

SOLOMON Technology Corporation and Subsidiaries
Consolidated Financial Statements and Independent Auditor's
Review Report
First Quarter 2025 and 2024
(Stock Code 2359)

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SOLOMON Technology Corporation and Subsidiaries
Consolidated Financial Statements and Independent Auditor’s Review Report for First
Quarter 2025 and 2024
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Independent Auditor's Review Report

(2025) Letter Cai-Shen-Bao-Zi No. 25000454

To SOLOMON Technology Corporation:

Introduction

We reviewed the consolidated balance sheets of SOLOMON Technology Corporation and its subsidiaries (hereinafter referred to as "Solomon Group") as of March 31, 2025 and 2024, and their consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for the periods from January 1 to March 31, 2025 and 2024 and the notes to the consolidated financial statements (including the summary of material accounting policies). Compiling fairly presented consolidated financial statements according to the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" and the IAS 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission is the responsibility of the management. Our responsibility is to make conclusions about the consolidated financial statements based on the review result.

Scope

Except as explained in the Basis of Qualified Conclusion paragraph, we conducted our review in accordance with the Standards on Review Engagements of the Republic of China No. 2410 "Review of Financial Statements." The procedures carried out during the review of the consolidated financial statements include inquiries (mainly to the personnel in charge of financial and accounting matters), analytical procedures and other review procedures. The scope of the review is obviously narrower than the scope of the audit. Hence, we may not identify the material matters that can be identified during the audit and, thus, cannot give audit opinions.

Basis of Qualified Conclusion

As disclosed in Notes 4 (3) and 6 (8) to the consolidated financial statements, the financial statements of some non-significant subsidiaries included in the consolidated financial statements and investments accounted for using the equity method for the same period were not reviewed by us. As of March 31, 2025 and 2024, the total assets (including the investments accounted for using the equity method) of these non-significant subsidiaries were NT\$1,719,829 thousand and NT\$1,066,960 thousand, representing 17.1% and 11.5%, respectively, of the consolidated total assets; the total liabilities were NT\$837,578 thousand and NT\$305,332 thousand, representing 21.0% and 8.1%, respectively, of the consolidated total liabilities; for the three months ended March 31, 2025 and 2024, the total comprehensive income of these non-significant subsidiaries was NT\$(92,067) thousand and NT\$(94,767) thousand, representing (445.5%) and (259.1%), respectively, of the consolidated comprehensive income.

Qualified Conclusion

Based on our review, except for the adjustments, if any, as might have been determined to be necessary had the financial statements of the non-significant subsidiaries and investments accounted for using the equity method as described in the Basis of Qualified Conclusion paragraph and the relevant information disclosed in Note 13 been reviewed, nothing has come to our attention that caused us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of Solomon Group as of March 31, 2025 and 2024 and its consolidated financial performance and its consolidated cash flows for the three months ended March 31, 2025 and 2024 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission.

PricewaterhouseCoopers Taiwan

Wen Ya-Fang

CPA

Lin Se-Kai

Financial Supervisory Commission

Approval No.: Jin-Guan-Zheng-Shen-Zi No. 1100350706

Former Securities and Futures Bureau, Financial

Supervisory Commission, Executive Yuan

Approval No.: Jin-Guan-Zheng-Liu-Zi No. 0960072936

May 9, 2025

SOLOMON Technology Corporation and Subsidiaries
Consolidated Balance Sheet
March 31, 2025 and December 31 and March 31, 2024

Unit: NT\$ Thousand

			March 31, 2025		December 31, 2024		March 31, 2024				
			Amount	%	Amount	%	Amount	%			
Assets											
Current assets											
1100	Cash and cash equivalents	6 (1)	\$	1,842,145	18	\$	1,803,115	18	\$	1,784,423	19
1110	Financial assets measured at fair value through profit or loss – current	6 (2)		763,889	8		834,828	9		439,438	5
1136	Financial assets measured at amortized cost – current	6 (4)		1,923,154	19		1,917,744	19		491,772	5
1150	Net notes receivable	6 (5)		28,909	-		33,252	-		30,767	-
1170	Net accounts receivable	6 (5)		1,082,224	11		837,293	9		819,150	9
1200	Other receivables			19,733	-		23,069	-		25,539	-
1220	Income tax assets in the current period			7,249	-		7,187	-		130	-
130X	Inventory	6 (6)		1,717,279	17		1,822,185	18		1,733,498	19
1410	Prepayments	6 (7)		587,419	6		600,269	6		518,229	6
11XX	Total current assets			7,972,001	79		7,878,942	79		5,842,946	63
Non-current assets											
1510	Financial assets measured at fair value through profit or loss – non-current	6 (2)		260,750	3		253,808	3		252,317	3
1517	Financial assets measured at fair value through other comprehensive income – non-current	6 (3)		47,659	-		52,064	1		-	-
1535	Financial assets measured at amortized cost – non-current	6 (4) and 8		76,571	1		36,775	-		1,448,105	15
1550	Investments accounted for using the equity method	6 (8)		35,863	-		36,179	-		71,222	1
1600	Property, plant and equipment	6 (9) and 8		440,808	4		445,547	4		434,019	5
1755	Right-of-use assets	6 (10)		203,421	2		203,430	2		206,063	2
1760	Net investment property	6 (12) and 8		860,466	9		863,284	9		868,538	9
1780	Intangible assets			1,285	-		1,601	-		1,148	-
1840	Deferred income tax assets			61,426	1		65,868	1		65,975	1
1900	Other non-current assets	6 (13) and 8		110,889	1		105,505	1		120,369	1
15XX	Total non-current assets			2,099,138	21		2,064,061	21		3,467,756	37
1XXX	Total assets		\$	10,071,139	100	\$	9,943,003	100	\$	9,310,702	100

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SOLOMON Technology Corporation and Subsidiaries
Consolidated Balance Sheet
March 31, 2025 and December 31 and March 31, 2024

Unit: NT\$ Thousand

Liabilities and equity		Note	March 31, 2025		December 31, 2024		March 31, 2024	
			Amount	%	Amount	%	Amount	%
Current liabilities								
2100	Short-term loans	6 (14)	\$ 771,000	8	\$ 756,000	8	\$ 709,941	8
2130	Contractual liabilities – current	6 (21)	1,447,329	14	1,403,763	14	1,293,400	14
2150	Notes payable		168	-	3,964	-	10,312	-
2170	Accounts payable		972,741	10	909,572	9	859,212	9
2200	Other payables	6 (15)	345,822	4	205,118	2	462,481	5
2230	Income tax liabilities in the current period		69,542	1	54,013	1	77,085	1
2250	Liability provisions – current	6 (16)	22,364	-	4,089	-	4,263	-
2280	Lease liabilities – current		32,494	-	31,297	-	24,217	-
2300	Other current liabilities	6 (11)	16,727	-	20,799	-	21,065	-
21XX	Total current liabilities		3,678,187	37	3,388,615	34	3,461,976	37
Non-current liabilities								
2570	Deferred income tax liabilities		123,601	1	118,972	1	102,985	1
2580	Lease liabilities – non-current		178,318	2	177,490	2	183,574	2
2600	Other non-current liabilities		10,674	-	10,214	-	8,357	-
25XX	Total non-current liabilities		312,593	3	306,676	3	294,916	3
2XXX	Total liabilities		3,990,780	40	3,695,291	37	3,756,892	40
	Share capital	6 (18)						
3110	Common share capital		1,714,711	17	1,714,711	17	1,714,711	19
	Capital reserves	6 (19)						
3200	Capital reserves		911,351	9	911,355	10	392,243	4
	Retained earnings	6 (20)						
3310	Legal reserves		516,726	5	516,726	5	463,352	5
3320	Special reserves		125,280	1	125,280	1	116,320	1
3350	Undistributed earnings		2,438,261	24	2,597,595	26	2,542,534	27
	Other equity							
3400	Other equity		(100,189)	(1)	(109,147)	(1)	(114,760)	(1)
3500	Treasury stocks	6 (18)	(6,042)	-	(6,042)	-	(6,042)	-
31XX	Total equity attributable to owners of the parent company		5,600,098	55	5,750,478	58	5,108,358	55
36XX	Non-controlling interests		480,261	5	497,234	5	445,452	5
3XXX	Total equity		6,080,359	60	6,247,712	63	5,553,810	60
	Material contingent liabilities and unrecognized contractual commitments	9						
3X2X	Total liabilities and equity		\$ 10,071,139	100	\$ 9,943,003	100	\$ 9,310,702	100

The attached notes to the consolidated financial statements are part of the consolidated financial statements and should be read in conjunction.

Chairman: Chen Cheng-Lung

General Manager: Chen Cheng-Lung

Chief Accountant: Huang Chien-Chi

SOLOMON Technology Corporation and Subsidiaries
Consolidated Statement of Comprehensive Income
January 1 to March 31, 2025 and 2024

Unit: NT\$ Thousand
(Earnings per share in NT\$)

Item	Note	January 1 to March 31, 2025		January 1 to March 31, 2024	
		Amount	%	Amount	%
4000 Operating income	6 (21)	\$ 1,216,009	100	\$ 788,224	100
5000 Operating costs	6 (6)	(982,119)	(81)	(613,918)	(78)
5950 Net gross operating profit		<u>233,890</u>	<u>19</u>	<u>174,306</u>	<u>22</u>
Operating expenses	6 (26) (27)				
6100 Marketing expenses		(90,692)	(7)	(85,313)	(11)
6200 Management expenses		(87,331)	(7)	(81,276)	(10)
6300 R&D expenses		(36,889)	(3)	(32,491)	(4)
6450 Expected credit impairment (loss) gain	12 (2)	(859)	-	1,362	-
6000 Total operating expenses		<u>(215,771)</u>	<u>(17)</u>	<u>(197,718)</u>	<u>(25)</u>
6900 Operating profit (loss)		<u>18,119</u>	<u>2</u>	<u>(23,412)</u>	<u>(3)</u>
Non-operating income and expenses					
7100 Interest income	6 (22)	41,054	3	38,898	5
7010 Other income	6 (23)	22,897	2	14,388	2
7020 Other gains and losses	6 (24)	(31,421)	(3)	48,183	6
7050 Financial costs	6 (25)	(6,131)	-	(5,222)	(1)
7060 Share of profits/losses of associates and joint ventures under the equity method	6 (8)	(309)	-	(3,295)	-
7000 Total non-operating income and expenses		<u>26,090</u>	<u>2</u>	<u>92,952</u>	<u>12</u>
7900 Pre-tax profit		<u>44,209</u>	<u>4</u>	<u>69,540</u>	<u>9</u>
7950 Income tax expense	6 (28)	(31,096)	(3)	(30,242)	(4)
8200 Net profit in the current period		<u>\$ 13,113</u>	<u>1</u>	<u>\$ 39,298</u>	<u>5</u>
Other comprehensive income (net)					
Items not reclassified as profit or loss					
8316 Unrealized valuation profit or loss of investments in equity instruments measured at fair value through other comprehensive income	6 (3)	(\$ 4,405)	-	\$ -	-
Items likely to be subsequently reclassified as profit or loss					
8361 Exchange differences on translation of financial statements of foreign operations		<u>11,958</u>	<u>1</u>	<u>(2,719)</u>	<u>-</u>
8300 Other comprehensive income (net)		<u>\$ 7,553</u>	<u>1</u>	<u>(\$ 2,719)</u>	<u>-</u>
8500 Total comprehensive income in the current period		<u>\$ 20,666</u>	<u>2</u>	<u>\$ 36,579</u>	<u>5</u>
Net profit attributable to:					
8610 Owners of the parent company		<u>\$ 12,137</u>	<u>1</u>	<u>\$ 35,955</u>	<u>5</u>
8620 Non-controlling interests		<u>\$ 976</u>	<u>-</u>	<u>\$ 3,343</u>	<u>-</u>
Total comprehensive income attributable to:					
8710 Owners of the parent company		<u>\$ 21,095</u>	<u>2</u>	<u>\$ 46,475</u>	<u>6</u>
8720 Non-controlling interests		<u>(\$ 429)</u>	<u>-</u>	<u>(\$ 9,896)</u>	<u>(1)</u>
Basic earnings per share	6 (29)				
9750 Basic earnings per share		<u>\$ 0.07</u>		<u>\$ 0.21</u>	
Diluted earnings per share	6 (29)				
9850 Diluted earnings per share		<u>\$ 0.07</u>		<u>\$ 0.21</u>	

The attached notes to the consolidated financial statements are part of the consolidated financial statements and should be read in conjunction.

Chairman: Chen Cheng-Lung

General Manager: Chen Cheng-Lung

Chief Accountant: Huang Chien-Chi

SOLOMON Technology Corporation and Subsidiaries
Consolidated Statement of Changes in Equity
January 1 to March 31, 2025 and 2024

Unit: NT\$ Thousand

Equity attributable to owners of the parent company											

The attached notes to the consolidated financial statements are part of the consolidated financial statements and should be read in conjunction.

Chairman: Chen Cheng-Lung

General Manager: Chen Cheng-Lung

Chief Accountant: Huang Chien-Chi

SOLOMON Technology Corporation and Subsidiaries
Consolidated Statement of Cash Flows
January 1 to March 31, 2025 and 2024

Unit: NT\$ Thousand

	Note	January 1 to March 31, 2025	January 1 to March 31, 2024
<u>Cash flows from operating activities</u>			
Pre-tax profit in the current period		\$ 44,209	\$ 69,540
Adjustment items			
Profits and expenses having no effect on cash flows			
Depreciation expense (including investment property and right-of-use assets)	6 (9) (10) (12)	18,955	16,924
Amortization expense	6 (26)	497	653
Expected credit impairment loss (gain)	12 (2)	859 (1,362)
Net loss from financial assets measured at fair value through profit or loss	6 (2) (24)	73,644	57,255
Interest expense	6 (25)	6,131	5,222
Interest income	6 (22)	(41,054) (38,898)
Dividend income	6 (23)	(520)	-
Share of losses of associates and joint ventures under the equity method	6 (8)	309	3,295
Changes in assets/liabilities related to operating activities			
Net changes in assets related to operating activities			
Financial assets measured at fair value through profit or loss		(9,647) (73,581)
Net notes receivable		4,343	14,815
Accounts receivable		(245,790)	139,694
Other receivables		(2,562) (3,751)
Inventory		104,105	159,140
Prepayments		12,850 (138,799)
Net changes in liabilities related to operating activities			
Contractual liabilities		43,566	161,927
Notes payable		(3,796)	258
Accounts payable		63,169 (26,498)
Other payables		(42,572) (34,509)
Liability provisions – current		18,275	2,514
Other current liabilities		(4,072)	49
Cash inflow from operations		40,899	313,888
Interest received		46,952	37,768
Interest paid		(6,477) (4,960)
Dividends received	6 (23)	520	-
Income tax paid		(6,610)	(3,170)
Net cash inflow from operating activities		75,284	343,526

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SOLOMON Technology Corporation and Subsidiaries
Consolidated Statement of Cash Flows
January 1 to March 31, 2025 and 2024

Unit: NT\$ Thousand

	Note	January 1 to March 31, 2025	January 1 to March 31, 2024
<u>Cash flows from investing activities</u>			
Increase in financial assets measured at amortized cost		(\$ 487,625)	(\$ 550,043)
Decrease in financial assets measured at amortized cost		442,419	526,931
Cost of acquisition of property, plant, and equipment	6 (31)	(5,479)	(7,745)
Cost of acquisition of intangible assets		-	(105)
(Increase) Decrease in deposits paid		(5,532)	18,117
(Increase) Decrease in other non-current assets		(33)	7,383
Net cash outflow from investing activities		(56,250)	(5,462)
<u>Cash flows from financing activities</u>			
Repayment of short-term loans	6 (32)	(97,745)	(104,479)
Borrowing of short-term loans	6 (32)	112,745	141,420
Repayment of principal of lease liabilities	6 (32)	(7,272)	(7,481)
Disposal of equity in subsidiaries (without loss of control)	6 (30)	-	150,328
Increase in deposits received	6 (32)	460	-
Net cash inflow from financing activities		8,188	179,788
Effect of exchange rate		11,808	11,184
Increase in cash and cash equivalents in the current period		39,030	529,036
Opening balance of cash and cash equivalents		1,803,115	1,255,387
Closing balance of cash and cash equivalents		\$ 1,842,145	\$ 1,784,423

The attached notes to the consolidated financial statements are part of the consolidated financial statements and should be read in conjunction.

Chairman: Chen Cheng-Lung

General Manager: Chen Cheng-Lung

Chief Accountant: Huang Chien-Chi

SOLOMON Technology Corporation and Subsidiaries
Notes to the Consolidated Financial Statements
First Quarter 2025 and 2024

Unit: NT\$ Thousand
(Unless otherwise specified)

1. Company history

- (1) SOLOMON Technology Corporation (hereinafter referred to as the “Company”) was established in the Republic of China and commenced operation in May 1990. The Company was merged with its 100%-owned subsidiaries Mo Dao Investment Co., Ltd., Long Men Technology Corporation, and De Li Investment Co., Ltd. in 2007 and 2006. After the merger, the Company survived and Mo Dao Investment Co., Ltd., Long Men Technology Corporation, and De Li Investment Co., Ltd. were dissolved. The Company and its subsidiaries (hereinafter collectively referred to as the “Group”) are mainly engaged in the sale, manufacturing, agency, and import of generators, semiconductors, electronic parts, and LCDs.
- (2) The Company’s stock was listed on Taiwan Stock Exchange Corporation in December 1996.

2. Approval date and procedures of the financial statements

The consolidated financial statements were approved for publication by the Board of Directors on May 9, 2025.

3. Application of new and amended standards and interpretations

- (1) Effect of adopting the newly promulgated or revised IFRSs endorsed and issued into effect by the Financial Supervisory Commission (hereinafter referred to as the “FSC”)

The newly promulgated, amended and revised standards and interpretations of IFRSs endorsed and issued into effect by the FSC and applicable in 2025 are listed in the following table:

<u>New, revised or amended standards and interpretations</u>	<u>Effective date per IASB</u>
Amendments to IAS 21, “Lack of Exchangeability”	January 1, 2025

As evaluated by the Group, the above standards and interpretations have no significant impact on the financial position and performance of the Group.

