Stock Code:6693

INERGY TECHNOLOGY INC. AND SUBSIDIARIES

Consolidated Financial Statements

With Independent Auditors' Report
For the Years Ended December 31, 2024 and 2023

Address: 8F.-3, No. 8, Taiyuan 2nd St., Zhubei City, Hsinchu County, Taiwan
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The independent auditors' audit report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' audit report and consolidated financial statements, the Chinese version shall prevail.

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Representation Letter

The entities that are required to be included in the combined financial statements of inergy Technology Inc. as of and for the year ended December 31, 2024 under the “Criteria Governing the Preparation of Affiliation Reports, Consolidated Business Reports, and Consolidated Financial Statements of Affiliated Enterprises” are the same as those included in the consolidated financial statements prepared in conformity with International Financial Reporting Standards No. 10 endorsed by the Financial Supervisory Commission, “Consolidated Financial Statements.” In addition, the information required to be disclosed in the combined financial statements is included in the consolidated financial statements. Consequently, inergy Technology Inc. and subsidiaries do not prepare a separate set of combined financial statements.

Company name: inergy Technology Inc.
Chairman: Ming-Chang Lin
Date: February 21, 2025.

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Independent Auditors' Report

To the Board of Directors of inergy Technology Inc.:

Opinion

We have audited the consolidated financial statements of inergy Technology Inc. and its subsidiaries ("the Group"), which comprise the consolidated balance sheets as of December 31, 2024 and 2023, the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of material accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of 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 with the International Financial Reporting Standards ("IFRSs"), International Accounting Standards ("IASs"), Interpretations developed by the International Financial Reporting Interpretations Committee ("IFRIC") or the former Standing Interpretations Committee ("SIC") endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In our judgment, the key audit matters we communicated in the auditor's report were as follows:

- Revenue recognition for sales

  Please refer to note 4(m) "Revenue" for accounting policy and note 6(o) "Revenue from contracts with customers" for further information.

Description of the key audit matter:

Inergy Technology Inc. ("the Company") is an over-the-counter company that involves public interests where investors pay high attention to its operating performance. Therefore, revenue recognition has been identified as our key audit matter.

How the matter was addressed in our audit:

- Understanding the main types of revenues, contract contents, and transaction terms to assess the accuracy of the timing of revenue recognition.
- Conducting the variance analysis on the revenue from major customer.
- Testing the internal controls related to shipping operations and revenue recognition processes.
- Determining samples from sales transactions for a period before and after the balance sheet date to ensure the accuracy of the document related to revenue recognition.

Other Matter

Inergy Technology Inc. has prepared its parent-company-only financial statements as of and for the years ended December 31, 2024 and 2023, on which we have issued an unmodified opinion.

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 with the IFRSs, IASs, IFRIC, SIC endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance (including the Audit Committee) are responsible for overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient and 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.

The engagement partners on the audit resulting in this independent auditors' report are Yang, Yun-Chu and Chen, Ya-Ling.

KPMG

Taipei, Taiwan (Republic of China)
February 21, 2025

Notes to Readers

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

The independent auditors' audit report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language auditors' audit report and consolidated financial statements, the Chinese version shall prevail.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

INERGY TECHNOLOGY INC. AND SUBSIDIARIES

Consolidated Balance Sheets

December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars)

		December 31, 2024		December 31, 2023	
	Assets	**Amount**	**%**	**Amount**	**%**
11xx	**Current assets:**				
1100	Cash and cash equivalents (note 6(a))	$ 759,618	42	546,741	36
1172	Notes and accounts receivable, net (notes 6(c) and (o))	205,892	11	131,755	9
1200	Other receivables	1,904	-	1,047	-
130x	Inventories (note 6(d))	280,991	16	201,607	13
1476	Other current financial assets (notes 6(h) and 9)	124,208	7	-	-
1479	Other current assets (notes 6(h) and 9)	14,291	1	24,498	1
	Total current assets	1,386,904	77	905,648	59
15xx	**Non-current assets:**				
1517	Non-current financial assets at fair value through other comprehensive income (note 6(b))	36,405	2	32,931	2
1600	Property, plant and equipment (notes 6(e), 8 and 9)	320,740	18	318,743	21
1755	Right-of-use assets (note 6(f))	6,972	-	4,741	-
1780	Intangible assets (note 6(g))	7,706	-	10,646	1
1840	Deferred tax assets (note 6(l))	15,212	1	25,113	2
1920	Guarantee deposits paid (note 9)	12,684	1	209,927	14
1980	Other non-current financial assets (notes 6(h) and 8)	15,424	1	14,480	1
1995	Other non-current assets (note 6(h))	3,907	-	2,675	-
	Total non-current asset	419,050	23	619,256	41
1xxx	**Total assets**	**$ 1,805,954**	**100**	**1,524,904**	**100**

		December 31, 2024		December 31, 2023	
	Liabilities and Equity	**Amount**	**%**	**Amount**	**%**
21xx	**Current liabilities:**				
2100	Short-term borrowings (notes 6(i) and (u))	$ 74,516	4	-	-
2130	Contract liabilities-current (note 6(o))	697	-	377	-
2170	Notes and accounts payable	198,354	11	88,623	5
2200	Other payables (note 6(p))	46,198	3	27,122	2
2230	Current tax liabilities	15,188	1	14,574	1
2280	Lease liabilities-current (notes 6(j) and (u))	3,025	-	2,272	-
2320	Long term liabilities, current portion (notes 6(i) and 8)	14,780	1	14,528	1
2399	Other current liabilities (notes 6(i) and 9)	36,298	2	25,623	2
	Total current liabilities	389,056	22	173,119	11
25xx	**Non- current liabilities:**				
2540	Long-term borrowings (notes 6(i) and 8)	165,682	9	180,456	12
2570	Deferred tax liabilities (note 6(l))	3,652	-	-	-
2580	Lease liabilities-non-current (notes 6(j) and (u))	4,134	-	2,519	-
2645	Guarantee deposits received (note 9)	35,000	2	70,000	5
	Total non-current liabilities	208,468	11	252,975	17
2xxx	**Total liabilities**	597,524	33	426,094	28
31xx	**Equity (notes 6(b) and (m)):**				
3110	Ordinary shares	457,200	25	457,200	30
3200	Capital surplus	570,003	32	594,692	39
3300	Retained earnings	185,320	10	53,934	3
3400	Other equity	(4,093)	-	(7,016)	-
3xxx	**Total equity**	1,208,430	67	1,098,810	72
2-3xxx	**Total liabilities and equity**	**$ 1,805,954**	**100**	**1,524,904**	**100**

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

INERGY TECHNOLOGY INC. AND SUBSIDIARIES

Consolidated Statements of Comprehensive Income

For the years ended December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars , Except for Earnings Per Common Share)

		2024		2023	
		Amount	**%**	**Amount**	**%**
4000	**Operating revenue (note 6(o))**	1,094,185	100	960,374	100
5000	**Operating costs (notes 6(d), (e), (f), (k), (p) and 12)**	759,826	69	783,358	82
5900	**Gross profit from operations**	334,359	31	177,016	18
	Operating expenses (notes 6(c), (e), (f), (g), (j), (k), (p), 7 and 12):				
6100	Selling expenses	42,468	4	41,670	4
6200	Administrative expenses	73,955	7	60,792	6
6300	Research and development expenses	97,102	9	77,996	8
6450	Expected credit losses (gains)	-	-	(24,145)	(3)
	Total operating expenses	213,525	20	156,313	15
6900	**Net operating income**	120,834	11	20,703	3
7000	**Non-operating income and expenses (notes 6(b), (j) and (q)):**				
7100	Interest income	21,061	2	10,725	1
7010	Other income	1,506	-	1,960	-
7020	Other gains and losses	51,975	5	(5,352)	(1)
7050	Finance costs	(4,736)	(1)	(4,038)	-
	Total non-operating income and expenses	69,806	6	3,295	-
7900	**Income before tax**	190,640	17	23,998	3
7950	**Less: Income tax expenses (note 6(l))**	38,223	3	7,690	1
8000	**Net income**	152,417	14	16,308	2
8300	**Other comprehensive income (notes 6(b) and (m)):**				
8310	**Components of other comprehensive income that will not be reclassified to profit or loss**				
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	3,474	-	(1,242)	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	-	-	-	-
	Total components of other comprehensive income that will not be reclassified to profit or loss	3,474	-	(1,242)	-
8360	**Components of other comprehensive income that will be reclassified to profit or loss**				
8361	Exchange differences on translation of foreign financial statements	(551)	-	253	-
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	-	-	-	-
	Total components of other comprehensive income that will be reclassified to profit or loss	(551)	-	253	-
8300	**Other comprehensive income**	2,923	-	(989)	-
8500	**Total comprehensive income**	**$ 155,340**	**14**	**15,319**	**2**
	Profit attributable to:				
8610	Owners of parent	**$ 152,417**	**14**	**16,308**	**2**
	Comprehensive income attributable to:				
8710	Owners of parent	**$ 155,340**	**14**	**15,319**	**2**
	Earnings per share (expressed in New Taiwan dollars) (note 6(n))				
9750	**Basic earnings per share**	**$**	**3.33**		**0.36**
9850	**Diluted earnings per share**	**$**	**3.33**		**0.36**

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

INERGY TECHNOLOGY INC. AND SUBSIDIARIES

Consolidated Statements of Changes in Equity

For the years ended December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars)

			Retained earnings				Other equity			
	Ordinary shares	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Total retained earnings	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income	Total other equity interests	Total equity
Balance at January 1, 2023	$ 457,200	594,692	12,697	-	116,369	129,066	300	(6,327)	(6,027)	1,174,931
Appropriation and distribution of retained earnings:										
Legal reserve	-	-	11,170	-	(11,170)	-	-	-	-	-
Special reserve	-	-	-	6,027	(6,027)	-	-	-	-	-
Cash dividends	-	-	-	-	(91,440)	(91,440)	-	-	-	(91,440)
Net income	-	-	-	-	16,308	16,308	-	-	-	16,308
Other comprehensive income	-	-	-	-	-	-	253	(1,242)	(989)	(989)
Total comprehensive income	-	-	-	-	16,308	16,308	253	(1,242)	(989)	15,319
Balance on December 31, 2023	457,200	594,692	23,867	6,027	24,040	53,934	553	(7,569)	(7,016)	1,098,810
Appropriation and distribution of retained earnings:										
Legal reserve	-	-	1,631	-	(1,631)	-	-	-	-	-
Special reserve	-	-	-	989	(989)	-	-	-	-	-
Cash dividends	-	(24,689)	-	-	(21,031)	(21,031)	-	-	-	(45,720)
Net income	-	-	-	-	152,417	152,417	-	-	-	152,417
Other comprehensive income	-	-	-	-	-	-	(551)	3,474	2,923	2,923
Total comprehensive income	-	-	-	-	152,417	152,417	(551)	3,474	2,923	155,340
Balance at December 31, 2024	**$ 457,200**	**570,003**	**25,498**	**7,016**	**152,806**	**185,320**	**2**	**(4,095)**	**(4,093)**	**1,208,430**

