

**CHENG UEI PRECISION INDUSTRY CO.,
LTD. AND SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REPORT
DECEMBER 31, 2024 AND 2023**

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

CHENG UEI PRECISION INDUSTRY CO., LTD.
DECEMBER 31, 2024 AND 2023 CONSOLIDATED FINANCIAL STATEMENTS
AND INDEPENDENT AUDITORS' REPORT
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CHENG UEI PRECISION INDUSTRY CO., LTD.

Declaration of Consolidated Financial Statements of Affiliated Enterprises

For the year ended December 31,2024, pursuant to “Criteria Governing Preparation of Affiliated Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises”, the entity that is required to be included in the consolidated financial statements of affiliates, is the same as the entity required to be included in the consolidated financial statements of parent and subsidiary companies under International Financial Reporting Standard No. 10. Also, if relevant information that should be disclosed in the consolidated financial statements of affiliates has all been disclosed in the consolidated financial statements of parent and subsidiaries, it shall not be required to prepare separate consolidated financial statements of affiliates.

Hereby declare,

CHENG UEI PRECISION INDUSTRY CO., LTD.

March 11, 2025

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

PWCR 24000618

To the Board of Directors and Stockholders of Cheng Uei Precision Industry Co., Ltd.

Opinion

We have audited the accompanying consolidated balance sheets of Cheng Uei Precision Industry Co., Ltd. and its subsidiaries (the "Group") as at December 31, 2024 and 2023, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of material accounting policies.

In our opinion, based on our audits and the reports of other auditors (please refer to the *Other matter* section), the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for the years then ended, in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission.

Basis for opinion

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

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Group's 2024 consolidated financial statements. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters for the Group's consolidated financial statements of the year ended December 31, 2024 are stated as follows:

Valuation of goodwill impairment

Description

Please refer to Note 4(20) for accounting policies on impairment loss on non-financial assets, Note 5(1) for the uncertainty of accounting estimates and assumptions applied to goodwill impairment valuation, and Note 6(12) for details of goodwill impairment valuation.

As of December 31, 2024, the balance of goodwill (including indefinite useful life trademarks) derived from the acquisition of Foxlink Image Technology Co., Ltd. and DG Lifestyle Store Limited by the Company's subsidiary, FIT Holding Co., Ltd. amounted to NT\$715,197 thousand and NT\$418,504 thousand, respectively. The accumulated impairment amounted to NT\$0 thousand and NT\$323,741 thousand, respectively. The net goodwill amounted to NT\$715,197 thousand and NT\$114,711 thousand, respectively. The Group valued the impairment of goodwill (including indefinite useful life trademarks) through the discounted cash flow method, using the higher of value in use or fair value less costs to sell to measure the cash generating unit's recoverable amount. As the assumptions of expected future cash flows contained subjective judgement and involved a high degree of uncertainty which would cause a material impact on the valuation result, the valuation of goodwill impairment was identified as a key audit matter.

How our audit addressed the matter

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

- A. Obtained an understanding and assessed the reasonableness of valuation of goodwill impairment policies and procedures, including collection of internal and external data, operating forecast and industry changes.
- B. Obtained the external appraisal report on impairment valuation and performed the following procedures:
 - (a) We examined the external appraiser's qualification and assessed the independence, objectiveness and competence.
 - (b) We assessed that the valuation method used in the appraisal report was widely used and appropriate.
 - (c) We assessed the reasonableness of significant assumptions (including expected growth rate and discount rate) applied in the appraisal report.

Recognition of construction revenue-assessment on the stage of completion

Description

Please refer to Note 4(31) for accounting policies on construction contracts, and Note 5(2) for the uncertainty of critical judgement, accounting estimates and assumptions applied to construction contracts. As of December 31, 2024, contract assets, contract liabilities and construction revenue of the Group amounted to \$8,906,120 thousand, \$15,011 thousand and \$17,509,817 thousand, respectively, refer to Note 6(22) for details.

Construction revenue and costs of the Group mainly arise from undertaking construction works. If the outcome of a construction contract can be estimated reliably, profit or loss should be recognised by reference to the stage of completion of the contract activity, using the percentage-of-completion method of accounting, over the contract term. The stage of completion of a construction contract is measured by the proportion of contract costs incurred for the construction performed as of the financial

reporting date to the estimated total costs for the construction contract, and revenue is recognised over time.

The aforementioned estimated total costs are assessed by the management based on the different nature of constructions and the price fluctuations in the market to estimate the costs for each construction activity such as estimated subcontract charges and material and labour expenses, and the complexity of aforementioned total cost usually involves subjective judgement and contains a high degree of uncertainty, which may affect the construction revenue recognition, thus, we consider the assessment on the stage of completion which was applied on construction revenue recognition as a key audit matter.

How our audit addressed the matter:

We performed the following audit procedures on the stage of completion as described on the above key audit matter:

- A. Obtained an understanding on the nature of business and industry, and assessed the reasonableness of internal process applied to estimate total construction cost, including the basis for estimating the expected total cost for construction contracts of the same nature.
- B. Assessed and tested the internal controls used by the management to recognise construction revenue based on the stage of completion, including checking the supporting documents of additional or reduced construction and significant construction performed in the period.
- C. Sampled and tested the subcontracts that have been assigned, and assessed the basis and reasonableness of estimating costs for those that have not been assigned.
- D. Performed substantive procedures relating to the construction profit or loss statement, including sampling and verifying the costs incurred in the period with the appropriate evidence, and recalculating and confirming that construction revenue calculated based on the stage of completion had been accounted for appropriately.

Assessment of allowance for inventory valuation losses

Description

Please refer to Note 4(13) for accounting policies on inventory, Note 5(3) for the uncertainty of accounting estimates and assumptions applied to inventory valuation, and Note 6(6) for details of inventory.

The Group is primarily engaged in the manufacturing and sale of electronic components and parts. As the electronic products' life cycles are relatively short and the market is highly competitive, there is a higher risk of incurring inventory valuation losses or obsolescence due to economic depression or an excess of supply over demand. The Company's inventories are measured at the lower of cost and net realisable value, and individually assessed for those inventories over a certain age in order to identify obsolete or slow-moving inventories.

The industry technology is rapidly changing, and the net realisable value involves subjective judgement resulting in an uncertainty when assessing the obsolete or slow-moving inventories. Given that the inventory and allowance for inventory valuation losses were material to the financial statements, the assessment of allowance for inventory valuation losses was identified as a key audit matter.

How our audit addressed the matter

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

- A. Assessed the reasonableness of policies and procedures on allowance for inventory valuation losses based on our understanding of the Group's operation and industry.
- B. Obtained an understanding of the Group's warehousing control procedures. Reviewed annual physical inventory count plan and participated in the annual inventory count event in order to assess the effectiveness of the management of inventory.
- C. Verified whether the systematic logic used in the Group's inventory aging report is appropriate and in line with its policies.
- D. Inspected inventory valuation basis adequacy and verified the selected samples' information, for instance, purchase price and sale price. Also recalculated and

evaluated the reasonableness of inventory allowance basis in order to verify that the inventory was measured at the lower of cost and net realisable value.

Other matter - Reference to the reports of other auditors

We did not audit the financial statements of certain subsidiaries and investments accounted for under the equity method which were audited by other auditors. Therefore, our opinion expressed herein, insofar as it relates to the amounts included in respect of these subsidiaries and the information disclosed in Note 13, is based solely on the reports of the other auditors. Total assets of these subsidiaries amounted to NT\$402,053 thousand and NT\$429,970 thousand, constituting 0.31% and 0.41% of the consolidated total assets as at December 31, 2024 and 2023, respectively, and operating revenue amounted to NT\$2,582,025 thousand and NT\$2,687,168 thousand, constituting 2.62% and 2.97% of the consolidated total operating revenue for the years then ended, respectively. The total balances of these investments accounted for under the equity method amounted to NT\$698,933 thousand and NT\$33,401 thousand, constituting 0.54% and 0.03% of the consolidated total assets as at December 31, 2024 and 2023, respectively, and the share of profit (loss) of associates and joint ventures accounted for under the equity method amounted to NT\$18,676 thousand and NT\$48 thousand, constituting 0.46% and 0.00% of the consolidated total comprehensive income for the years then ended, respectively.

Other matter-Parent company only financial reports

We have audited and expressed an unmodified opinion with an *Other matters* section on the parent company only financial statements of Cheng Uei Precision Industry Co., Ltd. as at and for the years ended December 31, 2024 and 2023.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission, and for such internal control as management determines is necessary to

enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditors' responsibilities for the audit of the consolidated financial statements

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

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

- A. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- B. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- C. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- D. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- E. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- F. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our 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.

Chou, Hsiao-Tzu

Liang Yi Chang

For and on behalf of PricewaterhouseCoopers, Taiwan

March 11, 2025

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

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

CHENG UEI PRECISION INDUSTRY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

ASSETS			December 31, 2024		December 31, 2023			
			Notes	AMOUNT	%	AMOUNT	%	
CURRENT ASSETS								
1100	Cash and cash equivalents	6(1)	\$	17,806,585	14	\$	14,844,796	14
1110	Financial assets at fair value through profit or loss - current	6(2) and 12(3)		4,074	-		5,167	-
1136	Current financial assets at amortised cost	6(4) and 8		7,683,555	6		3,210,978	3
1140	Current contract assets	6(22)		8,906,886	7		8,675,960	8
1150	Notes receivable, net	6(5)		33,510	-		53,933	-
1170	Accounts receivable, net	6(5)		16,662,379	13		17,708,938	17
1180	Accounts receivable, net - related parties	7		408,972	-		433,879	-
1200	Other receivables			553,067	-		446,840	-
1210	Other receivables - related parties	7		932,785	1		62,819	-
1220	Current income tax assets	6(30)		95,732	-		53,087	-
130X	Inventories	6(6)		11,967,832	9		14,297,590	14
1410	Prepayments	6(7) and 7		13,833,859	10		7,164,367	7
1470	Other current assets	8		1,038,156	1		1,051,603	1
11XX	TOTAL CURRENT ASSETS			79,927,392	61		68,009,957	64
1517	Financial assets at fair value through other comprehensive income - non-current	6(3) and 12(3)		1,375,321	1		1,345,307	1
1535	Non-current financial assets at amortised cost	6(4) and 8		1,521,074	1		408,261	-
1550	Investments accounted for under the equity method	6(8)		7,463,827	6		5,509,683	5
1600	Property, plant and equipment, net	6(9), 7 and 8		31,445,503	24		22,705,808	21
1755	Right-of-use assets	6(10), 7 and 8		4,737,744	4		3,265,176	3
1760	Investment property, net	6(11)		236,071	-		541,840	1
1780	Intangible assets	6(12)(33)		1,306,213	1		1,724,432	2
1840	Deferred income tax assets	6(30)		659,298	-		681,861	1
1915	Prepayments for business facilities	6(9) and 7		868,597	1		791,122	1
1990	Other non-current assets, others	6(18) and 8		970,588	1		778,111	1
15XX	TOTAL NON-CURRENT ASSETS			50,584,236	39		37,751,601	36
1XXX	TOTAL ASSETS		\$	130,511,628	100	\$	105,761,558	100

(Continued)

CHENG UEI PRECISION INDUSTRY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

	LIABILITIES AND EQUITY	Notes	December 31, 2024		December 31, 2023	
			AMOUNT	%	AMOUNT	%
	CURRENT LIABILITIES					
2100	Short-term borrowings	6(13)	\$ 6,944,505	5	\$ 9,890,697	9
2110	Short-term notes and bills payable	6(14)	4,516,472	4	4,085,520	4
2130	Current contract liabilities	6(22)	849,498	1	614,822	1
2150	Notes payable		8,102	-	32,677	-
2170	Accounts payable		15,912,236	12	15,769,631	15
2180	Accounts payable - related parties	7	121,324	-	144,605	-
2200	Other payables	6(15) and 7	7,042,795	5	5,766,392	6
2230	Current income tax liabilities	6(30)	602,420	1	643,888	1
2280	Current lease liabilities	7	500,710	-	405,855	-
2320	Long-term liabilities, current portion	6(16)(17)	5,186,727	4	3,301,902	3
2365	Current refund liabilities		162,408	-	175,062	-
2399	Other current liabilities, others		273,529	-	425,164	-
21XX	TOTAL CURRENT LIABILITIES		<u>42,120,726</u>	<u>32</u>	<u>41,256,215</u>	<u>39</u>
	NON-CURRENT LIABILITIES					
2527	Non-current contract liabilities	6(22)	84,817	-	167,177	-
2530	Corporate bonds payable	6(16)	1,976,525	2	6,442,827	6
2540	Long-term borrowings	6(17)	41,165,915	32	17,772,711	17
2570	Deferred income tax liabilities	6(30)	1,462,366	1	1,204,001	1
2580	Non-current lease liabilities	7	3,151,060	2	1,752,440	2
2600	Other non-current liabilities	6(8)(18)	247,136	-	344,195	-
25XX	TOTAL NON-CURRENT LIABILITIES		<u>48,087,819</u>	<u>37</u>	<u>27,683,351</u>	<u>26</u>
2XXX	TOTAL LIABILITIES		<u>90,208,545</u>	<u>69</u>	<u>68,939,566</u>	<u>65</u>
	EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF THE PARENT					
	Capital stock	6(19)				
3110	Common stock		5,123,269	4	5,123,269	5
	Capital reserve	6(20)				
3200	Capital surplus		10,814,659	8	10,764,901	11
	Retained earnings	6(21)				
3310	Legal reserve		3,563,233	3	3,445,937	3
3320	Special reserve		2,673,428	2	2,363,760	2
3350	Unappropriated earnings		6,043,502	5	5,788,610	5
	Other equity					
3400	Other equity interest		(1,384,023)	(1)	(2,673,429)	(2)
	Treasury shares	6(19)				
3500	Treasury shares		(622,774)	(1)	(622,774)	(1)
31XX	Equity attributable to owners of the parent		<u>26,211,294</u>	<u>20</u>	<u>24,190,274</u>	<u>23</u>
36XX	Non-controlling interests	6(32)	<u>14,091,789</u>	<u>11</u>	<u>12,631,718</u>	<u>12</u>
3XXX	TOTAL EQUITY		<u>40,303,083</u>	<u>31</u>	<u>36,821,992</u>	<u>35</u>
	Significant contingent liabilities and unrecognised contract commitments	9				
	Significant disaster loss	10				
	Significant events after the balance sheet date	11				
3X2X	TOTAL LIABILITIES AND EQUITY		<u>\$ 130,511,628</u>	<u>100</u>	<u>\$ 105,761,558</u>	<u>100</u>

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

CHENG UEI PRECISION INDUSTRY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars, except earnings per share amount)

Items		Notes	Years ended December 31			
			2024		2023	
			AMOUNT	%	AMOUNT	%
4000	Operating revenue	6(22) and 7	\$ 98,397,461	100	\$ 90,550,764	100
5000	Operating costs	6(6)(28)(29) and 7	(85,904,391)	(87)	(78,856,852)	(87)
5900	Gross profit		12,493,070	13	11,693,912	13
	Operating expenses	6(28)(29)				
6100	Sales and marketing expenses		(1,953,028)	(2)	(1,997,010)	(2)
6200	General and administrative expenses		(4,650,232)	(5)	(4,332,074)	(5)
6300	Research and development expenses		(2,368,979)	(2)	(2,521,545)	(3)
6450	Expected credit (loss) gain	12(2)	(3,005)	-	56,739	-
6000	Total operating expenses		(8,975,244)	(9)	(8,793,890)	(10)
6500	Net other income (expenses)	6(23)	-	-	118,111	-
6900	Operating income		3,517,826	4	3,018,133	3
	Non-operating income and expenses					
7100	Interest income	6(24)	502,861	-	275,628	-
7010	Other income	6(11)(25) and 7	394,000	-	536,871	1
7020	Other gains and losses	6(2)(8)(9)(11)(26)	76,030	-	(313,702)	-
7050	Finance costs	6(27)	(979,747)	(1)	(619,232)	(1)
7055	Impairment loss (impairment gain and reversal of impairment loss) determined in accordance with IFRS 9	12(2)	(219,306)	-	-	-
7060	Share of profit of associates and joint ventures accounted for under the equity method	6(8)	713,396	1	238,603	-
7000	Total non-operating income and expenses		487,234	-	118,168	-
7900	Income before income tax		4,005,060	4	3,136,301	3
7950	Income tax expense	6(30)	(1,482,680)	(2)	(1,034,479)	(1)
8200	Net income		\$ 2,522,380	2	\$ 2,101,822	2

(Continued)

CHENG UEI PRECISION INDUSTRY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars, except earnings per share amount)

				Year ended December 31			
				2024		2023	
Items		Notes	AMOUNT	%	AMOUNT	%	
Other comprehensive (loss) income, net							
Components of other comprehensive income (loss) that will not be reclassified to profit or loss							
8311	Gains on remeasurements of defined benefit plans	6(18)	\$ 35,969	-	\$ 18,083	-	
8316	Unrealized gain on equity instrument at fair value through other comprehensive income	6(3)	45,697	-	(148,776)	-	
8320	Share of other comprehensive income of associates and joint ventures accounted for under the equity method, components of other comprehensive income that will not be reclassified to profit or loss		223,530	1	28,371	-	
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(30)	(7,193)	-	(3,617)	-	
8310	Total components of other comprehensive income (loss) that will not be reclassified to profit or loss		298,003	1	(105,939)	-	
Components of other comprehensive income that will be reclassified to profit or loss							
8361	Exchange differences arising on translation of foreign operations		1,546,695	1	(816,097)	(1)	
8370	Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss		1,919	-	14,313	-	
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	6(30)	(301,390)	-	147,279	-	
8360	Total components of other comprehensive (loss) income that will be reclassified to profit or loss		1,247,224	1	(654,505)	(1)	
8300	Other comprehensive income (loss), net		\$ 1,545,227	2	(\$ 760,444)	(1)	
8500	Total comprehensive income for the year		\$ 4,067,607	4	\$ 1,341,378	1	
Net income attributable to:							
8610	Shareholders of the parent		\$ 1,687,146	1	\$ 1,457,132	1	
8620	Non-controlling interests		835,234	1	644,690	1	
	Total		\$ 2,522,380	2	\$ 2,101,822	2	
Total comprehensive income attributable to:							
8710	Shareholders of the parent		\$ 2,989,088	3	\$ 863,292	-	
8720	Non-controlling interests		1,078,519	1	478,086	1	
	Total		\$ 4,067,607	4	\$ 1,341,378	1	
Basic earnings per share (in dollars)							
9750	Basic earnings per share	6(31)	\$ 3.65		\$ 3.09		
Diluted earnings per share (in dollars)							
9850	Diluted earnings per share	6(31)	\$ 3.62		\$ 3.06		

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

CHENG UEI PRECISION INDUSTRY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

Equity attributable to owners of the parent												
		Retained earnings					Other equity interest					
							Exchange differences on translation of foreign financial statements	Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income	Treasury shares	Total equity attributable to shareholders of the parent	Non-controlling interest	Total equity
	Notes	Common stock	Capital reserve	Legal reserve	Special reserve	Unappropriated earnings						
<u>Year ended December 31, 2023</u>												
Balance at January 1, 2023		\$ 5,123,269	\$ 10,382,683	\$ 3,292,026	\$ 2,601,650	\$ 5,658,790	(\$ 1,819,170)	(\$ 544,591)	(\$ 272,066)	\$ 24,422,591	\$ 11,835,496	\$ 36,258,087
Net income for the year		-	-	-	-	1,457,132	-	-	-	1,457,132	644,690	2,101,822
Other comprehensive income (loss)		-	-	-	-	14,223	(574,754)	(33,309)	-	(593,840)	(166,604)	(760,444)
Total comprehensive income (loss)		-	-	-	-	1,471,355	(574,754)	(33,309)	-	863,292	478,086	1,341,378
Appropriation of 2022 earnings	6(21)											
Legal reserve		-	-	153,911	-	(153,911)	-	-	-	-	-	-
Special reserve		-	-	-	(237,890)	237,890	-	-	-	-	-	-
Cash dividends		-	-	-	-	(1,127,119)	-	-	-	(1,127,119)	-	(1,127,119)
Difference between proceeds from acquisition or disposal of subsidiary and book value		-	9,757	-	-	-	-	-	-	9,757	51,081	60,838
Changes in ownership interests in subsidiaries	6(20)	-	83,492	-	-	-	-	-	-	83,492	316,912	400,404
Changes in net equity of associates and joint ventures accounted for using equity method	6(20)	-	255,753	-	-	(72,634)	-	72,634	-	255,753	-	255,753
Disposal of investments in equity instruments designated at fair value through other comprehensive income	6(3)	-	-	-	-	(225,761)	-	225,761	-	-	-	-
Cash dividends distributed to subsidiaries	6(20)	-	33,216	-	-	-	-	-	-	33,216	-	33,216
Acquisition of the parent company's share by subsidiaries recognized as treasury share	6(19)	-	-	-	-	-	-	-	(350,708)	(350,708)	(567,560)	(918,268)
Changes in non-controlling interest		-	-	-	-	-	-	-	-	-	517,703	517,703
Balance at December 31, 2023		\$ 5,123,269	\$ 10,764,901	\$ 3,445,937	\$ 2,363,760	\$ 5,788,610	(\$ 2,393,924)	(\$ 279,505)	(\$ 622,774)	\$ 24,190,274	\$ 12,631,718	\$ 36,821,992
<u>Year ended December 31, 2024</u>												
Balance at January 1, 2024		\$ 5,123,269	\$ 10,764,901	\$ 3,445,937	\$ 2,363,760	\$ 5,788,610	(\$ 2,393,924)	(\$ 279,505)	(\$ 622,774)	\$ 24,190,274	\$ 12,631,718	\$ 36,821,992
Net income for the year		-	-	-	-	1,687,146	-	-	-	1,687,146	835,234	2,522,380
Other comprehensive income		-	-	-	-	23,196	1,067,883	210,863	-	1,301,942	243,285	1,545,227
Total comprehensive income		-	-	-	-	1,710,342	1,067,883	210,863	-	2,989,088	1,078,519	4,067,607
Appropriation of 2023 earnings	6(21)											
Legal reserve		-	-	117,296	-	(117,296)	-	-	-	-	-	-
Special reserve		-	-	-	309,668	(309,668)	-	-	-	-	-	-
Cash dividends		-	-	-	-	(1,024,654)	-	-	-	(1,024,654)	-	(1,024,654)
Changes in ownership interests in subsidiaries	6(16)(20)	-	122,095	-	-	-	-	-	-	122,095	720,139	842,234
Changes in net equity of associates and joint ventures accounted for using equity method	6(8)(20)	-	(110,149)	-	-	-	-	-	-	(110,149)	-	(110,149)
Disposal of investments in equity instruments designated at fair value through other comprehensive income	6(3)	-	-	-	-	(3,832)	-	10,660	-	6,828	-	6,828
Cash dividends distributed to subsidiaries	6(20)	-	37,812	-	-	-	-	-	-	37,812	-	37,812
Changes in non-controlling interest	6(32)	-	-	-	-	-	-	-	-	-	(338,587)	(338,587)
Balance at December 31, 2024		\$ 5,123,269	\$ 10,814,659	\$ 3,563,233	\$ 2,673,428	\$ 6,043,502	(\$ 1,326,041)	(\$ 57,982)	(\$ 622,774)	\$ 26,211,294	\$ 14,091,789	\$ 40,303,083

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

CHENG UEI PRECISION INDUSTRY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

		Years ended December 31,	
	Notes	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		\$ 4,005,060	\$ 3,136,301
Adjustments			
Adjustments to reconcile profit (loss)			
Gain on financial assets or liabilities at fair value through profit or loss	6(2)(26)	(2,482)	(110)
Depreciation (including investment property)	6(9)(10)(11)(26)(28)	4,258,963	3,773,850
Amortisation	6(12)(28)	146,736	140,150
Gain recognised in bargain purchase transaction	6(25)	-	(707)
Disaster losses	6(26)	-	552,414
Expected credit loss (gain)	12(2)	222,311	(56,739)
Interest expense	6(27)	979,747	619,232
Interest income	6(24)	(502,861)	(275,628)
Loss (gain) on disposal of property, plant and equipment	6(26)	(70,777)	239,068
Loss (gain) on disposals of investments	6(26)	(2,192)	165,119
Share of profit of associates accounted for using the equity method	6(8)	(713,396)	(238,603)
Impairment loss	6(8)(9)(13)(26)	553,774	-
Deferred government grants revenue recognised	(	54,163)	(89,869)
Changes in operating assets and liabilities			
Changes in operating assets			
Contract assets	(	230,926)	(5,786,802)
Notes receivable		20,423	5,770
Accounts receivable		1,006,741	404,800
Accounts receivable - related parties		24,907	(19,692)
Other receivables	(	63,509)	430,026
Other receivables - related parties	(	869,966)	3,729
Inventories		2,290,348	3,199,613
Prepayments	(	6,669,492)	(1,038,422)
Other current assets		10,787	(17,864)
Other non-current assets	(	24,894)	(33,580)
Changes in operating liabilities			
Contract liabilities		152,316	(649,920)
Notes payable	(	24,575)	32,021
Accounts payable		142,605	117,131
Accounts payables - related parties	(	23,281)	(387,120)
Other payables		1,273,767	(233,006)
Refund liabilities	(	12,655)	36,040
Other current liabilities	(	144,614)	105,267
Other non-current liabilities	(	49,917)	(78,724)
Cash inflow generated from operations		5,628,785	4,053,745
Interest received		502,861	275,628
Dividends received		103,597	104,562
Interest paid	(	955,832)	(581,305)
Income tax paid	(	1,514,972)	(1,327,283)
Net cash flows from operating activities		3,764,439	2,525,347

(Continued)

CHENG UEI PRECISION INDUSTRY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

	Notes	Years ended December 31,	
		2024	2023
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of financial assets at fair value through other comprehensive income	12(3)	(\$ 45,780)	\$ -
Proceeds from disposal of financial assets at fair value through other comprehensive income		89,560	180,000
Proceeds from capital reduction of financial assets at fair value through other comprehensive income	12(3)	1,706	14,755
Acquisition of financial assets at fair value through other comprehensive income		(29)	-
Proceeds from disposal of subsidiaries (net of cash disposed)	6(34)	-	227,394
Net cash flow from acquisition of subsidiaries	6(33)	-	(381,756)
Acquisition of financial assets at amortised cost		(5,585,390)	(243,242)
Acquisition of investments accounted for using equity method	6(8) and 7	(1,062,670)	(12,417)
Acquisitions of intangible assets	6(12)	(67,372)	(45,941)
Proceeds from disposal of intangible assets	6(12)	390	578
Decrease (increase) in guarantee deposits paid		(164,923)	22,497
Acquisitions of property, plant and equipment	6(34)	(11,990,156)	(3,369,017)
Proceeds from disposal of property, plant and equipment		352,435	310,481
Proceeds from disposal of investment properties	6(34)	216,899	-
Increase in prepayments for business facilities		(377,409)	(365,819)
Net cash flows used in investing activities		(18,632,739)	(3,662,487)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from short-term borrowings	6(35)	33,662,256	41,423,161
Repayments of short-term borrowings	6(35)	(36,654,705)	(41,100,964)
Increase in short-term notes and bills payable	6(35)	430,952	2,467,438
Repayments of corporate bonds	6(35)	(3,000,000)	-
Proceeds from issuing bonds by subsidiaries		-	3,153,604
Proceeds from long-term borrowings	6(35)	45,708,000	20,391,792
Repayments of long-term borrowings	6(35)	(21,136,331)	(18,440,453)
Repayments of lease liabilities	6(35)	(605,695)	(548,096)
Cash dividends paid	6(21)	(1,024,654)	(1,127,119)
Repurchase of treasury shares	6(19)	-	(918,268)
Changes in non-controlling interest	6(32)	(428,607)	(349,246)
Net cash flows from financing activities		16,951,216	4,951,849
Effect of change in exchange rates		878,873	(400,983)
Net increase in cash and cash equivalents		2,961,789	3,413,726
Cash and cash equivalents at beginning of year		14,844,796	11,431,070
Cash and cash equivalents at end of year		\$ 17,806,585	\$ 14,844,796

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

CHENG UEI PRECISION INDUSTRY CO., LTD. AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

1. HISTORY AND ORGANIZATION

Cheng Uei Precision Industry Co., Ltd. (the “Company”) was incorporated as a company limited by shares under the provisions of the Company Law of the Republic of China (R.O.C.) on July 14, 1986 and has begun operations on July 31, 1986. The Company and its subsidiaries (collectively referred herein as the “Group”) are engaged in the manufacture of cable assemblies, connectors, battery packs, and power modules. Effective September 1999, the shares of the Company were listed on the Taiwan Stock Exchange.

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

These consolidated financial statements were authorized for issuance by the Board of Directors on March 7, 2025.

3. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS

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

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

<u>New Standards, Interpretations and Amendments</u>	<u>Effective date by International Accounting Standards Board</u>
Amendments to IFRS 16, ‘Lease liability in a sale and leaseback’	January 1, 2024
Amendments to IAS 1, ‘Classification of liabilities as current or non-current’	January 1, 2024
Amendments to IAS 1, ‘Non-current liabilities with covenants’	January 1, 2024
Amendments to IAS 7 and IFRS 7, ‘Supplier finance arrangements’	January 1, 2024

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

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

New standards, interpretations and amendments endorsed by the FSC effective from 2025 are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IAS 21, 'Lack of exchangeability'	January 1, 2025

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

(3) IFRSs Accounting Standards issued by IASB but not yet endorsed by the FSC

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

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 9 and IFRS 7, 'Amendments to the classification and measurement of financial instruments'	January 1, 2026
Amendments to IFRS 9 and IFRS 7, '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 International Accounting Standards Board
IFRS 17, 'Insurance contracts'	January 1, 2023
Amendments to IFRS 17, 'Insurance contracts'	January 1, 2023
Amendment to IFRS 17, 'Initial application of IFRS 17 and IFRS 9 – 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
Annual Improvements to IFRS Accounting Standards–Volume 11	January 1, 2026

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

IFRS 18, 'Presentation and disclosure in financial statements'

IFRS 18, 'Presentation and disclosure in financial statements' replaces IAS 1. The standard introduces a defined structure of the statement of profit or loss, disclosure requirements related to management-defined performance measures, and enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes.

4. SUMMARY OF MATERIAL ACCOUNTING POLICIES

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

(1) Compliance statement

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

(2) Basis of preparation

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

(3) Basis of consolidation

- A. Basis for preparation of consolidated financial statements:
- (a) All subsidiaries are included in the Group’s consolidated financial statements. Subsidiaries are all entities (including structured entities) controlled by the Group. The Group controls an entity when the Group is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Consolidation of subsidiaries begins from the date the Group obtains control of the subsidiaries and ceases when the Group loses control of the subsidiaries.
 - (b) Inter-company transactions, balances and unrealised gains or losses on transactions between companies within the Group are eliminated. Accounting policies of subsidiaries have been adjusted where necessary to ensure consistency with the policies adopted by the Group.
 - (c) Profit or loss and each component of other comprehensive income are attributed to the owners of the parent and to the non-controlling interests. Total comprehensive income is attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

- (d) Changes in a parent's ownership interest in a subsidiary that do not result in the parent losing control of the subsidiary (transactions with non-controlling interests) are accounted for as equity transactions, i.e. transactions with owners in their capacity as owners. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity.
- (e) When the Group loses control of a subsidiary, the Group remeasures any investment retained in the former subsidiary at its fair value. That fair value is regarded as the fair value on initial recognition of a financial asset or the cost on initial recognition of the associate or joint venture. Any difference between fair value and carrying amount is recognised in profit or loss. All amounts previously recognised in other comprehensive income in relation to the subsidiary are reclassified to profit or loss on the same basis as would be required if the related assets or liabilities were disposed of. That is, when the Group loses control of a subsidiary, all gains or losses previously recognised in other comprehensive income in relation to the subsidiary should be reclassified from equity to profit or loss, if such gains or losses would be reclassified to profit or loss when the related assets or liabilities are disposed of. Conversely, all gains or losses previously recognised in other comprehensive income in relation to the subsidiary should be transferred directly to retained earnings, if such gains or losses would be transferred directly to retained earnings when the related assets or liabilities are disposed of.

B. Subsidiaries included in the consolidated financial statements:

Name of investor	Name of subsidiary	Main business activities	Ownership(%)		Description
			December 31, 2024	December 31, 2023	
The Company	CU International Ltd. (CU)	Manufacture of electronic parts and components and reinvestment business	100	100	
The Company	Culink International Ltd. (CULINK)	Reinvestment business	100	100	
The Company	Foxlink International Investment Ltd. (FII)	General investments holding	100	100	
The Company	Fu Uei International Investment Ltd. (FUII)	General investments holding	100	100	
The Company	Darts Technologies Corporation (Darts)	Manufacture and sales of wired and wireless communication devices	97	97	
The Company	DU Precision Industry Co., Ltd. (DU Precision)	Manufacture and sales of electronic parts and components	100	100	
The Company	Foxlink Technology Ltd. (FOXLINK TECH)	Reinvestment business	100	100	
The Company	Suntain Co., Ltd. (Suntain)	Electroplating processing services	100	100	
The Company	SINOBEST BROTHERS LIMITED (SINOBEST)	Reinvestment business	85.19	91.19	Note 15
The Company	FOXLINK ARIZONA INC. (FOXLINKARIZONA)	Energy service management	100	100	
The Company	UBILINK AI CO., LTD. (UBILINK)	Computer software services	41	-	Note 1,17

Name of investor	Name of subsidiary	Main business activities	Ownership(%)		Description
			December	December	
			31, 2024	31, 2023	
CU	Fugang Electronic (Dongguan) Co., Ltd. (FGEDG)	Manufacture and sales of electronic parts and components	100	100	
CU	New Start Industries Ltd. (NEW START)	Reinvestment business	100	100	
CU	Fugang Electric (Kunshan) Co., Ltd. (FGEKS)	Manufacture and sales of electronic parts and components	100	100	
CU	Dong Guan Fu Shi Chang Co., Ltd. (FSC)	Manufacture and sales of electronic parts and components	100	100	
CU	Culink Tianjin Co., Ltd. (CTJ)	Manufacture and sales of electronic parts and components	25	25	
CU	Foxlink Automotive Technology (Kunshan) Co., Ltd. (KAFE)	Manufacture and sales of electronic parts and components	49.98	49.98	
CU	Dongguan Fuqiang Electronics Co., Ltd. (DGFQ)	Manufacture and sales of electronic parts and components	83.17	83.17	
CU	Foxlink Energy (Tianjin) Ltd. (FETJ)	Manufacture and sales of electronic parts and components	100	100	
CU	Solteras Limited (SOLTERAS)	General investments holding	100	100	
CU	Fushineng Electronics (Kunshan) Co., Ltd. (Fushineng Kunshan)	Manufacture and sales of electronic parts and components	100	100	
CU	Fu Shi Xiang Research & Development Center (Kunshan) Co., Ltd. (Fu Shi Xiang Kunshan)	Manufacture and sales of electronic parts and components	100	100	
CU	Fu Gang Electronic (Nan Chang) Co., Ltd. (FENC)	Manufacture and sales of electronic parts and components	72	72	
CU	Fugang Electric (YANCHENG) Co., Ltd. (FG YANCHENG)	Manufacture and sales of electronic parts and components	80	80	
CU	Fuqiang Electric (YANCHENG) Co., Ltd. (FQ YANCHENG)	Manufacture and sales of electronic parts and components	100	100	
CU	Fugang Electric (MAANSHAN) Co., Ltd. (FG MAANSHAN)	Manufacture and sales of electronic parts and components	32.86	32.86	
CU	Kunshan Fugang Investment Co., Ltd. (Kunshan Fugang Investment)	General investments holding	100	100	
CU	FOXLINK TECHNICAL INDIA PRIVATE LIMITED (FOXLINK INDIA)	Manufacture and sales of electronic parts and components	34.45	34.45	Note 6
CU	Fugang Electric (XuZhou) Co., Ltd. (FG XuZhou)	Manufacture and sales of electronic parts and components	27.94	27.94	Note 7
NEW START	Foxlink Tianjin Co., Ltd. (FTJ)	Manufacture and sales of electronic parts and components	100	100	
NEW START	Culink Tianjin Co., Ltd. (CTJ)	Manufacture and sales of electronic parts and components	75	75	
NEW START	Changzhou Xinwei Vehicle Energy Venture Capital Co., Ltd. (Xinwei)	General investments holding	50	50	
NEW START	Fugang Electric (XuZhou) Co., Ltd. (FG XuZhou)	Manufacture and sales of electronic parts and components	24.85	24.85	Note 7
FTJ	Fuzhan Electronics (Shanghai) Co., Ltd. (FESH)	Manufacture and sales of electronic parts and components	-	-	Note 4

Name of investor	Name of subsidiary	Main business activities	Ownership(%)		Description
			December 31, 2024	December 31, 2023	
FTJ	Foxlink Automotive Technology (Kunshan) Co., Ltd. (KAFE)	Manufacture and sales of electronic parts and components	50.02	50.02	
FTJ	Fu Gang Electronic (Nan Chang) Co., Ltd. (FENC)	Manufacture and sales of electronic parts and components	28	28	
FTJ	Fugang Electric (MAANSHAN) Co., Ltd. (FG MAANSHAN)	Manufacture and sales of electronic parts and components	50.71	50.71	
KAFE	Suzhou Keyu Rui Automobile Technology Co., Ltd. (Keyu Rui)	Trading and manufacturing	55.56	55.56	
KAFE	Foxlink Automotive Technology Co., Ltd. (FAT)	Manufacture and sales of electronic parts and components	100	100	
CULINK	PACIFIC WEALTH LIMITED (PACIFIC WEALTH)	Holding company and reinvestment business	100	100	
CULINK	FOXLINK TECHNICAL INDIA PRIVATE LIMITED (FOXLINK INDIA)	Manufacture and sales of electronic parts and components	65.55	65.55	Note 6
CULINK	FOXLINK POWERBANK INTERNATIONAL TECHNOLOGY PRIVATE LIMITED (FOXLINK POWERBANK)	Manufacture and sales of electronic parts and components	0.73	0.73	
CULINK	GLORYTEK SCIENCE INDIA PRIVATE LIMITED (GLORY SCIENCE INDIA)	Manufacture and sales of the components of communication and consumer electronics	0.73	0.73	
CULINK	FUGANG ELECTRIC (XUZHOU) CO., LTD. (FG XUZHOU)	Manufacture and sales of electronic parts and components	47.21	47.21	Note 7
PACIFIC WEALTH	FOXLINK INTERNATIONAL INC.(FOXLINK)	Trading business	100	100	
Kunshan Fugang Investment	Dongguan Fuqiang Electronics Co., Ltd. (DGFQ)	Manufacture and sales of electronic parts and components	16.83	16.83	
Kunshan Fugang Investment	Fuqiang Electric (MAANSHAN) Co., Ltd. (FQ MAANSHAN)	Manufacture and sales of electronic parts and components	100	100	
Kunshan Fugang Investment	Fugang Electric (MAANSHAN) Co., Ltd. (FG MAANSHAN)	Manufacture and sales of electronic parts and components	16.43	16.43	
FII	World Circuit Technology Co., Ltd. (WCT)	Manufacture and sales of electronic parts and componerits and flexible printed circuit	69.56	69.56	
FII	FIT Holding Co., Ltd. (FIT Holding)	General investments holding	23.67	23.67	
FII	FOXLINK INDIA ELECTRIC PRIVATE LIMITED (FIE)	Manufacture and sales of electronic parts and components	13.53	13.53	Note 14
FII	FOXLINK VIETNAM CO., LTD. (FV)	Manufacture and sales of electronic parts and components	100	100	
FII	FOXLINK DA NANG ELECTORNICS CO., LTD. (FDN)	Manufacture and sales of electronic parts and components	100	100	Note 2
WCT	VALUE SUCCESS LIMITED (VALUE SUCCESS)	Holding company and reinvestment business	100	100	
VALUE SUCCESS	CAPITAL GUARDIAN LIMITED (CAPITAL)	Holding company and reinvestment business	100	100	