- (2) Effect of not adopting the newly promulgated or revised IFRSs endorsed by the FSC

<u>New, revised or amended standards and interpretations</u>	<u>Effective date per IASB</u>
Partial amendments to IFRS 9 and IFRS 7, “Amendments to the Classification and Measurement of Financial Instruments”	January 1, 2026

The FSC endorses the Amendments, under which an entity may apply only the amendments to the Application Guidance to Section 4.1 of IFRS 9 (Classification of financial assets) for an earlier period, with paragraphs 20B, 20C and 20D of IFRS 7 also applied at the same time. The Amendments are described as follows:

- A. The Amendments clarify and additionally provide further guidance for assessing whether financial assets meet the criteria of solely payments of principal and interest (SPPI). The scope covers contractual terms that could change the amount of cash flows based on a contingent event (e.g. ESG-linked interest rate), financial assets with non-recourse features, and contractually linked instruments.

- B. For some instruments with contractual terms that could change the amount of cash flows, such as those with environmental, social and governance (ESG)-linked features, the Amendments additionally require the disclosures of a qualitative description of the nature of the contingent event, quantitative information about the possible changes to contractual cash flows that could result from those contractual terms, and the gross carrying amount of financial assets and the amortized cost of financial liabilities subject to those contractual terms.

As evaluated by the Group, the above standards and interpretations have no significant impact on the financial position and performance of the Group.

(3) Effect of the IFRSs issued by the IASB but not yet endorsed by the FSC

The newly promulgated or revised standards and interpretations of the IFRSs issued by the IASB but not yet endorsed by the FSC are listed in the following table:

<u>New, revised or amended standards and interpretations</u>	<u>Effective date per IASB</u>
Partial amendments to IFRS 9 and IFRS 7, “Amendments to the Classification and Measurement of Financial Instruments”	January 1, 2026
Amendments to IFRS 9 and IFRS 7, “Contracts Referencing Nature-dependent Electricity”	January 1, 2026
Amendments to IFRS 10 and IAS 28, “Sale or Contribution of Assets between an Investor and its Associate or Joint Venture”	To be determined by IASB
IFRS 17 “Insurance Contracts”	January 1, 2023
Amendments to IFRS 17, “Insurance Contracts”	January 1, 2023
Amendment to IFRS 17, “Initial Application of IFRS 17 and IFRS 9 - Comparative Information”	January 1, 2023
IFRS 18 “Presentation and Disclosure in Financial Statements”	January 1, 2027
IFRS 19 “Subsidiaries without Public Accountability: Disclosures”	January 1, 2027
Annual Improvements to IFRS Accounting Standards - Volume 11	January 1, 2026

As evaluated by the Group, except for the effect of IFRS 18 “Presentation and Disclosure in Financial Statements” to be assessed and further disclosed, the above standards and interpretations have no significant impact on the financial position and performance of the Group.

IFRS 18 “Presentation and Disclosure in Financial Statements” replaces IAS 1. IFRS 18 updates the structure of the statement of profit or loss, required disclosures for management-defined performance measures, and enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

4. Summary of material accounting policies

The main accounting policies used for preparing the consolidated financial statements are described as follows. Unless otherwise specified, such policies are consistently applicable to all reporting periods.

(1) Statement of compliance

The consolidated financial statements were prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and IAS 34 “Interim Financial Reporting” endorsed and issued into effect by the FSC.

(2) Basis of preparation

- A. The consolidated financial statements were prepared on the basis of historical cost, except for the key items listed below:
 - (A) Financial assets and liabilities (including derivatives) measured at fair value through profit or loss, measured at fair value.
 - (B) Defined benefit assets recognized at the net amount calculated as pension fund assets less the present value of defined benefit obligations.
 - B. Preparing financial statements in accordance with the International Financial Reporting Standards, International Accounting Standards, interpretations and pronouncements of interpretation endorsed and issued into effect by the FSC (hereinafter collectively referred to as IFRSs) requires the use of some important accounting estimates. During the adoption of the Group's accounting policies, the management needs to rely on their judgment when it comes to items that require demanding judgments, are highly complex or involve material assumptions and estimates in consolidated financial statements. For details, please refer to the description in Note 5.
- (3) Basis of consolidation
- A. Principle for preparation of the consolidated financial statements
 - (A) The Group includes all its subsidiaries as entities in the consolidated financial statements. Subsidiaries refer to entities controlled by the Group. An entity is controlled by the Group when the Group is exposed and has rights to variable returns from its involvement in the entity and has the ability to affect the returns with its power over the entity. The subsidiaries are included in the consolidated financial statements from the date on which the Group obtains control and continue to be consolidated until the date when such control ceases.
 - (B) Transactions, balances and unrealized gains or losses between companies within the Group have been eliminated. Necessary adjustments have been made to the accounting policies of the subsidiaries to keep them consistent with those of the Group.
 - (C) All components of profits or losses and other comprehensive income as well as total comprehensive income are attributable to the owners of the parent company and non-controlling interests, even if this results in the non-controlling interests having a deficit balance.
 - (D) Changes in the Group's shareholding in the subsidiaries that do not result in a loss of control (transactions with non-controlling interests) are treated as equity transactions, namely transactions with the owners. The difference between the adjusted amount of non-controlling interests and the fair value of considerations paid or received is directly recognized as equity.

- (E) When the Group loses control over a subsidiary, the fair value of the remaining investment in the former subsidiary is remeasured and used as the fair value of the initially recognized financial assets or the cost of the initially recognized investments in associates or joint ventures. The difference between the fair value and the carrying amount is recognized as profit or loss in the current period. The accounting treatment of all amounts related to the subsidiary and previously recognized as other comprehensive income is on the same basis as that for the Group's direct disposal of the relevant assets or liabilities. In other words, profits or losses previously recognized as other comprehensive income are reclassified as profit or loss when the relevant assets or liabilities are disposed of. Thus, the profits or losses are reclassified from equity to profit or loss when the Group loses control over the subsidiary.

B. Subsidiaries included in the consolidated financial statements:

Name of investor company	Name of subsidiary	Nature of business	Shareholding percentage			Description
			March 31, 2025	December 31, 2024	March 31, 2024	
The Company	Moredel Investment Corp. (Moredel Investment)	Professional investment	100.00	100.00	100.00	Note 3
The Company	Solomon Goldentek Display Corp. (Solomon Goldentek Display)	Manufacturing and sale of LCDs	70.77	70.77	70.77	
The Company	Solomon Cayman International Corporation (Solomon Cayman)	Investment holding	100.00	100.00	100.00	Note 4
The Company	Solomon Smartnet Corp. (Solomon Smartnet)	Manufacturing and sale of IC cards	100.00	100.00	100.00	Note 3
The Company	Solomon Wireless Technology Corp. (Solomon Wireless Technology)	Manufacturing and sale of communication products	96.41	96.41	96.41	Note 3
The Company	Total Profit Holdings Ltd. (Total Profit)	Investment holding	100.00	100.00	100.00	Note 3
The Company	Solomon Data International Corporation (Solomon Data International)	Manufacturing and sale of LCD panels	24.04	24.04	27.86	Note 1
The Company	Cornucopia Innovation Corporation (Cornucopia Innovation)	Manufacturing of electronic parts and components	35.06	35.06	35.06	Notes 1, 3
The Company	Solomon Science Technology (VN) Company Limited (Solomon Science)	Supply and sale of intelligence technology	100.00	100.00	100.00	Note 3
The Company	Solomon Robotics (THAI) Ltd. (Solomon Robotics)	Supply and sale of intelligence technology	-	100.00	100.00	Note 2
The Company	Solomon Technology (USA) Corporation (Solomon USA)	Supply and sale of intelligence technology	100.00	100.00	100.00	Note 3
The Company	Solomon Technology Japan Co., Ltd.	Supply and sale of intelligence technology	100.00	100.00	100.00	Note 3
The Company	Solomon Energy Technology Corporation (Solomon Energy)	Self-usage renewable energy generation equipment	100.00	100.00	100.00	Note 3
The Company	Sheng-Peng Technology Corp. (Sheng-Peng Technology)	Import and export of electrical power-related products	51.00	51.00	51.00	Note 3

Name of investor company	Name of subsidiary	Nature of business	Shareholding percentage			Description
			March 31, 2025	December 31, 2024	March 31, 2024	
Moredel Investment	Solomon Data International Corporation (Solomon Data International)	Manufacturing and sale of LCD panels	12.53	12.53	16.31	Note 1
Moredel Investment	Solomon Goldentek Display Corp. (Solomon Goldentek Display)	Manufacturing and sale of LCDs	9.26	9.26	9.26	Note 1
Solomon Cayman	Yumon International Trade Shanghai Limited Corporation (Yumon International)	International trade	100.00	100.00	100.00	Note 4
Solomon Cayman	Goldentek Display System (B.V.I.) Co.,Ltd.(Goldentek (B.V.I.))	Investment holding	0.39	0.39	0.39	Note 1
Solomon Smartnet	Solomon Data International Corporation (Solomon Data International)	Manufacturing and sale of LCD panels	14.84	14.84	18.56	Note 1
Solomon Smartnet	Solomon Goldentek Display Corp. (Solomon Goldentek Display)	Manufacturing and sale of LCDs	9.26	9.26	9.26	Note 1
Total Profit	Solomon Trading (Shenzhen) Ltd. (Solomon Shenzhen)	International trade	100.00	100.00	100.00	Note 3
Solomon Energy	Solomon Energy Technology (Singapore) Pte.Ltd (Solomon Energy (Singapore))	Self-usage renewable energy generation equipment	100.00	100.00	100.00	Note 3
Solomon Goldentek Display	Goldentek Display System (B.V.I.) Co.,Ltd.(Goldentek (B.V.I.))	Investment holding	99.61	99.61	99.61	Note 3
Solomon Goldentek Display	Futek Trading Co., Ltd.(Futek Trading)	Investment holding	100.00	100.00	100.00	
Solomon Goldentek Display	Cornucopia Innovation Corporation (Cornucopia Innovation)	Manufacturing of electronic parts and components	2.07	2.07	2.07	Notes 1, 3
Solomon Goldentek Display	Solomon Goldentek Display (Hong Kong) Corp. (Hong Kong Goldentek)	Entrepot trade	100.00	100.00	100.00	
Goldentek (B.V.I.)	Solomon Goldentek Display (Dong Guan) Ltd. (Dong Guan Goldentek)	Production and sale of LCDs and modules	100.00	100.00	100.00	
Solomon Data International	Cornucopia Innovation Corporation (Cornucopia Innovation)	Manufacturing of electronic parts and components	13.22	13.22	13.22	Notes 1, 3

Note 1: The Company, directly or indirectly, collectively holds a majority of voting rights in the company.

Note 2: The subsidiary was incorporated in February 2025.

Note 3: The financial statements of the non-significant subsidiary as of March 31, 2025 and 2024 were not reviewed by the CPA.

Note 4: The financial statements of the non-significant subsidiary as of March 31, 2025 were not reviewed by the CPA.

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

D. Different adjustments and treatments for subsidiaries during the accounting period: None.

E. Significant restrictions: None.

F. Subsidiaries with material non-controlling interests to the Group:

The Group's total non-controlling interests on March 31, 2025, December 31, 2024, and March 31, 2024 were \$480,261, \$497,234, and \$445,452, respectively. The following is the information on non-controlling interests and subsidiaries that are of materiality to the Group:

Name of subsidiary	Principal place of business	Non-controlling interests			
		March 31, 2025		December 31, 2024	
		Amount	Shareholding percentage	Amount	Shareholding percentage
Solomon Goldentek Display	Taiwan	\$ 244,851	10.71%	\$ 250,421	10.71%
				Non-controlling interests	
				March 31, 2024	
				Amount	Shareholding percentage
Solomon Goldentek Display	Taiwan			\$ 244,159	10.71%

Summary of subsidiaries' financial information:

Consolidated Balance Sheet

	Solomon Goldentek Display		
	March 31, 2025	December 31, 2024	March 31, 2024
Current assets	\$ 2,000,608	\$ 2,002,450	\$ 1,672,244
Non-current assets	326,652	324,217	635,507
Current liabilities	(311,535)	(263,882)	(298,905)
Non-current liabilities	(239,748)	(234,848)	(239,378)
Total net assets	\$ 1,775,977	\$ 1,827,937	\$ 1,769,468

Consolidated Statement of Comprehensive Income

	Solomon Goldentek Display	
	January 1 to March 31, 2025	January 1 to March 31, 2024
Income	\$ 232,077	\$ 171,375
Pre-tax profit	\$ 13,049	\$ 42,071
Income tax expense	(11,323)	(9,619)
Net profit from continuing operations in the current period	1,726	32,452
Other comprehensive income (after tax, net)	6,898	5,952
Total comprehensive income in the current period	\$ 8,624	\$ 38,404
Total comprehensive income attributable to non-controlling interests	\$ 924	\$ 4,113

Consolidated Statement of Cash Flows

	Solomon Goldentek Display	
	January 1 to March 31, 2025	January 1 to March 31, 2024
Net cash inflow from operating activities	\$ 59,302	\$ 58,318
Net cash outflow from investing activities	(3,253)	(6,160)
Net cash outflow from financing activities	(5,797)	(5,417)
Effect of changes in exchange rate on cash and cash equivalents	6,069	5,172
Increase in cash and cash equivalents in the current period	56,321	51,913
Opening balance of cash and cash equivalents	713,865	583,693
Closing balance of cash and cash equivalents	\$ 770,186	\$ 635,606

(4) Foreign currency translation

All items in the financial statements of each entity in the Group are measured based on the currency of the primary economic environment where the entity operates (i.e. functional currency). The consolidated financial statements use the Company's functional currency, "NT dollars," as the presentation currency.

A. Foreign currency transactions and balances

- (A) Foreign currencies in foreign currency transactions are translated into the functional currency based on the spot exchange rate on the transaction or measurement date. The translation difference generated by the translation is recognized as profit or loss in the current period.
- (B) Valuation adjustments are made to the balance of monetary foreign currency assets and liabilities based on the spot exchange rate on the balance sheet date. The translation difference generated by the adjustments is recognized as profit or loss in the current period.
- (C) If the balance of non-monetary foreign currency assets and liabilities is measured at fair value through profit or loss, valuation adjustments are made based on the spot exchange rate on the balance sheet date. The exchange difference generated by the adjustments is recognized as profit or loss in the current period. If the balance is measured at fair value through other comprehensive income, valuation adjustments are made based on the spot exchange rate on the balance sheet date. The exchange difference generated by the adjustments is recognized as other comprehensive income in the current period. If the balance is not measured at fair value, it is measured at the historical exchange rate on the initial transaction date.
- (D) All exchange differences are recognized as "other gains and losses" in the income statement based on the nature of the transaction.

B. Translation of foreign operations

- (A) The business results and financial position of all the Group's entities and associates whose functional currency and presentation currency are different are translated into the presentation currency using the following methods:
 - a. Assets and liabilities presented in each balance sheet are translated at the closing rate on the balance sheet date;
 - b. Profits and losses presented in each statement of comprehensive income are translated at the average exchange rate in the current period; and
 - c. All exchange differences generated from translation are recognized as other comprehensive income.
 - (B) When a foreign operation that is partially disposed of or sold is a subsidiary, the accumulated exchange difference recognized as other comprehensive income is re-attributed proportionally to the non-controlling interests of the foreign operation. However, when the Group retains partial interest in the former foreign subsidiary after losing control over it, such transactions should be accounted for as disposal of all interest in the foreign operation.
- (5) Criteria for classification of current and non-current assets and liabilities
- A. Assets that match any of the following conditions shall be classified as current assets:
- (A) The asset is expected to be realized or is intended to be sold or depleted over normal business cycles.
 - (B) The asset is held primarily for the purpose of trading.
 - (C) The asset is expected to be realized within 12 months after the reporting period.
 - (D) The asset is cash or cash equivalents, excluding those that are restricted from being used for exchange or settlement of liabilities at least within 12 months after the reporting period.
- The Group classifies all assets that do not match the above conditions as non-current.
- B. Liabilities that match any of the following conditions shall be classified as current liabilities:
- (A) The liability is expected to be settled over normal business cycles.
 - (B) The liability is held primarily for the purpose of trading.
 - (C) The liability is expected to be due to be settled within 12 months after the reporting period.
 - (D) Having no right to defer settlement of the liability for at least 12 months after the reporting period.
- The Group classifies all liabilities that do not match the above conditions as non-current.
- (6) Cash equivalents
- Cash equivalents refer to short-term investments with high liquidity that can be converted into specified amounts of cash at any time with little risk of value changes. Time deposits and bonds under repurchase agreements that fit into the aforesaid definition and are held for the purpose of meeting short-term operating cash commitments are classified as cash equivalents.

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

- A. Financial assets measured at fair value through profit or loss refer to financial assets not measured at amortized cost or at fair value through other comprehensive income.
- B. The Group uses settlement date accounting for financial assets measured at fair value through profit or loss on a regular way purchase or sale basis.
- C. The Group measures the financial assets at fair value at initial recognition and relevant transaction costs are recognized as profit or loss. The financial assets are subsequently measured at fair value and any gains or losses arising therefrom are recognized as profit or loss.
- D. When the right to receive dividends is established, the Group recognizes the dividend income as profit or loss, provided that the economic benefits related to the dividends are likely to flow in and the amount of the dividends can be measured reliably.

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

- A. Equity investments not held for trading, for which an irrevocable decision has been made at initial recognition to present changes in fair value in other comprehensive income.
- B. The Group uses trade date accounting for financial assets measured at fair value through other comprehensive income on a regular way purchase or sale basis.
- C. The Group measures the financial assets at fair value plus transaction costs at initial recognition and subsequently measures them at fair value, and the changes in fair value are recognized in other comprehensive income. At the time of derecognition, the accumulated gains or losses previously recognized in other comprehensive income shall not be reclassified as profit or loss and shall be transferred to retained earnings. When the right to receive dividends is established, the Group recognizes the dividend income as profit or loss, provided that the economic benefits related to the dividends are likely to flow in and the amount of the dividends can be measured reliably.

