

Symtek Automation Asia Co., Ltd.

**Parent Company Only Financial Statements for the
Years Ended December 31, 2024 and 2023 and
Independent Auditors' Report**

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Symtek Automation Asia Co., Ltd.

Opinion

We have audited the accompanying parent company only financial statements of Symtek Automation Asia Co., Ltd. (the “Company”), which comprise the parent company only balance sheets as of December 31, 2024 and 2023, and the parent company only statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the parent company only financial statements, including material accounting policy information (collectively referred to as the “parent company only financial statements”).

In our opinion, the accompanying parent company only financial statements present fairly, in all material respects, the parent company only financial position of the Company as of December 31, 2024 and 2023, and its parent company only financial performance and its parent company only cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and other regulations.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the parent company only financial statements for the year ended December 31, 2024. These matters were addressed in the context of our audit of the parent company only financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The following is the description of the key audit matter in the parent company only financial statements of Symtek Automation Asia Co., Ltd. for 2024:

Revenue Recognition

Symtek Automation Asia Co., Ltd. generates revenue mainly from the sale of equipment and machines, which are automation machines. The sales to major customers of automation equipment for semiconductor packaging and testing and wafers in 2024 were significant, accounting for 61% of the total revenue. The transaction is subject to the completion major customers. Therefore, we consider whether the sales of automation equipment for semiconductor packaging and testing and wafers have actually occurred as a key audit matter.

Hence, the auditor considered the policy on recognition of sales revenue and have evaluated and tested the effectiveness of the design and implementation of the internal control system related to each type of revenue in 2024; We also performed tests to verify the validity of each type of sales transaction, which included selecting proper samples of shipment orders, confirmation of installation of machines, and invoices, as well as checking the consistency between the sales targets and receivers of each type of sales transaction and the collection status of accounts receivable, and checking for any material sales return after the reporting date to verify that the transactions had actually occurred.

Responsibilities of Management and Those Charged with Governance for the Parent Company Only Financial Statements

Management is responsible for the preparation and fair presentation of the parent company only financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and other regulations, and for such internal control as management determines is necessary to enable the preparation of parent company only financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the parent company only financial statements for the year ended December 31, 2024, and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Wen-Yuan Chuang and Tza-Li Gung.

Deloitte & Touche
Taipei, Taiwan
Republic of China

February 27, 2025

Notice to Readers

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

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

SYMTEK AUTOMATION ASIA CO., LTD.

PARENT COMPANY ONLY BALANCE SHEETS **DECEMBER 31, 2024 AND 2023** **(In Thousands of New Taiwan Dollars)**

ASSETS	2024		2023	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents (Note 6)	\$ 1,578,910	21	\$ 1,205,080	17
Financial assets at fair value through profit or loss - current (Note 17)	81	-	-	-
Financial assets at amortized cost - current (Notes 8 and 32)	70,000	1	-	-
Contract assets - current (Note 23)	366,158	5	536,884	8
Notes receivable (Note 9)	4,529	-	3,578	-
Trade receivables from unrelated parties (Notes 9 and 23)	330,509	5	547,430	8
Trade receivables from related parties (Notes 23 and 31)	11,646	-	1,403	-
Other receivables from unrelated parties (Note 9)	16,519	-	11,155	-
Other receivables from related parties (Note 31)	20,826	-	24,507	-
Inventories (Note 10)	752,974	10	822,226	12
Other current assets (Note 15)	<u>34,574</u>	<u>1</u>	<u>17,352</u>	<u>-</u>
Total current assets	<u>3,186,726</u>	<u>43</u>	<u>3,169,615</u>	<u>45</u>
NON-CURRENT ASSETS				
Financial assets at fair value through other comprehensive income - non-current (Note 7)	281,054	4	169,090	3
Investments accounted for using the equity method (Note 11)	1,621,811	22	1,544,802	22
Property, plant and equipment (Notes 12 and 32)	2,241,722	30	1,964,274	28
Right-of-use assets (Note 13)	9,445	-	19,765	-
Intangible assets (Note 14)	5,881	-	8,706	-
Deferred tax assets (Note 25)	70,739	1	92,341	2
Other non-current assets (Note 15)	<u>11,676</u>	<u>-</u>	<u>11,188</u>	<u>-</u>
Total non-current assets	<u>4,242,328</u>	<u>57</u>	<u>3,810,166</u>	<u>55</u>
TOTAL	<u>\$ 7,429,054</u>	<u>100</u>	<u>\$ 6,979,781</u>	<u>100</u>
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings (Note 16)	\$ -	-	\$ 200,000	3
Contract liabilities - current (Note 23)	89,784	1	215,058	3
Trade payables to unrelated parties (Note 18)	859,489	12	438,391	6
Trade payables to related parties (Note 31)	9,246	-	27	-
Other payables (Notes 19 and 31)	503,832	7	475,157	7
Current tax liabilities (Note 25)	33,920	-	74,547	1
Provisions - current (Note 20)	39,000	1	55,000	1
Lease liabilities - current (Note 13)	7,534	-	11,383	-
Current portion of bonds payable (Note 17)	34,059	-	-	-
Current portion of long - term borrowings (Note 16)	28,683	-	47,922	1
Other current liabilities (Note 19)	<u>3,029</u>	<u>-</u>	<u>2,580</u>	<u>-</u>
Total current liabilities	<u>1,608,576</u>	<u>21</u>	<u>1,520,065</u>	<u>22</u>
NON-CURRENT LIABILITIES				
Financial liabilities at fair value through profit or loss - non-current (Note 17)	-	-	930	-
Bonds payable (Note 17)	-	-	285,898	4
Long-term loans (Note 16)	925,952	13	966,279	14
Deferred tax liabilities (Note 25)	166,373	2	150,498	2
Lease liabilities - non-current (Note 13)	2,040	-	8,506	-
Other non-current liabilities (Note 19)	<u>3,114</u>	<u>-</u>	<u>2,936</u>	<u>-</u>
Total non-current liabilities	<u>1,097,479</u>	<u>15</u>	<u>1,415,047</u>	<u>20</u>
Total liabilities	<u>2,706,055</u>	<u>36</u>	<u>2,935,112</u>	<u>42</u>
EQUITY (Note 22)				
Share capital				
Ordinary shares	752,817	10	752,817	11
Bond conversion entitlement certificates	<u>25,812</u>	<u>1</u>	<u>-</u>	<u>-</u>
Total share capital	<u>778,629</u>	<u>11</u>	<u>752,817</u>	<u>11</u>
Capital surplus	<u>2,084,857</u>	<u>28</u>	<u>1,854,049</u>	<u>26</u>
Retained earnings				
Legal reserve	488,880	7	424,099	6
Special reserve	14,547	-	21,404	-
Unappropriated earnings	<u>1,198,358</u>	<u>16</u>	<u>1,006,847</u>	<u>15</u>
Total retained earnings	<u>1,701,785</u>	<u>23</u>	<u>1,452,350</u>	<u>21</u>
Other equity	<u>157,728</u>	<u>2</u>	<u>(14,547)</u>	<u>-</u>
Total equity	<u>4,722,999</u>	<u>64</u>	<u>4,044,669</u>	<u>58</u>
TOTAL	<u>\$ 7,429,054</u>	<u>100</u>	<u>\$ 6,979,781</u>	<u>100</u>

The accompanying notes are an integral part of the parent company only financial statements.

SYMTEK AUTOMATION ASIA CO., LTD.

PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2024		2023	
	Amount	%	Amount	%
REALIZED GROSS PROFIT				
OPERATING REVENUE (Notes 23 and 31)				
Sales	\$ 2,834,714	100	\$ 3,526,523	100
OPERATING COSTS (Notes 10, 24 and 31)				
Cost of goods sold	<u>(1,937,318)</u>	<u>(69)</u>	<u>(2,421,199)</u>	<u>(69)</u>
GROSS PROFIT	897,396	31	1,105,324	31
UNREALIZED GAIN ON TRANSACTIONS WITH SUBSIDIARIES	(869)	-	(604)	-
REALIZED GAIN ON TRANSACTIONS WITH SUBSIDIARIES	<u>604</u>	<u>-</u>	<u>3,088</u>	<u>-</u>
	<u>897,131</u>	<u>31</u>	<u>1,107,808</u>	<u>31</u>
OPERATING EXPENSES (Notes 9, 23, 24 and 31)				
Selling and marketing	(95,739)	(3)	(98,545)	(3)
General and administrative	(204,014)	(7)	(235,894)	(7)
Research and development	(313,625)	(11)	(269,707)	(7)
Expected credit loss	<u>(17,640)</u>	<u>(1)</u>	<u>(10,050)</u>	<u>-</u>
Total operating expenses	<u>(631,018)</u>	<u>(22)</u>	<u>(614,196)</u>	<u>(17)</u>
PROFIT FROM OPERATIONS	<u>266,113</u>	<u>9</u>	<u>493,612</u>	<u>14</u>
NON-OPERATING INCOME AND EXPENSES (Notes 11, 24 and 31)				
Interest income	8,128	-	4,949	-
Other income	54,870	2	74,178	2
Other gains and losses	275,594	10	31,465	1
Finance costs	(17,277)	(1)	(28,442)	-
Share of profit or loss of subsidiaries	<u>134,862</u>	<u>5</u>	<u>217,474</u>	<u>6</u>
Total non-operating income and expenses	<u>456,177</u>	<u>16</u>	<u>299,624</u>	<u>9</u>
PROFIT BEFORE INCOME TAX	722,290	25	793,236	23
INCOME TAX EXPENSE (Note 25)	<u>(148,182)</u>	<u>(5)</u>	<u>(145,433)</u>	<u>(4)</u>
NET PROFIT FOR THE YEAR	<u>574,108</u>	<u>20</u>	<u>647,803</u>	<u>19</u>

(Continued)

SYMTEK AUTOMATION ASIA CO., LTD.

PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2024		2023	
	Amount	%	Amount	%
OTHER COMPREHENSIVE INCOME				
Items that will not be reclassified subsequently to profit or loss:				
Unrealized gain on investments in equity instruments at fair value through other comprehensive income (Note 30)	\$ 136,429	5	\$ 28,647	1
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating of the financial statements of foreign operations	62,425	2	(27,238)	(1)
Income tax related to items that may be reclassified subsequently to profit or loss (Note 25)	<u>(12,485)</u>	<u>-</u>	<u>5,448</u>	<u>-</u>
Other comprehensive income for the year, net of income tax	<u>186,369</u>	<u>7</u>	<u>6,857</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 760,477</u>	<u>27</u>	<u>\$ 654,660</u>	<u>19</u>
EARNINGS PER SHARE (Note 26)				
Basic earnings per share	<u>\$ 7.63</u>		<u>\$ 8.89</u>	
Diluted earnings per share	<u>\$ 7.39</u>		<u>\$ 8.57</u>	

The accompanying notes are an integral part of the parent company only financial statements. (Concluded)

SYMTEK AUTOMATION ASIA CO., LTD.

**PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars)**

									Other Equity		Total	Total Equity
	Share Capital				Retained Earnings				Exchange Difference on Translating of the Financial Statements of Foreign Operations	Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income		
	Ordinary Shares	Bond Conversion Entitlement Certificates	Total	Capital Surplus	Legal Reserve	Special Reserve	Unappropriate d Earnings	Total				
BALANCE AT JANUARY 1, 2023	\$ 714,317	\$ -	\$ 714,317	\$ 1,506,096	\$ 357,550	\$ 34,942	\$ 1,054,940	\$ 1,447,432	\$ (17,226)	\$ (4,178)	\$ (21,404)	\$ 3,646,441
Appropriation of earnings												
Legal reserve	-	-	-	-	66,549	-	(66,549)	-	-	-	-	-
Special reserve	-	-	-	-	-	(13,538)	13,538	-	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	-	-	(642,885)	(642,885)	-	-	-	(642,885)
Net profit for the year ended December 31, 2023	-	-	-	-	-	-	647,803	647,803	-	-	-	647,803
Other comprehensive income (loss) for the year ended December 31, 2023	-	-	-	-	-	-	-	-	(21,790)	28,647	6,857	6,857
Total comprehensive income (loss) for the year ended December 31, 2023	-	-	-	-	-	-	647,803	647,803	(21,790)	28,647	6,857	654,660
Equity component of convertible bonds issued by the Company	-	-	-	15,756	-	-	-	-	-	-	-	15,756
Employee share options issued by the Company	-	-	-	12,647	-	-	-	-	-	-	-	12,647
Issuance of ordinary shares for cash	38,500	-	38,500	319,550	-	-	-	-	-	-	-	358,050
BALANCE AT DECEMBER 31, 2023	752,817	-	752,817	1,854,049	424,099	21,404	1,006,847	1,452,350	(39,016)	24,469	(14,547)	4,044,669
Appropriation of earnings												
Legal reserve	-	-	-	-	64,781	-	(64,781)	-	-	-	-	-
Special reserve	-	-	-	-	-	(6,857)	6,857	-	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	-	-	(338,767)	(338,767)	-	-	-	(338,767)
Net profit for the year ended December 31, 2024	-	-	-	-	-	-	574,108	574,108	-	-	-	574,108
Other comprehensive income for the year ended December 31, 2024	-	-	-	-	-	-	-	-	49,940	136,429	186,369	186,369
Total comprehensive income for the year ended December 31, 2024	-	-	-	-	-	-	574,108	574,108	49,940	136,429	186,369	760,477
Conversion of convertible corporate bonds	-	25,812	25,812	230,808	-	-	-	-	-	-	-	256,620
Disposal of financial assets at fair value through other comprehensive income	-	-	-	-	-	-	14,094	14,094	-	(14,094)	(14,094)	-
BALANCE AT DECEMBER 31, 2024	\$ 752,817	\$ 25,812	\$ 778,629	\$ 2,084,857	\$ 488,880	\$ 14,547	\$ 1,198,358	\$ 1,701,785	\$ 10,924	\$ 146,804	\$ 157,728	\$ 4,722,999

The accompanying notes are an integral part of the parent company only financial statements.

SYMTEK AUTOMATION ASIA CO., LTD.

PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars)

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 722,290	\$ 793,236
Adjustments for:		
Depreciation expense	24,729	32,965
Amortization expense	21,693	21,345
Expected credit loss recognized on trade receivables and contract assets	17,640	10,050
Net gain on fair value changes of financial assets and liabilities at fair value through profit or loss	(1,525)	(140)
Financial costs	17,277	28,442
Interest income	(8,128)	(4,949)
Dividend income	(3,693)	(6,086)
Compensation cost of employee share options	-	12,647
Share of profit of subsidiaries	(134,862)	(217,474)
Gain on disposal of property, plant and equipment	(254,338)	(38,043)
(Reversal of) write-down of inventories	(91,000)	106,000
Unrealized gain on the transactions with subsidiaries	869	604
Realized gain on the transactions with subsidiaries	(604)	(3,088)
Unrealized (gain) loss on foreign currency exchange	(3,616)	963
Other items	178	663
Changes in operating assets and liabilities		
Contract assets	166,596	(88,439)
Notes receivable	(951)	3,180
Trade receivables from unrelated parties	206,946	(10,982)
Trade receivables from related parties	(10,138)	12,135
Other receivables from unrelated parties	(5,364)	19,146
Other receivables from related parties	3,681	13,348
Inventories	160,252	495,711
Other current assets	(33,770)	(4,776)
Contract liabilities	(125,274)	(27,737)
Trade payables to unrelated parties	421,109	(515,814)
Trade payables to related parties	9,187	-
Other payables	43,921	22,810
Provisions - current	(16,000)	(2,000)
Other current liabilities	449	(674)
Cash generated from operations	1,127,554	653,043
Interest received	8,128	4,949
Interest paid	(12,121)	(24,537)
Income tax paid	(163,818)	(222,241)
Net cash generated from operating activities	959,743	411,214

(Continued)

SYMTEK AUTOMATION ASIA CO., LTD.

PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars)

	2024	2023
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at fair value through other comprehensive income	\$ -	\$ (20,000)
Sale of financial assets at fair value through other comprehensive income	24,465	-
Purchase of financial assets at amortized cost	(70,000)	-
Payments for property, plant and equipment	(723,796)	(324,079)
Proceeds from disposal of property, plant and equipment	673,214	95,841
Decrease in refundable deposits	(488)	2,633
Payments for intangible assets	(2,320)	(3,544)
Dividend received	<u>123,707</u>	<u>226,186</u>
Net cash generated from (used in) investing activities	<u>24,782</u>	<u>(22,963)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term borrowings	-	650,000
Repayments of short-term borrowings	(200,000)	(610,000)
Proceeds from issuance of convertible bonds	-	298,770
Proceeds from long-term borrowings	583,000	458,230
Repayments of long-term borrowings	(642,566)	(190,240)
Repayment of the principal portion of lease liabilities	(12,362)	(20,525)
Dividends paid	(338,767)	(642,885)
Issuance of ordinary shares for cash	<u>-</u>	<u>358,050</u>
Net cash (used in) generated from financing activities	<u>(610,695)</u>	<u>301,400</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	373,830	689,651
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>1,205,080</u>	<u>515,429</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 1,578,910</u>	<u>\$ 1,205,080</u>

The accompanying notes are an integral part of the parent company only financial statements.

(Concluded)

SYMTEK AUTOMATION ASIA CO., LTD.

NOTES TO PARENT COMPANY ONLY FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1. GENERAL INFORMATION

Symtek Automation Asia Co., Ltd. (the “Company”) was incorporated in the Republic of China (ROC) in October 1999, and is mainly engaged in the manufacture and sale of automation equipment and related products. The Company’s stock has been officially OTC-listed on the Taipei Exchange (TPEX) since April 2017 and was discontinued on January 19, 2021, and was exchange-listed on the Taiwan Stock Exchange (TWSE) on the same day.

The financial statements are presented in the Company’s functional currency, the New Taiwan dollar (NTD).

2. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the Company’s board of directors on February 24, 2025.

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

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

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

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

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

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

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

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

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

IFRS 18 “Presentation and Disclosure in Financial Statements”

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

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

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

4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

a. Statement of compliance

The parent company only financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

b. Basis of preparation

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

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

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

When preparing these parent company only financial statements, the Company used the equity method to account for its investments in subsidiaries. In order for the amounts of the net profit for the year, other comprehensive income for the year and total equity in the parent company only financial statements to be the same with the amounts attributable to the owners of the Company in its consolidated financial statements, adjustments arising from the differences in accounting treatments between the parent company only basis and the consolidated basis were made to investments accounted for using the equity method, the share of profit or loss of subsidiaries, the share of other comprehensive income of subsidiaries and the related equity items, as appropriate, in these parent company only financial statements.

c. Classification of current and non-current assets and liabilities

Current assets include:

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

Current liabilities include:

- Liabilities held primarily for the purpose of trading;
- Liabilities due to be settled within 12 months after the reporting period, even if an agreement to refinance, or to reschedule payments, on a long-term basis is completed after the reporting period and before the consolidated financial statements are authorized for issue; and

- Liabilities for which the company does not have an unconditional right to defer settlement for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

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

d. Foreign currencies

In preparing the financial statements of each individual entity, transactions in currencies other than the entity's functional currency (i.e., foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Exchange differences on monetary items arising from settlement or translation are recognized in profit or loss in the period in which they arise.

Non-monetary items denominated in foreign currencies that are measured at fair value are retranslated at the rates prevailing at the date when the fair value is determined. Exchange differences arising from the retranslation of non-monetary items are included in profit or loss for the period except for exchange differences arising from the retranslation of non-monetary items in respect of which gains and losses are recognized directly in other comprehensive income; in which cases, the exchange differences are also recognized directly in other comprehensive income.

Non-monetary item denominated in a foreign currency and measured at historical cost is stated at the reporting currency as originally translated from the foreign currency.

For the purpose of presenting consolidated financial statements, the financial statements of the Company and its foreign operations (including subsidiaries) that are prepared using functional currencies which are different from the currency of the Company are translated into the presentation currency, the New Taiwan dollar, as follows: Assets and liabilities are translated at the exchange rates prevailing at the end of the reporting period; and income and expense items are translated at the average exchange rates for the period. The resulting currency translation differences are recognized in other comprehensive income (attributed to the owners of the Company and non-controlling interests as appropriate).

e. Inventories

Inventories consist of raw materials, work-in progress and finished goods and are stated at the lower of cost or net realizable value. Inventory write-downs are made by item, except where it may be appropriate to group similar or related items. The net realizable value is the estimated selling price of inventories less all estimated costs of completion and costs necessary to make the sale. Inventories are recorded at the weighted-average cost on the balance sheet date.

f. Investments in subsidiaries

The Company uses the equity method to account for its investments in subsidiaries.

A subsidiary is an entity (including a structured entity) that is controlled by the Company.

Under the equity method, an investment in a subsidiary is initially recognized at cost and adjusted thereafter to recognize the Company's share of the profit or loss and other comprehensive income of the subsidiary. The Company also recognizes the changes in the Company's share of equity of subsidiaries attributable to the Company.

Changes in the Company's ownership interest in a subsidiary that do not result in the Company losing control of the subsidiary are accounted for as equity transactions. The Company recognizes directly in equity any difference between the carrying amount of the investment and the fair value of the consideration paid or received.

When the Company's share of loss of a subsidiary exceeds its interest in that subsidiary (which includes any carrying amount of the investment accounted for using the equity method and long-term interests that, in substance, form part of the Company's net investment in the subsidiary), the Company continues recognizing its share of further loss, if any.

Any excess of the cost of acquisition over the Company's share of the net fair value of the identifiable assets and liabilities of a subsidiary that constitutes a business at the date of acquisition is recognized as goodwill, which is included within the carrying amount of the investment and is not amortized. Any excess of the Company's share of the net fair value of the identifiable assets and liabilities of a subsidiary that constitutes a business over the cost of acquisition is recognized immediately in profit or loss.

The Company assesses its investment for any impairment by comparing the carrying amount with the estimated recoverable amount as assessed based on the investee's financial statements as a whole. Impairment loss is recognized when the carrying amount exceeds the recoverable amount. If the recoverable amount of the investment subsequently increases, the Company recognizes a reversal of the impairment loss; the adjusted post-reversal carrying amount should not exceed the carrying amount that would have been recognized (net of amortization or depreciation) had no impairment loss been recognized in prior years. An impairment loss recognized on goodwill cannot be reversed in a subsequent period.

When the Company loses control of a subsidiary, it recognizes the investment retained in the former subsidiary at its fair value at the date when control is lost. The difference between the fair value of the retained investment plus any consideration received and the carrying amount of the previous investment at the date when control is lost is recognized as a gain or loss in profit or loss. Besides this, the Company accounts for all amounts previously recognized in other comprehensive income in relation to that subsidiary on the same basis as would be required had the Company directly disposed of the related assets or liabilities.

Profit or loss resulting from downstream transactions is eliminated in full only in the parent company only financial statements. Profit and loss resulting from upstream transactions and transactions between subsidiaries is recognized only in the parent company only financial statements and only to the extent of interests in the subsidiaries that are not related to the Company.

g. Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost less accumulated depreciation and accumulated impairment loss.

Property, plant and equipment in the course of construction are measured at cost less any recognized impairment loss. Cost includes professional fees and borrowing costs eligible for capitalization. Samples produced when testing whether an item of property, plant and equipment is functioning properly before that asset reaches its intended use are measured at the lower of cost or net realizable value, and any proceeds from selling those samples and the cost of those samples are recognized in profit or loss. Such assets are depreciated and classified to the appropriate categories of property, plant and equipment when completed and ready for their intended use.

Except for freehold land which is not depreciated, the depreciation of property, plant and equipment is recognized using the straight-line method. Each significant part is depreciated separately. The estimated useful lives, residual values and depreciation methods are reviewed at the end of each reporting period, with the effects of any changes in the estimates accounted for on a prospective basis.

On derecognition of an item of property, plant and equipment, the difference between the sales proceeds and the carrying amount of the asset is recognized in profit or loss.

h. Intangible assets

1) Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are initially measured at cost and subsequently measured at cost less accumulated amortization and accumulated impairment loss. Amortization is recognized on a straight-line basis. The estimated useful lives, residual values, and amortization methods are reviewed at the end of each reporting period, with the effect of any changes in the estimates accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are measured at cost less accumulated impairment loss.

2) Derecognition of intangible assets

On derecognition of an intangible asset, the difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss.

i. Impairment of property, plant and equipment, right-of-use asset and intangible assets

At the end of each reporting period, the company reviews the carrying amounts of its property, plant and equipment, right-of-use asset and intangible assets, to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. When it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually and whenever there is an indication that the assets may be impaired.

The recoverable amount is the higher of fair value less costs to sell and value in use. If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount, with the resulting impairment loss recognized in profit or loss.

When an impairment loss is subsequently reversed, the carrying amount of the corresponding asset, cash-generating unit or assets related to contract costs is increased to the revised estimate of its recoverable amount, but only to the extent of the carrying amount that would have been determined had no impairment loss been recognized on the asset, cash-generating unit or assets related to contract costs in prior years. A reversal of an impairment loss is recognized in profit or loss.

j. Financial instruments

Financial assets and financial liabilities are recognized when the company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issuance of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognized immediately in profit or loss.

1) Financial assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis.

a) Measurement categories

Financial assets are classified into the following categories: Financial assets at FVTPL, financial assets at amortized cost and investments in debt instruments and equity instruments at FVTOCI.

i. Financial assets at FVTPL

Financial assets are classified as at FVTPL when such financial assets are mandatorily classified as at FVTPL. Financial assets mandatorily classified as at FVTPL include investments in equity instruments which are not designated as at FVTOCI and debt instruments that do not meet the amortized cost criteria or the FVTOCI criteria.

Financial assets at FVTPL are subsequently measured at fair value, and any remeasurement gains or losses on such financial assets are recognized in other gains or losses. Fair value is determined in the manner described in Note 30.

ii. Financial assets at amortized cost

Financial assets that meet the following conditions are subsequently measured at amortized cost:

- i) The financial assets are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- ii) The contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Subsequent to initial recognition, financial assets at amortized cost, including cash and cash equivalents, trade receivables at amortized cost and time deposits with original maturities of more than 3 months, are measured at amortized cost, which equals the gross carrying amount determined using the effective interest method less any impairment loss. Exchange differences are recognized in profit or loss.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of such a financial asset, except for:

- i) Purchased or originated credit-impaired financial asset, for which interest income is calculated by applying the credit-adjusted effective interest rate to the amortized cost of such financial assets; and
- ii) Financial asset that is not credit impaired on purchase or origination but has subsequently become credit impaired, for which interest income is calculated by applying the effective interest rate to the amortized cost of such financial assets in subsequent reporting periods.

A financial asset is credit impaired when one or more of the following events have occurred:

- i) Significant financial difficulty of the issuer or the borrower;
- ii) Breach of contract, such as a default;

- iii) It is becoming probable that the borrower will enter bankruptcy or undergo a financial reorganization; or
- iv) The disappearance of an active market for that financial asset because of financial difficulties.

Cash equivalents include time deposits with original maturities within 3 months from the date of acquisition, which are highly liquid, readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These cash equivalents are held for the purpose of meeting short-term cash commitments.

iii. Investments in debt instruments at FVTOCI

Debt instruments that meet the following conditions are subsequently measured at FVTOCI:

- i) The debt instrument is held within a business model whose objective is achieved by both the collecting of contractual cash flows and the selling of such financial assets; and
- ii) The contractual terms of the debt instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Investments in debt instruments at FVTOCI are subsequently measured at fair value. Changes in the carrying amounts of these debt instruments relating to changes in foreign currency exchange rates, interest income calculated using the effective interest method and impairment losses or reversals are recognized in profit or loss. Other changes in the carrying amount of these debt instruments are recognized in other comprehensive income and will be reclassified to profit or loss when the investment is disposed of.

iv. Investments in equity instruments at FVTOCI

On initial recognition, the company may make an irrevocable election to designate investments in equity instruments as at FVTOCI. Designation as at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognized by an acquirer in a business combination.

Investments in equity instruments at FVTOCI are subsequently measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in other equity. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments; instead, it will be transferred to retained earnings.

Dividends on these investments in equity instruments are recognized in profit or loss when the company's right to receive the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment.

b) Impairment of financial assets and contract assets

The company recognizes a loss allowance for expected credit losses on financial assets at amortized cost (including trade receivables), investments in equity instruments that are measured at FVTOCI, operating lease receivables, as well as contract assets.

The company always recognizes lifetime expected credit losses (ECLs) for trade receivables, operating lease receivables and contract assets. For all other financial instruments, the company recognizes lifetime ECLs when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on a financial instrument has not increased significantly since initial recognition, the company measures the loss allowance for that financial instrument at an amount equal to 12-month ECLs.

Expected credit losses reflect the weighted average of credit losses with the respective risks of default occurring as the weights. Lifetime ECLs represent the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECLs represent the portion of lifetime ECLs that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

For internal credit risk management purposes, the company considers the internal or external information shows that the debtor is unlikely to pay its creditors that a financial asset is in default (without taking into account any collateral held by the company).

The impairment loss of all financial assets is recognized in profit or loss by a reduction in their carrying amounts through a loss allowance account, except for investments in debt instruments that are measured at FVTOCI, for which the loss allowance is recognized in other comprehensive income and the carrying amounts of such financial assets are not reduced.

c) Derecognition of financial assets

The company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset at amortized cost in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss. On derecognition of an investment in a debt instrument at FVTOCI, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss which had been recognized in other comprehensive income is recognized in profit or loss. However, on derecognition of an investment in an equity instrument at FVTOCI, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss, and the cumulative gain or loss which had been recognized in other comprehensive income is transferred directly to retained earnings, without recycling through profit or loss.

2) Equity instruments

Debt and equity instruments issued by the company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments issued by the company are recognized at the proceeds received, net of direct issue costs.

The repurchase of the Company's own equity instruments is recognized in and deducted directly from equity. No gain or loss is recognized in profit or loss on the purchase, sale, issuance or cancellation of the Company's own equity instruments.

3) Financial liabilities

a) Subsequent measurement

Except the following situations, all financial liabilities are measured at amortized cost using the effective interest method:

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when such financial liabilities are held for trading.

Financial liabilities held for trading are stated at fair value, and any gains or losses on such financial liabilities are recognized in other gains or losses.

b) Derecognition of financial liabilities

The difference between the carrying amount of a financial liability derecognized and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

4) Convertible bonds

The component parts of compound instruments (i.e., convertible bonds) issued by the company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

On initial recognition, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recorded as a liability on an amortized cost basis using the effective interest method until extinguished upon conversion or upon the instrument's maturity date. Any embedded derivative liability is measured at fair value.

The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognized and included in equity, net of income tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised; in which case, the balance recognized in equity will be transferred to capital surplus - share premiums. When the conversion option remains unexercised at maturity, the balance recognized in equity will be transferred to capital surplus - share premiums.

Transaction costs that relate to the issuance of the convertible notes are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognized directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component.

k. Provisions

Provisions are measured at the best estimate of the discounted cash flows of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Warranties

Provisions for the expected cost of warranty obligations to assure that products comply with agreed-upon specifications are recognized on the date of sale of the relevant products at the best estimate by the management of the Company of the expenditures required to settle the company's obligations.

l. Revenue recognition

The company identifies contracts with customers, allocates the transaction price to the performance obligations and recognizes revenue when performance obligations are satisfied.

For contracts where the period between the date on which the company transfers a promised good or service to a customer and the date on which the customer pays for that good or service is one year or less, the company does not adjust the promised amount of consideration for the effects of a significant financing component.

Revenue from the sale of goods

Revenue from the sale of goods comes from the sales of merchandise. Depending on the nature of the product, sales revenue and trade receivables/contract assets are recognized when the customer has satisfied the obligation to control the product upon delivery or installation of the machine, respectively, and are transferred to accounts receivable when the remaining obligation is satisfied. Prepayments are recognized as contract liabilities until the delivery or installation of the machine is confirmed.

The company does not recognize revenue on materials delivered to subcontractors because this delivery does not involve a transfer of control.

m. Leases

At the inception of a contract, the company assesses whether the contract is, or contains, a lease.

1) The company as lessor

Leases are classified as finance leases whenever the terms of a lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Under finance leases, the lease payments comprise fixed payments and in-substance fixed payments, less any lease incentives payable. The net investment in a lease is measured at (a) the present value of the sum of the lease payments receivable by a lessor and any unguaranteed residual value accrued to the lessor plus (b) initial direct costs and is presented as a finance lease receivable. Finance lease income is allocated to the relevant accounting periods so as to reflect a constant, periodic rate of return on the Company's net investment outstanding in respect of leases.

Lease payments from operating leases are recognized as income on a straight-line basis over the terms of the relevant leases. Initial direct costs incurred in obtaining operating leases are added to the carrying amounts of the underlying assets and recognized as expenses on a straight-line basis over the lease terms.