Name of investor	Name of subsidiary	Main business activities	Ownership(%)		Description
			December 31, 2024	December 31, 2023	
CAPITAL	World Circuit Technology (Hong Kong) Limited (WCTHK)	Holding company and reinvestment business	100	100	
WCTHK	Fuzhan Electronics (Shanghai) Co., Ltd. (FESH)	Manufacture and sales of electronic parts and components	-	-	Note 4
Darts	BENEFIT RIGHT LTD. (BENEFIT)	Reinvestment business	100	100	
BENEFIT	POWER CHANNEL LIMITED (POWER)	Reinvestment business	64.25	64.25	
DU Precision	CE Link International Ltd. (CELINK)	Manufacture and sales of electronic parts and components	100	100	
FOXLINK TECH	SINOBEST BROTHERS LIMITED (SINOBEST)	Manufacture and sales of electronic parts and components	14.81	8.81	Note 15
SINOBEST	FOXLINK MYANMAR COMPANY LIMITED (FOXLINK MYANMAR)	Manufacture and sales of electronic parts and components	100	100	Note 5
FUII	Studio A Inc. (Studio A)	Sales of electronic parts and components	51	51	
FUII	VA Product Inc. (VA)	Sales of electronic parts and components	100	100	
FUII	Zhi De Investment Co., Ltd. (Zhi De Investment)	General investments holding	100	100	
FUII	Shinfox Energy Co., Ltd. (Shinfox)	Energy service management	8.31	8.64	Note 13
FUII	FIT Holding Co., Ltd. (FIT Holding)	General investments holding	5.97	5.97	
FUII	FOXLINK INDIA ELECTRIC PRIVATE LIMITED (FIE)	Manufacture and sales of electronic parts and components	86.47	86.47	Note 14
Zhi De Investment	FIT Holding Co., Ltd. (FIT Holding)	General investments holding	8.55	8.55	
Studio A	Straight A Inc. (Straight A)	Sales of electronic parts and components	100	100	
Studio A	Studio A Technology Limited (Studio A Hong Kong)	Sales of electronic parts and components	51	51	
Studio A	Jing Jing Technology Co., Ltd. (Jing Jing)	Sales of electronic parts and components	100	100	
Studio A Hong Kong	ASHOP CO., LTD. (ASHOP)	Sales of electronic parts and components	100	100	
Studio A Hong Kong	STRAIGHT A LIMITED (Straight A Hong Kong)	Sales of electronic parts and components	100	-	Note 1
FGEKS	Kunshan Fugang Electric Trading Co., Ltd. (KFET)	Sales of electronic parts and components	51	51	
KFET	Shanghai Fugang Electric Trading Co., Ltd. (SFET)	Sales of electronic parts and components	100	100	
KFET	Kunshan Fu Shi You Trading Co., Ltd. (KFSY)	Sales of electronic parts and components	100	100	
KFET	Shanghai Standard Information Technology Co., Ltd. (Shanghai Standard)	Sales of electronic parts and components	100	100	
FIT Holding	Power Quotient International Co., Ltd. (PQI)	Manufacture and sales of electronic parts and components	100	100	

Name of investor	Name of subsidiary	Main business activities	Ownership(%)		Description
			December 31, 2024	December 31, 2023	
FIT Holding	Foxlink Image Technology Co., Ltd. (Foxlink Image)	Manufacture and sales of image scanners and multifunction printers	100	100	
FIT Holding	Glory Science Co., Ltd. (Glory Science)	Production and processing and sale of optical lens components and other products	100	100	
FIT Holding	Shih Fong Power Co., Ltd. (Shih Fong)	Hydropower	16.30	16.30	Note 18
PQI	Power Quotient International (H.K.) Co., Ltd. (PQI H.K.)	Sales of electronic parts and components	100	100	
PQI	PQI JAPAN CO., LTD. (PQI JAPAN)	Sales of electronic parts and components	100	100	
PQI	SYSCOM DEVELOPMENT CO., LTD. (SYSCOM)	Specialized investments holding	100	100	
PQI	APIX LIMITED (APIX)	Specialized investments holding	100	100	
PQI	Power Sufficient International Co., Ltd. (PSI)	Sales of medical instruments	-	100	Note 3
PQI	Shinfox Energy Co. Ltd. (Shinfox)	Energy service management	45.82	47.63	Note 13
SYSCOM	FOXLINK POWERBANK INTERNATIONAL TECHNOLOGY PRIVATE LIMITED (FOXLINK POWERBANK)	Manufacture and sales of electronic parts and components	99.27	99.27	
APIX	Sinocity Industries Limited (Sinocity)	Sales of 3C products	100	100	Note 5
APIX	PERENNIAL ACE LIMITED (Perennial)	Specialized investments holding	100	100	
Sinocity Industries	DG LIFESTYLE STORE LIMITED (DG)	Sales of 3C products	100	100	Note 5
Perennial	Studio A Technology Limited (Studio A Hong Kong)	Sales of 3C products	24.50	24.50	
Shinfox	Foxwell Energy Corporation Ltd. (Foxwell Energy)	Energy service management	100	100	
Shinfox	Shinfox Natural Gas Co., Ltd. (Shinfox Natural Gas)	Energy service management	80	80	
Shinfox	Kunshan Jiuwei Info Tech Co., Ltd. (Kunshan Jiuwei)	Supply chain finance energy service management	100	100	
Shinfox	Foxwell Power Co., Ltd. (Foxwell Power)	Energy service management	77.57	77.57	Note 8
Shinfox	Jiuwei Power Co., Ltd. (Jiuwei Power)	Natural gas power generation	100	100	
Shinfox	Elegant Energy TECH Co., Ltd. (Elegant Energy)	Energy service management	100	100	
Shinfox	Yuanshan Forest Natural Resources Co., Ltd. (Yuanshan Forest)	Afforestation	100	100	
Shinfox	Diwei Power Co., Ltd (Diwei Power)	Electric Power Generation	-	-	Note 9
Shinfox	Guanwei Power Co., Ltd (Guanwei Power)	Electric Power Generation	51	51	Note 10

Name of investor	Name of subsidiary	Main business activities	Ownership(%)		Description
			December 31, 2024	December 31, 2023	
Shinfox	Jun Wei Technology Co.,Ltd (Jun Wei)	Electric Power Generation	100	100	Note 2,20
Shinfox	SHINFOX FAR EAST COMPANY PTE. LTD. (SFE)	Marine engineering	67	67	Note 11
Shinfox	Eastern Rainbow Green Energy Environmental Technology Co., Ltd. (Eastern Rainbow Green Energy)	Energy service management	56.63	56.63	Note 2
Shinfox	UBILINK AI CO., LTD. (UBILINK)	Computer software services	10	-	Note 1,17
Shinfox	Chengdu Xinfuwei Energy Co., Ltd. (Chengdu Xinfuwei)	Electric Power Generation	100	-	Note 1
Shinfox	FOX NAM ENERGY CO., LTD. (FOX NAM)	Electric Power Generation	100	-	Note 1
Shinfox	Youde Wind Power Co., Ltd. (Youde Wind Power)	Electric Power Generation	70.04	-	Note 1,19
Foxwell Energy	Liangwei Power Co., Ltd (Liangwei Power)	Electric Power Generation	-	-	Note 9
Foxwell Energy	Xinwei Power Co., Ltd. (Xinwei Power)	Electric Power Generation	100	100	Note 2
Foxwell Energy	Youde Wind Power Co., Ltd. (Youde Wind Power)	Electric Power Generation	29.96	-	Note 1,19
Foxwell Power	Foxwell Certification Co., Ltd. (Foxwell Certification)	Energy technical services	95.50	100	Note 2,16
SFE	SFE HERCULES COMPANY CORPORATIONS(SFE HERCULES)	Marine Engineering	100	-	Note 1
SFE	Shinfox Far East (Taiwan) Company Pty Ltd (SFET)	Marine Engineering	100	-	Note 1
SFE	SFE DEVELOPER COMPANY CORPORATION	Marine Engineering	100	-	Note 1
Eastern Rainbow Green Energy	Eastern Rainbow Environmental Resource Co., Ltd. (Eastern Rainbow Environmental)	Energy technical services	100	100	Note 2
Eastern Rainbow Green Energy	KunShan Eastern Rainbow Environmental Equipment CO., Ltd. (KunShan Eastern Rainbow)	Energy technical services	100	100	Note 2
PQI H.K.	Power Quotient Technology (YANCHENG) Co., Ltd. (PQI YANCHENG)	Manufacture and sales of electronic parts and components	100	100	
PQI YANCHENG	PQI (Xuzhou) New Energy Co., Ltd.	Manufacture and sales of electronic parts and components	100	100	
Foxlink Image	ACCU-IMAGE TECHNOLOGY LIMITED (AITL)	Manufacture and image scanners and multifunction printers	100	100	
Foxlink Image	Shih Fong Power Co., Ltd. (Shih Fong)	Hydropower	34.70	34.70	Note 18
AITL	POWER CHANNEL LIMITED (POWER)	Holding company and reinvestment business	35.75	35.75	
AITL	Dongguan Fu Wei Electronics Co., Ltd. (Dongguan Fu Wei)	Manufacture and of image scanners and multifunction printers	100	100	

Name of investor	Name of subsidiary	Main business activities	Ownership(%)		Description
			December 31, 2024	December 31, 2023	
AITL	Dong Guan Fu Zhang Precision Industry Co., Ltd. (DGFZ)	Mould development and moulding tool manufacture	100	100	
AITL	Wei Hai Fu Kang Electric Co., Ltd. (WHFK)	Manufacture and sales of parts and moulds of photocopiers and scanners	100	100	
AITL	Dong Guan HanYang Computer Co., Ltd. (DGHY)	Manufacture of image scanners and multifunction printers and investment of real estate	100	100	
Glory Science	GLORY TEK (BVI) CO., LTD. (GLORY TEK)	General investments holding	100	100	
GLORY TEK	GLORY OPTICS (BVI) CO., LTD. (GLORY OPTICS)	Trading business	100	100	
GLORY TEK	GLORY TEK (SAMOA) CO., LTD. (GLORY TEK (SAMOA))	General investments holding	100	100	
GLORY TEK	GLORYTEK SCIENCE INDIA PRIVATE LIMITED (GLORYTEK SCIENCE INDIA)	Manufacture and sales of the components of communication and consumer electronics	99.27	99.27	
GLORY TEK (SAMOA)	Glorytek (Suzhou) Co., Ltd. (Glorytek Suzhou)	Production and processing and sale of optical lens components and other products	100	100	
GLORY TEK (SAMOA)	Glory Optics (Yancheng) Co., Ltd. (GOYC)	Production and processing and sale of optical lens components and other products	46.82	46.82	Note 12
GLORY OPTICS	Glorytek (Yancheng) Co., Ltd. (Glorytek Yancheng)	Production and processing and sale of optical lens components and other products	100	100	
Glorytek Yancheng	Yancheng Yaowei Technology Co., Ltd. (YYWT)	Production and processing and sale of optical lens components and other products	100	100	
GLORY Suzhou	Glory Optics (Yancheng) Co., Ltd. (GOYC)	Production and processing and sale of optical lens components and other products	53.18	53.18	Note 12

Note 1: Investment or incorporation began in 2024.

Note 2: Investment or incorporation began in 2023.

Note 3: Dissolved or liquidated in 2024.

Note 4: Dissolved or liquidated in 2023.

Note 5: With balance sheet date of March 31. For the preparation of consolidated financial statements, the Company had required FOXLINK MYANMAR, and PQI had required Sinocity and DG as consolidated entities to prepare financial statements with balance sheet date on December 31 to conform to the balance sheet date of the consolidated financial statements.

Note 6: CU and CULINK has participated in Foxlink India's capital increase in March 2023. After the capital increase, Foxlink India became a wholly-owned subsidiary of CU and CULINK with 34.45% and 65.55% ownership, respectively.

- Note 7: CU, NEW START and CULINK increased their capital in FG XUZHOU in 2023. After the capital increase, CU, NEW START and CULINK respectively held 27.94%, 24.85% and 47.21% equity interests, totalling 100% equity interests, in FG XUZHOU.
- Note 8: For the year ended December 31, 2023, the Group disposed 1,601 thousand shares of Foxwell Power. The shareholding ratio was 77.57% after the sales.
- Note 9: The Group sold its entire equity interest in Diwei Power and Liangwei Power in December 2023, therefore, the Group lost its control over the subsidiaries.
- Note 10: Guanwei Power increased its capital on July 5, 2023. Shinfox did not acquire shares proportionally to its interest. As a result, Shinfox decreased its share interest from 100% to 51%.
- Note 11: Shinfox prepaid a payment for investments on December 27, 2022, and acquired 40% equity interests in SFE in January 2023. Subsequently, the Company acquired an additional 27% equity interests in SFE on November 6, 2023, and the Company's shareholding ratio was 67% in total.
- Note 12: GLORY TEK (SAMOA) and Glorytek Suzhou jointly held 100% equity interest of GOYC.
- Note 13: As of December 31, 2024, the bondholders of Shinfox requested to convert their bonds into common shares in the amount of 8,493 thousand shares. Therefore, the shareholding ratio of FUII and PQI to Shinfox decreased to 8.31% and 45.82%, respectively, refer to Note 6(16) for details.
- Note 14: FII and FUII subsequently invested in FIE in 2023. After the capital increment, FII and FUII holds 13.53% and 86.47% ownership in FIE, respectively, at a total shareholding ratio of 100% in FIE.
- Note 15: FOXLINK TECH has participated in SINOBEST's capital increase on August 6, 2024. After the capital increment, Cheng Uei and FOXLINK THCH hold 85.19% and 14.81% ownership in SINOBEST, respectively, at a total shareholding ratio of 100% in SINOBEST.
- Note 16: FOXWELL CERTIFICATION increased its capital by issuing new shares in 2024, and reserved certain shares for employee preemption in accordance with regulations. The Group's shareholding ratio was decreased by 4.50% and decreased to 95.5%. Refer to Note 6(32) for details.
- Note 17: The Company and Shinfox jointly invested and established UBILINK in 2024. The Company and Shinfox held 41% and 10% equity interests, respectively, and they combined held 51% equity interests.
- Note 18: FIT Holding and Foxlink Image jointly held 51% equity interest of Shih Fong.
- Note 19: Shinfox and Foxwell Energy participated in Youde Wind Power Co., Ltd.'s capital increase in November 2024. After the capital increase, Youde Wind Power Co., Ltd.

became a wholly-owned subsidiary of Shinfox and Foxwell Energy with 70.04% and 29.96% ownership, respectively.

Note 20: On December 26, 2024, Shinfox participated in the capital increase of Junwei Power amounting to \$10,000. The shareholding ratio remains at 100% after the capital increase.

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

D. Adjustments for subsidiaries with different balance sheet dates:

(a) Sinocity and DG are subsidiaries of PQI in Hong Kong and Macau, respectively, with balance sheet date of March 31. For the preparation of consolidated financial statements, PQI had required Sinocity and DG as consolidated entities to prepare financial statements with balance sheet date of December 31 to conform with the balance sheet date of the Group.

(b) FOXLINK MYANMAR is a subsidiary of SINOBEST in Myanmar with balance sheet date of March 31. For the preparation of consolidated financial statements, SINOBEST had required FOXLINK MYANMAR as consolidated entities to prepare financial statements with balance sheet date of December 31 to conform to the balance sheet date of the consolidated financial statements.

E. Significant restrictions: None.

F. Subsidiaries that have non-controlling interests that are material to the Group:

As of December 31, 2024 and 2023, the non-controlling interest amounted to \$14,091,789 and \$12,631,718, respectively. The information of non-controlling interest and respective subsidiaries is as follows:

Name of subsidiary	Principal place of business	Non-controlling interest			
		December 31, 2024		December 31, 2023	
		Amount	Ownership (%)	Amount	Ownership (%)
FIT Holding	Taiwan	\$ 5,024,927	61.81	\$ 4,415,678	61.81
Shinfox	Taiwan	5,803,123	74.19	4,419,916	73.17
		<u>\$ 10,828,050</u>		<u>\$ 8,835,594</u>	

Summarised financial information of the subsidiaries:

Balance sheets

	FIT Holding	
	December 31, 2024	December 31, 2023
Current assets	\$ 41,416,060	\$ 29,137,952
Non-current assets	25,523,401	15,150,442
Current liabilities	(17,125,558)	(17,784,604)
Non-current liabilities	(29,855,940)	(9,790,651)
Total net assets	<u>\$ 19,957,963</u>	<u>\$ 16,713,139</u>

	Shinfox	
	December 31, 2024	December 31, 2023
Current assets	\$ 34,685,933	\$ 22,854,710
Non-current assets	15,175,528	6,433,007
Current liabilities	(12,161,411)	(12,106,378)
Non-current liabilities	(24,004,450)	(4,862,455)
Total net assets	<u>\$ 13,695,600</u>	<u>\$ 12,318,884</u>

Statements of comprehensive income

	FIT Holding	
	Years ended December 31,	
	2024	2023
Revenue	\$ 26,903,862	\$ 17,423,002
Profit before income tax	1,950,387	1,102,011
Income tax expense	(531,655)	(208,132)
Profit for the period from continuing operations	1,418,732	893,879
Profit from non-controlling interest	-	325,963
Profit for the year	-	567,916
Other comprehensive income (net of tax)	1,543,451	209,144
Total comprehensive income for the year	<u>\$ 2,962,183</u>	<u>\$ 1,103,023</u>
Comprehensive loss attributable to non-controlling interest	<u>\$ 367,527</u>	<u>\$ 252,972</u>
Dividends paid to non-controlling interest	<u>\$ 304,385</u>	<u>\$ 304,385</u>

	Shinfox	
	Years ended December 31,	
	2024	2023
Revenue	\$ 19,644,727	\$ 11,249,582
Profit before income tax	939,806	772,253
Income tax expense	(279,393)	(148,675)
Profit for the year	660,413	623,578
Other comprehensive (loss) income (net of tax)	120,190	(107,265)
Total comprehensive income for the year	<u>\$ 780,603</u>	<u>\$ 516,313</u>
Comprehensive loss attributable to non-controlling interest	<u>(\$ 114,419)</u>	<u>(\$ 48,077)</u>
Dividends paid to non-controlling interest	<u>\$ 155,415</u>	<u>\$ 47,262</u>

Statements of cash flow

	FIT Holding	
	Years ended December 31,	
	2024	2023
Net cash used in operating activities	(\$ 2,651,576)	(\$ 5,161,915)
Net cash used in investing activities	(12,226,477)	(1,751,140)
Net cash provided by financing activities	15,775,829	8,166,220
Effect of exchange rates on cash and cash equivalents	77,371	(32,731)
Increase in cash and cash equivalents	975,147	1,220,434
Cash and cash equivalents, beginning of year	6,953,129	5,732,695
Cash and cash equivalents, end of year	<u>\$ 7,928,276</u>	<u>\$ 6,953,129</u>

	Shinfox	
	Years ended December 31,	
	2024	2023
Net cash used in operating activities	(\$ 3,857,014)	(\$ 5,500,465)
Net cash used in investing activities	(11,800,653)	(324,541)
Net cash provided by financing activities	16,554,769	7,924,117
Effect of exchange rates on cash and cash equivalents	10,693	(18,160)
Increase in cash and cash equivalents	907,795	2,080,951
Cash and cash equivalents, beginning of period	3,912,463	1,831,512
Cash and cash equivalents, end of period	<u>\$ 4,820,258</u>	<u>\$ 3,912,463</u>

(4) Foreign currency translation

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

A. Foreign currency transactions and balances

- a) Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions are recognised in profit or loss in the period in which they arise.
- b) Monetary assets and liabilities denominated in foreign currencies at the period end are re-translated at the exchange rates prevailing at the balance sheet date. Exchange differences arising upon re-translation at the balance sheet date are recognised in profit or loss.
- c) Non-monetary assets and liabilities denominated in foreign currencies held at fair value through profit or loss are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognised in profit or loss. Non-monetary assets and liabilities denominated in foreign currencies held at fair value through other comprehensive income are

re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognised in other comprehensive income. However, non-monetary assets and liabilities denominated in foreign currencies that are not measured at fair value are translated using the historical exchange rates at the dates of the initial transactions.

d) All foreign exchange gains and losses are presented in the statement of comprehensive income within 'other gains and losses'.

B. Translation of foreign operations

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

- i. Assets and liabilities for each balance sheet presented are translated at the closing exchange rate at the date of that balance sheet;
- ii. Income and expenses for each statement of comprehensive income are translated at average exchange rates of that period; and
- iii. All resulting exchange differences are recognised in other comprehensive income.

b) When the foreign operation partially disposed of or sold is a subsidiary, cumulative exchange differences that were recorded in other comprehensive income are proportionately transferred to the non-controlling interest in this foreign operation. In addition, even when the Group still retains partial interest in the former foreign subsidiary after losing control of the former foreign subsidiary, such transactions should be accounted for as disposal of all interest in the foreign operation.

c) Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing exchange rates at the balance sheet date.

(5) Classification of current and non-current items

The construction contracts contracted by the Group are generally longer than one year. The assets and liabilities of the construction projects are classified as current or non-current according to the business cycle; the other criteria for classifying between current and non-current are as follows:

A. Assets that meet one of the following criteria are classified as current assets; otherwise they are classified as non-current assets

- (a) Assets arising from operating activities that are expected to be realised, or are intended to be sold or consumed within the normal operating cycle;
- (b) Assets held mainly for trading purposes;
- (c) Assets that are expected to be realised within twelve months from the balance sheet date;
- (d) Cash and cash equivalents, excluding restricted cash and cash equivalents and those that are to be exchanged or used to pay off liabilities more than twelve months after the balance sheet date.

B. Liabilities that meet one of the following criteria are classified as current liabilities; otherwise they are classified as non-current liabilities:

- (a) Liabilities that are expected to be settled in the normal operating cycle;
- (b) Liabilities that are held primarily for the purpose of trading;
- (c) Liabilities that are due to be settled within twelve months after the reporting period;
- (d) It does not have the right at the end of the reporting period to defer settlement of the liability at least twelve months after the reporting period.

(6) Cash and cash equivalents

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

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

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

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

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

(9) Financial assets at amortised cost

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

(10) Accounts and notes receivable

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

(11) Impairment of financial assets

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

(12) Derecognition of financial assets

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

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

(13) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted-average method. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads (allocated fixed production overheads based on actual capacity). It excludes borrowing costs. The item by item approach is used

in applying the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and applicable variable selling expenses.

(14) Investments accounted for under the equity method / associates

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

amounts previously recognised in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately in accordance with the aforementioned approach.

- H. When the Group disposes its investment in an associate and loses significant influence over this associate, the amounts previously recognised as capital surplus in relation to the associate are transferred to profit or loss. If it retains significant influence over this associate, the amounts previously recognised as capital surplus in relation to the associate are transferred to profit or loss proportionately.
- I. When the Group disposed the subsidiary which was a developed and constructed renewable energy power generation project, gain or loss on disposal of the subsidiary was categorised as income and expenses arising from operating activities, which was accounted for as other income and expense based on the actual operating condition.

(15) Investments accounted for using equity method – joint ventures

Investment of joint arrangements are classified as joint operations or joint ventures based on its contractual rights and obligations.

The Group accounts for its interest in a joint venture using equity method. Unrealised profits and losses arising from the transactions between the Group and its joint venture are eliminated to the extent of the Group's interest in the joint venture. However, when the transaction provides evidence of a reduction in the net realisable value of current assets or an impairment loss, all such losses shall be recognised immediately. When the Group's share of losses in a joint venture equals or exceeds its interest in the joint venture together with any other unsecured receivables, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the joint venture.

(16) Property, plant and equipment

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

Errors', from the date of the change. The estimated useful lives of property, plant and equipment are as follows:

Buildings and structures	1~50 year(s)
Machinery and equipment	1~20 year(s)
Office equipment	2~5 year(s)
Ships and equipment	20~25 year(s)
Miscellaneous equipment	1~15 year(s)

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

A. Leases are recognised as a right-of-use asset and a corresponding lease liability at the date at which the leased asset is available for use by the Group. For short-term leases or leases of low-value assets, lease payments are recognised as an expense on a straight-line basis over the lease term.

B. Lease liabilities include the net present value of the remaining lease payments at the commencement date, discounted using the incremental borrowing interest rate.

Lease payments are comprised of the following:

- (a) Fixed payments, less any lease incentives receivable;
- (b) Variable lease payments that depend on an index or a rate.

The Group subsequently measures the lease liability at amortised cost using the interest method and recognises interest expense over the lease term. The lease liability is remeasured and the amount of remeasurement is recognised as an adjustment to the right-of-use asset when there are changes in the lease term or lease payments and such changes do not arise from contract modifications.

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

- (a) The amount of the initial measurement of lease liability;
- (b) Any lease payments made at or before the commencement date;
- (c) Any initial direct costs incurred by the lessee; and
- (d) An estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

The right-of-use asset is measured subsequently using the cost model and is depreciated from the commencement date to the earlier of the end of the asset's useful life or the end of the lease term.

When the lease liability is remeasured, the amount of remeasurement is recognised as an adjustment to the right-of-use asset.

(18) Investment property

An investment property is stated initially at its cost and measured subsequently using the cost model. Except for land, investment property is depreciated on a straight-line basis over its estimated useful life of 15 ~ 50 years.

(19) Intangible assets

A. Goodwill

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

B. Trademark right (indefinite useful life)

Trademark right is stated at cost and regarded as having an indefinite useful life as it was assessed to generate continuous net cash inflow in the foreseeable future. Trademark right is not amortised, but is tested annually for impairment.

C. The intangible assets, other than goodwill and trademark rights, are computer software and customer relationships, which are amortized using the straight-line method over a period of 3 to 5 years.

(20) Impairment of non-financial assets

A. The Group assesses at each balance sheet date the recoverable amounts of those assets where there is an indication that they are impaired. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or value in use. Except for goodwill, when the circumstances or reasons for recognising impairment loss for an asset in prior years no longer exist, the impairment loss shall be reversed to the extent of the loss previously recognised in profit or loss. Such recovery of impairment loss shall not result to the asset's carrying amount greater than its amortised cost where no impairment loss was recognised.

B. The recoverable amounts of goodwill, intangible assets with an indefinite useful life and intangible assets that have not yet been available for use shall be evaluated periodically. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. Impairment loss of goodwill previously recognised in profit or loss shall not be reversed in the following years.

C. Goodwill for impairment testing purpose is allocated to cash generating units. This allocation is identified based on operating segments. Goodwill is allocated to a cash generating unit or a group of cash generating units that expects to benefit from business combination that will produce goodwill.

(21) Borrowings

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

(22) Notes and accounts payable

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

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

(23) Bonds payable

Ordinary corporate bonds issued by the Group are initially recognised at fair value less transaction costs. Any difference between the proceeds (net of transaction costs) and the redemption value is presented as an addition to or deduction from bonds payable, which is amortised to profit or loss over the period of bond circulation using the effective interest method as an adjustment to ‘finance costs’.

(24) Convertible corporate bonds

Convertible corporate bonds issued by the Company contain conversion options (that is, the bondholders have the right to convert the bonds into the Group’s common shares by exchanging a fixed amount of cash for a fixed number of common shares) and put options. The Group classifies the bonds payable upon issuance as a financial asset, a financial liability or an equity instrument in accordance with the contract terms. They are accounted for as follows:

- A. The embedded put options are recognised initially at net fair value as ‘financial assets or financial liabilities at fair value through profit or loss’. They are subsequently remeasured and stated at fair value on each balance sheet date; the gain or loss is recognised as ‘gain or loss on valuation of financial assets or financial liabilities at fair value through profit or loss’.
- B. The host contracts of bonds are initially recognised at fair value. Any difference between the initial recognition and the redemption value is accounted for as the premium or discount on bonds payable and subsequently is amortised in profit or loss as an adjustment to ‘finance costs’ over the period of circulation using the effective interest method.
- C. The embedded conversion options which meet the definition of an equity instrument are initially recognised in ‘capital surplus—share options’ at the residual amount of total issue price less the amount of financial assets or financial liabilities at fair value through profit or loss and bonds payable as stated above. Conversion options are not subsequently remeasured.
- D. Any transaction costs directly attributable to the issuance are allocated to each liability or equity component in proportion to the initial carrying amount of each abovementioned item.
- E. When bondholders exercise conversion options, the liability component of the bonds (including bonds payable and ‘financial assets or financial liabilities at fair value through profit or loss’) shall be remeasured on the conversion date. The issuance cost of converted common shares is the total book value of the abovementioned liability component and ‘capital surplus—share options’.

(25) Derecognition of financial liabilities

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

(26) Offsetting financial instruments

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

(27) Employee benefits

A. Pensions

a) Defined contribution plans

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

b) Defined benefit plans

- i. The liability recognised in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government bonds (at the balance sheet date).
- ii. Remeasurement arising on defined benefit plans are recognised in other comprehensive income in the period in which they arise and are recorded as retained earnings.
- iii. Past service costs are recognised immediately in profit or loss.

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

Employees' compensation and directors' and supervisors' remuneration are recognised as expenses and liabilities, provided that such recognition is required under legal obligation or constructive obligation and those amounts can be reliably estimated. Any difference between the resolved amounts and the subsequently actual distributed amounts is accounted for as changes in estimates.

(28) Income tax

- A. The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or items recognised directly in equity, in which cases the tax is recognised in other comprehensive income or equity.
- B. The current income tax charge is calculated on the basis of the tax laws at the balance sheet date in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in accordance with applicable tax regulations. It establishes provisions where appropriate based on the amounts expected to be paid to the tax authorities. An additional tax is levied on the unappropriated retained earnings and is recorded as income tax expense in the year the stockholders resolve to retain the earnings.
- C. Deferred tax is recognised, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated balance sheet. However, the deferred tax is not accounted for if it arises from initial

recognition of goodwill or of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences. Deferred tax is provided on temporary differences arising on investments in subsidiaries, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

- D. Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. At each balance sheet date, unrecognised and recognised deferred income tax assets are reassessed.
- E. Current income tax assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. Deferred income tax assets and liabilities are offset on the balance sheet when the entity has the legally enforceable right to offset current tax assets against current tax liabilities and they are levied by the same taxation authority on either the same entity or different entities that intend to settle on a net basis or realise the asset and settle the liability simultaneously.
- F. A deferred tax asset shall be recognised for the carryforward of unused tax credits resulting from acquisitions of equipment or technology, research and development expenditures and equity investments to the extent that it is possible that future taxable profit will be available against which the unused tax credits can be utilized.

(29) Share capital

- A. Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or stock options are shown in equity as a deduction, net of tax, from the proceeds.
- B. Where the Company repurchases the Company's equity share capital that has been issued, the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the Company's equity holders. Where such shares are subsequently reissued, the difference between their book value and any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, are included in equity attributable to the Company's equity holders.

(30) Dividends

Dividends are recorded in the Company's financial statements in the period in which they are approved by the Company's shareholders. Cash dividends are recorded as liabilities; stock dividends are recorded as stock dividends to be distributed and are reclassified to ordinary shares on the effective date of new shares issuance.

(31) Revenue recognition

A. Sales of goods

- a) The Group manufactures and sells electronic telecommunication component products. Revenue is measured at the fair value of the consideration received or receivable taking into account value-added tax, returns, rebates and discounts for the sale of goods to external customers in the ordinary course of the Group's activities. Revenue arising from the sales of goods should be recognised when the Group has delivered the goods to the customer, the amount of sales revenue can be measured reliably and it is probable that the future economic benefits associated with the transaction will flow to the entity. The delivery of goods is completed when the significant risks and rewards of ownership have been transferred to the customer, the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold, and the customer has accepted the goods based on the sales contract or there is objective evidence showing that all acceptance provisions have been satisfied.
- b) The goods are often sold with volume discounts based on aggregate sales over a 12-month period. Revenue from these sales is recognised based on the price specified in the contract, net of the estimated sales discounts and allowances. Revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. The estimation is subject to an assessment at each reporting date. No element of financing is deemed present as the sales are made with a credit term of 30 to 120 days, which is consistent with market practice.
- c) A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

B. Sales of services

The Group is engaged in research and development and mold repair of products, energy saving and maintenance of energy-saving equipment as well as design and development of solar engineering, etc. In cases where the results of transactions involving the provision of services can be reliably estimated or when certain milestones in research and development projects are achieved, revenue shall be recognized based on the project's progress. In other cases, revenue shall be recognized upon the completion of the provision of services or over the period in which the services are provided to the customer.

C. Construction revenue from construction contracts

- a) The Group's construction revenue mainly arises from undertaking construction contracts. As the cost of construction input is directly related to the stage of completion of performance obligations, revenue is recognised by the proportion of contract costs input to the estimated total costs.
- b) The Group's revenue is recognised as contract assets over time based on the proportion of the cost of construction input. Accounts receivable from a service contract are recognised in which

the Group bills monthly at the amount to which the Group has the right to invoice. The customer pays at the time specified in the payment schedule. If the services rendered exceed the payment, a contract asset is recognised. If the payments exceed the services rendered, a contract liability is recognised.

D. Electricity (natural gas) sales revenue

Electricity (natural gas) sales revenue of the Group is mainly recognised when the Group has provided the goods to the customer, the amount can be measured reliably and it is probable that the future economic benefits associated with the transaction will flow to the entity.

(32) Government grants

Government grants are recognised at their fair value only when there is reasonable assurance that the Group will comply with any conditions attached to the grants and the grants will be received. Government grants related to property, plant and equipment are recognised as non-current liabilities and are amortised to profit or loss over the estimated useful lives of the related assets using the straight-line method

(33) Business combinations

A. The Group uses the acquisition method to account for business combinations. The consideration transferred for an acquisition is measured as the fair value of the assets transferred, liabilities incurred or assumed and equity instruments issued at the acquisition date, plus the fair value of any assets and liabilities resulting from a contingent consideration arrangement. All acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. For each business combination, the Group measures at the acquisition date components of non-controlling interests in the acquiree that are present ownership interests and entitle their holders to the proportionate share of the entity's net assets in the event of liquidation at either fair value or the present ownership instruments' proportionate share in the recognised amounts of the acquiree's identifiable net assets. All other non-controlling interests should be measured at the acquisition-date fair value.

B. The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of any previous equity interest in the acquiree over the fair value of the identifiable assets acquired and the liabilities assumed is recorded as goodwill at the acquisition date. If the total of consideration transferred, non-controlling interest in the acquiree recognised and the fair value of previously held equity interest in the acquiree is less than the fair value of the identifiable assets acquired and the liabilities assumed, the difference is recognised directly in profit or loss on the acquisition date.

(34) Operating segments

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

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

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

Critical accounting estimates and assumptions

(1) Impairment assessment of goodwill

The impairment assessment of goodwill relies on the Group's subjective judgement, including identifying cash-generating units, allocating assets and liabilities as well as goodwill to related cash-generating units, and determining the recoverable amounts of related cash-generating units. As of December 31, 2024, the Group's goodwill amount is \$909,169. Please refer to Note 6(12) for detailed information.

(2) Recognition of construction revenue

Construction revenue is recognised based on the percentage of completion method, which is the same method used to calculate the expense during the construction period. The stage of completion of a contract is measured by the proportion of contract costs incurred for work performed up to the balance date to the estimated total costs for the contract. The estimated total costs and contract items are assessed by the management based on the different nature of constructions and the price fluctuations in the market to estimate the costs for each construction activity such as estimated subcontract charges and material and labour expenses, which may affect the calculation of construction profit or loss. Information on the transaction price in relation to the unfulfilled obligation of the Group's construction contract is provided in Note 6(22).

(3) Evaluation of inventories

As inventories are stated at the lower of cost and net realisable value, the Group must determine the net realisable value of inventories on balance sheet date using judgements and estimates. Due to the rapid technology innovation, the Group evaluates the amounts of normal inventory consumption, obsolete inventories or inventories without market selling value on balance sheet date, and writes down the cost of inventories to the net realisable value. Such an evaluation of inventories is principally based on the demand for the products within the specified period in the future. Therefore, there might be material changes to the evaluation. As of December 31, 2024, the Group's inventory book value is \$11,967,832 Please refer to Note 6(6) for detailed information.

6. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Cash on hand and revolving funds	\$ 26,338	\$ 29,079
Checking accounts and demand deposits	9,407,067	7,473,858
Cash equivalents		
Time deposits	8,373,180	7,293,879
Short-term notes and bills	-	47,980
Total	<u>\$ 17,806,585</u>	<u>\$ 14,844,796</u>

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

B. Details of the Group's cash and cash equivalents pledged to others as collateral are provided in Note 8.

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

<u>Item</u>	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Current items		
Financial assets at fair value through profit or loss		
Listed stocks	\$ 956	\$ 927
Convertible corporate bonds	2,641	3,900
	3,597	4,827
Valuation adjustment	477	340
	<u>\$ 4,074</u>	<u>\$ 5,167</u>

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

	<u>Years ended December 31,</u>	
	<u>2024</u>	<u>2023</u>
Financial assets and liabilities mandatorily measured at fair value through profit or loss		
Forward exchange contracts - gains on settlement	\$ -	\$ 629
Listed stocks	137	110
Convertible corporate bonds	2,345	-
	<u>\$ 2,482</u>	<u>\$ 739</u>

B. The Group has no financial assets at fair value through profit or loss pledged to others as collateral.

C. Information relating to credit risk of financial assets at fair value through profit or loss is provided in Note 12(2).

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

Items	December 31, 2024	December 31, 2023
Non-current items:		
Equity instruments		
Listed stocks	\$ 323,491	\$ 323,491
Unlisted stocks	1,280,470	1,339,323
Valuation adjustment	(228,640)	(317,507)
	<u>\$ 1,375,321</u>	<u>\$ 1,345,307</u>

- A. The Group has elected to classify equity instruments that are considered to be strategic investments as financial assets at fair value through other comprehensive income. As of December 31, 2024 and 2023, the fair value of such investments amounted to \$1,375,321 and \$1,345,307, respectively.
- B. For the year ended December 31, 2024, the Group derecognised original investment costs as its investee was dissolved, and the Company wrote off accumulated loss by decreasing retained earnings based on shareholding ratio amounting to \$10,660.
- C. For the year ended December 31, 2023, the Company's subsidiaries, Power Quotient International Co., Ltd. and Foxlink Image Technology Co., Ltd., derecognised original investment costs at the effective date of merger as their investee, Taiwan Star Telecom Co., Ltd, was dissolved through the exchange of shares with Taiwan Mobile Co., Ltd. Accordingly, the Company wrote off accumulated loss by decreasing retained earnings based on shareholding ratio amounting to \$225,324.
- D. Amounts recognised in profit or loss and other comprehensive income in relation to the financial assets at fair value through other comprehensive income are listed below:

	Years ended December 31,	
	2024	2023
<u>Equity instruments at fair value through other comprehensive income</u>		
Fair value change recognised in other comprehensive income	\$ 45,697	(\$ 148,776)
Cumulative losses reclassified to retained earnings due to derecognition	(\$ 10,660)	(\$ 225,761)

- E. The Group has no financial assets at fair value through other comprehensive income pledged to others as collateral.
- F. Information relating to credit risk of financial assets at fair value through other comprehensive income is provided in Note 12(2).

(4) Financial assets at amortised cost

Items	December 31, 2024	December 31, 2023
Current items:		
Pledged time deposits	\$ 5,783,479	\$ 1,689,866
Restricted deposits	1,191,731	390,806
Time deposits maturing over three months	708,345	1,130,306
	<u>\$ 7,683,555</u>	<u>\$ 3,210,978</u>
Non-current items:		
Time deposits maturing over one year	\$ 905,689	\$ -
Pledged time deposits	450,034	384,267
Restricted deposits	165,351	23,994
	<u>\$ 1,521,074</u>	<u>\$ 408,261</u>

A. As at December 31, 2024 and 2023, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the financial assets at amortised cost held by the Group was \$9,204,629 and \$3,619,239, respectively.

B. Details of the Group's financial assets at amortised cost pledged to others as collateral are provided in Note 8.

C. Information relating to credit risk of financial assets at amortised cost is provided in Note 12(2). The counterparties of the Group's investments in certificates of deposit are financial institutions with high credit quality, so the Group expects that the probability of counterparty default is remote.

(5) Accounts receivable and note receivable

	December 31, 2024	December 31, 2023
Note receivable	<u>\$ 33,510</u>	<u>\$ 53,933</u>
Accounts receivable	\$ 16,634,696	\$ 16,926,316
Construction receivable	101,717	852,465
Less: Loss allowance	(74,034)	(69,843)
	<u>\$ 16,662,379</u>	<u>\$ 17,708,938</u>

A. The information on the Group's ageing analysis of accounts receivable is provided in Note 12(2).

B. As of December 31, 2024 and 2023, accounts receivable were all from contracts with customers. And as of January 1, 2023, the balance of receivables from contracts with customers amounted to \$18,005,663.