(9) Financial assets measured at amortized cost

- A. Financial assets measured at amortized cost refer to financial assets that meet all the following conditions:
 - (A) The financial asset is held under an operating model with the purpose of receiving contractual cash flows.
 - (B) The contractual terms of the financial asset generate cash flows on a specific date that are solely payments of principal and interest.
- B. The Group uses trade date accounting for financial assets measured at amortized cost on a regular way purchase or sale basis.
- C. The Group measures the financial assets at fair value plus transaction costs at initial recognition and subsequently recognizes interest income using the effective interest method over the circulation period according to the amortization procedure as well as impairment losses. Gains or losses on derecognition are recognized as profit or loss.

(10) Accounts and notes receivable

- A. Accounts and notes receivable refer to accounts and notes with the right to unconditionally receive the consideration for which goods or services are exchanged pursuant to contractual agreements.

- B. They are short-term accounts and notes receivable without payment of interest. As the discount of the accounts and notes receivable does not have significant effect, the Group measures them at the initial invoice amount.

(11) Impairment of financial assets

On each balance sheet, the Group measures the loss allowance for financial assets measured at amortized cost and accounts receivable containing significant financing components, whose credit risk is not significantly increased after initial recognition, at the amount of the 12-month expected credit losses in consideration of all reasonable and supportable information (including forward-looking information). If their credit risk is significantly increased after initial recognition, the loss allowance is measured at the amount of the expected credit losses throughout the lifetime. For accounts receivable that do not contain significant financing components, the loss allowance is measured at the amount of the expected credit losses throughout the lifetime.

(12) Derecognition of financial assets

When the Group's contractual rights to receive the cash flows from financial assets become invalid, the financial assets will be derecognized.

(13) Lessor's lease transactions – operating leases

The lease income from operating leases less any incentive given to the lessee is amortized under the straight-line method over the lease term and recognized as profit or loss in the current period.

(14) Inventory

Inventory is measured at the lower of cost or net realizable value, and its cost is determined using the moving average approach. The cost of finished goods and work in process includes the cost of raw materials and direct labor, other direct costs and production-related expenses (amortized based on normal production capacity) and excludes borrowing costs. The item-by-item method is adopted to determine the lower of cost or net realizable value. Net realizable value means the estimated selling price in the ordinary course of business less the estimated cost required for completion and the estimated cost necessary to make the sale.

(15) Investments accounted for using the equity method – associates

- A. Associates refer to entities that the Group has significant influence and no control over, in which case, generally speaking, the Group directly or indirectly holds 20% or more of the voting rights in the entities. The Group adopts the equity method for its investments in associates and recognizes them at cost when acquiring them.
- B. The Group recognizes its share of profits or losses after the acquisition of associates as profit or loss in the current period and recognizes its share of other comprehensive income after the acquisition as other comprehensive income. If the Group's share of losses in any associate is equal to or exceeds its interest in the associate (including any other unsecured accounts receivable), the Group does not recognize further losses, unless the Group has incurred legal or constructive obligations to or made payments on behalf of the associate.
- C. When there are changes in the equity of an associate that are not associated with profits or losses and other comprehensive income and do not affect the Group's shareholding percentage in the associate, the Group recognizes all equity changes as "capital reserves" in proportion to its shareholding.

- D. Unrealized gains and losses generated from transactions between the Group and its associates have been derecognized based on the percentage of its interest in the associates. Unless there is any evidence indicating that the assets transferred in the transactions have impaired, the unrealized losses are derecognized, too. Necessary adjustments have been made to the accounting policies of the associates to keep them consistent with those of the Group.
- E. Where the Group does not subscribe for or acquire the new shares issued by an associate in proportion to its shareholding, thus facing a change in the investment proportion yet still having significant influence over the associate, the changes in the net equity value shall be adjusted to the “capital reserves” and “investments accounted for using the equity method.” If the investment proportion becomes lower accordingly, in addition to the above adjustment, the profits or losses related to such decrease in the ownership interests that were previously recognized as other comprehensive income and shall be reclassified as profit or loss when the relevant assets or liabilities are disposed of, they shall be reclassified as profit or loss in proportion to the decrease.
- F. When the Group loses significant influence over an associate, the fair value of the remaining investment in the former associate is remeasured. The difference between the fair value and the carrying amount is recognized as profit or loss in the current period.
- G. If the Group loses significant influence over an associate when disposing of it, the accounting treatment of all amounts related to the associate previously recognized as other comprehensive income is on the same basis as that for the Group’s direct disposal of the relevant assets or liabilities. In other words, profits or losses previously recognized as other comprehensive income are reclassified as profit or loss when the relevant assets or liabilities are disposed of. Thus, the profits or losses are reclassified from equity to profit or loss when the Group loses significant influence over the associate. If the Group still has significant influence over the associate, the amount previously recognized as other comprehensive income is transferred out proportionally based on the above method.

(16) Property, plant and equipment

- A. Property, plant and equipment are accounted for at the acquisition cost.
- B. Subsequent costs are included in the carrying amount of the asset or recognized as an individual asset only when future economic benefits associated with the item are likely to flow into the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part shall be derecognized. All other maintenance expenses are recognized as profit or loss in the current period at the time of their occurrence.
- C. The property, plant and equipment are subsequently measured under the cost model. Except for land that is not depreciated, all property, plant and equipment are depreciated using the straight-line method over the estimated useful life. If the property, plant and equipment comprise any significant components, they are depreciated individually.
- D. The Group reviews the residual value, useful life and depreciation method of all assets at the end of each fiscal year. If the expected residual value and useful life are different from the previous estimates or there has been a significant change in the pattern in which the future economic benefits of the asset are expected to be consumed, such change shall be treated in accordance with the requirements on changes in accounting estimates in IAS 8 “Accounting Policies, Changes in Accounting Estimates and Errors” on the date of its occurrence.

The useful life of different types of assets is as follows:

Premises and buildings	3-55 years
Machines/equipment	2-10 years
Office equipment	3-10 years
Other equipment	2-15 years

(17) Lessee's lease transactions – right-of-use assets and lease liabilities

A. Lease assets are recognized as right-of-use assets and lease liabilities on the date on which they become available for use by the Group. For short-term leases or leases of low-value underlying assets, the lease payments are recognized as expense using the straight-line method over the lease term.

B. As for lease liabilities, the unpaid lease payments are recognized at present value discounted at the incremental loan interest rate of the Group on the lease commencement date. Lease payments include fixed payments, less any receivable lease incentives.

The lease liabilities are subsequently measured at amortized cost using the interest method and interest expenses are amortized over the lease term. If changes in the lease term or lease payments do not result from contract revisions, the lease liabilities are reassessed and a remeasurement is made to adjust right-of-use assets.

C. The right-of-use assets are recognized at cost (including the initially measured amount of the lease liabilities and any initial direct costs incurred) on the lease commencement date.

The right-of-use assets are subsequently measured under the cost model and are depreciated when the useful life of the right-of-use assets or the lease term expires, whichever is earlier. When reassessing the lease liabilities, any remeasurement of the lease liabilities is adjusted for the right-of-use assets.

D. For lease modifications that are changes in the lease scope, the lessee reduces the carrying amount of the right-of-use assets to reflect the partial or whole termination of the lease and recognizes the difference between the carrying amount and the remeasured amount of the lease liabilities as profit or loss. As for all the other lease modifications, the amount of the lease liabilities are remeasured and the right-of-use assets are adjusted correspondingly.

(18) Investment property

Investment property is recognized at acquisition cost and subsequently measured under the cost model. Except for land, the investment property is depreciated using the straight-line method over an estimated useful life of 3-55 years.

(19) Intangible assets

Computer software is recognized at acquisition cost and amortized using the straight-line method over an estimated useful life of 1-3 years.

(20) Impairment of non-financial assets

The Group estimates the recoverable amount of assets with signs of impairment on the balance sheet date. When the recoverable amount falls below the carrying amount, an impairment loss is recognized. The recoverable amount is the higher of the fair value of an asset less the disposal cost and the value in use. When an asset impairment recognized in prior years may no longer exist or has decreased, the impairment loss is reversed, provided that the carrying amount of the asset increased after the reversal of the impairment loss does not exceed the carrying amount of the asset less amortization or depreciation expense without recognition of the impairment loss.

(21) Loans

Loans refer to short-term borrowings from banks. At initial recognition, the Group measures the loans at fair value less transaction costs and subsequently uses the effective interest method to recognize interest expenses at the difference between the proceeds net of transaction costs and the redemption value as profit or loss over the circulation period according to the amortization procedure.

(22) Accounts and notes payable

- A. Accounts and notes payable refer to debts incurred due to the purchase of raw materials, goods, or services on credit terms and notes payable arising from operating and non-operating activities.
- B. They are short-term accounts and notes payable without payment of interest. As the discount of the accounts and notes payable does not have significant effect, the Group measures them at the initial invoice amount.

(23) Derecognition of financial liabilities

The Group derecognizes financial liabilities when the obligations specified in contracts are fulfilled, canceled, or expired.

(24) Liability provisions

Liability provisions (including warranty liability and onerous contracts) mean that a present or constructive obligation is incurred due to past events, which is likely to result in the need for the outflow of resources with economic benefits to settle the obligation, and the obligation shall be recognized when its amount can be estimated reliably. The liability provisions are measured at the best estimated present value of expenses required for settling the obligation on the balance sheet date. The discount rate before tax that reflects the market's current assessment of the time value of money and liability-specific risk is used. The discounted amortization amount is recognized as interest expenses. Future operating losses shall not be recognized as liability provisions.

(25) Employee benefits

A. Short-term employee benefits

Short-term employee benefits are measured at an undiscounted amount expected to be paid and recognized as expense when the related services are provided.

B. Pension

(A) Defined contribution plan

Under the defined contribution plan, pension contributions that shall be made are recognized as pension cost in the current period on an accrual basis. Pre-paid contributions are recognized as assets to the extent that a cash refund or reduction in future payments is available.

(B) Defined benefit plan

- a. Under the defined benefit plan, net obligations are calculated based on the discounted future benefits earned by employees for services rendered during the current period or in the past and stated at the present value of the defined benefit obligations on the balance sheet date less the fair value of plan assets. The defined benefit obligations are calculated by an actuary using the projected unit credit method every year. The discount rate is the yield rate of government bonds that have the same currency and period under the defined benefit plan on the balance sheet date.
- b. Remeasurements arising from the defined benefit plan are recognized as other comprehensive income and recorded in retained earnings in the period of their incurrence.
- c. Expenses related to the service cost in the previous period are immediately recognized as profit or loss.
- d. Pension cost for an interim period is calculated on a year-to-date basis by using the actuarially determined pension cost rate at the end of the previous fiscal year. Adjustments shall be made for significant market fluctuations since that time and for significant curtailments, settlements, or other significant one-off events, and relevant information shall be disclosed pursuant to the aforesaid policies.

C. Remuneration to employees and to directors

Remuneration to employees and to directors is recognized as expense and liabilities when it is subject to legal or constructive obligations and its amount can be estimated reasonably. Any difference between the amount of remuneration actually distributed to employees and to directors as resolved at the shareholders' meeting and the estimated amount is treated as an accounting estimate change. If employees' remuneration is distributed in shares, the closing price on the day before the date of the Board's resolution is used as a basis for calculating the number of shares to be distributed.

(26) Income tax

- A. Income tax expense includes current and deferred income taxes. Income taxes related to the items recognized as other comprehensive income or directly recognized as equity are recognized as comprehensive income or directly recognized as equity, respectively. The other income taxes are recognized as profit or loss.
- B. The Group calculates the current income tax based on the tax rates and laws of countries where the Group operates or generates taxable income that have been enacted or substantively enacted by the balance sheet date. The management regularly assesses the reporting of income taxes in accordance with applicable income tax laws and regulations and estimates income tax liabilities based on tax payments expected to be made to the taxation authority, if applicable. The income tax imposed on undistributed earnings according to the Income Tax Act is recognized as income tax on undistributed earnings based on the actual distribution of earnings only after the earnings distribution proposal is passed at the shareholders' meeting in the year following the year in which the earnings are generated.

- C. Deferred income taxes are recognized at the temporary difference between the carrying amounts of assets and liabilities in the consolidated balance sheet and their tax bases using the balance sheet approach. Temporary differences resulting from investments in subsidiaries and associates are not recognized if the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences are not likely to reverse in the foreseeable future. The tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date and are expected to be applicable when the relevant deferred income tax assets are realized or deferred income tax liabilities are settled are adopted for the deferred income taxes.
- D. Deferred income tax assets are recognized when it is probable that temporary differences are likely to be available for offsetting future taxable income. Unrecognized and recognized deferred income tax assets are reassessed on each balance sheet date.
- E. When there is a legally enforceable right to offset the amounts of current income tax assets and liabilities recognized and an intention to settle on a net basis or realize the assets and settle the liabilities simultaneously, the current income tax assets may be offset against the current income tax liabilities. When there is a legally enforceable right to offset the amounts of current income tax assets and liabilities and when deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity or different taxable entities that intend to settle on a net basis or realize the assets and settle the liabilities simultaneously, the deferred income tax assets and liabilities may be offset against each other.
- F. Interim period income taxes are calculated based on the interim period profit or loss before tax for which the estimated annual average effective tax rate is adopted, and relevant information shall be disclosed pursuant to the aforesaid policies.
- G. When there are tax rate changes in the interim period, the Group recognizes the effect of the changes at once in the period of their incurrence. For changes related to income taxes and items not recognized as profit or loss, the effect of the changes is recognized as other comprehensive income or equity. The effect of changes associated with income taxes and items recognized as profit or loss is recognized as profit or loss.

(27) Share capital

- A. Common shares are classified as equity. The incremental cost directly attributable to the issue of new shares or stock options is recognized as a debit item of the proceeds in equity, net of income taxes.
- B. When repurchasing issued shares, the Company recognizes the considerations paid, including any directly attributable incremental cost, at the net amount after tax as a debit item of shareholder equity. When reissuing the repurchased shares, the difference between the received considerations less any directly attributable incremental cost and income tax effects and the carrying amount is recognized as an adjustment to shareholder equity. In addition, since January 1, 2002, the Company's shares held by its subsidiaries have been treated as treasury stocks.

(28) Distribution of dividends

Cash dividends distributed to the Company's shareholders are recognized in the financial statements when a resolution to distribute the dividends is adopted at a board meeting. Stock dividends are recognized as stock dividends to be distributed after a resolution at a shareholders' meeting and are transferred to common shares on the share issuance date.

(29) Recognition of income

A. Sale of goods

- (A) Sales income is recognized when control over products is transferred to a customer. The customer has discretion regarding the sales channels and prices of the products and the Group has no unfulfilled performance obligations that may affect the customer's acceptance of the products. At the time the products are delivered to the designated location, the risk of the products being out of date and lost is already transferred to the customer. When the customer accepts the products pursuant to the sales contract or there is objective evidence demonstrating that all acceptance criteria have been met, the goods are deemed delivered.
- (B) The Group offers a standard warranty for the products sold and is obligated to make refunds for product defects. The warranty is recognized as a liability provision at the time the products are sold.
- (C) Accounts receivable are recognized when goods are delivered to a customer as the Group has had unconditional rights to contract proceeds since that time and may collect consideration from the customer after that time.

B. Costs of obtaining contracts with customers

Although it is expectable that the Group's incremental costs incurred for obtaining contracts with customers can be recovered, the costs are recognized as expense at the time of their incurrence since the relevant contract terms are shorter than one year.

(30) Government subsidies

Government subsidies shall be recognized when it is reasonable to ensure that the business will comply with the conditions incident to the government subsidies and the subsidies may be received affirmatively. If the government subsidies in nature are used to offset the expenses incurred by the Group, they are recognized as profit or loss on a systematic basis in the period during which the relevant expenses are incurred.

(31) Operating segments

Information on the Group's operating segments is reported using the same method as that for internal management reports provided to the chief operating decision maker. The chief operating decision maker is responsible for allocating resources to the operating segments and evaluating their performance. The Board of Directors is identified as the chief operating decision maker of the Group.

5. Main sources of uncertainty of material accounting judgments, estimates and assumptions

When the Group prepared the consolidated financial statements, the management used their judgment to determine which accounting policies were to be adopted and made accounting estimates and assumptions based on reasonable expectations of future events and according to the situation on the balance sheet date. There might be differences between the material accounting estimates and assumptions and the actual results. Hence, historical experience and other factors would be taken into account to make continuous assessments and adjustments. Such estimates and assumptions led to a risk of causing a material adjustment to the carrying amounts of assets and liabilities within the following fiscal year. The following is a description of the uncertainty of material accounting judgments, estimates and assumptions:

(1) Important judgments for accounting policies adopted:

None.

(2) Important accounting estimates and assumptions

A. Valuation of accounts receivable

In the process of assessing impairment on accounts receivable, the Group must use judgments and estimates to determine the future recoverability of accounts receivable. The future recoverability is subject to a number of factors that may affect customers' ability to pay, such as their financial position, internal credit ratings within the Group, and historical transaction records. When there is doubt about the recoverability of accounts receivable, the Group shall assess the possibility of recovery and make appropriate allowances for the accounts receivable separately. The impairment assessment is based on the reasonable expectation of future events according to the situation on the balance sheet date. However, the actual result may differ from the estimate, which may result in a significant change. Please refer to Note 6 (5) for the description of the estimated impairment on accounts receivable.

B. Valuation of inventory

Inventory shall be evaluated on the basis of the lower of cost or net realizable value. Hence, the Group must use judgments and estimates to determine the net realizable value of the inventory on the balance sheet date. As technology advances rapidly, the Group assesses the amount of inventory with normal wear and tear and obsolescence and without market sales value on the balance sheet date and writes down the cost of the inventory to the net realizable value. As the valuation of inventory is mainly estimated according to the product demand within a certain period in the future, significant changes may occur. Please refer to Note 6 (6) for the description of inventory valuation.

6. Description of major accounts

(1) Cash and cash equivalents

	March 31, 2025	December 31, 2024	March 31, 2024
Cash:			
Check deposits and demand deposits	\$ 898,110	\$ 841,716	\$ 1,021,937
Cash on hand and working capital	413	545	1,122
Cash equivalents:			
Time deposits	891,081	899,352	681,745
Bonds under repurchase agreements	52,541	61,502	79,619
	<u>\$ 1,842,145</u>	<u>\$ 1,803,115</u>	<u>\$ 1,784,423</u>

A. The Group deals with financial institutions with good credit ratings and has dealings with multiple financial institutions to spread credit risk. Thus, the possibility of defaults is expected to be extremely low.