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

INERGY TECHNOLOGY INC. AND SUBSIDIARIES

Consolidated Statements of Cash Flows

For the years ended December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars)

	2024	2023
Cash flows from (used in) operating activities:		
Income before tax	$ 190,640	23,998
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expense	33,696	32,880
Amortization expense	3,288	2,776
Expected credit gains	-	(24,145)
Interest expense	4,736	4,038
Interest income	(21,061)	(10,725)
Dividend income	(450)	(1,350)
(Gain) loss on disposal of property, plant and equipment	(202)	27
Others	(44)	1,084
Total adjustments to reconcile profit (loss)	19,963	4,585
Changes in operating assets and liabilities:		
Changes in operating assets:		
(Increase) decrease in notes and accounts receivable	(73,769)	26,586
(Increase) decrease in other receivable	(767)	5
(Increase) decrease in inventories	(79,141)	234,881
Decrease in other current assets	10,235	25,813
Decrease in other non-current assets	-	3,608
Total changes in operating assets	(143,442)	290,893
Changes in operating liabilities:		
Increase (decrease) in contract liabilities	316	(998)
Increase (decrease) in notes and accounts payable	109,731	(131,337)
Increase (decrease) in other payables	19,117	(9,727)
Increase (decrease) in other current liabilities	190	(880)
Total changes in operating liabilities	129,354	(142,942)
Total changes in operating assets and liabilities	(14,088)	147,951
Total adjustments	5,875	152,536
Cash inflow generated from operations	196,515	176,534
Income taxes paid	(24,056)	(37,271)
Net cash flows from operating activities	172,459	139,263
Cash flows from (used in) investing activities:		
Acquisition of property, plant and equipment	(33,398)	(20,403)
Proceeds from disposal of property, plant and equipment	216	798
Decrease in guarantee deposits paid	73,050	92
Acquisition of intangible assets	(347)	(10,152)
(Increase) decrease in other financial assets	(944)	6,995
Interest received	20,970	10,750
Dividends received	450	1,350
Net cash flows from (used in) investing activities	59,997	(10,570)
Cash flows from (used in) financing activities:		
Proceeds from short-term borrowings	75,000	-
Repayment of long-term borrowings	(14,522)	(14,016)
Decrease in guarantee deposits received	(25,000)	(35,000)
Payment of lease liabilities	(3,579)	(3,764)
Cash dividends paid	(45,720)	(91,440)
Interest paid	(4,632)	(4,022)
Net cash flows used in financing activities	(18,453)	(148,242)
Effect of exchange rate changes on cash and cash equivalents	(1,126)	517
Net increase (decrease) in cash and cash equivalents	212,877	(19,032)
Cash and cash equivalents at beginning of period	546,741	565,773
Cash and cash equivalents at ending of period	**$ 759,618**	**546,741**

See accompanying notes to consolidated financial statements.

(1) Company history

Inergy Technology Inc. (the "Company") was incorporated on November 1, 2007 as a company limited by shares and registered under the Ministry of Economic Affairs, R.O.C. The address of the Company's registered office is 8F-3 , No.8 Taiyuan 2nd St., Jhubei City., Hsinchu County, Taiwan. inergy Technology Inc. and its subsidiaries ("the Group") major operating activities are product designing, and wholesale and retail sale of electrical appliance, and wholesale and retail sale of electronic materials, and international trade.

(2) Approval date and procedures of the consolidated financial statements:

The consolidated financial statements were authorized for issue by the Board of Directors on February 21, 2025.

(3) New standards, amendments and interpretations adopted:

(a) The impact of the International Financial Reporting Standards (" IFRS Accounting Standards") endorsed by the Financial Supervisory Commission, R.O.C. which have already been adopted.

The Group has initially adopted the following new amendments, which do not have a significant impact on its consolidated financial statements, from January 1, 2024:

- Amendments to IAS 1 "Classification of Liabilities as Current or Non-current"
- Amendments to IAS 1 "Non-current Liabilities with Covenants"
- Amendments to IAS 7 and IFRS 7 "Supplier Finance Arrangements"
- Amendments to IFRS 16 "Lease Liability in a Sale and Leaseback"

(b) The impact of IFRS Accounting Standares endorsed by the FSC but not yet effective

The Group assesses that the adoption of the following new amendments, effective for annual period beginning on January 1, 2025, would not have a significant impact on its consolidated financial statements:

- Amendments to IAS21 "Lack of Exchangeability"

(Continued)

INERGY TECHNOLOGY INC. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(c) The impact of IFRS Accounting Standares issued by IASB but not yet endorsed by the FSC

The following new and amended standards, which may be relevant to the Group, have been issued by the International Accounting Standards Board (IASB), but have yet to be endorsed by the FSC:

Standards or Interpretations	Content of amendment	Effective date per IASB
IFRS 18 “Presentation and Disclosure in Financial Statements”	The new standard introduces three categories of income and expenses, two income statement subtotals and one single note on management performance measures. The three amendments, combined with enhanced guidance on how to disaggregate information, set the stage for better and more consistent information for users, and will affect all the entities. ● A more structured income statement: under current standards, companies use different formats to present their results, making it difficult for investors to compare financial performance across companies. The new standard promotes a more structured income statement, introducing a newly defined ‘operating profit’ subtotal and a requirement for all income and expenses to be allocated between three new distinct categories based on a company’s main business activities. ● Management performance measures (MPMs): the new standard introduces a definition for management performance measures, and requires companies to explain in a single note to the financial statements why the measure provides useful information, how it is calculated and reconcile it to an amount determined under IFRS Accounting Standards. ● Greater disaggregation of information: the new standard includes enhanced guidance on how companies group information in the financial statements. This includes guidance on whether information is included in the primary financial statements or is further disaggregated in the notes.	January 1, 2027

The Group is evaluating the impact on its consolidated financial position and consolidated financial performance upon the initial adoption of the abovementioned standards or interpretations. The results thereof will be disclosed when the Group completes its evaluation.

The Group does not expect the following other new and amended standards, which have yet to be endorsed by the FSC, to have a significant impact on its consolidated financial statements:

- Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture”
- IFRS 17 “ Insurance Contracts” and amendments to IFRS 17 “ Insurance Contracts”
- IFRS 19 “Subsidiaries without Public Accountability: Disclosures”
- Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments”
- Annual Improvements to IFRS Accounting Standards—Volume 11
- Amendments to IFRS 9 and IFRS 7 “Contracts Referencing Nature-dependent Electricity”

(4) Summary of material accounting policies:

The material accounting policies presented in the consolidated financial statements are summarized below. Except for those specifically indicated, the following accounting policies were applied consistently throughout the periods presented in the consolidated financial statements.

(a) Statement of compliance

These consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers (hereinafter referred to as “the Regulations”) and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations endorsed and issued into effect by the Financial Supervisory Commission, R.O.C. (altogether referred to “ IFRS Accounting Standards” endorsed by the “FSC”).

(b) Basis of preparation

(i) Basis of measurement

Except for the financial assets at fair value through other comprehansive income are measured at fair value, the consolidated financial statements have been prepared on a historical cost basis.

(ii) Functional and presentation currency

The functional currency of each Group entity is determined based on the primary economic environment in which the entity operates. The consolidated financial statements are presented in New Taiwan Dollars (NTD), which is the Company's functional currency. All financial information presented in NTD has been rounded to the nearest thousand.

INERGY TECHNOLOGY INC. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(c) Basis of consolidation

(i) Principles of preparation of the consolidated financial statements

The consolidated financial statements comprise the Company and subsidiaries. Subsidiaries are entities controlled by the Group. The Group 'controls' an entity when it is exposed to, 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.

The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases. Intragroup balances and transactions, and any unrealized income and expenses arising from Intragroup transactions are eliminated in preparing the consolidated financial statements. The Group attributes the profit or loss and each component of other comprehensive income 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.

Financial reports of subsidiaries had been adjusted properly and the accounting policies used in subsidiaries are same to the Group's accounting policies.

Changes in the Group's ownershop interest in a subsidiary that do not result in loss of control are accounted for as equity transactions.

(ii) List of subsidiaries in the consolidated financial statements

			Shareholding		
Name of investor	**Name of subsidiary**	**Principal activity**	**December 31, 2024**	**December 31, 2023**	**Description**
The Company	Guanghong Power drive (Shenzhen) electronic technology co., LTD.	Selling of eletronic products	100 %	100 %	Note

Note: The aforementioned subsidiarie was recognized base on the audited financial statements by the certified public accountant.

(iii) Subsidiaries excluded the consolidated financial statements: None.

(d) Foreign currencies

(i) Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of Group entities at the exchange rates at the dates of the transactions. At the end of each subsequent reporting period, monetary items denominated in foreign currencies are translated into the functional currencies using the exchange rate at that date.

Non-monetary items denominated in foreign currencies that are measured at fair value are translated into the functional currencies using the exchange rate at the date that the fair value was determined. Non-monetary items denominated in foreign currencies that are measured based on historical cost are translated using the exchange rate at the date of the transaction.

(ii) Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated into the presentation currency at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into the presentation currency at the average exchange rate. Exchange differences are recognized in other comprehensive income.

When a foreign operation is disposed of such that control, significant influence, or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to non-controlling interests. When the Group disposes of only part of its investment in an associate or joint venture that includes a foreign operation while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

When the settlement of a monetary receivable from or payable to a foreign operation is neither planned nor likely to occur in the foreseeable future, exchange differences arising from such a monetary item that are considered to form part of the net investment in the foreign operation are recognized in other comprehensive income.

(e) Classification of current and non-current assets and liabilities

The Group classifies the asset as current under one of the following criteria, and all other assets are classified as non-current.

