SANLIEN TECHNOLOGY CORP.

PARENT COMPANY ONLY FINANCIAL

STATEMENTS AND INDEPENDENT AUDITORS' REPORT

DECEMBER 31, 2024 AND 2023

SANLIEN TECHNOLOGY CORP.

DECEMBER 31, 2024 AND 2023 PARENT COMPANY ONLY FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS' REPORT

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INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

PWCR24000368

To the Board of Directors and Shareholders of Sanlien Technology Corp.

Opinion

We have audited the accompanying parent company only balance sheets of Sanlien Technology Corp. (the "Company") as at December 31, 2024 and 2023, and the related parent company only statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the parent company only financial statements, including a summary of material accounting policies.

In our opinion, the accompanying parent company only financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission.

Basis for opinion

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

Key audit matters

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

Key audit matters for the Company's 2024 parent company only financial statements are stated as follows:

Fair value measurement of investments in unlisted stocks without active market

Description

Refer to Notes 4(5) and (6) for accounting policies on unlisted stocks (accounted as financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income), Note 5 for uncertainty of accounting estimates and assumptions in relation to the fair value of unlisted stocks, Notes 6(2) and (6) for details of unlisted stocks. As at December 31, 2024, the Company's investments in unlisted stocks without active market amounted to NT$979,460 thousand.

The unlisted stocks held by the Company has no quoted price in an active market. Management estimates the fair value of unlisted stocks using a valuation method, which involves various assumptions and significant unobservable inputs, including the valuation method, identifying similar and comparable companies, price-to-book ratio and discount on liquidity. As the determination of models and parameters used in the estimation of fair value is subject to significant judgement and high uncertainty, we considered the fair value measurement of unlisted stocks as a key audit matter.

How our audit addressed the matter

We performed the following audit procedures in respect of the above key audit matter:

1. Obtained an understanding of the Company's valuation procedures on the unlisted stocks.

2. Assessed whether the valuation methods used by management were reasonable.
3. Assessed the degree of comparability between the comparable companies identified by management and the investee being valued in the market approach.
4. Sampled and verified the price-to-book ratio and the input value of discount on liquidity used in the valuation method and reviewed related information and supporting documents.

Valuation of investments accounted for using the equity method

Refer to Note 4(12) for accounting policy and Note 6(7) for the details of investments accounted for using the equity method.

As at December 31, 2024, the balance of the Company's investment in Kemitek Industrial Corp., a subsidiary accounted for using the equity method, amounted to NT$692,553 thousand, constituting 25.29% of the Company's total assets. As the investment is considered significant to the financial statements of the Company, the valuation of the investment accounted for using the equity method has been identified as one of the key areas of focus for this year's audit, hence, the key audit matter reported in the financial statements of the subsidiary is also included as one of the key audit matters in our audit of the Company's parent company only financial statements. The key audit matter of the subsidiary is as follows:

Cut-off of sales revenue from distribution warehouse

Description

The sales revenue of Kemitek Industrial Corp. mainly arises from distribution warehouses, constituting 48.91% of operating revenue for the year. The sales revenue from distribution warehouses is recognised when the goods are dispatched from the warehouses (transfer of control). Kemitek Industrial Corp.'s revenue recognition is based on inventory movement records of warehouses based on the reports provided by warehouse custodians or bill of lading reports recorded on its customers' network platform. As the frequency and timing of reports provided by warehouse custodians vary and the process of revenue recognition involves manual procedures, these factors may lead to improper timing of revenue recognition. Thus, we considered the cut-off of sales revenue from distribution warehouses as a key audit matter.

How our audit addressed the matter

We performed the following audit procedures in respect of the above key audit matter:

1. Obtained an understanding and evaluated the Company's procedures for sales revenue from distribution warehouses and internal controls over revenue recognition.
2. Assessed the internal controls over warehouse distribution (checked the terms of transaction / timing of ownership transfer and dates of supporting documents) and ascertained whether the transactions were recognised in the proper period to confirm the accuracy of the timing of revenue recognition.
3. Performed cut-off procedures on sales revenue from distribution warehouses recognised during a specific period before and after the period-end, including verifying delivery schedule of distribution warehouses and ensuring the movements of inventories contained in the statements and cost of goods sold recognised in the proper period.
4. Performed physical inventory count observation with significant hub custodian and agreed the results to accounting records.

Other matter - Reference to the audits of other auditors

We did not audit the financial statements of certain investments accounted for under the equity method which were audited by other auditors. Therefore, our opinion expressed herein, insofar as it relates to the amounts included in respect of these associates, is based solely on the reports of the other auditors. The balance of these investments accounted for under the equity method amounted to NT$423,807 thousand and NT$362,160 thousand, constituting 15.47% and 15.10% of the total assets as at December 31, 2024 and 2023, respectively, and the comprehensive income recognised from associates and joint ventures accounted for under the equity method amounted to NT$69,973 thousand and NT$46,758 thousand, constituting 15.68% and 11.93% of the total comprehensive income for the years then ended, respectively.

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

Management is responsible for the preparation and fair presentation of the parent company only financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission, and for such internal control as management determines is necessary to enable the preparation of the parent company only financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditors' responsibilities for the audit of the parent company only financial statements

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

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

1. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the disclosures, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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

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

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

Gregory Kuo	Tsai, Yi-Tai

For and on behalf of PricewaterhouseCoopers, Taiwan

March 14, 2025

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

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

SANLIEN TECHNOLOGY CORP.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

	Assets	Notes	December 31, 2024 AMOUNT	%	December 31, 2023 AMOUNT	%
	Current assets					
1100	Cash and cash equivalents	6(1)	$ 129,811	5	$ 147,449	6
1110	Financial assets at fair value through profit or loss - current	6(2)	110,353	4	131,804	6
1136	Financial assets at amortised cost - current	6(3) and 8	17,512	1	19,083	1
1140	Contract assets - current	6(19)	5,654	-	10,419	-
1150	Notes receivable, net	6(4)	13,855	-	9,794	-
1160	Notes receivable - related parties	7	-	-	38	-
1170	Accounts receivable, net	6(4)	69,771	3	62,930	3
1180	Accounts receivable - related parties	7	2,729	-	3,244	-
1200	Other receivables		1	-	-	-
130X	Inventories	6(5)	83,339	3	126,908	5
1410	Prepayments	7	11,235	-	14,060	1
11XX	**Total current assets**		444,260	16	525,729	22
	Non-current assets					
1510	Financial assets at fair value through profit or loss - non-current	6(2)	212,748	8	156,364	7
1517	Financial assets at fair value through other comprehensive income - non-current	6(6) and 7	766,712	28	496,136	21
1550	Investments accounted for using equity method	6(7) and 7	1,109,235	41	1,016,354	42
1600	Property, plant and equipment	6(8), 7 and 8	174,714	6	174,272	7
1755	Right-of-use assets	6(9)	6,590	-	9,095	-
1780	Intangible assets		78	-	188	-
1840	Deferred tax assets	6(26)	11,318	1	10,765	1
1920	Guarantee deposits paid		7,729	-	7,591	-
1930	Long-term notes and accounts receivable		4,158	-	525	-
1960	Prepayments for investments		-	-	570	-
1990	Other non-current assets		1,130	-	1,130	-
15XX	**Total non-current assets**		2,294,412	84	1,872,990	78
1XXX	**Total assets**		$ 2,738,672	100	$ 2,398,719	100

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SANLIEN TECHNOLOGY CORP.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

	Liabilities and Equity	Notes	December 31, 2024 AMOUNT	%	December 31, 2023 AMOUNT	%
	Current liabilities					
2100	Short-term borrowings	6(11)	$ 312,883	12	$ 306,425	13
2110	Short-term notes and bills payable	6(11)	49,993	2	29,985	1
2130	Contract liabilities - current	6(19) and 7	13,539	1	12,348	1
2150	Notes payable		25	-	347	-
2170	Accounts payable		29,546	1	61,438	3
2180	Accounts payable - related parties	7	7,534	-	3,635	-
2200	Other payables	6(12)	92,562	3	83,690	3
2220	Other payables - related parties	7	1,280	-	277	-
2230	Current income tax liabilities		7,903	-	6,131	-
2280	Lease liabilities - current		3,526	-	4,028	-
2320	Long-term liabilities, current portion	6(13)	-	-	140,000	6
2399	Other current liabilities		3,024	-	6,562	-
21XX	**Total current liabilities**		521,815	19	654,866	27
	Non-current liabilities					
2540	Long-term borrowings	6(13)	190,000	7	60,000	3
2570	Deferred tax liabilities	6(26)	27,858	1	21,615	1
2580	Lease liabilities - non-current		2,950	-	4,707	-
2640	Net defined benefit liability - non-current	6(14)	3,746	-	3,280	-
2645	Guarantee deposits received		1,257	-	2,094	-
2670	Other non-current liabilities		26	-	77	-
25XX	**Total non-current liabilities**		225,837	8	91,773	4
2XXX	**Total liabilities**		747,652	27	746,639	31
	Equity					
	Share capital	6(15)				
3110	Common stock		436,892	16	416,088	17
	Capital surplus	6(16)				
3200	Capital surplus		44,193	2	44,189	2
	Retained earnings	6(17)				
3310	Legal reserve		287,078	10	256,888	11
3350	Unappropriated retained earnings		702,504	26	677,004	28
	Other equity interest	6(18)				
3400	Other equity interest		520,353	19	257,911	11
3XXX	**Total equity**		1,991,020	73	1,652,080	69
	Significant contingent liabilities and unrecognised contract commitments	9				
	Significant events after the balance sheet date	11				
3X2X	**Total liabilities and equity**		$ 2,738,672	100	$ 2,398,719	100