2) The company as lessee

The company recognizes right-of-use assets and lease liabilities for all leases at the commencement date of a lease, except for short-term leases and low-value asset leases accounted for by applying a recognition exemption where lease payments are recognized as expenses on a straight-line basis over the lease terms.

Right-of-use assets are initially measured at cost, which comprises the initial measurement of lease liabilities adjusted for lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs needed to restore the underlying assets, and less any lease incentives received. Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses and adjusted for any remeasurement of the lease liabilities. Right-of-use assets are presented on a separate line in the consolidated balance sheets.

Right-of-use assets are depreciated using the straight-line method from the commencement dates to the earlier of the end of the useful lives of the right-of-use assets or the end of the lease terms.

Lease liabilities are initially measured at the present value of the lease payments, which comprise fixed payments and in-substance fixed payments, less any lease incentives receivable. The lease payments are discounted using the interest rate implicit in a lease, if that rate can be readily determined. If that rate cannot be readily determined, the lessee's incremental borrowing rate will be used.

Subsequently, lease liabilities are measured at amortized cost using the effective interest method, with interest expense recognized over the lease terms. When there is a change in a lease term, or a change in future lease payments resulting from a change in an index or a rate used to determine those payments, the company remeasures the lease liabilities with a corresponding adjustment to the right-of-use-assets. However, if the carrying amount of the right-of-use assets is reduced to zero, any remaining amount of the remeasurement is recognized in profit or loss. Lease liabilities are presented on a separate line in the consolidated balance sheets.

n. Borrowing costs

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

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

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

o. Government grants

Government grants are not recognized until there is reasonable assurance that the company will comply with the conditions attached to them and that the grants will be received.

Government grants related to income are recognized in other income on a systematic basis over the periods in which the company recognizes as expenses the related costs that the grants intend to compensate.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the company with no future related costs are recognized in profit or loss in the period in which they are received.

p. Employee benefits

1) Short-term employee benefits

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related services.

2) Retirement benefits

Payments to defined contribution retirement benefit plans are recognized as expenses when employees have rendered services entitling them to the contributions.

3) Other long-term employee benefits

Other long-term employee benefits are accounted for in the same way as the accounting required for defined benefit plans except that remeasurement is recognized in profit or loss.

q. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

1) Current tax

Income tax payable (recoverable) is based on taxable profit (loss) for the year determined according to the applicable tax laws of each tax jurisdiction.

According to the Income Tax Act in the ROC, an additional tax on unappropriated earnings is provided for in the year the shareholders approve to retain earnings.

Adjustments of prior years' tax liabilities are added to or deducted from the current year's tax provision.

2) Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries, except where the company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are recognized only to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and such temporary differences are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered. A previously unrecognized deferred tax asset is also reviewed at the end of each reporting period and recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liabilities are settled or the assets are realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

3) Current and deferred taxes

Current and deferred taxes are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity; in which case, the current and deferred taxes are also recognized in other comprehensive income or directly in equity, respectively.

5. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the company's accounting policies, management is required to make judgments, estimations, and assumptions on the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

When developing material accounting estimates, the company considers the possible impact of inflation and interest rate fluctuations on the cash flow projection, growth rates, discount rates, profitabilities and other relevant material estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

Key sources of estimation uncertainty

a. Estimated impairment of financial assets and contract assets

The provision for impairment of trade receivables, investments in debt instruments and contract assets is based on assumptions on probability of default and loss given default. The company uses judgment in making these assumptions and in selecting the inputs to the impairment calculation, based on the company's historical experience, existing market conditions as well as forward looking estimates as of the end of each reporting period. For details of the key assumptions and inputs used, see Note 9. Where the actual future cash inflows are less than expected, a material impairment loss may arise.

b. Write-down of inventories

The net realizable value of inventories is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. The estimation of net realizable value is based on current market conditions and historical experience in the sale of product of a similar nature. Changes in market conditions may have a material impact on the estimation of the net realizable value.

6. CASH AND CASH EQUIVALENTS

	December 31	
	2024	2023
Cash on hand	\$ 244	\$ 268
Checking accounts demand deposits	<u>1,578,666</u>	<u>1,204,812</u>
	<u>\$ 1,578,910</u>	<u>\$ 1,205,080</u>

The market rate intervals of cash in the bank at the end of the year were as follows:

	December 31	
	2024	2023
Bank deposits	0.001%-0.705%	0.001%-0.58%

7. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

Investment in Equity Instruments

	December 31	
	2024	2023
<u>Non-current</u>		
Domestic investments		
Listed shares and emerging market shares		
SynPower Co., Ltd.	\$ 201,474	\$ 129,390
Unlisted shares		
New Smart Technology Co., Ltd.	32,240	8,870
Ever Radiant Inc.	-	-
Great Talent Tech Co., Ltd.	1,000	1,000
TSS Holding Limited	<u>46,340</u>	<u>29,830</u>
	<u>\$ 281,054</u>	<u>\$ 169,090</u>

These investments in equity instruments are held for medium- to long-term strategic purposes. Accordingly, the management elected to designate these investments in equity instruments as at FVTOCI as they believe that recognizing short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Company's strategy of holding these investments for long-term purposes.

The management of the Company considered that the fair value of the stock investment in Ever Radiant Inc. could not be measured reliably. The stock investment was valued as a receivable and an impairment loss of \$8,953 thousand was recognized as of December 31, 2019, the acquisition date, because of the decline in the assessed value of the stock investment.

On June 15, 2023, the Company invested in TSS Holdings Limited for \$20,000 thousand, which is designated as an investment at FVTOCI because it is a medium- to long-term strategic investment in view of the Company's international strategy.

From September to October of the 2024, the Company adjusted its investment portfolio to diversify risk and sold a portion of its ordinary shares in SynPower Co., Ltd. at a fair value of \$24,465 thousand. The related unrealized gains of \$14,094 thousand in other comprehensive income financial assets measured at fair value were transferred to retained earnings.

8. FINANCIAL ASSETS AT AMORTIZED COST

	December 31	
	2024	2023
<u>Current</u>		
Domestic investments		
Restricted financial assets	<u>\$ 70,000</u>	<u>\$ -</u>

Financial assets at amortized cost at December 31, 2024 were deposits in bank trust property accounts, refer to Note 32.

9. NOTES RECEIVABLE, TRADE RECEIVABLES AND OTHER RECEIVABLES

	December 31	
	2024	2023
<u>Notes receivable - operating</u>		
At amortized cost		
Gross carrying amount	\$ 4,529	\$ 3,578
Less: Allowance for impairment loss	<u>-</u>	<u>-</u>
	<u>\$ 4,529</u>	<u>\$ 3,578</u>
<u>Trade receivables</u>		
At amortized cost		
Gross carrying amount	\$ 365,122	\$ 532,425
Less: Allowance for impairment loss	<u>(37,670)</u>	<u>(24,160)</u>
	327,452	508,265
At FVTOCI	<u>3,057</u>	<u>39,165</u>
	<u>\$ 330,509</u>	<u>\$ 547,430</u>
<u>Other receivables</u>		
Transfer of trade receivable factoring	\$ 16,519	\$ 10,009
Other	<u>-</u>	<u>1,146</u>
	<u>\$ 16,519</u>	<u>\$ 11,155</u>

Trade Receivables

a. At amortized cost

The average credit period of sales of goods is 90 to 365 days. In order to minimize credit risk, the management of the Company has delegated a team responsible for determining credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Company reviews the recoverable amount of each individual trade debt at the end of the reporting period to ensure that adequate allowance is made for possible irrecoverable amounts. In this regard, the management believes the Company's credit risk was significantly reduced.

The Company provides for expected credit losses based on the use of lifetime expected loss provision for all trade receivables. The expected credit losses on trade receivables are estimated using a provision matrix by reference to the past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecasted direction of economic conditions at the reporting date. As the Company's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished according to the Company's different customer base.

The Company writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery. For trade receivables that have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognized in profit or loss.

b. At FVTOCI

For trade receivables, the Company will decide whether to sell these trade receivables to banks without recourse based on its level of working capital. These trade receivables are classified as at FVTOCI because they are held within a business model whose objective is achieved by both the collecting of contractual cash flows and the selling of financial assets.

The following table details the loss allowance of notes receivable and trade receivables based on the Company's provision matrix.

December 31, 2024

	No Signs of Default by Counterparties						Total
	Not Past Due	1 to 90 Days	91 to 180 Days	181 to 270 Days	271 to 365 Days	Over 366 Days	
Expected credit loss rate	0.07%	0.86%	11.15%	26.11%	39.88%	100%	
Gross carrying amount	\$ 284,321	\$ 28,094	\$ 4,360	\$ 20,187	\$ 7,106	\$ 28,640	\$ 372,708
Loss allowance (Lifetime ECLs)	(199)	(241)	(486)	(5,270)	(2,834)	(28,640)	(37,670)
Amortized cost	<u>\$ 284,122</u>	<u>\$ 27,853</u>	<u>\$ 3,874</u>	<u>\$ 14,917</u>	<u>\$ 4,272</u>	<u>\$ -</u>	<u>\$ 335,038</u>

December 31, 2023

	No Signs of Default by Counterparties						Total
	Not Past Due	1 to 90 Days	91 to 180 Days	181 to 270 Days	271 to 365 Days	Over 366 Days	
Expected credit loss rate	0.05%	4.25%	1.54%	12.05%	43.50%	100%	
Gross carrying amount	\$ 317,176	\$ 62,620	\$ 154,372	\$ 18,508	\$ 10,174	\$ 12,318	\$ 575,168
Loss allowance (Lifetime ECLs)	(150)	(2,664)	(2,371)	(2,231)	(4,426)	(12,318)	(24,160)
Amortized cost	<u>\$ 317,026</u>	<u>\$ 59,956</u>	<u>\$ 152,001</u>	<u>\$ 16,277</u>	<u>\$ 5,748</u>	<u>\$ -</u>	<u>\$ 551,008</u>

The movements of the loss allowance of notes receivable and trade receivables were as follows:

	For the Year Ended December 31	
	2024	2023
Balance at January 1	\$ 24,160	\$ 16,970
Add: Net remeasurement of loss allowance	<u>13,510</u>	<u>7,190</u>
Balance at December 31	<u>\$ 37,670</u>	<u>\$ 24,160</u>

The Company entered into a non-recourse sale contract with the bank for the trade receivable arising from the sale of a portion of the receivable on credit. For information on the Company's sale of trade receivable. Refer to Note 30 (e) for details of the factoring agreements for trade receivables.

10. INVENTORIES

	December 31	
	2024	2023
Finished goods	\$ 9,413	\$ 18,031
Work-in-progress	717,670	734,923
Raw materials	<u>25,891</u>	<u>69,272</u>
	<u>\$ 752,974</u>	<u>\$ 822,226</u>

The cost of goods sold for the years ended December 31, 2024 and 2023 included reversal of inventory write-downs of \$91,000 thousand and inventory write-downs of \$106,000 thousand, respectively. The reversal of previous write-downs resulted from the disposal of partial inventories with longer aging.

11. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

Investments in subsidiary

	December 31	
	2024	2023
Unlisted		
Symtek Automation Ltd.	<u>\$ 1,621,811</u>	<u>\$ 1,544,802</u>
	Proportion of Ownership and Voting Rights	
	December 31	
Name of Subsidiary	2024	2023
Symtek Automation Ltd.	100%	100%

Refer to Note 36 for details of the subsidiaries indirectly held by the Company.

12. PROPERTY, PLANT AND EQUIPMENT

Asset Used by the Company

	Land	Buildings	Machinery and Equipment	Transportation Equipment	Office Equipment	Property Under Construction	Total
<u>Cost</u>							
Balance at January 1, 2023	\$ 1,345,283	\$ 291,412	\$ 49,270	\$ 1,251	\$ 22,599	\$ 8,583	\$ 1,718,398
Additions	-	-	1,623	-	30	426,751	428,404
Transfers from property under construction	-	952	904	-	3,757	(5,613)	-
Disposals	<u>(57,798)</u>	<u>-</u>	<u>(1,124)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(58,922)</u>
Balance at December 31, 2023	<u>\$ 1,287,485</u>	<u>\$ 292,364</u>	<u>\$ 50,673</u>	<u>\$ 1,251</u>	<u>\$ 26,386</u>	<u>\$ 429,721</u>	<u>\$ 2,087,880</u>
<u>Accumulated depreciation</u>							
Balance at January 1, 2023	\$ -	\$ 50,757	\$ 45,135	\$ 676	\$ 15,771	\$ -	\$ 112,339
Depreciation expense	-	6,887	1,905	182	3,417	-	12,391
Disposals	<u>-</u>	<u>-</u>	<u>(1,124)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,124)</u>
Balance at December 31, 2023	<u>\$ -</u>	<u>\$ 57,644</u>	<u>\$ 45,916</u>	<u>\$ 858</u>	<u>\$ 19,188</u>	<u>\$ -</u>	<u>\$ 123,606</u>
Carrying amount at December 31, 2023	<u>\$ 1,287,485</u>	<u>\$ 234,720</u>	<u>\$ 4,757</u>	<u>\$ 393</u>	<u>\$ 7,198</u>	<u>\$ 429,721</u>	<u>\$ 1,964,274</u>

(Continued)

	Land	Buildings	Machinery and Equipment	Transportation Equipment	Office Equipment	Property Under Construction	Total
<u>Cost</u>							
Balance at January 1, 2024	\$ 1,287,485	\$ 292,364	\$ 50,673	\$ 1,251	\$ 26,386	\$ 429,721	\$ 2,087,880
Additions	-	117	-	-	490	708,079	708,686
Transfers from property under construction	-	-	3,264	-	1,520	(4,784)	-
Disposals	(302,100)	(132,568)	(6,915)	-	(3,593)	-	(445,176)
Balance at December 31, 2024	<u>\$ 985,385</u>	<u>\$ 159,913</u>	<u>\$ 47,022</u>	<u>\$ 1,251</u>	<u>\$ 24,803</u>	<u>\$ 1,133,016</u>	<u>\$ 2,351,390</u>
<u>Accumulated depreciation</u>							
Balance at January 1, 2024	\$ -	\$ 57,644	\$ 45,916	\$ 858	\$ 19,188	\$ -	\$ 123,606
Depreciation expense	-	6,944	1,991	147	3,280	-	12,362
Disposals	-	(17,111)	(5,846)	-	(3,343)	-	(26,300)
Balance at December 31, 2024	<u>\$ -</u>	<u>\$ 47,477</u>	<u>\$ 42,061</u>	<u>\$ 1,005</u>	<u>\$ 19,125</u>	<u>\$ -</u>	<u>\$ 109,668</u>
Carrying amount at December 31, 2024	<u>\$ 985,385</u>	<u>\$ 112,436</u>	<u>\$ 4,961</u>	<u>\$ 246</u>	<u>\$ 5,678</u>	<u>\$ 1,133,016</u>	<u>\$ 2,241,722</u>
(Concluded)							

No impairment loss or reversal of impairment loss was recognized for the years ended December 31, 2024 and 2023.

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

Building	
Main buildings	20-50 years
Elevators	10-30 years
Machinery and equipment	3-10 years
Transportation equipment	4 years
Office equipment	4-10 years

Property, plant and equipment used by the Company and pledged as collateral for bank borrowings are set out in Note 32.

13. LEASE ARRANGEMENTS

a. Right-of-use assets

	<u>December 31</u>	
	<u>2024</u>	<u>2023</u>
<u>Carrying amounts</u>		
Land	\$ 3,101	\$ 4,792
Buildings	2,140	9,176
Transportation equipment	<u>4,204</u>	<u>5,797</u>
	<u>\$ 9,445</u>	<u>\$ 19,765</u>

	For the Year Ended December 31	
	2024	2023
Additions to right-of-use assets	\$ 2,047	\$ 15,132
Depreciation charge for right-of-use assets		
Land	\$ 1,691	\$ 1,692
Buildings	7,036	15,345
Transportation equipment	<u>3,640</u>	<u>3,537</u>
	<u>\$ 12,367</u>	<u>\$ 20,574</u>

The Company terminated the original lease agreement in 2023, derecognizing the net amount of the right-of-use asset at \$6,965 thousand and lease liabilities - current at \$7,011 thousand. A lease modification gain of \$46 thousand was also recognized.

b. Lease liabilities

	December 31	
	2024	2023
<u>Carrying amount</u>		
Current	\$ 7,534	\$ 11,383
Non-current	<u>\$ 2,040</u>	<u>\$ 8,506</u>

Range of discount rate for lease liabilities was as follows:

	December 31	
	2024	2023
Land	0.87%	0.87%
Buildings	1.52%-1.99%	0.87%-1.99%
Transportation equipment	0.90%-1.94%	0.90%-1.94%

c. Material leasing activities and terms

The Company leases certain transportation equipment for official business use for a term of 2 to 3 years. These lease agreement do not contain any renewal or purchase rights.