B. The time deposits provided by the Group as performance bonds and customs import guarantees have been transferred to "financial assets measured at amortized cost - non-current." Please refer to Notes 6 (4) and 8 for details.

C. The Group did not pledge the cash and cash equivalents as collateral.

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

<u>Assets</u>	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Current items:			
Financial assets measured at fair value through profit or loss on a mandatory basis			
Listed/OTC stocks	\$ 442,543	\$ 384,534	\$ 157,680
Domestic and foreign funds	413,000	473,000	328,000
	855,543	857,534	485,680
Valuation adjustments	(91,654)	(22,706)	(46,242)
	<u>\$ 763,889</u>	<u>\$ 834,828</u>	<u>\$ 439,438</u>

<u>Assets</u>	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Non-current items:			
Financial assets measured at fair value through profit or loss on a mandatory basis			
Listed/OTC stocks	\$ -	\$ -	\$ 197,034
Emerging stocks	7,207	7,207	7,207
Non-listed/non-OTC stocks	81,755	82,482	83,980
Limited partnership	95,028	78,543	30,000
	183,990	168,232	318,221
Valuation adjustments	76,760	85,576	(65,904)
	<u>\$ 260,750</u>	<u>\$ 253,808</u>	<u>\$ 252,317</u>

A. Details on financial assets measured at fair value through profit or loss and recognized as profit or loss are as follows:

	<u>January 1 to March 31, 2025</u>	<u>January 1 to March 31, 2024</u>
Financial assets measured at fair value through profit or loss on a mandatory basis		
- Equity instruments	(\$ 75,589)	(\$ 58,262)
- Beneficiary certificates	1,299	548
- Limited partnership	646	459
	<u>(\$ 73,644)</u>	<u>(\$ 57,255)</u>

- B. The Group did not pledge the financial assets measured at fair value through profit or loss.
- (3) Financial assets measured at fair value through other comprehensive income (as of March 31, 2024: None)

<u>Item</u>	<u>March 31, 2025</u>	<u>December 31, 2024</u>
Non-current items:		
Equity instruments		
Non-listed, non-OTC, non-emerging stocks	\$ 59,773	\$ 59,773
Valuation adjustments	(12,114)	(7,709)
	<u>\$ 47,659</u>	<u>\$ 52,064</u>

- A. The Group chooses to classify equity investments that are strategic investments as financial assets measured at fair value through other comprehensive income. The fair value of the investments on March 31, 2025 and December 31, 2024 was \$47,659 and \$52,064, respectively.
- B. Details on financial assets measured at fair value through other comprehensive income recognized as profit or loss and comprehensive income are as follows:

	<u>January 1 to March 31, 2025</u>
<u>Equity instrument measured at fair value through other comprehensive income</u>	
Changes in fair value recognized as other comprehensive income	(\$ <u>4,405</u>)

- C. Without considering other credit enhancements, the amount that can best represent the maximum amount of the Group's financial assets measured at fair value through other comprehensive income exposed to credit risk as of March 31, 2025 and December 31, 2024 was \$47,659 and \$52,064, respectively.
- D. The Group did not pledge the financial assets measured at fair value through other comprehensive income as collateral.
- E. Please refer to Note 12 (2) for information on the credit risk of the financial assets measured at fair value through other comprehensive income.
- (4) Financial assets measured at amortized cost

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Current items:			
Time deposits with maturities over three months	\$ 429,454	\$ 442,419	\$ 491,772
Common corporate bonds	<u>1,493,700</u>	<u>1,475,325</u>	<u>-</u>

	<u>\$ 1,923,154</u>	<u>\$ 1,917,744</u>	<u>\$ 491,772</u>
Non-current items:			
Time deposits with maturities over one year	\$ 76,571	\$ 36,775	\$ 8,105
Common corporate bonds	<u>-</u>	<u>-</u>	<u>1,440,000</u>
	<u>\$ 76,571</u>	<u>\$ 36,775</u>	<u>\$ 1,448,105</u>

- A. Details on financial assets measured at amortized cost recognized as profit or loss are as follows:

	<u>January 1 to March 31, 2025</u>	<u>January 1 to March 31, 2024</u>
Interest income	<u>\$ 34,319</u>	<u>\$ 29,709</u>

- B. Please refer to Note 8 for the Group's pledging of financial assets measured at amortized cost as collateral.
- C. Without considering other credit enhancements, the carrying amount of the Group's financial assets measured at amortized cost can best represent the maximum amount of their exposure to credit risk on March 31, 2025, December 31, 2024, and March 31, 2024.
- D. The Group invests in certificates of deposit with financial institutions with good credit ratings. Thus, the possibility of defaults is expected to be extremely low. Please refer to Note 12 (2) for information on the credit risk of other financial assets measured at amortized cost.

(5) Notes and accounts receivable

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Notes receivable	<u>\$ 28,909</u>	<u>\$ 33,252</u>	<u>\$ 30,767</u>
Accounts receivable	<u>\$ 1,097,229</u>	<u>\$ 851,390</u>	<u>\$ 834,705</u>
Less: Loss allowance	<u>(15,005)</u>	<u>(14,097)</u>	<u>(15,555)</u>
	<u>\$ 1,082,224</u>	<u>\$ 837,293</u>	<u>\$ 819,150</u>

- A. The Group's notes receivable were not overdue. Please refer to the description in Note 12 (2) for the aging analysis of accounts receivable based on the number of days overdue.
- B. The balances of the accounts and notes receivable on March 31, 2025, December 31, 2024, and March 31, 2024 were derived from customer contracts. The amount of total receivables from customer contracts on January 1, 2024 was \$1,019,794, and the loss allowance was \$16,730.
- C. The Group did not pledge the notes and accounts receivable as collateral.
- D. Without considering other credit enhancements, the amount that can best represent the maximum amount of the Group's accounts receivable and notes receivable exposed to credit risk as of March 31, 2025, December 31, 2024, and March 31, 2024 was \$1,111,133, \$870,545, and \$849,917, respectively.
- E. Please refer to Note 12 (2) for information on the credit risk of the accounts receivable.

(6) Inventory

March 31, 2025			
	Cost	Allowance for devaluation loss	Carrying amount
Raw materials	\$ 92,534	(\$ 49,685)	\$ 42,849
Work in process	31,876	(4,250)	27,626
Finished goods	25,811	(4,213)	21,598
Inventory of goods	<u>1,640,158</u>	<u>(14,952)</u>	<u>1,625,206</u>
	<u>\$ 1,790,379</u>	<u>(\$ 73,100)</u>	<u>\$ 1,717,279</u>
December 31, 2024			
	Cost	Allowance for devaluation loss	Carrying amount
Raw materials	\$ 93,184	(\$ 51,139)	\$ 42,045
Work in process	30,427	(3,636)	26,791
Finished goods	43,942	(4,759)	39,183
Inventory of goods	<u>1,729,038</u>	<u>(14,872)</u>	<u>1,714,166</u>
	<u>\$ 1,896,591</u>	<u>(\$ 74,406)</u>	<u>\$ 1,822,185</u>
March 31, 2024			
	Cost	Allowance for devaluation loss	Carrying amount
Raw materials	\$ 81,997	(\$ 41,155)	\$ 40,842
Work in process	22,819	(516)	22,303
Finished goods	32,551	(7,004)	25,547
Inventory of goods	<u>1,682,207</u>	<u>(37,401)</u>	<u>1,644,806</u>
	<u>\$ 1,819,574</u>	<u>(\$ 86,076)</u>	<u>\$ 1,733,498</u>

The inventory costs recognized by the Group as expenses and losses in the current period:

	January 1 to March 31, 2025	January 1 to March 31, 2024
Cost of sold inventory	\$ 966,872	\$ 596,563
Inventory shortage	-	3
Gain from price recovery of inventory	(1,558)	(1,486)
Unamortized manufacturing expenses	<u>16,805</u>	<u>18,838</u>
	<u>\$ 982,119</u>	<u>\$ 613,918</u>

The Group sold the inventory products for which devaluation losses were recognized during January 1 to March 31, 2025 and 2024, resulting in a recovery of the net realizable value of inventory, which was recognized as a decrease in the cost of goods sold.

(7) Prepayments

	March 31, 2025	December 31, 2024	March 31, 2024
Prepayment for purchase	\$ 491,315	\$ 517,412	\$ 431,553
Overpaid tax for offsetting future tax payable	67,736	60,989	63,054
Others	28,368	21,868	23,622
	<u>\$ 587,419</u>	<u>\$ 600,269</u>	<u>\$ 518,229</u>

(8) Investments accounted for using the equity method

	2025	2024
January 1	\$ 36,179	\$ 74,517
Share of gains or losses form investments accounted for using the equity method	(309)	(3,295)
Changes in other equity	(7)	-
March 31	<u>\$ 35,863</u>	<u>\$ 71,222</u>

	March 31, 2025	December 31, 2024	March 31, 2024
Ju Xin Energy Inc.	\$ 35,863	\$ 36,179	\$ 37,365
AggrEnergy Inc.	-	-	33,857
	<u>\$ 35,863</u>	<u>\$ 36,179</u>	<u>\$ 71,222</u>

A. Associate

(A) The basic information of the Group's associates is shown below:

Company name	Principal place of business	Shareholding percentage			Measurement method
		March 31, 2025	December 31, 2024	March 31, 2024	
Ju Xin Energy Inc.	Taiwan	4.80%	5.00%	5.00%	Equity method
AggrEnergy Inc.	Taiwan	-	-	18.21%	Equity method

(B) A summary of the financial information of the Group's associates is shown below:

Balance Sheet

	March 31, 2025
	<u>Ju Xin Energy Inc.</u>
Current assets	\$ 28
Non-current assets	748,106
Current liabilities	(1,021)
Total net assets	<u>\$ 747,113</u>
Share in the net assets of the associate	\$ 35,861
Goodwill	2
Carrying value of the associate	<u>\$ 35,863</u>

	December 31, 2024
	<u>Ju Xin Energy Inc.</u>

Current assets	\$	31
Non-current assets		724,487
Current liabilities	(977)
Total net assets	\$	<u>723,541</u>
Share in the net assets of the associate	\$	36,177
Goodwill		<u>2</u>
Carrying value of the associate	\$	<u>36,179</u>

March 31, 2024

	AggrEnergy Inc.	Ju Xin Energy Inc.
Current assets	\$ 164,493	\$ 221
Non-current assets	154,978	747,995
Current liabilities	(155,772)	(965)
Non-current liabilities	(29,032)	-
Total net assets	\$ <u>134,667</u>	\$ <u>747,251</u>
Share in the net assets of the associate	\$ 24,523	\$ 37,363
Goodwill	<u>9,334</u>	<u>2</u>
Carrying value of the associate	\$ <u>33,857</u>	\$ <u>37,365</u>

Statement of Comprehensive Income

January 1 to March 31, 2025

Ju Xin Energy Inc.

Net loss in the current period	(\$ <u>6,428</u>)
Total comprehensive income in the current period	(\$ <u>6,428</u>)

January 1 to March 31, 2024

	AggrEnergy Inc.	Ju Xin Energy Inc.
Income	\$ <u>5,283</u>	\$ -
Net profit in the current period	(\$ <u>14,093</u>)	(\$ <u>5,218</u>)
Total comprehensive income in the current period	(\$ <u>14,093</u>)	(\$ <u>5,218</u>)

- B. The Group recognized (\$309) and (\$3,295), respectively, as its share of losses on investments accounted for using the equity method for the three months ended March 31, 2025 and 2024, which were derived from valuation based on the investee companies' financial statements for the same period not reviewed by the CPA.
- C. In March 2025, Ju Xin Energy Inc. arranged a cash capital increase. As the Group did not participate in such cash capital increase, the Group's shareholding dropped from 5% to 4.8%. According to accounting standards, the Group adjusted the retained earnings by \$7. The Group had significant influence over the company for serving as one of its directors.

D. In May 2024, AggrEnergy Inc. offered employee stock options, resulting in a decrease in the Group's shareholding rate from 18.21% to 16.46%. According to accounting standards, the Group adjusted the capital reserve by \$146. In the third quarter of the same year, the Group did not participate in AggrEnergy Inc.'s subsequent cash capital increase plan due to investment strategy considerations, and it was assessed that the Group lost significant influence over AggrEnergy Inc. Hence, the Group transferred its investment in AggrEnergy Inc., amounting to \$39,647, to "financial assets measured at fair value through other comprehensive income" at fair value, and recognized a gain from disposal of investments of \$1,257 in 2024.

(9) Property, plant and equipment

2025							
	Land	Premises and buildings	Machines/equipment	Office equipment	Others	Total	
January 1							
Cost	\$ 261,233	\$ 201,152	\$ 468,402	\$ 49,690	\$ 58,524	\$	1,039,001
Accumulated depreciation	-	(86,765)	(423,797)	(40,662)	(42,230)	(593,454)
	<u>\$ 261,233</u>	<u>\$ 114,387</u>	<u>\$ 44,605</u>	<u>\$ 9,028</u>	<u>\$ 16,294</u>	<u>\$</u>	<u>445,547</u>
January 1	\$ 261,233	\$ 114,387	\$ 44,605	\$ 9,028	\$ 16,294	\$	445,547
Addition	-	-	870	119	100		1,089
Reclassification	-	-	801	-	-		801
Depreciation expense	-	(884)	(4,405)	(841)	(835)	(6,965)
Net exchange differences	-	-	119	45	172		336
March 31	<u>\$ 261,233</u>	<u>\$ 113,503</u>	<u>\$ 41,990</u>	<u>\$ 8,351</u>	<u>\$ 15,731</u>	<u>\$</u>	<u>440,808</u>
March 31							
Cost	\$ 261,233	\$ 201,152	\$ 479,203	\$ 50,255	\$ 58,691	\$	1,050,534
Accumulated depreciation	-	(87,649)	(437,213)	(41,904)	(42,960)	(609,726)
	<u>\$ 261,233</u>	<u>\$ 113,503</u>	<u>\$ 41,990</u>	<u>\$ 8,351</u>	<u>\$ 15,731</u>	<u>\$</u>	<u>440,808</u>
2024							
						Unfinished construction and equipment pending inspection	
	Land	Premises and buildings	Machines/equipment	Office equipment	Others		Total
January 1							
Cost	\$ 261,233	\$ 201,152	\$ 508,116	\$ 44,311	\$ 52,086	\$ 1,602	\$ 1,068,500
Accumulated depreciation	-	(83,227)	(470,554)	(40,726)	(40,606)	-	(635,113)
	<u>\$ 261,233</u>	<u>\$ 117,925</u>	<u>\$ 37,562</u>	<u>\$ 3,585</u>	<u>\$ 11,480</u>	<u>\$ 1,602</u>	<u>\$ 433,387</u>
January 1	\$ 261,233	\$ 117,925	\$ 37,562	\$ 3,585	\$ 11,480	\$ 1,602	\$ 433,387
Addition	-	210	2,847	425	1,985	193	5,660
Reclassification	-	-	1,490	-	193	(1,683)	-
Depreciation expense	-	(884)	(3,388)	(358)	(739)	-	(5,369)
Net exchange differences	-	-	136	47	142	16	341
March 31	<u>\$ 261,233</u>	<u>\$ 117,251</u>	<u>\$ 38,647</u>	<u>\$ 3,699</u>	<u>\$ 13,061</u>	<u>\$ 128</u>	<u>\$ 434,019</u>
March 31							
Cost	\$ 261,233	\$ 201,362	\$ 519,544	\$ 45,220	\$ 54,485	\$ 128	\$ 1,081,972
Accumulated depreciation	-	(84,111)	(480,897)	(41,521)	(41,424)	-	(647,953)
	<u>\$ 261,233</u>	<u>\$ 117,251</u>	<u>\$ 38,647</u>	<u>\$ 3,699</u>	<u>\$ 13,061</u>	<u>\$ 128</u>	<u>\$ 434,019</u>

A. Please refer to the description in Note 8 for information on the Group's provision of the property, plant and equipment as collateral.

B. There was no interest capitalization on the property, plant and equipment.

(10) Lease transactions – lessee

- A. The Group's leased assets include buildings and company vehicles and the leases often have a term of 2 to 10 years. The leases are individually negotiated and contain a variety of terms and conditions. The leased assets shall not be used as collateral for loans and are subject to no other limitations.
- B. Some of the dormitories and business vehicles leased by the Group are leased for no more than 12 months, and some of the low-value assets leased are photocopiers.
- C. Changes in the Group's right-of-use assets during January 1 to March 31, 2025 and 2024 are as follows:

	2025		
	Premises	Transportation equipment (company vehicles)	Total
January 1	\$ 200,248	\$ 3,182	\$ 203,430
Addition	2,347	2,795	5,142
Depreciation expense	(8,452)	(720)	(9,172)
Net exchange differences	4,021	-	4,021
March 31	<u>\$ 198,164</u>	<u>\$ 5,257</u>	<u>\$ 203,421</u>

	2024		
	Premises	Transportation equipment (company vehicles)	Total
January 1	\$ 205,929	\$ 5,205	\$ 211,134
Depreciation expense	(7,976)	(797)	(8,773)
Net exchange differences	3,702	-	3,702
March 31	<u>\$ 201,655</u>	<u>\$ 4,408</u>	<u>\$ 206,063</u>

- D. Information on the profit or loss items related to leases is as follows:

	January 1 to March 31, 2025	January 1 to March 31, 2024
<u>Items that affect profit or loss in the current period</u>		
Interest expense on lease liabilities	<u>\$ 2,700</u>	<u>\$ 2,135</u>
Short-term lease expense	<u>\$ 3,441</u>	<u>\$ 2,920</u>
Low-value asset lease expense	<u>\$ 834</u>	<u>\$ 792</u>

- E. The total cash outflow for leases of the Group for the three months ended March 31, 2025 and 2024 was \$14,247 and \$13,328, respectively.