(i) It is expected to be realized, or intended to be sold or consumed, in the normal operating cycle;

(ii) It is held primarily for the purpose of trading;

(iii) It is expected to be realized within twelve months after the reporting period; or

(iv) The asset is cash or a cash equivalent (as defined in IAS 7) unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

The Group classifies the liability as current under one of the following criteria, and all other liabilities are classified as non-current.

(i) It is expected to be settled in the normal operating cycle;

(ii) It is held primarily for the purpose of trading;

(iii) It is due to be settled within twelve months after the reporting period; or

(iv) The Group does not have the right at the end of the reporting period to defer settlement of the liability for at least twelve months after the reporting period.

(Continued)

INERGY TECHNOLOGY INC. AND SUBSIDIARIES
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(f) Cash and cash equivalents

Cash comprises cash on hand and bank deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value. Time deposits which meet the above definition and are held for the purpose of meeting short term cash commitments rather than for investment or other purposes should be recognized as cash equivalents.

(g) Financial instruments

Accounts receivable issued are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Group becomes a party to the contractual provisions of the instrument. A financial asset (unless it is an accounts receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. An accounts receivable without a significant financing component is initially measured at the transaction price.

(i) Financial assets

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

On initial recognition, a financial asset is classified as measured at: amortized cost; Fair value through other comprehensive income (FVOCI) – equity investment. Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

1) Financial assets measured at amortized cost

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

· it is held within a business model whose objective is to hold assets to collect contractual cash flows; and

· its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

These assets are subsequently measured at amortized cost, which is the amount at which the financial asset is measured at initial recognition, plus/minus, the cumulative amortization using the effective interest method, adjusted for any loss allowance. Interest income, foreign exchange gains and losses, as well as impairment lossess, are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

(Continued)

2) Fair value through other comprehensive income (FVOCI)

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income. This election is made on an instrument-by-instrument basis.

Equity investments at FVOCI are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in other comprehensive income and are never reclassified to profit or loss.

Dividend income from equity investments is recognized in profit or loss on the date on which the Group's right to receive payment is established, which is normally the ex-dividend date.

3) Impairment of financial assets

The Group recognizes loss allowances for expected credit losses (ECL) on financial assets measured at amortized cost (including cash and cash equivalents, notes and accounts receivable, other receivables, guarantee deposit paid and other financial assets and etc.).

The Group measures loss allowances at an amount equal to lifetime ECL, except for the following which are measured as 12-month ECL:

· debt securities that are determined to have low credit risk at the reporting date; and

· other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowance for notes and accounts receivable are always measured at an amount equal to lifetime ECL.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 month after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Group's historical experience and informed credit assessment as well as forward-looking information.

(Continued)

The time deposit held by the Group are trade with domestic domestic financial institutions, so the credit risk is considered low.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Group considers a financial asset to be in default when the financial asset is more than 180 days past due or the borrower is unlikely to pay its credit obligations to the Group in full.

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

At each reporting date, the Group assesses whether financial assets carried at amortized cost are credit-impaired. A financial asset is ‘credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial assets is credit-impaired includes the following observable data:

· significant financial difficulty of the borrower or issuer;

· a breach of contract such as a default or being more than 180 days past due;

· the lender of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession that the lender would not otherwise consider;

· it is probable that the borrower will enter bankruptcy or other financial reorganization; or

· the disappearance of an active market for a security because of financial difficulties.

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets. For debt securities at FVOCI, the loss allowance is charge to profit or loss and is recognized in other comprehensive income instead of reducing the carrying amount of the asset.

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For corporate customers, the Group individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Group expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

4) Derecognition of financial assets

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group enters into transactions whereby it transfers assets recognized in its statement of balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognized.

(ii) Financial liabilities and equity instruments

1) Classification of debt or equity

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

2) Equity instrument

An equity instrument is any contract that evidences residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued are recognized as the amount of consideration received, less the direct cost of issuing.

3) Financial liabilities

Financial liabilities are classified as measured at amortized cost. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

4) Derecognition of financial liabilities

The Group derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

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

(Continued)

5) Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount presented in the statement of balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

(h) Inventories

Inventories are measured at the lower of cost and net realizable value. The cost of inventories is calculated using the weighted-average method, and includes expenditure incurred in acquiring the inventories, production or conversion costs, and other costs incurred in bringing them to their present location and condition.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

(i) Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalized borrowing costs, less accumulated depreciation and any accumulated impairment losses.

If significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in profit or loss.

(ii) Subsequent expenditure

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

(iii) Depreciation

Depreciation is calculated on the cost of an asset less its residual value and is recognized in profit or loss on a straight line basis over the estimated useful lives of each component of an item of property, plant and equipment.

Land is not depreciated.

The estimated useful lives of property, plant and equipment for current and comparative periods are as follows:

1) Buildings and structures

Main buildings	50 years
Others	8~10 years

2)	Machinery and equipment	1~5 years
3)	Transportation equipment	5 years
4)	Other equipment	3~5 years
5)	Office equipment	3 years
6)	Lease improvement	3~5 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(j) Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

(i) As a lease

The Group recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be reliably determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

— fixed payments, including substantively fixed payments;

— variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;

— amounts expected to be payable under a residual value guarantee; and

— payments for purchase or termination options that are reasonably certain to be exercised.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when:

— there is a change in future lease payments arising from the change in an index or rate; or

— there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee; or

— there is a change in the assessment on whether it will have the option to exercise a purchase, or

— there is a change of its assessment on whether it will exercise a extension or termination option; or

— there is any lease modifications

When the lease liability is remeasured, other than lease modifications, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or in profit and loss if the carrying amount of the right-of-use asset has been reduced to zero.

When the lease liability is remeasured to reflect the partial or full termination of the lease for lease modifications that decrease the scope of the lease, the Group accounts for the remeasurement of the lease liability by decreasing the carrying amount of the right-of-use asset to reflect the partial or full termination of the lease, and recognize in profit or loss any gain or loss relating to the partial or full termination of the lease.

The Group presents right-of-use assets that do not meet the definition of investment and lease liabilities as a separate line item respectively in the statement of financial position.

The Group has elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(ii) As a leasor

When the Group acts as a lessor, it determines at lease commencement whether each lease is a finance lease or an operating lease. To classify each lease, the Group makes an overall assessment of whether the lease transfers to the lessee substantially all of the risks and rewards of ownership incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then the lease is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, the Group applies IFRS15 to allocate the consideration in the contract.

The lessor recognizes a finance lease receivable at an amount equal to its net investment in the lease. Initial direct costs, such as lessors to negotiate and arrange a lease, are included in the measurement of the net investment. The lessor recognizes the interest income over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. The Group recognizes lease payments received under operating leases as income on a straight-line basis over the lease term as part of ‘rent income'.

(k) Intangible assets

(i) Recognition and measurement

Intangible assets, that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortization and any accumulated impairment losses.

(ii) Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognized in profit or loss as incurred.

(iii) Amortization

Amortization is calculated over the cost of the asset, less its residual value, and is recognized in profit or loss on a straight-line basis over the estimated useful lives of intangible assets. The Group's intangible assets is computer software, the estimated useful lives for current and comparative periods was 1 to 5 years.

Amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(l) Impairment of non financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than inventories and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or the cash-generating units (CGUs). Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

(Continued)

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognized in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

(m) Revenue

(i) Revenue from contracts with customers

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring goods to a customer. The Group recognizes revenue when it satisfies a performance obligation by transferring control of a good to a customer. The accounting policies for the Group's main types of revenue are explained below.

1) Sale of goods

The Group recognizes revenue when control of the products has been transferred, when the products are delivered to the customer, the customer has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for acceptance have been satisfied.

A receivable is recognized when the goods are delivered as this is the point in time that the Group has a right to an amount of consideration that is unconditional.

2) Financing components

The Group does not expect to have any contracts where the period between the transfer of the promised goods to the customer and payment by the customer exceeds one year. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

(n) Government grants

The Group recognizes an unconditional government grant as other income when the grant becomes receivable. Other government grants related to assets are initially recognized as deferred income at fair value if there is reasonable assurance that they will be received and the Group will comply with the conditions associated with the government grants; they are then recognized as other income on a systematic basis over the useful life of the assets. Grants that compensate the Group for expenses or losses incurred are recognized in profit or loss on a systematic basis in the periods in which the expenses or losses are recognized.

The Group calculates the fair value of its loans from financial institutions with government assistance in the form of a guarantee based on the market interest rates, and recognizes the difference between the fair value of the loans and the amount paid as other income.

(Continued)

(o) Employee benefits

Obligations for contributions to defined contribution plans are expensed as the related service is provided.

(p) Income taxes

Income taxes comprise current taxes and deferred taxes. Except for expenses related to business combinations or recognized directly in equity or other comprehensive income, all current and deferred taxes are recognized in profit or loss.

Current taxes comprise the expected tax payables or receivables on the taxable profits (losses) for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payables or receivables are the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date.

Deferred taxes arise due to temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases. Deferred taxes are recognized except for the following:

(i) temporary differences on the initial recognition of assets and liabilities in a transaction that is not a business combination and at the time of the transaction (i) affects neither accounting nor taxable profits (losses) and (ii) does not give rise to equal taxable and deductible temporary differences;

(ii) temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and

(iii) taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognized for the carry forward of unused tax losses, unused tax credits, and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefits will be realized; such reduction are reversed when the probability of future taxable profits improves.

Deferred taxes are measured at tax rates that are expected to be applied to temporary differences when they reserve, using tax rates enacted or substantively enacted at the reporting date, and reflect uncertainly related to income taxes, if any.

Deferred tax assets and liabilities are offset if the following criteria are met:

(i) the Group has a legally enforceable right to set off current tax assets against current tax liabilities; and

(ii) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on either:

1) the same taxable entity; or

2) different taxable entities which intend to settle current tax assets and liabilities on a net basis, or to realize the assets and liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

(q) Earnings per share

The Group discloses the Company's basic and diluted earnings per share attributable to ordinary shareholders of the Company. Basic earnings per share is calculated as the profit attributable to ordinary shareholders of the Company divided by the weighted average number of ordinary shares outstanding. Diluted earnings per share is calculated as the profit attributable to ordinary shareholders of the Company divided by the weighted average number of ordinary shares outstanding after adjustment for the effects of all potentially dilutive ordinary shares, such as employee compensation.

(r) Operating segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the Group). Operating results of the operating segment are regularly reviewed by the Group's chief operating decision maker to make decisions about resources to be allocated to the segment and to assess its performance. Each operating segment consists of standalone financial information.