The Company also leases land and buildings for the use of factories and offices with lease terms of 1 to 5 years. At the end of the lease term, the Company has no preferential purchase rights to the leased land and buildings and has agreed not to sublease or assign all or part of the subject of the lease without the consent of the lessor.

d. Other lease information

	For the Year Ended December 31	
	2024	2023
Expenses relating to short-term leases	\$ 25,497	\$ 25,150
Total cash outflow for leases	<u>\$ (38,122)</u>	<u>\$ (46,011)</u>

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

14. INTANGIBLE ASSETS

	Computer Software
<u>Cost</u>	
Balance at January 1, 2023	\$ 15,143
Additions	3,544
Disposals	<u>(1,800)</u>
Balance at December 31, 2023	<u>\$ 16,887</u>
<u>Accumulated amortization</u>	
Balance at January 1, 2023	\$ (4,963)
Amortization expense	(5,018)
Disposals	<u>1,800</u>
Balance at December 31, 2023	<u>\$ (8,181)</u>
Carrying amount at December 31, 2023	<u>\$ 8,706</u>
<u>Cost</u>	
Balance at January 1, 2024	\$ 16,887
Additions	2,320
Disposals	<u>(3,934)</u>
Balance at December 31, 2024	<u>\$ 15,273</u>
<u>Accumulated amortization</u>	
Balance at January 1, 2024	\$ (8,181)
Amortization expense	(5,145)
Disposals	<u>3,934</u>
Balance at December 31, 2024	<u>\$ (9,392)</u>
Carrying amount at December 31, 2024	<u>\$ 5,881</u>

Computer software is amortized on a straight-line basis over two to three years.

An analysis of amortization by function is as follows:

	For the Year Ended December 31	
	2024	2023
General and administrative expenses	\$ 4,859	\$ 4,994
Research and development expenses	<u>286</u>	<u>24</u>
	<u>\$ 5,145</u>	<u>\$ 5,018</u>

15. OTHER ASSETS

	December 31	
	2024	2023
<u>Current</u>		
Prepayments	<u>\$ 34,574</u>	<u>\$ 17,352</u>
<u>Non-current</u>		
Refundable deposits	\$ 8,303	\$ 7,816
Others	<u>3,373</u>	<u>3,372</u>
	<u>\$ 11,676</u>	<u>\$ 11,188</u>

16. BORROWINGS

a. Short-term borrowings

	December 31	
	2024	2023
<u>Unsecured borrowings</u>		
Line of credit borrowings	<u>\$ -</u>	<u>\$ 200,000</u>

The range of weighted average effective interest rates on bank loans was 1.99% per annum as of December 31, 2023.

b. Long-term borrowings

	December 31	
	2024	2023
<u>Secured borrowings</u>		
Bank loans (1)	\$ -	\$ 1,778
Bank loans (2)	-	17,207
Bank loans (4)	<u>50,000</u>	<u>500,000</u>
	<u>50,000</u>	<u>518,985</u>

(Continued)

	December 31	
	2024	2023
<u>Unsecured borrowings</u>		
Bank loans (3)	\$ 20,548	\$ 36,986
Bank loans (5)	42,857	200,000
Bank loans (6)	223,000	223,000
Bank loans (7)	35,230	35,230
Bank loans (8)	88,000	-
Bank loans (9)	264,000	-
Bank loans (10)	26,000	-
Bank loans (11)	79,000	-
Bank loans (12)	70,000	-
Bank loans (13)	<u>56,000</u>	<u>-</u>
	<u>954,635</u>	<u>495,216</u>
Less: Current portion	<u>(28,683)</u>	<u>(47,922)</u>
	<u>\$ 925,952</u>	<u>\$ 966,279</u>
		(Concluded)

- 1) The bank loan is secured by the Company's own land and buildings (see Note 32) and is due on August 2024. The principal and interest are repaid monthly, and the effective annual interest rate is 1.96% as of December 31, 2023.
- 2) The bank loan is secured by the Company's own land and buildings (see Note 32) and is due on February 2039. The principal and interest are repaid monthly, and the effective annual interest rate is 2.04% as of December 31, 2023.
- 3) The bank loan is due on March 2026, and the first installment was repaid starting from March 2020. The principal is repaid in 73 monthly installments over 6 years, with interest paid monthly. The effective annual interest rate is 1.718% and 1.586% as of December 31, 2024 and 2023, respectively.
- 4) The bank loan is secured by the Company's own land (see Note 32). The due was originally set in July 2024, but was extended to July 2030, and the loan was repaid in advance by \$18,500 thousand, \$98,500 thousand and \$450,000 thousand in September 2023, December 2023 and December 2024, respectively, with the remaining loan will be repaid by the first installment starting from August 2026, and the principal will be repaid in 48 monthly installments over 4 years, with interest paid monthly. The effective annual interest rate is 2.06% and 1.94% as of December 31, 2024 and 2023, respectively.
- 5) The bank loan is due on June 2028, and the first installment will be repaid starting from June 2024. The principal is repaid in 49 monthly installments over 4 years, and the loan was repaid in advance by \$150,000 thousand in January 2024, with interest paid monthly. The effective annual interest rate is 2.03% and 1.95% as of December 31, 2024 and 2023, respectively.
- 6) The bank loan is due on July 2030, and the first installment will be repaid starting from September 2026. The principal is repaid in 46 monthly installments over 4 years, with interest paid monthly. The effective annual interest rate is 2.305% and 2.18% as of December 31, 2024 and 2023, respectively.

- 7) The bank loan is due on July 2030, and the first installment will be repaid starting from September 2026. The principal is repaid in 46 monthly installments over 4 years, with interest paid monthly. The effective annual interest rate is 2.305% and 2.18% as of December 31, 2024 and 2023, respectively.
- 8) The bank loan is due on July 2030, and the first installment will be repaid starting from September 2026. The principal is repaid in 46 monthly installments over 4 years, with interest paid monthly. The effective annual interest rate is 2.305% as of December 31, 2024.
- 9) The bank loan is due on July 2030, and the first installment will be repaid starting from September 2026. The principal is repaid in 46 monthly installments over 4 years, with interest paid monthly. The effective annual interest rate is 2.305% as of December 31, 2024.
- 10) The bank loan is due on July 2030, and the first installment will be repaid starting from September 2026. The principal is repaid in 46 monthly installments over 4 years, with interest paid monthly. The effective annual interest rate is 2.305% as of December 31, 2024.
- 11) The bank loan is due on July 2030, and the first installment will be repaid starting from September 2026. The principal is repaid in 46 monthly installments over 4 years, with interest paid monthly. The effective annual interest rate is 2.305% as of December 31, 2024.
- 12) The bank loan is due on July 2030, and the first installment will be repaid starting from September 2026. The principal is repaid in 46 monthly installments over 4 years, with interest paid monthly. The effective annual interest rate is 2.305% as of December 31, 2024.
- 13) The bank loan is due on July 2030, and the first installment will be repaid starting from September 2026. The principal is repaid in 46 monthly installments over 4 years, with interest paid monthly. The effective annual interest rate is 2.305% as of December 31, 2024.

17. BONDS PAYABLE

	December 31	
	2024	2023
Second domestic unsecured convertible bonds	\$ 34,059	\$ 285,898
Less: Current portion	<u>(34,059)</u>	<u>-</u>
	<u>\$ -</u>	<u>\$ 285,898</u>

On May 5, 2023, the Company issued unsecured convertible bonds in Taiwan for the purpose of repaying bank loans and to increase working capital, with the following circumstances:

- a. Total amount issued: NT\$300,000 thousand
- b. Par value: NT\$100 thousand each
- c. Coupon rate: 0%
- d. Effective interest rate: 2.0907%
- e. Carrying value at issuance: NT\$281,944 thousand
- f. Maturity: 2023/5/5-2026/5/5

- g. Conversion period: Except for the cessation of conversion period, creditors may request conversion of their convertible bonds into common shares of the Company at any time from the day after the expiration of three months from the date of issuance (August 6, 2023) to the maturity date of May 5, 2026, in accordance with the conversion rule for corporate bonds. The cessation of conversion period is as follows:
 - 1) The period during which the transfer of common shares is legally suspended and ceased.
 - 2) The period from 15 business days prior to the date on which the Company applies to the Taipei Exchange for the cessation of transfer of the gratis allotment of shares, the cessation of transfer of cash dividends or the cessation of transfer of cash capital increase stock options to the record date.
 - 3) From the base date of capital reduction to 1 day before the start of trading day of capital reduction and share exchange.
 - 4) The starting date of the cessation of conversion for the change of par value of share is the day before the commencement date of the trading of the new shares to be exchanged.
- h. Conversion price and its adjustment: Creditors may request the Company to convert the bonds held by them into common shares of the Company at NT\$115 per share. The conversion price will be adjusted if there is an increase in the number of common shares issued by the Company after the issuance. As of the issuance period, the last announced adjusted conversion price was NT\$101.9.
- i. Repayment of the bonds at maturity: The bonds will be repaid by the issuing company in cash on the maturity date at the face value of the bonds.
- j. Repurchase rights of the creditors: Upon the expiration of 2 years from the date of issuance (May 5, 2025), the bondholders may request the Company to redeem the bonds held by them in cash at the face value plus interest compensation (100.500625% of the face value of the bonds and 0.25% of the effective yield) by written notice to the Company in accordance with regulations governing the conversion.
- k. Redemption rights of Company: After 3 months from the issuance date (August 6, 2023) of the bonds and up to 40 days prior to the expiration of the issuance period (March 26, 2026), if the closing price of the common shares of the issuer on the Taipei Exchange exceeds the then prevailing conversion price by 30% (inclusive) for 30 consecutive business days or if the outstanding balance of the bonds is less than 10% of the original issue amount, the issuer may redeem all of the bonds in cash at the face value of the bonds.

The convertible bonds consist of liabilities and equity components, with the equity components expressed as capital surplus - stock options under equity. The liability components are presented as liabilities embedded in derivative financial instruments and non-derivative financial liabilities, respectively. The liabilities for embedded derivative financial instruments were valued at fair value of \$(81) thousand and \$930 thousand as of December 31, 2024 and 2023, respectively. The liabilities for nonderivative financial instruments were measured at amortized cost of \$34,059 thousand and \$285,898 thousand as of December 31, 2024 and 2023, respectively, with an effective interest rate of 2.0907% as originally recognized.

Proceeds from issuance (less transaction costs of \$2,730 thousand)	\$ 298,770
Equity component (less transaction costs allocated to the equity components of \$144 thousand)	<u>(15,756)</u>
Liability component at the date of issue (less transaction costs allocated to the liability component of \$2,586 thousand)	283,014
Interest charged at an effective interest rate of 2.0907%	3,954
Valuation gain on financial instruments	<u>(140)</u>
Liability component at December 31, 2023	<u>\$ 286,828</u>
Liability component at January 1, 2024	\$ 286,828
Interest charged at an effective interest rate of 2.0907%	5,295
Valuation gain on financial investments	(1,525)
Convertible bonds converted into ordinary shares	<u>(256,620)</u>
Liability component at December 31, 2024	<u>\$ 33,978</u>

18. TRADE PAYABLES

	<u>December 31</u>	
	<u>2024</u>	<u>2023</u>
<u>Trade payable</u>		
Operating	<u>\$ 859,489</u>	<u>\$ 438,391</u>

The average credit period for trade payable is approximately four months. The Company has a financial risk management policy to ensure that all trade payables are repaid within the prearranged credit period.

19. OTHER LIABILITIES

	<u>December 31</u>	
	<u>2024</u>	<u>2023</u>
<u>Current</u>		
Other payables		
Payables for salaries and bonuses	\$ 254,937	\$ 250,438
Payables for equipment and construction	96,897	112,007
Payables for compensation of employees	30,000	27,000
Payables for remuneration of directors	8,000	9,000
Payables for insurance	9,822	9,448
Payables for business tax	14,903	190
Others	<u>89,273</u>	<u>67,074</u>
	<u>\$ 503,832</u>	<u>\$ 475,157</u>
Other liabilities		
Receipts under custody	<u>\$ 3,029</u>	<u>\$ 2,580</u>

(Continued)

	December 31	
	2024	2023
<u>Non-current</u>		
Other payables		
Long-term employee benefits payable	\$ <u>3,114</u>	\$ <u>2,936</u> (Concluded)

20. PROVISIONS

	December 31	
	2024	2023
<u>Current</u>		
Warranties provision	\$ <u>39,000</u>	\$ <u>55,000</u>
		Warranty Provision
Balance at January 1, 2023		\$ 57,000
Additions		26,841
Used		<u>(28,841)</u>
Balance at December 31, 2023		\$ <u>55,000</u>
Balance at January 1, 2024		\$ 55,000
Additions		14,492
Used		<u>(30,492)</u>
Balance of December 31, 2024		\$ <u>39,000</u>

The provision for warranty claims represents the present value of management's best estimate of the future outflow of economic benefits that will be required under the Company's obligations for warranties under contracts for the sale of goods.

21. RETIREMENT BENEFIT PLANS

Defined Contribution Plans

The Company adopted a pension plan under the Labor Pension Act (LPA), which is a state-managed defined contribution plan. Under the LPA, an entity makes monthly contributions to employees' individual pension accounts at 6% of monthly salaries and wages.

22. EQUITY

a. Share capital

1) Ordinary shares

	December 31	
	2024	2023
Shares authorized (in thousands of share)	<u>100,000</u>	<u>100,000</u>
Shares authorized	<u>\$ 1,000,000</u>	<u>\$ 1,000,000</u>
Shares issued and fully paid (in thousands of share)	<u>75,282</u>	<u>75,282</u>
Shares issued	<u>\$ 752,817</u>	<u>\$ 752,817</u>

The issued common stock has a par value of NT\$10 per share and each share has one voting right and the right to receive dividends.

To control the timeliness of raising capital, to obtain long-term capital within the shortest period of time, and to restrict the transfer of capital for three years to facilitate the stability of the Company's operating right and the expansion of its operations, the Company approved the issuance of 6,000 thousand shares of common stock through a private placement cash capital increase on August 11, 2021. The issue price per share was NT\$95, the actual number of shares issued was 4,000 thousand shares, and the actual amount issued was NT\$380,000 thousand, the base date of the capital increase was August 25, 2021, and the change of registration was completed on September 13, 2021. The board of directors resolved to covert the privately placed ordinary shares into publicly placed shares on August 9, 2024. The above transaction was approved by the Taiwan Stock Exchange Corporation on December 20, 2024 and public offering on December 31, 2024.

On February 24, 2023, the board of directors resolved the proposal of capital increase by cash and issued 3,850 thousand shares of common stock with a par value of NT\$10 per share at a premium of NT\$93 per share. The proposal of capital increase by cash was based on the share exchange date of August 15, 2023, and the capital increase registration was completed on August 28, 2023.

Of the new shares issued under the above cash capital increase proposal, 578 thousand shares were reserved for employee stock options in accordance with Article 267 of the Company Act. Moreover, in accordance with IFRS 2, "Share based Payment", the fair value of equity instruments at the date of transferred should be measured, and recognized \$12,647 thousand of salary expenses as a capital surplus addition to the issue premium at the date of transferred.

2) Bond conversion entitlement certificates

	December 31	
	2024	2023
Number of shares requested for conversion and change in registration not yet been completed (in thousands)	<u>2,581</u>	<u>-</u>
Shares requested for conversion but change in registration has not yet been completed	<u>\$ 25,812</u>	<u>\$ -</u>

The registration of the change was made after new shares issued on the ex-rights date of the capital increase according to the law.

b. Capital surplus

	December 31	
	2024	2023
May be used to offset a deficit, distributed as cash dividends, or transferred to share capital (1)		
Issuance of ordinary shares	\$ 1,480,755	\$ 1,480,755
Conversion of bonds	589,372	344,646
Treasury share transactions	9,700	9,700
<u>May only be used to offset a deficit</u>		
Changes in percentage of ownership interests in subsidiaries (2)	3,192	3,192
<u>May not be used for any purpose</u>		
Convertible bond stock options (3)	<u>1,838</u>	<u>15,756</u>
	<u>\$ 2,084,857</u>	<u>\$ 1,854,049</u>

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

c. Retained earnings and dividends policy

On May 31, 2023, the shareholders' meeting resolved to amend the Articles of Incorporation to provide that the distribution of earnings or the appropriation of losses of the Company shall be made after the end of each semi-annual period.