(11) Lease transactions – lessor

- A. The Group's assets leased out include land and buildings and the leases often have a term of 1 to 10 years. The leases are individually negotiated and contain a variety of terms and conditions. To secure the use of the assets leased out, the lessee is often prohibited from using the leased assets as collateral for loans or from providing them for use by others using any other methods.
- B. The Group recognized \$15,340 and \$12,998 as rental income pursuant to operating leases for the three months ended March 31, 2025 and 2024, respectively. There were no variable lease payments included.
- C. The Group's rent received in advance as of March 31, 2025, December 31, 2024, and March 31, 2024 was \$10,144, \$12,132, and \$11,456, respectively, and was stated as other current liabilities.
- D. A maturity analysis of lease payments under the Group's operating leases is as follows:

	March 31, 2025	December 31, 2024	March 31, 2024
2024	\$ -	\$ -	\$ 36,435
2025	55,920	42,231	35,785
2026	29,115	24,344	19,066
2027	7,401	4,399	1,199
2028	2,352	-	-
Over 2029	2,731	-	-
	<u>\$ 97,519</u>	<u>\$ 70,974</u>	<u>\$ 92,485</u>

(12) Investment property

	2025		
	Land	Premises and buildings	Total
January 1			
Cost	\$ 584,517	\$ 596,875	\$ 1,181,392
Accumulated depreciation and impairment	(17,590)	(300,518)	(318,108)
	<u>\$ 566,927</u>	<u>\$ 296,357</u>	<u>\$ 863,284</u>
January 1	\$ 566,927	\$ 296,357	\$ 863,284
Depreciation expense	-	(2,818)	(2,818)
March 31	<u>\$ 566,927</u>	<u>\$ 293,539</u>	<u>\$ 860,466</u>
March 31			
Cost	\$ 584,517	\$ 596,875	\$ 1,181,392
Accumulated depreciation and impairment	(17,590)	(303,336)	(320,926)
	<u>\$ 566,927</u>	<u>\$ 293,539</u>	<u>\$ 860,466</u>

	2024		
	Land	Premises and buildings	Total
January 1			
Cost	\$ 584,517	\$ 593,765	\$ 1,178,282
Accumulated depreciation and impairment	(17,590)	(289,372)	(306,962)
	<u>\$ 566,927</u>	<u>\$ 304,393</u>	<u>\$ 871,320</u>
January 1	\$ 566,927	\$ 304,393	\$ 871,320
Depreciation expense	-	(2,782)	(2,782)
March 31	<u>\$ 566,927</u>	<u>\$ 301,611</u>	<u>\$ 868,538</u>
March 31			
Cost	\$ 584,517	\$ 593,765	\$ 1,178,282
Accumulated depreciation and impairment	(17,590)	(292,154)	(309,744)
	<u>\$ 566,927</u>	<u>\$ 301,611</u>	<u>\$ 868,538</u>

A. Rental income and direct operating expenses on investment property:

	January 1 to March 31, 2025	January 1 to March 31, 2024
Rental income on investment property	<u>\$ 15,340</u>	<u>\$ 12,998</u>
Direct operating expenses incurred from investment property generating rental income in the current period	<u>\$ 3,860</u>	<u>\$ 3,851</u>
Direct operating expenses incurred from investment property not generating rental income in the current period	<u>\$ 58</u>	<u>\$ 415</u>

- B. The fair value of the investment property held by the Group on March 31, 2025, December 31, 2024, and March 31, 2024 was \$1,759,635, \$1,759,635, and \$1,726,704, respectively, according to the valuation results provided by the independent valuation experts. The fair values were calculated using the income approach and comparative approach with a certain weight taken into account, and are level 3 fair values. The key assumptions in the income approach are shown below:

	March 31, 2025	December 31, 2024	March 31, 2024
Income capitalization rate	1.66%~4.48%	1.66%~4.48%	1.79%~3.92%

- C. Please refer to the description in Note 8 for information on the Group's provision of the investment property as collateral.

(13) Other non-current assets

	March 31, 2025	December 31, 2024	March 31, 2024
Receivables on demand	\$ 201,478	\$ 201,217	\$ 200,953
Less: Loss allowance	(201,478)	(201,217)	(200,953)
Deposits paid	33,590	28,058	58,959
Net defined benefit assets	56,972	56,972	45,161
Prepayments for equipment-related accounts	4,082	4,082	-
Others	16,245	16,393	16,249
	<u>\$ 110,889</u>	<u>\$ 105,505</u>	<u>\$ 120,369</u>

(14) Short-term loans

	March 31, 2025	December 31, 2024	March 31, 2024
Bank loans			
Secured loans	\$ 688,000	\$ 688,000	\$ 608,000
Credit loans	83,000	68,000	101,941
	<u>\$ 771,000</u>	<u>\$ 756,000</u>	<u>\$ 709,941</u>
Range of interest rates	1.85%~2.78%	1.85%~2.77%	1.75%~2.33%

For the collateral of the Group's short-term loans, please refer to Note 8.

(15) Other payables

	March 31, 2025	December 31, 2024	March 31, 2024
Cash dividends payable	\$ 188,013	\$ -	\$ 305,701
Salaries and bonuses payable	66,411	98,066	59,465
Remuneration to directors and supervisors payable	5,493	4,839	13,607
Employee remuneration payable	2,747	2,420	6,804
Service expense payable	7,704	4,845	5,771
Freight and import/export fees payable	2,837	2,888	1,560
Equipment-related accounts payable	24	4,414	-
Others	72,593	87,646	69,573
	<u>\$ 345,822</u>	<u>\$ 205,118</u>	<u>\$ 462,481</u>

(16) Liability provisions – current

	2025		
	Onerous contracts	Warranty provision	Total
Balance on January 1	\$ -	\$ 4,089	\$ 4,089
Added liability provisions in the current period	17,269	2,378	19,647
Liability provisions used in the current period	-	(973)	(973)
Unused amount reversed in the current period	-	(399)	(399)
Balance on March 31	<u>\$ 17,269</u>	<u>\$ 5,095</u>	<u>\$ 22,364</u>

	2024
	Warranty provision
Balance on January 1	\$ 1,749
Added liability provisions in the current period	2,764
Liability provisions used in the current period	(54)
Unused amount reversed in the current period	(196)
Balance on March 31	<u>\$ 4,263</u>

A. Onerous contracts

The Group's liability provisions for onerous contracts are mainly the difference between the future unavoidable cost estimated for performing the irrevocable contracts and the income expected to be earned from such contracts. This estimate may be changed at any time due to changes in the actual situation.

B. Warranty provision

The Group's warranty liability provisions are mainly associated with the sale of LCD products and are estimated based on the historical warranty data of the products. The Group expects that the liability provisions will be used in the following year.

(17) Net defined benefit assets

A. Defined benefit plan

- (A) The Company and its domestic subsidiaries have established defined benefit plans in accordance with the “Labor Standards Act.” The plans are applicable to the length of service of all full-time employees calculated before the “Labor Pension Act” was implemented on July 1, 2005, and the length of service of employees who choose to stay in the pension scheme under the Labor Standards Act after the implementation of the “Labor Pension Act.” The pension paid to employees who meet the criteria for retirement is calculated based on their length of service and their average salary for the 6 months prior to their retirement. Employees whose length of service is no more than 15 years (inclusive) will receive two base points for each year of service and employees whose length of service is more than 15 years will receive one base point for each additional year of service. The maximum number of accumulated base points is 45. The Company and its domestic subsidiaries make a pension contribution of 2% of the total salary on a monthly basis and deposit it into a special account with the Bank of Taiwan in the name of the Labor Pension Fund Supervisory Committee. In addition, before the end of each fiscal year, if the balance of the labor pension fund account referred to in the preceding paragraph is insufficient to pay the pension calculated above to employees expected to meet the criteria for retirement in the following fiscal year, the Company and its domestic subsidiaries will make a full, one-off contribution by the end of March of the next fiscal year.
- (B) The Company and subsidiary Solomon Goldentek Display Corp. applied to the Department of Labor, Taipei City Government for approval of a suspension of pension contribution from January 2022 to July 2025.
- (C) The pension cost recognized by the Group in accordance with the aforesaid pension plan for the three months ended March 31, 2025 and 2024 was \$6 and \$10, respectively.
- (D) The Group expects to pay a defined benefit plan contribution of \$38 in 2025 and has paid \$9 as of March 31, 2025.

B. Defined contribution plan

- (A) Since July 1, 2005, the Company and its domestic subsidiaries have their defined contribution plans in place in accordance with the “Labor Pension Act.” The plans are applicable to employees who are of Taiwanese nationality. The Company and its domestic subsidiaries make and deposit a labor pension distribution of 6% of the salary of the employees who choose to opt in to the labor pension scheme under the “Labor Pension Act” into their personal accounts with the Bureau of Labor Insurance every month. The pension is paid monthly or at once to the employees based on the amount of money in their personal pension accounts and the accumulated gains.
- (B) The Group’s subsidiaries in China make an endowment insurance contribution of a certain percentage of the total salary of the local employees on a monthly basis under the endowment insurance system as required by the Government of the People’s Republic of China. The pension of every employee is managed and arranged by the government. The Group is only obligated to make a monthly contribution and has no further obligation.

- (C) The pension cost recognized by the Group in accordance with the aforesaid pension plan for the three months ended March 31, 2025 and 2024 was \$10,929 and \$9,974, respectively.

(18) Share capital

A. As of March 31, 2025 and 2024, the Company's authorized capital was \$5,000,000 (including employee stock warrants of \$560,000 and shares of convertible corporate bonds amounting to \$500,000), with 171,371 thousand outstanding shares (excluding treasury stocks) at a par value of NT\$10 per share. Payment for the issued shares of the Company has been received, and the number of outstanding shares at the beginning and ending of the period remained the same.

B. Treasury stocks

(A) The Company's consolidated subsidiary Moredel Investment Corp. held a total of 100 thousand shares in the Company to ensure financial operations before the Company Act was amended on November 12, 2001. The carrying value of the Company's treasury stocks on December 31, 2024 and 2023 was \$6,042.

(B) According to the Securities and Exchange Act, treasury stocks held by the Company shall not be pledged or be entitled to any shareholder rights.

(19) Capital reserves

A. Pursuant to the Company Act, the capital reserve generated from the income derived from the issuance of new shares at a premium and from the endowments received may not only be used to offset losses, but also be distributed to shareholders in new shares or cash in proportion to the shares initially held thereby if the Company has no accumulated losses. According to the relevant provisions in the Securities and Exchange Act, the total proportion of the above capital reserve used for capitalization is limited to 10% of the paid-in capital every year. The Company shall not use the capital reserve to offset capital losses, unless the surplus reserve is insufficient to offset such losses.

B. Details on and changes in the Company's capital reserve are shown below:

2025						
	Trading of treasury stocks	Recognized changes in ownership interests in subsidiaries	Difference between the consideration and the carrying value of subsidiaries acquired or disposed of	Consolidated excess	Others	Total
January 1	\$ 32,683	\$ 142,591	\$ 696,292	\$ 9,473	\$ 30,316	\$ 911,355
Changes in interests in subsidiaries recognized according to shareholding	-	(4)	-	-	-	(4)
March 31	\$ 32,683	\$ 142,587	\$ 696,292	\$ 9,473	\$ 30,316	\$ 911,351

	Trading of treasury stocks	Recognized changes in ownership interests in subsidiaries	Difference between the consideration and the carrying value of subsidiaries acquired or disposed of	Consolidated excess	Others	Total
January 1	\$ 32,683	\$ 142,666	\$ 47,011	\$ 9,473	\$ 30,316	\$ 262,149
Changes in interests in subsidiaries recognized according to shareholding	-	-	86,721	-	-	86,721
Difference between the consideration and the carrying value of subsidiaries disposed of	-	-	43,373	-	-	43,373
March 31	<u>\$ 32,683</u>	<u>\$ 142,666</u>	<u>\$ 177,105</u>	<u>\$ 9,473</u>	<u>\$ 30,316</u>	<u>\$ 392,243</u>

(20) Retained earnings

- A. According to the Articles of Incorporation, the Company may distribute earnings or offset losses after the end of each half of a fiscal year. Where the Company has earnings at the year-end closing for the first half of a fiscal year or a fiscal year, 10% thereof shall be set aside as legal reserves as required by law after they are used to pay taxes and offset accumulated losses. Provision for special reserves is then required pursuant to the Securities and Exchange Act and related administrative rules. The remaining earnings, if any, shall be added to the undistributed earnings carried from prior years as distributable earnings. The Board of Directors shall subsequently draw up a distribution proposal and submit the same to a shareholders' meeting for a resolution on the distribution of the earnings. The Board of Directors is authorized to adopt a resolution to distribute the above-mentioned earnings, legal reserve, and capital reserve in cash at a meeting attended by more than two-thirds of directors with the consent of a majority of all attending directors, and the distribution shall be reported at a shareholders' meeting. The distribution of earnings, legal reserve, and capital reserve by issuing new shares is subject to a resolution adopted at a shareholders' meeting according to the preceding paragraph.
- B. The legal reserve shall not be used unless it is used to offset the Company's losses and distributed to shareholders in new shares or cash in proportion to the shares initially held thereby. The legal reserve shall not be distributed in new shares or cash unless the portion distributed exceeds 25% of the paid-in capital.
- C. The Company may distribute earnings only after recognizing special reserves based on the debit balance of equity items on the balance sheet in the current year as required by law. When the debit balance of the equity items is reversed subsequently, the reversed amount may be included as distributable earnings.
- D. The Company's 2024 and 2023 earning distribution proposals presented at the board meeting on March 11, 2025 and approved at the shareholders' meeting on June 7, 2024, respectively, are stated as follows:

	2024		2023	
	Amount	Dividend per share (NT\$)	Amount	Dividend per share (NT\$)
Set aside as legal reserve	\$ 15,335		\$ 53,374	
(Reversed) Set aside as special reserves	(16,133)		8,960	
Cash dividends	171,471	\$ 1.00	291,501	\$ 1.70

For the Company's 2024 and 2023 earning distribution proposals, the cash dividend was approved at the above-mentioned board meeting and stated as "other payables." The other parts of the proposals have not been approved at a shareholders' meeting as of the review report date. For the earning distribution approved by the Board of Directors and resolved at the shareholders' meeting, please visit the Market Observation Post System.

(21) Operating income

A. Sub-items of income from contracts with customers

The Group's income from goods and services transferred at a specific timing is disaggregated by product segment. Please refer to Note 14 (2) for relevant information.

	January 1 to March 31, 2025	January 1 to March 31, 2024
Income from contracts with customers	\$ 1,216,009	\$ 788,224

B. Contractual liabilities

The Group's recognized contractual liabilities related to the income from contracts with customers are as follows:

	March 31, 2025	December 31, 2024	March 31, 2024	January 1, 2024
Electromechanical Business Group	\$ 1,408,220	\$ 1,347,346	\$ 1,238,506	\$ 1,131,473
Others	39,109	56,417	54,894	66,147
	<u>\$ 1,447,329</u>	<u>\$ 1,403,763</u>	<u>\$ 1,293,400</u>	<u>\$ 1,197,620</u>

The opening balance of the Group's contractual liabilities recognized as income for the three months ended March 31, 2025 and 2024 was \$146,730 and \$254,914, respectively.

(22) Interest income

	January 1 to March 31, 2025	January 1 to March 31, 2024
Interest income from financial assets measured at amortized cost	\$ 34,319	\$ 29,709
Bank deposit interest	6,735	9,189
	<u>\$ 41,054</u>	<u>\$ 38,898</u>

(23) Other income

	<u>January 1 to March 31, 2025</u>	<u>January 1 to March 31, 2024</u>
Rental income	\$ 15,340	\$ 12,998
Government subsidy income	5,863	-
Dividend income	520	-
Others	1,174	1,390
	<u>\$ 22,897</u>	<u>\$ 14,388</u>

(24) Other gains and losses

	<u>January 1 to March 31, 2025</u>	<u>January 1 to March 31, 2024</u>
Loss from financial assets measured at fair value through profit or loss	(\$ 73,644)	(\$ 57,255)
Net gain from foreign currency exchange	42,800	111,574
Depreciation expense of investment property	(2,818)	(2,782)
Others	2,241	3,354)
	<u>(\$ 31,421)</u>	<u>\$ 48,183</u>

(25) Financial costs

	<u>January 1 to March 31, 2025</u>	<u>January 1 to March 31, 2024</u>
Interest expense		
– Bank loans	\$ 3,431	\$ 3,087
– Leases	2,700	2,135
	<u>\$ 6,131</u>	<u>\$ 5,222</u>

(26) Additional information on the nature of expenses

	<u>January 1 to March 31, 2025</u>	<u>January 1 to March 31, 2024</u>
Employee benefit expenses	\$ 189,282	\$ 177,221
Depreciation expense of property, plant and equipment (including right-of-use assets)	16,137	14,142
Service expense	11,253	11,233
Operating rent	4,275	3,712
Transportation expense	2,082	1,676
Amortization expense	497	653
	<u>\$ 223,526</u>	<u>\$ 208,637</u>

(27) Employee benefit expenses

	<u>January 1 to March 31, 2025</u>	<u>January 1 to March 31, 2024</u>
Salary expense	\$ 156,261	\$ 145,453
Labor and health insurance expenses	11,945	10,423
Pension expense	10,935	9,984
Remuneration to directors	1,680	2,585
Other employment expenses	8,461	8,776
	<u>\$ 189,282</u>	<u>\$ 177,221</u>

A. According to the Articles of Incorporation, the Company shall subtract any accumulated losses from earnings in the year. A minimum amount of 1% of the remaining (if any) shall be appropriated as remuneration to employees and a maximum amount of 2% shall be appropriated as remuneration to directors.

B. For the three months ended March 31, 2025 and 2024, the Company's estimated amount of remuneration to employees was \$292 and \$583, respectively, and the estimated amount of remuneration to directors was \$584 and \$1,167, respectively. The above amounts were stated as salary expense.

The remuneration to employees and to directors for the three months ended March 31, 2025 was estimated as 1% and 2%, respectively, of the earnings in the period.

C. There is consistency between the amounts of remuneration to employees and to directors for 2024 resolved by the Board of Directors, which were \$2,126 and \$4,252, and the amounts recognized in the financial statements for 2024. The aforesaid remuneration to employees and to directors is to be paid in cash. As of May 9, 2025, the remuneration has not been paid.