(5) Significant accounting assumptions and judgments, and major sources of estimation uncertainty:

In preparing these consolidated financial statements, management has made judgments and estimates about the future, including climate-related risks and opportunities, that affect the application of the accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis and are consistent with the Group’s risk management and climate-related commitments where appropriate. Revisions to estimates are recognized prospectively in the period of the change and future periods.

There is no information about critical judgments in the consolidated financial statements.

Information about assumptions and estimation uncertainties that do not have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

The accounting policy and disclosure of the Group include that measuring financial assets and liabilities at fair value through profit or loss. The Group's financial instrument valuation group conducts independent verification on fair value by using data sources that are independent, reliable, and representative of exercise prices. This financial instrument valuation group also periodically adjusts valuation models, conducts back testing, renews input data for valuation models, and makes all other necessary fair value adjustments to assure the rationality of fair value.

(Continued)

The Group strives to use market observable inputs when measuring assets and liabilities. Different levels of the fair value hierarchy to be used in determining the fair value of financial instruments are as follows:

(a) Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

(b) Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

(c) Level 3: inputs for the assets or liability that are not based on observable market data (unobservable inputs).

For any transfer within the fair value hierarchy, the impact of the transfer is recognized on the reporting date.

Please refer to note 6(r) for assumptions used in measuring fair value.

(6) Explanation of significant accounts:

(a) Cash and cash equivalents

	December 31, 2024	December 31, 2023
Cash on hand	$ 242	246
Demand and checking deposits	487,096	270,150
Time deposits	108,355	276,345
Cash equivalents (investments in bonds sold under repurchase agreement)	163,925	-
	$ 759,618	**546,741**

Please refer to note 6(r) for the currency risk and sensitivity analysis of the financial assets and liabilities of the Group.

(b) Non-current financial assets at fair value through other comprehensive income

	December 31, 2024	December 31, 2023
Domestic listed companies	$ 36,405	-
Domestic unlisted companies	-	32,931
	$ 36,405	**32,931**

The Group designated the investments shown above as equity securities as at fair value through other comprehensive income because these equity securities represent those investments that the Group intends to hold for long-term for strategic purposes.

During the years ended December 31, 2024 and 2023, the group received dividend income $450 and $1,350, respectively, of the equity investment designated at fair value though other comprehensive income.

There were no disposals of equity securities as at fair value through other comprehensive income and transfers of any cumulative gain or loss within equity relating to these investments as of 2024 and 2023.

(i) For credit and market risk, please refer to note 6(r).

(ii) The aforementioned financial assets were not pledged.

(c) Notes and accounts receivable

	December 31, 2024	December 31, 2023
Notes receivable	$ 4,302	7,255
Accounts receivable	201,590	124,500
Less: loss allowance	-	-
	$ 205,892	**131,755**

The Group applies the simplified approach to provide for its expected credit losses, i.e. the use of lifetime expected loss provision for all receivable. To measure the expected credit losses, notes and accounts receivable have been grouped based on shared credit risk characteristics and the days past due, as well as incorporated forward-looking information. The loss allowance provision was determined as follows:

	December 31, 2024		
	Gross carrying amount	Weighted-average loss rate	Loss allowance provision
Not overdue	$ 186,087	-	-
Overdue within 90 days	19,805	-	-
	$ 205,892		**-**

	December 31, 2023		
	Gross carrying amount	Weighted-average loss rate	Loss allowance provision
Not overdue	$ 117,128	-	-
Overdue within 90 days	14,627	-	-
	$ 131,755		**-**

The movements in the allowance for notes and accounts receivable were as follows:

	2024	2023
Balance at January 1	$ -	24,145
Impairment reversed recognized	-	(24,145)
Balance at December 31	**$ -**	**-**

The Group's notes and accounts receivable were not discounted and pledged. For further credit risk information, please refer to note 6(r).

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(d) Inventories

	December 31, 2024	December 31, 2023
Raw materials	$ 8,499	29,276
Work in process	218,968	133,115
Merchandise and finished goods	53,524	39,216
	$ 280,991	**201,607**

Except for cost of goods sold and inventories recognized as expenses, the remaining gains or losses which were recognized as operating cost or deduction of operating cost were as follows:

	2024	2023
Losses (gains) on valuation of inventories	**$ (44,390)**	**57,497**

(i) The aforementioned gains on valuation of inventories were due to inventories, which had been recognized loss on valuation, had been sold or used.

(ii) The Group's inventories were not pledged.

(e) Property, plant and equipment

The cost and accumulated depreciation of the property, plant and equipment of the Group for the years ended December 31, 2024 and 2023, were as follows :

	Land	Buildings and structures	Machinery and equipment	Transportation equipment	Other equipment	Office equipment	Lease improvement	Total
Cost:								
Balance at January 1, 2024	$ 73,697	195,360	102,965	1,211	1,125	9,467	593	384,418
Additions	-	267	11,554	1,288	109	2,087	208	15,513
Disposals	-	-	(14,387)	(1,211)	-	(714)	-	(16,312)
Reclassification (Note)	-	-	16,457	-	-	-	-	16,457
Effect of exchange rate changes	-	-	18	9	-	8	1	36
Balance at December 31, 2024	**$ 73,697**	**195,627**	**116,607**	**1,297**	**1,234**	**10,848**	**802**	**400,112**
Balance at January 1, 2023	$ 73,697	195,217	95,780	2,134	1,125	9,566	593	378,112
Additions	-	143	10,857	-	-	655	-	11,655
Disposals	-	-	(13,672)	(919)	-	(1,250)	-	(15,841)
Reclassification (Note)	-	-	10,011	-	-	500	-	10,511
Effect of exchange rate changes	-	-	(11)	(4)	-	(4)	-	(19)
Balance at December 31, 2023	**$ 73,697**	**195,360**	**102,965**	**1,211**	**1,125**	**9,467**	**593**	**384,418**
Accumulated depreciation:								
Balance at January 1, 2024	$ -	15,863	43,019	1,211	402	5,007	173	65,675
Depreciation	-	6,082	20,955	161	200	2,467	112	29,977
Disposals	-	-	(14,387)	(1,211)	-	(700)	-	(16,298)
Effect of exchange rate changes	-	-	12	1	-	5	-	18
Balance at December 31, 2024	**$ -**	**21,945**	**49,599**	**162**	**602**	**6,779**	**285**	**79,372**
Balance at January 1, 2023	$ -	9,787	36,334	1,216	213	3,928	74	51,552
Depreciation	-	6,076	20,318	162	189	2,306	99	29,150
Disposals	-	-	(13,626)	(166)	-	(1,224)	-	(15,016)
Effect of exchange rate changes	-	-	(7)	(1)	-	(3)	-	(11)
Balance at December 31, 2023	**$ -**	**15,863**	**43,019**	**1,211**	**402**	**5,007**	**173**	**65,675**
Carrying value:								
Balance at December 31, 2024	**$ 73,697**	**173,682**	**67,008**	**1,135**	**632**	**4,069**	**517**	**320,740**
Balance at January 1, 2023	**$ 73,697**	**185,430**	**59,446**	**918**	**912**	**5,638**	**519**	**326,560**
Balance at December 31, 2023	**$ 73,697**	**179,497**	**59,946**	**-**	**723**	**4,460**	**420**	**318,743**

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INERGY TECHNOLOGY INC. AND SUBSIDIARIES
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(Note): Reclassifications are mainly the prepayments for business facilities being reclassified to property,plant and equipment.

As of December 31, 2024 and 2023, the property, plant, and equipment were subject to a registered debenture to secured bank loans and credit lines, the collateral for these long-term borrowings were disclosed in note 8.

(f) Right-of-use assets

The Group leases buildings and structures and equipment. The movements in right-of-use assets were as follows:

	Buildings and structures	Equipment	Total
Cost:			
Balance at January 1, 2024	$ 10,825	1,883	12,708
Additions	5,251	636	5,887
Decreases	(4,909)	(1,883)	(6,792)
Effect of exchange rate changes	170	-	170
Balance at December 31, 2024	**$ 11,337**	**636**	**11,973**
Balance at January 1, 2023	$ 10,911	2,367	13,278
Decreases	-	(484)	(484)
Effect of exchange rate changes	(86)	-	(86)
Balance at December 31, 2023	**$ 10,825**	**1,883**	**12,708**
Accumulated depreciation:			
Balance at January 1, 2024	$ 6,084	1,883	7,967
Depreciation	3,083	636	3,719
Decreases	(4,909)	(1,883)	(6,792)
Effect of exchange rate changes	107	-	107
Balance at December 31, 2024	**$ 4,365**	**636**	**5,001**
Balance at January 1, 2023	$ 3,092	1,686	4,778
Depreciation	3,049	681	3,730
Decreases	-	(484)	(484)
Effect of exchange rate changes	(57)	-	(57)
Balance at December 31, 2023	**$ 6,084**	**1,883**	**7,967**
Carrying value:			
Balance at December 31, 2024	**$ 6,972**	**-**	**6,972**
Balance at January 1, 2023	**$ 7,819**	**681**	**8,500**
Balance at December 31, 2023	**$ 4,741**	**-**	**4,741**

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INERGY TECHNOLOGY INC. AND SUBSIDIARIES
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(g) Intangible assets

The cost and accumulated amortization of the intangible assets of the Group for the years ended December 31, 2024 and 2023, were as follows:

		Computer Software
Costs:		
Balance at January 1, 2024	$	15,506
Additions		347
Decreases		(4,464)
Effect of exchange rate changes		10
Balance at December 31, 2024	**$**	**11,399**
Balance at January 1, 2023	$	5,979
Additions		10,152
Decreases		(620)
Effect of exchange rate changes		(5)
Balance at December 31, 2023	**$**	**15,506**
Accumulated amortization:		
Balance at January 1, 2024	$	4,860
Amortization		3,288
Decreases		(4,464)
Effect of exchange rate changes		9
Balance at December 31, 2024	**$**	**3,693**
Balance at January 1, 2023	$	2,709
Amortization		2,776
Decreases		(620)
Effect of exchange rate changes		(5)
Balance at December 31, 2023	**$**	**4,860**
Carrying value:		
Balance at December 31, 2024	**$**	**7,706**
Balance at January 1, 2023	**$**	**3,270**
Balance at December 31, 2023	**$**	**10,646**

(i) Amortization expense

For the years ended December 31, 2024 and 2023, the amortization of intangible assets is included in the consolidated statement of comprehensive income:

		2024	2023
Operating expense	**$**	**3,288**	**2,776**

(ii) Pledge

As of December 31, 2024 and 2023, the intangible assets were not pledged.