In accordance with the distribution of earnings policy of the Company's amended Articles of Incorporation, the Company distributes earnings or makes up for losses after the end of each semi-annual period. When distributing earnings, the Company should first estimate and retain taxes, compensation of employees and remuneration of directors and supervisors, and then make compensations for losses as well as set aside legal reserve in accordance with the law. However, when the legal reserve has reached the amount of paid-in capital, it may not be appropriated. When the distribution of earnings is by cash, it shall be resolved by the board of directors; When the distribution of earnings is by issuance of new shares, it shall be resolved by the shareholders' meeting. In accordance with the Company's Articles of Incorporation before amendment, 10% of the Company's annual earnings, if any, shall be set aside as legal reserve after paying taxes and making up for accumulated deficits. However, if the legal reserve has reached the Company's paid-in capital, it may not be set aside, and the remainder may be set aside or reversed to a special reserve in accordance with the law. If there are any unappropriated earnings, the board of directors shall prepare a proposal for the distribution of earnings and submit it to the shareholders' meeting for resolution on the distribution of dividends to shareholders. The Company's policy on the distribution of compensation of employees and remuneration of directors is described in Note 24 (g), "Compensation of employees and remuneration of directors.

In the case of dividends or legal reserve or capital surplus distributed in cash as described above, the board of directors is authorized to do so with the presence of at least two-thirds of the directors and a resolution of a majority of the directors present, and to report to the shareholders' meeting.

The Company's dividend policy is to distribute dividends to shareholders at a rate of not less than 10% of the distributable earnings each year in accordance with the Company's current and future development plans, taking into account the investment environment, capital requirements, domestic and international competition, and the interests of shareholders. However, if the accumulated distributable earnings are less than 5% of the paid-in capital, the dividends may not be distributed. Dividends may be distributed in cash or in shares, with cash dividends not less than 50% of the total dividends.

Appropriation of earnings to the legal reserve shall be made until the legal reserve equals the Company's paid-in capital. The legal reserve may be used to offset deficit. If the Company has no deficit and the legal reserve has exceeded 25% of the Company's paid-in capital, the excess may be transferred to capital or distributed in cash. When the Company transferred the net decrease in other equity components to special reserves, it only transferred the portion that was not distributed as retained earnings in previous periods.

The appropriation of earnings for 2022 was as follows:

	For the Year Ended December 31, 2022
Resolution date of the board of directors in its meeting	March 21, 2023
Legal reserve	<u>\$ 66,549</u>
Reversal of special capital	<u>\$ (13,538)</u>
Cash dividends	<u>\$ 428,590</u>
Cash dividends per share (NT\$)	<u>\$ 6.0</u>

The appropriations of 2023 semi-annually earnings have been approved by the Board of Directors in its meeting, respectively. The appropriations and cash dividends per share were as follows:

	Second Half of 2023	First Half of 2023
Resolution date of the board of directors in its meeting	February 23, 2024	August 11, 2023
Legal reserve	<u>\$ 28,927</u>	<u>\$ 35,854</u>
Appropriation/reversals of special reserve	<u>\$ (42,455)</u>	<u>\$ 35,598</u>
Cash dividends	<u>\$ 188,204</u>	<u>\$ 214,295</u>
Cash dividends per share (NT\$)	<u>\$ 2.5</u>	<u>\$ 3.0</u>

Due to the cash dividends of common stock for the first six months in 2023 and then capital increase by cash, the number of outstanding shares was affected. Therefore, the dividend payout ratio for ordinary shares was adjusted to NT\$2.84657628 per share.

The above cash dividends have been approved by the board of directors. The other proposed appropriations were resolved by the shareholders in their meetings on May 31, 2023 and May 30, 2024, respectively.

The appropriations of 2024 semi-annually earnings have been approved by the Board of Directors in its meeting, respectively. The appropriations and cash dividends per share were as follows:

	Second Half of 2024	First Half of 2024
Resolution date of the board of directors in its meeting	February 24, 2025	August 9, 2024
Legal reserve	\$ <u>35,440</u>	\$ <u>23,380</u>
Appropriation/reversals of special reserve	\$ <u>(14,547)</u>	\$ <u>-</u>
Cash dividends	\$ <u>232,797</u>	\$ <u>150,563</u>
Cash dividends per share (NT\$)	\$ <u>3</u>	\$ <u>2</u>

Due to the cash dividends of common stock for the first six months in 2024 and then the issuance of the second domestic unsecured convertible bonds, which were converted into common shares, the number of outstanding shares was affected. Therefore, the dividend payout ratio for ordinary shares was adjusted to NT\$1.94349730 per share.

The above appropriation for cash dividends has been resolved by the Company's board of directors; the other proposed appropriations will be resolved by the shareholders in their meeting to be held on June 4, 2025.

23. REVENUE

	For the Year Ended December 31	
	2024	2023
Revenue from customer contracts		
Merchandise sales revenue	\$ <u>2,834,714</u>	\$ <u>3,526,523</u>

a. Contract information

The Automation equipment was sold to the manufacturers in Taiwan, China, and United States on a geographical basis and sold at a fixed price under a contractual agreement.

b. Contract balances

	December 31, 2024	December 31, 2023	January 1, 2023
Trade receivables from unrelated parties (Note 9)	\$ 330,509	\$ 547,430	\$ 544,428
Trade receivables from related parties (Note 31)	<u>11,646</u>	<u>1,403</u>	<u>13,779</u>
	\$ <u>342,155</u>	\$ <u>548,833</u>	\$ <u>558,207</u>
Contract assets - current			
Sale of goods	\$ <u>366,158</u>	\$ <u>536,884</u>	\$ <u>451,381</u>
Contract liabilities - current			
Sale of goods	\$ <u>89,784</u>	\$ <u>215,058</u>	\$ <u>242,795</u>

The Company measures the loss allowance for contract assets at an amount equal to lifetime ECLs. The contract assets will be transferred to trade receivable when the corresponding invoice is billed to the client, and the contract assets have substantially the same risk characteristics as the trade receivables for the same types of contracts. Therefore, the Company concluded that the expected loss rates for trade receivables can be applied to the contract assets.

	December 31	
	2024	2023
Expected credit loss rate	1.91%	0.55%
Gross carrying amount	\$ 373,278	\$ 539,874
Allowance for impairment loss (Lifetime ECLs)	<u>(7,120)</u>	<u>(2,990)</u>
	<u>\$ 366,158</u>	<u>\$ 536,884</u>

The movements of the loss allowance of contract assets were as follows:

	For the Year Ended December 31	
	2024	2023
Balance at January 1	\$ 2,990	\$ 130
Add: Net remeasurement of loss allowance	<u>4,130</u>	<u>2,860</u>
Balance at December 31	<u>\$ 7,120</u>	<u>\$ 2,990</u>

Revenue in the current year that was recognized from the contract liability balance at the beginning of the year was summarized as follows:

	For the Year Ended December 31	
	2024	2023
From contract liabilities at the start of the year		
Sale of goods	<u>\$ 180,808</u>	<u>\$ 204,010</u>

c. Disaggregation of revenue

For the year ended December 31, 2024

	Reportable Segments				
	Semiconductor Carriers - PCB Automation Equipment	Semiconductor Packaging and Testing - LCD Panel Automation Equipment	Semiconductor Wafers - Semiconductor Automation Equipment	AMHS Department - Automated Material Handling System	Total
<u>Type of goods or services</u>					
Merchandise sales revenue	<u>\$ 986,223</u>	<u>\$ 49,455</u>	<u>\$ 1,754,279</u>	<u>\$ 44,757</u>	<u>\$ 2,834,714</u>

For the year ended December 31, 2023

	Reportable Segments			Total
	Semiconductor Carriers - PCB Automation Equipment	Semiconductor Packaging and Testing - LCD Panel Automation Equipment	Semiconductor Wafers - Semiconductor Automation Equipment	
<u>Type of goods or services</u>				
Merchandise sales revenue	<u>\$ 1,819,021</u>	<u>\$ 223,527</u>	<u>\$ 1,483,975</u>	<u>\$ 3,526,523</u>

24. NET PROFIT

a. Interest income

	For the Year Ended December 31	
	2024	2023
Bank deposits	<u>\$ 8,128</u>	<u>\$ 4,949</u>

b. Other income

	For the Year Ended December 31	
	2024	2023
Consulting and service income	\$ 44,713	\$ 65,830
Dividend income	3,693	6,086
Others	<u>6,464</u>	<u>2,262</u>
	<u>\$ 54,870</u>	<u>\$ 74,178</u>

c. Other gains and losses

	For the Year Ended December 31	
	2024	2023
Interest in financial assets and financial liabilities		
Financial liabilities held for trading	\$ 1,525	\$ 140
Gain on disposal of property, plant and equipment	254,338	38,043
Net gain (loss) on foreign currency exchange	22,546	(2,277)
Others	<u>(2,815)</u>	<u>(4,441)</u>
	<u>\$ 275,594</u>	<u>\$ 31,465</u>

d. Finance costs

	For the Year Ended December 31	
	2024	2023
Interest on bank overdrafts and loans	\$ 27,004	\$ 26,301
Interest on lease liability	263	336
Interest on convertible bonds	5,295	3,954
Less: Amounts included in the cost of qualifying assets	<u>(15,285)</u>	<u>(2,149)</u>
	<u>\$ 17,277</u>	<u>\$ 28,442</u>

Information on capitalized interest is as follows:

	For the Year Ended December 31	
	2024	2023
Capitalized interest amount	\$ 15,285	\$ 2,149
Capitalization rate	1.83%-3.02%	1.80%-2.27%

e. Depreciation and amortization

	For the Year Ended December 31	
	2024	2023
An analysis of depreciation by function		
Operating costs	\$ 16,486	\$ 24,636
Operating expenses	<u>8,243</u>	<u>8,329</u>
	<u>\$ 24,729</u>	<u>\$ 32,965</u>
An analysis of amortization by function		
Operating costs	\$ 75	\$ 851
Operating expenses	<u>21,618</u>	<u>20,494</u>
	<u>\$ 21,693</u>	<u>\$ 21,345</u>

Refer to Note 14 for information relating to the line items in which any amortization of intangible assets is included.

f. Employee benefits expense

	For the Year Ended December 31	
	2024	2023
Post-employment benefits (refer to Note 21)		
Defined contribution plans	\$ 21,604	\$ 19,625
Other employee benefits	<u>718,243</u>	<u>735,305</u>
Total employee benefits expense	<u>\$ 739,847</u>	<u>\$ 754,930</u>

(Continued)

	<u>For the Year Ended December 31</u>	
	2024	2023
An analysis of employee benefits expense by function		
Operating costs	\$ 276,682	\$ 285,035
Operating expenses	<u>463,165</u>	<u>469,895</u>
	<u>\$ 739,847</u>	<u>\$ 754,930</u>
		(Concluded)

g. Compensation of employees and remuneration of directors

According to the Company's Articles, the Company accrues compensation of employees and remuneration of directors at rates of no less than 1% and no higher than 3%, respectively, of net profit before income tax, compensation of employees and remuneration of directors. The compensation of employees and the remuneration of directors for the years ended December 31, 2024 and 2023, which were approved by the Company's board of directors on February 24, 2025 and February 23, 2024, respectively, are as follows:

Accrual rate

	<u>For the Year Ended December 31</u>	
	2024	2023
Compensation of employees	3.95%	3.26%
Remuneration of directors	1.05%	1.09%

Amount

	<u>For the Year Ended December 31</u>	
	2024	2023
Compensation of employees	\$ 30,000	\$ 27,000
Remuneration of directors	8,000	9,000

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

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

Information on the compensation of employees and remuneration of directors resolved by the Company's board of directors for 2023 and 2022 is available at the Market Observation Post System website of the Taiwan Stock Exchange.

h. Gains or losses on foreign currency exchange

	<u>For the Year Ended December 31</u>	
	2024	2023
Foreign exchange gains	\$ 39,745	\$ 31,980
Foreign exchange losses	<u>(17,199)</u>	<u>(34,257)</u>
Net gains (losses)	<u>\$ 22,546</u>	<u>\$ (2,277)</u>

25. INCOME TAX

a. Income tax recognized in profit or loss

Major components of income tax expense are as follows:

	For the Year Ended December 31	
	2024	2023
Current tax		
In respect of the current year	\$ 119,422	\$ 165,268
Income tax on unappropriated earnings	9,099	8,831
Adjustment for prior year	<u>(5,331)</u>	<u>(2,196)</u>
	<u>123,190</u>	<u>171,903</u>
Deferred tax		
In respect of the current year	<u>24,992</u>	<u>(26,470)</u>
Income tax expense recognized in profit or loss	<u>\$ 148,182</u>	<u>\$ 145,433</u>

A reconciliation of accounting profit and income tax expense is as follows:

	For the Year Ended December 31	
	2024	2023
Profit before tax	<u>\$ 722,290</u>	<u>\$ 793,236</u>
Income tax expense calculated at the statutory rate	\$ 144,458	\$ 158,647
Nondeductible expenses in determining taxable income	1,000	1,010
Tax-exempt income	(1,044)	(8,992)
Income tax on unappropriated earnings	9,099	8,831
Other income tax effects adjusted according to tax laws	-	(15,697)
Adjustments for prior year - deferred tax	-	3,830
Adjustments for prior year - current tax	<u>(5,331)</u>	<u>(2,196)</u>
Income tax expense recognized in profit or loss	<u>\$ 148,182</u>	<u>\$ 145,433</u>

b. Income tax recognized in other comprehensive income

	For the Year Ended December 31	
	2024	2023
<u>Deferred tax expense (benefit)</u>		
In respect of the current year		
Translation of foreign operations	<u>\$ 12,485</u>	<u>\$ (5,448)</u>

c. Current tax assets and liabilities

	December 31	
	2024	2023
Current tax liabilities		
Income tax payable	<u>\$ 33,920</u>	<u>\$ 74,547</u>

d. Deferred tax assets and liabilities

The movements of deferred tax assets and deferred tax liabilities were as follows:

For the year ended December 31, 2024

	Opening Balance	Recognized in Profit or Loss	Recognized in Other Comprehensive Income	Closing Balance
<u>Deferred tax assets</u>				
Allowance for impairment loss	\$ 4,277	\$ 3,912	\$ -	\$ 8,189
Allowance for loss on inventories	45,000	(18,200)	-	26,800
Warranty liabilities	11,000	(3,200)	-	7,800
Others	<u>32,064</u>	<u>(4,114)</u>	<u>-</u>	<u>27,950</u>
	<u>\$ 92,341</u>	<u>\$ (21,602)</u>	<u>\$ -</u>	<u>\$ 70,739</u>
<u>Deferred tax liabilities</u>				
Gain on foreign investments accounted for using the equity method	\$ 150,498	\$ 2,970	\$ 12,485	\$ 165,953
Others	<u>-</u>	<u>420</u>	<u>-</u>	<u>420</u>
	<u>\$ 150,498</u>	<u>\$ 3,390</u>	<u>\$ 12,485</u>	<u>\$ 166,373</u>

For the year ended December 31, 2023

	Opening Balance	Recognized in Profit or Loss	Recognized in Other Comprehensive Income	Closing Balance
<u>Deferred tax assets</u>				
Allowance for impairment loss	\$ 2,256	\$ 2,021	\$ -	\$ 4,277
Allowance for loss on inventories	23,800	21,200	-	45,000
Warranty liabilities	11,400	(400)	-	11,000
Others	<u>28,939</u>	<u>3,125</u>	<u>-</u>	<u>32,064</u>
	<u>\$ 66,395</u>	<u>\$ 25,946</u>	<u>\$ -</u>	<u>\$ 92,341</u>
<u>Deferred tax liabilities</u>				
Gain on foreign investments accounted for using the equity method	<u>\$ 156,470</u>	<u>\$ (524)</u>	<u>\$ (5,448)</u>	<u>\$ 150,498</u>

e. Income tax assessments

The income tax returns of the Company through 2022 have been assessed by the tax authorities.