C. The quality information of accounts receivable is based on customers' credit ranking and recoverable period of receivables in order to calculate the accrual of impairment. The Group's internal credit ranking policy is that the Group's business and management segment assesses

periodically or occasionally whether the credit ranking of existing customers is appropriate and adjusts to obtain the latest information when necessary. Customers' credit ranking assessment is based on industrial operating scale, profitability and ranking assessed by financial insurance institutions.

The Group has insured accounts receivable of certain customers and the Group will receive 80%~90% compensation if bad debts occur. As of December 31, 2024 and 2023, the balance of accounts receivable from specific customers amounted to \$1,691,458 and \$2,291,815, respectively.

D. The Group does not hold any collateral as security.

E. Information relating to credit risk of accounts receivable is provided in Note 12(2).

(6) Inventories

	December 31, 2024		
	Cost	Allowance for valuation loss	Book value
Raw materials	\$ 4,062,466	(\$ 206,373)	\$ 3,856,093
Work in progress and semi-finished goods	2,395,764	(34,922)	2,360,842
Finished goods (including merchandise)	5,860,436	(109,556)	5,750,880
Inventory in transit	17	-	17
	<u>\$ 12,318,683</u>	<u>(\$ 350,851)</u>	<u>\$ 11,967,832</u>

	December 31, 2023		
	Cost	Allowance for valuation loss	Book value
Raw materials	\$ 5,683,115	(\$ 394,692)	\$ 5,288,423
Work in progress and semi-finished goods	2,426,515	(7,276)	2,419,239
Finished goods (including merchandise)	6,762,112	(172,314)	6,589,798
Inventory in transit	130	-	130
	<u>\$ 14,871,872</u>	<u>(\$ 574,282)</u>	<u>\$ 14,297,590</u>

A. FOXLINK INDIA ELECTRIC PRIVATE LIMITED, a subsidiary of the Group, sustained a fire damage at its factory in TIRUPATI, India on February 27, 2023. The carrying amount of the loss of inventory due to the fire amounted to \$302,830, which was listed as 'other gains and losses - loss by fire'. Refer to Note 10 for details.

B. The cost of inventories recognised as expense for the period:

	Years ended December 31,	
	2024	2023
Cost of inventories sold	\$ 69,293,483	\$ 69,104,546
Construction cost and cost of electricity sold	17,178,625	10,054,709
Gain on reversal of decline in market value	(223,431)	(31,050)
Others (revenue from sale of scraps)	(344,286)	(271,353)
	<u>\$ 85,904,391</u>	<u>\$ 78,856,852</u>

The Group reversed a previous inventory write-down because obsolete and slow-moving inventories and inventories with decline in market value were partially sold by the Group for the years ended December 31, 2024 and 2023.

(7) Prepayments

	December 31, 2024	December 31, 2023
Construction prepayment	\$ 11,301,922	\$ 5,036,560
Overpaid VAT	1,310,834	1,523,196
Construction insurance prepayment	524,961	14,053
Payments on behalf of others	287,267	256,032
Others	408,875	334,526
	<u>\$ 13,833,859</u>	<u>\$ 7,164,367</u>

(8) Investments accounted for using equity method

Investee	December 31, 2024		December 31, 2023	
	Amount	Ownership percentage (%)	Amount	Ownership percentage (%)
Associates:				
Sharetronic Data Technology Co., Ltd.	\$ 2,531,726	17.21%	\$ 1,756,140	16.89%
Central Motion Picture Corporation	1,948,457	17.49%	1,712,489	17.49%
Well Shin Technology Co., Ltd.	1,375,788	18.84%	1,268,983	18.84%
DARKPSI INVESTMENT AND DEVELOPMENT HYDROELECTRIC JOINT	662,914	35.00%	-	-
Hangzhou Huantuo Power Technology Development Service Co., Ltd.	120,548	43.71%	120,686	43.71%
Dongguan Banrin Robot Technology Co., Ltd.	110,943	31.03%	111,958	31.03%
CMPC Cultural & Creative Co., Ltd.	142,901	42.86%	111,565	42.86%
TEGNA ELECTRONICS PRIVATE LIMITED	40,233	30.00%	37,627	30.00%
Synergy Co., Ltd.	36,019	8.88%	33,401	36.76%
CYNC Design Co., Ltd.	10,449	15.38%	10,053	15.38%
Cheng Shin Digital Co., Ltd.	33,959	49.00%	1,682	49.00%
Xunqiang Communication Technology CO., LTD.	(24,784)	21.43%	(22,889)	21.43%
	<u>6,989,153</u>		<u>5,141,695</u>	
Joint ventures:				
Changpin Wind Power Ltd.	222,818	50.00%	105,979	50.00%
GRID RESPONSE LLC	-	50.00%	12,048	50.00%
	<u>222,818</u>		<u>118,027</u>	
Prepayments for investments:				
JOURN TA BROTHERS LIMITED	<u>227,072</u>		<u>227,072</u>	
	<u>227,072</u>		<u>227,072</u>	
Add: Credit balance of long-term equity investments reclassified to other non-current liabilities				
	<u>24,784</u>		<u>22,889</u>	
	<u>\$ 7,463,827</u>		<u>\$ 5,509,683</u>	

A. The Group's investments accounted for using the equity method for the years ended December 31, 2024 and 2023 were recognised based on the financial statements audited and attested by independent auditors. The share of profit of associates and joint ventures accounted for using equity method for the years ended December 31, 2024 and 2023 was \$713,396 and \$238,603, respectively.

B. Associates

(a) The basic information of the associates that are material to the Group is summarised below:

Company name	Principal place of business	Shareholding ratio		Nature of relationship	Methods of measurement
		December 31, 2024	December 31, 2023		
Central Motion Picture Corporation	Taiwan	17.49%	17.49%	Note	Equity method
Well Shin Technology Co., Ltd.	Taiwan	18.84%	18.84%	Note	Equity method

Note : As the Group's management holds several seats in the Board of Directors of Central Motion Picture Corporation and Well Shin Technology Co., Ltd., the Group is assessed to have significant influence.

(b) Summarised financial information of the associates that are material to the Group is as follows:

Balance sheet

Central Motion Picture Corporation			
	December 31, 2024		December 31, 2023
Current assets	\$ 322,930	\$	320,558
Non-current assets	18,306,304		17,007,034
Current liabilities	(133,163)	(	161,634)
Non-current liabilities	(5,914,639)	(	5,933,686)
Total net assets	<u>\$ 12,581,432</u>	<u>\$</u>	<u>11,232,272</u>
Share in associate's net assets	\$ 1,948,457	\$	1,712,489
Goodwill	-		-
associates	<u>\$ 1,948,457</u>	<u>\$</u>	<u>1,712,489</u>

Well Shin Technology Co., Ltd.			
	December 31, 2024		December 31, 2023
Current assets	\$ 6,395,190	\$	5,742,830
Non-current assets	2,787,441		2,509,536
Current liabilities	(1,211,122)	(	988,655)
Non-current liabilities	(864,075)	(	723,112)
Total net assets	<u>\$ 7,107,434</u>	<u>\$</u>	<u>6,540,599</u>
Share in associate's net assets	\$ 1,296,175	\$	1,232,394
Goodwill	36,589		36,589
Carrying amount of the associates	<u>\$ 1,332,764</u>	<u>\$</u>	<u>1,268,983</u>

Statement of comprehensive income

Central Motion Picture Corporation		
Years ended December 31,		
	2024	2023
Revenue	\$ 487,553	\$ 521,291
Profit for the period from continuing operations	\$ 113,350	\$ 70,821
Other comprehensive income, net of tax	986,001	921,850
Total comprehensive income	\$ 1,099,351	\$ 992,671
Dividends received from associates	\$ 15,432	\$ 15,432

Well Shin Technology Co., Ltd.		
Years ended December 31,		
	2024	2023
Revenue	\$ 5,922,193	\$ 5,328,786
Profit for the period from continuing operations	\$ 723,444	\$ 507,511
Other comprehensive income(loss), net of tax	198,155	(85,254)
Total comprehensive income	\$ 921,599	\$ 422,257
Dividends received from associates	\$ 66,847	\$ 89,130

- (c) The carrying amount of the Group's interests in all individually immaterial associates (Note) and the Group's share of the operating results are summarised below:

As of December 31, 2024 and 2023, the carrying amount of the Group's individually immaterial associates amounted to \$3,664,908 and \$2,160,223, respectively.

Years ended December 31,		
	2024	2023
Profit for the period from continuing operations	\$ 575,358	\$ 282,028
Total comprehensive income	\$ 575,358	\$ 282,028

Note: Sharetronic Data, CMPC Cultural & Creative, Xunqiang, CYNC, Chung Chia Power, Banrin, Synergy, TEGNA, Huantuo and Cheng Shin Digital.

- (d) The fair value of the Group's material associates with quoted market prices is as follows:

	December 31, 2024	December 31, 2023
Well Shin Technology Co., Ltd.	\$ 1,374,826	\$ 1,152,001

C. Joint ventures

The carrying amount of the Group's interests in all individual immaterial joint ventures (Note) and the Group's share of the operating results are summarised below:

As of December 31, 2024 and 2023, the carrying amount of the Group's individually immaterial joint ventures amounted to \$222,818 and \$118,027, respectively.

	Years ended December 31,	
	2024	2023
Loss for the period from continuing operations	(\$ 33,162)	(\$ 10,123)
Total comprehensive loss	(\$ 33,162)	(\$ 10,123)

Note: Changpin Wind.

- D. The Group is the single largest shareholder of Well Shin Technology Co., Ltd. with an 18.84% equity interest. Given that it was a strategic investment, and the Group had no involvement in its substantial operations and no active participation at the last shareholders' meeting by other shareholders, which indicates that the Group has no current ability to direct the relevant activities of Well Shin Technology Co., Ltd., the Group has no control, but only has significant influence, over the investee.
- E. The Group has signed a stock purchase agreement with an individual on May 15, 2014 to purchase all the Company's shares in CMPC amounting to \$150,000 thousand. As of December 31, 2024, uncollected amount was \$141,000 thousand (shown as 'other receivables') and accrued impairment loss was \$141,000 thousand.
- F. Chung Chia Power Co., Ltd. increased its capital by issuing new shares on January 29, 2023. The Group did not acquire shares proportionally to its interest. As a result, the Group lost its significant influence and decreased its share interest from 20% to 8%. Subsequently, the Group reclassified its investments in Chung Chia Power Co., Ltd. as financial assets at fair value through other comprehensive income, and all the interest of Chung Chia Power Co., Ltd. had been disposed in December 2023.
- G. On October 17, 2023, the Group acquired 49% equity interests in Cheng Shin Digital Co., Ltd. In the amount of \$490. Gain recognised in bargain purchase transaction from the acquisition amounted to \$707.
- H. On December 27, 2022, the Group invested in Shinfox Far East Company Pte. Ltd. in the amount of \$981,545 (shown as prepayments for investments), and acquired 40% equity interests in Shinfox Far East Company Pte. Ltd. in January 2023. On September 25, 2023, the Group's Board of Directors resolved to increase the shareholding of Shinfox Far East Company Pte. Ltd., an overseas investee company. On November 6, 2023, the Group acquired an additional 27% equity interest in Shinfox Far East Company Pte. Ltd., and the shareholding ratio increased to 67% in total. As a result, Shinfox Far East Company Pte. Ltd. became a subsidiary of the Group. The Group recognised gain on disposal of investments for this transaction amounting to \$45,025 (shown as 'other gains and losses-gain on disposal of investments') due to accounting remeasurement. For the year ended December 31, 2023, share of profit or loss of investments accounted for under the equity method before the Group increasing its shareholding in the company amounted to (\$33,302).

- I. On September 25, 2023, the Group's Board of Directors resolved to invest in renewable energy power plants in Vietnam, including GIO THANH ENERGY JOINT STOCK COMPANY, SECO JOINT STOCK COMPANY, VIETNAM RENEWABLE ENERGY JOINT COMPANY STOCK and SECO JOINT STOCK COMPANY, of which the Company's shareholding ratio are all 35%, and both parties completed the signing of the contract on September 29, 2023, with an investment amount of VND 853,248,000 thousand. As of the financial reporting date, the investment has not yet been fully completed. DARKPSI INVESTMENT AND DEVELOP HYDROELECTRIC JOINT STOCK COMPANY has completed their investment with \$644,381 thousand (VND 517,574,738 thousand) on October 30, 2024. As of March 11, 2025, the investment of the remaining three power plants has not yet been completed.
- J. For the year ended December 31, 2023, the Group did not participate in the capital increase of Sharetronic Data Technology Co., Ltd. proportionately to ownership, and the shareholding ratio decreased to 16.89%. The Company recognised capital surplus according to shareholding ratio amounting to \$255,753. In addition, the Group acquired equity interests in Sharetronic Data Technology Co., Ltd. in the amount of RMB 50,066 thousand for the year ended December 31, 2024, and the shareholding ratio increased to 17.21%. The Group wrote off capital increase due to the change in shareholding ratio and recognition of change in equity of associates accounted for using equity method in proportion to the Group's ownership percentage amounting to \$111,095.
- K. Subsidiaries has participated in Cheng Shin Digital Co., Ltd.'s capital increase in the amounts of \$40,670 and \$7,276 on January 12 and May 21, 2024, respectively. After the capital increase, the shareholding ratio remained at 49%.
- L. The Group has participated in Changpin Wind Power Ltd.'s capital in the amounts of \$65,000 and \$85,000 on August 20 and December 5, 2024, respectively. After the capital increase, the shareholding ratio remains at 50%.
- M. The prepayments for investments of the Group in the amount of \$227,072 on December 31, 2024 were used to invest in JOURN TA BROTHERS LIMITED. However, the registration had not yet been completed.
- N. For the year ended December 31, 2024, the Group did not participate in the capital increase of the investee accounted for using equity method, Synergy, proportionately to its ownership, and the shareholding ratio decreased to 8.88%. The Group recognised capital surplus according to shareholding ratio amounting to \$946. The Group held 1 corporate director seat in Synergy and still has significant influence over Synergy under the assessment.
- O. As the operation results of the Group's investee accounted for using equity method, GRID RESPONSE LLC, were not as expected, the Group has recognised impairment loss of \$12,600 for the existing objective evidence of loss for the year ended December 31, 2024.

(9) Property, plant and equipment

	2024							
	Land	Buildings and structures	Machinery and equipment	Office equipment	Ship equipment	Others	Construction-in-progress	Total
At January 1								
Cost	\$ 494,986	\$ 14,361,983	\$ 15,562,981	\$ 559,986	\$ 303,319	\$ 5,310,175	\$ 4,929,864	\$ 41,523,294
Accumulated depreciation and impairment	-	(4,412,917)	(10,324,368)	(408,096)	(7,583)	(3,664,522)	-	(18,817,486)
	<u>\$ 494,986</u>	<u>\$ 9,949,066</u>	<u>\$ 5,238,613</u>	<u>\$ 151,890</u>	<u>\$ 295,736</u>	<u>\$ 1,645,653</u>	<u>\$ 4,929,864</u>	<u>\$ 22,705,808</u>
Opening net book amount as at January 1	\$ 494,986	\$ 9,949,066	\$ 5,238,613	\$ 151,890	\$ 295,736	\$ 1,645,653	\$ 4,929,864	\$ 22,705,808
Additions	-	178,517	3,135,983	80,932	-	511,305	8,306,245	12,212,982
Disposals	-	(12,215)	(342,538)	(16,052)	-	(58,507)	-	(429,312)
Decrease (Note)	-	(274,007)	-	-	-	-	-	(274,007)
Reclassifications	-	32,532	2,736,282	39,410	5,460,612	71,106	(7,980,035)	359,907
Depreciation charge	-	(411,830)	(2,417,140)	(94,203)	(158,887)	(622,505)	-	(3,704,565)
Impairment loss	-	-	(121,418)	(8,774)	-	(47,713)	-	(177,905)
Net exchange differences	-	292,253	143,290	1,281	131,147	71,703	112,921	752,595
Closing net book amount as at December 31	<u>\$ 494,986</u>	<u>\$ 9,754,316</u>	<u>\$ 8,373,072</u>	<u>\$ 154,484</u>	<u>\$ 5,728,608</u>	<u>\$ 1,571,042</u>	<u>\$ 5,368,995</u>	<u>\$ 31,445,503</u>
At December 31								
Cost	\$ 494,986	\$ 14,630,879	\$ 19,683,197	\$ 569,040	\$ 5,898,922	\$ 4,791,227	\$ 5,368,995	\$ 51,437,246
Accumulated depreciation and impairment	-	(4,876,563)	(11,310,125)	(414,556)	(170,314)	(3,220,185)	-	(19,991,743)
	<u>\$ 494,986</u>	<u>\$ 9,754,316</u>	<u>\$ 8,373,072</u>	<u>\$ 154,484</u>	<u>\$ 5,728,608</u>	<u>\$ 1,571,042</u>	<u>\$ 5,368,995</u>	<u>\$ 31,445,503</u>

2023								
	Land	Buildings and structures	Machinery and equipment	Office equipment	Ship equipment	Others	Construction-in-progress	Total
At January 1								
Cost	\$ 412,428	\$ 16,014,299	\$ 15,483,038	\$ 549,366	\$ -	\$ 5,166,840	\$ 1,097,319	\$ 38,723,290
Accumulated depreciation and impairment	-	(4,321,071)	(9,457,802)	(395,524)	-	(3,625,647)	-	(17,800,044)
	<u>\$ 412,428</u>	<u>\$ 11,693,228</u>	<u>\$ 6,025,236</u>	<u>\$ 153,842</u>	<u>\$ -</u>	<u>\$ 1,541,193</u>	<u>\$ 1,097,319</u>	<u>\$ 20,923,246</u>
Opening net book amount as at January 1	\$ 412,428	\$ 11,693,228	\$ 6,025,236	\$ 153,842	\$ -	\$ 1,541,193	\$ 1,097,319	\$ 20,923,246
Additions	54,772	45,983	1,976,937	94,984	-	612,810	865,924	3,651,410
Acquired from business	27,786	7,369	1,061	4,833	314,947	7,972	1,712,627	2,076,595
Disposals	-	(75,923)	(407,926)	(12,611)	-	(53,189)	-	(549,649)
Decrease (Note)	-	(1,327,364)	-	-	-	-	-	(1,327,364)
Loss on fire	-	-	(212,017)	(16,562)	-	(21,005)	-	(249,584)
Reclassifications	-	148,320	222,925	8,222	-	174,720	1,348,750	1,902,937
Depreciation charge	-	(397,191)	(2,064,093)	(79,331)	(5,129)	(588,475)	-	(3,134,219)
Disposal of subsidiaries	-	-	(226,964)	-	-	-	(36,189)	(263,153)
Net exchange differences	-	(145,356)	(76,646)	(1,487)	(14,082)	(28,373)	(58,567)	(324,511)
Closing net book amount as at December 31	<u>\$ 494,986</u>	<u>\$ 9,949,066</u>	<u>\$ 5,238,513</u>	<u>\$ 151,890</u>	<u>\$ 5,751,396</u>	<u>\$ 1,645,653</u>	<u>\$ 4,929,864</u>	<u>\$ 22,705,708</u>
At December 31								
Cost	\$ 494,986	\$ 14,361,983	\$ 15,562,981	\$ 559,986	\$ 303,319	\$ 5,310,175	\$ 4,929,864	\$ 41,523,294
Accumulated depreciation and impairment	-	(4,412,917)	(10,324,368)	(408,096)	(7,583)	(3,664,522)	-	(18,817,486)
	<u>\$ 494,986</u>	<u>\$ 9,949,066</u>	<u>\$ 5,238,613</u>	<u>\$ 151,890</u>	<u>\$ 295,736</u>	<u>\$ 1,645,653</u>	<u>\$ 4,929,864</u>	<u>\$ 22,705,808</u>

Note: Refer to Note 9(1) B. for details.

- A. For the year ended December 31, 2024, the Group's 3C component department assessed that there was no future recoverable value on certain equipment. Thus, impairment loss on the related assets was recognised. Loss on carrying amounted to \$177,905.
- B. FOXLINK INDIA ELECTRIC PRIVATE LIMITED, a subsidiary of the Group, sustained a fire damage at its factory in TIRUPATI, India on February 27, 2023. The carrying amount of the loss of equipment due to fire amounted to \$249,584, which was listed as 'other gains and losses - loss by fire'. Refer to Note 10 for details.
- C. Amount of borrowing costs capitalised as part of property, plant and equipment and the range of the interest rates for such capitalisation are as follows:

	Years ended December 31,	
	2024	2023
Amount capitalised	\$ 24,453	\$ 47,797
Range of the interest rates for capitalisation	1.6%~2.689%	1.95%~2.689%

- D. The Group's property, plant and equipment were pledged to others as collateral, please refer to Note 8 for detailed information.
- E. As of December 31, 2024 and 2023, the Group's prepayments for the purchase of equipment amounted to \$868,597 and \$791,122, respectively.

(10) Leasing arrangements-lessee

- A. The Group leases various assets including land, buildings, and transportation equipment. Rental contracts are typically made for periods of 2 to 70 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose covenants, but leased assets may not be used as security for borrowing purposes.
- B. The carrying amount of right-of-use assets and the depreciation charge are as follows:

	December 31, 2024	December 31, 2023
	Carrying amount	Carrying amount
Land	\$ 2,936,637	\$ 1,319,658
Buildings	1,794,801	1,941,328
Transportation equipment (Business vehicles)	6,141	3,993
Office equipment (Photocopiers)	165	197
	<u>\$ 4,737,744</u>	<u>\$ 3,265,176</u>

	Years ended December 31,	
	2024	2023
	Depreciation charge	Depreciation charge
Land	\$ 85,027	\$ 114,879
Buildings	484,429	513,759
Transportation equipment (Business vehicles)	3,493	5,370
Office equipment (Photocopiers)	44	12
Less: Capitalisation of depreciation	(23,235)	(7,400)
	<u>\$ 549,758</u>	<u>\$ 626,620</u>

C. For the years ended December 31, 2024 and 2023, the additions to right-of-use assets amounted to \$1,957,420 and \$1,759,145, respectively.

D. The information on income and expense accounts relating to lease contracts is as follows:

	Years ended December 31,	
	2024	2023
<u>Items affecting profit or loss</u>		
Interest expense on lease liabilities	\$ 46,219	\$ 35,274
Expense on short-term lease contracts	285,450	263,791
Expense on leases of low-value assets	6,946	3,841
Expense on variable lease payments	49,154	56,826
Lease modification (loss) gain	83	157

E. For the years ended December 31, 2024 and 2023, the Group's total cash outflow for leases amounted to \$947,245 and \$872,554, respectively.

F. Variable lease payments

(a) Some of the Group's lease contracts contain variable lease payment terms that are linked to sales generated from a store or a counter in a department store and sales generated from electricity sold. For aforementioned contracts, up to 3.30%~20% of lease payments are on the basis of variable payment terms and are accrued based on the sales amount. Variable payment terms are used for a variety of reasons and various lease payments that depend on sales are recognised in profit or loss in the period in which the event or condition that triggers those payments occurs.

(b) A 1% increase in the aggregate sales amount of all stores with such variable lease contracts would increase total lease payments by approximately \$492.

G. Please refer to Note 8 for information of right-of-use assets provided by the Group as collaterals.

(11) Investment property

	2024		
	Land	Buildings and structures	Total
At January 1			
Cost	\$ 183,076	\$ 520,938	\$ 704,014
Accumulated depreciation and impairment	-	(162,174)	(162,174)
	<u>\$ 183,076</u>	<u>\$ 358,764</u>	<u>\$ 541,840</u>
Opening net book amount as at January 1	\$ 183,076	\$ 358,764	\$ 541,840
Depreciation charge	-	(4,640)	(4,640)
Disposals	-	(285,833)	(285,833)
Reclassifications	-	(20,563)	(20,563)
Net exchange differences	-	5,267	5,267
Closing net book amount as at December 31	<u>\$ 183,076</u>	<u>\$ 52,995</u>	<u>\$ 236,071</u>
At December 31			
Cost	\$ 183,076	\$ 179,389	\$ 362,465
Accumulated depreciation and impairment	-	(126,394)	(126,394)
	<u>\$ 183,076</u>	<u>\$ 52,995</u>	<u>\$ 236,071</u>
	2023		
	Land	Buildings and structures	Total
At January 1			
Cost	\$ 183,076	\$ 526,996	\$ 710,072
Accumulated depreciation and impairment	-	(149,913)	(149,913)
	<u>\$ 183,076</u>	<u>\$ 377,083</u>	<u>\$ 560,159</u>
Opening net book amount as at January 1	\$ 183,076	\$ 377,083	\$ 560,159
Depreciation charge	-	(13,011)	(13,011)
Net exchange differences	-	(5,308)	(5,308)
Closing net book amount as at December 31	<u>\$ 183,076</u>	<u>\$ 358,764</u>	<u>\$ 541,840</u>
At December 31			
Cost	\$ 183,076	\$ 520,938	\$ 704,014
Accumulated depreciation and impairment	-	(162,174)	(162,174)
	<u>\$ 183,076</u>	<u>\$ 358,764</u>	<u>\$ 541,840</u>

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

	Years ended December 31,	
	2024	2023
Rental income from the lease of the investment property	\$ 19,448	\$ 17,512
Direct operating expenses arising from the investment property that generated rental income in the year	\$ 4,640	\$ 13,011

- B. Investment property is stated initially at its cost and is depreciated on a straight-line basis over its estimated useful life. The fair value of the investment property held by the Group as at December 31, 2024 and 2023 was \$711,209 and \$988,241, respectively, which was evaluated based on the market prices of similar real estate in the areas nearby, as Level 2 fair value market prices did not change significantly.
- C. Please refer to Table 5 for the details of the Group's disposal of investment property for the year ended December 31, 2024.
- D. There was no impairment loss on investment property.
- E. The investment property was not pledged to others as collateral.

(12) Intangible assets

	2024					
	Trademark rights	Patent	Goodwill	Customer relationship	Others	Total
At January 1						
Cost	\$ 51,267	\$ 451,126	\$ 4,015,008	\$ 197,637	\$ 453,379	\$ 5,168,417
Accumulated amortisation and impairment	(379)	(269,294)	(2,762,518)	(68,956)	(342,838)	(3,443,985)
	<u>\$ 50,888</u>	<u>\$ 181,832</u>	<u>\$ 1,252,490</u>	<u>\$ 128,681</u>	<u>\$ 110,541</u>	<u>\$ 1,724,432</u>
Opening net book amount as at January 1	\$ 50,888	\$ 181,832	\$ 1,252,490	\$ 128,681	\$ 110,541	\$ 1,724,432
Additions	2,200	-	-	-	65,172	67,372
Disposals	-	-	-	-	(390)	(390)
Amortisation charge	(44)	(24,460)	-	(64,340)	(57,892)	(146,736)
Impairment loss	-	-	(363,269)	-	-	(363,269)
Net exchange differences	<u>3,439</u>	<u>-</u>	<u>19,948</u>	<u>-</u>	<u>1,417</u>	<u>24,804</u>
Closing net book amount as at December 31	<u>\$ 56,483</u>	<u>\$ 157,372</u>	<u>\$ 909,169</u>	<u>\$ 64,341</u>	<u>\$ 118,848</u>	<u>\$ 1,306,213</u>
At December 31						
Cost	\$ 56,906	\$ 451,126	\$ 4,034,955	\$ 197,637	\$ 483,744	\$ 5,224,368
Accumulated amortisation and impairment	(423)	(293,754)	(3,125,786)	(133,296)	(364,896)	(3,918,155)
	<u>\$ 56,483</u>	<u>\$ 157,372</u>	<u>\$ 909,169</u>	<u>\$ 64,341</u>	<u>\$ 118,848</u>	<u>\$ 1,306,213</u>

	2023					
	Trademark rights	Patent	Goodwill	Customer relationship	Others	Total
At January 1						
Cost	\$ 51,275	\$ 451,126	\$ 3,955,678	\$ 197,637	\$ 431,770	\$ 5,087,486
Accumulated amortisation and impairment	(335)	(244,834)	(2,762,518)	(4,616)	(325,867)	(3,338,170)
	<u>\$ 50,940</u>	<u>\$ 206,292</u>	<u>\$ 1,193,160</u>	<u>\$ 193,021</u>	<u>\$ 105,903</u>	<u>\$ 1,749,316</u>
Opening net book amount as at January 1	\$ 50,940	\$ 206,292	\$ 1,193,160	\$ 193,021	\$ 105,903	\$ 1,749,316
Additions-acquired separately	-	-	-	-	45,941	45,941
Additions-acquired through business combinations	-	-	59,397	-	716	60,113
Disposals	-	-	-	-	(578)	(578)
Amortisation charge	(44)	(24,460)	-	(64,340)	(51,306)	(140,150)
Reclassification	-	-	-	-	10,992	10,992
Net exchange differences	(8)	-	(67)	-	(1,127)	(1,202)
Closing net book amount as at December 31	<u>\$ 50,888</u>	<u>\$ 181,832</u>	<u>\$ 1,252,490</u>	<u>\$ 128,681</u>	<u>\$ 110,541</u>	<u>\$ 1,724,432</u>
At December 31						
Cost	\$ 51,267	\$ 451,126	\$ 4,015,008	\$ 197,637	\$ 453,379	\$ 5,168,417
Accumulated amortisation and impairment	(379)	(269,294)	(2,762,518)	(68,956)	(342,838)	(3,443,985)
	<u>\$ 50,888</u>	<u>\$ 181,832</u>	<u>\$ 1,252,490</u>	<u>\$ 128,681</u>	<u>\$ 110,541</u>	<u>\$ 1,724,432</u>

A. Goodwill is allocated to the Group's cash-generating units identified according to operating segments as follows:

	December 31, 2024				
	System and peripheral products	3C product retail	Energy service management	Others	Total
Taiwan	\$ 715,197	\$ -	\$ 59,397	\$ 8,258	\$ 782,852
Hong Kong	-	114,711	-	-	114,711
All other segments	-	-	-	11,606	11,606
	<u>\$ 715,197</u>	<u>\$ 114,711</u>	<u>\$ 59,397</u>	<u>\$ 19,864</u>	<u>\$ 909,169</u>

	December 31, 2023				
	System and peripheral products	3C product retail	Energy service management	Others	Total
Taiwan	\$ 715,197	\$ -	\$ 98,925	\$ 8,258	\$ 822,380
Hong Kong	-	418,504	-	-	418,504
All other segments	-	-	-	11,606	11,606
	<u>\$ 715,197</u>	<u>\$ 418,504</u>	<u>\$ 98,925</u>	<u>\$ 19,864</u>	<u>\$ 1,252,490</u>

B. The recoverable amount of all cash-generating units has been determined based on value-in-use calculations. These calculations use pre-tax cash flow projections and decisions assisted by

independent valuation institutions based on financial budgets approved by the management covering a five-year period. According to IAS 36, the impairment assessment of goodwill acquired in a business combination shall be performed at least annually. For impairment assessment of goodwill, goodwill arising from a business combination is allocated to cash-generating units that are expected to benefit from the synergies of the combination. The entity itself is an independent cash-generating unit.

- C. The recognition of the Group's impairment loss for the years ended December 31, 2024 and 2023 is as follows:

	<u>Year ended December 31, 2024</u>	<u>Year ended December 31, 2023</u>
3C product retail	\$ 323,741	\$ -
Energy service management	<u>39,528</u>	<u>-</u>
	<u>\$ 363,269</u>	<u>\$ -</u>

- D. For the year ended December 31, 2024, decrease in the estimated future cash inflow is due to unfavorable changes incurred in the market that resulted in an impairment in the intangible assets of the Group's 3C component department. The Group wrote down the carrying amount of the asset based on the recoverable amount and recognised an impairment loss of \$323,741 accordingly. The recoverable amount was determined based on value in use of the intangible assets. The main assumptions used in calculating value in use are set out below.
- (a) Operating revenue growth rate: taking into consideration the related market information and the estimated operation and sales plans.
 - (b) Gross margin: calculated based on the historical data and taking into consideration the estimated operation and sales plans.
 - (c) Discount rate: referred to weighted average capital cost and reflected risk premium of the intangible assets. For the years ended December 31, 2024 and 2023, the discount rate was between 11.85%~20.13% and 12.34%~19.33%, respectively.
- E. The operating synergy of the Group's energy service management department did not reach the Group's expectation, thus, the growth of operating income of Elegant Energy was not as expected. Accordingly, the Group recognised impairment loss on goodwill amounting to \$39,528 since the recoverable amount of the cash-generating units was less than the carrying amount for the year ended December 31, 2024.
- F. The intangible assets were not pledged to others as collateral.

(13) Short-term borrowings

Type of borrowings	December 31, 2024	Interest rate range	Collateral
Bank borrowings			
Credit borrowings	\$ 5,191,997	1.80%~2.63%	-
Secured borrowings	1,749,133	2.20%~6.97%	Note 8
Other short-term borrowings	3,375	-	-
	<u>\$ 6,944,505</u>		

Type of borrowings	December 31, 2023	Interest rate range	Collateral
Bank borrowings			
Credit borrowings	\$ 9,075,582	1.70%~5.78%	-
Secured borrowings	806,124	2.93%	Note 8
Other short-term borrowings	8,991	-	-
	<u>\$ 9,890,697</u>		

- A. As of March 21, 2023, the borrowing agreements that the Group's second-tier subsidiary, Foxwell Energy, separately signed with King's Town Bank and KGI Bank, both amounting to \$1,500,000, were jointly guaranteed by the Company. As of December 31, 2023, the borrowings had matured and been settled.
- B. As of October 30, 2024, the borrowing agreement between the Group's second-tier subsidiary SFE and KGI Bank amounted to \$48,000 thousand, which was jointly guaranteed by the Company.

(14) Short-term notes and bills payable

	December 31, 2024	December 31, 2023
Commercial paper	\$ 4,523,200	\$ 4,093,200
Discount amortisation	(6,728)	(7,680)
	<u>\$ 4,516,472</u>	<u>\$ 4,085,520</u>
Annual interest rate range	<u>2.02%~2.93%</u>	<u>1.79%~2.68%</u>

- A. The abovementioned payables on commercial papers were guaranteed and issued by Mega Bills Finance Co., Ltd., Taiwan Cooperative Bills Finance Corporation and Dah Chung Bills Finance Corporation.
- B. The commercial papers signed by the Group's second-tier subsidiary Foxwell Energy and O-Bank amounted to \$500,000 and \$850,000 for the years ended December 31, 2024 and 2023, respectively, which were jointly guaranteed by the Group's second-tier subsidiary Foxwell Energy
- C. The Short-term notes and bills payable was not pledged to others as collateral.

(15) Other payables

	December 31, 2024	December 31, 2023
Payables on equipment	\$ 949,080	\$ 749,489
Payables on salary and bonus	2,310,060	1,846,989
Payables on purchases on behalf of others	689,094	-
Payables on employees' compensation and directors' and supervisors' remuneration	560,319	470,335
Indemnity payable (Note)	-	322,148
Others	2,534,242	2,377,431
	<u>\$ 7,042,795</u>	<u>\$ 5,766,392</u>

Note: Refer to Note 9(1) B. for details.

(16) Bonds payable

	December 31, 2024	December 31, 2023
Secured corporate bonds	\$ 3,600,000	\$ 6,600,000
Secured convertible bonds payable	2,031,800	3,000,000
Less: Discount on bonds payable	(62,236)	(162,267)
	5,569,564	9,437,733
Less: Current portion of corporate bonds payable (shown as "long-term liabilities, current portion")	(3,593,039)	(2,994,906)
	<u>\$ 1,976,525</u>	<u>\$ 6,442,827</u>

A. The main terms of the \$3,600,000 2nd secured corporate bonds issued by the Company on July 29, 2020 (amended in August 2024) are as follows:

- (a) Total initial issue amount: \$3,600,000.
- (b) Issue price: Issue at par value, \$1,000 each.
- (c) Issue period: 5 years, from July 29, 2020 to July 27, 2025.
- (d) Coupon rate: 0.65% fixed per annum.
- (e) Interest payment method: Interest is calculated from the date of issuance at the coupon rate, is a simple interest and is paid yearly.
- (f) Principal repayment method: Pay entire amount at the maturity date.
- (g) Guarantee method:

The joint guarantor banks including CTBC Bank Co., Ltd., Taiwan Cooperative Bank Co., Ltd., Hua Nan Commercial Bank Ltd., Agricultural Bank of Taiwan Corporation and Mega

International Commercial Bank Co., Ltd. provide guarantees based on a joint engagement guarantee contract and bond-fulfilling guarantee obligation contract.

(h) Commitment:

The Company should maintain the following financial ratios during the contract duration for semi-annual consolidated and annual consolidated financial statements:

- i. Current assets to current liabilities ratio of at least 1:1;
- ii. Liabilities not exceeding 300% of tangible net equity (amended from 200% to 300% in August 2024);
- iii. Interest coverage of at least 400%; and
- iv. Tangible net equity of at least NT\$15,000,000 thousand.

B. The main terms of the \$3,000,000 1st secured corporate bonds issued by the Company on June 26, 2019 are as follows:

- (a) Total initial issue amount: \$3,000,000.
- (b) Issue price: Issue at par value, \$1,000 each.
- (c) Issue period: 5 years, from June 26, 2019 to June 26, 2024.
- (d) Coupon rate: 0.80% fixed per annum.
- (e) Interest payment method: Interest is calculated from the date of issuance at the coupon rate, is a simple interest and is paid yearly.
- (f) Principal repayment method: Pay entire amount at the maturity date.
- (g) Guarantee method:

The joint guarantor banks including CTBC Bank Co., Ltd., Taiwan Cooperative Bank Co., Ltd., Mega International Commercial Bank Co., Ltd. and Chang Hwa Commercial Bank, Ltd. provide guarantees based on a joint engagement guarantee contract and bond-fulfilling guarantee obligation contract.

(h) Commitment:

The Company should maintain the following financial ratios during the contract duration for semi-annual consolidated and annual consolidated financial statements:

- i. Current assets to current liabilities ratio of at least 1:1;
- ii. Liabilities not exceeding 200% of tangible net equity;
- iii. Interest coverage of at least 400%; and
- iv. Tangible net equity of at least NT\$15,000,000 thousand.

C. The terms of the first domestic secured convertible bonds issued by the Group's second-tier subsidiary, Shinfox Energy Co., Ltd., are as follows:

- (a) The competent authority has approved Shinfox Energy Co., Ltd.'s first time raising and issuance of domestic secured convertible bonds. The bonds have a total issuance amount of \$3,000,000 and a coupon rate of 0%, covering a 3-year period of issuance and a circulation period from November 22, 2023 to November 22, 2026. The convertible bonds will be fully

- redeemed in cash at face value at the maturity date. The bonds were listed on the Taipei Exchange on November 22, 2023.
- (b) The bondholders have the right to ask for conversion of the bonds into common shares of Shinfox Energy Co., Ltd. during the period from the date after three months of the bonds issue to the maturity date, except for the stop transfer period as specified in the terms of the bonds or the laws/regulations. The rights and obligations of the new shares converted from the bonds are the same as the issued and outstanding common shares.
 - (c) The conversion price of the convertible bonds was made in accordance with the pricing model as specified in the terms of conversion. The conversion price was NT\$114 per share at the issuance date of the bonds. The abovementioned conversion price had been reset to NT\$113 in terms of the regulations starting from August 26, 2024. For the year ended December 31, 2024, the amount of the bonds which the bondholders requested to exercise the conversion right amounted to \$968,200, which was converted into common shares in the amount of 8,493 thousand shares. Equity attributable to owners of the parent and non-controlling interests increased to \$121,858 and \$805,049, respectively, due to the exercise of conversion right.
 - (d) Shinfox Energy Co., Ltd. may repurchase all the bonds outstanding in cash at the bonds' face value at any time after the following events occur: (i) the closing price of Shinfox Energy Co., Ltd.'s common shares is above the then conversion price by 30% for 30 consecutive trading days during the period from the date after three months of the bonds issue to 40 days before the maturity date, or (ii) the outstanding balance of the bonds is less than 10% of total initial issue amount during the period from the date after three months of the bonds issue to 40 days before the maturity date.
 - (e) Under the terms of the bonds, all bonds redeemed (including bonds repurchased from the Taipei Exchange), matured and converted are retired and not to be re-issued; all rights and obligations attached to the bonds are also extinguished.
- D. Regarding the issuance of convertible bonds of the Group's second-tier subsidiary, Shinfox Energy Co., Ltd., the equity conversion options were separated from the liability component in accordance with IAS 32. The call options embedded in bonds payable were separated from their host contracts and were recognised in 'financial assets at fair value through profit or loss' in net amount of \$2,641 in accordance with IFRS 9 because the economic characteristics and risks of the embedded derivatives were not closely related to those of the host contracts. The effective interest rate of the bonds payable after such separation was 1.7688%.