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

SANLIEN TECHNOLOGY CORP.
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars, except for earnings per share amounts)

	Items	Notes	2024 AMOUNT	2024 %	2023 AMOUNT	2023 %
4000	Operating revenue	6(19) and 7	$ 531,976	100	$ 440,831	100
5000	Operating costs	6(5)(24)(25) and 7	(356,410)	(67)	(269,863)	(61)
5900	Gross profit from operations		175,566	33	170,968	39
5920	Realized profit from inter-affiliate accounts		52	-	51	-
5950	Gross profit from operations		175,618	33	171,019	39
	Operating expenses	6(24)(25) and 7				
6100	Selling expenses		(65,579)	(12)	(61,486)	(14)
6200	Administrative expenses		(78,643)	(15)	(81,427)	(18)
6300	Research and development expenses		(15,546)	(3)	(13,697)	(3)
6450	Expected credit loss		(426)	-	(129)	-
6000	Total operating expenses		(160,194)	(30)	(156,739)	(35)
6900	Operating income		15,424	3	14,280	4
	Non-operating income and expenses					
7100	Interest income	6(20)	1,040	-	847	-
7010	Other income	6(21) and 7	60,486	12	45,149	10
7020	Other gains and losses	6(22)	(1,454)	-	124,907	28
7050	Finance costs	6(23)	(10,918)	(2)	(11,690)	(2)
7070	Share of profit of subsidiaries, associates and joint ventures accounted for using equity method		133,625	25	105,983	24
7000	Total non-operating income and expenses		182,779	35	265,196	60
7900	**Profit before income tax**		198,203	38	279,476	64
7950	Income tax expense	6(26)	(14,865)	(3)	(8,010)	(2)
8200	**Profit for the year**		$ 183,338	35	$ 271,466	62

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SANLIEN TECHNOLOGY CORP.
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars, except for earnings per share amounts)

	Items	Notes	Year ended December 31 2024 AMOUNT	2024 %	2023 AMOUNT	2023 %
	Other comprehensive income					
	Components of other comprehensive income that will not be reclassified to profit or loss					
8316	Unrealised gains from investments in equity instruments measured at fair value through other comprehensive income	6(6)	$ 256,342	48	$ 114,227	26
8330	Share of other comprehensive income of subsidiaries, associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss		215	-	2,002	-
8310	Other comprehensive income that will not be reclassified to profit or loss		256,557	48	116,229	26
	Components of other comprehensive income that will be reclassified to profit or loss					
8361	Exchange differences on translation of foreign operations		7,617	1	4,461	1
8380	Share of other comprehensive (loss) income of subsidiaries, associates and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss		(117)	-	586	-
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	6(26)	(1,256)	-	(940)	-
8360	Other comprehensive income that will be reclassified to profit or loss		6,244	1	4,107	1
8300	**Other comprehensive income**		$ 262,801	49	$ 120,336	27
8500	**Total comprehensive income**		$ 446,139	84	$ 391,802	89
	Earnings per share (in dollars)	6(27)				
9750	Basic earnings per share		$ 4.20		$ 6.21	
9850	Diluted earnings per share		$ 4.20		$ 6.21	

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

SANLIEN TECHNOLOGY CORP.
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

				Retained Earnings		Other equity interest		
	Notes	Ordinary share	Capital surplus	Legal reserve	Unappropriated retained earnings	Exchange differences on translation of foreign financial statements	Unrealised gains from financial assets measured at fair value through other comprehensive income	Total equity
Year ended December 31, 2023								
Balance at January 1, 2023		$ 416,088	$ 44,195	$ 240,545	$ 507,949	($ 8,564)	$ 176,581	$ 1,376,794
Net income for the year		-	-	-	271,466	-	-	271,466
Other comprehensive income (loss)	6(18)	-	-	-	(562)	4,107	116,791	120,336
Total comprehensive income		-	-	-	270,904	4,107	116,791	391,802
Distribution of 2022 earnings	6(17)							
Legal reserve		-	-	16,343	(16,343)	-	-	-
Cash dividends		-	-	-	(116,505)	-	-	(116,505)
Difference between consideration and carrying amount of subsidiaries acquired or disposed		-	-	-	(5)	-	-	(5)
Non-payment of expired cash dividends from previous year transferred to capital surplus		-	(6)	-	-	-	-	(6)
Disposal of financial assets at fair value through other comprehensive income - equity instrument		-	-	-	31,004	-	(31,004)	-
Balance at December 31, 2023		$ 416,088	$ 44,189	$ 256,888	$ 677,004	($ 4,457)	$ 262,368	$ 1,652,080
Year ended December 31, 2024								
Balance at January 1, 2024		$ 416,088	$ 44,189	$ 256,888	$ 677,004	($ 4,457)	$ 262,368	$ 1,652,080
Net income for the year		-	-	-	183,338	-	-	183,338
Other comprehensive income	6(18)	-	-	-	359	6,244	256,198	262,801
Total comprehensive income		-	-	-	183,697	6,244	256,198	446,139
Distribution of 2023 earnings	6(17)							
Legal reserve		-	-	30,190	(30,190)	-	-	-
Cash dividends		-	-	-	(108,183)	-	-	(108,183)
Stock dividends		20,804	-	-	(20,804)	-	-	-
Difference between consideration and carrying amount of subsidiaries acquired or disposed		-	-	-	(8)	-	-	(8)
Changes in equity of associates and joint ventures accounted for using the equity method		-	-	-	988	-	-	988
Non-payment of expired cash dividends from previous year transferred to capital surplus		-	4	-	-	-	-	4
Balance at December 31, 2024		$ 436,892	$ 44,193	$ 287,078	$ 702,504	$ 1,787	$ 518,566	$ 1,991,020

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

SANLIEN TECHNOLOGY CORP.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31 2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		$ 198,203	$ 279,476
Adjustments			
Adjustments to reconcile profit (loss)			
Expected credit loss		426	129
Depreciation of property, plant and equipment	6(8)	6,385	6,406
Depreciation of right-of-use assets	6(9)	4,432	4,641
Amortization	6(25)	110	413
Interest income	6(20)	(1,040)	(847)
Interest expense	6(23)	10,918	11,690
Dividend income	6(21)	(51,936)	(26,529)
Gain on disposal of property, plant and equipment	6(22)	(117)	(524)
Net loss (gain) on financial assets at fair value through profit or loss	6(22)	4,367	(123,631)
Share of profit of associates and joint ventures accounted for using equity method	6(7)	(133,625)	(105,983)
Gain in bargain purchase		-	(11,009)
Profit from lease modification		(10)	-
Changes in operating assets and liabilities			
Changes in operating assets			
Contract assets - current		4,757	(6,506)
Notes receivable, net		(4,061)	5,028
Notes receivable - related parties		38	55
Accounts receivable		(7,259)	10,416
Accounts receivable - related parties		515	927
Other receivables		(1)	-
Inventories		43,569	(37,732)
Prepayments		2,825	(1,167)
Long-term notes and accounts receivable		(3,633)	(525)
Changes in operating liabilities			
Contract liabilities		1,191	(12,116)
Notes payable		(322)	16
Notes payable - related parties		-	(16)
Accounts payable		(31,892)	34,439
Accounts payable - related parties		3,899	(3,475)
Other payables		8,568	13,713
Other payables - related parties		428	264
Other liabilities - current		(3,538)	1,958
Net defined benefit liabilities		466	2,841
Other liabilities - non-current		(51)	(52)
Cash inflow generated from operations		53,612	42,300
Interest received		1,040	847
Dividends received		122,003	114,103
Income taxes paid		(8,659)	(2,228)
Interest paid		(11,018)	(11,554)
Net cash flows from operating activities		156,978	143,468

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SANLIEN TECHNOLOGY CORP.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31 2024	2023
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of financial assets at fair value through profit or loss		($ 80,361)	($ 16,253)
Proceeds from disposal of financial assets at fair value through profit or loss		41,631	49,752
Acquisition financial assets at fair value through other comprehensive income		(14,234)	(20,000)
Acquisition of financial assets at amortized cost		1,571	7,725
Acquisition of property, plant and equipment	6(28)	(6,166)	(8,121)
Proceeds from disposal of property, plant and equipment		435	524
Increase in guarantee deposits paid		(138)	(2,544)
Proceeds from capital reduction of investments accounted for using equity method		-	9,101
Acquisition of investments accounted for using equity method		(23,276)	(56,357)
Decrease in other financial assets - non-current		-	1,134
Increase in prepaid investment		-	(570)
Net cash flows used in investing activities		(80,538)	(35,609)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase in short-term borrowings	6(29)	112,883	76,425
Decrease in short-term borrowings	6(29)	(106,425)	(95,454)
Increase in short-term notes and bills payable	6(29)	20,008	29,985
Increase in long-term borrowings	6(29)	40,000	-
Repayments of long-term borrowings	6(29)	(50,000)	(20,000)
Payments of lease liabilities	6(29)	(4,175)	(4,607)
Cash dividends paid	6(29)	(108,183)	(116,505)
Non-payment of expired cash dividends from prior year		4	(6)
Proceeds from the disposal of partial equity in a subsidiary		2,644	1,771
(Decrease) increase in guarantee deposits received	6(29)	(837)	2,094
Net cash flows used in financing activities		(94,081)	(126,297)
Effect of exchange rate changes on cash and cash equivalents		3	-
Net decrease in cash and cash equivalents		(17,638)	(18,438)
Cash and cash equivalents at beginning of year		147,449	165,887
Cash and cash equivalents at end of year		$ 129,811	$ 147,449

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

SANLIEN TECHNOLOGY CORP.