(h) Other financial assets, other current assets and other non-current assets

The details of the Group's other current financial assets were as follows:

	December 31, 2024	December 31, 2023
Guarantee deposits paid	$ 124,208	-

The details of the Group's other current assets were as follows:

	December 31, 2024	December 31, 2023
Prepayments to suppliers	$ 1,443	19,411
Tax refund	6,396	1,950
Others	6,452	3,137
	$ 14,291	24,498

The details of the Group's other non-current financial assets were as follows:

	December 31, 2024	December 31, 2023
Restricted deposits	$ 15,424	14,480

The details of the Group's other non-current assets were as follows:

	December 31, 2024	December 31, 2023
Prepayments for equipment	$ 3,907	2,675

As of December 31, 2024 and 2023, the restricted deposits of the Group had been pledged as collateral, please refer to note 8.

(i) Short-term and long-term borrowings

The details of the Group for short-term borrowings were as follows:

	December 31, 2024	December 31, 2023
Unsecured bank borrowings (in NTD)	$ 74,516	-
Annual interest rate	0.5%~2.12%	-

The details of the Group for long-term borrowings were as follows:

	December 31, 2024			
	Currency	Interest rate	Expiration	Amount
Secured long-term borrowings	NTD	1.975%～2.12%	2035/12/04~2036/01/21	$ 180,462
Less: Current portion				14,780
Total				$ 165,682
Unused bank credit lines for short-term and long-term borrowings				$ 250,000

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INERGY TECHNOLOGY INC. AND SUBSIDIARIES
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	December 31, 2023			
	Currency	**Interest rate**	**Expiration**	**Amount**
Secured long-term borrowings	NTD	1.95%～2%	2035/12/04~2036/01/21	$ 194,984
Less: Current portion				14,528
Total				$ 180,456
Unused bank credit lines for short-term and long-term borrowings				$ 310,000

(i) For collateral for long-term borrowings, please refer to note 8.

(ii) Government credit guarantee low-interest loans

On December 2, 2024, an additional unsecured bank loan of NTD35,000 was obtained, with an annual interest rate of 0.5%, maturing on December 2, 2025. This loan was secured under the "Guidelines for the Ministry of Economic Affairs' Project Loans to Assist SMEs in Low-Carbon and Smart Transformation Development and Optimization of Infrastructure for Regulated and Specific Factories," and was obtained as a low-interest project loan from E.SUN Bank, fully guaranteed by the domestic government. The loan disbursement is recognized and measured at market interest rates, with the difference between the actual preferential interest rate and the market rate, in accordance with government grants, recognized as deferred income under other current liabilities.

(j) Lease liabilities

The carrying amounts of lease liabilities were as follows:

	December 31, 2024	December 31, 2023
Current	$ 3,025	2,272
Non-current	$ 4,134	2,519

For the maturity analysis, please refer to note 6(r).

The amounts recognized in profit or loss were as follows:

	2024	2023
Interest expenses on lease liabilities	$ 134	145
Expenses relating to short-term leases	$ 154	186
Expenses relating to leases of low-value assets, excluding short-term leases of low-value assets	$ 130	134

The amounts recognized in the statement of cash flows by the Group were as follows:

	2024	2023
Total cash outflow for leases	$ 3,997	4,229

INERGY TECHNOLOGY INC. AND SUBSIDIARIES
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The Group leases buildings and structures for plants and office space. The leases of them typically run for a period of 1 to 5 years. The Group leases transportation equipment, with lease terms of 1 years. Some leases include an option to renew the lease for an additional period of the same duration after the end of the contract term.

The Group also leases office and office equipment with contract terms of 1 to 2 years. These leases are short-term or leases of low-value items. The Group has elected not to recognize right-of-use assets and lease liabilities for these leases.

(k) Employee benefits

(i) Defined contribution plans

The Group allocates 6% of each employee's monthly wages to the labor pension personal account at the Bureau of Labor Insurance in accordance with the provisions of the Labor Pension Act. Under these defined contribution plans, the Group allocates a fixed amount to the Bureau of Labor Insurance without additional legal or constructive obligation.

(ii) The pension costs incurred from the contributions to the Bureau of the Labor Insurance amounted to $3,920 and $3,147 for the years ended December 31, 2024 and 2023, respectively.

(iii) The Group's mainland China subsidiaries have a defined contribution plan. Monthly contributions to an independent fund administered by the government in accordance with the pension regulations in the People's Republic of China (PRC) are based on certain percentage of employees' monthly salaries and wages. Other than the monthly contributions, the Group has no further obligations.

The Group recognized the pension costs in accordance with the pension regulations were as follows:

	2024	2023
Operating expense	**$ 988**	**1,305**

(l) Income taxes

(i) Income tax expense (benefits)

The components of income tax expense (benefits) were as follows:

	2024	2023
Current tax expenses	$ 24,670	16,198
Deferred tax expenses (benefits)		
Origination and reversal of temporary difference	13,553	(8,508)
Subtotal	13,553	(8,508)
Income tax expenses	**$ 38,223**	**7,690**

The Group did not recognized any amount of income tax expense (benefits) in equity and other comprehensive income for the years ended December 31, 2024 and 2023.

INERGY TECHNOLOGY INC. AND SUBSIDIARIES
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Reconciliation of income tax expense and profit before tax for 2024 and 2023 were as follows:

	2024	2023
Inocme before tax	$ 190,640	23,998
Income tax using the Company's domestic tax rate	38,128	4,800
Effect of tax rates in foreign jurisdiction	(97)	(534)
Changes in unrecognized temporary differences	(431)	2,202
Changes in provision in prior periods	(270)	571
Others	893	651
	$ 38,223	**7,690**

(ii) Deferred tax assets and liabilities

1) Unrecognized deferred tax assets

The Group's unrecognized deferred tax assets were as follows:

	December 31, 2024	December 31, 2023
Tax effect of deductible temporary differences	$ 5,283	4,896
Loss carryforwards	4,512	4,903
	$ 9,795	**9,799**

The R.O.C. Income Tax Act allows net losses, as assessed by the tax authorities, to offset taxable income for local tax reporting purposes. Deferred tax assets have not been recognized in respect of these items because it is not probable that future taxable profit will be available against which the Group can utilize the benefits therefrom. As of December 31, 2024, the Group's loss carry-forward recognized and unrecognized as deferred tax assets and the expiry year were as follows:

Year of loss	Unrecognized un-deducted loss	Recognized un-deducted loss	Expiry date
2022	$ 2,308	-	2027
2023	2,204	-	2028
	$ 4,512	**-**	

The Group has no unrecognized deferred tax liabilities as of December 31, 2024 and 2023.

INERGY TECHNOLOGY INC. AND SUBSIDIARIES
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2) Recognized deferred tax assets and liabilities

Changes in the amounts of deferred tax assets and liabilities for 2024 and 2023 were as follows:

	Loss on valuation of inventories	Unrealized exchange loss	Expected credit loss	Others	Total
Deferred tax assets:					
Balance at January 1, 2024	$ 24,441	119	-	553	25,113
Recognized in profit or loss	(9,576)	(119)	-	(206)	(9,901)
Balance at December 31, 2024	**$ 14,865**	**-**	**-**	**347**	**15,212**
Balance at January 1, 2023	$ 14,503	-	4,465	220	19,188
Recognized in profit or loss	9,938	119	(4,465)	333	5,925
Balance at December 31, 2023	**$ 24,441**	**119**	**-**	**553**	**25,113**

	Unrealized exchange gains
Deferred tax liabilities:	
Balance at January 1, 2024	$ -
Recognized in profit or loss	(3,652)
Balance at December 31, 2024	**$ (3,652)**
Balance at January 1, 2023	$ 2,583
Recognized in profit or loss	(2,583)
Balance at December 31, 2023	$ -

(iii) Assessment

The Company's income tax returns for all years through 2022 were assessed by the tax authorities.

(m) Capital and other equity

(i) Ordinary shares

As of December 31, 2024 and 2023, the Company's authorized ordinary shares consisted of 50,000 thousand shares, with a par value of $10 per share, amounting to $500,000, of which 45,720 thousand shares were issued and outstanding. All issued shares were paid up upon issuance.

(ii) Capital surplus

The balances of capital surplus were as follows:

	December 31, 2024	December 31, 2023
Cash subscription in excess of par value of shares	$ 569,928	594,617
Employee stock options	75	75
	$ 570,003	**594,692**

According to the R.O.C. Company Act, capital surplus can only be used to offset a deficit, and only the realized capital surplus can be used to increase the common stock or be distributed as cash dividends. The aforementioned realized capital surplus includes capital surplus resulting from premium on issuance of capital stock and earnings from donated assets received. According to the Regulations Governing the Offering and Issuance of Securities by Securities Issuers, capital increases by transferring capital surplus in excess of par value should not exceed 10% of the total ordinary shares outstanding.

On June 14, 2024, the shareholders' meeting resolved to distribute the cash dividends from the Company's capital surplus for an amount of $24,689 with a face value of NTD0.54 per share. The related information can be found on websites such as the Market Observation Post System.

(iii) Retained earnings

The Company's article of incorporation stipulate that the Company's net earnings should first be used to offset any prior years' deficits. Of the remaining balance, 10% is to be appropriated as legal reserve until the accumulated legal reserve equals the Company's total paid-in capital. The remainder, if any, together with any undistributed retained earnings, shall be distributed according to the distribution plan proposed by the Board of Directors and submitted during the shareholders' meeting for approval.

As the Company is a technology intensive enterprise and is in its growth phase, it has adopted a more prudent approach in the appropriation of its remaining earnings as its dividend policy, in order to sustain its long-term capital needs and thereby maintain continuous development and steady growth. Cash dividends and share dividends are appropriated in consideration of the Company's budget for capital expenditures, financial condition, and future operating cash flows. The amount of dividends to shareholders shall not be less than 10% of the profit from the current year. However, when the accumulated distributable surplus is less than 10% of the paid-in capital, it may not be distributed. No dividends can be distributed if the Company has no unappropriated earnings. Earnings can be distributed in cash or in shares. For cash dividends, the amount should not be lower than 10% of the total shareholders' dividends.

1) Legal reserve

When a company incurs no loss, it may, pursuant to a resolution by a shareholders' meeting, distribute its legal reserve by issuing new shares or by distributing cash, and only the portion of legal reserve which exceeds 25% of capital may be distributed.