(17) Long-term borrowings

	Borrowing period and repayment term	Interest rate range	Unused credit line	December 31, 2024
Long-term bank borrowings				
Bank's unsecured borrowings				
Cheng Uei				
- with covenants	Borrowing period is from December 2023 to October 2027; pay principal and interest based on each bank's regulations	2.05%~2.15%	\$ 2,000,000	\$ 2,900,000
- without covenants	Borrowing period is from April 2020 to June 2027; pay principal and interest based on each bank's regulations	1.90%~2.10%	1,476,375	7,172,500
FIT Holding				
- with covenants	Borrowing period is from November 2024 to November 2026; pay entire amount of principal when due, interest is repayable monthly	2.04%~2.10%	1,000,000	500,000
- without covenants	Borrowing period is from May 2023 to May 2027 ; pay entire amount of principal when due, interest is repayable monthly	1.95%~2.23%	-	1,400,000
Foxlink Image				
- with covenants	Borrowing period is from September 2024 to November 2026; pay entire amount of principal when due, interest is repayable monthly	2.08%	1,600,000	300,000
- without covenants	Borrowing period is from November 2023 to September 2026; pay entire amount of principal when due, interest is repayable monthly	1.93%~2.06%	1,200,000	1,750,000
PQI				
- with covenants	Borrowing period is from November 2024 to January 2027; pay principal based on each bank's regulations, interest is repayable monthly	2.30%~2.41%	-	500,000
- without covenants	Borrowing period is from June 2022 to June 2026 ; pay principal based on each bank's regulations, interest is repayable monthly	2.13%~2.23%	100,000	800,000
Shinfox				
- without covenants	Interest is repayable monthly from November 2024 to November 2026; pay entire amount of principal when due	2.09%	-	400,000
Glory Science				
- without covenants	Borrowing period is from December 23, 2024 to December 23, 2026; pay entire amount when duepay principal and interest based on each bank's regulations	2.44%	-	60,000
Foxwell Energy				
- without covenants	Principal and interest are repayable in installments from January 2019 to December 2035	2.36%~2.80%	281,666	2,329,270
Foxwell Power				
- with covenants	Principal and interest are repayable in installments from October 2022 to July 2029	2.99%~3.13%	-	457,753
- without covenants	Principal and interest are repayable in installments from June 2024 to June 2029	2.67%	-	50,000
Bank's secured borrowings				
Foxwell Energy	Principal and interest are repayable in installments from May 2018 to February 2036	2.36%~2.84%	224,428	194,704
Foxwell Power	Principal and interest are repayable in installments from October 2022 to September 2028	2.99%~3.13%	-	1,307,851

Type of borrowings	Borrowing period and repayment term	Interest rate range	Unused credit line	December 31, 2024
Other secured borrowings				
SFE	Principal and interest are repayable in installments from June 2024 to May 2026	6.55%~7.34%	-	3,308,027
Medium-term and long-term syndicated loans				
Cheng Uei				
- with covenants	Borrowing period is from October 2024 to October 2029. The Company may issue a drawing application before the maturity date of borrowing to repay the loan principal with the new payment	2.15%	6,800,000	3,200,000
- with covenants	Borrowing period is from June 2024 to June 2029. The Company may issue a drawing application before the maturity date of borrowing to repay the loan principal with the new payment	2.17%	3,000,000	3,000,000
Foxwell Energy				
- with covenants	Borrowing period is from July 2024 to March 2026, pay entire amount when due	3.74%~3.76%	1,079,051	13,295,949
				42,926,054
Less: Current portion			(	1,593,688)
Less: Discount			(	166,451)
			\$	<u>41,165,915</u>

Type of borrowings	Borrowing period and repayment term	Interest rate range	Unused credit line	December 31, 2023
Long-term bank borrowings				
Bank's unsecured borrowings				
Cheng Uei				
- with covenants	Borrowing period is from May 2023 to December 2026; pay entire amount when due	1.85%~1.89%	\$ 700,000	\$ 3,600,000
- without covenants	Borrowing period is from March 2023 to November 2026; pay entire amount when due	1.70%~1.94%	2,151,625	4,781,250
FIT Holding				
- with covenants	Borrowing period is from September 2023 to October 2025; pay entire amount of principal when due, interest is repayable monthly	1.90%	979,000	200,000
- without covenants	Borrowing period is from September 2023 to May 2027 ; pay entire amount of principal when due, interest is repayable monthly	2%~2.06%	-	900,000
Foxlink Image				
- with covenants	Borrowing period is from September 2023 to December 2025; pay entire amount of principal when due, interest is repayable monthly	1.90%~1.95%	1,544,000	356,000
- without covenants	Borrowing period is from March 2023 to December 2025; pay entire amount of principal when due, interest is repayable monthly	1.80%~1.90%	900,000	2,050,000
PQI				
- with covenants	Borrowing period is from August 2023 to October 2025; pay principal based on each bank's regulations, interest is repayable monthly	2.11%~2.21%	75,000	425,000
- without covenants	Borrowing period is from June 2022 to June 2026; pay principal based on each bank's regulations, interest is repayable monthly	2.00%~2.10%	-	600,000
Glory Science				
- without covenants	Borrowing period is from July 15, 2019 to December 23, 2024; pay principal and interest based on each bank's regulations	1.86%~2.32%	-	85,000
Foxwell Energy				
- without covenants	Principal and interest are repayable in installments from January 2019 to December 2035	2.23%~2.28%	277,448	32,576
Foxwell Power				
- with covenants	Principal and interest are repayable in installments from October 2022 to September 2028	2.55%	-	6,250
Bank's secured borrowings				
Glory Science				
	Borrowing period is from December 31, 2019 to December 31, 2024; pay principal based on each bank's regulations interest is calculated monthly	1.86%	-	25,000
Foxwell Energy				
	Principal is repayable in installments from May 2018 to February 2036	2.23%~2.65%	220,646	246,323
Foxwell Power				
	Principal and interest are repayable in installments from October 2022 to September 2028	2.55%	-	93,750
Medium-term and long-term syndicated loans				
Cheng Uei				
- with covenants	Borrowing period is from November 2020 to November 2025. The Company may issue a drawing application before the maturity date of borrowing to repay the loan principal with the new payment	2.20%	4,800,000	3,200,000
Foxwell Power				
- with covenants	Principal and interest are repayable in installments from October 2022 to October 2025	2.58%~2.69%	255,600	1,494,400
				18,095,549
Less: Current portion				(306,996)
Less: Discount				(15,842)
				<u>\$ 17,772,711</u>

- A. In October 2024, the Group signed a medium-term syndicated revolving NTD credit facility agreement with the Bank of Taiwan as the lead bank. As of December 31, 2024, the borrowings that have been used amounted to \$3,200,000. The terms of agreement are summarised below:
- (a) Duration of loan: The loan period of the agreement was 5 years from the agreement signing date.
 - (b) Credit line and draw-down: The credit line was NT\$10,000,000, which can be drawn down in installments of at least NT\$100,000 thousand per draw-down.
 - (c) Principal repayment: The duration of each loan drawn down is either 90 days or 180 days at the Company's option. The Company, if without any default, may submit an application to the banks to draw down a new loan with principal equal to the original loan before its maturity, and the new loan is directly used to repay the original loan. The banks and the Company are not required to make remittances for such draw-down and repayment, which is viewed that the Company has received the new loan on the maturity of original loan.
 - (d) Commitment: The Company should maintain the following financial ratios during the contract duration for semi-annual consolidated and annual consolidated financial statements:
 - i. Current assets to current liabilities ratio of at least 1:1;
 - ii. Liabilities not exceeding 300% of tangible net equity;
 - iii. Interest coverage of at least 400%; and
 - iv. Tangible equity, net of non-controlling interests, of at least NT\$15,000,000 thousand.
 - (e) The loan period is decided by the borrower. The borrower may choose to early repay the loans during the contract period according to the syndicated loan contract.
- B. In June 2024, the Group signed a medium-term syndicated revolving NTD credit facility agreement with the Mega Bank as the lead bank. As of December 31, 2024, the borrowings that have been used amounted to \$3,000,000. The terms of agreement are summarised below:
- (a) Duration of loan: The loan period of the agreement was 5 years from the agreement signing date.
 - (b) Credit line and draw-down: The credit line was NT\$6,000,000, which can be drawn down in installments of at least NT\$50,000 thousand per draw-down.
 - (c) Principal repayment: The borrower shall settle each borrowing before its maturity date. However, the borrower can use the new drawn amount to directly repay the original matured borrowing. For those equal amount, the borrower and the syndicated bank did not need to remit the capital in or out, and the amount was regarded as the drawn borrowing which had been received by the borrower.
 - (d) Commitment: The Company should maintain the following financial ratios during the contract duration for semi-annual consolidated and annual consolidated financial statements:
 - i. Current assets to current liabilities ratio of at least 1:1;

- ii. Liabilities not exceeding 300% of tangible net equity;
 - iii. Interest coverage of at least 400%; and
 - iv. Tangible equity, net of non-controlling interests, of at least NT\$15,000,000 thousand.
- (e) The loan period is decided by the borrower. The borrower may choose to early repay the loans during the contract period according to the syndicated loan contract.
- C. The Company entered into the borrowing contracts with Bank SinoPac, Taipei Fubon and Far Eastern International Bank, and the total credit line is \$4,900,000. As of December 31, 2024, the borrowings that have been used amounted to \$2,900,000. In the duration period of these contracts, the financial ratios in the semi-annual consolidated and annual consolidated financial statements shall be as follows:
 - (a) Current assets to current liabilities ratio of at least 1:1;
 - (b) Liabilities not exceeding 300% of tangible net equity (amended from 200% to 300% from June 2024 to March 2025 by each bank);
 - (c) Interest coverage of at least 400%; and
 - (d) Tangible net equity of at least NT\$15,000,000 thousand.
- D. The Group's subsidiary, FIT Holding, Foxlink Image and PQI, entered into the borrowing contracts with Bank SinoPac, Entie Commercial Bank, Yuanta Commercial Bank, Taishin International Bank and Far Eastern International Bank, and the total credit line is NT\$2,700,000. As of December 31, 2024, the borrowings that have been used amounted to NT\$1,400,000. In the duration period of these contracts, the financial ratios in the semi-annual consolidated and annual consolidated financial statements shall be as follows:
 - (a) Current assets to current liabilities ratio of at 80% or above;
 - (b) Liabilities not exceeding 110% to 200% of tangible net equity;
 - (c) Interest coverage of at 3 to 5 times or above;
 - (d) Financial gearing ratio should be below 75%;
 - (e) Tangible net equity of at least NT\$2,000,000 thousand to NT\$8,000,000 thousand; and
 - (f) Net equity of at least NT\$1,800,000 thousand.
- E. The long-term borrowing contract entered into by the Group's second-tier subsidiary, Foxwell Power, with Taishin International Bank on March 7, 2022 stipulates that the Group shall annually review the financial ratios to maintain a current assets to current liabilities ratio not less than 150%, liabilities not less than 200% of tangible net equity and a net asset value not less than \$800,000 before every July 31 during the loan period. Additionally, the Group is required to review the shareholding ratio of the ultimate parent company and the parent company on a semi-annual basis. As of September 30, 2023, the Group's net debt-to-equity ratio did not meet the required ratio, and the interest rate would be processed based on the contracts on the review date; as of December 31, 2023, the Group reclassified unpaid borrowings as "Current portion of long-

term borrowings” in accordance with the contract terms.

Additionally, on February 29, 2024, Foxwell Power Co., Ltd. obtained a credit line approval letter from Taishin Bank. The Group entered into a long-term borrowing contract amounting to \$1,845,000 with Taishin Bank on June 5, 2024, which stipulates that the Group shall semi-annually review the financial ratios based on the consolidated financial statements issued by an independent auditor to maintain a current ratio not less than 100%, a net debt-to-equity ratio not higher than 250% and a net asset value not less than \$900,000. Additionally, the Group is required to review the shareholding ratio of the ultimate parent company and the parent company on a semi-annual basis, if the financial ratios do not meet the aforementioned financial ratios, a 0.15% interest rate will be added. As of December 31, 2024, the net debt-to-equity ratio did not meet the agreed ratios, thus the borrowing rate had been processed and had been adjusted for the next year based on the contracts on the review date.

- F. The Group’s second-tier subsidiary, Foxwell Power entered into a syndicated contract for a credit line of \$1,750,000 with three syndicated banks including O-Bank, etc., on October 3, 2022, and the credit line was divided into Tranche A’s and Tranche B’s credit line. As of December 31, 2024 and 2023, the undrawn credit line was from Tranche A for both years. As the use of Tranche B is for the Company repaying the unsettled claim, Tranche A borrowings will be reclassified as Tranche B borrowings if the preconditions of the first drawing of Tranche A’s credit line are satisfied. In addition, financial commitments relating to Tranche B are summarised as follows:
- (a) Foxwell Power committed to review the latest nine months’ or twelve months’ revenue from ancillary services on a semi-annual or annual basis after the site of the project has been qualified to trade on the energy trading platform and the first settlement amount of ancillary services revenue has been remitted to the reserve account. The interest rate will be adjusted by 0.1% if the cumulative number of times did not meet the above requirement of which the revenue reached 80% of the average monthly income listed in the “Estimated statement of annual gain and loss and cash flow”.
 - (b) The Group committed to review the DSCR (Debt Service Coverage Ratio) semi-annually based on the revenue from ancillary services and the principal and interest amount for the last twelve months from the date the first monthly settlement amount of ancillary services revenue for the site of project has been remitted to the reserve account for a full twelve months. The Group should repay the principal in advance within three months or by other appropriate means as agreed by the management bank, so that the DSCR will not be lower than 1.1 times.
 - (c) Foxwell Power entered into a syndicated contract with three syndicated banks including O-Bank, etc., the loan which was fully settled in July 2024, and the related quotas of the syndicated loan had been fully cancelled with the early termination loss amounted to \$10,937. For details of the related gains and losses, please refer to Note 6(26).

- G. The Group's second-tier subsidiary, Foxwell Energy, entered into the borrowing contracts with eleven banks including CTBC Bank, etc., on March 10, 2023. The original credit line of the borrowings was \$6,720,000. The Group signed a supplementary contract on January 29, 2024, and the credit line of the borrowings was changed to \$3,360,000. In the duration period of these contracts, the Group shall semi-annually review the tangible net equity to not be less than \$6,000,000, and maintain the shareholding ratio of the parent company. The syndicated credit contract was jointly guaranteed by Shinfox. In May 2024, the amount of \$622,405 had been drawn. In addition, the borrowings had matured and been settled on June 30, 2024.
- H. The Group's second-tier subsidiary, Foxwell Energy, entered into a syndicated credit contract for a credit line of \$20,906,540 with eleven syndicated banks including CTBC Bank, etc., in July 2024, and the credit line is divided into item A and item B. The main contents are as follows:
- (a) Purpose of borrowing:
 - i. Item A: Provide the required performance guarantees or prepayment guarantees for Foxwell Energy Co., Ltd. in order to apply for the issuance of the project contracts.
 - ii. Item B: Provide the required working capital for the construction projects of Foxwell Energy Co., Ltd.
 - (b) Tenure of borrowing: From the first drawing date to March 31, 2026. However, there is no default or no expected default occurred, and the related conditions are met during the contract periods, the application of extension can be submitted in six months before the tenure of the borrowing.
 - (c) Duration of credit utilisation:
 - i. Credit item A: The original credit line was \$7,100,000, which must be drawn in installments or in full on the first drawing date, and the credit line was non-revolving. The undrawn portion on the first drawing date shall be automatically cancelled. In August 2024, Foxwell Energy Co., Ltd. cancelled the undrawn credit line of credit item A amounting to \$568,460 in the case. As of December 31, 2024, the credit line had been used amounting to \$6,531,540 and the unused credit line amounted to \$0.
 - ii. Credit item B: The credit line is \$14,375,000 and it can be revolving as stipulated in the contract. However, the cumulative drawn amount shall not exceed \$28,500,000. As of December 31, 2024, the unused credit line amounted to \$1,079,051.
 - (d) Repayment:
 - i. Item A: The guarantee liabilities of the syndicated banking group under the construction guarantee letters will be terminated upon the completion and acceptance of each construction and being notified by the owners, or upon the reduction or expiration of each construction guarantee. For the payments on behalf of others of the syndicated banking group under the construction guarantee letters, Foxwell Energy Co., Ltd. shall immediately repay the amounts within 5 days.

- ii. Item B: Each drawn borrowing shall be repaid according to the borrowing term and maturity date specified in the drawing application. Provided no event of default has occurred, the Company may issue the drawing application to use the new drawn amount to directly settle the principal of the original matured borrowings before the maturity date.
- (e) The Group's second-tier subsidiary, Foxwell Energy, commits to test its financial statements that are audited or reviewed by independent auditors at least every half year starting from the financial statements for the six months ended June 30, 2024. If the financial ratios or restrictions do not meet the following rules, the syndicated banking group may suspend lending the related amounts and suspend the borrower's right to draw any credit line during the period in which the syndicated banking group determine that an event of default has occurred.

Covenants: During the contract period, debt ratio shall not be more than 200% and net tangible assets shall not be less than \$9,000,000 on the semi-annual and annual parent company only financial statements of Foxwell Energy. For the semi-annual and annual consolidated financial statements of Foxwell Energy, current ratio shall not be less than 100%, net debt-to-equity ratio shall not be more than 300% and net tangible assets shall not be less than \$9,500,000. For the Company's semi-annual and annual consolidated financial statements, current ratio shall not be less than 100%, net debt-to-equity ratio shall not be more than 300%, interest coverage ratio shall not be less than four times and net tangible assets shall not be less than \$15,000,000. As of December 31, 2024, Foxwell Energy and the Company did not violate the terms of the contracts with the abovementioned banks.

- (f) The abovementioned syndicated borrowings were jointly guaranteed by Shinfox.
- I. The Group's second-tier subsidiary, Foxwell Energy, entered into the borrowing contract with King's Town Bank on July 8, 2024. The borrowing was non-revolving. The borrowing contract was jointly guaranteed by Shinfox.
- J. The Group's second-tier subsidiary, Shinfox, entered into a medium and long-term loan agreement for a credit line of \$400,000 with The Export-Import Bank of the Republic of China on October 28, 2024. The main contents are as follows:
 - (a) Purpose of borrowing: Provided the working capital for the Company to contract the development, construction and operation and maintenance of the domestic renewable energy power plants.
 - (b) Tenure of borrowing: From October 28, 2024 to November 9, 2026. The financing period is 2 years from the drawing date.
 - (c) Repayment:
 - i. Principal: Paid in full amount at the maturity date of tenure of borrowing.
 - ii. Interest: The first interest collection date would be on the 21st of the month following the first drawing date, and thereafter interest collection date would be on the 21st of each month.

The interest rate would be adjusted every three months from the first interest collection date.

K. In April 2024, the Group's second-tier subsidiary, SFE, entered into a syndicated loan agreement for a credit line of US\$105,000 thousand with Chailease International Financial Services (Singapore) Pte. Ltd., Taishin International Bank, O-Bank and King's Town Bank. The main contents are as follows:

- (a) Purpose of borrowing: Including but not limited to cost of purchasing ships.
- (b) Borrowing period: From May 29, 2024 to May 29, 2026.
- (c) Repayment: The principal is repayable monthly in the amount of US\$1,050 thousand starting from December 2024 and the remaining balance is fully repayable in the final instalment, as well as the interest is repayable monthly.
- (d) The abovementioned syndicated borrowings were jointly guaranteed by Shinfox.

L. Information about the collateral that was pledged for the long-term borrowings is provided in Note 8.

(18) Pensions

A.(a) The Company and its domestic subsidiaries have a defined benefit pension plan in accordance with the Labour Standards Act, covering all regular employees' service years prior to the enforcement of the Labour Pension Act on July 1, 2005 and service years thereafter of employees who chose to continue to be subject to the pension mechanism under the Labour standards Act. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement. The Company and its domestic subsidiaries contributes monthly an amount equal to 2% of the employees' monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, the trustee, under the name of the independent retirement fund committee. Also, the Company and its domestic subsidiaries would assess the balance in the aforementioned labour pension reserve account by the end of December 31, every year. If the account balance is insufficient to pay the pension calculated by the aforementioned method, to the employees expected to be qualified for retirement next year, the Company and its domestic subsidiaries will make contributions to cover the deficit by next March.

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

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Present value of defined benefit obligations	(\$ 250,317)	(\$ 272,313)
Fair value of plan assets	<u>248,467</u>	<u>226,889</u>
Net defined benefit liability	<u>(\$ 1,850)</u>	<u>(\$ 45,424)</u>
Presented as:		
Net defined benefit asset (shown as "Other non-current assets")	\$ 113,052	\$ 99,010
Net defined benefit liability (shown as "Other non-current liabilities")	(<u>114,902</u>)	(<u>144,434</u>)
	<u>(\$ 1,850)</u>	<u>(\$ 45,424)</u>

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

	<u>Present value of defined benefit obligations</u>	<u>Fair value of plan assets</u>	<u>Net defined benefit liability</u>
<u>Year ended December 31, 2024</u>			
Balance at January 1	(\$ 272,313)	\$ 226,889	(\$ 45,424)
Current service cost	(1,139)	-	(1,139)
Interest (expense) income	(3,297)	3,065	(232)
	<u>(276,749)</u>	<u>229,954</u>	<u>(46,795)</u>
Remeasurements:			
Return on plan asset (excluding amounts included in interest income or expense)	-	11,017	11,017
Change in financial assumptions	6,521	-	6,521
Experience adjustments	<u>8,868</u>	<u>9,563</u>	<u>18,431</u>
	<u>15,389</u>	<u>20,580</u>	<u>35,969</u>
Pension fund contribution	-	2,040	2,040
Benefits paid	4,107	(4,107)	-
Paid pension	<u>6,936</u>	<u>-</u>	<u>6,936</u>
Balance at December 31	<u>(\$ 250,317)</u>	<u>\$ 248,467</u>	<u>(\$ 1,850)</u>

	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liability
<u>Year ended December 31, 2023</u>			
Balance at January 1	(\$ 311,689)	\$ 241,068	(\$ 70,621)
Current service cost	(1,488)	-	(1,488)
Interest (expense) income	(4,104)	3,545	(559)
	<u>(317,281)</u>	<u>244,613</u>	<u>(72,668)</u>
Remeasurements:			
Return on plan asset (excluding amounts included in interest income or expense)	-	335	335
Change in financial assumptions	(2,336)	-	(2,336)
Experience adjustments	<u>19,538</u>	<u>546</u>	<u>20,084</u>
	<u>17,202</u>	<u>881</u>	<u>18,083</u>
Pension fund contribution	-	2,302	2,302
Benefits paid	20,137	(20,137)	-
Paid pension	<u>7,629</u>	<u>(770)</u>	<u>6,859</u>
Balance at December 31	<u>(\$ 272,313)</u>	<u>\$ 226,889</u>	<u>(\$ 45,424)</u>

(d) The Bank of Taiwan was commissioned to manage the Fund of the Company's and domestic subsidiaries' defined benefit pension plan in accordance with the Fund's annual investment and utilisation plan and the "Regulations for Revenues, Expenditures, Safeguard and Utilisation of the Labor Retirement Fund" (Article 6: The scope of utilisation for the Fund includes deposit in domestic or foreign financial institutions, investment in domestic or foreign listed, over-the-counter, or private placement equity securities, investment in domestic or foreign real estate securitization products, etc.). With regard to the utilisation of the Fund, its minimum earnings in the annual distributions on the final financial statements shall be no less than the earnings attainable from the amounts accrued from two-year time deposits with the interest rates offered by local banks. If the earnings is less than aforementioned rates, government shall make payment for the deficit after being authorized by the Regulator. The Company has no right to participate in managing and operating that fund and hence the Company is unable to disclose the classification of plan asset fair value in accordance with IAS 19 paragraph 142. The composition of fair value of plan assets as of December 31, 2024 and 2023 is given in the Annual Labor Retirement Fund Utilisation Report announced by the government.

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

	Years ended December 31,	
	2024	2023
Discount rate	<u>1.25%~2.00%</u>	<u>1.20%~1.875%</u>
Future salary increases	<u>3.00%~5.00%</u>	<u>2.00%~5.00%</u>

Future mortality rate was estimated based on the 6th Taiwan Standard Ordinary Experience Mortality Table. Because the main actuarial assumption changed, the present value of defined benefit obligation is affected. The analysis was as follows:

	Discount rate		Future salary increases	
	Increase 0.25%	Decrease 0.25%	Increase 0.25%	Decrease 0.25%
December 31, 2024				
Effect on present value of defined benefit obligation	\$ 2,982	(\$ 3,060)	(\$ 2,520)	\$ 2,499
December 31, 2023				
Effect on present value of defined benefit obligation	\$ 3,880	(\$ 3,991)	(\$ 3,360)	\$ 3,314

The sensitivity analysis above is based on other conditions that are unchanged but only one assumption is changed. In practice, more than one assumption may change all at once. The method of analysing sensitivity and the method of calculating net pension liability in the balance sheet are the same.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous period.

- (f) Expected contributions to the defined benefit pension plans of the Group for the year ending December 31, 2025 amount to \$2,094.
- (g) As of December 31, 2024, the weighted average duration of that retirement plan is 7 to 17.7 years.

- B.(a) Effective July 1, 2005, the Company and its domestic subsidiaries have established a funded defined contribution pension plan (the “New Plan”) under the Labour Pension Act (the “Act”), covering all regular employees with R.O.C. nationality. Under the New Plan, the Company and its domestic subsidiaries contributes monthly an amount based on 6% of the employees’ monthly salaries and wages to the employees’ individual pension accounts at the Bureau of Labour Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment.
- (b) The Company’s Mainland China subsidiaries have a funded defined contribution plan. Monthly contributions are based on the employees’ monthly salaries (the contribution ratio for the years ended December 31, 2024 and 2023 is between 8%~14%) and wages to an independent fund administered by the government in accordance with the pension regulations. Other than the monthly contributions, the Group has no further obligations.
- (c) The pension costs under the abovementioned defined contribution pension plan for the years ended December 31, 2024 and 2023 were \$870,213 and \$906,506, respectively.

(19) Share capital

- A. As of December 31, 2024, the Company’s authorised common stock was \$7,000,000 (including 50,000,000 shares reserved for the issuance of employees’ warrants), and the issued and outstanding shares were 462,823,940 shares.

B. Treasury shares

Before becoming a subsidiary, Foxlink Image Technology Co., Ltd. held the parent's capital stock amounting to 27,503 thousand shares with a book value of \$272,066 for general investment purpose. For the year ended December 31, 2023, Foxlink Image Technology Co., Ltd. acquired 22,000 thousand shares with an accumulated book value of \$622,774 after the Company acquired control over Foxlink Image on October 1, 2018. As of December 31, 2024 and 2023, the detailed information of Foxlink Image's parent equity shares is as follows:

	December 31, 2024	December 31, 2023
Thousand shares	49,503	49,503
Book value	\$ 622,774	\$ 622,774

(20) Capital surplus

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

	2024					
	Share premium	Treasury share transactions	Difference between proceeds from acquisition or disposal of subsidiary and book value	Changes in ownership interests in subsidiaries	Change in net equity of associates accounted for using equity method	Total
At January 1	\$ 9,337,850	\$ 120,307	\$ 709,960	\$ 87,386	\$ 509,398	\$ 10,764,901
Cash dividends distributed to subsidiaries	-	37,812	-	-	-	37,812
Non-recognition of capital surplus arising from conversion of convertible bonds of subsidiary proportionately by the Group	-	-	-	121,858	-	121,858
Recognition of adjustments of investees proportionately	-	-	- (	521)	(110,149)	(110,670)
Compensation costs of employee stock options	-	-	-	758	-	758
At December 31	\$ 9,337,850	\$ 158,119	\$ 709,960	\$ 209,481	\$ 399,249	\$ 10,814,659

	2023					
			Difference between proceeds from acquisition or disposal of subsidiary and book value	Changes in ownership interests in subsidiaries	Change in net equity of associates accounted for using equity method	Total
	Share premium	Treasury share transactions				
At January 1	\$ 9,337,850	\$ 87,091	\$ 700,203	\$ 3,894	\$ 253,645	\$ 10,382,683
Cash dividends distributed to subsidiaries	-	33,216	-	-	-	33,216
Non-subscription in the capital increase of subsidiaries proportionately by the Group	-	-	-	(12)	-	(12)
Convertible bonds issued by subsidiaries	-	-	-	83,504	-	83,504
Transactions with non-controlling interest	-	-	9,757	-	-	9,757
Recognition of change in equity of associates in portion to the Group's ownership	-	-	-	-	255,753	255,753
At December 31	<u>\$ 9,337,850</u>	<u>\$ 120,307</u>	<u>\$ 709,960</u>	<u>\$ 87,386</u>	<u>\$ 509,398</u>	<u>\$ 10,764,901</u>

(21) Retained earnings/Subsequent events

A. Based on the Company's Articles of Incorporation, the current year's earnings, if any, shall first be used to pay all taxes and offset prior years' operating losses and then 10% of the remaining amount shall be set aside as legal reserve. The appropriation of remainder shall be proposed by the Board of Directors and be resolved by the shareholders.

The Board of Directors may, upon resolution adopted by a majority vote at a meeting of the Board of Directors attended by two-thirds of the total number of directors, distribute dividends and bonus, capital surplus or legal reserve, in whole or in part, in the form of cash. The above distribution is not subject to approval by the shareholders.

B. According to the Company's Articles of Incorporation, no more than 90% of the distributable retained earnings shall be distributed as stockholders' bonus and cash dividend distributed in any calendar year shall be at least 20% of the total distributable earnings in that year based on future capital expenditures budget and capital requirements.

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

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

included in the distributable earnings.

(b) The amounts previously set aside by the Company as special reserve on initial application of IFRSs in accordance with Order No. Financial-Supervisory-Securities-Corporate-1090150022, dated March 31, 2021, shall be reversed proportionately when the relevant assets are used, disposed of or reclassified subsequently.

(c) The amounts previously set aside by the Company as special reserve for the initial application of IFRSs amounted to \$665,206. Furthermore, the Company did not reverse special reserve to retained earnings for the years ended December 31, 2024 and 2023 as a result of the use, disposal or reclassification of related assets. As of December 31, 2024 and 2023, the amount of special reserve set aside for the initial application of IFRSs all amounted to \$665,206.

E. (a) Details of the appropriation of 2024's and 2023's net income which was resolved at the stockholders' meeting on May 30, 2024 and May 31, 2023, respectively, are as follows:

	Year ended December 31, 2023		Year ended December 31, 2022	
	Amount	Dividend per share (in dollars)	Amount	Dividend per share (in dollars)
Legal reserve appropriated	\$ 117,296	\$ -	\$ 153,911	\$ -
(Reversal of) special reserve appropriated	309,668	-	(237,890)	-
Cash dividends	1,024,654	2.0	1,127,119	2.2

(b) The appropriation of 2024 earnings had been proposed by the Board of Directors on March 7, 2025. Details are summarized below:

	Year ended December 31, 2024	
	Amount	Dividend per share (NTD)
Legal reserve appropriated	\$ 170,651	\$ -
Reversal of special reserve	1,289,406	-
Cash dividends	1,280,817	2.5

(22) Operating revenue

A. Disaggregation of revenue from contracts with customers

The Group derives revenue from the transfer of goods over time and at a point in time in the following major product lines and generates related revenue in each reportable segment:

	Years ended December 31,	
	2024	2023
Systems and peripheral products	\$ 39,674,195	\$ 37,683,291
3C component	27,878,363	29,198,974
3C product retail	11,555,871	12,422,435
Energy service management	19,289,032	11,246,064
Total	<u>\$ 98,397,461</u>	<u>\$ 90,550,764</u>

B. Unfulfilled construction contracts

Aggregate amount of the transaction price allocated to and the year expected to recognise revenue for the unsatisfied performance obligations in relation to the contracted significant construction contracts as of December 31, 2024 and 2023 are as follows:

Year	Year expected to recognise revenue	Contracted amount (before tax)
December 31, 2024	2025~2027	\$ 29,417,845
December 31, 2023	2024~2025	41,439,682

C. Contract assets and contract liabilities

(a) The Group has recognised the following revenue-related contract assets and liabilities:

	December 31, 2024	December 31, 2023
Contract assets:		
Contract assets-construction contracts	\$ 8,906,120	\$ 8,675,960
Contract assets- service contracts	766	-
	<u>\$ 8,906,886</u>	<u>\$ 8,675,960</u>
Contract liabilities:		
Contract liabilities-advance sales receipts	\$ 750,367	\$ 512,263
Contract liabilities-construction contracts	15,011	42,777
Contract liabilities- service contracts	1,382	-
Contract liabilities-warranty with an extra fee	64,127	41,171
Contract liabilities-education training courses	18,611	18,611
	<u>\$ 849,498</u>	<u>\$ 614,822</u>

	December 31, 2024	December 31, 2023
Contract liabilities-non-current:		
Contract liabilities-warranty with an extra fee	\$ 70,453	\$ 134,202
Contract liabilities-education training courses	14,364	32,975
Total	<u>\$ 84,817</u>	<u>\$ 167,177</u>

(b) Contract assets and liabilities recognised for the aforementioned construction contracts as at December 31, 2024 and 2023 are as follows:

	December 31, 2024	December 31, 2023
Aggregate costs incurred plus recognised profits	\$ 31,573,642	\$ 18,727,875
Less: Progress billings	(22,682,533)	(10,094,692)
Net balance sheet position for construction in progress	<u>\$ 8,891,109</u>	<u>\$ 8,633,183</u>
Presented as:		
Current contract assets	\$ 8,906,120	\$ 8,675,960
Current contract liabilities	(15,011)	(42,777)
Total	<u>\$ 8,891,109</u>	<u>\$ 8,633,183</u>

(c) Revenue recognised that was included in the contract liability balance at the beginning of the period:

	Years ended December 31,	
	2024	2023
Revenue recognised that was included in the contract liability balance at the beginning of the year	<u>\$ 493,700</u>	<u>\$ 774,889</u>

D. Please refer to Note 9 for the information of significant construction contracts of the Group.

(23) Net other income (expenses)

	Years ended December 31,	
	2024	2023
Gains on disposals of investments	<u>\$ -</u>	<u>\$ 118,111</u>

(24) Interest income

	Years ended December 31,	
	2024	2023
Interest income from bank deposits	\$ 364,808	\$ 241,095
Interest income from financial assets measured at amortised cost	138,053	34,533
	<u>\$ 502,861</u>	<u>\$ 275,628</u>

(25) Other income

	Years ended December 31,	
	2024	2023
Government grants revenue	\$ 106,729	\$ 340,462
Rental revenue	70,365	65,121
Income from counter-party default	46,718	15,351
Gain recognised in bargain purchase transaction	-	707
Other revenue-other	170,188	115,230
	<u>\$ 394,000</u>	<u>\$ 536,871</u>

Please refer to Note 6(8) G. for the information of gain recognised in bargain purchase transaction.