26. EARNINGS PER SHARE

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

Net Profit for the Year

	<u>For the Year Ended December 31</u>	
	2024	2023
Earnings used in the computation of basic earnings per share	\$ 574,108	\$ 647,803
Effect of potentially dilutive ordinary shares		
Interest on convertible bonds	<u>5,295</u>	<u>3,954</u>
Earnings used in the computation of diluted earnings per share	<u>\$ 579,403</u>	<u>\$ 651,757</u>

The weighted average number of ordinary shares outstanding (in thousands of shares) was as follows:

	<u>For the Year Ended December 31</u>	
	2024	2023
Weighted average number of ordinary shares used in the computation of basic earnings per share	75,282	72,898
Effect of potentially dilutive ordinary shares		
Compensation of employees	181	308
Convertible bonds	343	2,854
Bond conversion entitlement certificates	<u>2,581</u>	<u>-</u>
Weighted average number of ordinary shares used in the computation of diluted earnings per share	<u>78,387</u>	<u>76,060</u>

The Company may settle bonuses or compensation paid to employees in shares or cash; therefore, the Company assumed that the entire amount of the bonus or compensation will be settled in shares and the resulting potential shares will be included in the weighted average number of shares outstanding used in the computation of diluted earnings per share, if the effect is dilutive. Such dilutive effect of the potential shares was included in the computation of diluted earnings per share until the shareholders resolve the number of shares to be distributed to employees at their meeting in the following year.

27. SHARE-BASED PAYMENT ARRANGEMENTS

Employee Share Options

In August 2023, for the new shares issued under capital increase by cash of the Company, 578 thousand shares were open for stock options to employees of the Company, including those who met certain criteria.

The Company adopted the Black-Scholes valuation model, and the inputs used in the valuation model were as follows:

	August 2023
Expected volatility rate	36.83%
Risk-free interest rate	1.16%
Expected life	0.156 years
Exercise price (NT\$)	\$93
Stock market price on the date of transaction (NT\$)	\$114.24
Employee share options (in thousands of share)	578

The remuneration cost recognized for the year ended December 31, 2023 was \$12,647 thousand.

28. NON-CASH TRANSACTIONS

The Company converted convertible bonds and bond conversion entitlement certificates into share capital and capital surplus for the year ended December 31, 2024, with a total impact of \$256,620 thousand.

29. CAPITAL MANAGEMENT

In consideration of the prevailing industry dynamics and the future development as well as the changes in the external economic environment, the Company manages its working capital and dividend payments in the future, to ensure that the Company will be able to continue as a going concern while maximizing the returns to shareholders as well as other related parties through the optimization of capital structure.

The Company could make adjustments to dividends or issue new shares in order to maintain or adjust the capital structure.

30. FINANCIAL INSTRUMENTS

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

Except as detailed in the following table, the Company considers that the carrying amounts of financial instruments in the financial statements that are not measured at fair value approximate their fair values.

December 31, 2024

	Carrying Amount	Fair Value			
		Level 1	Level 2	Level 3	Total
<u>Financial liabilities</u>					
Financial liabilities at amortized cost					
Convertible bonds	\$ 34,059	\$ 70,350	\$ -	\$ -	\$ 70,350

December 31, 2023

	Carrying Amount	Fair Value			
		Level 1	Level 2	Level 3	Total
<u>Financial liabilities</u>					
Financial liabilities at amortized cost					
Convertible bonds	\$ 285,898	\$ 358,500	\$ -	\$ -	\$ 358,500

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

1) Fair value hierarchy

December 31, 2024

	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTOCI</u>				
Investments in equity instruments				
Listed shares	\$ 201,474	\$ -	\$ -	\$ 201,474
Unlisted shares	-	-	79,580	79,580
	<u>\$ 201,474</u>	<u>\$ -</u>	<u>\$ 79,580</u>	<u>\$ 281,054</u>

Financial liabilities at FVTPL

Derivatives	<u>\$ -</u>	<u>\$ 81</u>	<u>\$ -</u>	<u>\$ 81</u>
-------------	-------------	--------------	-------------	--------------

December 31, 2023

	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTOCI</u>				
Investments in equity instruments				
Listed shares	\$ 129,390	\$ -	\$ -	\$ 129,390
Unlisted shares	-	-	39,700	39,700
	<u>\$ 129,390</u>	<u>\$ -</u>	<u>\$ 39,700</u>	<u>\$ 169,090</u>

Financial liabilities at FVTPL

Derivatives	<u>\$ -</u>	<u>\$ 930</u>	<u>\$ -</u>	<u>\$ 930</u>
-------------	-------------	---------------	-------------	---------------

There were no transfers between Levels 1 and 2 in the current and prior years.

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

For the year ended December 31, 2024

Financial Assets	Financial Assets at FVTOCI Equity Instruments
Balance at January 1, 2024	\$ 39,700
Recognized in other comprehensive income (included in unrealized valuation gain/(loss) on financial assets at FVTOCI)	<u>39,880</u>
Balance at December 31, 2024	<u>\$ 79,580</u>

For the year ended December 31, 2023

Financial Assets	Financial Assets at FVTOCI Equity Instruments
Balance at January 1, 2023	\$ 120,443
Recognized in other comprehensive income (included in unrealized valuation gain/(loss) on financial assets at FVTOCI)	10,070
Additions	20,000
Transfer out of Level 3	<u>(110,813)</u>
Balance at December 31, 2023	<u>\$ 39,700</u>

3) Valuation techniques and inputs applied for Level 2 fair value measurement

Financial Instrument	Valuation Technique and Inputs
Derivatives - selling-/ buying-back of convertible bonds	The binary tree method is used to evaluate the convertible bonds based on the volatility of conversion price, risk-free interest rate, risk discount rate and remaining maturity.

4) Valuation techniques and assumptions used in Level 3 fair value measurement

The fair values of convertible preferred stocks, convertible bonds, mutual funds and non-publicly traded equity investments (excluding those trading on the Emerging Stock Board) are mainly determined by using the asset approach, income approach and market approach.

c. Categories of financial instruments

	December 31	
	2024	2023
<u>Financial assets</u>		
FVTPL		
Held for trading	\$ 81	\$ -
Financial assets at amortized cost (1)	2,038,185	1,761,804
Financial assets at FVTOCI		
Equity instruments	281,054	169,090
Debt instruments	3,057	39,165
<u>Financial liabilities</u>		
FVTPL		
Held for trading	-	930
Amortized cost (2)	1,857,429	1,938,517

- 1) The balances include financial assets at amortized cost, which comprise cash and cash equivalents, debt investments, notes receivable, trade receivables (including related parties), other receivables (including related parties) and refundable deposits.
- 2) The balances include financial liabilities at amortized cost, which comprise short-term bank loans, trade payables, bonds payable (including current portion), and long-term bank loans (including current portion).

d. Financial risk management objectives and policies

The Company's major financial instruments include cash and cash equivalents, equity and debt investments, notes receivable, trade receivables (including related parties), trade payables (including related parties), bonds payable and bank borrowings. The Company's corporate treasury function provides services to the business, coordinates access to domestic and international financial markets, and monitors and manages the financial risks relating to the operations of the Company through internal risk reports which analyze exposures by degree and magnitude of risks. These risks include market risk (including foreign currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

1) Market risk

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

There has been no change to the Company's exposure to market risks or the manner in which these risks were managed and measured.

a) Foreign currency risk

The Company had foreign currency sales and purchases, which exposed the Company to foreign currency risk. Exchange rate exposures are managed within approved policy parameters utilizing foreign exchange forward contracts.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are set out in Note 35.

Sensitivity analysis

The Company was mainly exposed to the Chinese Yen (RMB) and U.S. dollars (USD).

The following table details the Company's sensitivity to a 1% increase and decrease in NTD (the functional currency) against the relevant foreign currencies. 1% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis included only outstanding foreign currency denominated monetary items and adjusts their translation at the end of the reporting period for a 1% change in foreign currency rates. A positive number below indicates an increase in pre-tax profit associated with the NTD weakening 1% against the relevant currency. For a 1% strengthening of the NTD assets (liabilities) against the relevant currency, there would be an equal and opposite impact on pre-tax profit and the balances below would be negative.

	RMB Impact (Note)		USD Impact (Note)	
	For the Year Ended December 31		For the Year Ended December 31	
	2024	2023	2024	2023
Profit or loss	\$ 180	\$ 276	\$ 1,452	\$ 3,646

Note: This was mainly attributable to the exposure outstanding on RMB and USD cash and cash equivalents, receivables and payables in RMB and USD, which were not hedged at the end of the reporting period.

The Company's sensitivity to the U.S. dollars (USD) decreased during the current year mainly due to the decreased in bank deposits and trade receivables in USD.

b) Interest rate risk

The Company is exposed to interest rate risk because entities in the Company borrow funds at both fixed and floating interest rates. The risk is managed by the Company by maintaining an appropriate mix of fixed and floating rate borrowings and using interest rate swap contracts and forward interest rate contracts. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetites ensuring the most cost-effective hedging strategies are applied.

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

	December 31	
	2024	2023
Fair value interest rate risk		
Financial liabilities	\$ 34,059	\$ 285,898
Cash flow interest rate risk		
Financial liabilities	954,635	1,214,201

Sensitivity analysis

The sensitivity analysis of interest rate risk was determined based on the interest rate risk as of the end of the financial reporting period. If interest rates had been 1% higher and all other variables were held constant, the Company's pre-tax profit for the years ended December 31, 2024 and 2023 would have decreased by \$9,546 thousand and \$12,142 thousand, respectively.

The Company's sensitivity to interest rates decreased during the current year mainly due to the decrease in variable-rate bank loans.

c) Other price risk

The Company was exposed to equity price risk through its investments in equity securities. Equity investments are held for strategic rather than for trading purposes, the Company does not actively trade these investments. In addition, the Company has appointed a special team to monitor the price risk and will consider hedging the risk exposure should the need arise.

Sensitivity analysis

The sensitivity analysis below was determined based on the exposure to equity price risks at the end of the year.

If equity prices had been 5% higher/lower, pre-tax other comprehensive income for the years ended December 31, 2024 and 2023 would have increased/decreased by \$14,053 thousand and \$8,454 thousand, respectively, as a result of the changes in fair value of financial assets at FVTOCI.

2) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company is exposed to credit risk from operating activities, primarily trade receivables.

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

The Company's concentration of credit risk of 61% and 44% of total amounts of trade receivables and contract assets as of December 31, 2024 and 2023, respectively, was attributable to the Company's largest customer and the three largest customers in the property construction business segment.

3) Liquidity risk

The Company manages liquidity risk by monitoring and maintaining a level of cash and cash equivalents, highly liquid marketable securities, and sufficient bank borrowings deemed adequate to finance the Company's operations and mitigate the effects of fluctuations in cash flows.

The Company relies on bank borrowings as a significant source of liquidity. As of December 31, 2024 and 2023, the Company had available unutilized short-term bank loan facilities set out to \$1,718,036 thousand and \$2,106,238 thousand, respectively.

The following tables detail the Company's remaining contractual maturities for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities from the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows.

December 31, 2024

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	5+ Years
Non-interest bearing	\$ 224,499	\$ 306,799	\$ 337,437	\$ -	\$ -
Lease liabilities	819	1,638	5,160	2,048	-
Variable interest rate liabilities	3,845	7,671	34,360	838,757	136,281
Fixed interest rate liabilities	-	35,000	-	-	-
	<u>\$ 229,163</u>	<u>\$ 351,108</u>	<u>\$ 376,957</u>	<u>\$ 840,805</u>	<u>\$ 136,281</u>

Further information on the maturity analysis of the above financial liabilities was as follows:

	Less than 1 Year	1-5 Years	5-10 Years	10-15 Years	15-20 Years
Variable interest rate liabilities	<u>\$ 45,876</u>	<u>\$ 838,757</u>	<u>\$ 136,281</u>	<u>\$ -</u>	<u>\$ -</u>

December 31, 2023

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	5+ Years
Non-interest bearing	\$ 167,177	\$ 108,056	\$ 163,185	\$ -	\$ -
Lease liabilities	1,045	2,024	8,547	8,586	-
Variable interest rate liabilities	3,714	7,377	260,653	710,094	322,824
Fixed interest rate liabilities	-	-	-	300,000	-
	<u>\$ 171,936</u>	<u>\$ 117,457</u>	<u>\$ 432,385</u>	<u>\$ 1,018,680</u>	<u>\$ 322,824</u>

Further information on the maturity analysis of the above financial liabilities was as follows:

	Less than 1 Year	1-5 Years	5-10 Years	10-15 Years	15-20 Years
Variable interest rate liabilities	<u>\$ 271,744</u>	<u>\$ 710,094</u>	<u>\$ 316,648</u>	<u>\$ 5,986</u>	<u>\$ 190</u>

e. Transfers of financial assets

Factored trade receivables that are not yet overdue at the end of the year were as follows:

December 31, 2024

Counterparty	Receivables Factoring Proceeds	Amount Reclassified to Other Receivables	Advances Received - Unused	Advances Received - Used	Annual Interest Rates on Advances Received (Used) (%)
Taipei Fubon Bank	\$ 160,110	\$ 16,011	\$ -	\$ 144,099	2.055-2.085
O-bank	<u>5,082</u>	<u>508</u>	<u>-</u>	<u>4,574</u>	2.151-2.163
	<u>\$ 165,192</u>	<u>\$ 16,519</u>	<u>\$ -</u>	<u>\$ 148,673</u>	

December 31, 2023

Counterparty	Receivables Factoring Proceeds	Amount Reclassified to Other Receivables	Advances Received - Unused	Advances Received - Used	Annual Interest Rates on Advances Received (Used) (%)
Taipei Fubon Bank	\$ 93,927	\$ 9,393	\$ -	\$ 84,534	1.987-1.991
O-bank	<u>6,164</u>	<u>616</u>	<u>-</u>	<u>5,548</u>	1.9377
	<u>\$ 100,091</u>	<u>\$ 10,009</u>	<u>\$ -</u>	<u>\$ 90,082</u>	

Pursuant to the Company's factoring agreements, losses from commercial disputes (such as sales returns and discounts) are borne by the Company, while losses from credit risk are borne by the banks.

31. TRANSACTIONS WITH RELATED PARTIES

Besides information disclosed elsewhere in the other notes, details of transactions between the Company and other related parties are disclosed as follows.

a. Related parties and their relationships with the Company:

Related Party Name	Related Party Categories and Relationship with the Company
Symtek Automation China Co., Ltd.	Subsidiary
Protek Technology Limited	Other related parties - key management companies
Dongguan Protek Machinery Co., Ltd.	Other related parties - key management companies
Gudeng Precision Industrial Co., Ltd.	Substantial related party (as a related party from September 26, 2023)
Gudeng Inc.	Substantial related party (as a related party from September 26, 2023)
Gudeng Equipment Co., LTD.	Substantial related party (as a related party from September 26, 2023)

b. Operating revenue

Line Items	Related Party Categories	For the Year Ended December 31	
		2024	2023
Sales	Subsidiary	\$ 17,857	\$ 18,256
	Other related parties - key management companies	332	-
	Gudeng Equipment Co., LTD.	<u>48,270</u>	<u>-</u>
		<u>\$ 66,459</u>	<u>\$ 18,256</u>

The Company's transaction prices and collection terms of sales transactions with related parties are not materially different from those of unrelated parties.

c. Purchases of goods

Related Party Category	For the Year Ended December 31	
	2024	2023
Subsidiary	<u>\$ 11,053</u>	<u>\$ 23,620</u>

The Company's purchases transactions with related parties have no comparable transactions for reference, and the terms of the transactions are determined through negotiations between both parties.

d. Receivables from related parties (excluding loans to related parties)

Line Item	Related Party Category/Name	December 31	
		2024	2023
Trade receivables from related parties	Symtek Automation China Co., Ltd.	<u>\$ 11,646</u>	<u>\$ 1,403</u>

The outstanding trade receivables from related parties are unsecured. For the years ended December 31, 2024 and 2023, no impairment losses were recognized for trade receivables from related parties.

e. Payables to related parties (excluding loans from related parties)

Line Item	Related Party Category	December 31	
		2024	2023
Trade payables	Subsidiary	<u>\$ 9,246</u>	<u>\$ 27</u>

The outstanding trade payables to related parties are unsecured.

f. Other transactions with related parties

Related Party Category/Name	For the Year Ended December 31	
	2024	2023
Other income (consulting and service income) Symtek Automation China Co., Ltd.	<u>\$ 44,713</u>	<u>\$ 65,830</u>
Selling and marketing expenses Substantial related party	<u>\$ 19,613</u>	<u>\$ 4,255</u>

Related Party Category/Name	December 31	
	2024	2023
Other receivables from related parties Symtek Automation China Co., Ltd.	\$ <u>20,826</u>	\$ <u>24,507</u>
Other payables Substantial related party	\$ <u>649</u>	\$ <u>796</u>

Other income represents the amounts received by the Company for technical consulting services provided to Symtek Automation China Co., Ltd., with the payment terms agreed upon by both parties.