NOTES TO THE PARENT COMPANY ONLY FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2024 AND 2023

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

1. History and Organization

Sanlian Technology Co., Ltd. ("the Company") was established on February 20, 1967. The Company's stock has been approved for trading on the Taipei Exchange since May 3, 2001. The Company is primarily engaged in the design, manufacturing, sales and system syndication of factory automation machinery and environmental protection facilities; design, equipment manufacturing, installation, sales and system syndication of remote sensing, power monitoring, ocean monitoring, meteorological observation and navigation system; installation, sales and maintenance of semiconductor equipment of plant; installation and sales of civil engineering safety monitoring technology service and geotechnical engineering safety monitoring technology service, related sensor and metering instruments.

2. The Date of Authorisation for Issuance of the Financial Statements and Procedures for Authorisation

These parent company only financial statements were authorised for issuance by the Board of Directors on March 14, 2025.

3. Application of New Standards, Amendments and Interpretations

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

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

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

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

(2) <u>Effect of new issuances of or amendments to IFRSs Accounting Standards as endorsed by the FSC but not yet adopted by the Company</u>

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

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

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

(3) <u>IFRSs Accounting Standards issued by IASB but not yet endorsed by the FSC</u>

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

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Specific provisions of Amendments to IFRS 9 and IFRS 7,'Amendments to the classification and measurement of financial instruments'	January 1, 2026
Amendments to IFRS9 and IFRS7,'Contracts referencing nature-dependent electricity'	January 1, 2026
Amendments to IFRS 10 and IAS 28, 'Sale or contribution of assets between an investor and its associate or joint venture'	To be determined by International Accounting Standards Board
IFRS 17, 'Insurance contracts'	January 1, 2023
Amendments to IFRS 17, 'Insurance contracts'	January 1, 2023
Amendment to IFRS 17, 'Initial application of IFRS 17 and IFRS 9 – comparative information'	January 1, 2023
IFRS 18, 'Presentation and disclosure in financial statements'	January 1, 2027
IFRS 19, 'Subsidiaries without public accountability: disclosures'	January 1, 2027
Annual Improvements to IFRS Accounting Standards—Volume 11	January 1, 2026

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

A. Specific provisions of Amendments to IFRS 9 and IFRS 7, 'Amendments to the classification and measurement of financial instruments'

The amendments are explained as follow:

Update the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI). The entity shall disclose the fair value of each class of investment and is no longer required to disclose the fair value of each investment. In addition, the amendments require the entity to disclose the fair value gain or loss presented in other comprehensive income during the period, showing separately the fair value gain or loss related to investments derecognised during the reporting period and the fair value gain or loss related to investments held at the end of the reporting period; and any transfers of the cumulative gain or loss within equity during the reporting period related to the investments derecognised during that reporting period.

B. IFRS 18, 'Presentation and disclosure in financial statements'

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

4. Summary of Significant Accounting Policies

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

(1) Compliance statement

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

(2) Basis of preparation

A. Except for the following items, the parent company only financial statements have been prepared under the historical cost convention:

(a) Financial assets at fair value through profit or loss.

(b) Financial assets at fair value through other comprehensive income.

(c) Defined benefit liabilities recognised based on the net amount of pension fund assets less present value of defined benefit obligation.

B. The preparation of financial statements in conformity with International Financial Reporting

Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the FSC (collectively referred herein as the "IFRSs") requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the parent company only financial statements are disclosed in Note 5.

(3) Foreign currency translation

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The parent company only financial statements are presented in New Taiwan dollars, which is the Company's functional currency and the Company's reporting currency.

A. Foreign currency transactions and balances

(a) Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions are recognised in profit or loss in the period in which they arise.

(b) Monetary assets and liabilities denominated in foreign currencies at the period end are re-translated at the exchange rates prevailing at the balance sheet date. Exchange differences arising upon re-translation at the balance sheet date are recognised in profit or loss.

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

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

B. Translation of foreign operations

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

(a) Assets and liabilities for each balance sheet presented are translated at the closing exchange rate at the date of that balance sheet;

(b) Income and expenses for each statement of comprehensive income are translated at average exchange rates of that period; and

(c) All resulting exchange differences are recognised in other comprehensive income (loss).

(4) Classification of current and non-current items

Some operating cycles of the Company's construction contracts are longer than one year, thus, the related assets and liabilities are divided into current and non-current based on its normal operating cycle.

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

   (a) Assets that are expected to be realised, or are intended to be sold or consumed in the normal operating cycle;

   (b) Assets that are held primarily for the purposes of trading;

   (c) Assets that are expected to be realised within twelve months after the reporting period;

   (d) Cash and cash equivalents, excluding restricted cash and cash equivalents and those that are to be exchanged or used to settle liabilities for at least twelve months after the reporting period.

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

   (a) Liabilities that are expected to be settled in the normal operating cycle;

   (b) Liabilities that are held primarily for the purpose of trading;

   (c) Liabilities that are due to be settled within twelve months after the reporting period;

   (d) Liabilities for which there is no right to defer settlement beyond at least twelve months after the reporting period.

(5) <u>Financial assets at fair value through profit or loss</u>

A. Financial assets at fair value through profit or loss are financial assets that are not measured at amortised cost or fair value through other comprehensive income.

B. On a regular way purchase or sale basis, financial assets at fair value through profit or loss are recognised and derecognised using trade date accounting.

C. At initial recognition, the Company measures the financial assets at fair value and recognises the transaction costs in profit or loss. The Company subsequently measures the financial assets at fair value, and recognises the gain or loss in profit or loss.

D. The Company recognises the dividend income when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably.

(6) <u>Financial assets at fair value through other comprehensive income</u>

A. Financial assets at fair value through other comprehensive income comprise equity securities which are not held for trading, and for which the Company has made an irrevocable election at initial recognition to recognise changes in fair value in other comprehensive income.

B. On a regular way purchase or sale basis, financial assets at fair value through other comprehensive income are recognised and derecognised using trade date accounting.

C. At initial recognition, the Company measures the financial assets at fair value plus transaction costs.The Company subsequently measures the financial assets at fair value:

The changes in fair value of equity investments that were recognised in other comprehensive income are reclassified to retained earnings and are not reclassified to profit or loss following the derecognition of the investment. Dividends are recognised as revenue when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably.

(7) Financial assets at amortised cost

A. Financial assets at amortised cost are those that meet all of the following criteria:

(a) The objective of the Company's business model is achieved by collecting contractual cash flows.

(b) The assets' contractual cash flows represent solely payments of principal and interest.

B. On a regular way purchase or sale basis, financial assets at amortised cost are recognised and derecognised using trade date accounting.

C. The Company's time deposits which do not fall under cash equivalents are those with a short maturity period and are measured at initial investment amount as the effect of discounting is immaterial.

(8) Accounts and notes receivable

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

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

(9) Impairment of financial assets

For financial assets at amortised cost, financial assets measured at amortized cost, and receivables from finance leases with significant financing components, long-term receivables from finance leases, and long-term notes and receivables at each reporting date, the Company recognises the impairment provision for 12 months expected credit losses if there has not been a significant increase in credit risk since initial recognition or recognises the impairment provision for the lifetime expected credit losses (ECLs) if such credit risk has increased since initial recognition after taking into consideration all reasonable and verifiable information that includes forecasts. On the other hand, for accounts receivable or contract assets that do not contain a significant financing component, the Company recognises the impairment provision for lifetime ECLs.

(10) Leasing arrangements (lessor) - operating leases

Lease income from an operating lease (net of any incentives given to the lessee) is recognised in profit or loss on a straight-line basis over the lease term.

(11) Inventories

Inventories include merchandise, construction materials, raw materials, materials, work in progress and finished goods. Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted-average method. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads (allocated based on normal operating capacity). It excludes borrowing costs. The item by item approach is used in applying the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale.

(12) Investments accounted for using equity method / subsidiaries and associates

A. Subsidiaries are all entities (including special purpose entities) over which the Company has the power to govern the financials and operating policies. In general, it is presumed that the parent has the power to govern the financials and operating policies, if a parent holds, directly or indirectly, more than half of the voting power of an entity. Investments in subsidiaries are accounted for using the equity method in these parent company only financial statements.

B. Inter-company transactions, balances and unrealised gains or losses on transactions between subsidiaries and the Company are eliminated. Accounting policies of subsidiaries have been adjusted where necessary to ensure consistency with the policies adopted by the Company.

C. The Company's share of its associates' post-acquisition profits or losses is recognised in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. When the Company's share of losses in an associate equals or exceeds its interest in the subsidiary, the Company continues to recognise the losses in propotion to the ownership.

D. Changes in a parent's ownership interest in a subsidiary that do not result in the parent losing control of the subsidiary (transactions with non-controlling interests) are accounted for as equity transactions, i.e. transactions with owners in their capacity as owners. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity.