(26) Other gains and losses

	Years ended December 31,	
	2024	2023
Net currency exchange gain (loss)	\$ 582,668	(\$ 34,063)
Gain (loss) on disposal of property, plant and equipment	70,777	(239,068)
Gains on financial assets at fair value through profit or loss	2,482	739
Gain (loss) on disposal of investments	(2,192)	47,008
Impairment loss	(553,774)	-
Loss on the fire damage	-	(552,414)
Claims income	-	520,642
Depreciation charge on investment property	(4,640)	(13,011)
Loss on the early termination of the contract	(10,937)	-
Other gains and losses	(8,354)	(43,535)
	<u>\$ 76,030</u>	<u>(\$ 313,702)</u>

(27) Finance costs

	Years ended December 31,	
	2024	2023
Bank borrowings	\$ 811,441	\$ 483,944
Corporate bonds	122,087	100,014
Lease liabilities	46,219	35,274
	<u>\$ 979,747</u>	<u>\$ 619,232</u>

(28) Expenses by nature

	Years ended December 31,	
	2024	2023
Employee benefit expense	\$ 12,869,580	\$ 13,040,648
Depreciation expense	4,254,323	3,760,839
Amortisation charges on intangible assets	146,736	140,150
Transportation expense	486,534	557,349
Advertising costs	66,928	95,732
Operating lease payments	341,550	324,458
	<u>\$ 18,165,651</u>	<u>\$ 17,919,176</u>

(29) Employee benefit expense

	Years ended December 31,	
	2024	2023
Wages and salaries	\$ 10,881,115	\$ 11,005,450
Pension costs	871,584	908,553
Labour and health insurance fees	646,141	617,171
Director's remuneration	18,000	8,000
Other personnel expenses	452,740	501,474
	<u>\$ 12,869,580</u>	<u>\$ 13,040,648</u>

- A. According to the Articles of Incorporation of the Company, a ratio of distributable profit of the current year, after covering accumulated losses, shall be distributed as employees' compensation and directors' and supervisors' remuneration. The ratio shall not be lower than 6% for employees' compensation and shall not be higher than 3% for directors' and supervisors' remuneration.
- B. For the years ended December 31, 2024 and 2023, employees' compensation was accrued at \$208,093 and \$231,145, respectively; directors' and supervisors' remuneration was accrued at \$18,000 and \$8,000, respectively. The aforementioned amounts were recognised in salary expenses.
- C. The employees' compensation and directors' and supervisors' remuneration were estimated and accrued based on the distributable profit of current period for the year ended December 31, 2024 and percentage as prescribed by the Company's Articles of Incorporation. The Board of Directors resolved the actual appropriation amounts of \$208,093 and \$18,000 and appropriated in cash in March 7, 2025.
- D. Employees' compensation and directors' and supervisors' remuneration of 2023 as resolved at the Board of Directors were in agreement with those amounts recognised in the profit or loss of 2023.
- E. Information about employees' compensation and directors' and supervisors' remuneration of the Company as approved by the Board of Directors will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(30) Income tax

A. Income tax expense

(a) Components of income tax expense:

	Years ended December 31,	
	2024	2023
Current tax:		
Tax payable incurred in current year	\$ 1,484,921	\$ 1,127,199
Tax on undistributed surplus earnings	12,281	29,268
Prior year income tax under (over) estimation	13,133	(24,920)
Total current tax	<u>1,510,335</u>	<u>1,131,547</u>
Deferred tax:		
Origination and reversal of temporary differences	(27,655)	(97,068)
Total deferred tax	<u>(27,655)</u>	<u>(97,068)</u>
Income tax expense	<u>\$ 1,482,680</u>	<u>\$ 1,034,479</u>

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

	Years ended December 31,	
	2024	2023
Currency translation differences	\$ 301,390	(\$ 147,279)
Remeasurement of defined benefit obligations	7,193	3,617
	<u>\$ 308,583</u>	<u>(\$ 143,662)</u>

B. Reconciliation between income tax expense and accounting profit

	Years ended December 31,	
	2024	2023
Tax calculated based on profit before tax and statutory tax rate	\$ 1,558,847	\$ 1,626,518
Tax on undistributed surplus earnings	12,281	29,268
Effect from Alternative Minimum Tax	-	3,851
Change in assessment of realisation of deferred tax	71,702	2,335
Effect from items disallowed by tax regulation	(310,884)	(437,756)
Effects from loss carryforward	-	(128,144)
Effect from investment tax credits	(40,872)	(36,697)
Prior year income tax under (over) estimation underestimation	13,133	(24,920)
Tax losses not recognised as deferred tax assets	178,473	-
Other	-	24
Income tax expense	<u>\$ 1,482,680</u>	<u>\$ 1,034,479</u>

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

2024					
	January 1	Recognised in profit or loss	Recognised in other comprehensive income		December 31
Temporary differences:					
-Deferred tax assets:					
Loss on investments	\$ -	\$ 39,197	\$ -	\$	39,197
Bad debts expense	18,993	-	-		18,993
Impairment losses on slow-moving inventory	30,913	(13,769)	-		17,144
Unrealised exchange (loss) gain	-	47,781	-		47,781
Unrealised profit from sales	51,217	12,261	-		63,478
Currency translation differences	327,376	-	(301,390)		25,986
Tax losses	144,735	118,239	-		262,974
Others	108,627	75,118	-		183,745
Subtotal	<u>\$ 681,861</u>	<u>\$ 278,827</u>	<u>(\$ 301,390)</u>		<u>\$ 659,298</u>
-Deferred tax liabilities:					
Gain on investments	(\$ 1,067,882)	(\$ 210,635)	\$ -	(\$	1,278,517)
Unrealised exchange (loss) gain	(341)	(22,677)	-	(	23,018)
Unrealised appropriation of pension	(12,016)	4,002	-	(	8,014)
Remeasurement of defined benefit	(9,075)	-	(7,193)	(	16,268)
Others	(114,687)	(21,862)	-	(	136,549)
Subtotal	<u>(\$ 1,204,001)</u>	<u>(\$ 251,172)</u>	<u>(\$ 7,193)</u>	<u>(\$</u>	<u>1,462,366)</u>
Total	<u>(\$ 522,140)</u>	<u>\$ 27,655</u>	<u>(\$ 308,583)</u>	<u>(\$</u>	<u>803,068)</u>
2023					
	January 1	Recognised in profit or loss	Recognised in other comprehensive income	Business combination	December 31
Temporary differences:					
-Deferred tax assets:					
Bad debts expense	\$ 18,993	\$ -	\$ -	\$ -	\$ 18,993
Impairment losses on slow-moving inventory	19,381	11,532	-	-	30,913
Unrealised profit from sales	31,252	19,965	-	-	51,217
Remeasurement of defined benefit	-	-	(9,597)	-	(9,597)
Currency translation differences	180,097	-	147,279	-	327,376
Tax losses	104,127	6,464	-	34,144	144,735
Others	94,930	23,342	-	(48)	118,224
Subtotal	<u>\$ 448,780</u>	<u>\$ 61,303</u>	<u>\$ 137,682</u>	<u>\$ 34,096</u>	<u>\$ 681,861</u>
-Deferred tax liabilities:					
Gain on investments	(\$ 985,646)	(\$ 79,574)	\$ -	(\$ 2,662)	(\$ 1,067,882)
Unrealised exchange (loss) gain	(96,536)	96,195	-	-	(341)
Unrealised appropriation of pension	(12,136)	120	-	-	(12,016)
Remeasurement of defined benefit	(5,980)	-	5,980	-	-
Others	(142,786)	19,024	-	-	(123,762)
Subtotal	<u>(\$ 1,243,084)</u>	<u>\$ 35,765</u>	<u>\$ 5,980</u>	<u>(\$ 2,662)</u>	<u>(\$ 1,204,001)</u>
Total	<u>(\$ 794,304)</u>	<u>\$ 97,068</u>	<u>\$ 143,662</u>	<u>\$ 31,434</u>	<u>(\$ 522,140)</u>

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

December 31, 2024				
Year incurred	Amount filed /assessed	Unused amount	Unrecognised deferred tax assets	Expiry year
2014-2024	\$ 6,026,012	\$ 4,895,692	\$ 4,409,019	2024-2034
December 31, 2023				
Year incurred	Amount filed /assessed	Unused amount	Unrecognised deferred tax assets	Expiry year
2014-2023	\$ 3,785,045	\$ 3,547,357	\$ 2,646,822	2024-2033

E. The amounts of deductible temporary difference that are not recognised as deferred tax assets are as follows:

	December 31, 2024	December 31, 2023
Deductible temporary differences	\$ -	\$ 8,325

F. The latest year of the Company's and its domestic subsidiaries' income tax returns that have been assessed and approved by the Tax Authority is as follows:

	Status of Assessment
Power Sufficient	Assessed and approved up to 2023
The Company, Zhi De Investment, Darts, FII, FUII, FAT, DU Precision, Suntain, WCT, Shinfox, Foxwell Energy, Foxwell Power, Straight A, VA, Jing Jing, Studio A, Shinfox Natural Gas, Elegant Energy, East Rainbow Energy, Yuanshan Forest, Jiuwei Power, Guanwei Power	Assessed and approved up to 2022
Foxlink Image, PQI, Glory Science, FIT Holding	Assessed and approved up to 2021

G. The Group has applied the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.

H. The Group's exposure to Pillar Two income taxes arising from the Pillar Two legislation is as follows:

- The Group is within the scope of the Pillar Two model rules published by the Organisation for Economic Co-operation and Development (OECD).
- Since Pillar Two legislation was enacted in Vietnam, the jurisdiction in which the Group's subsidiaries are incorporated, and have come into effect since January 1, 2024, the Group has no related current tax exposure as of December 31, 2024.
- Under the Pillar Two legislation, the Group is liable to pay a top-up tax for the difference between its GloBE effective tax rate per jurisdiction and the 15% minimum rate.

(d) The Group is in the process of assessing its exposure to the Pillar Two legislation for when it comes into effect. However, due to the complexities in applying the legislation and calculating GloBE income as well as the impact of specific adjustments envisaged in the Pillar Two legislation which give rise to different effective tax rates compared to those calculated in accordance with IAS 12, the quantitative impact of the enacted or substantively enacted legislation is not yet reasonably estimable. The Group is currently engaged with tax specialists to assist it with applying the legislation.

(31) Earnings per share

	Year ended December 31, 2024		
	Amount after tax	Weighted average number of ordinary shares outstanding (share in thousands)	Earnings per share (in dollars)
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 1,687,146	462,824	\$ 3.65
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 1,687,146	462,824	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	3,873	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	\$ 1,687,146	466,697	\$ 3.62
	Year ended December 31, 2023		
	Amount after tax	Weighted average number of ordinary shares outstanding (share in thousands)	Earnings per share (in dollars)
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 1,457,132	471,542	\$ 3.09
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 1,457,132	471,542	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	4,786	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	\$ 1,457,132	476,328	\$ 3.06

(32) Transactions with non-controlling interest

- A. The Company's second-tier subsidiary, FOXWELL CERTIFICATION, increased its capital by issuing new shares in May 2024, and reserved certain shares for employee preemption in accordance with regulations. The Group's shareholding ratio was decreased by 4.50% accordingly. This transaction resulted in an increase in the non-controlling interest and the equity attributable to owners of the parent by \$1,284 and \$66, respectively.
- B. The Company's second-tier subsidiary, FIT Holding, distributed cash dividends as resolved by the shareholders during their meeting on May 27, 2024, and the transaction resulted in a decrease in the non-controlling interest in the amount of \$304,385.
- C. The Company's second-tier subsidiary, SHINFOX, distributed cash dividends as resolved by the shareholders during their meeting on May 21, 2024, and the transaction resulted in a decrease in the non-controlling interest in the amount of \$148,685.
- D. Changes in equity of the Company's second-tier subsidiary, SHINFOX, arising from the conversion of convertible bonds. The transaction resulted in an increase in non-controlling interest and the equity attributable to owners of the parent in the amount of \$805,049 and \$121,858, respectively. Refer to Note 6(16) for details.
- E. The second-tier subsidiary, Guanwei Power Co., Ltd increased its capital by issuing new shares on July 5, 2023. The Group did not acquire shares proportionally to its interest. As a result, the Group decreased its share interest by 49%. The transaction increased non-controlling interest by \$34,300. This transaction resulted in an increase in the non-controlling interest by \$34,312, and a decrease in the equity attributable to owners of the parent by \$12.

(33) Business combinations

- A. Eastern Rainbow Green Energy Environmental Technology Co., Ltd. ("Eastern Rainbow Green Energy")
 - (a) On October 6, 2023, the Group subscribed to the newly issued common shares of Eastern Rainbow Green Energy in cash amounting to \$218,020. The Group held 56.63% equity interests in Eastern Rainbow Green Energy and had control over Eastern Rainbow Green Energy after the subscription.
 - (b) The allocation of the acquisition price of Eastern Rainbow Green Energy was completed in the fourth quarter of 2023. The fair value of the identifiable intangible assets acquired and goodwill amounted to \$716 and \$9,519, respectively.
 - (c) The operating revenue included in the consolidated statement of comprehensive income since October 6, 2023 contributed by Eastern Rainbow Green Energy was \$67,503. Eastern Rainbow Green Energy also contributed loss before income tax of (\$23,557) over the same period. Had Eastern Rainbow Green Energy been consolidated from January 1, 2023, the consolidated statement of comprehensive income would show operating revenue of \$11,491,484 and gain before income tax of \$713,218, respectively.

B. Shinfox Far East Company Pte. Ltd. (“SFE”)

- (a) The Group originally held 40% equity interest in SFE before the business combination, and the Group acquired an additional 27% equity interests in SFE in cash amounting to 1,649,347 on November 6, 2023. After the acquisition, the Group totally held 67% equity interests in SFE and had control over SFE. The Group recognised gain on remeasurement of fair value amounting to \$45,025 (shown as ‘other gains and losses-gain on disposal of investment’).
- (b) The allocation of the acquisition price of SFE was completed in the fourth quarter of 2023. The fair value of the acquired goodwill amounted to \$49,878.
- (c) The operating revenue included in the consolidated statement of comprehensive income since November 6, 2023 contributed by SFE was \$522,429. SFE also contributed loss before income tax of (\$92,246) over the same period. Had SFE been consolidated from January 1, 2023, the consolidated statement of comprehensive income would show operating revenue of \$13,125,519 and loss before income tax of \$771,762, respectively.

C. The following table summarises the consideration paid for Eastern Rainbow Green Energy and the fair values of the assets acquired and liabilities assumed at the acquisition date:

	Eastern Rainbow Green Energy	SFE
Purchase consideration		
Cash paid	\$ 218,020	\$ 663,097
The fair value of the equity previously held as of the acquisition date	-	986,250
The non-controlling interest's proportionate share of the recognised amounts of acquire's identifiable net assets	159,688	787,798
	<u>377,708</u>	<u>2,437,145</u>
Fair value of the identifiable assets acquired and liabilities assumed		
Cash	273,914	225,447
Other current assets	284,856	396,034
Property, plant and equipment	38,072	2,038,523
Intangible assets	716	-
Deferred tax assets	34,144	-
Other non-current assets	9,209	14,451
Other current liabilities	(237,750)	(278,405)
Deffered tax liabilities	(2,710)	-
Other non-current liabilities	(32,262)	(8,783)
Total identifiable net assets	<u>368,189</u>	<u>2,387,267</u>
Goodwill	<u>\$ 9,519</u>	<u>\$ 49,878</u>

(34) Supplemental cash flow information

A. Investment activities with partial cash payments:

	Years ended December 31,	
	2024	2023
Purchase of property, plant and equipment	\$ 12,212,982	\$ 3,651,410
Add: Opening balance of payable on equipment	749,489	514,893
Less: Ending balance of payable on equipment	(949,080)	(749,489)
Less: Capitalisation of interest expense	(23,235)	(47,797)
Cash paid during the period	<u>\$ 11,990,156</u>	<u>\$ 3,369,017</u>
	Years ended December 31,	
	2024	2023
Disposal of investment property	\$ 285,833	\$ -
Add: Gain on disposal of assets	147,654	-
Add: Effect of foreign exchange	7,436	-
Less: Ending balance of other receivables	(224,024)	-
Cash received during the year	<u>\$ 216,899</u>	<u>\$ -</u>

- B. The Group sold 100% of shares in the subsidiary Diwei Power Co., Ltd. and Liangwei Power Co., Ltd. on December 25, 2023 and therefore lost control over the subsidiary (please refer to Note 4(3)B.(b)). The details of the consideration received from the transaction (including cash and cash equivalent) and assets and liabilities relating to the subsidiary are as follows:

	Diwei Power	Liangwei Power
Consideration received		
Cash	\$ 77,297	\$ 163,175
Carrying amount of the assets and liabilities		
Cash and Cash in banks	4,362	8,716
Other current assets	21,819	26,243
Property, plant and equipment	102,700	160,452
Short-term notes and bills payable	(76,587)	(94,490)
Other current liabilities	(16,353)	(14,501)
Total net assets	<u>\$ 35,941</u>	<u>\$ 86,420</u>

(35) Changes in liabilities from financing activities

2024						
	Short-term borrowings	Short-term notes and bills payable	Corporate bonds payable	Long-term borrowings	Lease liabilities	Liabilities from financing activities - gross
At January 1	\$ 9,890,697	\$ 4,085,520	\$ 9,437,733	\$ 18,079,707	\$ 2,158,295	\$ 43,651,952
Changes in cash flow from financing activities	(2,992,449)	430,952	(3,000,000)	24,571,669	(605,695)	18,404,477
Impact of changes in foreign exchange rate	13,953	-	-	-	95,531	109,484
Interest expense	-	-	-	-	46,219	46,219
Changes in other non-cash items	32,304	-	(868,169)	108,227	1,957,420	1,229,782
At December 31	<u>\$ 6,944,505</u>	<u>\$ 4,516,472</u>	<u>\$ 5,569,564</u>	<u>\$ 42,759,603</u>	<u>\$ 3,651,770</u>	<u>\$ 63,441,914</u>
2023						
	Short-term borrowings	Short-term notes and bills payable	Corporate bonds payable	Long-term borrowings	Lease liabilities	Liabilities from financing activities - gross
At January 1	\$ 9,550,241	\$ 1,789,159	\$ 6,582,374	\$ 16,096,464	\$ 977,569	\$ 34,995,807
Changes in cash flow from financing activities	322,197	2,467,438	2,846,277	1,951,339	(548,096)	7,039,155
Impact of changes in foreign exchange rate	(9,911)	-	-	-	(73,957)	(83,868)
Interest expense	-	-	-	-	35,274	35,274
Changes in other non-cash items	28,170	(171,077)	9,082	31,904	1,767,505	1,665,584
At December 31	<u>\$ 9,890,697</u>	<u>\$ 4,085,520</u>	<u>\$ 9,437,733</u>	<u>\$ 18,079,707</u>	<u>\$ 2,158,295</u>	<u>\$ 43,651,952</u>

7. RELATED PARTY TRANSACTIONS

(1) Names of related parties and relationship

<u>Names of related parties</u>	<u>Relationship with the Group</u>
Well Shin Technology Co., Ltd. (Well Shin)	Associate
Sharetronic Data Technology Co., Ltd. (Sharetronic)	Associate
Xunqiang Communication Technology CO., LTD. (Xunqiang)	Associate
Central Motion Picture Corporation (Central Motion Picture)	Associate
Dongguan Banrin Robot Technology Co., Ltd. (Banrin)	Associate
Synergy Co., Ltd. (Synergy)	Associate
Cheng Shin Digital Co., Ltd. (Cheng Shin Digital)	Associate (Note 1)
Chung Chia Power Co., Ltd. (Chung Chia)	Associate (Note 2)
LUMINYS SYSTEMS CORPORATION (LUMINYS)	Associate
LUMINYS SYSTEMS CANADA CORPORATION (LUMINYS CANADA)	Associate
Deepwaters Digital Support Inc. (Deepwaters)	Associate
Sharetronic Data Technology (Hong Kong) Limited	Associate
Changpin Wind Power Ltd. (Changpin)	Joint venture
Shin Hon International Investment Co., Ltd. (SHIN HON)	Other related party
Hon Hai Precision Industry Co., Ltd. (Hon Hai)	Other related party
Foxlink Taiwan Industry Co., Ltd. (Foxlink Taiwan)	Other related party

Note 1: On October 17, 2023, the Group acquired 49% equity interest in the company, and the company became a related party of the Group since that date.

Note 2: The investments in Chung Chia Power had been disposed on December 28, 2023. Thus, Chung Chia Power was no longer a related party since December 28, 2023.

(2) Significant related party transactions

A. Operating revenue

	<u>Years ended December 31,</u>	
	<u>2024</u>	<u>2023</u>
-Associates	\$ 256,279	\$ 151
-Joint ventures	515,557	133,354
-Other related parties	285,764	729,715
	<u>\$ 1,057,600</u>	<u>\$ 863,220</u>

(a) The sales price in relation to the transaction made with related parties is based on mutual agreement. All the credit terms on sales to related parties were receivable within 4 to 6 months after sales. The credit terms on sales to third parties were 30 to 120 days after monthly billing or by telegraphic transfer upon shipment of goods, except for receivables arising from the sales of tooling that are collectible upon acceptance by customers.

(b) The Group entered into contracted construction agreements with related parties and charged construction revenue and revenue from electricity sold, and the transaction price and credit

terms are the same with the market situation or the general customers.

B. Operating costs

(a) Purchase

	Years ended December 31,	
	2024	2023
Purchases of goods:		
- Associates	\$ 197,211	\$ 249,244
- Other related parties	808,350	642,049
	<u>\$ 1,005,561</u>	<u>\$ 891,293</u>

The purchase price in relation to the transaction made with related parties is based on mutual agreement. All purchases from related parties are at arm's-length. Payment period was 60 to 120 days after receipt of goods from suppliers.

(b) Construction cost

	Years ended December 31,	
	2024	2023
Construction cost		
-Other related parties	\$ 7,338	\$ 1,225

Except for construction cost which is calculated based on the construction contract entered into using market quotes, other payments of the transactions between the Group and the abovementioned related parties are calculated based on mutual agreement and paid monthly.

C. Rental revenue

	Years ended December 31,	
	2024	2023
Associates	<u>\$ 51,556</u>	<u>\$ 48,273</u>

The Group entered into rental contracts based on normal conditions with related parties and collects rents monthly based on the contracts.

D. Receivables from related parties

	December 31, 2024	December 31, 2023
Accounts receivable:		
- Associates	\$ 185,413	\$ 78,005
- Joint ventures	100,000	5,250
- Other related parties	123,559	350,624
	<u>\$ 408,972</u>	<u>\$ 433,879</u>

	December 31, 2024	December 31, 2023
Other receivables (Financing):		
- Associates (Note)	\$ -	\$ 55,000
Other receivables (Purchase on behalf of others):		
- Associates		
LUMINYS	\$ 863,615	\$ -
Others	69,022	-
Other receivables (Others):		
- Associates	\$ -	\$ 6,338
- Other related parties	148	1,481
	<u>\$ 932,785</u>	<u>\$ 62,819</u>

Note: Refer to Note 12 B.

- (a) Other receivables (Others) mainly refer to the rental income received from related parties, and the collection terms are based on mutual agreement.
- (b) For the year ended December 31, 2024, the Company's purchase on behalf of associates amounted to \$1,041,516 and \$0, respectively, which was not included in the Company's purchase and sales, and the transaction terms are 180 days after weekly billings or 180 days from invoice date.

E. Prepayments

	December 31, 2024	December 31, 2023
Prepayments:		
- Associates	<u>\$ 48,720</u>	<u>\$ -</u>

The prepayments mainly refer to the service expenses paid to related parties and the payment terms were determined based on mutual agreements.

F. Payables to related parties:

	December 31, 2024	December 31, 2023
Accounts payable:		
- Associates	\$ 55,828	\$ 69,920
- Other related parties	65,496	74,685
	<u>\$ 121,324</u>	<u>\$ 144,605</u>
Other payables (Purchase on behalf of others):		
- Associates	\$ 9,470	\$ 20,341
- Other related parties	144	-
Other payables (Others):		
- Associates	\$ 20,574	\$ -
- Other related parties	60	-
	<u>\$ 30,248</u>	<u>\$ 20,341</u>

G. Property transactions

(a) Acquisition of property, plant and equipment

	Years ended December 31,	
	2024	2023
- Associates	\$ 10,564	\$ 21,267

The Company purchased equipment from the associates and the payment terms were determined based on mutual agreements.

(b) Acquisition of property, plant and equipment (shown as “prepayments for business facilities”) (there were no such transactions as of December 31, 2023):

	Year ended December 31, 2024
- Subsidiaries	
Shin Hon	\$ 98,475

On August 12, 2024, the Company acquired land and plants in Tucheng Industrial Park from Shin Hon International Investment Co., Ltd. Total price of the contracts amounted to \$984,750 which was purchased based on normal conditions. As of December 31, 2024, the Company has prepaid \$98,475 and the remaining amount of \$886,275 will be paid on the payment date in accordance with the contracts.

(c) Acquisition of financial assets: (there were no such transactions as of December 31, 2023):

		Year ended December 31, 2024		
	Accounts	No. of shares	Objects	Consideration
Associates- Cheng Shin Digital	Investments accounted for using equity method	1,000	shares	\$ 47,946
Joint venture- Changpin	Investments accounted for using equity method	15,000	shares	150,000
				\$ 197,946

(d) Disposal of financial assets: (there were no such transactions as of December 31, 2024):

		Year ended December 31, 2023			
	Accounts	No. of shares	Objects	Proceeds	Gain/(loss)
Associates- Chung Chia	Non-current financial assets at fair value through other comprehensive income	12,000	shares	\$ 180,000	\$ 10,058

H. Lease transactions - lessee

(a) The Group leases buildings from related parties. Rental contracts are typically made for periods

of 3 years. Rents are paid at the end of the month.

(b) Acquisition of right-of-use assets:

	Years ended December 31,	
	2024	2023
Associates	\$ 5,027	\$ 28,314

(c) Lease liability

i. Outstanding balance:

	December 31, 2024	December 31, 2023
Associates	\$ 23,403	\$ 28,312
Other related parties	-	4,550
	<u>\$ 23,403</u>	<u>\$ 32,862</u>

ii. Interest expense

	Years ended December 31,	
	2024	2023
Associates	\$ 540	\$ 70
Other related parties	21	151
	<u>\$ 561</u>	<u>\$ 221</u>

I. Endorsements and guarantees provided to related parties: Refer to Note 13(1) B.

(3) Key management compensation

	Years ended December 31,	
	2024	2023
Short-term employee benefits	\$ 261,367	\$ 178,537
Post-employment benefits	4,774	2,857
Total	<u>\$ 266,141</u>	<u>\$ 181,394</u>

8. PLEGDED ASSETS

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

Pledged asset	Book value		Purpose
	December 31, 2024	December 31, 2023	
Property, plant and equipment	\$ 8,737,633	\$ 1,278,790	Short-term notes and bills, short-term borrowings, long-term borrowings and debt mortgage guarantee
Right-of-use assets	-	23,491	Debt mortgage guarantee
Restricted deposits and time deposits-current (shown as "Financial assets at amortised cost-current")	6,975,210	2,080,672	Customs deposit, guarantee for L/C issued for purchases of materials, government grants coupon trust, construction performance security deposit, short-term borrowings and guaranteed bill
Refundable deposits (shown as "Other current assets")	998,994	1,001,654	Construction performance security deposit and performance security deposit
Restricted deposits and time deposits-non-current (shown as "Financial assets at amortised cost-non-current")	615,385	408,261	Reserve account, performance security deposit and guarantee for land lease and bonds
Refundable deposits (shown as "Other non-current assets")			Customs deposit, plant deposit, rental performance security deposit, security deposit and electrical energy performance security deposit
	777,270	609,687	
	<u>\$ 18,104,492</u>	<u>\$ 5,402,555</u>	

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNISED CONTRACT COMMITMENTS

(1) Contingencies

A. The Group's second-tier subsidiary, Shih Fong Power Co., Ltd. ("Shih Fong"), carried out the "Shih Fong Power's FongPing River and Its Tributary Hydroelectric Project" (the "Project") in Hualien County and planned to build a weir in FongPing River for hydropower plants to generate electricity. Since 2000, the Company has successively obtained the permit to build the infrastructure as an electricity enterprise and the work permit to operate power generation equipment as an electricity enterprise (the "Work Permit"). As the construction was unable to be completed on time, an extension was applied for according to the law year by year and the Work Permit was obtained as approved and issued by the Ministry of Economic Affairs. Certain litigations that ensued during the period of application for the renewal of the Work Permit were as follows:

(a) Administrative appeal

The local indigenous peoples (the "Petitioners") filed a petition on May 14, 2021 with the

Administrative Appeals Committee of the Executive Yuan (AAC), requesting “the suspension of the Project” and “the revocation of work permit in 2021 issued by the Ministry of Economic Affairs”. Regarding the dispute with the former, the administrative appeal was dismissed from the AAC on May 31, 2021; and regarding the dispute with the latter, the decision of administrative appeal was rendered by the AAC on March 3, 2022 and the original administrative action was revoked.

In accordance with the decision of the AAC, the Ministry of Economic Affairs sent a letter to Shih Fong on March 10, 2022, ordering it to consult and obtain consent and participation from the indigenous peoples or tribes. Shih Fong disagreed with the judgement and filed an administrative litigation according to the law on April 29, 2022, requesting the Executive Yuan to revoke the decision of administrative appeal of Shih Fong’s Work Permit in 2021. The case trial had been initiated by the court on November 9, 2022, and the case was dismissed by the Taipei High Administrative Court on March 14, 2024.

(b) Administrative litigation

The Petitioners disagreed with the decision of dismiss on May 31, 2021 by the AAC and filed an administrative litigation with the Taipei High Administrative Court (THAC). On December 3, 2021, the THAC rendered a judgement that the Project is suspended until the administrative litigation is finalised. The Ministry of Economic Affairs and Shih Fong disagreed with the abovementioned judgement and filed a counterappeal with the Supreme Administrative Court (SAC). On March 31, 2022, the SAC revoked the original verdict, excluding certain final judgements.

However, in order to conduct the construction smoothly in the future and respect the will of local people, Shih Fong sent a letter to the Zhuoxi Township Office on April 7, 2022, requesting it to consult and obtain consent from the tribes. Shih Fong completed relevant tribal consultation and obtained a majority of consent in December 2022 and sent a letter to the Bureau of Energy to report the results of the tribal consultation. The Company had obtained the renewal Work Permit in 2021 and 2022 in December 2022 and the Work Permit in 2023 was renewed by the Ministry of Economic Affairs in February 2023 which will be valid until December 31, 2023. However, the Petitioners disagreed with the issuance of the Work Permit in 2023 by the Ministry of Economic Affairs and requested for a suspension until the administrative litigation is finalised. On September 28, 2023, the Supreme Court issued a ruling that “the execution shall be stayed until the administrative litigation is concluded and the certain litigation expenses shall all be abandoned.” The Petitioners disagreed with the decision of dismiss on February 6, 2024 by the AAC and filed an administrative litigation with the THAC. The court’s verdict is still pending as of March 6, 2025.

Shih Fong had obtained the renewal Work Permit between 2024 and 2026 in February 2024 which will be valid until December 31, 2026. However, the Petitioners disagreed with the

issuance of the Work Permit in 2024 by the Ministry of Economic Affairs and requested for a suspension and revocation of the issuance of the Work Permit in 2024 until the administrative litigation is finalised. The Petitioners of the aforementioned case disagreed with the decision to dismiss on August 5, 2024 by the AAC and filed an administrative litigation with the THAC. The case is under the judgement of the AAC. The court's verdict is still pending as of March 11, 2025.

- B. The Group's subsidiary, Fugang Electric (Maanshan) Co., Ltd. ("FG MAANSHAN"), has a lawsuit with Maanshan Economic and Technological Development Zone Construction Investment Co., Ltd. On November 19, 2021, Ma'anshan Intermediate People's Court in Anhui Province rendered a first-instance decision pursuant to the Articles 201 and 206 of "Contract Law of The People's Republic of China", Articles 26 and 53 of "Guarantee Law of The People's Republic of China", Article 26 of "Provisions of the Supreme People's Court on Certain Issues concerning Application of Law in Trial of Cases involving Private Lending" and Article 142 of "Administrative Procedure Law of the People's Republic of China", and affirmed that FG MAANSHAN shall pay principal amounting to RMB 274,450 thousand and interest amounting to RMB 139,488.9 thousand, based on the principal agreed in the court's judgement and interest calculated until the date when the principal is fully repaid, to Maanshan Economic and Technological Development Zone Construction Investment Co., Ltd. within 30 days from the effective date of this judgement. If the payments are not repaid on time, Maanshan Economic and Technological Development Zone Construction Investment Co., Ltd. has the priority right to obtain compensation by converting the properties pledged by FG MAANSHAN into cash or seek preferential payments from the proceeds from the auction or sale of the properties concerned.

On December 7, 2021, FG MAANSHAN filed a second instance appeal with the Higher People's Court of Anhui Province to request to modify or remand the decision according to the first instance. Trials of the case had been initiated by the Higher People's Court of Anhui Province on May 11, 2022. On October 14, 2022, FG MAANSHAN and Maanshan Economic and Technological Development Zone Construction Investment Co., Ltd. signed the settlement agreement, and on October 18, 2022, both parties reached a settlement in Anhui Ma'anshan Intermediate People's Court. Based on the agreement, FG MAANSHAN should repay the borrowing principal from Maanshan Economic and Technological Development Zone Construction Investment Co., Ltd. in the amount of RMB 31.44 million before October 31, 2022. The residual of RMB 333.96 million should be repaid by using right-of-use assets, property and all buildings and affiliated facilities in relation to property on the accounts of FG MAANSHAN, and the actual written transfer procedures should be completed before January 20, 2023. Because of the settlement agreement, FG MAANSHAN was responsible for the loss on disposal of assets transferred and indemnity in the amount of RMB 179.25 million (accounted as other gains and losses in 2022). As of December 31, 2023, the Company had transferred the properties and land use rights based on the contract.

However, due to a procedural problem, certain properties and use rights (approximately RMB 69.92 million) would be transferred after the completion of the procedure based on mutual agreement. As of January 22, 2024, the procedure was completed.

On March 17, 2022, Fugang Electric (Maanshan) Co., Ltd. filed an administrative litigation with the Ma'anshan Intermediate People's Court in Anhui Province against the People's Government of Ma'anshan Municipality, the Administrative Committee of Ma'anshan Economic and Technological Development Zone and Maanshan Economic and Technological Development Zone Construction Investment Co., Ltd. pursuant to Article 12 of the "Administrative Procedure Law of the People's Republic of China". Fugang Electric (Maanshan) Co., Ltd., received the dismissal of the administrative litigation by the Ma'anshan Intermediate People's Court in Anhui Province on May 6, 2022 and filed an appeal to the Ma'anshan Higher People's Court in Anhui Province on May 13, 2022. The administrative litigation has been filed as a case by the Ma'anshan Higher People's Court in Anhui Province on July 6, 2022. Additionally, on August 8, 2022, the Ma'anshan Higher People's Court in Anhui Province denied the appeal and upheld the original administrative litigation. According to the judgement, on August 24, 2022, FG MAANSHAN filed a motion for a retrial with Supreme People's Court, and on October 10, 2022, the case had been filed. Because the litigants had reached a settlement, on October 31, 2022, FG MAANSHAN withdrew the motion.

- C. The Group's second-tier subsidiary, Foxwell Energy Corporation Ltd. ("Foxwell Energy"), entered into a 'Transportation and Installment Contract of Wind Turbines in Wind Farm Site No. 26' with a Singapore contractor, Teras Offshore Pte. Ltd. As the contractor failed to submit the essential documents within the time frame prescribed in the contract, Foxwell Energy has the right to revoke the contract and has notified the contractor in writing of the termination of the contract. After receiving the written notice from Foxwell Energy, the contractor entrusted a lawyer on December 11, 2021 to request for compensation from Foxwell Energy, and state that it will refer the matter to arbitration if the compensation is not paid. On December 24, 2021, Foxwell Energy also appointed a lawyer to send a letter stating that it was a lawful termination of the contract and it reserves the right to claim compensation from the contractor. As of March 11, 2025, Foxwell Energy has not yet received the notice of arbitration submitted by the contractor to the arbitration institution, and the termination of the contract has no impact on the original construction contract and subsequent performance obligations.
- D. On August 13, 2020, the Group's second-tier subsidiary, Foxwell Energy, entered into an equipment procurement contract and an operation and maintenance contract with Taiwan Power Company for the Phase II of Taipower's Offshore Wind Power Project and the "Wind Farm Property Procurement and Installation Project" amounting to \$56,588,000 and \$6,300,000, respectively. The terms of the equipment procurement contract specifies that Foxwell Energy shall complete the foundation construction for wind turbine generator system and offshore substation

as of September 30, 2024, shall complete all wind turbine generator system which shall be under the security constrained dispatch process as of September 30, 2025, shall complete the whole construction as of December 31, 2025 and shall provide 2-year warranties from the date of completion and acceptance of the whole construction. In addition, the equipment shall provide guaranteed generating capacity. The performance term of this project is divided into stages progress and the final completion deadline. The default penalty shall be computed until the termination date of the contract according to each stage of the project. The operation and maintenance contract specifies the terms such as the guaranteed annual availability and default penalty of all wind turbine generator system as well as the relevant rights and obligations of both parties. The contract period is 5 years from the time when all wind turbine generator system are under the security constrained dispatch process. However, Foxwell Energy began construction in June 2024 with the completion of the heavy lift vessels, the project encountered consecutive typhoons and sudden strong winds that damaged the crane of the heavy lift vessels, necessitating repairs back at Taichung Port. This affected the installation schedule of the substructures for wind turbine. Since Foxwell Energy took on the contract, global inflation, rate hike, wars and other force majeure or uncontrollable events have led to increase international offshore wind power costs and a shortage of the large construction vessels. Therefore, Foxwell Energy Co., Ltd. had applied for an extension of the completion deadline to Taiwan Power Company (“Taiwan Power”) in accordance with the contract terms and legal provisions in September 2024. Due to the abovementioned reasons, although the stages of progress of this case have been slightly delayed, Foxwell Energy accelerated the offshore construction work to catch up the construction work based on the actual grasp of the weather condition, which was set as the priority goal. Under the management’s assessment, the construction is still expected to be completed as scheduled on the final completion deadline, therefore currently, there is no reason that may cause significant compensation loss arising from the delay of the whole construction.

- E. The Group’s subsidiary, Foxlink International, Inc. (“Foxlink”), originally has a lawsuit with Azooca, Inc (“Azooca”). Azooca filed a lawsuit against Foxlink on February 9, 2021 and claimed a compensation of US\$6 million for the development of interactive game product in 2015. Foxlink filed a counterclaim on March 15, 2021 and requested a compensation of US\$821,800. However, on August 25, 2023, the parties entered into a settlement agreement and the related litigation was revoked by both parties, thus the litigation was concluded.
- F. The Group’s second-tier subsidiary, Elegant Energy TECH Co., Ltd., was commissioned by VAI Renewables Co., Ltd. (“VAI Renewables”) to develop a wind farm. However, in July 2022, Air Force Command Headquarters refused to give the consent to the development of the wind farm while obtaining the approve from military control authorities, VAI Renewables terminated the development contract in May 2023 and filed a claim for reimbursement to Elegant Energy TECH Co., Ltd. for approximately \$33,593. As of March 11, 2025, the case was still in the process of

conclusion of the preparatory proceeding for the first trial and the trial has not yet been held. According to the management's assessment, the case should have a favorable outcome based on the opinion of the lawyer, as Elegant Energy TECH Co., Ltd. has already handed over the relevant documents to VAI Renewables according to the contract, and there is no objective impossibility of performance or the breach of contract, so the Company did not estimate the relevant losses that may be incurred in the litigation.

(2) Commitments

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

	December 31, 2024	December 31, 2023
Equipment purchase contract		
Contract price	\$ 9,198,967	\$ 13,699,861
Outstanding amount	\$ 6,205,037	\$ 9,989,437
	December 31, 2024	December 31, 2023
Construction contract		
Contract price	\$ 44,118,469	\$ 44,455,932
Outstanding amount	\$ 17,133,155	\$ 28,075,259

B. Please refer to Note 7(2) G (b) for the details of commitments between the Company and related parties.

C. As of December 31, 2024 and 2023, the letters of guarantee to be issued by the bank, which are required for contracting the Phase II of Taipower's Offshore Wind Power Project, the "Wind Farm Property Procurement and Installation Project", amounted to \$0 and \$5,400,000, respectively, of which the amounts of bank deposits and time deposits pledged by the Group to the banks (shown "as financial assets at amortised cost") were \$5,414,904 and \$1,620,000, respectively, the actual drawdown amounts of endorsements and guarantees provided by the Group's second-tier subsidiary, Shinfox Energy Co., Ltd., were \$0 and \$3,780,000, respectively, and the amounts of collateral pledged by using the letters of guarantee issued by the subcontractor were \$0 and \$1,608,370, respectively. As of December 31, 2024 and 2023, the endorsement/guarantee amounts of credit line guaranteed by using the letters of guarantee issued by the subcontractor were \$3,832,012 and \$0, respectively.

D. Except as described in Note 9(2) D, the Group's second-tier subsidiary, Shinfox Energy Co., Ltd., provided performance guarantee on the subcontracted construction and the credit line on the guaranteed amount to the Group's second-tier subsidiary, Foxwell Energy Corporation Ltd., amounting to \$ 29,289,654 and \$19,786,950 as of December 31, 2024 and 2023, respectively.

E. As of December 31, 2024 and 2023, apart from the significant construction contracts in Note 6(22), the letters of guarantee to be issued by the bank, which are required for contracted construction, agreements of purchasing renewable energy, group guarantees and operations of land lease for commercial port facilities amounted to \$453,584 and \$150,519, respectively.

- F. The Group's second-tier subsidiary, Shinfox Energy, entered into an operation and maintenance contract with customers for wind turbine generator system and solar energy equipment. The contract specifies the terms such as the bonus and penalty of operation and maintenance which are calculated based on ceiling and floor guaranteed generating capacity as well as the relevant rights and obligations of both parties. The contract period is for 20 years from the parallel connection date.
- G. The Group's second-tier subsidiary, Foxwell Power Co., Ltd., entered into a renewable energy purchase contract with the electricity enterprise. The yearly minimum purchase quantity and price were agreed in the contract. If the Group did not purchase the agreed quantity of electricity according to the contract, the Group had default obligations. As of December 31, 2024, the Group has no default arising from this contract.
- H. The Group's second-tier subsidiary, Foxwell Power Co., Ltd., entered into renewable energy sales contracts with power customers. The performance period of power sales and the committed yearly minimum power sales were agreed in the contract. If the Group did not provide the agreed quantity of electricity according to the contract, the Group had default obligations. As of December 31, 2024, the Group has no default arising from this contract.

10. SIGNIFICANT DISASTER LOSS

The plant of the Group's subsidiary, Foxlink India Electric Private Limited, in Tirupati, India sustained a fire damage on February 27, 2023, resulting in losses on certain equipment and inventories. The disaster losses on the equipment and inventories amounted to \$249,584 and \$302,830, respectively, totalling \$552,414. For the aforementioned loss on the fire, the amount of claim that can be obtained from the insurance company is \$520,642 and the relevant loss and estimated insurance claim income will be shown as 'other gains and losses'.

11. SIGNIFICANT SUBSEQUENT EVENTS

- (a) Details of the appropriation of 2024 earnings as resolved by the Board of Directors on March 7, 2025 are provided in Note 6(21).
- (b) On March 7, 2025, the Company's Board of Directors resolved to acquire 100% of the shares of NANOSHIELD TECHNOLOGY CO., LTD. from Zheng Fa Investment Co., LTD. for NT\$10 million. In addition, the Company invested NT\$290 million in the entity as working capital. After the capital increase, the share capital of NANOSHIELD TECHNOLOGY CO., LTD. was NT\$300 million and the entity was renamed as "MICROLINK COMMUNICATIONS INC."
- (c) On March 7, 2025, the Company's Board of Directors resolved to increase its investment in India in order to expand its scale of business and to cooperate with the market and customer needs. The Company increased its capital in its wholly-owned subsidiary, Fu Uei International Investment Ltd., by NT\$700 million, and then increased its capital in the subsidiary in South India, FOXLINK INDIA ELECTRIC PRIVATE LIMITED, by US\$20 million through Fu Uei International Investment Ltd.