The transaction prices are based on mutual agreement. The credit term are from the day the related party confirms the sale 120 days - parent entity.

g. Compensation of key management personnel

	For the Year Ended December 31	
	2024	2023
Short-term employee benefits	\$ <u>44,414</u>	\$ <u>42,633</u>

The remuneration of directors and key executives was determined by the remuneration committee with regard to the performance of individuals and market trends.

32. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The following assets were provided as collateral for bank borrowings and the sale of real estate trust account deposits, among others:

	December 31	
	2024	2023
Property, plant and equipment	\$ 1,097,821	\$ 1,522,205
Financial assets at amortized cost - current	<u>70,000</u>	<u>-</u>
	\$ <u>1,167,821</u>	\$ <u>1,522,205</u>

33. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

In addition to those disclosed in other notes, significant contingencies and unrecognized commitments of the Company at December 31, 2024 was as follows:

- As of December 31 2024, the Company has issued guarantee letters for purchases and sales amounted to \$40,734 thousand.
- The construction contracts the Company has entered into amounted to \$1,396,880 thousand (including tax), and as of December 31, 2024, the payment the Company had not yet paid amounted to \$341,521 thousand (including tax).

34. SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

To meet financial needs, strengthen operational funds, and/or repay bank borrowings, the Board of Directors resolved on November 12, 2024, to conduct a cash capital increase by issuing 4,000 thousand new shares with a par value of NT\$10 per share. The issue price was later approved at NT\$185 per share on February 5, 2025, with the total fundraising amount estimated at NT\$740,000 thousand. The capital increase will have a record date of February 18, 2025, and the company expects to receive all payments by March 26, 2025.

35. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

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

December 31, 2024

	Foreign Currency	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
Monetary items			
USD	\$ 4,445	32.79 (USD:NTD)	\$ 145,722
EUR	5	34.14 (EUR:NTD)	176
JPY	70,398	0.21 (JPY:NTD)	14,777
RMB	9,402	4.48 (RMB:NTD)	<u>42,103</u>
			<u>\$ 202,778</u>
Non-monetary items			
Investments accounted for using the equity method			
RMB	362,172	4.48 (RMB:NTD)	<u>\$ 1,621,811</u>
<u>Financial liabilities</u>			
Monetary items			
USD	16	32.79 (USD:NTD)	\$ 532
EUR	114	34.14 (EUR:NTD)	3,886
JPY	74,738	0.21 (JPY:NTD)	15,687
RMB	5,372	4.48 (RMB:NTD)	<u>24,056</u>
			<u>\$ 44,161</u>

December 31, 2023

	Foreign Currency	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
Monetary items			
USD	\$ 11,943	30.71 (USD:NTD)	\$ 366,699
EUR	89	33.98 (EUR:NTD)	3,019
JPY	16,213	0.22 (JPY:NTD)	3,521
RMB	8,161	4.33 (RMB:NTD)	<u>35,313</u>
			<u>\$ 408,552</u>
Non-monetary items			
Investments accounted for using the equity method			
RMB	357,017	4.33 (RMB:NTD)	<u>\$ 1,544,802</u>
<u>Financial liabilities</u>			
Monetary items			
USD	68	30.71 (USD:NTD)	\$ 2,080
EUR	385	33.98 (EUR:NTD)	13,094
JPY	19,255	0.22 (JPY:NTD)	4,182
RMB	1,775	4.33 (RMB:NTD)	<u>7,683</u>
			<u>\$ 27,039</u>

The significant unrealized foreign exchange gains (losses) were as follows:

For the Year Ended December 31				
2024		2023		
Functional Currency	Exchange Rate	Net Foreign Exchange Gains (Losses)	Exchange Rate	Net Foreign Exchange Gains (Losses)
USD	32.79 (USD:NTD)	\$ 3,426	30.71 (USD:NTD)	\$ (715)
EUR	34.14 (EUR:NTD)	(36)	33.98 (EUR:NTD)	66
JPY	0.21 (JPY:NTD)	308	0.22 (JPY:NTD)	(92)
RMB	4.48 (RMB:NTD)	<u>(82)</u>	4.33 (RMB:NTD)	<u>(222)</u>
		<u>\$ 3,616</u>		<u>\$ (963)</u>

36. SEPARATELY DISCLOSED ITEMS

a. Information on significant transactions:

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

- 3) Marketable securities held (Table 1)
 - 4) Marketable securities acquired or disposed of at costs or prices of at least NT\$300 million or 20% of the paid-in capital (None)
 - 5) Acquisition of individual real estate at costs of at least NT\$300 million or 20% of the paid-in capital (Table 2)
 - 6) Disposal of individual real estate at prices of at least NT\$300 million or 20% of the paid-in capital (Table 3)
 - 7) Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital (None)
 - 8) Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital (None)
 - 9) Trading in derivative instruments (Notes 17 and 30)
- b. Information on investees (Table 4)
- c. Information on investments in mainland China
- 1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, net income of investees, investment income or loss, carrying amount of the investment at the end of the year, repatriations of investment income, and limit on the amount of investment in the mainland China area (Table 5)
 - 2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses (Table 6):
 - a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the year.
 - b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the year.
 - c) The amount of property transactions and the amount of the resultant gains or losses.
 - d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the year and the purposes.
 - e) The highest balance, the ending balance, the interest rate range, and total current period interest with respect to the financing of funds.
 - f) Other transactions that have a material effect on the profit or loss for the year or on the financial position, such as the rendering or receipt of services.
- d. Information of major shareholders:
- List all shareholders with ownership of 5% or greater showing the name of the shareholder, the number of shares owned, and percentage of ownership of each shareholder (Table 7)

TABLE 1

SYMTEK AUTOMATION ASIA CO., LTD.

MARKETABLE SECURITIES HELD
DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Held Company Name	Marketable Securities Type and Name (Note)	Relationship with the Company	Financial Statement Account	Ending Balance				Note
				Shares	Carrying Value	Percentage of Ownership (%)	Fair Value	
Symtek Automation Asia Co., Ltd.	<u>Shares</u>							
	New Smart Technology Co., Ltd.	None	Financial assets at FVTOCI - non-current	515	\$ 16,995	2.34	\$ 32,240	
	Ever Radiant Inc.	None	"	560	-	6.77	-	
	SynPower Co., Ltd.	None	"	2,701	96,255	8.22	201,474	
	Great Talent Tech Co., Ltd.	None	"	100	1,000	6.25	1,000	
	TSS Holdings Limited	None	"	2,132	20,000	12.50	46,340	
Symtek Automation China Co., Ltd.	Ultratak Industry (Guangdong) Co., Ltd.	None	"	142	30,002	2.61	30,002	
	Add: Unrealized gain (loss) on investments in equity instruments at fair value through other comprehensive income				<u>146,804</u>		<u>-</u>	
					<u>\$ 311,056</u>		<u>\$ 311,056</u>	

Note 1: The marketable securities listed above includes shares, bonds, beneficiary certificates, and all forms of securities listed under IFRS 9: Financial Instruments.

Note 2: Refer to Tables 4 and 5 for information on the investment of subsidiaries.

TABLE 2

SYMTEK AUTOMATION ASIA CO., LTD.

**ACQUISITION OF INDIVIDUAL REAL ESTATE AT COSTS OF AT LEAST NT\$300 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

Buyer	Property	Event Date	Transaction Amount	Payment Status	Counterparty	Relationship	Information on Previous Title Transfer If Counterparty Is A Related Party				Pricing Reference	Purpose of Acquisition	Other Terms
							Property Owner	Relationship	Transaction Date	Amount			
Symtek Automation Asia Co., Ltd.	New construction	June 15, 2023 (Note)	\$ 1,396,880	As of December 31, 2024, \$1,055,359 thousand was paid (include VAT)	True-Dreams Construction Co., Ltd.	-	N/A	N/A	N/A	N/A	Price comparison and price negotiation	Self-use	None

Note: This date is the date of the board of directors’ resolution.

TABLE 3

SYMTEK AUTOMATION ASIA CO., LTD.

**DISPOSAL OF INDIVIDUAL REAL ESTATE AT PRICES OF AT LEAST NT\$300 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

Seller	Property	Event Date	Original Acquisition Date	Carrying Amount	Transaction Amount	Collection	Gain (Loss) on Disposal	Counterparty	Relationship	Purpose of Disposal	Price Reference	Other Terms
Symtek Automation Asia Co., Ltd.	Yangmei Plant Buildings and Land	July 10, 2024 (Note 1)	April 30, 2019	\$ 419,006	\$ 700,000 (Include VAT)	As of December 31, 2024, \$630,000 thousand was received (include VAT) (Note 2)	\$ 254,338	Lien Chy Laminated Metal Co., Ltd.	-	To enable effective asset utilization, reduce operating costs, and enhance operational performance.	Appraisal report and mutual negotiation.	-

Note 1: This date is the date of the board of directors’ resolution.

Note 2: An amount of \$70,000 thousand is temporarily held in a designated trust account with Bank of Taiwan, classified as financial assets at amortized cost - current.

TABLE 4

SYMTEK AUTOMATION ASIA CO., LTD.

INFORMATION ON INVESTEEES
FOR THE YEAR ENDED DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of December 31, 2024			Net Income (Loss) of the Investee	Share of Profits (Loss)	Note
				December 31, 2024	December 31, 2023	Shares (In Thousands)	%	Carrying Amount			
Symtek Automation Asia Co., Ltd.	Symtek Automation Ltd.	British Virgin Islands	Investment	\$ 298,447	\$ 298,447	26,272	100	\$ 1,621,811	\$ 134,862	\$ 134,597 (Notes 1 and 2)	Subsidiary
Symtek Automation Ltd.	Symtek Automation China Co., Ltd.	China	Equipment manufacturing and sales	298,447	298,447	26,272	100	1,621,811	134,862	134,597 (Notes 1 and 2)	Sub-subsubsidiary
Symtek Automation China Co., Ltd.	Symtek Power Asia Co., Ltd.	China	Equipment manufacturing and sales	237,940	71,443	54,000	60	219,618	(39,537)	(23,723) (Note 2)	Sub-subsubsidiary
Symtek Power Asia Co., Ltd.	Symtek Power Automation Technology (Thailand) Co., Ltd.	Thailand	Equipment sales	178,903	16,828	2,017	100	179,928	(11,913)	(11,913) (Note 2)	Sub-subsubsidiary

Note 1: The amount of \$134,862 thousand was recognized as the net profit of the investee based on the equity in the investee, after adjusting the realized gain or loss of \$604 thousand and the unrealized gain or loss of \$(869) thousand from the downstream transactions.

Note 2: The amount was eliminated upon consolidation.

TABLE 5

SYMTEK AUTOMATION ASIA CO., LTD.

INFORMATION ON INVESTMENTS IN MAINLAND CHINA
FOR THE YEAR ENDED DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investee Company	Main Businesses and Products	Paid-in Capital	Method of Investment (Note 1)	Accumulated Outward Remittance for Investment from Taiwan as of December 31, 2023	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of December 31, 2024	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note 2)	Carrying Amount as of December 31, 2024	Accumulated Repatriation of Investment Income as of December 31, 2024	Note
					Outward	Inward							
Symtek Automation China Co., Ltd.	Equipment manufacturing and sales	\$ 818,750 (RMB 180,000 thousand)	(2) (Note 5)	\$ 298,447	\$ -	\$ -	\$ 298,447	\$ 134,862	100	\$ 134,597 (Note 3)	\$ 1,621,811	\$ 340,114	Note 7
Symtek Power Asia Co., Ltd.	Equipment manufacturing and sales	397,156 (RMB 90,000 thousand)	(3) (Note 6)	-	-	-	-	(39,537)	60	(23,723) (Note 4)	219,618	-	Note 7

Accumulated Outward Remittance for Investments in Mainland China as of December 31, 2024	Investment Amount Authorized by the Investment Commission, MOEA	Upper Limit on the Amount of Investments Stipulated by the Investment Commission, MOEA
\$298,447 (HK\$39,800 thousand and RMB30,000 thousand)	\$806,040 (HK\$48,000 thousand and RMB135,137 thousand)	\$2,833,799

Note 1: The methods of investment are classified as below five types:

- a. Direct investment in Mainland China.
- b. Reinvestment in Mainland China through companies registered in a third region. (please specify the investment company in a third region).
- c. Other method.

Note 2: In the column of investment profit (loss) recognized for the period:

- a. If the Company is in preparation status without investment profit (loss), it shall be remarked.
- b. Recognized basis of investment profit (loss) includes below three types and shall be remarked.
 - 1) Financial statements audited and certified by international accounting firms in cooperation with accounting firms of Republic of China.
 - 2) The financial statements had been audited and certified by the parent company’s certified public accountant in Taiwan.
 - 3) Other - based on the financial statements unaudited by the certified public accountants.

Note 3: Recognized basis of investment profit (loss) is at Note 2, (2) item B., which is according to investee’s financial statements audited by Taiwanese parent company’s accountant in the correspondent period, and the amount of \$134,862 thousand was recognized as the net income of the investee based on the equity in the investee, after adjusting the realized gain or loss of \$604 thousand and the unrealized gain or loss of \$(869) thousand from the downstream transactions.

Note 4: Recognized basis of investment profit (loss) is at Note 2, (2) item B., which is according to investee’s financial statements audited by Taiwanese parent company’s accountant in the correspondent period, and the amount of \$23,723 thousand was recognized as the net loss of the investee based on the equity in the investee.

(Continued)

Note 5: The investment company in a third region is Symtek Automation Ltd.

Note 6: The Company reinvested by sub-subsidiary Symtek Automation China Co., Ltd.

Note 7: The amount was eliminated upon consolidation.

(Concluded)

SYMTEK AUTOMATION ASIA CO., LTD.

SIGNIFICANT TRANSACTIONS WITH INVESTEE COMPANIES IN MAINLAND CHINA, EITHER DIRECTLY OR INDIRECTLY THROUGH A THIRD PARTY, AND THEIR PRICES, PAYMENT TERMS, AND UNREALIZED GAINS OR LOSSES
FOR THE YEAR ENDED DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1. Purchase

Investee Company	Transaction Type	Transaction Details			Comparison with Normal Transactions	Purchase		Notes/Trade Payable		Note
		Price	Payment Terms	Amount		%	Ending Balance	%		
Symtek Automation China Co., Ltd.	-	Price to be agreed by both parties	Within 3 months after purchase	No comparable transactions for reference	\$ 11,053	0.94	\$ 9,246	1.06	-	

2. Sale

Investee Company	Transaction Type	Transaction Details			Comparison with Normal Transactions	Sale		Gross Profit	Unrealized Gross Profit	Notes/Trade Receivable		Note
		Price	Payment Terms	Amount		%	Ending Balance			%		
Symtek Automation China Co., Ltd.	-	General terms	Within 4 months after sale	Equivalent	\$ 17,857	0.63	\$ 2,466	\$ 869	\$ 11,646	3.03	-	

Note: The amount was eliminated upon consolidation.

TABLE 7**SYMTEK AUTOMATION ASIA CO., LTD.****INFORMATION OF MAJOR SHAREHOLDERS
DECEMBER 31, 2024**

Name of Major Shareholder	Shares	
	Number of Shares	Percentage of Ownership (%)
Gudeng Precision Industrial Co., Ltd.	4,161,692	5.34

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

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

SYMTEK AUTOMATION ASIA CO., LTD.

THE CONTENTS OF STATEMENTS OF MAJOR ACCOUNTING ITEMS

Item	Reference
Statements of Assets, Liabilities, and Equity Items	
Statement of cash and cash equivalents	Statement 1
Statement of notes receivable	Statement 2
Statement of trade receivables	Statement 3
Statement of inventories	Statement 4
Statement of other current assets	Note 15
Statement of financial assets at fair value through other comprehensive income - non-current	Statement 5
Statement of changes in investments accounted for using the equity method	Statement 6
Statement of changes in property, plant and equipment	Note 12
Statement of changes in right-of-use assets	Statement 7
Statement of changes in accumulated depreciation of right-of-use assets	Statement 8
Statement of deferred income tax assets	Note 25
Statement of other non-current assets	Note 15
Statement of accounts payables	Statement 9
Statement of other payables	Note 19
Statement of other current liabilities	Note 19
Statement of contract liabilities	Statement 10
Statement of corporate bonds payable table	Statement 11
Statement of long-term loans	Statement 12
Statement of deferred income tax liabilities	Note 25
Statements of Profit or Loss Items	
Statement of operating revenue	Statement 13
Statement of operating costs	Statement 14
Statement of selling expenses	Statement 15
Statement of administrative expenses	Statement 15
Statement of research and development expenses	Statement 15
Statement of finance costs	Note 24
Summary statement of current period employee benefits, depreciation, depletion and amortization expenses by function	Statement 16

SYMTEK AUTOMATION ASIA CO., LTD.**STATEMENT OF CASH****DECEMBER 31, 2024****(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

Item	Summary	Total
Cash on hand		\$ 244
Bank deposit		
Cheques and demand deposits		1,560,965
Foreign currency demand deposits	US\$29 thousand @32.785, EUR5 thousand @34.14, RMB401 thousand @4.478 and JPY70,358 thousand @0.2099	<u>17,701</u>
		<u>\$ 1,578,910</u>

SYMTEK AUTOMATION ASIA CO., LTD.