E. Associates are all entities over which the Company has significant influence but not control. In general, it is presumed that the investor has significant influence, if an investor holds, directly or indirectly 20 percent or more of the voting power of the investee. Investments in associates are accounted for using the equity method and are initially recognised at cost. The excess of the acquisition cost over the Company’s share in the net fair value of the associates’ and joint ventures’ identifiable assets and liabilities at the acquisition date is recognised as goodwill. Such goodwill is included in the carrying amount of the investment and is not amortised.

F. The Company’s share of its associates’ post-acquisition profits or losses is recognised in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. When the Company’s share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Company does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

G. When changes in an associate’s equity do not arise from profit or loss or other comprehensive income of the associate and such changes do not affect the Company’s ownership percentage of the associate, the Company recognises the Company’s share of change in equity of the associate in ‘capital surplus’ in proportion to its ownership.

H. Unrealised gains on transactions between the Company and its associates are eliminated to the extent of the Company’s interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been adjusted where necessary to ensure consistency with the policies adopted by the Company.

I. When the Company disposes its investment in an associate and loses significant influence over this associate, the amounts previously recognised in other comprehensive income in relation to the associate, are reclassified to profit or loss, on the same basis as would be required if the relevant assets or liabilities were disposed of. If it retains significant influence over this associate, the amounts previously recognised in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately in accordance with the aforementioned approach.

(13) <u>Property, plant and equipment</u>

A. Property, plant and equipment are initially recorded at cost.

B. Subsequent costs are included in the asset’s carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

C. Land is not depreciated. Other property, plant and equipment apply cost model and are depreciated using the straight-line method to allocate their cost over their estimated useful lives. Each part of an item of property, plant, and equipment with a cost that is significant in relation to the total cost of the item must be depreciated separately.

D. The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each financial year-end. If expectations for the assets' residual values and useful lives differ from previous estimates or the patterns of consumption of the assets' future economic benefits embodied in the assets have changed significantly, any change is accounted for as a change in estimate under IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors', from the date of the change. The estimated useful lives of property, plant and equipment are as follows:

Buildings and structures	36 ~ 61 years
Machinery and equipment	3 ~ 10 years
Office equipment	3 ~ 20 years
Other equipment	3 ~ 15 years

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

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

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

Lease payments are comprised of the following:

(a) Fixed payments, less any lease incentives receivable; and

(b) Variable lease payments that depend on an index or a rate.

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

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

(a) The amount of the initial measurement of lease liability;

(b) Any lease payments made at or before the commencement date; and

(c) Any initial direct cost incurred.

The right-of-use asset is measured subsequently using the cost model and is depreciated from the commencement date to the earlier of the end of the asset's useful life or the end of the lease term. When the lease liability is remeasured, the amount of remeasurement is recognised as an adjustment to the right-of-use asset.

D. For lease modifications that decrease the scope of the lease, the lessee shall decrease the carrying amount of the right-of-use asset and remeasure the lease liability to reflect the partial or full termination of the lease, and recognise the difference in profit or loss.

(15) Intangible assets- computer software

Computer software is stated at cost and amortised on a straight-line basis over its estimated useful life of 3 years.

(16) Impairment of non-financial assets

A. The Company assesses at each balance sheet date the recoverable amounts of those assets where there is an indication that they are impaired. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or value in use. Except for goodwill, when the circumstances or reasons for recognising impairment loss for an asset in prior years no longer exist or diminish, the impairment loss is reversed. The increased carrying amount due to reversal should not be more than what the depreciated or amortised historical cost would have been if the impairment had not been recognised.

B. The recoverable amounts of goodwill shall be evaluated periodically. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. Impairment loss of goodwill previously recognised in profit or loss shall not be reversed in the following years.

C. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units, or groups of cash-generating units, that is/are expected to benefit from the synergies of the business combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level.

(17) Borrowings

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

(18) Notes and accounts payable

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

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

(19) Employee benefits

A. Short-term employee benefits

Short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in respect of service rendered by employees in a period and should be recognised as expense in that period when the employees render service.

B. Pensions

(a) Defined contribution plan

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

(b) Defined benefit plan

i. Net obligation under a defined benefit plan is defined as the present value of an amount of pension benefits that employees will receive on retirement for their services with the Company in current period or prior periods. The liability recognised in the balance sheet in respect of defined benefit pension plan is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets. The net defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The rate used to discount is determined by using interest rates of government bonds (at the balance sheet date) of a currency and term consistent with the currency and term of the employment benefit obligations.

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

iii. Past service costs are recognised immediately in profit or loss.

C. Termination benefits

Termination benefits are employee benefits provided in exchange for the termination of employment as a result from either the Company's decision to terminate an employee's employment before the normal retirement date, or an employee's decision to accept an offer of redundancy benefits in exchange for the termination of employment. The Company recognises expense as it can no longer withdraw an offer of termination benefits or it recognises relating restructuring costs, whichever is earlier. Benefits that are expected to be due more than 12 months after balance sheet date shall be discounted to their present value.

D. Employees' compensation and directors' remuneration

Employees' compensation and directors' remuneration are recognised as expense and liability, provided that such recognition is required under legal or constructive obligation and those amounts can be reliably estimated. Any difference between the resolved amounts and the subsequently actual distributed amounts is accounted for as changes in estimates. If employee compensation is paid by shares, the Company calculates the number of shares based on the fair value per share estimated using a valuation technique specified in IFRS 2, 'Share-based Payment'.

(20) Income tax

A. The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or items recognised directly in equity, in which cases the tax is recognised in other comprehensive income or equity.

B. The current income tax expense is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in accordance with applicable tax regulations. It establishes provisions where appropriate based on the amounts expected to be paid to the tax authorities. An additional tax is levied on the unappropriated retained earnings and is recorded as income tax expense in the year the stockholders resolve to retain the earnings.

C. Deferred tax is recognised, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated balance sheet. However, the deferred tax is not accounted for if it arises from initial recognition of goodwill or of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences. Deferred tax is provided on temporary differences arising on investments in subsidiaries, except where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

D. Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. At each balance sheet date, unrecognised and recognised deferred tax assets are reassessed.

E. Current income tax assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. Deferred tax assets and liabilities are offset on the balance sheet when the entity has the legally enforceable right to offset current tax assets against current tax liabilities and they are levied by the same taxation authority on either the same entity or different entities that intend to settle on a net basis or realise the asset and settle the liability simultaneously.

(21) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or stock options are shown in equity as a deduction, net of tax, from the proceeds.

(22) Dividends

Dividends are recorded in the Company's financial statements in the period in which they are resolved by the Company's shareholders. Cash dividends are recorded as liabilities.

(23) Revenue recognition

A. Sales of goods

Sales of goods arise from sales of automated machinery, monitoring equipment, electronic equipment and other products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the client, and either the client has accepted the products in accordance with the sales contract, or the Company has objective evidence that all criteria for acceptance have been satisfied.

B. Sales of services

Sales of services arise from the maintenance and repair services of monitoring equipment and electronic equipment and related technical services.

Revenue from providing services is recognised in the accounting period in which the service is rendered.

C. Revenue from system integration

Revenue from system integration arise from providing system integration services for industrial sensor, equipment, power monitoring, production of special-purpose sensor and calibration service of force sensor. The Company and its customers entered into a system integration revenue contract, all committed equipment and integration services have separate prices. However, the Company's revenue from system integration services primarily arise from providing significant services for equipment integration and related services, whereby the control right over the equipment is transferred to customers and net revenue is recognised when there are no subsequent obligations.

D. Construction revenue

The Company's construction contract primarily provides for the installation technique of high technology production machinery (instrument) and civil engineering or provides for professional technical service for safety monitoring on main building in the construction process of private enterprise to generate income.

In the building process, the Company recognised revenue over time for building contracts which were controlled by customers. Because the input costs for building were directly related with the completion degree of performance obligation, the Company assesses the completion degree based on the proportion of actual input costs to the expected total costs. The Company progressively recognises contract assets during the construction process which is transferred to accounts receivable at the time of billing. If the collected proceeds from construction exceeded the amount of revenue recognised, the difference is recognised as contract liabilities. The purpose of retention for construction contracts which is retained by customers is to ensure that the Company will complete all contractual obligations, and is recognised as contract assets until the construction is completed.

If the result of performance obligation cannot be reliably measured, construction revenue is recognised only to the extent of contract costs incurred that is expected to be recoverable.

(24) Government grants

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

5. Critical Accounting Judgements, Estimates and Key Sources of Assumption Uncertainty

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

Critical accounting estimates and assumptions

Financial assets - fair value measurement of unlisted stocks without active market

The fair value of unlisted stocks held by the Company that are not traded in an active market is determined considering those companies' recent fund raising activities and technical development status, fair value assessment of other companies of the same type, market conditions and other economic indicators existing on balance sheet date. Any changes in these judgements and estimates will impact the fair value measurement of these unlisted stocks. Refer to Note 12(3) for the financial instruments fair value information.

As of December 31, 2024, the carrying amount of unlisted stocks without active market was $979,460.

6. Details of Significant Accounts

(1) Cash and cash equivalents

	December 31, 2024	December 31, 2023
Cash on hand and revolving funds	$ 258	$ 339
Demand deposits	73,782	110,527
Demand deposits with foreign currency	55,428	36,139
Checking accounts	343	444
	$ 129,811	$ 147,449

A. The Company transacts with a variety of financial institutions all with high credit quality to disperse credit risk, so it expects that the probability of counterparty default is remote. The Company’s maximum exposure to credit risk at the balance sheet date is the carrying amount of all cash and cash equivalents.