2) Special reserve

In accordance with the requirements issued by the FSC, a portion of earnings shall be allocated as special reserve during earnings distribution. If the Company has already reclassified a portion of earnings to special reserve under the preceding subparagraph, it shall make supplemental allocation of special reserve for any difference between the amount it has already allocated and the amount of the current-period total net reduction of other shareholders' equity. An equivalent amount of special reserve shall be allocated from the after-tax net profit in the period, plus items other than the after-tax net profit in the period, that are included in the undistributed current-period earnings and the undistributed prior-period earnings. A portion of the undistributed prior-period earnings shall be reclassified to special earnings reserve (which does not qualify for earnings distribution) to account for cumulative changes to the net reduction of other shareholders' equity pertaining to prior periods. The amounts of subsequent reversals pertaining to the net reduction of other shareholders' equity shall qualify for additional distributions.

3) Earnings distribution

Earnings distribution for 2023 and 2022 were decided by the resolutions adopted at the general meetings of shareholders held on June 14, 2024 and June 26, 2023, respectively, as follows:

	2023		2022	
	Amount per share (in dollars)	**Total amount**	**Amount per share (in dollars)**	**Total amount**
Dividends distributed to ordinary shareholders:				
Cash	**$ 0.46**	**21,031**	**2**	**91,440**

On February 21, 2025, the Company's Board of Directors resolved to appropriate the 2024 earnings. These earnings were appropriated as follows:

	2024	
	Amount per share	**Total amount**
Dividends distributed to ordinary shareholders：		
Cash	**$ 2**	**91,440**

The related information mentioned above can be found on websites such as the Market Observation Post System.

(iv) Other equity interests (net of taxes)

	Exchange differences on translation of foreign financial statements	**Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income**	**Total**
Balance at January 1, 2024	$ 553	(7,569)	(7,016)
Exchange differences on translation of foreign financial statements	(551)	-	(551)
Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income	-	3,474	3,474
Balance at December 31, 2024	**$ 2**	**(4,095)**	**(4,093)**

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	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income	Total
Balance at January 1, 2023	$ 300	(6,327)	(6,027)
Exchange differences on translation of foreign financial statements	253	-	253
Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income	-	(1,242)	(1,242)
Balance at December 31, 2023	**$ 553**	**(7,569)**	**(7,016)**

(n) Earnings per share

The Group's basic and diluted earnings per share were calculated as follows:

	2024	2023
Basic earnings per share:		
Profit attributable to ordinary shareholders of the Company	**$ 152,417**	**16,308**
Weighted average number of ordinary shares outstanding (in thousands)	**45,720**	**45,720**
Basic earnings per share (in dollars)	**$ 3.33**	**0.36**
Diluted earnings per share:		
Profit attributable to ordinary shareholders of the Company	**$ 152,417**	**16,308**
Weighted average number of ordinary shares outstanding (in thousands)	45,720	45,720
Employee remuneration (thousands shares)	88	34
Weighted average ordinary shares outstanding (diluted) (thousands shares)	**45,808**	**45,754**
Diluted earnings per share (in dollars)	**$ 3.33**	**0.36**

(o) Revenue from contracts with customers

(i) Disaggregation of revenue

	2024	2023
Primary geographical markets:		
Taiwan	$ 342,647	344,061
China	730,496	602,861
Vietman	20,438	12,352
Others	604	1,100
	$ 1,094,185	**960,374**

		2024	2023
Major products:			
Power semiconductor devices	$	835,601	778,980
Brushless DC Motors		164,003	136,534
Others		94,581	44,860
	$	**1,094,185**	**960,374**

(ii) Contract balance

		December 31, 2024	December 31, 2023	January 1, 2023
Notes receivable	$	4,302	7,255	7,948
Accounts receivable		201,590	124,500	150,541
Less: loss allowance		-	-	(24,145)
Total	$	**205,892**	**131,755**	**134,344**
Contract liabilities-current	$	**697**	**377**	**1,375**

For details on notes and accounts receivables and loss allowance, please refer to note 6(c).

The amount of revenue recognized for the year ended December 31, 2024 and 2023 that were included in the contract liabilities balances at the beginning of the period were $320 and $1,318, respectively.

The contract liabilities primarily relate to the advance consideration received from customers for the integrated circuit sales contracts, for which revenue is recognized when products are delivered to customers.

(p) Remuneration to employees and directors

According to the Company's Article of Incorporation, if the Company has profit (which means income before tax excluding the amounts of employees' and directors' compensation) shall be contributed by the following rules. However, if the amount Company have accumulated deficit, it shall reserve the amount for offsetting deficit.

(i) No less than 1% but no more than 15% of profit as employees' remuneration. The Company may distributed in the form of shares or in cash, and the qualification requirements of employees, including the employees of subsidiaries of the Company meeting certain specific requirement shall be determined by the Board of Directors.

(ii) No more than 5% of profit as the remuneration in cash to the Directors.

The Company estimated its employees' and directors' remuneration were as follows:

		2024	2023
Employees' remuneration	$	7,230	1,137
Directors' remuneration		2,300	116
	$	**9,530**	**1,253**

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The abovementioned remuneration were calculated by using the Company's pretax net profit for the period before deducting the amounts of the remuneration to employees and directors, multiplied by the distribution of ratio of the remuneration to employees and directors based on the Company's articles of incorporation, and expensed under operating expenses. If there would be any changes after the reporting date, the changes shall be accounted for as changes in accounting estimates and recognized as profit or loss in the following year.

There was no difference between the actual distributed amounts as determined by the Board of Directors and those recognized in the Company's financial statements of the years ended December 31, 2024 and 2023. The related information can be found on Market Observation Post System website.

(q) Non-operating income and expenses

(i) Interest income

		2024	2023
Interest income from bank deposits	$	21,056	10,720
Other interest income		5	5
	$	**21,061**	**10,725**

(ii) Other income

		2024	2023
Rent income	$	1,056	610
Dividend income		450	1,350
	$	**1,506**	**1,960**

(iii) Other gains and losses

		2024	2023
Foreign exchange gains (loss), net	$	51,319	(5,021)
Gains (loss) on disposal of property, plant and equipment		202	(27)
Others		454	(304)
	$	**51,975**	**(5,352)**

(iv) Finance costs

		2024	2023
Interest expense	**$**	**4,736**	**4,038**

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(r) Financial instruments

(i) Credit risk

1) Credit risk exposure

The carrying amount of financial assets represents the maximum amount exposed to credit risk.

2) Concentration of credit risk

As of December 31, 2024 and 2023, the Group's notes and accounts receivable were concentrated on 5 and 4 customers, whose accounts represented 70% and 76% of the total notes and accounts receivable, respectively. In order to reduce the credit risk on these notes and accounts receivable, the Group evaluates the financial status of these customers and possible loss of accounts receivable periodically.

3) Receivable and debt securities

For credit risk exposure of notes and accounts receivables, please refer to note 6(c).

Other financial assets at amortized cost includes other receivables, other financial assets and guarantee deposits paid, all of these financial assets are considered to have low credit risk, and thus, the impairment provision recognized during the period was limited to 12 months expected credit losses. Regarding how the financial instruments are considered to have low credit risk, please refer to note 4(g).

(ii) Liquidity risk

The following table shows the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements.

	Carrying amount	Contractual cash flow	Within 1 year	1-2 years	2-5 years	Over 5 years
December 31, 2024						
Non-derivative financial liabilities						
Long-term and short-term borrowings (including current portion)	$ 254,978	276,610	93,550	18,270	54,810	109,980
Notes and accounts payable	198,354	198,354	198,354	-	-	-
Other payables	46,198	46,198	46,198	-	-	-
Lease liabilities	7,159	7,419	3,193	3,140	1,086	-
Guarantee deposits received	70,000	70,000	35,000	35,000	-	-
	$ 576,689	**598,581**	**376,295**	**56,410**	**55,896**	**109,980**
December 31, 2023						
Non-derivative financial liabilities						
Long-term borrowings (included current parties)	$ 194,984	219,034	18,223	18,223	54,669	127,919
Notes and accounts payable	88,623	88,623	88,623	-	-	-
Other payables	27,122	27,122	27,122	-	-	-
Lease liabilities	4,791	4,883	2,327	1,278	1,278	-
Guarantee deposits received	95,000	95,000	25,000	35,000	35,000	-
	$ 410,520	**434,662**	**161,295**	**54,501**	**90,947**	**127,919**

(Continued)

The Group does not expect the cash flows included in the maturity analysis to occur significantly earlier or at significantly different amounts.

(iii) Currency risk

1) Exposure to credit risk

The Group's significant exposure to foreign currency risk were as follows:

		December 31, 2024			December 31, 2023		
		Foreign currency (in thousands)	Exchange rate	NTD	Foreign currency (in thousands)	Exchange rate	NTD
Financial assets							
Monetary items							
USD	$	27,342	32.785	896,400	27,036	30.705	830,131
CNY		329	4.4889	1,477	1,418	4.3248	6,131
Financial liabilities							
Monetary items							
USD	$	8,054	32.785	264,049	3,842	30.705	117,964
CNY		200	4.4889	898	200	4.3248	865
Non-monetary item							
CNY	$	3,474	4.4889	15,593	3,277	4.3248	14,172

2) Sensitivity analysis

The Group's exposure to foreign currency risk arises from the translation of the foreign currency exchange gains and losses on cash and cash equivalents, notes and accounts receivable, other receivables, other financial assets, guarantee deposits paid, notes and accounts payable, other payables that are denominated in foreign currency. A strengthening (weakening) of 5% of the NTD against the USD and CNY as of 2024 and 2023, would have increased (decreased) the income before tax by $31,647 and $35,872, respectively. The analysis is performed on the same basis for the years ended December 31, 2024 and 2023.

3) Foreign exchange gains and losses on monetary items

For the years ended December 31, 2024 and 2023, foreign exchange gains (losses) (including realized and unrealized portions) amounted to $51,319 and $(5,021), respectively.

(iv) Interest rate risk

Please refer to the notes on liquidity risk management and interest rate exposure of the Group's financial liabilities.

The following sensitivity analysis is based on the exposure to interest rate risk of the non-derivative financial instruments on the reporting date. Regarding liabilities with variable interest rates, the analysis is based on the assumption that the amount of liabilities outstanding at the reporting date was oustanding throughout the year. The rate of change is expressed as the interest rate increases or decreases by 1% when reporting to management internally, which also represents the Group management's assessment of the reasonably possible interest rate change.