- (d) In response to the rapid growth of customers in DATA CENTER market, the Company's Board of Directors resolved to increase its capital in FOXLINK ARIZONA INC. by US\$10 million as the fund for the subsidiary to purchase equipment and broaden its working capital on March 7, 2025. After the capital increase, the Company's accumulated amount of investment in the entity was US\$40 million.
- (e) On November 8, 2024, the Company's second-tier subsidiary, Shinfox, resolved by the Board of Directors to acquire 50% equity interests in Synergy Co., Ltd., and on January 21, 2025, the Company increased its capital in the amount of \$800,010. As of March 6, 2025, the registration of the capital increase has not yet been completed.
- (f) Due to the Company's operation plan, the Company's Board of Directors resolved to transfer the cable laying vessel from the Company's second-tier subsidiary, SFE, to the Company's second-tier subsidiary, SFET, in the amount of US\$45,000 thousand on January 7, 2025.
- (g) As of March 6, 2025, due to the Tainan City Government's difficulties in modifying the business plan of Tree Valley Park and complete the preliminary application for the construction of the gas-fired power plant, the Company's second-tier subsidiary, Jiuwei Power, and the lessor of Tree Valley Park terminated the lease agreement on February 27, 2025, due to force majeure factors. The Company's second-tier subsidiary, Jiuwei Power, and Taiwan Power Company continued to negotiate the way to proceed with the gas-fired power plant and to find another site for the plant.
- (h) On March 3, 2025, the Board of Directors of the Company's second-tier subsidiary, Foxlink Image, resolved to acquire 6.67% of the equity interest of the Company's second-tier subsidiary, Shinfox, totaling 18,332 thousand shares. The estimated investment amount was \$1,466,522.
- (i) To increase the working capital and introduce strategic investors, the Board of Directors of the Company's subsidiary, Foxwell Power, on March 4, 2025 adopted a resolution to raise additional cash through private placement. Within the limit of 15,000 thousand shares and depending on the capital market conditions, the Board of Directors was authorised to increase the capital by issuing ordinary shares through private placement, in full or installments, starting from the day of shareholders' meeting within one year, which has not yet been resolved by the shareholders as of March 11, 2025.

12. OTHERS

(1) Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. The Group monitors capital on the basis of the actual financial condition.

(2) Financial instruments

A. Financial instruments by category

	December 31, 2024	December 31, 2023
<u>Financial assets</u>		
Financial assets at fair value through profit or loss		
Financial assets mandatorily measured at fairvalue through profit or loss	\$ 4,074	\$ 5,167
Financial assets at fair value through other comprehensive income		
Designation of equity instrument	\$ 1,375,321	\$ 1,345,307
Financial assets at amortised cost/loans and receivables		
Cash and cash equivalents	17,806,585	14,844,796
Financial assets at amortised cost	9,204,629	3,619,239
Notes receivable	33,510	53,933
Accounts receivable	17,071,351	18,142,817
Other receivables	1,485,852	509,659
Guarantee deposits paid	1,776,264	1,611,341
	<u>\$ 47,378,191</u>	<u>\$ 38,781,785</u>
<u>Financial liabilities</u>		
Financial liabilities at amortised cost		
Short-term borrowings	\$ 6,944,505	\$ 9,890,697
Short-term notes and bills payable	4,516,472	4,085,520
Notes payable	8,102	32,677
Accounts payable	16,033,560	15,914,236
Other accounts payable	7,042,795	5,766,392
Corporate bonds payables (including current portion)	5,569,564	9,437,733
Long-term borrowings (including current portion)	42,759,603	18,079,707
Guarantee deposits received	49,996	56,801
	<u>\$ 82,924,597</u>	<u>\$ 63,263,763</u>
Lease liability	<u>\$ 3,651,770</u>	<u>\$ 2,158,295</u>

B. Risk management policies

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

derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

C. Significant financial risks and degrees of financial risks

(a) Market risk

Foreign exchange risk

- i. The Group operates internationally and is exposed to exchange rate risk arising from the transactions of the Company and its subsidiaries used in various functional currency, primarily with respect to the USD and RMB. Exchange rate risk arises from future commercial transactions and recognised assets and liabilities.
- ii. Management has set up a policy to require group companies to manage their foreign exchange risk against their functional currency. The companies are required to hedge their entire foreign exchange risk exposure with the Group treasury. Exchange rate risk is measured through a forecast of highly probable USD and RMB expenditures. Forward foreign exchange contracts are adopted to minimise the volatility of the exchange rate affecting cost of forecast inventory purchases.
- iii. The Group hedges foreign exchange rate by using forward exchange contracts. However, the Group does not adopt hedging accounting. Details of financial assets or liabilities at fair value through profit or loss are provided in Note 6(2).
- iv. The Group's businesses involve some non-functional currency operations (the Company's and certain subsidiaries' functional currency: NTD; other certain subsidiaries' functional currency: RMB and HKD). The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

	December 31, 2024		
	Foreign currency		
	amount		Book value
	(In thousands)	Exchange rate	(NTD)
(Foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	\$ 443,445	32.79	\$ 14,538,344
RMB:NTD	70,791	4.48	317,002
HKD:NTD	48,765	4.22	205,886
EUR:NTD	478	34.14	16,319
JPY:NTD	65,395	0.21	13,726
USD:RMB	23,311	7.19	764,257
HKD:RMB	3,074	0.93	12,978
USD:HKD	84	7.77	2,754
RMB:HKD	76,926	1.08	344,475
<u>Non-monetary items</u>			
RMB:USD	\$ 51,695	0.14	\$ 231,491
RMB:HKD	565,370	1.08	2,531,726
INR:USD	105,074	0.01	40,233
HKD:NTD	53,783	4.22	227,072
VND:NTD	509,933,846	0.0013	662,914
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	\$ 266,649	32.79	\$ 8,742,087
RMB:NTD	7,048	4.48	31,561
HKD:NTD	1,674	4.22	7,068
EUR:NTD	313	34.14	10,686
JPY:NTD	51,415	0.21	10,792
USD:RMB	12,608	7.19	413,353
USD:HKD	890	7.77	29,179
RMB:HKD	3	1.08	13

December 31, 2023				
	Foreign currency			Book value
	amount	Exchange rate		
	(In thousands)			(NTD)
(Foreign currency: functional currency)				
<u>Financial assets</u>				
<u>Monetary items</u>				
USD:NTD	\$ 478,365	30.71	\$	14,690,589
RMB:NTD	80,980	4.33		350,643
HKD:NTD	46,424	3.93		182,446
EUR:NTD	832	33.98		28,271
JPY:NTD	11,793	0.22		2,594
USD:RMB	20,178	7.10		619,666
HKD:RMB	3,065	0.91		12,045
USD:HKD	102	7.82		3,132
<u>Non-monetary items</u>				
USD:NTD	\$ 392	30.71	\$	12,048
RMB:USD	53,728	0.14		232,644
RMB:HKD	405,575	1.08		1,756,140
INR:USD	99,018	0.01		37,627
HKD:NTD	57,779	3.93		227,072
<u>Financial liabilities</u>				
<u>Monetary items</u>				
USD:NTD	\$ 291,432	30.71	\$	8,949,877
RMB:NTD	575	4.33		2,490
HKD:NTD	638	3.93		2,507
EUR:NTD	688	33.98		23,378
JPY:NTD	53,583	0.22		11,788
USD:RMB	31,120	7.10		955,695
USD:HKD	378	7.82		11,609

- v. The total exchange gain (loss), including realised and unrealised, arising from significant foreign exchange variation on the monetary items held by the Group for the years ended December 31, 2024 and 2023 amounted to \$582,668 and (\$34,063), respectively.

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

Year ended December 31, 2024				
Sensitivity Analysis				
	Degree of variation		Effect on profit or loss	Effect on other comprehensive income
(Foreign currency: functional currency)				
<u>Financial assets</u>				
<u>Monetary items</u>				
USD : NTD	1%	\$	145,383	\$ -
RMB : NTD	1%		3,170	-
HKD : NTD	1%		2,059	-
EUR : NTD	1%		163	-
JPY : NTD	1%		137	-
USD : RMB	1%		7,643	-
HKD : RMB	1%		130	-
USD : HKD	1%		28	-
RMB : HKD	1%		3,445	-
<u>Financial liabilities</u>				
<u>Monetary items</u>				
USD : NTD	1%	\$	87,421	\$ -
RMB : NTD	1%		316	-
HKD : NTD	1%		71	-
EUR : NTD	1%		107	-
JPY : NTD	1%		108	-
USD : RMB	1%		4,134	-
USD : HKD	1%		292	-
RMB : HKD	1%		-	-

	Year ended December 31, 2023		
	Sensitivity Analysis		
	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
(Foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD : NTD	1%	\$ 146,906	\$ -
RMB : NTD	1%	3,506	-
HKD : NTD	1%	1,824	-
EUR : NTD	1%	283	-
JPY : NTD	1%	26	-
USD : RMB	1%	6,197	-
HKD : RMB	1%	120	-
USD : HKD	1%	31	-
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD : NTD	1%	\$ 89,499	\$ -
RMB : NTD	1%	25	-
HKD : NTD	1%	25	-
EUR : NTD	1%	234	-
JPY : NTD	1%	118	-
USD : RMB	1%	9,557	-
USD : HKD	1%	116	-

Price risk

- i. The Group's equity securities, which are exposed to price risk, are the held financial assets at fair value through other comprehensive income. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.
- ii. The Group's investments in equity securities comprise domestic or foreign listed and unlisted stocks. The prices of equity securities would change due to the change of the future value of investee companies. If the prices of these equity securities had increased/decreased by 1% with all other variables held constant. Other components of equity for the years ended December 31, 2024 and 2023 would have increased by \$11,003 and \$10,762, respectively, as a result of gains/losses on equity securities other comprehensive income classified as equity investment at fair value through other comprehensive income.

Cash flow and fair value interest rate risk

- i. The Group's main interest rate risk arises from short-term and long-term borrowings with variable rates, which expose the Group to cash flow interest rate risk. The Group's interest rates of borrowings are fixed and floating rate. For the years ended December 31, 2024 and

2023, the Group's borrowings issued by floating rate are priced in New Taiwan dollars and US dollar.

- ii. As of December 31, 2024 and 2023, if interest rates on borrowings at that date had been 1% lower/higher with all other variables held constant, post-tax profit for the years ended December 31, 2024 and 2023 would have been \$433,765 and \$256,447 lower/higher, respectively, mainly as a result of higher interest expense on floating rate borrowings.

(b) Credit risk

- i. Credit risk refers to the risk of financial loss to the Group arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is that counterparties could not repay in full the accounts receivable based on the agreed terms.
- ii. According to the Group's credit policy, each local entity in the Group is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Board of Directors. The utilisation of credit limits is regularly monitored.
- iii. Group treasury manages credit risk of cash in banks and other financial instruments based on the Group's credit policy. Because the Group's counterparties are determined based on the Group's internal control, only rated banks with an optimal rating and financial institutions with investment grade are accepted.
- iv. The Group adopts following assumptions under IFRS 9 to assess whether there has been a significant increase in credit risk on that instrument since initial recognition. If the contract payments were past due over 30 days based on the terms, there has been a significant increase in credit risk on that instrument since initial recognition.

The Group adopts the assumptions under IFRS 9 and considers the industry characteristics, the default occurs when the contract payments are past due over 120 days.

- v. The following indicators are used to determine whether the credit impairment of debt instruments has occurred:
 - (i) It becomes probable that the issuer will enter bankruptcy or other financial reorganisation due to their financial difficulties;
 - (ii) Default or delinquency in interest or principal repayments;
 - (iii) Adverse changes in national or regional economic conditions that are expected to cause a default.
- vi. The Group classifies customers' accounts receivable in accordance with customer types. The Group applies the simplified approach using provision matrix to estimate expected credit loss under the provision matrix basis.

vii. The Group used the forecast ability of Taiwan Institute of Economic Research boom observation report to adjust historical and timely information to assess the default possibility of accounts receivable. As of December 31, 2024 and 2023, the provision matrix is as follows:

(a) General clients

	Not past due	Up to 30 days past due	31~120 days past due	Over 120 days	Total
<u>December 31, 2024</u>					
Expected loss rate	0.03%~0.98%	0.03%~21.84%	0.03%~66.59%	100%	
Total book value	\$ 16,002,831	\$ 539,281	\$ 181,934	\$ 12,367	\$ 16,736,413
Loss allowance	\$ 21,338	\$ 23,162	\$ 17,167	\$ 12,367	\$ 74,034
	Not past due	Up to 30 days past due	31~120 days past due	Over 120 days	Total
<u>December 31, 2023</u>					
Expected loss rate	0.00%~4.41%	0.00%~13.56%	0.30%~46.01%	100%	
Total book value	\$ 16,959,836	\$ 634,671	\$ 162,334	\$ 21,940	\$ 17,778,781
Loss allowance	\$ 3,176	\$ 41,706	\$ 3,021	\$ 21,940	\$ 69,843

(b) Other receivables - individual provision (with individual objective evidence showing that other receivables were impaired) (there were no such transactions as of December 31, 2023)

	<u>December 31, 2024</u>
Expected loss rate	100%
Total book value	\$219,306
Loss allowance	219,306

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

	<u>2024</u>		<u>2023</u>
	<u>Accounts receivable</u>	<u>Others receivable</u>	<u>Accounts receivable</u>
	<u>Collectively assessed impairment loss</u>	<u>Individually assessed impairment loss</u>	<u>Collectively assessed impairment loss</u>
At January 1	\$ 69,843	\$ -	\$ 126,750
Provision for impairment loss	3,005	219,306	-
Reversal of impairment loss	-	-	(56,739)
Effect of foreign exchange	1,186	-	(168)
At December 31	<u>\$ 74,034</u>	<u>\$ 219,306</u>	<u>\$ 69,843</u>

(c) Liquidity risk

- i. Cash flow forecasting is performed in the operating entities of the Group and aggregated by Group treasury. Group treasury monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs.
- ii. The table below analyses the Group's non-derivative financial liabilities and net-settled or gross-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date for non-derivative financial liabilities and to the expected maturity date for derivative financial liabilities. Except that the carrying amounts of notes payable, accounts payable and other payables are approximate to the amounts of contractual undiscounted cash flows and those accounts will expire within a year, the amounts of financial liabilities disclosed in the table are the contractual undiscounted cash flows:

Non-derivative financial liabilities:

	Less than 1 year	Between 1 and 2 years	Between 2 and 3 years	Between 3 and 5 years	Over 5 years
December 31, 2024					
Short-term borrowings	\$ 7,130,945	\$ -	\$ -	\$ -	\$ -
Short-term notes and bills payable	4,523,200	-	-	-	-
Lease liabilities	554,088	454,033	350,891	667,822	2,263,537
Long-term borrowings (including current portion)	2,042,318	31,641,603	3,247,135	7,859,604	33,597
Corporate bonds payable (including current portion)	3,617,656	2,031,800	-	-	-

Non-derivative financial liabilities:

	Less than 1 year	Between 1 and 2 years	Between 2 and 3 years	Between 3 and 5 years	Over 5 years
December 31, 2023					
Short-term borrowings	\$ 9,955,096	\$ -	\$ -	\$ -	\$ -
Short-term notes and bills payable	4,265,200	-	-	-	-
Lease liabilities	420,078	368,855	300,463	488,230	776,444
Long-term borrowings (including current portion)	585,400	15,631,240	2,193,169	176,206	58,909
Corporate bonds payable (including current portion)	3,064,196	3,617,656	3,000,000	-	-

- iii. The Group does not expect the timing of occurrence of the cash flows estimated through the maturity date analysis will be significantly earlier, nor expect the actual cash flow amount will be significantly different.

(3) Fair value information

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

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

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

Level 3: Unobservable inputs for the asset or liability. The fair value of the Group's investment in non-hedging derivatives is included in Level 3.

B. Fair value information of investment property at cost is provided in Note 6(11).

C. Financial instruments not measured at fair value

Except for those listed in the table below, the carrying amounts of cash and cash equivalents, notes receivable, accounts receivable, other receivables, short-term borrowings, short-term notes and bills payable, notes payable, accounts payable, other payables and long-term borrowings are approximate to their fair values.

		December 31, 2024			
		Fair value			
	Book value	Level 1	Level 2	Level 3	
Financial liabilities:					
Bonds payable	\$ 5,569,564	\$ -	\$ 5,559,415	\$ -	
		December 31, 2023			
		Fair value			
	Book value	Level 1	Level 2	Level 3	
Financial liabilities:					
Bonds payable	\$ 9,437,733	\$ -	\$ 9,437,733	\$ -	

D. The related information of financial and non-financial instruments measured at fair value by level on the basis of the nature, characteristics and risks of the assets and liabilities is as follows:

December 31, 2024	Level 1	Level 2	Level 3	Total
Assets				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through profit or loss				
Equity securities	\$ 1,433	\$ -	\$ -	\$ 1,433
Financial assets at fair value through other comprehensive income				
Equity securities	370,123	-	1,005,198	1,375,321
Embedded derivatives				
Put options of convertible bonds	-	2,641	-	2,641
	<u>\$ 371,556</u>	<u>\$ 2,641</u>	<u>\$ 1,005,198</u>	<u>\$ 1,379,395</u>

December 31, 2023	Level 1	Level 2	Level 3	Total
Assets				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through profit or loss				
Equity securities	\$ 1,267	\$ -	\$ -	\$ 1,267
Financial assets at fair value through other comprehensive income				
Equity securities	321,535	-	1,023,772	1,345,307
Embedded derivatives				
Put options of convertible bonds	-	3,900	-	3,900
	<u>\$ 322,802</u>	<u>\$ 3,900</u>	<u>\$ 1,023,772</u>	<u>\$ 1,350,474</u>

E. The methods and assumptions the Group used to measure fair value are as follows:

- (a) The instruments the Group used market quoted prices as their fair values (that is, Level 1) are listed below by characteristics:

	<u>Listed shares</u>
Market quoted price	Closing price

- (b) Except for financial instruments with active markets, the fair value of other financial instruments is measured by using valuation techniques or by reference to counterparty quotes.
- (c) When assessing non-standard and low-complexity financial instruments, for example, debt instruments without active market, interest rate swap contracts, foreign exchange swap contracts and options, the Group adopts valuation technique that is widely used by market participants. The inputs used in the valuation method to measure these financial instruments are normally observable in the market.
- (d) The valuation of derivative financial instruments is based on valuation model widely accepted by market participants, such as present value techniques and option pricing models. Forward exchange contracts are usually valued based on the current forward exchange rate.
- (e) The output of valuation model is an estimated value and the valuation technique may not be able to capture all relevant factors of the Group's financial and non-financial instruments. Therefore, the estimated value derived using valuation model is adjusted accordingly with additional inputs. In accordance with the Group's management policies and relevant control procedures relating to the valuation models used for fair value measurement, management believes adjustment to valuation is necessary in order to reasonably represent the fair value of financial and non-financial instruments at the consolidated balance sheet. The inputs and pricing information used during valuation are carefully assessed and adjusted based on current market conditions.
- (f) The Group takes into account adjustments for credit risks to measure the fair value of financial and non-financial instruments to reflect credit risk of the counterparty and the Group's credit quality.

- F. For the years ended December 31, 2024 and 2023, there was no transfer between Level 1 and Level 2.
- G. The following chart is the movement of Level 3 for the years ended December 31, 2024 and 2023:

	2024	2023
	<u>Equity securities</u>	<u>Equity securities</u>
At January 1	\$ 1,023,772	\$ 1,521,378
Recorded as unrealised losses on valuation of investments in equity instruments measured at fair value through other comprehensive income	(2,892)	(146,819)
Acquired in the period	45,780	-
Transfers into in the period	-	170,591
Decreased in the period	(1,706)	(14,755)
Sold in the period	(89,560)	(169,942)
Transfers out in the period	-	(323,491)
Effect of exchange rate changes	29,804	(13,190)
At December 31	<u>\$ 1,005,198</u>	<u>\$ 1,023,772</u>

- H. The information on the transfers into Level 3 for the years ended December 31, 2024 and 2023 is provided in Note 6(8).
- I. Group treasury is in charge of valuation procedures for fair value measurements being categorised within Level 3, which is to verify independent fair value of financial instruments. Such assessment is to ensure the valuation results are reasonable by applying independent information to make results close to current market conditions, confirming the resource of information is independent, reliable and in line with other resources and represented as the exercisable price, and frequently calibrating valuation model, performing back-testing, updating inputs used to the valuation model and making any other necessary adjustments to the fair value.
- J. The following is the qualitative information of significant unobservable inputs and sensitivity analysis of changes in significant unobservable inputs to valuation model used in Level 3 fair value measurement:

	Fair value at December 31, 2024	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:					
Unlisted shares	\$ 46,452	Market comparable companies	Discount for lack of marketability	20%~50%	The higher the discount for lack of marketability, the lower the fair value
	958,746	Net asset method	N/A	-	N/A

	Fair value at December 31, 2023	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:					
Unlisted shares	\$ 649	Market comparable companies	Discount for lack of marketability	20%~50%	The higher the discount for lack of marketability, the lower the fair value
	1,023,123	Net asset method	N/A	-	N/A

K. The Group has carefully assessed the valuation models and assumptions used to measure fair value. However, use of different valuation models or assumptions may result in different measurement. The following is the effect of profit or loss or of other comprehensive income from financial assets and liabilities categorised within Level 3 if the inputs used to valuation models have changed:

		December 31, 2024			
		<u>Recognised in profit or loss</u>		<u>Recognised in other comprehensive income</u>	
		Favourable change	Unfavourable change	Favourable change	Unfavourable change
	<u>Input</u> <u>Change</u>				
Financial assets					
Equity instruments	Discount for lack of marketability ±5%	\$ -	\$ -	\$ 2,323	(\$ 2,323)
		December 31, 2023			
		<u>Recognised in profit or loss</u>		<u>Recognised in other comprehensive income</u>	
		Favourable change	Unfavourable change	Favourable change	Unfavourable change
	<u>Input</u> <u>Change</u>				
Financial assets					
Equity instruments	Discount for lack of marketability ±5%	\$ -	\$ -	\$ 32	(\$ 32)

13. SUPPLEMENTARY DISCLOSURES

(1) Significant transactions information

For the investees' information, refer to investees' independent auditor's report.

A. Loans to others: Please refer to table 1.

B. Provision of endorsements and guarantees to others: Please refer to table 2.

C. Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): Please refer to table 3.

D. Acquisition of real estate reaching \$300 million or 20% of paid-in capital or more: Please refer to table 4.

- E. Disposal of real estate reaching \$300 million or 20% of paid-in capital or more: Please refer to table 5.
- F. Acquisition or sale of the same security with the accumulated cost exceeding \$300 million or 20% of the Company's paid-in capital: Please refer to table 6.
- G. Purchases or sales of goods from or to related parties reaching \$100 million or 20% of paid-in capital or more: Please refer to table 7.
- H. Receivables from related parties reaching \$100 million or 20% of paid-in capital or more: Please refer to table 8.
- I. Trading in derivative instruments undertaken during the reporting periods: Please refer to Note 6(2).
- J. Significant inter-company transactions during the reporting periods: Please refer to table 9.

(2) Information on investees

For the information on investees, except for current profit (loss) for the year ended December 31, 2024 that is translated using the monthly average exchange rate in 2024, others are translated using the spot rate at December 31, 2024.

Names, locations and other information of investee companies (not including investees in Mainland China): Please refer to table 10.

(3) Information on investments in Mainland China

A. Processing on order plant invested in Mainland China:

In 1997, the Company rented plants located in Shenzhen and Dongguan, Guangdong Province, Mainland China, respectively, through the investee, CU International Ltd. and operated the plants through processing on order. The plants were primarily engaged in the manufacture of electronic telecommunication components and electric wire, under Cu International Ltd. without their own corporate entity for the operating period ended December 2017. As of March 11, 2025, the plants are still under the cancellation process.

B. Investee in Mainland China, main business activities, paid-in capital, investment method, amount remitted from Taiwan to Mainland China / amount remitted back to Taiwan, ownership, investment income (loss), investments in Mainland China as of December 31, 2024, book value, investment income remitted back and ceiling on investments in Mainland China: Please refer to table 11.

C. Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland China, and price, payment terms, unreleased income/loss and other related information relating to investments in Mainland China:

- (a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period:

Company name	General ledger account	Year ended December 31, 2024	
		Amount	Percentage of total amount
Dongguan Fuqiang Electronics Co., Ltd.	Purchases of goods	\$ 20,840,018	38%
Fugang Electronic (Dongguan) Co., Ltd.	Purchases of goods	\$ 14,896,193	27%
Fugang Electric (Xuzhou) Co., Ltd.	Purchases of goods	\$ 9,349,833	17%
Fugang Electric (Kunshan) Co., Ltd.	Purchases of goods	\$ 3,564,712	7%
Fushineng Electronics (Kunshan) Co., Ltd.	Purchases of goods	\$ 3,107,126	6%
Foxlink Automotive Technology (Kunshan) Co., Ltd.	Purchases of goods	\$ 207,062	0%
Fugang Electric (Maanshan) Co., Ltd.	Purchases of goods	\$ 48,160	0%

Company name	General ledger account	December 31, 2024	
		Amount	Percentage of total amount
Fugang Electronic (Dongguan) Co., Ltd.	Accounts payable	\$ 5,696,537	33%
Fugang Electric (Xuzhou) Co., Ltd.	Accounts payable	\$ 3,978,416	23%
Fugang Electric (Nan Chang) Co., Ltd.	Accounts payable	\$ 1,367,218	8%
Dongguan Fuqiang Electronics Co., Ltd.	Accounts payable	\$ 1,201,657	7%
Fushineng Electronics (Kunshan) Co., Ltd.	Accounts payable	\$ 760,938	4%
Fugang Electric (Kunshan) Co., Ltd.	Accounts payable	\$ 234,109	1%
Fugang Electric (Maanshan) Co., Ltd.	Accounts payable	\$ 191,357	1%

- (b) Balance and purpose of provision of endorsements/guarantees or collateral at the end of the year: Please refer to table 2.
- (c) Maximum balance, ending balance, interest rate range and interest for financing during the years ended December 31, 2024: Please refer to table 1.
- (d) Other transactions that have a significant impact on the profit/loss of current period or on the financial condition, such as the rendering or receiving of service:

		Year ended December 31, 2024	
Company name	General ledger account	Amount	Percentage of total amount
Dongguan Fuqiang Electronics Co., Ltd.	Raw materials purchased on behalf of others	\$ 8,937,368	32%
Fugang Electronic (Dongguan) Co., Ltd.	Raw materials purchased on behalf of others	\$ 7,357,976	26%
Fugang Electric (Xuzhou) Co., Ltd.	Raw materials purchased on behalf of others	\$ 5,823,835	21%
Fugang Electric (Kunshan) Co., Ltd.	Raw materials purchased on behalf of others	\$ 1,268,728	4%
Fushineng Electronics (Kunshan) Co., Ltd.	Raw materials purchased on behalf of others	\$ 1,112,587	4%
Foxlink Automotive Technology (Kunshan) Co., Ltd.	Raw materials purchased on behalf of others	\$ 119,582	0%

		Year ended December 31, 2024	
Company name	General ledger account	Amount	Percentage of total amount
Dongguan Fuqiang Electronics Co., Ltd.	Fixture and equipment purchased on behalf of others	\$ 96,223	22%
Fugang Electric (Xuzhou) Co., Ltd.	Fixture and equipment purchased on behalf of others	\$ 35,589	8%
Fushineng Electronics (Kunshan) Co., Ltd.	Fixture and equipment purchased on behalf of others	\$ 18,312	4%
Fugang Electronics (Kunshan) Co., Ltd.	Fixture and equipment purchased on behalf of others	\$ 814	0%
Fugang Electronic (Dongguan) Co., Ltd.	Fixture and equipment purchased on behalf of others	\$ 275	0%

		December 31, 2024	
Company name	General ledger account	Amount	Percentage of total amount
Dongguan Fuqiang Electronics Co., Ltd.	Other receivables	\$ 1,424,304	18%
Fugang Electric (Xuzhou) Co., Ltd.	Other receivables	\$ 1,211,893	15%
Fugang Electric (Maanshan) Co., Ltd.	Other receivables	\$ 469,589	7%
Fushineng Electronics (Kunshan) Co., Ltd.	Other receivables	\$ 443,148	7%
Fu Gang Electronic (Nan Chang) Co., Ltd.	Other receivables	\$ 68,314	1%
Fuqiang Electric (Yancheng) Co., Ltd.	Other receivables	\$ 13,852	0%

(4) Major shareholders information

Major shareholders information: Please refer to table 12.

14. SEGMENT INFORMATION

(1) General information

The Group has classified the reportable operating segments based on product types. The Company's operations and segmentation are both developed according to the product types. The current main product types are: 3C component, systems and peripheral products, 3C product retail, energy service management and others.

(2) Measurement of segment information

The Board of Directors of the Group uses operating profit to measure the operating segments and as evaluation basis of the segments' performance.

(3) Segment information

The financial information of reportable segments provided to Chief Operating Decision-Maker is as follows:

Year ended December 31, 2024

	Systems and peripheral products department	3C component department	3C product retail department	Energy service management	Adjustments	Total
External Revenue	\$ 39,674,195	\$ 27,878,363	\$ 11,555,871	\$ 19,289,032	\$ -	\$ 98,397,461
Revenue from Internal Customers	1,546,909	2,832,157	-	8	(4,379,074)	-
Segment Revenue	<u>\$ 41,221,104</u>	<u>\$ 30,710,520</u>	<u>\$ 11,555,871</u>	<u>\$ 19,289,040</u>	<u>(\$ 4,379,074)</u>	<u>\$ 98,397,461</u>
Segment Profit (Loss)	<u>\$ 2,064,437</u>	<u>\$ 321,594</u>	<u>(\$ 3,069)</u>	<u>\$ 1,213,065</u>	<u>(\$ 78,201)</u>	<u>\$ 3,517,826</u>

Year ended December 31, 2023

	Systems and peripheral products department	3C component department	3C product retail department	Energy service management	Adjustments	Total
External Revenue	\$ 37,683,291	\$ 29,198,974	\$ 12,422,435	\$ 11,246,064	\$ -	\$ 90,550,764
Revenue from Internal Customers	985,355	2,289,116	-	2,094	(3,276,565)	-
Segment Revenue	<u>\$ 38,668,646</u>	<u>\$ 31,488,090</u>	<u>\$ 12,422,435</u>	<u>\$ 11,248,158</u>	<u>(\$ 3,276,565)</u>	<u>\$ 90,550,764</u>
Segment Profit (Loss)	<u>\$ 2,200,301</u>	<u>(\$ 65,585)</u>	<u>\$ 77,320</u>	<u>\$ 806,097</u>	<u>\$ -</u>	<u>\$ 3,018,133</u>

(4) Reconciliation for segment profit (loss)

The external revenue and segment profit (loss) reported to the chief operating decision-maker are measured in manner consistent with revenue and profit (loss) before tax in the financial statements. Therefore, no reconciliation was needed.

(5) Geographical information

Geographical information for the years ended December 31, 2024 and 2023 is as follows:

	Years ended December 31,			
	2024		2023	
	Revenue	Non-current assets	Revenue	Non-current assets
Taiwan	\$ 26,063,390	\$ 20,446,504	\$ 22,357,958	\$ 12,078,147
China	20,133,898	15,871,278	22,445,300	14,751,144
America	30,448,549	549,153	27,771,270	572,488
Vietnam	4,176,629	1,340,180	4,599,975	284,163
India	2,921,830	531,535	2,500,317	763,788
Hong Kong	3,515,086	345,399	2,285,456	1,210
Others	11,138,079	480,667	8,590,488	1,355,549
	<u>\$ 98,397,461</u>	<u>\$ 39,564,716</u>	<u>\$ 90,550,764</u>	<u>\$ 29,806,489</u>

(6) Major customer information

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

	Years ended December 31,			
	2024		2023	
	Revenue	Segment	Revenue	Segment
D	\$ 20,461,823	3C component department	\$ 18,911,892	3C component department
E	16,528,678	Energy service management department	9,908,573	Energy service management department
A	9,561,190	Systems and peripheral products department	8,018,006	Systems and peripheral products department
	<u>\$ 46,551,691</u>		<u>\$ 36,838,471</u>	

Cheng Uei Precision Industry Co., Ltd. and subsidiaries
Loans to others
Year ended December 31, 2024

Table 1

Expressed in thousands of NTD

(Except as otherwise indicated)

Number	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the year ended December 31, 2024	Balance at December 31, 2024	Actual amount drawn down	Interest rate	Nature of loan (Note 1)	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party (Note 2)	Ceiling on total loans granted (Note 3)	Footnote
													Item	Value			
0	Cheng Uei Precision Industry Co., Ltd.	Shinfox Energy Co., Ltd.	Other receivables	Yes	\$ 1,500,000	\$ -	\$ -	8%	2	\$ -	Operations	\$ -	-	\$ -	\$ 10,484,518	\$ 10,484,518	
1	Fugang Electric (Kunshan) Co., Ltd.	Fu Shi Xiang Research & Development Center (Kunshan)	Other receivables-related parties	Yes	27,246	26,868	26,868	-	2	-	Operations	-	-	-	2,793,613	2,793,613	
1	Fugang Electric (Kunshan) Co., Ltd.	Kunshan Fugang Electric Trading Co., Ltd.	Other receivables-related parties	Yes	145,524	89,560	89,560	3%	2	-	Operations	-	-	-	1,117,445	1,117,445	
1	Fugang Electric (Kunshan) Co., Ltd.	Shanghai Standard Information Technology Co., Ltd.	Other receivables-related parties	Yes	15,894	15,673	15,673	4%	2	-	Operations	-	-	-	1,117,445	1,117,445	
2	World Circuit Technology Co., Ltd.	Cheng Uei Precision Industry Co., Ltd.	Other receivables	Yes	100,000	100,000	100,000	-	2	-	Operations	-	-	-	111,542	111,542	
3	Foxlink International Investment Ltd.	Foxlink Vietnam Co., Ltd.	Other receivables	Yes	64,980	-	-	5%	2	-	Operations	-	-	-	2,655,243	2,655,243	
3	Foxlink International Investment Ltd.	Suntain Co., Ltd.	Other receivables	Yes	30,000	30,000	30,000	-	2	-	Operations	-	-	-	2,655,243	2,655,243	
4	Fu Uei International Investment Ltd.	Foxlink Arizona Inc.	Other receivables	Yes	131,440	131,140	65,570	2%	2	-	Operations	-	-	-	1,102,422	1,102,422	
4	Fu Uei International Investment Ltd.	Xunqiang Communication Technology CO., LTD.	Other receivables	Yes	55,000	38,000	38,000	-	2	-	Operations	38,000	-	-	1,102,422	1,102,422	
4	Fu Uei International Investment Ltd.	Cheng Uei Precision Industry Co., Ltd.	Other receivables	Yes	140,000	140,000	140,000	-	2	-	Operations	-	-	-	1,102,422	1,102,422	
5	Foxlink Technology Limited	Cu International Ltd.	Other receivables	Yes	797,636	563,699	563,699	-	2	-	Operations	-	-	-	899,710	899,710	
6	Foxlink Tianjin Co., Ltd.	Fugang Electric (Kunshan) Co., Ltd.	Other receivables	Yes	363,280	179,120	179,120	3%	2	-	Operations	-	-	-	878,337	878,337	
7	Zhi De Investment Co., Ltd.	Cheng Uei Precision Industry Co., Ltd.	Other receivables	Yes	200,000	200,000	200,000	-	2	-	Operations	-	-	-	277,214	277,214	
8	Dongguan Fuqiang Electronics Co., Ltd.	Fugang Electric (Maanshan) Co., Ltd.	Other receivables	Yes	170,288	167,925	167,925	1%	2	-	Operations	-	-	-	10,957,474	10,957,474	
9	Fugang Electronic (Dongguan) Co., Ltd.	Fugang Electric (Maanshan) Co., Ltd.	Other receivables	Yes	358,739	353,762	353,762	Note 4	2	-	Operations	-	-	-	8,908,103	8,908,103	
10	Fushineng Electronics (Kunshan) Co., Ltd.	Fugang Electric (Yancheng) Co., Ltd.	Other receivables	Yes	36,328	35,824	35,824	-	2	-	Operations	-	-	-	1,830,548	1,830,548	
11	Studio A Inc.	Ashop Co., Ltd.	Other receivables	Yes	230,020	229,495	163,925	2%	2	-	Operations	-	-	-	273,567	273,567	
12	Straight A Inc.	Ashop Co., Ltd.	Other receivables	Yes	49,290	-	-	2%	2	-	Operations	-	-	-	80,209	80,209	
12	Straight A Inc.	Studio A Inc.	Other receivables	Yes	68,000	68,000	68,000	-	2	-	Operations	-	-	-	80,209	80,209	

Number	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the year ended December 31, 2024	Balance at December 31, 2024	Actual amount drawn down	Interest rate	Nature of loan (Note 1)	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party (Note 2)	Ceiling on total loans granted (Note 3)	Footnote
													Item	Value			
13	Foxlink Image Technology Co., Ltd.	Glorytek (Yancheng) Co., Ltd.	Other receivables	Yes	\$ 234,203	\$ 179,120	\$ 179,120	3%	2	\$ -	Operations	\$ -	-	\$ -	\$ 2,227,222	\$ 2,227,222	
13	Foxlink Image Technology Co., Ltd.	Power Quotient International Co., Ltd.	Other receivables	Yes	500,000	-	-	2%	2	-	Operations	-	-	-	2,227,222	2,227,222	
14	Glorytek (Suzhou) Co., Ltd.	Glorytek (Yancheng) Co., Ltd.	Other receivables-related parties	Yes	227,250	223,900	159,417	3%	2	-	Operations	-	-	-	263,291	263,291	
15	Power Quotient Technology (Yancheng) Co., Ltd.	Glory Optics (Yancheng) Co., Ltd.	Other receivables	Yes	359,160	344,806	344,806	3%	2	-	Group's capital management	-	-	-	741,296	741,296	
15	Power Quotient Technology (Yancheng) Co., Ltd.	Glorytek (Yancheng) Co., Ltd.	Other receivables	Yes	227,250	223,900	223,900	3%	2	-	Group's capital management	-	-	-	741,296	741,296	
16	Dong Guan HanYang Computer Co., Ltd	Glorytek (Yancheng) Co., Ltd.	Other receivables	Yes	113,625	111,950	22,390	3.45%	2	-	Operations	-	-	-	375,599	375,599	
16	Dong Guan HanYang Computer Co., Ltd	Glory Optics (Yancheng) Co., Ltd.	Other receivables	Yes	113,625	111,950	-	3.45%	2	-	Operations	-	-	-	375,599	375,599	
17	Shinfox Energy Co., Ltd.	Shinfox Far East Company Pte Ltd.	Other receivables-related parties	Yes	1,500,000	-	-	8%	2	-	Group's capital management	-	-	-	5,061,599	5,061,599	

Note 1: The numbers as follows represent the nature of loan:

- (1) Business transaction is labelled as "1".
- (2) Short-term financing is labelled as "2".

Note 2: (1) Limit on loans granted to a single party is 40% of the Company's net asset value.

- (2) Limit on loans granted to the domestic unlisted subsidiaries of the Company and FIT Holding Co., Ltd. is 40% of their net asset value.
- (3) Limit on loans granted to direct or indirect holding foreign subsidiaries is 40% of their net asset value.
- (4) Limit on loans granted between foreign companies whose voting shares are 100% held by the Company directly or indirectly, or on loans granted to the Company by such foreign companies is 100% of their net asset value.
- (5) Limit on loans granted by FIT Holding Co., Ltd. to its direct or indirect holding foreign subsidiaries is 30% of FIT Holding Co., Ltd.'s net asset value on recent financial report.

Note 3: (1) Ceiling on total loans granted to the company is 40% of the Company's net asset value.

- (2) Ceiling on total loans granted to the domestic unlisted subsidiaries of the Company and FIT Holding is 40% of their net asset value.
- (3) Ceiling on total loans granted to the direct or indirect holding subsidiaries is 40% of their net asset value.
- (4) Ceiling on total loans granted between foreign companies whose voting shares are 100% held by the Company directly or indirectly, or on loans granted to the Company by such foreign companies is 100% of their net asset value.
- (5) Ceiling on total loans granted by FIT Holding Co., Ltd. to its direct or indirect holding foreign subsidiaries is 40% of their net asset value on recent financial report.

Note 4: The loan granted by Fugang Electronic (Dongguan) Co., Ltd.to Fugang Electric (Maanshan) Co., Ltd.is subject to the following interest rate structure: \$259,724 bears interest at 1%, and \$94,038 bears interest at 3%.