B. The Company has no cash and cash equivalents pledged to others.

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

	December 31, 2024	December 31, 2023
Current items:		
Financial assets mandatorily measured at fair value through profit or loss		
Listed stocks	$ 112,375	$ 97,293
Valuation adjustment	(2,022)	34,511
	$ 110,353	$ 131,804
Non-current items:		
Financial assets mandatorily measured at fair value through profit or loss		
Emerging stocks	$ -	$ 2,318
Unlisted stocks	91,528	57,085
	91,528	59,403
Valuation adjustment	121,220	96,961
	$ 212,748	$ 156,364

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

	2024	2023
Net (loss) gain on financial assets mandatorily measured at fair value through profit or loss	($ 4,368)	$ 123,631
Dividends	$ 4,917	$ 7,137

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

(3) Financial assets at amortised cost

	December 31, 2024	December 31, 2023
Financial assets at amortised cost- current		
Time deposits with maturity over three months	$ 840	$ 840
Deposits in reserve account	16,672	18,243
	$ 17,512	$ 19,083

A. As at December 31, 2024 and 2023, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the financial assets at amortised cost held by the Company was its book value.

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

C. Information relating to credit risk of financial assets at amortised cost is provided in Note 12(2).

(4) Accounts receivable, net

	December 31, 2024	December 31, 2023
Accounts receivable	$ 70,832	$ 63,573
Less: Allowance for uncollectible accounts	(1,061)	(643)
	$ 69,771	$ 62,930

A. The ageing analysis of accounts receivable and notes receivable that were past due but not impaired is as follows:

	December 31, 2024		December 31, 2023	
	Accounts receivable	Notes receivable	Accounts receivable	Notes receivable
Not past due	$ 71,488	$ 13,855	$ 65,864	$ 9,832
Up to 30 days	1,018	-	83	-
31 to 90 days	1,055	-	551	-
91 to 180 days	-	-	319	-
Over 180 days	-	-	-	-
	$ 73,561	$ 13,855	$ 66,817	$ 9,832

The above ageing analysis was based on past due date.

B. As of December 31, 2024 and 2023, accounts receivable and notes receivable were all from contracts with customers. As of January 1, 2023, the balance of receivables from contracts with customers amounted to $92,548.

C. As of December 31, 2024 and 2023, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the Company's accounts receivable was its book value.

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

(5) Inventories

	December 31, 2024		
	Cost	Allowance for valuation loss	Book value
Commodity and engineering material	$ 77,849	($ 4,109)	$ 73,740
Raw materials	3,940	(30)	3,910
Work in progress	270	-	270
Finished goods	5,423	(4)	5,419
	$ 87,482	($ 4,143)	$ 83,339

	December 31, 2023		
	Cost	Allowance for valuation loss	Book value
Commodity and engineering material	$ 112,966	($ 2,642)	$ 110,324
Raw materials	8,391	(83)	8,308
Work in progress	100	-	100
Finished goods	8,177	(1)	8,176
	$ 129,634	($ 2,726)	$ 126,908

The cost of inventories recognised as expense for the year:

	2024	2023
Cost of goods sold	$ 302,069	$ 223,928
Other operating costs	52,614	46,069
Loss on physical inventory	310	405
Loss (gain on reversal of) on decline in market value	1,417	(539)
	$ 356,410	$ 269,863

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

Items	December 31, 2024	December 31, 2023
Non-current items:		
Equity instruments		
Unlisted stocks	$ 250,566	$ 236,332
Valuation adjustment	516,146	259,804
	$ 766,712	$ 496,136

A. The Company has elected to classify equity investments that are considered to be strategic investments as financial assets at fair value through other comprehensive income. The fair value of such investments was its value as at December 31, 2024 and 2023.

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

	2024	2023
Equity instruments at fair value through other comprehensive income		
Fair value change recognised in other comprehensive income	$ 256,342	$ 114,227
Dividend income recognised in profit or loss	$ 47,019	$ 19,392

C. The Company has no financial assets at fair value through other comprehensive income pledged to others.

(7) Investments accounted for using equity method

	December 31, 2024		December 31, 2023	
Investees	Balance	Percentage ownership	Balance	Percentage ownership
Subsidiaries:				
Kemitek Industrial Corp.	$ 692,553	37.24	$ 651,970	37.24
Santek Technology, Inc.	86,550	100.00	81,536	100.00
Gee Lien Resource Development Corp.	16,213	49.00	15,677	60.00
DFOST Corp.	886	51.00	7,650	51.00
Rift Holdings Inc.	15,309	100.00	22,295	100.00
	811,511		779,128	
Associates:				
Siap+Micros Holding S.r.l.	172,307	49.00	135,896	49.00
Trisco Technology Corporation	125,417	26.15	101,330	22.53
	297,724		237,226	
	$ 1,109,235		$ 1,016,354	

A. Subsidiaries

1. For information relating to the Company’s subsidiaries, refer to Note 4(3) of consolidated financial statements for the year ended December 31, 2024.
2. The subsidiary of the company proceeded with the dissolution and liquidation process on November 15, 2024, leading the company to recognize an impairment loss of $10,530. Please refer to Note 6 (12) of the Company's consolidated financial statements for the year 2024.

B. Associates

(a) The basic information of the associates that are material to the Company is as follows:

Company name	Principal place of business	Shareholding ratio December 31, 2024	Shareholding ratio December 31, 2023	Nature of relationship	Method of measurement
Siap+Micros Holding S.r.l.	Italy	49.00	49.00	Strategic investment	Equity method
Trisco Technology Corporation	Taiwan	26.15	22.53	Strategic investment	Equity method

(b) The summarised financial information of the associate that is material to the Company is as follows:

Balance Sheet

	Siap+Micros Holding S.r.l. (Expressed in thousands of Euro) December 31, 2024	Siap+Micros Holding S.r.l. (Expressed in thousands of Euro) December 31, 2023
Current assets	$ 12,706	$ 10,702
Non-current assets	4,375	4,287
Current liabilities	(4,503)	(4,110)
Non-current liabilities	(1,394)	(1,829)
Total net assets	$ 11,184	$ 9,050

	Siap+Micros Holding S.r.l. December 31, 2024	Siap+Micros Holding S.r.l. December 31, 2023
Share in associate's net assets	$ 172,307	$ 135,896
Carrying amount of the associate	$ 172,307	$ 135,896

Balance Sheet

	Trisco Technology Corporation (Expressed in thousands of NTD)	
	December 31, 2024	December 31, 2023
Current assets	$ 169,603	$ 144,892
Non-current assets	430,463	425,352
Current liabilities	(38,513)	(39,567)
Non-current liabilities	(82,034)	(80,920)
Total net assets	$ 479,519	$ 449,757

	Trisco Technology Corporation	
	December 31, 2024	December 31, 2023
Share in associate's net assets	$ 125,417	$ 101,330
Carrying amount of the associate	$ 125,417	$ 101,330

Statement of comprehensive income

	Siap+Micros Holding S.r.l. (Expressed in thousands of Euro)	
	Year ended December 31, 2024	Year ended December 31, 2023
Revenue	$ 16,354	$ 11,929
Profit for the year from continuing operations	2,113	1,269
Other comprehensive income(loss), net of tax	21	(34)
Total comprehensive income	$ 2,134	$ 1,235

Statement of comprehensive income

	Trisco Technology Corporation (Expressed in thousands of NTD)	
	Year ended December 31, 2024	Year ended December 31, 2023
Revenue	$ 85,068	$ 84,086
Profit for the year from continuing operations	38,731	22,805
Other comprehensive income, net of tax	7,191	36,368
Total comprehensive income	$ 45,922	$ 59,173

C. Cash dividends from investments accounted for using the equity method for the years ended December 31, 2024 and 2023 amounted to $70,067 and $87,573, respectively.

D. In 2024 and 2023, certain investments of the Company were accounted for based on the financial statements audited by other auditors. Information on share of profit (loss) recognised based on the Company's shareholding ratio is as follows:

	Year ended December 31, 2024	Year ended December 31, 2023
Share of profit of subsidiaries, associates and joint ventures accounted for using equity method	$ 64,324	$ 38,444
Investments accounted for using equity method - Gain (losses) on remeasurements of defined benefit plan	$ 359	($ 562)
Investments accounted for using equity method - Exchange difference from translation of foreign operations	$ 5,434	$ 6,312
Investments accounted for using equity method - Unrealised gains(losses) from investments in equity instruments measured at fair value through other comprehensive income	($ 144)	$ 2,564

	December 31, 2024	December 31, 2023
Investments accounted for using equity method	$ 423,807	$ 362,160

E. The Company increased its investment in Trisco Technology Corporation for the amount of $18,176 on October 11, 2024, the percentage of ownership increasing from 22.53% to 26.15%.

F. The Company increased its investment in Trisco Technology Corporation for the amount of $11,486 in September 8, 2023, which resulted in gain recognized in bargain purchase transaction of $11,009, the percentage of ownership increase from 18.35% to 22.53%. Consequently, the investment, as a whole, was transferred from financial assets at fair value through other comprehensive income - non-current to investments accounted for using equity method.