Please visit the Market Observation Post System for information on the remuneration to employees and to directors resolved by the Board of Directors.

(28) Income tax

A. Income tax expenses:

The income tax expenses comprise the following:

	<u>January 1 to March 31, 2025</u>	<u>January 1 to March 31, 2024</u>
Income tax in the current period:		
Income tax incurred from income in the current period	\$ 21,993	\$ 8,691
Deferred income tax:		
Initial generation and reversal of temporary differences	9,103	21,551
Income tax expense	<u>\$ 31,096</u>	<u>\$ 30,242</u>

B. Approval of the Group's profit-seeking enterprise income tax returns by the tax authority:

	Year of approval of income tax return
The Company	2021
Solomon Goldentek Display Corp.	2021
Solomon Data International Corporation	2023

(29) Earnings per share

	January 1 to March 31, 2025		
	Amount after tax	Weighted average outstanding shares (thousand shares)	Earnings per share (NT\$)
<u>Basic earnings per share</u>			
Net profit attributable to the shareholders of the parent company in the current period	\$ 12,137	171,371	\$ 0.07
<u>Diluted earnings per share</u>			
Effect of dilutive potential common shares			
- remuneration to employees		13	
Net profit attributable to the shareholders of the parent company in the current period plus the effect of potential common shares	\$ 12,137	171,384	\$ 0.07
	January 1 to March 31, 2024		
	Amount after tax	Weighted average outstanding shares (thousand shares)	Earnings per share (NT\$)
<u>Basic earnings per share</u>			
Net profit attributable to the shareholders of the parent company in the current period	\$ 35,955	171,371	\$ 0.21
<u>Diluted earnings per share</u>			
Effect of dilutive potential common shares			
- remuneration to employees		125	
Net profit attributable to the shareholders of the parent company in the current period plus the effect of potential common shares	\$ 35,955	171,496	\$ 0.21

(30) Transactions with non-controlling interests - Disposal of interests in subsidiaries (for the three months ended March 31, 2025: None)

Disposal of interests in subsidiaries (not resulting in loss of control)

- A. In the first quarter of 2024, the Group sold 5.21% of its equity in its subsidiary, Solomon Data International, for a consideration of \$150,328. The transaction increased the non-controlling interests by \$20,234 and the equity attributable to owners of the parent company by \$130,094.
- B. The effect of changes in the equity of Solomon Data International in the first quarter of 2024 on the equity attributable to owners of the Company is as follows:

	January 1 to March 31, 2024
Cash	\$ 150,328
Increase in the carrying amount of non-controlling interests	(20,234)
Capital reserve - difference between the consideration and the carrying value of subsidiaries acquired or disposed of	\$ 130,094

(31) Supplementary information on cash flows

- A. Investment activities with only partial payment in cash:

	January 1 to March 31, 2025	January 1 to March 31, 2024
Purchase of property, plant and equipment	\$ 1,890	\$ 5,660
Plus: Equipment-related accounts payable at beginning of the period	4,414	3,333
Plus: Prepayments for equipment-related accounts at end of the period	4,082	-
Less: Inventory transferred for self-usage (801)	-
Less: Prepayments for equipment-related accounts at beginning of the period	(4,082)	(1,248)
Less: Equipment-related accounts payable at end of the period	(24)	-
Cash amount paid in the current period	\$ 5,479	\$ 7,745

- B. Financing activities not affecting cash flows:

	March 31, 2025	March 31, 2024
Cash dividends declared but not yet distributed	\$ 188,013	\$ 305,701

(32) Changes in liabilities from financing activities

	2025				
	Short-term loans	Dividends payable	Deposits received	Lease liabilities	Total liabilities from financing activities
January 1	\$ 756,000	\$ -	\$ 10,214	\$ 208,787	\$ 975,001
Changes in cash flows from financing activities	15,000	-	460	(7,272)	8,188
Interest expenses paid (Note)	-	-	-	(2,700)	(2,700)
Effect of exchange rate changes	-	-	-	4,155	4,155
Other non-cash changes	-	188,013	-	7,842	195,855
March 31	<u>\$ 771,000</u>	<u>\$ 188,013</u>	<u>\$ 10,674</u>	<u>\$ 210,812</u>	<u>\$ 1,180,499</u>

Note: Stated as cash flows from operating activities

	2024				
	Short-term loans	Dividends payable	Deposits received	Lease liabilities	Total liabilities from financing activities
January 1	\$ 673,000	\$ -	\$ 8,357	\$ 211,553	\$ 892,910
Changes in cash flows from financing activities	36,941	-	-	(7,481)	29,460
Interest expenses paid (Note)	-	-	-	(2,135)	(2,135)
Effect of exchange rate changes	-	-	-	3,719	3,719
Other non-cash changes	-	305,701	-	2,135	307,836
March 31	<u>\$ 709,941</u>	<u>\$ 305,701</u>	<u>\$ 8,357</u>	<u>\$ 207,791</u>	<u>\$ 1,231,790</u>

Note: Stated as cash flows from operating activities

7. Related party transactions

(1) Names of related parties and their relationship with the Group

<u>Names of related parties</u>	<u>Relationship with the Group</u>
All directors, the General Manager, and key management	The Group's key management and governance bodies

(2) Significant transactions with the related parties

All the Group's related party transaction counterparties are entities included in the consolidated financial statements. The related transactions have been written off.

(3) Information on remuneration to key management

	January 1 to March 31, 2025	January 1 to March 31, 2024
Salaries and other short-term employee benefits	\$ 17,513	\$ 18,374
Post-employment benefits	225	203
	<u>\$ 17,738</u>	<u>\$ 18,577</u>

8. Pledged assets

<u>Details on assets</u>	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>	<u>Purpose of collateral</u>
Investment property	\$ 836,351	\$ 839,123	\$ 696,004	Collateral for short-term loans
Property, plant and equipment	374736	375644	378064	Collateral for short-term loans
Deposits paid (stated as “other non-current assets”)	33590	28058	58959	Performance bond
Financial assets measured at amortized cost – non-current	76571	36775	8105	Performance bond and customs import security
	<u>\$ 1,321,248</u>	<u>\$ 1,279,600</u>	<u>\$ 1,141,132</u>	

9. Material contingent liabilities and unrecognized contractual commitments

- A. As of March 31, 2025, the Group’s letter of credit issued but not yet used was \$47,284.
- B. As of March 31, 2025, the Group’s promissory notes issued as security for the performance of sales contracts amounted to \$124,481.
- C. As of March 31, 2025, the Group’s promissory notes issued to implement government-subsidized plans amounted to \$21,000.
- D. The Group committed a total capital contribution of \$45,000 under a limited partnership investment contract signed. As of March 31, 2025, the Group has invested \$30,000.
- E. The Group committed a total capital contribution of US\$5,000 thousand under a limited partnership investment contract signed. As of March 31, 2025, the Group has invested US\$2,000 thousand (equivalent to \$65,028).

10. Material losses from disasters

None.

11. Material subsequent events

None.

12. Others

(1) Capital management

The Group’s capital management aims to ensure that the Group can operate as a going concern, maintain the best capital structure to reduce the cost of funds, and offer returns to shareholders. In order to maintain or adjust the capital structure, the Group may adjust dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debts.

(2) Financial instruments

A. Types of financial instruments

	March 31, 2025	December 31, 2024	March 31, 2024
<u>Financial assets</u>			
Financial assets measured at fair value through profit or loss			
Financial assets measured at fair value through profit or loss on a mandatory basis	\$ 1,024,639	\$ 1,088,636	\$ 691,755
Financial assets measured at fair value through other comprehensive income			
Investments in designated equity instruments	\$ 47,659	\$ 52,064	\$ -
Financial assets measured at amortized cost			
Cash and cash equivalents	1,842,145	1,803,115	1,784,423
Financial assets measured at amortized cost	1,999,725	1,954,519	1,939,877
Notes receivable	28,909	33,252	30,767
Accounts receivable	1,082,224	837,293	819,150
Other receivables	19,733	23,069	25,539
Deposits paid (stated as "other non-current assets")	33,590	28,058	58,959
	\$ 5,006,326	\$ 4,679,306	\$ 4,658,715
<u>Financial liabilities</u>			
Financial liabilities measured at amortized cost			
Short-term loans	\$ 771,000	\$ 756,000	\$ 709,941
Notes payable	168	3,964	10,312
Accounts payable	972,741	909,572	859,212
Other payables	345,822	205,118	462,481
Deposits received (stated as "other non-current liabilities")	10,674	10,214	8,357
	\$ 2,100,405	\$ 1,884,868	\$ 2,050,303
Lease liabilities	\$ 210,812	\$ 208,787	\$ 207,791

B. Risk management policy

- (A) The Group's day-to-day operations are affected by multiple financial risks, including market risk (exchange rate risk and price risk), credit risk, and liquidity risk.
- (B) The Finance Department implements risk management in accordance with the policy approved by the Board of Directors. The Group's Finance Department is responsible for identifying, assessing, and avoiding financial risks by closely cooperating with the Group's operating units.

C. Nature and level of material financial risks

(A) Market risk

Exchange rate risk

- a. The Group operates internationally and thus incurs exchange rate risk generated from transactions using currencies different from the functional currencies of the Company and its subsidiaries, which mainly are the US dollar and Chinese yuan. The relevant exchange rate risk arises from future commercial transactions and recognized assets and liabilities.
- b. As the business activities that the Group is engaged in involve several functional currencies (the functional currencies of the Group and some of its subsidiaries are the NT dollar and the other subsidiaries' functional currencies are the US dollar and Chinese yuan), exchange rate volatility has an effect on the Group. Information on foreign currency assets and liabilities with a significant exchange rate volatility effect is shown below:

	March 31, 2025			
	Foreign currency (thousand dollars)	Exchange rate		Carrying amount (NTD)
(Foreign currency: functional currency)				
<u>Financial assets</u>				
<u>Monetary items</u>				
USD : NTD	\$ 94,517	33.21		\$ 3,138,437
EUR : NTD	1,191	35.97		42,840
HKD : NTD	11,506	4.27		49,108
USD : CNY	3,043	7.18		101,043
CNY : NTD	9,617	4.57		43,979
<u>Non-monetary items</u>				
USD : NTD	\$ 1,955	33.21		\$ 64,927
<u>Financial liabilities</u>				
<u>Monetary items</u>				
USD : NTD	\$ 2,327	33.21		\$ 77,268
EUR : NTD	818	35.97		29,423
HKD : NTD	1,353	4.27		5,776
	December 31, 2024			

	Foreign currency (thousand dollars)	Exchange rate	Carrying amount (NTD)
(Foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD : NTD	\$ 87,887	32.79	\$ 2,881,375
EUR : NTD	1,320	34.14	45,065
HKD : NTD	11,957	4.22	50,482
USD : CNY	2,007	7.19	65,799
CNY : NTD	2,781	4.48	12,453
<u>Non-monetary items</u>			
USD : NTD	\$ 1,416	32.79	\$ 46,568
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD : NTD	\$ 1,777	32.79	\$ 58,259
EUR : NTD	235	34.14	8,023
HKD : NTD	1,193	4.22	5,036

	March 31, 2024		
	Foreign currency (thousand dollars)	Exchange rate	Carrying amount (NTD)
(Foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD : NTD	\$ 84,251	32.00	\$ 2,696,024
EUR : NTD	763	34.46	26,293
HKD : NTD	13,084	4.09	53,500
USD : CNY	320	7.10	2,270
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD : NTD	\$ 960	32.00	\$ 30,727
EUR : NTD	390	34.46	13,439
CNY : NTD	2,115	4.41	9,325
HKD : NTD	924	4.09	3,778
SGD : NTD	84	23.72	2,004

- c. As exchange rate volatility has a significant effect, all exchange gains (both realized and unrealized) recognized with respect to the monetary items of the Group for the three months ended March 31, 2025 and 2024 were \$42,800 and \$111,574, respectively.

- d. The sensitivity analysis of the Group's exchange rate risk focused on the effect of the appreciation or depreciation of relevant foreign currencies with respect to the main foreign currency monetary items on the financial reporting date on the Group's profit or loss. When there was a 1% appreciation or depreciation of the NT dollar against the aforesaid foreign currencies, the pre-tax profit decreased or increased by \$32,629 and \$27,188 for the three months ended March 31, 2025 and 2024, respectively, provided that all other factors remained the same.

Price risk

- a. The Group's equity instruments exposed to price risk are financial assets measured at fair value through profit or loss. To manage the price risk from investments in equity instruments, the Group diversifies its portfolio based on the limit set by it.
- b. The Group mainly invests in equity instruments and open-end funds issued by domestic and foreign companies. The price of such equity instruments is affected due to the uncertainty of their future value. When the price of the equity instruments rose or dropped by 1% and all other factors remained the same, the net profit after tax decreased or increased by \$10,083 and \$6,600 for the three months ended March 31, 2025 and 2024, respectively, due to the loss or gain from equity instruments measured at fair value through profit or loss; and other comprehensive income increased or decreased by \$477 and \$0 as it was classified as gains or losses from equity instruments measured at fair value through other comprehensive income.

Cash flow and fair value interest rate risks

- a. The Group's interest rate risk mainly comes from short-term loans for purchasing materials issued at floating interest rates, exposing the Group to cash flow interest rate risk. As of March 31, 2025, December 31, 2024, and March 31, 2024, the Group's loans issued at floating interest rates were mainly denominated in NTD.
- b. When the loan interest rate rose or dropped by 0.25% and all other factors remained the same, the net profit after tax increased or decreased by \$386 and \$355 for the three months ended March 31, 2025 and 2024, respectively.

(B) Credit risk

- a. The Group's credit risk is the risk of failure of a customer or a counterparty trading financial instruments with the Group to fulfill contractual obligations, leading to the Group's financial loss. The risk is mainly generated from accounts receivable that cannot be collected from the counterparty according to the payment terms and from contractual cash flows classified as investments in debt instruments measured at amortized cost.
- b. According to the Group's explicitly defined internal loan policy, all operating entities of the Group must conduct management and credit risk analysis for every new customer before setting payment terms and proposing delivery terms and conditions. The customers' credit quality is assessed by taking into consideration their financial position, past experiences and other factors for internal risk control.
- c. When a contract payment is more than 90 or 180 days (depending on individual operating entities) overdue according to the agreed payment terms, a default is considered to have occurred.
- d. When a contract payment is more than 90 days overdue according to the agreed payment terms, the credit risk of financial assets is considered to have significantly increased after initial recognition.
- e. The indicators used by the Group to identify the credit impairment of investments in debt instruments are shown below:

- (a) The issuer incurs significant financial difficulties or there is a significantly increased possibility that it will enter into bankruptcy or other financial reorganization;
 - (b) The issuer incurs financial difficulties resulting in the disappearance of the active market of the financial asset;
 - (c) The issuer defaults on or fails to pay the interest or principal;
 - (d) There are changes adverse to national and regional economic situations that are associated with the default of the issuer.
- f. The Group adopts the simplified approach to estimate expected credit losses for accounts receivable from customers by the characteristics of the customers based on a provision matrix.
- g. The Group takes into consideration the study reports of Taiwan Institute of Economic Research for future prospects when adjusting the loss rate derived from information during specific historical and current periods to estimate the loss allowance for accounts receivable. The provision matrix on March 31, 2025, December 31, 2024, and March 31, 2024, respectively, is as follows:

	Not overdue	30 days or fewer overdue	31-90 days overdue	91-180 days overdue	More than 181 days overdue	Total
<u>March 31, 2025</u>						
Expected loss rate	0.03%~2.90%	2.54%~60.33%	47.20%~100%	78.67%~100%	100%	
Total carrying value	#####	\$ 11,447	\$ 2,237	\$ 1,385	\$ 2,196	\$ 1,097,229
Loss allowance	\$ 6,822	\$ 2,802	\$ 1,807	\$ 1,378	\$ 2,196	\$ 15,005
	Not overdue	30 days or fewer overdue	31-90 days overdue	91-180 days overdue	More than 181 days overdue	Total
<u>December 31, 2024</u>						
Expected loss rate	0.03%~2.45%	15.46%~50.36%	37.16%~100%	79.45%~100%	100%	
Total carrying value	\$ 828,574	\$ 16,790	\$ 3,144	\$ 712	\$ 2,170	\$ 851,390
Loss allowance	\$ 4,928	\$ 3,964	\$ 2,337	\$ 698	\$ 2,170	\$ 14,097
	Not overdue	30 days overdue	31-90 days overdue	91-180 days overdue	More than 181 days overdue	Total
<u>March 31, 2024</u>						
Expected loss rate	0.03%~1.47%	3.31%~70.05%	19.85%~100%	69.90%~100%	100%	
Total carrying value	\$ 815,175	\$ 9,919	\$ 1,801	\$ 736	\$ 7,074	\$ 834,705
Loss allowance	\$ 4,224	\$ 2,568	\$ 1,165	\$ 524	\$ 7,074	\$ 15,555

- h. The table about changes in the loss allowance for accounts receivable, for which the Group adopted the simplified approach, is as follows:

	2025	2024
January 1	\$ 14,097	\$ 16,730
Impairment losses set aside (reversed)	859	(1,362)
Effect of exchange rate	184	187
Transferred to receivables on demand	(135)	-
March 31	\$ 15,005	\$ 15,555

- i. As of March 31, 2025, December 31, 2024 and March 31, 2024, the Group's investments in debt instruments measured at amortized cost have received interest under the original contract terms, and no credit impairment has occurred. According to assessment results, there is no significant expected credit loss.