Cheng Uei Precision Industry Co., Ltd. and subsidiaries
Provision of endorsements and guarantees to others
Year ended December 31, 2024

Table 2

Expressed in thousands of NTD
(Except as otherwise indicated)

Number	Endorser/ guarantor	Party being endorsed/guaranteed		Limit on endorsements/ guarantees provided for a single party (Note 1)	Maximum outstanding endorsement/ guarantee amount as of December 31, 2024	Outstanding endorsement/ guarantee amount at December 31, 2024	Actual amount drawn down	Amount of endorsements /guarantees secured with collateral	Ratio of accumulated endorsement/guarantee amount to net asset value of the endorser/guarantor company	Ceiling on total amount of endorsements /guarantees provided (Note 2)	Provision of endorsements /guarantees by parent company to subsidiary	Provision of endorsements /guarantees by subsidiary to parent company	Provision of endorsements /guarantees to the party in Mainland China	Footnote
		Company name	Relationship with the endorser/guarantor											
0	Cheng Uei Precision Industry Co., Ltd.	Dongguan Fuqiang Electronics Co., Ltd.	The Company's second-tier subsidiary	\$ 39,316,941	\$ 1,362,300	\$ -	\$ -	\$ -	-	\$ 78,633,882	Y	N	Y	
0	Cheng Uei Precision Industry Co., Ltd.	Foxlink International Incorporation	The Company's third-tier subsidiary	39,316,941	1,064,664	1,062,234	-	-	4.05	78,633,882	Y	N	N	
0	Cheng Uei Precision Industry Co., Ltd.	Studio A Inc.	The Company's second-tier subsidiary	39,316,941	1,314,400	1,311,400	468,904	-	5.00	78,633,882	Y	N	N	
0	Cheng Uei Precision Industry Co., Ltd.	Studio A Technology Limited	The Company's third-tier subsidiary	39,316,941	1,314,400	1,311,400	32,457	-	5.00	78,633,882	Y	N	N	
0	Cheng Uei Precision Industry Co., Ltd.	Kunshan Fugang Electric Trading Co., Ltd.	The Company's third-tier subsidiary	39,316,941	887,220	885,195	22,950	-	3.38	78,633,882	Y	N	Y	
0	Cheng Uei Precision Industry Co., Ltd.	Ashop Co., Ltd.	The Company's forth-tier subsidiary	39,316,941	920,080	917,980	146,877	-	3.50	78,633,882	Y	N	N	
0	Cheng Uei Precision Industry Co., Ltd.	Straight A Inc.	The Company's third-tier subsidiary	39,316,941	492,900	491,775	24,427	-	1.88	78,633,882	Y	N	N	
0	Cheng Uei Precision Industry Co., Ltd.	LUMINY'S SYSTEMS CORPORATION.	The company's associates	39,316,941	32,860	32,785	32,785	-	0.13	78,633,882	N	N	N	
1	Fugang Electric (Kunshan) Co., Ltd.	Kunshan Fugang Electric Trading Co., Ltd.	Fugang Electric (Kunshan) Co., Ltd.'s subsidiary	39,316,941	84,917	83,739	76,126	-	0.32	78,633,882	N	N	Y	
2	Studio A Inc.	Studio A Technology Limited	Studio A Inc.'s subsidiary	39,316,941	345,030	344,243	-	-	1.31	78,633,882	N	N	N	
3	Foxlink International Incorporation	Foxlink Arizona Inc.	Foxlink International Incorporation's sibling company	39,316,941	565,981	564,689	564,689	-	2.15	78,633,882	N	N	N	
4	FTT Holding Co., Ltd.	Power Quotient International Co., Ltd.	FTT Holding Co., Ltd.'s subsidiary	65,207,262	2,470,000	2,470,000	1,700,000	-	9.42	65,207,262	N	N	N	
4	FTT Holding Co., Ltd.	Glory Science Co., Ltd.	FTT Holding Co., Ltd.'s subsidiary	65,207,262	990,000	990,000	725,000	-	3.78	65,207,262	N	N	N	
4	FTT Holding Co., Ltd.	Glorytek (Yancheng) Co., Ltd.	FTT Holding Co., Ltd.'s third-tier subsidiary	65,207,262	136,350	134,340	134,340	-	0.51	65,207,262	N	N	Y	
5	Foxlink Image Technology Co., Ltd.	Power Quotient International Co., Ltd.	Foxlink Image Technology Co., Ltd.'s sibling company	33,408,342	1,440,000	740,000	425,000	-	2.82	33,408,342	N	N	N	
5	Foxlink Image Technology Co., Ltd.	Glory Science Co., Ltd.	Foxlink Image Technology Co., Ltd.'s sibling company	33,408,342	440,000	440,000	300,000	-	1.68	33,408,342	N	N	N	
6	Shinfox Energy Co., Ltd.	Foxwell Energy Corporation Ltd.	Shinfox Energy Co., Ltd.'s subsidiary	75,923,982	35,840,000	27,325,000	24,721,411	-	104.25	75,923,982	N	N	N	
6	Shinfox Energy Co., Ltd.	Shinfox Far East Company Pte Ltd.	Shinfox Energy Co., Ltd.'s subsidiary	70,862,383	5,833,906	5,254,390	5,254,390	-	20.05	75,923,982	N	N	N	
6	Shinfox Energy Co., Ltd.	Changpin Wind Power Ltd.	The company's joint ventures	70,862,383	120,000	120,000	120,000	-	0.46	75,923,982	N	N	N	
7	Foxwell Energy Corporation Ltd.	Xinwei Power Co., Ltd.	Foxwell Energy Corporation Ltd.'s subsidiary	16,042,497	113,200	-	-	-	-	16,042,497	N	N	N	

Note 1: Calculation for limit on endorsements/guarantees provided for a single party is as follows:

- (1) For subsidiaries whose shares are 90% or above held by the Company, ceiling on total amount of endorsements and guarantees provided by the Company is 150% of the Company's net asset value; limit on endorsements and guarantees provided by the Company for a single party is 150% of the Company's net asset value.
- (2) For FIT Holding Co.,Ltd., limit on endorsements and guarantees for a single party is 600% of FIT Holding Co.,Ltd.'s current net asset value and for subsidiary whose equity is no less than 90% held by FIT Holding Co.,Ltd., is 600% of FIT Holding Co.,Ltd.'s net asset value.
- (3) Endorsements and guarantees are available between companies whose voting shares are more than 90% held by FIT Holding Co., Ltd. directly or indirectly. And the limit on endorsements and guarantees is 10% of FIT Holding Co., Ltd.'s net asset value except that endorsements and guarantees are between companies whose voting shares are 100% held by FIT Holding Co., Ltd. directly or indirectly.
- (4) For subsidiaries whose shares are 90% or above held by Shinfox, ceiling on total amount of endorsements and guarantees provided by the Company is 600% of the Company's net asset value; limit on endorsements and guarantees provided by the Company for a single party is 560% of the Company's net asset value.
- (5) For subsidiaries whose shares are 90% or above held by Foxwell Energy, ceiling on total amount of endorsements and guarantees provided by the Company is 150% of the Company's net asset value; limit on endorsements and guarantees provided by the Company for a single party is 140% of the Company's net asset value.

Note 2: Calculation for limit on endorsements/guarantees provided is as follows:

- (1) The Company's and subsidiaries' endorsements and guarantees to others should not exceed 300% of the Company's net asset value.
- (2) FIT Holding Co.,Ltd.'s endorsements and guarantees to others and subsidiaries should not exceed 600% of FIT Holding Co., Ltd.'s net asset value in the latest financial statements.
- (3) Endorsements and guarantees are available between companies whose voting shares are more than 90% held by FIT Holding Co., Ltd. directly or indirectly. And the limit on endorsements and guarantees is 10% of FIT Holding Co., Ltd.'s net asset value except that endorsements and guarantees are between companies whose voting shares are 100% held by FIT Holding Co., Ltd. directly or indirectly.
- (4) Ceiling on total amount of endorsements/guarantees provided by Foxwell Energy and subsidiaries is 150% of Foxwell Energy's net asset value in the latest financial statements.

Cheng Uei Precision Industry Co., Ltd. and subsidiaries
Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures)
December 31, 2024

Table 3

Expressed in thousands of NTD
(Except as otherwise indicated)

Securities held by	Marketable securities	Relationship with the securities issuer	General ledger account	As of December 31, 2024				Footnote
				Number of shares (in thousand shares)	Book value	Ownership (%)	Fair value	
Fu Uei International Investment Ltd.	Trinity Investment Corporation	N/A	Financial assets at fair value through other comprehensive income - non-current	3,000	\$ 30,000	10.00	\$ 30,000	
Fu Uei International Investment Ltd.	Ade Technology Inc.	N/A	Financial assets at fair value through other comprehensive income - non-current	500	11,500	1.45	11,500	
Culink International Ltd.	Gamma 2 Robotics, Inc.	N/A	Financial assets at fair value through other comprehensive income - non-current	862	-	9.00	-	
Culink International Ltd.	Occipital, Inc.	N/A	Financial assets at fair value through other comprehensive income - non-current	389	-	1.03	-	
Culink International Ltd.	V5 Systems, Inc.	N/A	Financial assets at fair value through other comprehensive income - non-current	1,460	-	4.63	-	
Culink International Ltd.	Motiv Inc	N/A	Financial assets at fair value through other comprehensive income - non-current	273	-	1.70	-	
Culink International Ltd.	LeadSun Winion Limited	N/A	Financial assets at fair value through other comprehensive income - non-current	3,000	98,355	40.07	98,355	
Culink International Ltd.	MedWand Solutions Inc.	N/A	Financial assets at fair value through other comprehensive income - non-current	63	-	2.89	-	
Changzhou Xinwei Vehicle Energy Venture Capital Co., Ltd.	Hebei Gellec New Energy Science&technology Co.,Ltd.	N/A	Financial assets at fair value through other comprehensive income - non-current	3,333	89,560	0.61	89,560	
Changzhou Xinwei Vehicle Energy Venture Capital Co., Ltd.	Changzhou Qitai No.1 Venture Capital Partnership	N/A	Financial assets at fair value through other comprehensive income - non-current	20,000	89,560	6.33	89,560	
Changzhou Xinwei Vehicle Energy Venture Capital Co., Ltd.	TBB Power (Xiamen) Co., Ltd.	N/A	Financial assets at fair value through other comprehensive income - non-current	2,149	223,900	4.35	223,900	
Changzhou Xinwei Vehicle Energy Venture Capital Co., Ltd.	Shaha Technology (Shanghai) Co., Ltd.	N/A	Financial assets at fair value through other comprehensive income - non-current	163	125,384	14.00	125,384	
Foxlink Tianjin Co., Ltd.	Changde Fubo Intelligent Technology Co., Ltd.	N/A	Financial assets at fair value through other comprehensive income - non-current	950	4,254	2.43	4,254	

Securities held by	Marketable securities	Relationship with the securities issuer	General ledger account	As of December 31, 2024				Footnote
				Number of shares (in thousand shares)	Book value	Ownership (%)	Fair value	
FIT Holding Co., Ltd.	Leadsun Wind & Solar Co., Ltd.	N/A	Financial assets at fair value through other comprehensive income - non-current	22,500	\$ 210,529	12.00	\$ 210,529	
Foxlink Image Technology Co., Ltd.	Taiwan Mobile Co., Ltd.	N/A	Financial assets at fair value through other comprehensive income - non-current	1,631	185,061	0.04	185,061	
Foxlink Image Technology Co., Ltd.	Wellgen Medical Co., Ltd.	N/A	Financial assets at fair value through other comprehensive income - non-current	1,500	-	11.50	-	
Power Quotient International Co., Ltd.	Saint Song Corp.	N/A	Financial assets at fair value through other comprehensive income - non-current	127	-	1.05	-	
Power Quotient International Co., Ltd.	Ours Technology Inc.	N/A	Financial assets at fair value through other comprehensive income - non-current	13	-	0.21	-	
Power Quotient International Co., Ltd.	Innoplus Co., Ltd.	N/A	Financial assets at fair value through other comprehensive income - non-current	160	-	12.00	-	
Power Quotient International Co., Ltd.	Taiwan Mobile Co., Ltd.	N/A	Financial assets at fair value through other comprehensive income - non-current	1,631	185,062	0.04	185,062	
Power Quotient International Co., Ltd.	Stack Devices Corporation	N/A	Financial assets at fair value through other comprehensive income - non-current	70	-	0.11	-	
Power Quotient Technology (Yancheng) Co., Ltd.	Jiangsu Foxlink New Energy Technology Co.,Ltd.	N/A	Financial assets at fair value through other comprehensive income - non-current	-	75,704	12.90	75,704	
Shinfox Energy Co., Ltd.	Corvus Energy Ltd.	N/A	Financial assets at fair value through other comprehensive income - non-current	22	-	0.04	-	
Shinfox Energy Co., Ltd.	Feiyue Development Limited Partnership	N/A	Financial assets at fair value through other comprehensive income - non-current	-	45,780	22.17	45,780	
Foxwell Energy Corporation Ltd.	Full Entertainment Marketing Co., Ltd.	N/A	Financial assets at fair value through other comprehensive income - non-current	30	-	0.30	-	
KunShan Eastern Rainbow Environmental Equipment Co., Ltd.	Wuxi Eastern Rainbow Environmental Protection Engineering Co., Ltd.	N/A	Financial assets at fair value through other comprehensive income - non-current	-	672	10.00	672	
Eastern Rainbow Green Energy Environmental Technology Co., Ltd.	Shin Kong Financial Holding Co., Ltd	N/A	Financial assets at fair value through profit or loss - current	47	553	-	553	
Eastern Rainbow Green Energy Environmental Technology Co., Ltd.	Shin Kong Financial Holding Co., Ltd. Preferred Shares B	N/A	Financial assets at fair value through profit or loss - current	1	18	-	18	
Eastern Rainbow Green Energy Environmental Technology Co., Ltd.	Mildef Crete Inc.	N/A	Financial assets at fair value through profit or loss - current	10	862	0.02	862	

Cheng Uei Precision Industry Co., Ltd. and subsidiaries
Acquisition of real estate reaching \$300 million or 20% of paid-in capital or more
Year ended December 31, 2024

Table 4

Expressed in thousands of NTD
(Except as otherwise indicated)

Real estate acquired by	Real estate acquired	Date of the event	Transaction amount	Status of payment	Counterparty	Relationship with the counterparty	If the counterparty is a related party, information as to the last transaction of the real estate is disclosed below:				Basis or reference used in setting the price	Reason for acquisition of real estate and status of the real estate	Footnote
							Original owner who sold the real estate to the counterparty	Relationship between the original owner and the acquirer	Date of the original transaction	Amount			
FOXLINK DA NANG ELECTRONICS CO., LTD.	Building a plant by commissioned construction on the leased land	February 26, 2024	\$ 681,984	Payment based on the contract terms	JIANXING VIETNAM CONSTRUCTION DEVELOPMENT COMPANY LIMITED	Non-related party	N/A	N/A	N/A	N/A	Price comparison and negotiation	For operation uses	
Cheng Uei Precision Industry Co., Ltd.	Land and plants	August 9, 2024	984,750	Payment based on the contract terms	Hsin Hung International Investment Co., Ltd.	Related party	Taiwan Yong Gu Paint Co., Ltd.,	None	January 13, 2003	\$ 106,505	Price comparison and negotiation	For operation uses	

Cheng Uei Precision Industry Co., Ltd. and subsidiaries
Disposal of real estate reaching \$300 million or 20% of paid-in capital or more
Year ended December 31, 2024

Table 5

Real estate disposed by	Real estate acquired	Date of the event	Date of acquisition	Book value	Transaction amount	Status of payment	Gain (loss) on disposal	Relationship with the counterparty	Reason for disposal	Counterparty	Basis or reference used in setting the price	Other commitments
Foxlink Tianjin Co., Ltd.	The land and buildings at the Bozhou emperor commercial center	February 7, 2024	December 26, 2017	\$ 285,833	\$ 440,923	Paid in installments based on the contract	Note	Non-related party	For operation needs	Sharetronic Intelegant Technology CO., LTD.	Reference to the appraisal amount provided by professional valuers and the market price	None

Note: It was gain on disposal after the deduction of related expenses amounting to \$147,654.

Cheng Uei Precision Industry Co., Ltd. and subsidiaries
Acquisition or sale of the same security with the accumulated cost exceeding \$300 million or 20% of the Company's paid-in capital
Year ended December 31, 2024

Table 6

Expressed in thousands of NTD
(Except as otherwise indicated)

Investor	Marketable securities	General ledger account	Counterparty	Relationship with the investor	Balance as at January 1, 2024		Addition		Disposal				Balance as at December 31, 2024		Footnote
					Number of shares (in thousand shares)	Amount	Number of shares (in thousand shares)	Amount	Number of shares (in thousand shares)	Selling price	Book value	Gain (loss) on disposal	Number of shares	Amount	
Foxlink International Investment Ltd.	Foxlink Da Nang Electronics Co., Ltd.	Investment accounted for using equity method	Foxlink Da Nang Electronics Co., Ltd.	Note 1	28,000	\$ 905,730	17,000	\$ 545,091	-	\$ -	\$ -	\$ -	\$ 45,000	\$ 1,450,821	Note 3
Shinfox Energy Co., Ltd.	Youde Wind Power Co., Ltd.,	Investment accounted for using equity method	Youde Wind Power Co., Ltd.,	Note 1	-	-	49,100	491,000	-	-	-	-	49,100	491,000	Note 3
Shinfox Energy Co., Ltd.	DAKPSI INVESTMENT AND DEVELOP HYDROELECTIC JOINT STOCK COMPANY	Investment accounted for using equity method	DAKPSI INVESTMENT AND DEVELOP HYDROELECTIC JOINT STOCK COMPANY	Note 2	-	-	14,645	644,381	-	-	-	-	14,645	644,381	Note 3
SHINFOX FAR EAST COMPANY PTE LTD	SFE HERCULES COMPANY CORPORATION	Investment accounted for using equity method	SFE HERCULES COMPANY CORPORATION	Note 1	-	-	0.20	5,318,469	-	-	-	-	0.20	5,318,469	Note 3

Note 1 : The entity is the Company's subsidiary.

Note 2 : The general ledger account is 'Investments accounted for using equity method'.

Note 3 : The abovementioned amount is investment cost, information relating to its carrying amount is provided Table 10.

Cheng Uei Precision Industry Co., Ltd. and subsidiaries
Purchases or sales of goods from or to related parties reaching NT\$100 million or 20% of paid-in capital or more
Year ended December 31, 2024

Table 7

Expressed in thousands of NTD
(Except as otherwise indicated)

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				Differences in transaction terms compared to third party transactions		Notes/accounts receivable (payable)		Footnote
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts	
The Company	Foxlink International Incorporation	The Company's third-tier subsidiary	Sales	(\$ 21,178,707)	(38)	Note 1	Note 1	Note 1	\$ 3,808,874	27	
The Company	Hon Hai Precision Industry Co., Ltd.	Other related party	Sales	(259,097)	-	Note 1	Note 1	Note 1	118,093	1	
The Company	Dongguan Fuqiang Electronics Co., Ltd.	The Company's second-tier subsidiary	Purchases	20,840,018	38	Note 2	Note 2	Note 2	(1,201,657)	(7)	
The Company	Fugang Electronic (Dongguan) Co., Ltd.	The Company's second-tier subsidiary	Purchases	14,896,193	27	Note 2	Note 2	Note 2	(5,696,537)	(33)	
The Company	Fugang Electric (Kunshan) Co., Ltd.	The Company's second-tier subsidiary	Purchases	3,564,712	7	Note 2	Note 2	Note 2	(234,109)	(1)	
The Company	Fushineng Electronics (Kunshan) Co., Ltd.	The Company's second-tier subsidiary	Purchases	3,107,126	6	Note 2	Note 2	Note 2	(760,938)	(4)	
The Company	Well Shin Technology Co., Ltd.	The Company's investee accounted for using equity method	Purchases	195,391	-	Note 2	Note 2	Note 2	(55,504)	-	
The Company	Fugang Electric (Xuzhou) Co., Ltd.	The Company's second-tier subsidiary	Purchases	9,349,833	17	Note 2	Note 2	Note 2	(3,978,416)	(23)	
The Company	Hon Hai Precision Industry Co., Ltd.	Other related party	Purchases	558,881	1	Note 2	Note 2	Note 2	(49,562)	-	
The Company	Foxlink Automotive Technology (Kunshan) Co., Ltd.	The Company's second-tier subsidiary	Purchases	207,062	-	Note 2	Note 2	Note 2	-	-	
The Company	Foxlink India Electric Private Limited	The Company's second-tier subsidiary	Purchases	176,650	-	Note 2	Note 2	Note 2	(88,489)	(1)	
The Company	Foxlink (Vietnam) Co., Ltd.	The Company's second-tier subsidiary	Purchases	2,284,374	4	Note 2	Note 2	Note 2	(1,472,847)	(9)	
The Company	Foxlink Da Nang Electronics Co., Ltd.	The Company's second-tier subsidiary	Purchases	208,717	-	Note 2	Note 2	Note 2	(227,508)	(1)	
The Company	Shinfox Energy Co., Ltd.	The Company's fourth-tier subsidiary	Purchases	305,591	1	Note 2	Note 2	Note 2	-	-	
Foxlink International Incorporation	The Company	The entity is the ultimate parent company of the Company	Purchases	21,178,707	100	Note 2	Note 2	Note 2	(3,808,874)	100	

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				Differences in transaction terms compared to third party transactions		Notes/accounts receivable (payable)		Footnote
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts	
Dongguan Fuqiang Electronics Co., Ltd.	The Company	The entity is the ultimate parent company of the Company	Sales	(\$ 20,840,018)	(87)	Note 1	Note 1	Note 1	\$ 1,201,657	19	
Fugang Electronic (Dongguan) Co., Ltd.	The Company	The entity is the ultimate parent company of the Company	Sales	(14,896,193)	(82)	Note 1	Note 1	Note 1	5,696,537	76	
Fugang Electric (Kunshan) Co., Ltd.	The Company	The entity is the ultimate parent company of the Company	Sales	(3,564,712)	(95)	Note 1	Note 1	Note 1	234,109	-	
Fushineng Electronics (Kunshan) Co., Ltd.	The Company	The entity is the ultimate parent company of the Company	Sales	(3,107,126)	(80)	Note 1	Note 1	Note 1	760,938	63	
Fugang Electric (Xuzhou) Co., Ltd.	The Company	The entity is the ultimate parent company of the Company	Sales	(9,349,833)	(86)	Note 1	Note 1	Note 1	3,978,416	97	
Foxlink Automotive Technology (Kunshan) Co., Ltd.	The Company	The entity is the ultimate parent company of the Company	Sales	(207,062)	(74)	Note 1	Note 1	Note 1	-	-	
Foxlink India Electric Private Limited	The Company	The entity is the ultimate parent company of the Company	Sales	(176,650)	(6)	Note 1	Note 1	Note 1	88,489	11	
Foxlink (Vietnam) Co., Ltd.	The Company	The entity is the ultimate parent company of the Company	Sales	(2,284,374)	(95)	Note 1	Note 1	Note 1	1,472,847	97	
Foxlink Da Nang Electronics Co., Ltd.	The Company	The entity is the ultimate parent company of the Company	Sales	(208,717)	(39)	Note 1	Note 1	Note 1	227,508	46	
Shinfox Energy Co., Ltd.	The Company	The entity is the ultimate parent company of the Company	Sales	(305,591)	2	Note 1	Note 1	Note 1	-	-	
Fugang Electronic (Dongguan) Co., Ltd.	Dongguan Fuqiang Electronics Co., Ltd.	Affiliated company	Sales	(797,391)	(4)	Note 1	Note 1	Note 1	81,857	1	
Dongguan Fuqiang Electronics Co., Ltd.	Fugang Electronic (Dongguan) Co., Ltd.	Affiliated company	Purchases	797,391	4	Note 2	Note 2	Note 2	(81,857)	(1)	
Suntain Co., Ltd.	Hon Hai Precision Industry Co., Ltd.	Other related party	Purchases	249,469	68	Note 2	Note 2	Note 2	(15,934)	(75)	
Kunshan Fugang Electric Trading Co., Ltd.	Shanghai Fugang Electric Trading Co., Ltd.	Affiliated company	Sales	(287,179)	(22)	Note 1	Note 1	Note 1	60,929	100	
Shanghai Fugang Electric Trading Co., Ltd.	Kunshan Fugang Electric Trading Co., Ltd.	Affiliated company	Purchases	287,179	31	Note 2	Note 2	Note 2	(60,929)	(100)	
Fushineng Electronics (Kunshan) Co., Ltd.	Fugang Electric (Xuzhou) Co., Ltd.	Affiliated company	Purchases	271,642	36	Note 2	Note 2	Note 2	(60,621)	(1)	
Fugang Electric (Xuzhou) Co., Ltd.	Fushineng Electronics (Kunshan) Co., Ltd.	Affiliated company	Sales	(271,642)	(2)	Note 1	Note 1	Note 1	60,621	1	
Wei Hai Fu Kang Electric Co., Ltd.	Accu-Image Technology Limited	Affiliated company	Sales	(1,106,678)	100	Note 1	Note 1	Note 1	216,184	100	

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				Differences in transaction terms compared to third party transactions		Notes/accounts receivable (payable)		Footnote
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts	
Accu-Image Technology Limited	Wei Hai Fu Kang Electric Co., Ltd.	Affiliated company	Purchases	\$ 1,106,678	24	Note 2	Note 2	Note 2	(\$ 216,184)	(21)	
Foxwell Energy Corporation Ltd.	SHINFOX FAR EAST COMPANY PTE. LTD.	Affiliated company	Purchases	1,752,696	10	Note 1	Note 1	Note 1	(60,409)	(2)	
SHINFOX FAR EAST COMPANY PTE. LTD.	Foxwell Energy Corporation Ltd.	Affiliated company	Sales	(1,752,696)	32	Note 1	Note 1	Note 1	60,409	34	
Foxwell Power Co., Ltd.	Cheng Shin Digital Co., Ltd.	Associates	Sales	(256,190)	1	Note 1	Note 1	Note 1	107,600	16	

Note 1: Please refer to Note 7(2) A. for the details.

Note 2: Please refer to Note 7(2) B. for the details.

Cheng Uei Precision Industry Co., Ltd. and subsidiaries
Receivables from related parties reaching NT\$100 million or 20% of paid-in capital or more
Year ended December 31, 2024

Table 8

Expressed in thousands of NTD
(Except as otherwise indicated)

Creditor	Counterparty	Relationship with the counterparty	Balance as at December 31, 2024	Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
					Amount	Action taken		
The Company	Foxlink International Incorporation	Great-grandchild company	\$ 3,808,874	5.56	None	N/A	\$ 2,253,605	None
The Company	Fushineng Electronics (Kunshan) Co., Ltd.	The Company's second-tier subsidiary	443,148	Note 1	"	"	165,595	"
The Company	Hon Hai Precision Industry Co., Ltd.	This company's chairman is the second-degree relative of the Company's chairman	118,093	2.19	"	"	31,208	"
The Company	Fugang Electric (Xuzhou) Co., Ltd.	The Company's second-tier subsidiary	1,211,893	Note 1	"	"	822,540	"
The Company	Fugang Electric (Maanshan) Co., Ltd.	The Company's second-tier subsidiary	469,589	Note 1	"	"	-	"
The Company	Dongguan Fuqiang Electronics Co., Ltd.	The Company's second-tier subsidiary	1,424,304	Note 1	"	"	1,314,540	"
The Company	Foxlink India Electric Private Limited	The Company's second-tier subsidiary	2,424,717	Note 1	"	"	148,975	"
The Company	FOXLINK VIETNAM CO., LTD.	The Company's second-tier subsidiary	657,742	Note 1	"	"	-	"
The Company	FOXLINK DA NANG ELECTRONICS CO.,LTD.	The Company's second-tier subsidiary	264,126	Note 1	"	"	-	"
The Company	LUMINYS SYSTEMS CORPORATION	Associates	863,615	Note 1	"	"	2,904	"
Fugang Electric (Kunshan) Co., Ltd.	The Company	This company is the ultimate parent company of the company	234,109	15.23	"	"	-	"
Fushineng Electronics (Kunshan) Co., Ltd.	The Company	This company is the ultimate parent company of the company	760,938	4.08	"	"	-	"
Fu Gang Electronic (Nan Chang) Co., Ltd.	The Company	This company is the ultimate parent company of the company	1,367,218	0.00	"	"	-	"
Fugang Electronic (Dongguan) Co., Ltd.	The Company	This company is the ultimate parent company of the company	5,696,537	2.61	"	"	-	"
Dongguan Fuqiang Electronics Co., Ltd.	The Company	This company is the ultimate parent company of the company	1,201,657	17.34	"	"	-	"
Fugang Electric (Maanshan) Co., Ltd.	The Company	This company is the ultimate parent company of the company	191,357	0.25	"	"	-	"

Creditor	Counterparty	Relationship with the counterparty	Balance as at December 31, 2024	Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
					Amount	Action taken		
Fugang Electric (Xuzhou) Co., Ltd.	The Company	This company is the ultimate parent company of the company	\$ 3,978,416	2.35	None	N/A	\$ -	None
FOXLINK VIETNAM CO., LTD.	The Company	This company is the ultimate parent company of the company	1,472,847	1.55	"	"	-	"
FOXLINK DA NANG ELECTRONICS CO., LTD.	The Company	This company is the ultimate parent company of the company	227,508	0.92	"	"	-	"
Fu Uei International Investment Ltd.	The Company	This company is the ultimate parent company of the company	140,000	Note 1	"	"	-	"
World Circuit Technology Co., Ltd.	The Company	This company is the ultimate parent company of the company	100,000	Note 1	"	"	-	"
Zhi De Investment Co., Ltd.	The Company	This company is the ultimate parent company of the company	200,000	Note 1	"	"	-	"
Fugang Electronic (Dongguan) Co., Ltd.	Fugang Electric (Maanshan) Co., Ltd.	Affiliated company	355,750	Note 1	"	"	-	"
Dongguan Fuqiang Electronics Co., Ltd.	Fugang Electric (Maanshan) Co., Ltd.	Affiliated company	290,484	Note 1	"	"	-	"
Dongguan Fuqiang Electronics Co., Ltd.	Fugang Electric (Kunshan) Co., Ltd.	Affiliated company	1,865,055	Note 1	"	"	-	"
Fugang Electric (Kunshan) Co., Ltd.	Fugang Electric (Maanshan) Co., Ltd.	Affiliated company	253,549	Note 1	"	"	-	"
Foxlink Tianjin Co., Ltd.	Fugang Electric (Kunshan) Co., Ltd.	Affiliated company	189,587	Note 1	"	"	-	"
Foxlink Technology Limited	Cu International Ltd.	Affiliated company	563,699	Note 1	"	"	-	"
Fugang Electric (Maanshan) Co., Ltd.	Dongguan Fuqiang Electronics Co., Ltd.	Affiliated company	137,196	0.11	"	"	-	"
Studio A Inc.	Ashop Co., Ltd.	The Company's subsidiary	163,925	Note 1	"	"	-	"
Fugang Electric (Kunshan) Co., Ltd.	Kunshan Fugang Electric Trading Co., Ltd.	Affiliated company	105,233	Note 1	"	"	-	"
Foxlink Image Technology Co., Ltd.	Glorytek (Yancheng) Co., Ltd.	Affiliated company	179,120	Note 1	"	"	-	"
Glory Science Co., Ltd.	Glorytek (Yancheng) Co., Ltd.	Affiliated company	385,421	7.11	"	"	-	"
Glory Science Co., Ltd.	Glorytek (Yancheng) Co., Ltd.	Affiliated company	152,464	Note 1	"	"	-	"
Glory Science Co., Ltd.	Glory Optics (Yancheng) Co., Ltd.	Affiliated company	265,045	Note 1	"	"	-	"
Glorytek (Suzhou) Co., Ltd.	Glorytek (Yancheng) Co., Ltd.	Affiliated company	174,579	Note 1	"	"	-	"
Dongguan Fu Wei Electronics Co., Ltd.	Foxlink Image Technology Co., Ltd.	Affiliated company	545,537	1.69	"	"	106,966	"
Dong Guan Fu Zhang Precision Industry Co., Ltd.	Foxlink Image Technology Co., Ltd.	Affiliated company	100,984	1.98	"	"	32,928	"

Creditor	Counterparty	Relationship with the counterparty	Balance as at December 31, 2024	Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
					Amount	Action taken		
Wei Hai Fu Kang Electric Co., Ltd.	Foxlink Image Technology Co., Ltd.	Affiliated company	\$ 216,184	6.35	None	N/A	\$ 25,307	None
Power Quotient Technology (Yancheng) Co., Ltd.	Glory Optics (Yancheng) Co., Ltd.	Affiliated company	344,806	Note 1	"	"	-	"
Power Quotient Technology (Yancheng) Co., Ltd.	Glorytek (Yancheng) Co., Ltd.	Affiliated company	223,900	Note 1	"	"	-	"
Shinfox Energy Co., Ltd.	Changpin Wind Power Ltd.	Joint ventures	100,000	10.31	"	"	100,000	"
Foxwell Power Co., Ltd.	Cheng Shin Digital Co., Ltd.	Associates	107,600	4.62	80,700	Expected to be gradually collected in 2025	80,700	"

Note 1: The turnover rate was not applicable as the receivables were recorded as other receivables.

Cheng Uei Precision Industry Co., Ltd. and subsidiaries
Significant inter-company transactions during the reporting periods
Year ended December 31, 2024

Table 9

Expressed in thousands of NTD
(Except as otherwise indicated)

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			
				General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)
0	Cheng Uei Precision Industry Co., Ltd.	Foxlink International Incorporation	1	Sales	\$ 21,178,707	Sales prices are based on the mutual agreement	22
0	Cheng Uei Precision Industry Co., Ltd.	Foxlink International Incorporation	1	Accounts receivable	3,808,874	The collections depend on the financial situation after offsetting the receivables against the payables	3
0	Cheng Uei Precision Industry Co., Ltd.	Dongguan Fuqiang Electronics Co., Ltd.	1	Purchases	20,840,018	Purchase prices are based on the mutual agreement	21
0	Cheng Uei Precision Industry Co., Ltd.	Dongguan Fuqiang Electronics Co., Ltd.	1	Accounts payable	1,201,657	The collections depend on the financial situation after offsetting the receivables against the payables	1
0	Cheng Uei Precision Industry Co., Ltd.	Dongguan Fuqiang Electronics Co., Ltd.	1	Other receivables	1,424,304	The collections depend on the financial situation after offsetting the receivables against the payables	1
0	Cheng Uei Precision Industry Co., Ltd.	Fugang Electric (Kunshan) Co., Ltd.	1	Purchases	3,564,712	Purchase prices are based on the mutual agreement	4
0	Cheng Uei Precision Industry Co., Ltd.	Fugang Electric (Kunshan) Co., Ltd.	1	Accounts payable	234,109	The collections depend on the financial situation after offsetting the receivables against the payables	-
0	Cheng Uei Precision Industry Co., Ltd.	Fushineng Electronics (Kunshan) Co., Ltd.	1	Purchases	3,107,126	Purchase prices are based on the mutual agreement	3
0	Cheng Uei Precision Industry Co., Ltd.	Fushineng Electronics (Kunshan) Co., Ltd.	1	Other receivables	443,148	The collections depend on the financial situation after offsetting the receivables against the payables	-
0	Cheng Uei Precision Industry Co., Ltd.	Fushineng Electronics (Kunshan) Co., Ltd.	1	Accounts payable	760,938	The collections depend on the financial situation after offsetting the receivables against the payables	1
0	Cheng Uei Precision Industry Co., Ltd.	Fugang Electronic (Dongguan) Co., Ltd.	1	Purchases	14,896,193	Purchase prices are based on the mutual agreement	15
0	Cheng Uei Precision Industry Co., Ltd.	Fugang Electronic (Dongguan) Co., Ltd.	1	Accounts payable	5,696,537	The collections depend on the financial situation after offsetting the receivables against the payables	4
0	Cheng Uei Precision Industry Co., Ltd.	Fu Gang Electronic (Nan Chang) Co., Ltd.	1	Accounts payable	1,367,218	The collections depend on the financial situation after offsetting the receivables against the payables	1
0	Cheng Uei Precision Industry Co., Ltd.	Fu Uei International Investment Ltd.	1	Other payables	140,000	The collections depend on the financial situation after offsetting the receivables against the payables	-
0	Cheng Uei Precision Industry Co., Ltd.	Fugang Electric (Maanshan) Co., Ltd.	1	Other receivables	469,589	The collections depend on the financial situation after offsetting the receivables against the payables	-
0	Cheng Uei Precision Industry Co., Ltd.	Fugang Electric (Maanshan) Co., Ltd.	1	Accounts payable	191,357	The collections depend on the financial situation after offsetting the receivables against the payables	-

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			
				General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)
0	Cheng Uei Precision Industry Co., Ltd.	Fugang Electric (Xuzhou) Co., Ltd.	1	Other receivables	\$ 1,211,893	The collections depend on the financial situation after offsetting the receivables against the payables	1
0	Cheng Uei Precision Industry Co., Ltd.	Fugang Electric (Xuzhou) Co., Ltd.	1	Purchases	9,349,833	Purchase prices are based on the mutual agreement	10
0	Cheng Uei Precision Industry Co., Ltd.	Fugang Electric (Xuzhou) Co., Ltd.	1	Accounts payable	3,978,416	The collections depend on the financial situation after offsetting the receivables against the payables	3
0	Cheng Uei Precision Industry Co., Ltd.	Foxlink Automotive Technology (Kunshan) Co., Ltd.	1	Purchases	207,062	Purchase prices are based on the mutual agreement	-
0	Cheng Uei Precision Industry Co., Ltd.	Zhi De Investment Co., Ltd.	1	Other payables	200,000	The collections depend on the financial situation after offsetting the receivables against the payables	-
0	Cheng Uei Precision Industry Co., Ltd.	World Circuit Technology Co., Ltd	1	Other payables	100,000	The collections depend on the financial situation after offsetting the receivables against the payables	-
0	Cheng Uei Precision Industry Co., Ltd.	Foxlink India Electric Private Limited	1	Other receivables	2,424,717	The collections depend on the financial situation after offsetting the receivables against the payables	2
0	Cheng Uei Precision Industry Co., Ltd.	Foxlink India Electric Private Limited	1	Purchases	176,650	Purchase prices are based on the mutual agreement	-
0	Cheng Uei Precision Industry Co., Ltd.	FOXLINK VIETNAM CO.LTD.	1	Other receivables	657,742	The collections depend on the financial situation after offsetting the receivables against the payables	1
0	Cheng Uei Precision Industry Co., Ltd.	FOXLINK VIETNAM CO.LTD.	1	Accounts payable	1,472,847	The collections depend on the financial situation after offsetting the receivables against the payables	1
0	Cheng Uei Precision Industry Co., Ltd.	FOXLINK DA NANG ELECTRONICS CO., LTD.	1	Purchases	208,717	Purchase prices are based on the mutual agreement	-
0	Cheng Uei Precision Industry Co., Ltd.	FOXLINK DA NANG ELECTRONICS CO., LTD.	1	Other receivables	264,126	The collections depend on the financial situation after offsetting the receivables against the payables	-
0	Cheng Uei Precision Industry Co., Ltd.	FOXLINK DA NANG ELECTRONICS CO., LTD.	1	Accounts payable	227,508	The collections depend on the financial situation after offsetting the receivables against the payables	-
0	Cheng Uei Precision Industry Co., Ltd.	Shinfox Energy Co., Ltd.	1	Purchases	305,591	Purchase prices are based on the mutual agreement	-
0	Cheng Uei Precision Industry Co., Ltd.	Shinfox Energy Co., Ltd.	1	Unfinished construction and equipment under acceptance	306,000	Transaction terms are based on the mutual agreement	-
0	Cheng Uei Precision Industry Co., Ltd.	FOXLINK VIETNAM CO.LTD.	1	Purchases	2,284,374	Purchase prices are based on the mutual agreement	2
1	Cu International Ltd.	Foxlink Technology Limited	3	Other payables	563,699	The collections depend on the financial situation after offsetting the receivables against the payables	-
2	Fugang Electric (Kunshan) Co., Ltd.	Foxlink Automotive Technology (Kunshan) Co., Ltd.	3	Prepaid expenses	187,726	The collections depend on the financial situation after offsetting the receivables against the payables	-
2	Fugang Electric (Kunshan) Co., Ltd.	Fugang Electric (Maanshan) Co., Ltd.	3	Other receivables	253,549	The collections depend on the financial situation after offsetting the receivables against the payables	-

Table 9 Page 2

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			
				General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)
2	Fugang Electric (Kunshan) Co., Ltd.	Foxlink Tianjin Co., Ltd.	3	Other payables	\$ 189,587	The collections depend on the financial situation after offsetting the receivables against the payables	-
3	Dongguan Fuqiang Electronics Co., Ltd.	Fugang Electronic (Dongguan) Co., Ltd.	3	Purchases	797,391	Purchase prices are based on the mutual agreement	1
3	Dongguan Fuqiang Electronics Co., Ltd.	Fugang Electric (Maanshan) Co., Ltd.	3	Other receivables	290,484	The collections depend on the financial situation after offsetting the receivables against the payables	-
3	Dongguan Fuqiang Electronics Co., Ltd.	Fuqiang Electric (Maanshan) Co., Ltd.	3	Accounts payable	137,196	The collections depend on the financial situation after offsetting the receivables against the payables	-
3	Dongguan Fuqiang Electronics Co., Ltd.	Fugang Electric (Kunshan) Co., Ltd.	3	Accounts receivable	1,865,055	The collections depend on the financial situation after offsetting the receivables against the payables	1
4	Fugang Electronic (Dongguan) Co., Ltd.	Fugang Electric (Maanshan) Co., Ltd.	3	Other receivables	355,750	The collections depend on the financial situation after offsetting the receivables against the payables	-
5	Fugang Electric (Xuzhou) Co., Ltd.	Fushineng Electronics (Kunshan) Co., Ltd.	3	Sales	271,642	Sales prices are based on the mutual agreement	-
6	Studio A Inc.	Ashop Co., Ltd.	3	Other receivables	163,925	The collections depend on the financial situation after offsetting the receivables against the payables	-
7	Kunshan Fugang Electric Trading Co., Ltd.	Shanghai Fugang Electric Trading Co., Ltd.	3	Sales	287,179	Sales prices are based on the mutual agreement	-
7	Kunshan Fugang Electric Trading Co., Ltd.	Fugang Electric (Kunshan) Co., Ltd.	3	Other payables	105,233	The collections depend on the financial situation after offsetting the receivables against the payables	-
8	Foxlink Image Technology Co., Ltd.	Glorytek (Yancheng) Co., Ltd.	3	Other receivables	179,120	Based on the company's policy	-
9	Glory Science Co., Ltd.	Glory Optics (Yancheng) Co., Ltd.	3	Other receivables	265,045	Based on the company's policy	-
9	Glory Science Co., Ltd.	Glorytek (Yancheng) Co., Ltd.	3	Accounts receivable	385,421	Based on the company's policy	-
9	Glory Science Co., Ltd.	Glorytek (Yancheng) Co., Ltd.	3	Other receivables	152,464	Based on the company's policy	-
10	Glorytek (Suzhou) Co., Ltd.	Glorytek (Yancheng) Co., Ltd.	3	Other receivables	174,579	Based on the company's policy	-
11	Dongguan Fu Wei Electronics Co., Ltd.	Foxlink Image Technology Co., Ltd.	3	Processing income	750,863	The flexible collection based on the financial situation	1
11	Dongguan Fu Wei Electronics Co., Ltd.	Foxlink Image Technology Co., Ltd.	3	Accounts receivable	545,537	The flexible collection based on the financial situation	1
12	Dong Guan Fu Zhang Precision Industry Co., Ltd.	Foxlink Image Technology Co., Ltd.	3	Accounts receivable	100,984	The flexible collection based on the financial situation	-
12	Dong Guan Fu Zhang Precision Industry Co., Ltd.	Foxlink Image Technology Co., Ltd.	3	Processing income	152,163	The flexible collection based on the financial situation	1

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			
				General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)
13	Wei Hai Fu Kang Electric Co., Ltd.	Foxlink Image Technology Co., Ltd.	3	Sales	\$ 1,106,678	The flexible collection based on the financial situation	1
13	Wei Hai Fu Kang Electric Co., Ltd.	Foxlink Image Technology Co., Ltd.	3	Accounts receivable	216,184	The flexible collection based on the financial situation	-
14	Power Quotient Technology (Yancheng) Co., Ltd.	Glory Optics (Yancheng) Co., Ltd.	3	Other receivables	344,806	Based on the company's policy	-
14	Power Quotient Technology (Yancheng) Co., Ltd.	Glorytek (Yancheng) Co., Ltd.	3	Other receivables	223,900	Based on the company's policy	-
15	Shinfox Energy Co., Ltd.	Cheng Uei Precision Industry Co., Ltd.	2	Contract liabilities	306,000	Based on the company's policy	-
16	Foxwell Energy Corporation Ltd	SHINFOX FAR EAST COMPANY PTE. LTD.	3	Construction Cost	1,752,696	Purchase prices are approximate to normal clients	2
16	Foxwell Energy Corporation Ltd	SHINFOX FAR EAST COMPANY PTE. LTD.	3	Other receivables	266,686	Transaction terms are based on the mutual agreement	-
16	Foxwell Energy Corporation Ltd	SHINFOX FAR EAST COMPANY PTE. LTD.	3	Prepayments for construction	4,790,652	Transaction terms are based on the mutual agreement	-

Note 1: The numbers filled in for the transaction company in respect of inter-company transactions are as follows:

(1)Parent company is '0'.