(8) Property, plant and equipment

	2024						
	Land	Buildings and structures	Machinery	Office equipment	Equipment under acceptance	Others	Total
At January 1							
Cost	$ 92,868	$ 100,499	$ 9,769	$ 11,288	$ 4,102	$ 7,010	$ 225,536
Accumulated depreciation and impairment	-	(36,345)	(3,910)	(6,868)	-	(4,141)	(51,264)
	$ 92,868	$ 64,154	$ 5,859	$ 4,420	$ 4,102	$ 2,869	$ 174,272
Opening net book amount as at January 1	$ 92,868	$ 64,154	$ 5,859	$ 4,420	$ 4,102	$ 2,869	$ 174,272
Additions	-	-	1,184	316	4,728	917	7,145
Disposals - Cost	-	-	(698)	(537)	-	(364)	(1,599)
Disposals - Accumulated depreciation	-	-	698	219	-	364	1,281
Reclassifications	-	-	4,086	216	(4,562)	260	-
Depreciation charge	-	(2,490)	(2,031)	(1,114)	-	(750)	(6,385)
Closing net book amount as at December 31	$ 92,868	$ 61,664	$ 9,098	$ 3,520	$ 4,268	$ 3,296	$ 174,714
At December 31							
Cost	$ 92,868	$ 100,499	$ 14,341	$ 11,283	$ 4,268	$ 7,823	$ 231,082
Accumulated depreciation and impairment	-	(38,835)	(5,243)	(7,763)	-	(4,527)	(56,368)
	$ 92,868	$ 61,664	$ 9,098	$ 3,520	$ 4,268	$ 3,296	$ 174,714

	2023							
	Land	Buildings and structures	Machinery	Transportation equipment	Office equipment	Equipment under acceptance	Others	Total
At January 1								
Cost	$ 92,868	$ 100,499	$ 10,369	$ 1,680	$ 12,312	$ -	$ 9,648	$ 227,376
Accumulated depreciation and impairment	-	(33,855)	(2,911)	(1,652)	(6,666)	-	(6,292)	(51,376)
	$ 92,868	$ 66,644	$ 7,458	$ 28	$ 5,646	$ -	$ 3,356	$ 176,000
Opening net book amount as at January 1	$ 92,868	$ 66,644	$ 7,458	$ 28	$ 5,646	$ -	$ 3,356	$ 176,000
Additions	-	-	-	-	-	4,102	234	4,336
Disposals - Cost	-	-	(600)	(1,680)	(1,366)	-	(2,872)	(6,518)
Disposals - Accumulated depreciation	-	-	600	1,680	1,366	-	2,872	6,518
Reclassifications	-	-	-	-	342	-	-	342
Depreciation charge	-	(2,490)	(1,599)	(28)	(1,568)	-	(721)	(6,406)
Closing net book amount as at December 31	$ 92,868	$ 64,154	$ 5,859	$ -	$ 4,420	$ 4,102	$ 2,869	$ 174,272
At December 31								
Cost	$ 92,868	$ 100,499	$ 9,769	$ -	$ 11,288	$ 4,102	$ 7,010	$ 225,536
Accumulated depreciation and impairment	-	(36,345)	(3,910)	-	(6,868)	-	(4,141)	(51,264)
	$ 92,868	$ 64,154	$ 5,859	$ -	$ 4,420	$ 4,102	$ 2,869	$ 174,272

A. The Company has no interest capitalisation and impairment loss for the years ended December 31, 2024 and 2023.

B. Information about the property, plant and equipment that were pledged to others as collateral is provided in Note 8.

(9) Leasing arrangements - lessee

A. The Company's leased assets include office, corporate vehicles and the software of 3D design. The lease period was 1 to 5 years. Lessees had no bargain purchase option on aforementioned assets at the end of the lease period.

B. The movements of right-of-use assets of the Company during 2024 and 2023 are as follows:

	December 31, 2024		December 31, 2023	
	Book value		Book value	
Buildings and structures	$	1,294	$	672
Transportation equipment		5,076		7,963
Other equipment		220		460
	$	6,590	$	9,095

	Year ended December 31, 2024		Year ended December 31, 2023	
	Depreciation charge		Depreciation charge	
Buildings and structures	$	780	$	672
Transportation equipment		3,412		3,949
Other equipment		240		20
	$	4,432	$	4,641

C. For the years ended December 31, 2024 and 2023, the additions to right-of-use assets were $2,642 and $4,495, respectively.

D. The information on profit and loss accounts relating to lease contracts is as follows:

	Year ended December 31, 2024		Year ended December 31, 2023	
Items affecting profit or loss				
Interest expense on lease liabilities	$	148	$	153
Expense on short-term lease contracts	$	34	$	488
Expense on leases of low-value assets	$	220	$	219

E. For the years ended December 31, 2024 and 2023, the Company's total cash outflow for leases were $4,577 and $5,467, respectively.

(10) Leasing arrangements - lessor

A. The Company leased buildings and structures in operating leases. The lease period was 1 to 3 years, and there were no options to extend the lease period. All operating lease contracts were individually negotiated and the rent and related terms were adjusted according to the market during the lease renewal. Lessees had no bargain purchase option on these assets at the end of the lease period.

B. For the years ended December 31, 2024 and 2023, the Company recognised rent income in the amounts of $926 and $801, respectively, based on the operating lease agreement, which does not include variable lease payments.

C. The maturity analysis of the lease receivables under the operating leases is as follows:

	December 31, 2024	December 31, 2023
2024	$ -	$ 352
2025	176	-
After 2026	164	-
	$ 340	$ 352

(11) Short-term borrowings and short-term notes and bills payable

Type of borrowings	December 31, 2024	Interest rate range	Collateral
Bank borrowings			
Unsecured borrowings	$ 130,000	2.09%～2.68%	None
Secured borrowings	182,883	1.95%～2.05%	Deposits in reserve account
	$ 312,883		
Short-term notes and bills payable	$ 49,993	1.68%	None

Type of borrowings	December 31, 2023	Interest rate range	Collateral
Bank borrowings			
Unsecured borrowings	$ 150,000	1.96%～2.19%	None
Secured borrowings	156,425	1.90%～2.02%	Deposits in reserve account
	$ 306,425		
Short-term notes and bills payable	$ 29,985	1.50%	None

A. As of December 31, 2024 and 2023, the amounts of undrawn short-term borrowing facilities were $177,117 and $227,567, respectively.

B. As of December 31, 2024 and 2023, the amounts of undrawn short-term notes and bills payable facilities were $0 and $20,000, respectively.

C. Refer to Note 8 for the details of collateral for the abovementioned borrowing.

(12) Other payables

	December 31, 2024	December 31, 2023
Accrued salaries and bonuses	$ 76,637	$ 72,614
Payable on equipment	404	-
Others	15,521	11,076
	$ 92,562	$ 83,690

(13) Long-term borrowings

Type of borrowings	Borrowing period and repayment term	December 31, 2024	December 31, 2023
Secured borrowings	Borrowing period is from November 21, 2023 to November 21, 2026; the principal is repaid according to different maturity dates; interest is payable monthly	$ 80,000	$ 60,000
Secured borrowings	Borrowing period is from October 6, 2022 to October 24, 2026; the principal is repaid according to different maturity dates, interest is payable monthly	40,000	90,000
Secured borrowings	Borrowing period is from February 15, 2022 to February 15, 2026; the principal is repaid according to different maturity dates; interest is payable monthly	70,000	50,000
		190,000	200,000
	Less: Current portion	-	(140,000)
		$ 190,000	$ 60,000
Interest rate range		2.09% ~ 2.42%	1.78% ~ 2.34%

A. As of December 31, 2024 and 2023, the amounts of undrawn long-term borrowing facilities were $80,000 and $70,000, respectively.

B. Refer to Note 8 for the details of collateral for the abovementioned long-term borrowing.

(14) Pensions

A. Defined benefit plan

(a) Directors who were on the job and managers who were commissioned according to Company Act and were approved by the Board of Directors were included in the Company's pension plan for the Company's directors and managers. Under the pension plan, directors and general manager who had serviced for over 3 years and are older than 55, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement. The length of service is calculated as half year when it is less than six months and as one yea when it is more than six months. An additional 20% on top of the amount shall be given to workers forced to retire or terminate due to insanity or physical disability incurred from the execution of their duties.

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

	December 31, 2024	December 31, 2023
Present value of defined benefit obligations	$ 3,746	$ 3,280
Fair value of plan assets	-	-
Net defined benefit liability	$ 3,746	$ 3,280

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

	2024		
	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liability
At January 1	$ 3,280	$ -	$ 3,280
Current service cost	466	-	466
Settlement profit or loss	-	-	-
At December 31	$ 3,746	$ -	$ 3,746

	2023		
	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liability
At January 1	$ 2,731	($ 2,292)	$ 439
Current service cost	466	-	466
Settlement profit or loss	83	2,292	2,375
At December 31	$ 3,280	$ -	$ 3,280

B. Defined contribution plan

The Company has established a defined contribution plan managed by the government under the Labor Pension Act. The Company contributes 6% of the employees' monthly salaries and wages to the individual designated account of the Bureau of Labor Insurance as pensions.

C. The Company recognised pension cost:

	Year ended December 31, 2024	Year ended December 31, 2023
Net retirement cost recognised according to defined benefit pension plan	$ 466	$ 466
Recognised according to Labor Pension Act of R.O.C.	3,659	3,424
	$ 4,125	$ 3,890

For the years ended December 31, 2024 and 2023, the amounts of directors' remuneration recognised in pension cost were $466.