(C) Liquidity risk

- a. Cash flow forecasting is carried out individually by each operating entity of the Group and the results are summarized by the Group's Finance Department. The Group's Finance Department monitors the forecasting of the Group's needs for current funds to ensure there are sufficient funds to meet the operating needs and maintains adequate unused committed lending facilities to prevent the Group from violating relevant lending limits or terms. Consideration is given to the Group's debt financing plans, compliance with debt terms, and achievement of internal target balance sheet financial ratios when making such forecasts.
- b. The Group groups non-derivative financial liabilities and derivative financial liabilities settled at net amount or total amount by relevant maturity dates. The non-derivative financial liabilities are analyzed based on the remaining period from the balance sheet date to the contract maturity date. The derivative financial liabilities are analyzed based on the remaining period from the balance sheet date to the expected maturity date. The undiscounted contractual cash flows of accounts payable, notes payable, and other payables are equivalent to their carrying values and will fall due within one year. The undiscounted contractual cash flows of the other financial liabilities are shown in detail below:

Non-derivative financial liabilities:

March 31, 2025	Within 1 year	1 to 2 years	2 to 5 years	Over 5 years
Short-term loans	\$ 771,564	\$ -	\$ -	\$ -
Lease liabilities	40,010	55,138	77,737	72,308

Non-derivative financial liabilities:

December 31, 2024	Within 1 year	1 to 2 years	2 to 5 years	Over 5 years
Short-term loans	\$ 756,911	\$ -	\$ -	\$ -
Lease liabilities	38,885	52,863	76,435	77,957

Non-derivative financial liabilities:

March 31, 2024	Within 1 year	1 to 2 years	2 to 5 years	Over 5 years
Short-term loans	\$ 710,578	\$ -	\$ -	\$ -
Lease liabilities	28,882	50,865	74,236	95,725

- c. According to maturity analysis, the Group does not expect the timing of cash flows to occur significantly early or the actual amount to be significantly different.

(3) Fair value information

- A. The valuation technique levels adopted to measure the fair value of financial instruments and non-financial instruments are defined as follows:

- Level 1: Quoted prices in active markets for identical assets or liabilities accessible to an entity on the measurement date (unadjusted). Active markets are ones where asset or liability transactions take place with sufficient frequency and volume for pricing information to be provided on an ongoing basis. All the fair values of the Group's investments in listed/OTC stocks fall under Level 1.
- Level 2: Inputs other than the quoted prices included in Level 1 that are directly or indirectly observable for the asset or liability. The Group's investments in bond instruments without active market fall under Level 2.
- Level 3: Inputs that are unobservable to the asset or liability.

- B. Please refer to the description in Note 6 (12) for information on the fair value of investment property measured at cost.

- C. Financial instruments not measured at fair value

The carrying amounts of the Group's cash and cash equivalents, financial assets measured at amortized cost, notes and accounts receivable, other receivables, deposits paid for other non-current assets, notes and accounts payable, other payables, and deposits received are reasonable approximations of their fair values.

- D. The Group classifies the financial and non-financial instruments measured at fair value based on the nature, characteristics and risks of the assets and liabilities as well as the levels of the fair values. The relevant information is shown below:

- (A) The following is information on the Group's classification based on the nature of the assets and liabilities:

<u>March 31, 2025</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets				
<u>Recurring fair value</u>				
Financial assets				
measured at fair				
value through profit				
or loss				
Equity securities	\$ 463,271	\$ -	\$ 55,676	\$ 518,947
Beneficiary				
certificates	414,942	-	-	414,942
Limited				
partnership	-	-	90,750	90,750
Financial assets				
measured at fair				
value through other				
comprehensive				
income				
Equity securities	-	-	47,659	47,659
	<u>\$ 878,213</u>	<u>\$ -</u>	<u>\$ 194,085</u>	<u>\$ 1,072,298</u>

<u>December 31, 2024</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets				
<u>Recurring fair value</u>				
Financial assets				
measured at fair				
value through profit				
or loss				
Equity securities	\$ 481,785	\$ -	\$ 58,601	\$ 540,386
Beneficiary				
certificates	474,631	-	-	474,631
Limited				
partnership	-	-	73,619	73,619
Financial assets				
measured at fair				
value through other				
comprehensive				
income				
Equity securities	-	-	52,064	52,064
	<u>\$ 956,416</u>	<u>\$ -</u>	<u>\$ 184,284</u>	<u>\$ 1,140,700</u>
<u>March 31, 2024</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets				
<u>Recurring fair value</u>				
Financial assets				
measured at fair				
value through profit				
or loss				
Equity securities	\$ 606,942	\$ -	\$ 56,020	\$ 662,962
Limited				
partnership	-	-	28,793	28,793
	<u>\$ 606,942</u>	<u>\$ -</u>	<u>\$ 84,813</u>	<u>\$ 691,755</u>

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

- a. The quoted market price used by the Group as a fair value input (i.e. Level 1 input) is listed based on the characteristics of the instruments in the following:

	<u>Listed (OTC) stocks</u>	<u>Open-end funds</u>
Quoted market price	Closing price	Net value

- b. The fair value of all financial instruments, except for the aforementioned financial instruments with active markets, is acquired using a valuation technique or with reference to the quotation of the counterparty. For fair values acquired using a valuation technique, the current fair value of other financial instruments with substantially similar conditions and characteristics, the cash flow discounting method, and other valuation techniques may be used as a reference, including the market information application model acquirable on the consolidated balance sheet date (e.g. TPEx yield curve, Reuters average interest rate quote for commercial paper).

- c. An approximation generated using a valuation model is an estimate, and the valuation technique may not be able to reflect all factors associated with the Group's financial and non-financial instruments. Therefore, estimates made using the valuation model are adjusted properly based on additional parameters, such as model risk or liquidity risk. According to the Group's fair value valuation model management policy and relevant control procedures, the management believes that valuation adjustments are appropriate and necessary for fair presentation of the fair value of financial and non-financial instruments in the consolidated balance sheet. Price information and parameters used in the valuation process are carefully assessed and adjusted based on the current market situation appropriately.
- E. There were no transfers between Level 1 and Level 2 in the three months ended March 31, 2025 and 2024.
- F. Movements in Level 3 equity instruments in the three months ended March 31, 2025 and 2024 are listed in the following table:

	2025	2024
January 1	\$ 184,284	\$ 73,981
Profits recognized as profit or loss (944)	3,304
Purchase in the current period	16,485	-
Sale in the current period	-	309
Reclassified from other non-current assets	-	7,500
Unrealized valuation profit or loss of investments in equity instruments measured at fair value through other comprehensive income, recognized as profits or losses of other comprehensive income	(4,405)	-
Effect of exchange rate	(1,335)	(281)
March 31	<u>\$ 194,085</u>	<u>\$ 84,813</u>

- G. There was no transfer-in/transfer-out to/from Level 3 in the three months ended March 31, 2025 and 2024.
- H. The Group's Finance Department is responsible for independent fair value verification for financial instruments in the process of valuation of Level 3 fair values to make valuation results close to the market situation based on information from independent sources and make sure that the information sources are independent, reliable and consistent with other resources and reflect executable prices. The Group also regularly adjusts the valuation model, conducts retrospective testing, updates inputs and data required for the valuation model, and makes any other necessary fair value adjustment to ensure reasonable valuation results.
- I. The quantitative significant unobservable inputs of the valuation model used for Level 3 fair value measurements are analyzed and described as follows:

	Fair value on March 31, 2025	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship between the input and the fair value
Non-derivative equity instruments:					
Non-listed/non-OTC stocks	\$ 83,209	Comparable public company method	PB multiplier, discount for lack of marketability.	22.5%~25%	The higher the multipliers, the higher the fair value. The higher the discount for lack of marketability, the lower the fair value.
Non-listed/non-OTC stocks	20,126	Comparable transaction method	N/A	N/A	N/A
Limited partnership	90,750	Net asset value method	N/A	N/A	N/A
	Fair value on December 31, 2024	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship between the input and the fair value
Non-derivative equity instruments:					
Non-listed/non-OTC stocks	\$ 90,539	Comparable public company method	PB multiplier, discount for lack of marketability.	22.5%~25%	The higher the multipliers, the higher the fair value. The higher the discount for lack of marketability, the lower the fair value.
Non-listed/non-OTC stocks	20,126	Comparable transaction method	N/A	N/A	N/A
Limited partnership	73,619	Net asset value method	N/A	N/A	N/A
	Fair value on March 31, 2024	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship between the input and the fair value
Non-derivative equity instruments:					
Non-listed/non-OTC stocks	\$ 56,020	Comparable public company method	PB multiplier, discount for lack of marketability.	25%	The higher the multipliers, the higher the fair value. The higher the discount for lack of marketability, the lower the fair value.
Limited partnership	28,793	Net asset value method	N/A	N/A	N/A

- J. The Group selects the valuation model and parameters based on careful assessment. However, the adoption of different valuation models or parameters may lead to different valuation results. The effect of changes in the valuation parameters of Level 3 financial assets on the profit or loss in the current period or other comprehensive income is as follows:

			March 31, 2025			
			Recognized as profit or loss		Recognized as other comprehensive income	
			Favorable change	Unfavorable change	Favorable change	Unfavorable change
Financial assets	Input	Change				
Equity instruments	Liquidity	±5%	\$ 2,586	\$ 2,586	\$ 2,203	\$ 1,101

			December 31, 2024			
			Recognized as profit or loss		Recognized as other comprehensive income	
			Favorable change	Unfavorable change	Favorable change	Unfavorable change
Financial assets	Input	Change				
Equity instruments	Liquidity	±5%	\$ 2,621	\$ 2,621	\$ 2,203	\$ 2,203

			March 31, 2024			
			Recognized as profit or loss		Recognized as other comprehensive income	
			Favorable change	Unfavorable change	Favorable change	Unfavorable change
Financial assets	Input	Change				
Equity instruments	Liquidity	±5%	\$ 2,541	\$ 2,541	\$ -	\$ -

13. Note disclosures

(1) Information of material transactions

- A. Loaning of funds to others: Please refer to Table 1.
- B. Making of endorsements/guarantees for others: Please refer to Table 2.
- C. Securities held at end of period (excluding equity of investments in subsidiaries, associates and joint ventures): Please refer to Table 3.
- D. Purchases and sales with related parties amounting to NT\$100 million or more than 20% of the paid-in capital: Please refer to Table 4.
- E. Accounts receivable from related parties amounting to NT\$100 million or more than 20% of the paid-in capital: Please refer to Table 5.
- F. Transactions of derivative instruments: None.

G. Business relationship and important transactions between the parent company and subsidiaries: Please refer to Table 6.

(2) Information of investee companies

Information related to investee companies (excluding those in Mainland China), their place of registration, etc.: Please refer to Table 7.

(3) Information of investments in Mainland China

A. Basic information: Please refer to Table 8.

B. Material matters occurring directly or indirectly through businesses in a third area and investee companies in Mainland China: Please refer to the description in Tables 4, 5, 6.

14. Operating segment information

(1) General information

A. The management of the Group has identified the reportable segments according to the reported information that the operating decision maker uses to formulate policies.

B. The operating decision maker of the Group operates and manages the business by product business groups.

(2) Information on segment profits or losses, assets and liabilities

Information on the reportable segments provided to the chief operating decision maker is as follows:

January 1 to March 31, 2024	Electromechanical Business Group	Intelligent Business Group	Optoelectronic manufacturing industry	Electronic channel industry	Others	Adjustment and write-off	Consolidated
External income	\$ 561,213	\$ 304,580	\$ 232,553	\$ 100,448	\$ 17,215	\$ -	\$ 1,216,009
Internal segment income	<u>61,974</u>	<u>654</u>	<u>6,891</u>	<u>-</u>	<u>-</u>	<u>(69,519)</u>	<u>-</u>
Segment income	<u>\$ 623,187</u>	<u>\$ 305,234</u>	<u>\$ 239,444</u>	<u>\$ 100,448</u>	<u>\$ 17,215</u>	<u>(\$ 69,519)</u>	<u>\$ 1,216,009</u>
After-tax segment profit (loss)	<u>\$ 16,075</u>	<u>(\$ 13,993)</u>	<u>\$ 1,869</u>	<u>\$ 6,179</u>	<u>(\$ 54,841)</u>	<u>\$ 57,824</u>	<u>\$ 13,113</u>
Depreciation and amortization	<u>\$ 3,127</u>	<u>\$ 3,976</u>	<u>\$ 9,974</u>	<u>\$ 256</u>	<u>\$ 4,664</u>	<u>(\$ 2,545)</u>	<u>\$ 19,452</u>
Loss from investments accounted for using the equity method	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(\$ 309)</u>	<u>\$ -</u>	<u>(\$ 309)</u>
Segment assets	<u>\$ 3,350,466</u>	<u>\$ 1,510,231</u>	<u>\$ 2,697,247</u>	<u>\$ 1,229,897</u>	<u>\$ 4,696,653</u>	<u>(\$ 3,413,355)</u>	<u>\$ 10,071,139</u>

January 1 to March 31, 2024	Electromechanical Business Group	Intelligent Business Group	Optoelectronic manufacturing industry	Electronic channel industry	Others	Adjustment and write-off	Consolidated
External income	\$ 408,515	\$ 148,545	\$ 175,072	\$ 45,524	\$ 10,568	\$ -	\$ 788,224
Internal segment income	<u>53,684</u>	<u>554</u>	<u>4,390</u>	<u>-</u>	<u>-</u>	<u>(58,628)</u>	<u>-</u>
Segment income	<u>\$ 462,199</u>	<u>\$ 149,099</u>	<u>\$ 179,462</u>	<u>\$ 45,524</u>	<u>\$ 10,568</u>	<u>(\$ 58,628)</u>	<u>\$ 788,224</u>
After-tax segment profit (loss)	<u>\$ 11,325</u>	<u>(\$ 33,827)</u>	<u>\$ 32,575</u>	<u>(\$ 489)</u>	<u>\$ 36,690</u>	<u>(\$ 6,976)</u>	<u>\$ 39,298</u>
Depreciation and amortization	<u>\$ 3,253</u>	<u>\$ 3,306</u>	<u>\$ 8,794</u>	<u>\$ 269</u>	<u>\$ 4,517</u>	<u>(\$ 2,562)</u>	<u>\$ 17,577</u>
Loss from investments accounted for using the equity method	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(\$ 3,295)</u>	<u>\$ -</u>	<u>(\$ 3,295)</u>
Segment assets	<u>\$ 2,764,882</u>	<u>\$ 1,440,579</u>	<u>\$ 2,710,932</u>	<u>\$ 1,185,670</u>	<u>\$ 4,890,714</u>	<u>(\$ 3,682,075)</u>	<u>\$ 9,310,702</u>

SOLOMON Technology Corporation and Subsidiaries
Loaning of Funds to Others
January 1 to March 31, 2025

Table 1

Unit: NT\$ Thousand
(Unless otherwise specified)

No. (Note 1)	Lending company	Borrowing company	Current account	Related party	Maximum amount in the current period	Closing balance	Actual drawdown amount	Range of interest rates	Nature of loaning of funds (Note 4)	Business transaction amount	Reasons for the need of short-term financing	Allowance set aside for bad debts	Collateral		Limit on loans to individual borrowers (Note 2)	Limit on total loans (Note 3)	Remarks
													Name	Value			
1	Moredel Investment	Solomon Energy	Other receivables	Y	\$ 18,000	\$ 18,000	\$ 18,000	2%	2	\$ -	Working capital	\$ -	-	-	\$ 232,448	\$ 464,896	
2	Solomon Smartnet	Solomon Energy (Singapore)	Other receivables	Y	17,339	17,339	17,339	4%	2	-	Working capital	-	-	-	186,716	373,432	
2	Solomon Smartnet	Solomon Energy	Other receivables	Y	20,000	10,000	10,000	2%	2	-	Working capital	-	-	-	186,716	373,432	

Note 1: Number column description:

- (1) "0" is reserved for the issuer.
- (2) Each investee company is numbered in sequential order starting from 1.

Note 2: According to the Group's lending procedure, the amount of loans to a single enterprise with short-term financing needs is limited to 40% of the lending company's net worth (for Dong Guan Goldentek, the amount of total loans is limited to 80% of its net worth). The amount of loans to companies having business dealings with the lending company is limited to the higher of the amount of purchases or sales between both parties.

Note 3: According to the Group's lending procedure, the amount of total loans given includes funds for business dealings and short-term financing, and is limited to 80% of the net worth of the lending company.

Note 4: The nature of loaning of funds is described as follows:

- (1) Business relationships: 1.
- (2) Needs for short-term financing: 2.

SOLOMON Technology Corporation and Subsidiaries
Endorsements/Guarantees for Others
January 1 to March 31, 2025

Table 2

Unit: NT\$ Thousand
(Unless otherwise specified)

No. (Note 1)	Endorser/guarantor	Endorsee/guarantee Company name	Relationship (Note 2)	Limit on endorsements/guarantees to a single enterprise (Note 3)	Maximum endorsement/guarantee balance in the current period	Closing endorsement/guarantee balance	Actual drawdown amount	Endorsement/guarantee amount secured with property	Cumulative endorsement/guarantee amount as a percentage of the net worth in the most recent financial statements	Maximum limit on endorsements/guarantees (Note 3)	Endorsement s/guarantees made by the parent company for subsidiaries	Endorsements /guarantees made by subsidiaries for the parent company	Endorsements /guarantees made for the operations in Mainland China	Remarks
0	SOLOMON	Solomon Energy	2	\$ 1,120,020	\$ 215,000	\$ 215,000	\$ 122,412	\$ -	3.84	\$ 2,800,049	Y	N	N	

Note 1: Number column description:

(1) "0" is reserved for the issuer.

(2) Each investee company is numbered in sequential order starting from 1.

Note 2: The relationship between the endorser/guarantor and the endorsee/guarantee is classified into six categories as follows. It is only necessary to mark the type:

(1) Companies with business relationships.

(2) Subsidiaries in which the Company holds more than 50% of the common stock equity.

(3) Investee companies in which the parent company and its subsidiaries hold more than 50% of the common stock equity, calculated on a consolidated basis.

(4) The parent company, directly or indirectly through a subsidiary, holding more than 50% of the common stock equity of the Company.

(5) Companies in the same industry that are required to provide mutual guarantee pursuant to contracts for undertaking engineering projects.

(6) Companies receiving endorsements/guarantees from the shareholders proportionally to their shareholding due to a joint venture relationship.

Note 3: According to the Company's endorsement/guarantee procedure, the amount of the Company's total endorsements/guarantees is limited to 50% of the net worth of the Company and the amount of endorsements/guarantees made to the same company shall not exceed 20% of the guarantor's net worth.