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If the interest rate had increased / decreased by 1%, the Group's net income would have increased / decreased by $2,206 and $1,950 for the years ended December 31, 2024 and 2023, respectively, with all other variable factors remaining constant. This is mainly due to the Group's borrowing at floating variable rates.

(v) Other market price risk

For the years ended December 31, 2024 and 2023, the sensitivity analysis for the changes in the securities price at the reporting date were performed using the same basis for the profit and loss as illustrated below:

Price of the securities at the reporting date	2024 Other comprehensive income after tax	2024 Net income	2023 Other comprehensive income after tax	2023 Net income
Increasing 5%	$ 1,820	-	1,647	-
Decreasing 5%	$ (1,820)	-	(1,647)	-

(vi) Fair value

1) Categories and fair value of financial instruments

Except for the followings, carrying amount of the Group's financial assets and liabilities are valuated approximately to their fair value, and are not based on observable market data and the value measurements which are not reliable. No additional fair value disclosure is required in accordance with the regulations.

	December 31, 2024				
		Fair value			
	Carrying amount	Level 1	Level 2	Level 3	Total
Financial assets at fair value through other comprehensive income					
Domestic listed companies listed	$ 36,405	36,405	-	-	36,405

	December 31, 2023				
		Fair value			
	Carrying amount	Level 1	Level 2	Level 3	Total
Financial assets at fair value through other comprehensive income					
Domestic unlisted companies	$ 32,931	-	-	32,931	32,931

2) Valuation techniques of financial instruments valued at fair value

The fair value of non-derivative financial instruments traded in an active market is based on the quoted market prices. The quotation, which is published by the main exchange center or that which was deemed to be a public bond by the Treasury Bureau of Central Bank, is included in the fair value of the listed securities instruments and the debt instruments in active markets with open bid.

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A financial instrument is regarded as the quoted price in an active market if the quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency; and if those prices represent the actual and regularly occurring market transactions on an arm' s length basis. Otherwise, the market is deemed to be inactive.

Normally, a market is considered to be inactive when:

- The bid-ask spread is increasing; or
- The bid-ask spread varies significantly; or
- There has been a significant decline in trading volume.

The fair value is based on the valuation techniques or the quotation from the counter-party. The fair value refers to the current fair value of the other financial instruments with similar conditions and characteristics, using a discounted cash flow analysis or other valuation techniques, such as calculations of using models (for example, applicable yield curve from Taipei Exchange, or average quoted price on interest rate of commercial paper from Reuters), based on the information acquired from the market at the balance sheet date.

When the financial instrument of the Group is not traded in an active market, its fair value is listed by category and attribute as follows:

- Unquoted equity instruments: The fair value, which is discounted for its lack of liquidity in the market, is determined based on the ratio of the quoted market price of the comparative listed company and its book value per share.

3) Level transfers of financial instruments

In March 2024, Micro Silicon Electronics Corp., which the Group holds an investment in equity shares of, listed its equity shares on a stock exchange and it is currently actively traded in the market. Because the equity shares now have published price quotation in an active market, the fair value measurement was transferred from Level 3 to Level 1 of the fair value hierarchy since the first quarter of 2024.

4) Movement of level 3

	Fair value through other comprehensive income Unquoted equity instruments
January 1, 2024	$ 32,931
Total gains or losses:	
Recognized in other comprehensive income	1,656
Transfer out of level 3	(34,587)
December 31, 2024	$ -

	Fair value through other comprehensive income
	Unquoted equity instruments
January 1, 2023	$ 34,173
Total gains or losses:	
Recognized in other comprehensive income	(1,242)
December 31, 2023	**$ 32,931**

The proceeding gains and losses were recognized as "unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income". As of December 31, 2024 and 2023, the related information of the assets which were still held by the Group were as follows:

	For the years ended December 31	
	2024	**2023**
Other comprehensive income (recognized as unrealized gains (losses) from financial assets at fair value through other comprehensive income)	**$ -**	**(1,242)**

5) Quantified information on significant unobservable inputs (Level 3) used in fair value measurement

The Group's financial instruments that use Level 3 inputs to measure fair value include “financial assets at fair value through other comprehensive income-equity investments.”

Most of the fair value measurements categorized within Level 3 use the single and significant unobservable input. Equity investments without an active market contains multiple significant unobservable inputs. The significant unobservable inputs of the equity investments are independent from each other, as a result, there is no relevance between them.

Qualified information of significant unobservable inputs was as follows:

Item	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Financial assets at fair value through other comprehensive income-equity investments without an active market	Comparable companies approach	● Price-book ratio (as of December 31, 2023 was 2.07~2.70） ● Market liquidity discount rate(as of December 31, 2023 was 20%)	● The higher the ratio, the higher the fair value ● The higher the market liquidity discount rate, the lower the fair value

6) Sensitivity analysis of reasonably possible alternative assumptions for fair value measurements in Level 3 of the fair value hierarchy

The Group's measurement of the fair value of financial instruments is reasonable. If different evaluation models or evaluation parameters are used, the evaluation results may be different. For financial instruments classified as level 3, if the evaluation parameters change, the impact on other comprehensive income is as follows:

	Inputs	Increase or decrease	Effect of changes in fair value on other comprehensive income	
			Favorable	**Unfavorable**
December 31, 2023				
Financial assets at fair value through other comprehensive income:				
Equity investments without an active market	Price-book-ratio	5 %	1,647	(1,647)
〃	Market liquidity discount rate	5 %	1,647	(1,647)

The favorable and unfavorable effects represent the changes in fair value, and fair value is based on a variety of unobservable inputs calculated using a valuation technique. The analysis above only reflects the effects of changes in a single input, and it does not include the inter-relationships with another input.

(s) Management of financial risk

(i) Overview

The Group is exposed to the extent of the risks arising from financial instruments as below:

1) Credit risk

2) Liquidity risk

3) Market risk

Detailed information about exposure risk arising from the aforementioned risk was listed below. The Group’s objective, policies and process for managing risks and methods used to measure the risk arising from financial instruments.

(ii) Risk management framework

The Board of Directors has the overall responsibility for the establishment and oversight of the risk management framework, while the management is responsible for developing and monitoring the Group’s risk management policies and reports regularly to the Board of Directors on its activities.

The Group’s risk management policies are established to identify and analyze the risks faced by the Group, and evaluate the influence of market risks, and implement related policies to hedge financial risk. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

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The Group’s Audit Committee is assisted in its oversight role by the internal auditor. The internal auditor undertakes both regular and ad hoc reviews of risk management controls and the procedures, and the result of which are reported to the Audit Committee.

(iii) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to financial instruments fails to meet its contractual obligations that arises principally from the Group’s notes and accounts receivable and bank deposits.

The Group’s finance department has established a credit policy, in which the Group analyzes each new customer individually for their credit worthiness before granting them standard payment terms and delivery terms. The Group’s review includes obtaining external information. Credit limits are established for each customer and are reviewed quarterly. Any transactions which exceed the credit limits have to be approved by finance department and competent authorities.

According to the Group’s policy, the Group can only provide guarantee to those who are listed under the regulation. As of December 31, 2024 and 2023, no guarantees were provided by the Group.

(iv) Liquidity risk

The Group maintains sufficient cash and cash equivalents so as to cope with its operations and mitigate the effects of fluctuations in cash flows.

As of December 31, 2024 and 2023, the Group has unused credit lines for long-term and short-term bank loans of $250,000 and $310,000, respectively.

(v) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Group’s income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

All such transactions are carried out within the guidelines set by the Board of Directors in order to manage market risk.

1) Currency risk

The Group is exposed to currency risk on sales and purchases that are denominated in a currency other than the respective functional currencies of the Group’s entities, primarily the NTD. The currencies used in these transactions are the USD and CNY.

The Group’s currency risk management policy is reserving the foreign currency position arising from sales appropriately to remit the foreign currency expenditures and then meets the natural hedge.

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2) Interest rate risk

The Group' s long-term and short-term borrowings bear floating interest rates. The changes in effective rate, along with the fluctuation of the market interest rate, have an impact on the Group's future cash flow. In response to the changes in interest rates, the Group assesses the rate of bank loans and maintains good relationships with financial institutions to obtain lower financing costs. The Group also strengthens its management of working capital, reduces dependence on bank borrowings, and lowers its risk of changes in interest rates.

3) Other market price risk

The Group is exposed to equity price risk due to the investments in equity securities. This is a strategic investment and is not held for trading. The management of the Group monitors the combination of equity securities and open-market funds in its investment portfolio based on cash flow requirements. Material investments within the portfolio are managed on an individual basis, and all buy-and-sell decisions are approved by the Board of Directors.

(t) Capital management

The Group's objectives for managing capital to safeguard the capacity to continue to operate, to continue to provide a return on shareholders, to maintain the interest of other related parties, and to maintain an optimal capital structure to reduce the cost of capital. The total equity is all components of equity. The Group oversees capital structure by review debt to asset ratio periodically.

As of December 31, 2024 and 2023, the debt to asset ratio of the Group were as follows :

	December 31, 2024	December 31, 2023
Total liabilities	$ 597,524	426,094
Total assets	$ 1,805,954	1,524,904
Debt to asset ratio	33%	28%

As of December 31, 2024, there were no changes in the Group's approach to capital management.

(u) Financing activities not affecting current cash flow

The Group's investing and financing activities which did not affect the current cash flow were acquisitions of right-of-used assets under leases.

Reconciliation of liabilities arising from financing activities were as follows:

			Non-cash changes		
	January 1, 2024	Cash flows	Foreign exchange movement	Others	December 31, 2024
Short-term borrowings	$ -	75,000	-	(484)	74,516
Lease liabilities	4,791	(3,579)	60	5,887	7,159
Total liabilities from financing activities	**$ 4,791**	**71,421**	**60**	**5,403**	**81,675**

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	January 1, 2023	Cash flows	Non-cash changes: Foreign exchange movement	Non-cash changes: Others	December 31, 2023
Lease liabilities	$ 8,582	(3,764)	(27)	-	4,791

(7) Related-party transactions

(a) Key management personnel remuneration

Key management personnel remuneration comprised:

	2024	2023
Short-term employee benefits	$ 19,788	14,551
Post-employment benefits	310	305
	$ 20,098	**14,856**

(b) Others related-party transactions: None.