(2)The subsidiaries are numbered in order starting from '1'.

Note 2: Relationship between transaction company and counterparty is classified into the following three categories; fill in the number of category each case belongs to (If transactions between parent company and subsidiaries or between subsidiaries refer to the same transaction, it is not required to disclose twice. For example, if the parent company has already disclosed its transaction with a subsidiary, then the subsidiary is not required to disclose the transaction; for transactions between two subsidiaries, if one of the subsidiaries has disclosed the transaction, then the other is not required to disclose the transaction.):

(1)Parent company to subsidiary.

(2)Subsidiary to parent company.

(3)Subsidiary to subsidiary.

Note 3: Regarding percentage of transaction amount to consolidated total operating revenues or total assets, it is computed based on period-end balance of transaction to consolidated total assets for balance sheet accounts and based on accumulated transaction amount for the period to consolidated total operating revenues for income statement accounts.

Note 4: Disclosure of the transactions of related party over \$100 million only and the related party transactions for counterparty are not disclosed.

Cheng Uei Precision Industry Co., Ltd. and subsidiaries
Information on investees
Year ended December 31, 2024

Table 10

Expressed in thousands of NTD
(Except as otherwise indicated)

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2024			Net Income (loss) of the investee for the year ended December 31, 2024	Investment income (loss) recognised by the Company for the year ended December 31, 2024	Footnote
				Balance as at December 31, 2024	Balance as at December 31, 2023	Number of shares (in thousand shares)	Ownership (%)	Book value			
The Company	Cu International Ltd.	British Virgin IS.	Manufacture of electronic telecommunication components and reinvestment business	\$ 16,181,037	\$ 16,181,037	493,550	100	\$ 28,251,247	\$ 1,599,235	\$ 1,328,607	
The Company	Culink International Ltd.	British Virgin IS.	Reinvestment business	1,099,215	1,099,215	33,528	100	2,144,252	308,013	308,013	
The Company	Foxlink International Investment Ltd.	Taiwan	General investments holdings	4,160,000	3,950,000	489,750	100	6,015,334	991,697	991,697	
The Company	Fu Uei International Investment Ltd.	Taiwan	General investments holdings	4,250,000	4,250,000	425,000	100	2,742,260	(117,656)	(116,999)	
The Company	Well Shin Technology Co., Ltd.	Taiwan	Manufacture and sales of electronic telecommunication components	270,065	270,065	22,282	18.84	1,375,788	723,444	136,313	
The Company	Darts Technologies Corporation	Taiwan	Manufacture of electronic telecommunication and wireless components	762,566	762,566	65,216	97	1,634,943	349,940	339,441	
The Company	Du Precision Industry Co., Ltd.	Taiwan	Sales of raw materials and products of various connectors	600,000	600,000	60,000	100	178,290	91,516	91,516	
The Company	Foxlink Technology Limited.	Hong Kong	Reinvestment business	366,047	366,047	86,700	100	911,318	(14,865)	(14,865)	
The Company	Suntain Co., Ltd.	Taiwan	Electroplating processing services	190,810	190,810	23,529	100	268,239	18,703	18,703	
The Company	Foxlink Arizona Inc.	USA	Energy service management	779,299	507,184	23,770	100	41,342	(255,622)	(255,622)	
The Company	Sinobest Brothers Limited	Hong Kong	Reinvestment business	678,781	678,781	20,704	85.19	305,660	(43,895)	(38,450)	

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2024			Net Income (loss) of the investee for the year ended December 31, 2024	Investment income (loss) recognised by the Company for the year ended December 31, 2024	Footnote
				Balance as at December 31, 2024	Balance as at December 31, 2023	Number of shares (in thousand shares)	Ownership (%)	Book value			
The Company	Ubilink AI Co., Ltd.	Taiwan	Computer software services	\$ 41,000	\$ -	4,100	41	\$ 37,125	(\$ 9,449)	(\$ 3,874)	
Foxlink Technology Limited.	Sinobest Brothers Limited	Hong Kong	Reinvestment business	81,954	65,445	2,000	14.81	29,626	(43,895)	(5,445)	
Sinobest Brothers Limited	Foxlink Myanmar Company Limited	Myanmar	Manufacture and sales of electronic telecommunication components	744,351	744,351	22,704	100	396,959	(43,202)	(43,202)	
Du Precision Industry Co., Ltd.	Celink International Ltd.	British Virgin IS.	Sales of raw materials and products of various connectors	542,133	542,133	16,536	100	-	-	-	
Darts Technologies Corporation	Benefit Right Ltd.	British Virgin IS.	General investments holdings	322,801	322,801	9,846	100	1,705,831	370,909	370,909	
Benefit Right Ltd.	Power Channel Limited	Hong Kong	General investments holdings	252,772	252,772	6	64.25	1,634,608	571,371	367,245	
Foxlink Arizona Inc.	Grid Response LLC.	USA	Energy service management	12,852	12,852	392	50	-	-	-	
Cu International Ltd.	New Start Industries Ltd.	British Virgin IS.	Reinvestment business	281,951	281,951	8,600	100	2,490,374	(31,132)	(31,132)	
Cu International Ltd.	Foxlink Technical India Private Ltd.	India	Manufacture and sales of electronic telecommunication components	105,830	105,830	209,400	34.45	64,934	728	251	
Cu International Ltd.	Solteras Limited	British Virgin IS.	Reinvestment business	65,570	65,570	1,960	100	-	-	-	
Foxlink Automotive Technology (Kunshan) Co., Ltd.	Foxlink Automotive Technology Co., Ltd.	Taiwan	Manufacture and sales of electronic telecommunication components	42,293	42,293	5,000	100	47,969	353	353	
Culink International Ltd.	Pacific Wealth Limited	Cayman Islands	General investments holdings	32,785	32,785	1,000	100	(133,762)	(8,817)	(8,817)	
Culink International Ltd.	Foxlink Technical India Private Ltd.	India	Manufacture and sales of electronic telecommunication components	220,765	220,765	21,546	65.55	117,432	728	477	
Culink International Ltd.	Foxlink Powerbank International Technology Private Ltd.	India	Manufacture and sales of electronic telecommunication components	613	613	160	0.73	612	(30)	-	
Culink International Ltd.	Glorytek Science India Private Limited	India	Trading and manufacture	613	613	160	0.73	612	(50)	-	
Pacific Wealth Limited	FOXLINK INTERNATIONAL INC.	USA	Sales of electronic telecommunication components	16,393	16,393	500	100	(133,762)	(8,817)	(8,817)	

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2024			Net Income (loss) of the investee for the year ended December 31, 2024	Investment income (loss) recognised by the Company for the year ended December 31, 2024	Footnote
				Balance as at December 31, 2024	Balance as at December 31, 2023	Number of shares (in thousand shares)	Ownership (%)	Book value			
Foxlink Technical India Private Ltd.	Tegna Electronics Private Limited	India	Trading and manufacture	\$ 11,493	\$ 11,493	3,001	10	\$ 13,409	\$ 4,124	\$ 412	
Foxlink International Investment Ltd.	FIT Holding Co., Ltd.	Taiwan	General investments holdings	1,241,017	1,270,169	58,303	23.67	2,056,093	1,124,070	252,479	
Foxlink International Investment Ltd.	Xunqiang Communication Technology CO., LTD.	Taiwan	Manufacture and sales of telecommunication equipment and apparatus	80,000	80,000	6,857	21.43	(24,784)	(9,108)	(1,894)	
Foxlink International Investment Ltd.	World Circuit Technology Co., Ltd.	Taiwan	Manufacture and sales of electronic telecommunication components and flexible printed circuit	469,500	469,500	15,650	69.56	193,959	8,018	5,577	
Foxlink International Investment Ltd.	Central Motion Picture Corporation	Taiwan	Motion picture production	888,000	888,000	15,000	13.60	1,711,932	113,350	27,128	
Foxlink International Investment Ltd.	Foxlink India Electric Private Limited	India	Manufacture and sales of electronic telecommunication components	160,662	160,662	41,646	13.53	(70,575)	(281,257)	(38,060)	
Foxlink International Investment Ltd.	CYNC Design Co., Ltd.	Taiwan	Sales of electronic telecommunication components	10,000	10,000	1,000	15.38	10,449	2,895	445	
Foxlink International Investment Ltd.	Foxlink (Vietnam) Co., Ltd.	Vietnam	Sales of electronic telecommunication components	185,058	185,058	6,452	100	1,348,157	820,252	820,252	
Foxlink International Investment Ltd.	Foxlink Da Nang Electronics Co., Ltd.	Vietnam	Sales of electronic telecommunication components	1,450,821	905,730	45,000	100	1,378,228	(57,951)	(57,951)	
Foxlink Image Technology Co., Ltd.	Central Motion Picture Corporation	Taiwan	Motion picture production	257,656	257,656	4,294	3.89	236,525	113,350	7,759	
World Circuit Technology Co., Ltd.	Value Success Ltd.	British Virgin IS.	Holding company and reinvestment business	209,824	209,824	5,000	100	26,754	(672)	(672)	
Value Success Ltd.	Capital Guardian Limited	Hong Kong	Sales of electronic telecommunication components	209,824	209,824	3,005	100	26,681	-	-	
Capital Guardian Limited	World Circuit Technology (Hong Kong) Limited	Hong Kong	Sales of electronic telecommunication components	36,791	36,791	-	100	31,314	-	-	
Fu Uei International Investment Ltd.	FIT Holding Co., Ltd.	Taiwan	General investments holdings	426,860	434,205	14,690	5.97	473,441	1,124,070	71,096	
Fu Uei International Investment Ltd.	Studio A Inc.	Taiwan	Sales of electronic telecommunication components	96,200	96,200	13,196	51	359,445	66,469	33,899	
Fu Uei International Investment Ltd.	VA Product Inc.	Taiwan	Sales of electronic telecommunication components	16,642	16,642	2,400	100	31,419	1,772	1,772	

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2024			Net Income (loss) of the investee for the year ended December 31, 2024	Investment income (loss) recognised by the Company for the year ended December 31, 2024	Footnote
				Balance as at December 31, 2024	Balance as at December 31, 2023	Number of shares (in thousand shares)	Ownership (%)	Book value			
Fu Uei International Investment Ltd.	Zhi De Investment Co., Ltd.	Taiwan	General investments holdings	\$ 2,184,388	\$ 2,184,388	170,918	100	\$ 693,036	(\$ 5,742)	(\$ 5,742)	
Fu Uei International Investment Ltd.	CMPC Cultural & Creative Co., Ltd.	Taiwan	Venture capital industry	150,000	150,000	15,000	42.86	142,901	11,779	5,048	
Fu Uei International Investment Ltd.	Shinfox Energy Co., Ltd.	Taiwan	Mechanical installation and piping engineering	694,170	694,170	18,673	8.31	1,050,874	793,414	65,790	
Fu Uei International Investment Ltd.	Foxlink India Electric Private Limited	India	Manufacture and sales of electronic telecommunication components	1,010,999	1,010,999	266,109	86.47	(450,964)	(281,257)	(243,197)	
Zhi De Investment Co., Ltd.	FIT Holding Co., Ltd.	Taiwan	General investments holdings	1,486,096	1,496,625	21,056	8.55	446,823	1,124,070	(5,944)	
Studio A Inc.	Straight A Inc.	Taiwan	Sales of electronic telecommunication components	101,232	151,848	6,660	100	200,522	46,154	46,154	
Studio A Inc.	Studio A Technology Limited	Hong Kong	Sales of electronic telecommunication components	107,661	107,661	2,550	51	216,965	(34,255)	(17,470)	
Studio A Inc.	Jing Jing Technology Co., Ltd.	Taiwan	Sales of electronic telecommunication components	3,700	3,700	370	100	8,052	56	56	
Studio A Technology Limited	Ashop Co., Ltd.	South Korea	Sales of electronic telecommunication components	4,918	4,918	10	100	45,346	(24,109)	(24,109)	
Studio A Technology Limited	Straight A (Hong Kong) Inc.	Hong Kong	Sales of electronic telecommunication components	8,444	-	200	100	8,059	(376)	(376)	
FIT Holding Co., Ltd.	Glory Science Co., Ltd.	Taiwan	Manufacture and sales of optical instruments	2,814,868	2,814,868	60,000	100	236,545	(187,289)	(187,289)	
FIT Holding Co., Ltd.	Foxlink Image Technology Co., Ltd.	Taiwan	Manufacture and sales of image scanners and multifunction printers	3,011,140	3,011,140	164,994	100	6,289,136	1,118,028	1,111,814	
FIT Holding Co., Ltd.	Power Quotient International Co., Ltd.	Taiwan	Manufacture and sales of electronic telecommunication components	3,372,180	3,372,180	444,691	100	5,836,293	16,658	252,590	
FIT Holding Co., Ltd.	Shin Fong Power Co., Ltd.	Taiwan	Energy service management	300,000	300,000	37,500	16.30	389,628	9,373	1,528	
FIT Holding Co., Ltd.	Synergy Co., Ltd.	Taiwan	Optoelectronics industry, Renewable energy and Energy technical services	36,760	36,760	3,676	8.88	36,019	386	142	
Foxlink Image Technology Co., Ltd.	Accu-Image Technology Limited	British Virgin IS.	Manufacture and sales of image scanners and multifunction printers	1,415,554	1,415,554	20,241	100	2,967,621	605,543	605,543	

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2024			Net Income (loss) of the investee for the year ended December 31, 2024	Investment income (loss) recognised by the Company for the year ended December 31, 2024	Footnote
				Balance as at December 31, 2024	Balance as at December 31, 2023	Number of shares (in thousand shares)	Ownership (%)	Book value			
Foxlink Image Technology Co., Ltd.	Shin Fong Power Co., Ltd.	Taiwan	Energy service management	\$ 957,600	\$ 957,600	79,800	34.70	\$ 960,609	\$ 9,373	\$ 3,252	
Accu-Image Technology Limited	Power Channel Limited	Hong Kong	General investments holdings	140,648	140,648	4	35.75	994,168	571,371	204,265	
Glory Science Co., Ltd.	Glorytek (BVI) Co., Ltd.	British Virgin IS.	General investments holdings	1,557,282	1,557,282	47,500	100	(29,340)	(167,383)	(167,383)	
Glorytek (BVI) Co., Ltd.	Glorytek (Samoa) Co., Ltd.	Samoa	General investments holdings	1,044,223	1,044,223	31,851	100	425,008	(63,054)	(63,054)	
Glorytek (BVI) Co., Ltd.	Glorytek Optics (BVI) Co., Ltd.	British Virgin IS.	Sales agent	524,560	524,560	16,000	100	(521,513)	(104,287)	(104,287)	
Glorytek (BVI) Co., Ltd.	Glorytek Science India Private Limited	India	Trading and manufacture	110,350	110,350	21,773	99.27	83,054	(50)	(50)	
Glorytek Science India Private Limited	Tegna Electronics Private Limited	India	Trading and manufacture	11,491	11,491	3,001	10	13,412	4,124	412	
Power Quotient International Co., Ltd.	Power Quotient International (H.K.) Co., Ltd.	Hong Kong	Sales of electronic telecommunication components	447,954	447,954	106,100	100	741,589	13,473	13,473	
Power Quotient International Co., Ltd.	PQI Japan Co., Ltd.	Japan	Sales of electronic telecommunication components	2,099	2,099	24	100	2,252	-	-	
Power Quotient International Co., Ltd.	Syscom Development Co., Ltd.	British Virgin IS.	Specialized investments holding	356,143	356,143	10,863	100	86,025	9	9	
Power Quotient International Co., Ltd.	Apix Limited	British Virgin IS.	Specialized investments holding	3,392,238	3,392,238	13	100	894,192	(335,714)	(335,714)	
Power Quotient International Co., Ltd.	Power Sufficient International Co., Ltd.	Taiwan	Sales of medical instruments	-	10,000	-	-	-	53	-	Note 1
Power Quotient International Co., Ltd.	Shinfox Energy Co., Ltd.	Taiwan	Energy service management	3,646,600	3,646,600	102,951	45.82	5,799,327	793,414	363,542	
Shinfox Energy Co., Ltd.	Foxwell Energy Corporation Ltd.	Taiwan	Energy service management	8,233,000	8,233,000	935,500	100	10,666,465	1,209,295	1,211,292	
Shinfox Energy Co., Ltd.	Shinfox Natural Gas Co., Ltd.	Taiwan	Energy service management	360,000	360,000	36,000	80	276,663	3,153	2,523	
Shinfox Energy Co., Ltd.	Foxwell Power Co., Ltd.	Taiwan	Energy service management	656,590	656,590	46,539	77.57	796,922	84,930	65,863	

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2024			Net Income (loss) of the investee for the year ended December 31, 2024	Investment income (loss) recognised by the Company for the year ended December 31, 2024	Footnote
				Balance as at December 31, 2024	Balance as at December 31, 2023	Number of shares (in thousand shares)	Ownership (%)	Book value			
Shinfox Energy Co., Ltd.	Jiuwei Power Co., Ltd.	Taiwan	Natural gas power generation business	\$ 1,100,000	\$ 1,100,000	110,000	100	\$ 1,080,235	(\$ 5,940)	(\$ 5,940)	
Shinfox Energy Co., Ltd.	Yuanshan Forest Natural Resources Co., Ltd.	Taiwan	Afforestation	100,000	100,000	10,000	100	85,054	(14,628)	(14,628)	
Shinfox Energy Co., Ltd.	Elegant Energy Tech Co., Ltd.	Taiwan	Energy technical services	200,000	200,000	500	100	53,908	(1,964)	(92,964)	
Shinfox Energy Co., Ltd.	Changpin Wind Power Ltd.	Taiwan	Electric Power Generation	270,000	120,000	27,000	50	222,818	(1,437)	(33,162)	
Shinfox Energy Co., Ltd.	Guanwei Power Co., Ltd.	Taiwan	Electric Power Generation	35,700	35,700	3,570	51	35,228	(773)	(394)	
Shinfox Energy Co., Ltd.	Shinfox Far East Company Pte Ltd	Singapore	Marine engineering business	1,757,276	1,757,276	53,600	67	1,448,392	(1,787,156)	(216,864)	
Shinfox Energy Co., Ltd.	Jun Wei Technology Co., Ltd.	Taiwan	Electric Power Generation	22,000	12,000	2,200	100	18,369	(3,586)	(3,586)	
Shinfox Energy Co., Ltd.	Eastern Rainbow Green Energy Environmental Technology Co., Ltd.	Taiwan	Energy technical services	218,020	218,020	19,820	56.63	153,087	(104,026)	(58,909)	
Shinfox Energy Co., Ltd.	Ubilink AI Co., Ltd.	Taiwan	Computer software services	10,000	-	1,000	10	9,055	(9,449)	(945)	
Shinfox Energy Co., Ltd.	Youde Wind Power Co., Ltd.,	Taiwan	Electric Power Generation	491,000	-	49,100	70.04	490,837	(232)	(162)	
Shinfox Energy Co., Ltd.	FOX NAM ENERGY CO., LTD.	Vietnam	Electric Power Generation	114,748	-	-	100	114,738	196	196	
Shinfox Energy Co., Ltd.	DAKPSI INVESTMENT AND DEVELOPMENT HYDROELECTRIC JOINT STOCK COMPANY	Vietnam	Electric Power Generation	658,336	-	14,645	35	662,914	29,722	10,403	
Foxwell Energy Corporation Ltd.	Xinwei Power Co., Ltd.	Taiwan	Electric Power Generation	37,300	37,300	3,730	100	36,981	3,012	4,983	
Foxwell Energy Corporation Ltd.	Youde Wind Power Co., Ltd.,	Taiwan	Electric Power Generation	210,000	-	21,000	29.96	209,930	(232)	(69)	
Foxwell Power Co., Ltd.	Foxwell Certification Co., Ltd.	Taiwan	Energy technical services	28,650	10,000	2,865	95.50	14,195	(11,361)	(10,984)	

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2024			Net Income (loss) of the investee for the year ended December 31, 2024	Investment income (loss) recognised by the Company for the year ended December 31, 2024	Footnote
				Balance as at December 31, 2024	Balance as at December 31, 2023	Number of shares (in thousand shares)	Ownership (%)	Book value			
Foxwell Power Co., Ltd.	Cheng Shin Digital Co., Ltd.	Taiwan	Energy technical services	\$ 48,436	\$ 490	4,844	49	\$ 33,959	\$ 1,485	(\$ 15,669)	
Eastern Rainbow Green Energy Environmental Technology Co., Ltd.	Eastern Rainbow Environmental Resource Co., Ltd.	Taiwan	Energy technical services	2,500	2,500	250	100.00	811	103	103	
Shinfox Far East Company Pte Ltd	SFE HERCULES COMPANY CORPORATION	Panama	Marine engineering business	5,509,195	-	-	100.00	5,963,815	445,288	445,288	
Shinfox Far East Company Pte Ltd	Shinfox Far East (Taiwan) Company Pty Ltd.	Taiwan	Marine engineering business	30,000	-	3,000	100.00	30,012	(550)	(550)	
Shinfox Far East Company Pte Ltd	SFE DEVELOPER COMPANY CORPORATION	Panama	Marine engineering business	3	-	-	100.00	3	-	-	
Syscom Development Co., Ltd.	Foxlink Powerbank International Technology Private Limited	India	Sales of electronic telecommunication components	110,255	110,255	21,790	99.27	83,144	(30)	(30)	
Apix Limited	Sinocity Industries Limited	Hong Kong	Sales of electronic products	2,849,850	2,849,850	6,000	100	644,222	(3,582)	(3,582)	
Apix Limited	Perennial Ace Limited	British Virgin IS.	Specialized investments holding	698,321	698,321	Unissued shares	100	249,813	(8,392)	(8,392)	
Sinocity Industries Limited	DG Lifestyle Store Limited	Macao	Sales of electronic products	410	410	100	100	(24,553)	(11,379)	(11,380)	
Perennial Ace Limited	STUDIO A TECHNOLOGY LIMITED	Hong Kong	Sales of electronic products	4,998	4,998	1,225	24.50	103,990	(34,255)	(8,392)	
Foxlink Powerbank International Technology Private Limited	Tegna Electronics Private Limited	India	Trading and manufacture	11,490	11,490	3,001	10	13,412	4,124	412	

Note 1: The liquidation of Power Sufficient International Co., Ltd. was completed in the third quarter of 2024.

Cheng Uei Precision Industry Co., Ltd. and subsidiaries
Information on investments in Mainland China
Year ended December 31, 2024

Table 11

Expressed in thousands of NTD
(Except as otherwise indicated)

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2024	Amount remitted from Taiwan to Mainland China/Amount remitted back to Taiwan for the year ended December 31, 2024		Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2024	Net income (loss) of investee as of December 31, 2024	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended December 31, 2024 (Note 2)	Book value of investments in Mainland China as of December 31, 2024	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2024	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
Fugang Electronic (Dongguan) Co., Ltd.	Manufacture and sales of electronic telecommunication components	\$ 1,921,949	Investment through an existing company in the third area	\$ 1,921,949	\$ -	\$ -	\$ 1,921,949	\$ 1,015,879	100	\$ 1,015,878	\$ 8,907,811	\$ -	
Culink Tianjin Co., Ltd.	Manufacture and sales of electronic telecommunication components	131,140	Investment through an existing company in the third area	32,785	-	-	32,785	2,926	100	2,926	176,960	-	
Fugang Electric (Kunshan) Co., Ltd.	Manufacture and sales of electronic telecommunication components	3,983,378	Investment through an existing company in the third area	3,983,378	-	-	3,983,378	93,577	100	93,577	2,793,522	-	
Dong Guan Fu Shi Chang Co., Ltd.	Manufacture and sales of electronic telecommunication components	3,952	Investment through an existing company in the third area	3,952	-	-	3,952	-	100	-	2,511	-	
Dongguan Fuqiang Electronics Co., Ltd.	Manufacture and sales of electronic telecommunication components	4,878,736	Investment through an existing company in the third area and the investee company in Mainland China	3,785,127	-	-	3,785,127	(124,327)	100	(124,327)	10,957,175	-	
Foxlink Automotive Technology (Kunshan) Co., Ltd.	Manufacture and sales of electronic telecommunication components	206,620	Investment through an existing company in the third area and the investee company in Mainland China	98,355	-	-	98,355	7,768	100	7,768	300,497	-	
Foxlink Energy (Tianjin) Ltd.	Manufacture and sales of electronic telecommunication components	131,140	Investment through an existing company in the third area	131,140	-	-	131,140	1,365	100	1,365	133,543	-	
Fushineng Electronics (Kunshan) Co., Ltd.	Manufacture and sales of electronic telecommunication components	393,420	Investment through an existing company in the third area	393,420	-	-	393,420	212,051	100	205,260	1,823,522	-	
Fu Shi Xiang Research & Development Center (Kunshan) Co., Ltd.	Manufacture and sales of electronic telecommunication components	147,533	Investment through an existing company in the third area	147,533	-	-	147,533	(2,917)	100	(2,917)	64,964	-	

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2024	Amount remitted from Taiwan to Mainland China/Amount remitted back to Taiwan for the year ended December 31, 2024		Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2024	Net income (loss) of investee as of December 31, 2024	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended December 31, 2024 (Note 2)	Book value of investments in Mainland China as of December 31, 2024	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2024	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
Fu Gang Electronic (Nan Chang) Co., Ltd.	Manufacture and sales of electronic telecommunication components	\$ 1,639,250	Investment through an existing company in the third area and the investee company in Mainland China	\$ 1,639,250	\$ -	\$ -	\$ 1,639,250	\$ 83,656	100	\$ 83,656	\$ 1,351,914	\$ -	
Fugang Electric (Yancheng) Co., Ltd.	Manufacture and sales of electronic telecommunication components	98,355	Investment through an existing company in the third area	78,684	-	-	78,684	54	80	44	-	-	
Fuqiang Electric (Yancheng) Co., Ltd.	Manufacture and sales of electronic telecommunication components	327,850	Investment through an existing company in the third area	327,850	-	-	327,850	(17,283)	100	(17,283)	(75,704)	-	
Foxlink Tianjin Co., Ltd.	Manufacture and sales of electronic telecommunication components	590,130	Investment through an existing company in the third area	170,482	-	-	170,482	(165,839)	100	(165,824)	879,406	-	
Kunshan Fugang Investment Co., Ltd.	Reinvestment business	983,550	Investment through the investee company in Mainland China	983,550	-	-	983,550	(17,502)	100	(17,502)	1,797,500	-	
Fugang Electric (Maanshan) Co., Ltd.	Manufacture and sales of electronic telecommunication components	997,684	Investment through an existing company in the third area	327,850	-	-	327,850	21,466	100	21,466	(1,201,932)	-	
Kunshan Fugang Electric Trading Co., Ltd.	Sales of electronic telecommunication components	174,844	Investment through the investee company in Mainland China	174,844	-	-	174,844	(16,861)	51	(5,404)	6,683	-	
Kunshan Fu Shi You Trading Co., Ltd.	Sales of electronic telecommunication components	8,956	Investment through the investee company in Mainland China	-	-	-	-	(18)	51	(9)	12,800	-	
Shanghai Fugang Electric Trading Co., Ltd.	Sales of electronic telecommunication components	8,956	Investment through the investee company in Mainland China	-	-	-	-	(6,963)	51	(3,551)	(68,649)	-	
Shanghai Standard Information Technology Co., Ltd.	Sales of electronic telecommunication components	26,868	Investment through the investee company in Mainland China	-	-	-	-	(4,528)	51	(2,309)	(12,924)	-	
Sharetronic Data Technology Co., Ltd.	Manufacture and sales of electronic telecommunication components	1,074,675	Investment through an existing company in the third area and the investee company in Mainland China	252,772	-	-	252,772	3,381,649	17.21	584,870	2,531,726	-	

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2024	Amount remitted from Taiwan to Mainland China/Amount remitted back to Taiwan for the year ended December 31, 2024		Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2024	Net income (loss) of investee as of December 31, 2024	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended December 31, 2024 (Note 2)	Book value of investments in Mainland China as of December 31, 2024	Accumulated amount of investment income remitted back to Taiwan as of December 31,2024	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
Fuqiang Electric (Maanshan) Co., Ltd.	Manufacture and sales of electronic telecommunication components	\$ 163,925	Investment through the investee company in Mainland China	\$ -	\$ -	\$ -	\$ -	(\$ 24)	100	(\$ 24)	\$ 143,178	\$ -	
Fugang Electric (Xuzhou) Co., Ltd.	Manufacture and sales of electronic telecommunication components	2,032,670	Investment through an existing company in the third area	2,032,670	-	-	2,032,670	670,114	100	670,114	4,378,013	-	
Dongguan Banrin Robot Technology Co., Ltd.	Manufacture and sales of automated equipment	134,340	Investment through the investee company in Mainland China	-	-	-	-	(15,781)	31.03	(4,897)	110,943	-	
Suzhou Keyu Rui Automobile Technology Co., Ltd.	Trading and manufacture	11,195	Investment through the investee company in Mainland China	-	-	-	-	(49)	55.56	(27)	24,236	-	
Changzhou Xinwei Vehicle Energy Venture Capital Co., Ltd.	General investments holding	447,800	Investment through an existing company in the third area	-	-	-	-	(23,849)	50	(11,924)	391,870	-	
Hangzhou Huanta Power Technology Development Services Co., Ltd.	Manufacture and sales of electronic telecommunication	132,240	Investment through the investee company in Mainland China	132,240	-	-	132,240	(9,898)	43.71	(4,326)	120,548	-	
Dong Guan HanYang Computer Co., Ltd.	Manufacture of image scanners and multifunction printers and investment of real estate	200,960	Investment through an existing company in the third area	200,960	-	-	200,960	37,860	100	37,860	375,599	-	
Dong Guan Fu Zhang Precision Industry Co., Ltd.	Mould development and moulding tool manufacture	265,960	Investment through an existing company in the third area	195,578	-	-	195,578	6,615	100	6,615	134,071	-	
Wei Hai Fu Kang Electric Co., Ltd.	Manufacture and sales of image scanners, multifunction and parts printers	655,700	Investment through an existing company in the third area	393,420	-	-	393,420	216,507	100	216,507	890,089	-	
Dongguan Fu Wei Electronics Co., Ltd.	Manufacture and sales of parts and moulds of photocopiers and scanners	196,710	Investment through an existing company in the third area	174,034	-	-	174,034	132,303	100	132,303	649,686	-	

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2024	Amount remitted from Taiwan to Mainland China/Amount remitted back to Taiwan for the year ended December 31, 2024		Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2024	Net income (loss) of investee as of December 31, 2024	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended December 31, 2024 (Note 2)	Book value of investments in Mainland China as of December 31, 2024	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2024	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
Glorytek (Suzhou) Co., Ltd.	Trading and manufacture	\$ 458,990	Investment through an existing company in the third area	\$ 447,523	\$ -	\$ -	\$ 447,523	(\$ 31,348)	100	(\$ 31,348)	\$ 263,291	\$ -	
Glorytek (Yancheng) Co., Ltd.	Trading and manufacture	295,065	Investment through an existing company in the third area	295,065	-	-	295,065	(125,266)	100	(125,266)	(807,864)	-	
Yancheng Yaowei Technology Co., Ltd.	Trading and manufacture	44,780	Investment through the investee company in Mainland China	-	-	-	-	269	100	269	86,800	-	
Glory Optics (Yancheng) Co., Ltd.	Trading and manufacture	1,183,155	Investment through an existing company in the third area and the investee company in Mainland China	583,573	-	-	583,573	(67,718)	100	(67,718)	345,399	-	
Power Quotient Technology (Yancheng) Co., Ltd.	Manufacture and sales of electronic telecommunication components	655,700	Investment through an existing company in the third area	Note 1	-	-	-	13,443	100	13,443	741,296	-	
PQI (Xuzhou) New Energy Co., Ltd.	Manufacture and sales of electronic telecommunication components	44,780	Investment through the investee company in Mainland China	Note 2	-	-	-	65	100	65	45,177	-	
Kunshan Jiuwei Info Tech Co., Ltd.	Supply chain finance energy service management	1,639	Direct investment	1,639	-	-	1,639	2,282	100	2,282	34,048	-	
KunShan Eastern Rainbow Environmental Equipment Co., Ltd.	Energy service management	22,390	Direct investment	22,390	-	-	22,390	(9,373)	100	(9,373)	22,988	-	
Chengdu Xinfuwei Energy Co., Ltd.	Electricity power supply	131,140	Direct investment	-	131,140	-	131,140	(503)	100	(503)	127,187	-	

Note 1: The financing amount remitted to PQI's indirect investment of Power Quotient Technology (Yancheng) Co., Ltd. was through an existing company in the third area.

Note 2: The financing amount remitted to PQI's indirect investment of PQI (Xuzhou) New Energy Co., Ltd. were through Power Quotient Technology (Yancheng) Co., Ltd.

Company name	Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2024	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (MOEA)	Ceiling on investments in Mainland China imposed by the Investment Commission of MOEA
Cheng Uei Precision Industry Co., Ltd.	\$ 16,617,831	\$ 17,814,252	The Company's investment in Mainland China is not subject to an upper limit as the Company obtained the certificate of scope of operations issued by Industrial Development Bureau, MOEA in accordance with the Regulations Governing the Examination of Investment or Technical Cooperation in Mainland China amended on August 29, 2008.
Foxlink Image Technology Co., Ltd.	1,117,845	1,455,873	3,340,834
Glory Science Co., Ltd.	1,326,161	1,326,161	181,598
Power Quotient International Co., Ltd.	-	559,380	407,583
Shinfox Energy Co., Ltd.	132,779	132,779	7,592,398
Eastern Rainbow Green Energy Environmental Technology Co., Ltd.	22,390	22,390	152,114

Note 1: It was the reinvestment in Mainland China through an existing company in the third area by cash and the investment was approved by the Investment Commission of MOEA.

Note 2: Investment income (loss) recognised by the Company for the year ended December 31, 2024 was audited by independent auditors.

Note 3: The Company's investment in Mainland China is not subject to an upper limit as the Company obtained the scope of operations certificate of being qualified for operating headquarters issued by Industrial Development Bureau, MOEA in accordance with the Regulations Governing the Examination of Investment or Technical Cooperation in Mainland China amended on August 29, 2008.

Note 4: The investments through the investee company in Mainland China of the Company including: Dongguan Fuqiang Electronics Co., Ltd., Fugang Electric (Maanshan) Co., Ltd., Fu Gang Electronic (Nan Chang) Co., Ltd., Foxlink Automotive Technology (Kunshan) Co., Ltd., Kunshan Fugang Electric Trading Co., Ltd., Kunshan Fu Shi You Trading Co., Ltd., Shanghai Fugang Electric Trading Co., Ltd., Fuqiang Electric (Maanshan) Co., Ltd., Dongguan Banrin Robot Technology Co., Ltd., and Suzhou Keyu Rui Automobile Technology Co., Ltd. Except for the investment via the holding companies in Mainland China, other investments shall not be approved by Investment Commission of MOEA.

Cheng Uei Precision Industry Co., Ltd. and subsidiaries
Major shareholders information
Year ended December 31, 2024

Table 12

Number of major shareholders	Shares	
	Name of shares held	Ownership (%)
Hsin Hung International Investment Co., Ltd.	100,535,228	19.62%
Foxlink Image Technology Co., Ltd.	49,503,000	9.66%
Central Motion Picture Corporation	32,584,000	6.36%