(15) Share capital

As of December 31, 2024, the Company has authorised capital in the amount of $1,050,000, consisting of 105,000 thousand shares (including convertible corporate bonds of 30,000 thousand shares, corporate bonds with warrant of 20,000 thousand shares and warrant certificates of 4,000 thousand shares) with a par value of $10. All proceeds from shares issued have been collected. The number of the Company's ordinary shares outstanding are as follows:

The shareholders' meeting of the Company on May 29, 2024 approved a capitalization of retained earnings to increase the Company's capital by issuing 2,080 thousand shares with a par value of $10(in dollars) per share with the effective date set on August 2, 2024, and the amount of capital became $436,892, the record date was on September 15, 2024. As of December 31, 2024, the procedures for the capital increase have been registered and authorized by the competent authority. The number of common shares outstanding at the beginning and end of the period is as follows:

	2024 (in thousands)	2023 (in thousands)
At January 1	41,609	41,609
Stock dividends	2,080	-
At December 31	43,689	41,609

(16) Capital surplus

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

(17) Retained earnings

A. On June 26, 2019, the shareholders of the Company approved to amend the Company's Articles of Incorporation. Under the amended Articles of Incorporation, the Company shall distribute earnings every half fiscal year and authorised the Board of Directors to resolve the distribution of dividends and bonus in cash which shall be reported to the shareholders.

   In accordance with the earnings distribution policies in the Company's amended Articles of Incorporation, the current earnings in every half fiscal year, if any, shall first be used to pay all taxes and offset prior years' accumulated deficit, retaining estimated employees' compensation and directors' remuneration and then 10% of the remaining amount shall be set aside as legal reserve until the legal reserve equals the paid-in capital. In addition, special reserve is set aside or reversed in accordance with regulations. The appropriation of the remainder along with the unappropriated earnings adjustments in prior half fiscal year, shall be proposed by the Board of Directors and approved by the shareholders if the dividends will be distributed in the form of shares. If the dividends will be distributed in cash, the appropriation shall be resolved by the Board of Directors.

   The current year's earnings, if any, shall first be used to pay all taxes and offset prior years' operating losses and then 10% of the remaining amount shall be set aside as legal reserve until the legal reserve amount is equal to the paid-in capital. In addition, special reserve is set aside or reversed in accordance with regulations, the appropriation of the remainder along with the unappropriated earnings adjustments in prior half fiscal year, shall be proposed by the Board of Directors. The Board of Directors is authorised by the Company to resolve the distribution of dividends and bonuses or legal reserve and capital reserve, in whole or in part, in accordance with Paragraph 1 of Article 241 of the Company Act in the form of cash by a resolution adopted by the majority vote at its meeting attended by two-thirds of the total number of directors, and then reported to the shareholders.

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

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

D. The appropriations of 2023 and 2022 earnings had been approved by the shareholders during their meeting on May 29, 2024 and May 24, 2023, respectively. Details are summarised below:

	Year ended December 31, 2023		Year ended December 31, 2022	
	Amount	Dividends per share (in dollars)	Amount	Dividends per share (in dollars)
Legal reserve	$ 30,190	$ -	$ 16,343	$ -
Stock dividends	20,804	0.5	-	-
Cash dividends	108,183	2.6	116,505	2.8
		$ 3.1		$ 2.8

E. The appropriations of 2024 earnings had been approved by the Board of Directors during its meeting on March 14, 2025. Details are summarised below:

	Year ended December 31, 2024	
	Amount	Dividends per share (in dollars)
Legal reserve	$ 18,468	$ -
Cash dividends	113,592	2.6
		$ 2.6

As of March 14, 2025, the appropriations of 2024 earnings have not been resolved at the shareholders' meeting.

(18) Other equity items

	2024		
	Currency translation	Unrealised gains (losses) on valuation	Total
At January 1	($ 4,457)	$ 262,368	$ 257,911
Currency translation differences:			
- The Company	7,617	-	7,617
- Associates	(117)	-	(117)
- Tax	(1,256)	-	(1,256)
Valuation			
- The Company	-	256,342	256,342
- Associates	-	(144)	(144)
At December 31	$ 1,787	$ 518,566	$ 520,353

	2023		
	Currency translation	Unrealised gains (losses) on valuation	Total
At January 1	($ 8,564)	$ 176,581	$ 168,017
Currency translation differences:			
- The Company	4,461	-	4,461
- Associates	586	-	586
- Tax	(940)	-	(940)
Valuation			
- The Company	-	116,791	116,791
- Valuation adjustments transferred to retained earnings	-	(31,004)	(31,004)
At December 31	($ 4,457)	$ 262,368	$ 257,911

(19) Operating revenue

A. Disaggregation of revenue from contracts with customers

The Company derives revenue from the transfer of goods and services over time and at a point in time in the following major product lines and geographical regions:

2024	Automatic monitoring segment	Other segments	Total
Revenue from external customer contracts	$ 525,278	$ 6,698	$ 531,976
Timing of revenue recognition			
At a point in time	$ 498,790	$ 6,698	$ 505,488
Over time	26,488	-	26,488
	$ 525,278	$ 6,698	$ 531,976

2023	Automatic monitoring segment	Other segments	Total
Revenue from external customer contracts	$ 435,366	$ 5,465	$ 440,831
Timing of revenue recognition			
At a point in time	$ 409,629	$ 5,465	$ 415,094
Over time	25,737	-	25,737
	$ 435,366	$ 5,465	$ 440,831

B. Contract assets and liabilities

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

	December 31, 2024	December 31, 2023	January 1, 2023
Contract assets:			
Construction	$ 5,683	$ 10,440	$ 3,934
Loss allowance	(29)	(21)	(8)
Total	$ 5,654	$ 10,419	$ 3,926
Contract liabilities:			
Construction	$ 4,720	$ 5,049	$ 4,658
System integration	6,070	6,422	17,875
Sales of goods	2,749	877	1,930
Total	$ 13,539	$ 12,348	$ 24,463

(b) Revenue recognised that was included in the contract liability balance at the beginning of the year

	Year ended December 31, 2024		Year ended December 31, 2023	
Construction	$	3,807	$	3,349
System integration		6,068		17,027
Sales of goods		877		1,790
	$	10,752	$	22,166

C. Uncompleted contracts

The transaction price is allocated to unsatisfied performance obligations under the contract, and the expected recognition timing were as follows. The amounts disclosed do not include variable consideration.

	December 31, 2024		December 31, 2023	
Construction contracts				
Executory in 1 year	$	17,030	$	26,618
Executory in 1 to 3 years		6,616		10,140
Executory over 3 years		18,577		18,252
	$	42,223	$	55,010

	December 31, 2024		December 31, 2023	
System integration contracts				
Executory in 1 year	$	4,272	$	6,422
Executory in 1 to 3 years		120		-
Executory over 3 years		1,678		-
	$	6,070	$	6,422

	December 31, 2024		December 31, 2023	
Sales contracts				
Executory in 1 year	$	2,749	$	877
Executory in 1 to 3 years		-		-
Executory over 3 years		-		-
	$	2,749	$	877

(20) Interest income

	Year ended December 31, 2024	Year ended December 31, 2023
Interest income from bank deposits	$ 1,012	$ 821
Other interest income	28	26
	$ 1,040	$ 847

(21) Other income

	Year ended December 31, 2024	Year ended December 31, 2023
Rent income	$ 926	$ 801
Dividend income	51,936	26,529
Gain recognized in bargain purchase transaction	-	11,009
Other income	7,624	6,810
	$ 60,486	$ 45,149

(22) Other gains and losses

	Year ended December 31, 2024	Year ended December 31, 2023
(Losses) gains on financial assets at fair value through profit or loss	($ 4,367)	$ 123,631
Foreign exchange gains	2,848	777
Gains on disposals of property, plant and equipment	117	524
Other losses	(52)	(25)
	($ 1,454)	$ 124,907

(23) Finance costs

	Year ended December 31, 2024	Year ended December 31, 2023
Interest expense	$ 10,770	$ 11,537
Interest expense on lease liability	148	153
	$ 10,918	$ 11,690

(24) Employee benefit expense

	Year ended December 31, 2024		
	Operating cost	Operating expense	Total
Wages and salaries	$ 22,535	$ 76,123	$ 98,658
Directors' remuneration	-	15,049	15,049
Labour and health insurance fees	2,062	5,554	7,616
Pension costs	1,213	2,446	3,659
Other personnel expenses	1,009	4,240	5,249
	$ 26,819	$ 103,412	$ 130,231

	Year ended December 31, 2023		
	Operating cost	Operating expense	Total
Wages and salaries	$ 25,616	$ 75,305	$ 100,921
Directors' remuneration	-	18,041	18,041
Labour and health insurance fees	2,184	5,102	7,286
Pension costs	1,294	2,130	3,424
Other personnel expenses	902	4,494	5,396
	$ 29,996	$ 105,072	$ 135,068

A. In accordance with the Articles of Incorporation of the Company, a ratio of distributable profit of the current year shall be distributed as employees’ compensation and directors’ remuneration. The ratio shall not be lower than 1% for employees’ compensation and shall not be higher than 5% for directors’ remuneration. However, when the Company has accumulated deficit, no employees' compensation and directors' remuneration shall be distributed.

B. For the years ended December 31, 2024 and 2023, employees’ compensation was accrued at \$8,525 and \$12,020, respectively; while directors’ remuneration was accrued at \$6,394 and \$9,015, respectively. The aforementioned amounts were recognised in salary expenses.

