from Taiwan to Mainland China as at December 31,2024	Investment amount approved by the Investment Department of Ministry of Economic Affairs (MOEA)	Ceiling of investments in Mainland China imposed by the Investment Department of Ministry of MOEA
AUROTEK CORPORATION and Subsidiaries	$ 92,098	$ 92,098	$ 906,489

Note 1: Investment methods are divided into the following three types. It is sufficient to indicate the type of investment:
(1) Direct investment in Mainland China.
(2) Reinvest in Mainland China through a company in a third region.
(3) Other methods.

Note 2: Columns of investment gains and losses recognized in the current period:
(1) If there is no investment profit or loss in the preparation process, it should be specified.
(2) The basis for recognition of investment gains and losses are divided into the following three types, which should be specified.
A. Financial statements audited by an international CPA firm that has partnered with a ROC CPA firm.
B. Financial statements audited by the parent company's CPAs in Taiwan.
C. Others

Note 3: Relevant figures in this table should be presented in New Taiwan Dollars.

Note 4: Recognized in the "financial assets measured at fair value through other comprehensive income - non-current" account.

AUROTEK CORPORATION
INFORMATION ON MAJOR SHAREHOLDERS
December 31, 2024

Table 6

Name of major shareholders	Shares: Number of shares held	Shares: Ownership (%)
Aurotek Marketing Consultant Corporation	14,203,423	17.15
Citibank Custodian for UBS Europe SE Investment Account	4,370,294	5.27
Oiles Corporation of Japan	4,295,111	5.18

Note 1: The information on major shareholders in this table is calculated by Taiwan Depository & Clearing Corporation based on the last business day of each quarter, reflecting shareholders holding ordinary shares and preferred shares (including treasury shares) of the Company that have completed dematerialized registration/delivery and whose shareholding has reached 5% or more.

The share capital reported in the financial statements and the actual number of shares that have completed dematerialized registration/delivery may differ due to differences in calculation bases.

Note 2: If the above information involves shareholders transferring shares into a trust, disclosure is based on the individual sub-accounts of the trustors established by the trustee. For shareholders who are insiders with more than 10% shareholding, as required by the Securities and Exchange Act, their declared shareholding includes both personally held shares and shares placed in trust where they retain the right to make decisions regarding trust assets. For details regarding insider shareholding declarations, please refer to the Market Observation Post System.