STATEMENT OF NOTES RECEIVABLE

DECEMBER 31, 2024

(In Thousands of New Taiwan Dollars)

Item	Total
Company A	\$ 4,458
Other (Note)	71
Less: Loss allowance	<u>-</u>
Non-related party	<u>\$ 4,529</u>

Note: The balance of each item does not exceed 5% of the balance of this account.

SYMTEK AUTOMATION ASIA CO., LTD.**STATEMENT OF TRADE RECEIVABLES****DECEMBER 31, 2024****(In Thousands of New Taiwan Dollars)**

Item	Amount
Non-related party	
Company A	\$ 92,470
Company B	62,853
Company C	45,486
Company D	27,021
Company E	22,333
Company F	21,683
Company G	19,032
Company H	17,764
Other (Note)	<u>59,537</u>
	368,179
Less: Loss allowance	<u>(37,670)</u>
	<u>\$ 330,509</u>
Related party	
Symtek Automation China Co., Ltd.	<u>\$ 11,646</u>

Note: The balance of each item does not exceed 5% of the balance of this account.

SYMTEK AUTOMATION ASIA CO., LTD.**STATEMENT OF INVENTORIES****DECEMBER 31, 2024****(In Thousands of New Taiwan Dollars)**

Item	Cost	Net Realizable Value
Raw materials	\$ 45,865	\$ 25,891
Work-in-process	829,103	1,055,905
Finished goods	<u>12,006</u>	<u>11,803</u>
	886,974	<u>\$ 1,093,599</u>
Less: Allowance for inventory write-down	<u>(134,000)</u>	
	<u>\$ 752,974</u>	

SYMTEK AUTOMATION ASIA CO., LTD.

STATEMENT OF FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME - NON-CURRENT
FOR THE YEAR ENDED DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars/Thousands of Shares)

Item	At the Beginning of the Year		Increase		Decrease		At the End of the Year		Accumulated Impairment	Guarantees or Pledges	Note
	Number of Shares	Fair Value	Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Fair Value			
Investments in equity instruments											
New Smart Technology Co., Ltd.	515	\$ 8,870	-	\$ 23,370	-	\$ -	515	\$ 32,240	N/A	None	Note 1
Ever Radiant Inc.	560	-	-	-	-	-	560	-	N/A	None	-
SynPower Co., Ltd.	2,992	129,390	-	96,549	291	24,465	2,701	201,474	N/A	None	Note 2
Great Talent Tech Co., Ltd.	100	1,000	-	-	-	-	100	1,000	N/A	None	-
TSS Holdings Limited	2,000	<u>29,830</u>	132	<u>16,510</u>	-	<u>-</u>	2,132	<u>46,340</u>	N/A	None	Note 3
		<u>\$ 169,090</u>		<u>\$ 136,429</u>		<u>\$ 24,465</u>		<u>\$ 281,054</u>			

Note 1: The increase for this period is due to unrealized gains of \$23,370 thousand measured at fair value.

Note 2: The increase for this period is due to unrealized gains of \$96,549 thousand measured at fair value, the decrease this period is due to the sale of financial assets.

Note 3: The increase for this period is due to unrealized gains of \$16,510 thousand measured at fair value.

SYMTEK AUTOMATION ASIA CO., LTD.

STATEMENT OF CHANGES IN INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD
FOR THE YEAR ENDED DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investee Company	Opening Balance		Increase (Decrease)		Investment Gains	Investment Income Recognized During the Year	Realized Gross Profit on Sales	Unrealized Gross Profit on Sales Recognized During the Year	Translation Adjustment	Closing Balance			Guarantees or Pledges
	Number of Shares (In Thousands)	Amount	Number of Shares (In Thousands)	Amount						Number of Shares (In Thousands)	Percentage of Ownership (%)	Amount at End of Year	
Symtek Automation Ltd.	26,272	\$ 1,544,802	-	\$ -	\$ (120,013)	\$ 134,862	\$ 604	\$ (869)	\$ 62,425	26,272	100	\$ 1,621,811	None

SYMTEK AUTOMATION ASIA CO., LTD.**STATEMENT OF CHANGES IN RIGHT-OF-USE ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars)**

Item	Opening Balance	Increase	Decrease	Closing Balance	Note
Land	\$ 8,176	\$ -	\$ -	\$ 8,176	
Buildings	15,175	-	(6,615)	8,560	
Transportation equipment	<u>9,513</u>	<u>2,047</u>	<u>(2,941)</u>	<u>8,619</u>	
	<u>\$ 32,864</u>	<u>\$ 2,047</u>	<u>\$ (9,556)</u>	<u>\$ 25,355</u>	

SYMTEK AUTOMATION ASIA CO., LTD.**STATEMENT OF CHANGES IN ACCUMULATED DEPRECIATION OF RIGHT-OF-USE ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars)**

Item	Opening Balance	Increase	Decrease	Closing Balance	Note
Land	\$ 3,384	\$ 1,691	\$ -	\$ 5,075	
Buildings	5,999	7,036	(6,615)	6,420	
Transportation equipment	<u>3,716</u>	<u>3,640</u>	<u>(2,941)</u>	<u>4,415</u>	
	<u>\$ 13,099</u>	<u>\$ 12,367</u>	<u>\$ (9,556)</u>	<u>\$ 15,910</u>	

SYMTEK AUTOMATION ASIA CO., LTD.**STATEMENT OF ACCOUNTS PAYABLES****DECEMBER 31, 2024****(In Thousands of New Taiwan Dollars)**

Item	Summary	Amount
Non-related party		
Company A	Loan	\$ 77,103
Company B	"	43,497
Other (Note)	"	<u>738,889</u>
		<u>\$ 859,489</u>
Related party		
Symtek Automation China Co., Ltd.	"	<u>\$ 9,246</u>

Note: The balance of each item does not exceed 5% of the balance of this account.

SYMTEK AUTOMATION ASIA CO., LTD.**STATEMENT OF CONTRACT LIABILITIES****DECEMBER 31, 2024****(In Thousands of New Taiwan Dollars)**

Item	Amount
Non-related party	
Company A	\$ 64,637
Company B	10,793
Company C	6,858
Other (Note)	<u>7,496</u>
	<u>\$ 89,784</u>

Note: The balance of each item does not exceed 5% of the balance of this account.

SYMTEK AUTOMATION ASIA CO., LTD.

STATEMENT OF CORPORATE BONDS PAYABLE TABLE
DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Item	Trustee	Issuance Date	Rate (%)	Total Amount	Buy-backed and Converted Amount	Closing Balance	Interest Payable	Unamortized Discount	Book Value	Repayment Method	Guarantees
Second domestic unsecured convertible bonds in 2023	KGI Securities Co., Ltd.	2023.5.5	-	<u>\$ 300,000</u>	<u>\$ (265,000)</u>	<u>\$ 35,000</u>	<u>\$ -</u>	<u>\$ 941</u>	<u>\$ 34,059</u>	See Note 17	None

SYMTEK AUTOMATION ASIA CO., LTD.

STATEMENT OF LONG-TERM LOANS
DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars)

Bank	Summary	Contract Term	Repayment Method	Annual Interest Rate (%)	Due Within One Year	Due After One Year	Total	Collateral or Guarantee
O-Bank	Bank guaranteed loans	2019.04-2026.03	The bank loan is due on March 2026, and the first installment was repaid starting from March 2020. The principal is repaid in 73 monthly installments over 6 years, with interest paid monthly.	1.718	\$ 16,438	\$ 4,110	\$ 20,548	None
Hua Nan Commercial Bank	Bank guaranteed loans	2022.07-2030.07	The bank loan is due on July 2030, and the first installment will be repaid starting from August 2026. The principal is repaid in 48 monthly installments over 4 years, with interest paid monthly.	2.06	-	50,000	50,000	See Note 32
O-Bank	Bank guaranteed loans	2023.06-2028.06	The bank loan is due on June 2028, and the first installment will be repaid starting from June 2024. The principal is repaid in 49 monthly installments over 4 years, with interest paid monthly.	2.03	12,245	30,612	42,857	None
Hua Nan Commercial Bank	Bank guaranteed loans	2023.09-2030.07	The bank loan is due on July 2030, and the first installment will be repaid starting from September 2026. The principal is repaid in 46 monthly installments over 4 years, with interest paid monthly.	2.305	-	223,000	223,000	None
Hua Nan Commercial Bank	Bank guaranteed loans	2023.12-2030.07	The bank loan is due on July 2030, and the first installment will be repaid starting from September 2026. The principal is repaid in 46 monthly installments over 4 years, with interest paid monthly.	2.305	-	35,230	35,230	None
Hua Nan Commercial Bank	Bank guaranteed loans	2024.01-2030.07	The bank loan is due on July 2030, and the first installment will be repaid starting from September 2026. The principal is repaid in 46 monthly installments over 4 years, with interest paid monthly.	2.305	-	88,000	88,000	None
Hua Nan Commercial Bank	Bank guaranteed loans	2024.04-2030.07	The bank loan is due on July 2030, and the first installment will be repaid starting from September 2026. The principal is repaid in 46 monthly installments over 4 years, with interest paid monthly.	2.305	-	264,000	264,000	None
Hua Nan Commercial Bank	Bank guaranteed loans	2024.06-2030.07	The bank loan is due on July 2030, and the first installment will be repaid starting from September 2026. The principal is repaid in 46 monthly installments over 4 years, with interest paid monthly.	2.305	-	26,000	26,000	None
Hua Nan Commercial Bank	Bank guaranteed loans	2024.08-2030.07	The bank loan is due on July 2030, and the first installment will be repaid starting from September 2026. The principal is repaid in 46 monthly installments over 4 years, with interest paid monthly.	2.305	-	79,000	79,000	None

(Continued)

Bank	Summary	Contract Term	Repayment Method	Annual Interest Rate (%)	Due Within One Year	Due After One Year	Total	Collateral or Guarantee
Hua Nan Commercial Bank	Bank guaranteed loans	2024.10-2030.07	The bank loan is due on July 2030, and the first installment will be repaid starting from September 2026. The principal is repaid in 46 monthly installments over 4 years, with interest paid monthly.	2.305	\$ -	\$ 70,000	\$ 70,000	None
Hua Nan Commercial Bank	Bank guaranteed loans	2024.11-2030.07	The bank loan is due on July 2030, and the first installment will be repaid starting from September 2026. The principal is repaid in 46 monthly installments over 4 years, with interest paid monthly.	2.305	-	56,000	56,000	None
					\$ 28,683	\$ 925,952	\$ 954,635	(Concluded)

SYMTEK AUTOMATION ASIA CO., LTD.**STATEMENT OF OPERATING REVENUE
FOR THE YEAR ENDED DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars)**

Item	Summary	Amount
Semiconductor carriers - PCB automation equipment (IBU)	605	\$ 991,983
Semiconductor packaging and testing - LCD panel automation equipment (BBU)	10	49,455
Semiconductor wafers - Semiconductor automation equipment (FBU)	544	1,754,279
AMHS Department - automated material handling system	6	44,757
Less: Sales discounts and returns		<u>(5,760)</u>
		<u>\$ 2,834,714</u>

SYMTEK AUTOMATION ASIA CO., LTD.**STATEMENT OF OPERATING COSTS
FOR THE YEAR ENDED DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars)**

Item	Amount
Direct raw materials	
Raw material at the beginning of the year	\$ 90,044
Current feedstock	1,179,755
Raw material at the end of the year	<u>(45,865)</u>
Direct materials	1,223,934
Direct labor	223,368
Manufacturing costs	<u>464,943</u>
Total manufacturing costs	1,912,245
Inventory of work in process at the beginning of the year	927,996
Inventory of work in process at the end of the year	<u>(829,103)</u>
Cost of finished goods	2,011,138
Inventory of finished goods at the beginning of the year	29,186
Inventory of finished goods at the end of the year	<u>(12,006)</u>
Cost of production and sales	2,028,318
Reversal of write-down of inventories	<u>(91,000)</u>
Total operating costs	<u>\$ 1,937,318</u>

SYMTEK AUTOMATION ASIA CO., LTD.

STATEMENT OF OPERATING EXPENSES
 FOR THE YEAR ENDED DECEMBER 31, 2024
 (In Thousands of New Taiwan Dollars)

Item	Selling and Marketing Expenses	Administrative Expenses	Research and Development Expenses	Expected Credit Impairment Loss	Total
Salary expenses	\$ 62,314	\$ 140,229	\$ 218,627	\$ -	\$ 421,170
Consumable	-	-	39,900	-	39,900
Insurance premiums	5,409	5,718	18,800	-	29,927
Amortization expenses	-	17,639	3,979	-	21,618
Traveling expenses	4,785	977	10,446	-	16,208
Entertainment expenses	5,222	2,071	23	-	7,316
Advertising expenses	7,347	140	282	-	7,769
Service expense	1	11,498	887	-	12,386
Expected credit impairment loss	-	-	-	17,640	17,640
Other (Note)	<u>10,661</u>	<u>25,742</u>	<u>20,681</u>	<u>-</u>	<u>57,084</u>
	<u>\$ 95,739</u>	<u>\$ 204,014</u>	<u>\$ 313,625</u>	<u>\$ 17,640</u>	<u>\$ 631,018</u>

Note: The balance of each item does not exceed 5% of the balance of this account.

SYMTEK AUTOMATION ASIA CO., LTD.

SUMMARY STATEMENT OF CURRENT PERIOD EMPLOYEE BENEFITS, DEPRECIATION, DEPLETION AND AMORTIZATION EXPENSES BY FUNCTION
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars)

	2024			2023		
	Operating Costs	Operating Expenses	Total	Operating Costs	Operating Expenses	Total
Employee benefits expenses						
Salary	\$ 223,368	\$ 413,170	\$ 636,538	\$ 227,871	\$ 424,237	\$ 652,108
Labor and health insurance	25,447	27,581	53,028	27,027	23,820	50,847
Pension	10,472	11,132	21,604	10,490	9,135	19,625
Remuneration of directors	-	8,000	8,000	-	9,000	9,000
Other employee benefit expenses	17,395	3,282	20,677	19,647	3,703	23,350
	<u>\$ 276,682</u>	<u>\$ 463,165</u>	<u>\$ 739,847</u>	<u>\$ 285,035</u>	<u>\$ 469,895</u>	<u>\$ 754,930</u>
Depreciation expenses	<u>\$ 16,486</u>	<u>\$ 8,243</u>	<u>\$ 24,729</u>	<u>\$ 24,636</u>	<u>\$ 8,329</u>	<u>\$ 32,965</u>
Amortization expenses	<u>\$ 75</u>	<u>\$ 21,618</u>	<u>\$ 21,693</u>	<u>\$ 851</u>	<u>\$ 20,494</u>	<u>\$ 21,345</u>

1. The number of employees in the current and previous years was 680 and 682, respectively, of which the number of directors who were not also employees was 8 both, which were calculated on the same basis as the employee benefit expenses.
2.
 - a. The average employee benefit expenses for the year was \$1,089 thousand.
The average employee benefit expenses for the previous year was \$1,107 thousand.
 - b. The average salary expense for the year was \$947 thousand.
The average salary expense of the previous year was \$968 thousand.
 - c. The average salary expense decreased by 2%.
 - d. Remuneration of supervisors for the year: The Company has no supervisors.
 - e. The Company's salary and compensation policy: Employees' salaries are based on the current year's company results and personal performance; year-end bonuses are based on 2.75 months of salary and the actual amount is adjusted according to the company's current year's operating conditions; performance bonuses are based on 10% of the pre-tax net income before allocating compensation of employees and remuneration of directors for the current year; managers' salaries are evaluated according to the current year's performance achievement rate, in addition to referring to all employees.