SOLOMON Technology Corporation and Subsidiaries
Securities Held at End of Period (Excluding Equity of Investments in Subsidiaries, Associates and Joint Ventures)
March 31, 2025

Table 3

Unit: NT\$ Thousand
(Unless otherwise specified)

Holding company	Type and name of securities	Relationship with the securities issuer	Account	End of period				Remarks
				Number of shares	Carrying amount	Shareholding percentage	Fair value	
SOLOMON	Hua Nan Phoenix Money Market Fund	None	Financial assets measured at fair value through profit or loss – current	5,303,267	\$ 90,000	-	\$ 90,000	Note 1
	Evergreen	"	Financial assets measured at fair value through profit or loss – current	84,000	18,522	-	18,522	"
	Unimicron	"	Financial assets measured at fair value through profit or loss – current	128,000	11,840	0.01%	11,840	"
	CHENFENG OPTRONICS	"	Financial assets measured at fair value through profit or loss – non-current	1,500,000	13,891	1.49%	13,891	"
	Truewin Technology	"	Financial assets measured at fair value through profit or loss – non-current	296,017	15,360	0.46%	15,360	"
	GAP Total Return Fund I Limited Partnership	"	Financial assets measured at fair value through profit or loss – non-current	-	45,888	-	45,888	"
	Lion Best Global Limited-Tranche A Notes	"	Financial assets measured at amortized cost – current	-	664,000	-	664,000	"
	Lion Best Global Limited-Tranche B Notes	"	Financial assets measured at amortized cost – current	-	498,000	-	498,000	"
Moredel Investment	SOLOMON	Parent company of the Company	Financial assets measured at fair value through profit or loss – current	100,432	6,042	0.06%	13,659	Notes 1, 2
	Hwa Fong	None	Financial assets measured at fair value through profit or loss – current	1,184,556	22,033	0.42%	22,033	Note 1
	Quanta	"	Financial assets measured at fair value through profit or loss – current	45,000	10,103	-	10,103	"
	Chroma	"	Financial assets measured at fair value through profit or loss – current	156,000	44,460	-	44,460	"
	TSMC	"	Financial assets measured at fair value through profit or loss – current	54,000	49,140	-	49,140	"
	Integrated Solutions Technology	"	Financial assets measured at fair value through profit or loss – non-current	1,452,659	114,324	3.82%	114,324	"
	MetAI	"	Financial assets measured at fair value through other comprehensive income – non-current	140,845	20,126	3.12%	20,126	"
Solomon Cayman	Capital Investment Development Corp	"	Financial assets measured at fair value through profit or loss – non-current	270,000	16,889	0.89%	16,889	"
Solomon Data International	Hua Nan Phoenix Money Market Fund	"	Financial assets measured at fair value through profit or loss – current	3,282,039	55,876	-	55,876	"
	Truewin Technology Co., Ltd.	"	Financial assets measured at fair value through profit or loss – non-current	148,008	7,680	0.23%	7,680	"
	Cerulean Asset Management Venture Capital Limited Partnership	"	Financial assets measured at fair value through profit or loss – non-current	-	5,769	-	5,769	"
	AggrEnergy Inc.	"	Financial assets measured at fair value through other comprehensive income – non-current	110,131,748	27,533	16.46%	27,533	"

SOLOMON Technology Corporation and Subsidiaries
Securities Held at End of Period (Excluding Equity of Investments in Subsidiaries, Associates and Joint Ventures)
March 31, 2025

Table 3

Unit: NT\$ Thousand
(Unless otherwise specified)

Holding company	Type and name of securities	Relationship with the securities issuer	Account	End of period				Remarks
				Number of shares	Carrying amount	Shareholding percentage	Fair value	
Solomon Goldentek Display	Hua Nan Phoenix Money Market Fund	"	Financial assets measured at fair value through profit or loss – current	9,536,376	\$ 162,066	-	\$ 162,066	Note 1
	Unimicron	"	Financial assets measured at fair value through profit or loss – current	90,000	8,325	0.01%	8,325	"
	TSMC	"	Financial assets measured at fair value through profit or loss – current	76,000	69,160	-	69,160	"
	GAP Total Return Fund I Limited Partnership	"	Financial assets measured at fair value through profit or loss – non-current	-	19,039	-	19,039	"
	Lion Best Global Limited-Tranche B Notes	"	Financial assets measured at amortized cost – current	-	331,700	-	331,700	"
	Meng-Lue Venture Capital Limited Partnership	"	Financial assets measured at fair value through profit or loss – non-current	-	5,681	-	5,681	"
	Cerulean Asset Management Venture Capital Limited Partnership	"	Financial assets measured at fair value through profit or loss – non-current	-	8,692	-	8,692	"
	Hua Nan Phoenix Money Market Fund	"	Financial assets measured at fair value through profit or loss – current	6,324,777	107,000	-	107,000	"
	Quanta	"	Financial assets measured at fair value through profit or loss – current	69,000	15,491	-	15,491	"
Solomon Smartnet	TSMC	"	Financial assets measured at fair value through profit or loss – current	90,000	82,592	-	82,592	"
	Cornucopia Innovation Weltrend	"	Financial assets measured at fair value through profit or loss – current	300,000	15,000	0.17%	15,000	"

Note 1: Not pledged.

Note 2: Stated as the Company's treasury stock. Please refer to Note 6 (18) for details.

Note 3: The securities with a carrying value of NT\$5,000 are listed by the Group in accordance with the principle of materiality.

SOLOMON Technology Corporation and Subsidiaries
Purchases and Sales with Related Parties Amounting to NT\$100 Million or More Than 20% of the Paid-in Capital
January 1 to March 31, 2025

Table 4

Unit: NT\$ Thousand
(Unless otherwise specified)

Purchasing (selling) company	Name of counterparty	Relationship	Transaction				Differences of transaction terms from those of regular transactions and reasons for such differences		Notes/accounts receivable (payable)		Remarks
			Purchase (sale)	Amount	Percentage in total purchases (sales)	Loan period	Unit price	Loan period	Balance	Percentage in total accounts/notes receivable (payable)	
Solomon Goldentek Display	Dong Guan Goldentek	Parent- subsidiary	Purchase	\$ 117,932	76	Note	Note	Note	(\$ 177,268)	(91)	
Dong Guan Goldentek	Solomon Goldentek Display	Parent- subsidiary	(Sale)	(117,932)	(80)	Note	Note	Note	177,268	89	
Note: The unit price was negotiated by both parties. The payment was made based on the funding status after being offset against the payment receivable for entrusted procurement. The payment term for regular suppliers ranges from about 60 to 90 days.											

SOLOMON Technology Corporation and Subsidiaries
Accounts Receivable from Related Parties Amounting to NT\$100 Million or More Than 20% of the Paid-in Capital
March 31, 2025

Table 5

Unit: NT\$ Thousand
(Unless otherwise specified)

Company from which payments accounted for are receivable	Name of counterparty	Relationship	Balance of payments receivable from the related party	Turnover	Overdue payments receivable from the related party		Subsequently recovered amount of payments receivable from the related party (Note)	Allowance set aside for bad debts
					Amount	Treatment		
Dong Guan Goldentek	Solomon Goldentek Display	Parent-subsidiary	\$ 177,268	2.44	\$ -	-	\$ -	\$ -

Note: The information is as of April 30, 2025.

SOLOMON Technology Corporation and Subsidiaries
Business Relationship and Important Transactions between the Parent Company and Subsidiaries
January 1 to March 31, 2025

Table 6

Unit: NT\$ Thousand
(Unless otherwise specified)

No. (Note 5)	Name of transacting party	Counterparty	Relationship with transacting party (Note 6)	Transaction			As a percentage of total consolidated operating income or assets (Note 7)
				Account	Amount	Transaction terms	
0	SOLOMON	Yumon International	1	Sale	\$ 61,962	Note 1	5.1%
0	SOLOMON	Yumon International	1	Accounts receivable	41,418	Note 1	0.4%
1	Solomon Goldentek Display	Dong Guan Goldentek	1	Purchase	117,932	Note 2	9.7%
1	Solomon Goldentek Display	Dong Guan Goldentek	1	Accounts payable	177,268	Note 2	1.8%
1	Solomon Goldentek Display	Dong Guan Goldentek	1	Other receivables	30,661	Note 3	0.3%
2	Moredel Investment	Solomon Energy	3	Other receivables	18,123	Note 4	0.2%
3	Solomon Smartnet	Solomon Energy	3	Other receivables	10,000	Note 4	0.2%
3	Solomon Smartnet	Solomon Energy (Singapore)	3	Other receivables	16,828	Note 4	0.2%

Note 1: After the payments receivable and payable were offset against each other, the payments were collected based on the funding status. The payment term for regular customers ranges from about 90-120 days.

Note 2: The payment term was 90-180 days after the payments receivable and payable were offset against each other.

Note 3: The receivables were the procurement payments made by the parent company on behalf of the subsidiary.

Note 4: Loaning of funds. Please refer to Table 1.

Note 5: The business transactions between the parent company and its subsidiaries shall be indicated in the "No." column. This column shall be completed as follows:

(1) 0 is reserved for the parent company.

(2) Each subsidiary is numbered in sequential order starting from 1.

Note 6: The relationship with the transacting party is classified into the following three categories. It is only necessary to mark the category. (It is not necessary to disclose the same transaction between the parent company and its subsidiaries or between the subsidiaries repeatedly. For example, if the parent company has disclosed a transaction with one of its subsidiaries, it is not required for the subsidiary to disclose the transaction again. If a subsidiary has disclosed a transaction with another subsidiary, it is not required for the latter to disclose the transaction again):

(1) Parent to subsidiary.

(2) Subsidiary to parent.

(3) Subsidiary to subsidiary.

Note 7: For asset or liability accounts, the transaction amount as a percentage of total consolidated operating income or assets shall be calculated as the closing balance as a share of the total consolidated assets; for profit or loss accounts, the percentage shall be calculated as the accumulated amount as a share of the total consolidated operating income.

Note 8: Transactions over \$10,000 shall be disclosed.

SOLOMON Technology Corporation and Subsidiaries
Information Related to Investee Companies (Excluding Those in Mainland China), Their Place of Registration, etc.
January 1 to March 31, 2025

Table 7

											Unit: NTS Thousand (Unless otherwise specified)
Name of investor company	Name of investee company	Place of registration	Principal business	Initial investment amount		Holding percentage			Profit or loss of investee company in the current period	Investment gain or loss recognized in the current period	Remarks
				End of current period	End of previous year	Number of shares	at end of period	Carrying amount			
SOLOMON	Solomon Cayman	Cayman Islands	Investment holding	\$ 264,367	\$ 264,367	7,232,836	100.00	\$ 246,292	\$ 4,116	\$ 4,116	Note 1
SOLOMON	Solomon Smartnet	Taiwan	IC CARD	200,000	200,000	20,000,000	100.00	448,118	(18,852)	(18,852)	Note 1
SOLOMON	Solomon Goldentek Display	Taiwan	Manufacturing of LCDs	1,359,694	1,359,694	42,871,029	70.77	1,207,828	1,704	1,205	Note 1
SOLOMON	Moredel Investment	Taiwan	Professional investment	457,384	457,384	28,460,900	100.00	555,885	(31,718)	(28,505)	Note 1
SOLOMON	Solomon Wireless Technology	Taiwan	Communication products	599,665	599,665	96,407	96.41	16	-	-	Note 1
SOLOMON	Solomon Data International	Taiwan	Manufacturing of LCD panels	46,058	46,058	4,972,676	24.04	110,794	3,398	817	Note 1
SOLOMON	Total Profit	Samoa	Investment holding	13,859	13,859	3,088,700	100.00	1,424	(14)	(14)	Note 1
SOLOMON	Cornucopia Innovation	Taiwan	Manufacturing of machines/equipment and electronic parts and components	65,000	65,000	6,100,000	35.06	40,745	(593)	(208)	Note 1
SOLOMON	Solomon Science Technology(VN)	Vietnam	Supply and sale of intelligence technology	40,042	40,042	-	100.00	11,385	(2,181)	(2,181)	Note 1
SOLOMON	Solomon Robotics(THAI) Ltd.	Thailand	Supply and sale of intelligence technology	-	8,209	-	-	-	-	-	Notes 1, 6
SOLOMON	Solomon Technology (USA)	United States	Supply and sale of intelligence technology	94,172	94,172	31,000	100.00	15,418	(2,314)	(2,314)	Note 1
SOLOMON	Solomon Technology (Japan) Ltd.	Japan	Supply and sale of intelligence technology	4,844	4,844	2,200	100.00	3,544	(346)	(346)	Note 1
SOLOMON	Solomon Energy	Taiwan	Import and export of electrical power-related products	220,000	220,000	22,000,000	100.00	126,209	(8,916)	(8,916)	Note 1
SOLOMON	Sheng-Peng Technology	Taiwan	Import and export of electrical power-related products	5,100	5,100	510,000	51.00	5,190	(1,152)	(587)	Note 1
Moredel Investment	Solomon Data International	Taiwan	Manufacturing of LCD panels	28,100	28,100	2,591,740	12.53	55,202	3,398	-	Notes 1, 4
Moredel Investment	Solomon Goldentek Display	Taiwan	Manufacturing of LCDs	62,233	62,233	5,610,000	9.26	160,998	(8,772)	-	Notes 1, 4
Solomon Smartnet	Solomon Data International	Taiwan	Manufacturing of LCD panels	27,176	27,176	1,943,117	14.84	64,461	3,398	-	Notes 1, 4
Solomon Smartnet	Solomon Goldentek Display	Taiwan	Manufacturing of LCDs	62,233	62,233	5,610,000	9.26	160,998	1,704	-	Notes 1, 4
Solomon Cayman	Soundtek Ltd.	Seychelles	Professional investment	23,764	23,764	-	30.00	-	-	-	Note 4
Solomon Cayman	Goldentek Display System (BVI) Co., Ltd.	British Virgin Islands	Investment holding	305	305	43,706	0.39	1,302	5,245	-	Notes 2, 3
Solomon Energy	Solomon Energy Technology (Singapore) PTE.LTD	Singapore	Self-usage renewable energy generation equipment	21,835	21,835	1,000,000	100.00	(15,539)	(4,374)	-	Notes 2, 3
Solomon Data International	Cornucopia Innovation	Taiwan	Manufacturing of machines/equipment and electronic parts and components	25,300	25,300	2,300,000	13.22	20,139	(593)	-	Notes 1, 4
Solomon Data International	Ju Xin Energy	Taiwan	Energy technology service	36,000	36,000	3,600,000	4.80	35,863	(6,428)	-	Notes 3, 4
Solomon Goldentek Display Corp.	Goldentek Display System (BVI) Co., Ltd.	British Virgin Islands	Investment holding	375,426	375,426	11,162,996	99.61	332,451	5,245	-	Notes 2, 3
Solomon Goldentek Display Corp.	Solomon Goldentek Display (Hong Kong) Corp.	Hong Kong	Entrepot trade	2,175	2,175	499,999	100.00	293	(26)	-	Notes 2, 3
Solomon Goldentek Display Corp.	Cornucopia Innovation Corporation	Taiwan	Manufacturing of machines/equipment and electronic parts and components	4,500	4,500	360,000	2.07	2,539	(593)	-	Notes 1, 4
Solomon Goldentek Display Corp.	Futek Trading Co., Ltd.	British Virgin Islands	Investment holding	14,406	14,406	1,050,000	100.00	-	-	-	Notes 2, 3, 5

Note 1: A subsidiary.

Note 2: A sub-subsidiary.

Note 3: An associate.

Note 4: The investee company's profit or loss in the current period was recognized as that of the ultimate parent company.

Note 5: Futek Trading Co., Ltd. applied for cancellation in October 2024; as of May 9, 2025, the change has not yet been completed.

Note 6: The subsidiary was incorporated in February 2025.

SOLOMON Technology Corporation and Subsidiaries
Information of Investments in Mainland China – Basic Information
January 1 to March 31, 2025

Table 8

Unit: NT\$ Thousand
(Unless otherwise specified)

Name of investee company in Mainland China	Principal business	Paid-in capital	Method of investment (Note 1)	Accumulated amount of investments remitted from Taiwan at beginning of current period	Amount of investments remitted or recovered in the current period		Accumulated amount of investments remitted from Taiwan at end of current period	Profit or loss of investee company in the current period	The Company's shareholding in direct or indirect investments	Investment gain or loss recognized in the current period	Carrying amount of investments at end of period	Investment gain received as of the current period	Remarks
					Remitted	Recovered							
Solomon Goldentek Display (Dong Guan) Ltd.	Production and sale of new types of LCDs and modules	\$ 161,760	1	\$ 104,891	\$ -	\$ -	\$ 104,891	\$ 5,243	99.61	\$ 5,223	\$ 332,387	\$ 128,164	Note 3
Solomon Shenzhen Yumon International	International trade	12,804	1	11,547	-	-	11,547	(14)	100.00	(14)	1,412	-	Note 2
Zhuhai Wan Jia	International trade	225,794	1	65,956	-	-	65,956	4,657	100.00	4,657	214,882	-	
	Manufacturing and sale of magnetic materials	66,410	1	4,497	-	-	4,497	-	7.65	-	-	-	

Note 1: Investment methods are classified into the following two categories. It is only necessary to mark the category:

- (1) Investment in Mainland China companies through an investee company established in a third area.
- (2) Investment in Mainland China companies by investing in an existing company in a third area.
- (3) Investment in Mainland China companies through an existing investee company established in Mainland China.

Note 2: Solomon Cayman, a 100% owned subsidiary of the Company, increased the capital of Yumon International with US\$800 thousand and US\$3,000 thousand from its own funds in 2011 and 2013, respectively.

Note 3: Recognized as investment gain or loss based on the financial statements for the same period reviewed by the parent company's CPA.

Company name	Accumulated amount of investments remitted from Taiwan to Mainland China at end of current period	Amount of investments approved by the Investment Commission, MOEA	Limit on the amount of investments in Mainland China set by the Investment Commission, MOEA
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SOLOMON Technology Corporation	\$ 614,867	\$ 912,070	\$ 3,648,215
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Note: Dong Guan Goldentek is an investment of Solomon Goldentek Display in Mainland China, which has been reported. The listed figure includes the information of Dong Guan Goldentek.