(8) Pledged assets:

The carrying amounts of pledged assets were as follows:

Pledged assets	Object	December 31, 2024	December 31, 2023
Property, plant, and equipment:			
Land and buildings and structures	Long-term borrowings	$ 247,379	253,194
Other non-current financial assets:	Payment guarantee and		
Restricted time deposits	tariff guarantee	15,424	14,480
		$ 262,803	**267,674**

(9) Commitments and contingencies:

(a) The Group's unrecognized material contractual commitments were as follows:

	December 31, 2024	December 31, 2023
Acquisition of property, plant, and equipment	**$ -**	**2,675**

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(b) In order to control the supply of raw materials and the productivity of foundry, the Group sign several supply guarantee agreements with different suppliers, wherein the Group makes advance payment, which has a fixed amount and foundry production capacity, as well as pays guarantee deposits, to its supplier. The contracts have term periods ranging from 1 to 3 years. As of December 31, 2024 and 2023, the Group evaluated that all guarantee deposits are refunded. The details of prepayment to suppliers (recognized as other current assets) and guarantee deposits paid arising from the aforementioned contracts were as follows:

	December 31, 2024	December 31, 2023
Prepayments to suppliers (recognized as other current assets)	$ -	17,723
Guarantee depostis paid	107,816	180,538
	$ 107,816	**198,261**

In addition, the Group entered into several supply agreements with a sales customer. The contracts have term periods ranging from 1 to 4 years. As of December 31, 2024 and 2023, the security deposits paid by the sales customer amounted to $70,000 and $95,000, respectively, recognized as other current liabilities and guarantee deposits received. Also the guarantee notes issued by the Group for the aforementioned transactions were $70,000 and $95,000, respectively.

(c) The Group's products sold to end customers are the subject of a patent infringement lawsuit filed in the United States District Court-Eastern District of Texas. After evaluating, the lawsuit has no significant impact on the Group's financial operations. The Group has appointed lawyers to actively take legal actions to respond to the lawsuit, in order to defend the rights and interests of the Group and its shareholders.

(10) Losses Due to Major Disasters: None

(11) Subsequent Events: None

(12) Other:

A summary of employee benefits, depreciation, and amortization, by function, were as follows:

By function	2024			2023		
By item	Operating cost	Operating Expense	Total	Operating cost	Operating Expense	Total
Employee benefits						
Salary	416	104,443	104,859	173	86,167	86,340
Labor and health insurance	48	7,817	7,865	20	7,289	7,309
Pension	21	4,887	4,908	9	4,443	4,452
Remuneration of directors	-	3,566	3,566	-	1,172	1,172
Others	29	3,339	3,368	12	2,690	2,702
Depreciation	6,802	26,894	33,696	5,940	26,940	32,880
Amortization	-	3,288	3,288	-	2,716	2,716

(13) Other disclosures:

(a) Information on significant transactions:

The following is the information on significant transactions required by the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" for the Group for the year ended December 31, 2024:

(i) Loans to other parties: None

(ii) Guarantees and endorsements for other parties: None

(iii) Securities held as of December 31, 2024 (excluding investment in subsidiaries, associates and joint ventures):

Name of holder	Category and name of security	Relationship with Company	Account title	Ending balance				Highest Percentage of ownership (%)	Notes
				Shares/Units	Carrying amount	Percentage of ownership (%)	Fair value		
The Company	Micro Silicon Electronics Corp.	-	Financial assets at fair value through other comprehensive income - non-current	900,000	36,405	1.31 %	36,405	1.31 %	-

(iv) Individual securities acquired or disposed of with accumulated amount exceeding the lower of NT$300 million or 20% of paid-in-capital: None

(v) Acquisition of individual real estate with amount exceeding the lower of NT$300 million or 20% of paid-in-capital: None

(vi) Disposal of individual real estate with amount exceeding the lower of NT$300 million or 20% of paid-in-capital: None

(vii) Related-party transactions for purchases and sales with amounts exceeding the lower of NT$100 million or 20% of paid-in-capital:

Name of company	Related party	Nature of relationship	Transaction details				Transactions with terms different from others		Notes/Accounts receivable (payable)		Notes
			Purchase/Sale	Amount	Percentage of total purchases/sales	Payment terms	Unit price	Payment terms	Ending balance	Percentage of total notes/accounts receivable (payable)	
The Company	Guanghong Power Drive (Shenzhen) Elec.	The company's subsidiary	Sales	287,222	26.57 %	OA90	-	-	100,814	35.89%	(Note)

(Note): The amounts of the transaction and the ending balance had been eliminated in the consolidated financial statements.

(viii) Receivables from related parties with amounts exceeding the lower of NT$100 million or 20% of paid-in-capital:

Name of company	Counter-party	Nature of relationship	Ending balance	Turnover rate	Overdue		Amounts received in subsequent period	Allowance for bad debts
					Amount	Action taken		
The company	Guanghong Power Drive (Shenzhen) Elec.	The company's subsidiary	100,814	394.36 %	-		55,410	(None)

(Note): The amounts of the transaction and the ending balance had been eliminated in the consolidated financial statements.

(ix) Trading in derivative instruments: None

(x) Business relationships and significant intercompany transactions:

No. (Note 1)	Name of company	Name of counter-party	Nature of relationship (Note 2)	Intercompany transactions				
				Account name (Note 3)	Amount	Trading terms	Percentage of the consolidated net revenue or total assets (Note 4)	Note
0	The company	Guanghong Power Drive (Shenzhen) Elec.	1	Accounts receivable	100,814	OA90	5.58%	(Note)
"	"	"	1	Operating revenue	287,222	OA90	26.25%	(Note)

Note: The amounts of the transaction and the ending balance had been eliminated in the consolidated financial statements.

Note 1: Company numbering is as follows:

Parent company－0

Subsidiary starts from 1

Note 2: The numbering of the relationship between transaction parties is as follows:

Parent company to subsidiary－1

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Subsidiary to parent company－2

Subsidiary to subsidiary－3

Note 3: The section only discloses the information of sales and accounts receivable of inter-company transactions. The purchase and accounts payable of counter-party is not disclosed due to duplicate.

Note 4: Calculated by using the transaction amount, divided by the consolidated operating revenues and total assets.

(b) Information on investees (excluding information on investees in mainland China): None

(c) Information on investment in mainland China:

The following are the information on investment in mainland China for the year ended December 31, 2024:

(i) The names of investees in mainland China, the main businesses and products, and other information:

Name of investee	Main businesses and products	Total amount of paid-in capital	Method of investment	Accumulated outflow o investment from Taiwan at the beginning of this period	Investment flows		Accumulated outflow of nvestment from Taiwan at the end of this period	Net income (losses) of the investee (Note2)	Highest percentage of ownership (%)	Direct/Indirect percentage of ownership by the Company	Investment losses (Note2)	Carrying amount at the end of this period	Accumulated remittance of earnings in current period	Notes
					Outflow	Inflow								
Guanghong Power Drive (Shenzhen) Elec.	Electronic sales	9,675 (USD 300)	(Note 1)	9,675 (USD 300)	-	-	9,675 (USD 300)	(1,936)	100.00%	100.00%	(1,936)	(17,847)	-	(Note)

(ii) Limitation on investment in mainland China:

Accumulated Investment in mainland China as of December 31, 2024 (Note 3)	Investment Amounts Authorized by Investment Commission, MOEA (Note 3)	Upper Limit on Investment (Note 4)
9,675 (USD 300)	9,675 (USD 300)	725,058

Note : The amounts of the transaction and the ending balance had been eliminated in the consolidated financial statements.

Note 1: The Company invested in mainland China directly.

Note 2: The amount of net income (losses) was recognized based on the financial statements of the investee company audited by the same auditor of the parent company.

Note 3: The investment was recorded at the exchange rate prevailing at transaction date.

Note 4: Amount of upper limit on investment was sixty percentage of total equity.

(iii) Significant transactions:

The significant inter-company transactions with the subsidiary in mainland China, which were eliminated in the preparation of consolidated financial statements, are disclosed in “Information on significant transactions”.

(d) Major shareholders:

(in shares)

Shareholding / Shareholder's Name	Shares	Percentage
Motech Industries Inc.	8,558,750	18.71 %
DIODES TAIWAN S.A R.L. (Formerly Known as Lite-On Semiconductor Corp)	3,380,000	7.39 %

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

Note 2: If the aforementioned data contains shares which are held in trust by the shareholders, the data is disclosed as a separate account of client which was set by the trustee. As for the shareholder who reports share equity as an insider whose shareholding ratio is greater than 10%, in accordance with the Securities and Exchange Act, the shareholding ratio includes the self-owned shares and shares held in trust, and at the same time, the shareholder has the power to decide how to allocate the trust assets. For the information on the reported share equity of insider, please refer to the Market Observation Post System.

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(14) Segment information:

The Group has one reportable segment. This segment is mainly involved in manufacturing and selling of integrated circuit. The segment information is the same as those described in the consolidated financial reports. Please refer to the consolidated balance sheets and the consolidated income statement.

(a) General information

The Group has one reportable segment. This segment is mainly involved in manufacturing and selling of integrated circuit.

(b) Profit or loss data of the reporting segment, assets and liabilities of the segment, the basis of measurement, and the related eliminations :

The accounting policies of the operating segment are similar to those described in note 4 "significant accounting policies". Operating segment profit or loss is measured before taxation (excluding any extraordinary activity and foreign exchange gains or losses) and is used as the basis for assessing performance. The information relating to profit or loss, assets and liabilities of the segment are the same as those described in the consolidated financial statements, please refer to the consolidated balance sheets and the consolidated statements of comprehensive income.

(c) Products and services information :

The Group is a single operation segment ; therefore, the Group's revenue was not disclosed by categories of products or services.

(d) Geographical information :

Segment revenue is based on the geographical location of customsers and segment assets that are based on the geographical location of the assets. For the information on revenue from external customers, please refer to note 6(o).

Geography	**December 31, 2024**	**December 31, 2023**
Non-current assets:		
Taiwan	$ 333,262	335,405
China	6,063	1,400
Total	**$ 339,325**	**336,805**

Non-current assets include property, plant and equipment, right-of-use assets, intangible assets and other non-current assets, aside from financial instruments and deferred tax assets.

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(e) Major customers

The amounts of sales to external customers representing greater than 10% of net revenue were as follows:

	2024		2023	
Customer	**Amount**	**Percentage of net revenue**	**Amount**	**Percentage of net revenue**
A Customer	$ 193,429	17.68	179,851	18.73
B Customer	167,718	15.33	107,187	11.16
	$ 361,147	**33.01**	**287,038**	**29.89**