The employees’ compensation and directors’ remuneration were estimated and accrued based on 4% and 3%, respectively, of distributable profit for the year ended December 31, 2024.

Employees’ compensation and directors’ remuneration for 2023 as resolved by the Board of Directors were in agreement with those amounts recognised in the 2023 financial statements.

Information about employees’ compensation and directors’ and supervisors’ remuneration of the Company as resolved by the Board of Directors will be posted in the “Market Observation Post System” at the website of the Taiwan Stock Exchange.

(25) Expenses by nature

	Year ended December 31, 2024		
	Operating cost	Operating expense	Total
Employee benefit expense	$ 26,819	$ 103,412	$ 130,231
Depreciation charges	2,405	8,412	10,817
Amortisation charges	-	110	110
	$ 29,224	$ 111,934	$ 141,158

	Year ended December 31, 2023		
	Operating cost	Operating expense	Total
Employee benefit expense	$ 29,996	$ 105,072	$ 135,068
Depreciation charges	2,387	8,660	11,047
Amortisation charges	-	413	413
	$ 32,383	$ 114,145	$ 146,528

(26) Income tax

A. Income tax expense

(a) Components of income tax expense:

	Year ended December 31, 2024	Year ended December 31, 2023
Current tax:		
Current tax on profits for the year	$ 3,712	$ 5,195
Tax on undistributed surplus earnings	7,137	2,249
Prior year income tax overestimation	(418)	(429)
Total current tax	10,431	7,015
Deferred tax:		
Origination and reversal of temporary differences	4,434	995
Income tax expense	$ 14,865	$ 8,010

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

	Year ended December 31, 2024	Year ended December 31, 2023
Currency translation differences	$ 1,256	$ 940

B. Reconciliation between income tax expense and accounting profit

	Year ended December 31, 2024	Year ended December 31, 2023
Tax calculated based on profit before tax and statutory tax rate	$ 39,640	$ 55,895
Tax exempt income by tax regulation	(31,223)	(49,705)
Effect from investment tax credits	(271)	-
Prior year income tax overestimation	(418)	(429)
Tax on undistributed earnings	7,137	2,249
Income tax expense	$ 14,865	$ 8,010

C. Amounts of deferred tax assets or liabilities as a result of temporary differences are as follows:

	2024			
	January 1	Recognised in profit or loss	Recognised in other comprehensive income	December 31
- Deferred tax assets:				
Unrealised expenses	$ 8,967	$ 394	$ -	$ 9,361
Remeasurement of defined benefit plan	880	-	-	880
Others	918	159	-	1,077
	10,765	553	-	11,318
- Deferred tax liabilities:				
Investment income	(20,225)	(5,469)	-	(25,694)
Unrealised pension contributions	(741)	608	-	(133)
Cumulative translation adjustments	(649)	-	(1,256)	(1,905)
Others	-	(126)	-	(126)
	(21,615)	(4,987)	(1,256)	(27,858)
	($ 10,850)	($ 4,434)	($ 1,256)	($ 16,540)

	2023			
	January 1	Recognised in profit or loss	Recognised in other comprehensive income	December 31
- Deferred tax assets:				
Unrealised expenses	$ 7,708	$ 1,259	$ -	$ 8,967
Remeasurement of defined benefit plan	880	-	-	880
Cumulative translation adjustments	291	-	(291)	-
Others	1,055	(137)	-	918
	9,934	1,122	(291)	10,765
- Deferred tax liabilities:				
Investment income	(18,008)	(2,217)	-	(20,225)
Unrealised pension contributions	(834)	93	-	(741)
Unrealised exchange gain	(7)	7	-	-
Cumulative translation adjustments	-	-	(649)	(649)
	(18,849)	(2,117)	(649)	(21,615)
	($ 8,915)	($ 995)	($ 940)	($ 10,850)

D. The Company's income tax returns through 2022 have been assessed and approved by the Tax Authority.

(27) Earnings per share

A. Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to ordinary shareholders of the parent by the weighted average number of ordinary shares in issue during the period.

B. Diluted earnings per share

Diluted earnings per share is calculated as the profit attributable to ordinary equity holders of the parent company, based on the effect from dilutive potential ordinary shares, divided by the weighted-average number of current outstanding ordinary shares.

	Year ended December 31, 2024		
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 183,338	43,689	$ 4.20
Diluted earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 183,338	43,689	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	-	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	$ 183,338	43,689	$ 4.20

	Year ended December 31, 2023		
	Amount after tax	Weighted average number of shares outstanding on a retroactive basis (shares in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 271,466	43,689	$ 6.21
Diluted earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 271,466	43,689	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	-	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	$ 271,466	43,689	$ 6.21

The weighted average number of outstanding shares has been retrospectively adjusted according to the earnings capitalization ratio as of the capital increase record date, September 15, 2024. Before the adjustment in 2023, both the basic earnings per share and diluted earnings per share were 6.52(after tax).

(28) Supplemental cash flow information

Investing activities with partial cash payments

	Year ended December 31, 2024	Year ended December 31, 2023
Purchase of property, plant and equipment	$ 7,145	$ 4,336
Add: Opening balance of payable on equipment	-	3,785
Less: Ending balance of payable on equipment	(404)	-
Less: Ending balance of payable on equipment - related parties	(575)	-
Cash paid during the year	$ 6,166	$ 8,121

(29) Changes in liabilities from financing activities

	2024						
	Short-term borrowings	Short-term notes and bills payables	Long-term borrowings (including current portion)	Lease liability	Dividends payable	Guarantee deposits received	Liabilities from financing activities
At January 1	$ 306,425	$ 29,985	$ 200,000	$ 8,735	$ -	$ 2,094	$ 547,239
Changes in cash flow from financing activities	6,458	20,008	(10,000)	(4,175)	(108,183)	(837)	(96,729)
Interest paid	-	-	-	(148)	-	-	(148)
Increase in lease liability for the year	-	-	-	2,642	-	-	2,642
Interest expense from amortisation	-	-	-	148	-	-	148
Declared cash dividends	-	-	-	-	108,183	-	108,183
Other non-cash fluctuations	-	-	-	(726)	-	-	(726)
At December 31	$ 312,883	$ 49,993	$ 190,000	$ 6,476	$ -	$ 1,257	$ 560,609

	2023						
	Short-term borrowings	Short-term notes and bills payables	Long-term borrowings (including current portion)	Lease liability	Dividends payable	Guarantee deposits received	Liabilities from financing activities
At January 1	$ 325,454	$ -	$ 220,000	$ 9,368	$ -	$ -	$ 554,822
Changes in cash flow from financing activities	(19,029)	29,985	(20,000)	(4,607)	(116,505)	2,094	(128,062)
Interest paid	-	-	-	(153)	-	-	(153)
Increase in lease liability for the year	-	-	-	4,015	-	-	4,015
Interest expense from amortisation	-	-	-	153	-	-	153
Declared cash dividends	-	-	-	-	116,505	-	116,505
Other non-cash fluctuations	-	-	-	(41)	-	-	(41)
At December 31	$ 306,425	$ 29,985	$ 200,000	$ 8,735	$ -	$ 2,094	$ 547,239

7. Related Party Transactions

(1) Names of related parties and relationship

Names of related parties	Relationship with the Company
Kemitek Industrial Corp.	Subsidiary
Santek Technology, Inc.	Subsidiary
Gee Lien Resource Development Corp.	Subsidiary
DFOST Corp.	Subsidiary
Rift Holdings Inc.	Subsidiary
RIFT Systems Inc.	Subsidiary
Siap+Micros Holding S.r.l.	Associate
Siap+Micros S.p.a.	Associate
Trisco Technology Corporation (Note 1)	Associate
Trisco Technology Corporation (Shenzhen)	Associate
Sanlien Education Foundation	Related party in substance
Meteorological Application & Development Foundation	Related party in substance
Sino-Geotechnics Research and Development Foundation	Related party in substance
Taiwan Climate Services Partnership	Related party in substance
Chinese Taipei Ski Association	Related party in substance
PUJEN Land Development Co., Ltd.	Related party in substance
China Metal Products Co., Ltd.	Related party in substance
Taichung CMP Hospitality Management Consulting Co., Ltd.	Related party in substance
The Hotel National Company Limited	Related party in substance
Asia world engineering & Construction Co.	Related party in substance
Yan Lien Technology Corp.	Related party in substance
P-Waver Inc.	Related party in substance
Atrans precision industries Co.,Ltd.	Related party in substance
Wu Chi-Wei	Related party in substance
Huang Yu-Qun	Related party in substance
Lin Ting-Fung	Related party in substance
Lin Ta-Chun	The Company's key management
Lin Chia-Ching	The Company's key management
Chen Xiu-Hui(Note 2)	The Company's key management
Gao Zhu-Min	The Company's key management

Note 1: The Company increased its investment in Trisco Technology Corporation. Therefore, it became an associate since September 2023.

Note 2: Since March 2024, has served as the Deputy General Manager.

(2) Significant related party transactions

A. Operating revenue:

	Year ended December 31, 2024	Year ended December 31, 2023
Sales of goods:		
Subsidiaries	$ 26,272	$ 28,051
Related party in substance	15,586	11,394
	$ 41,858	$ 39,445

The Company's transaction amounts and conditions with related parties were in agreement with third parties.

B. Purchases:

	Year ended December 31, 2024	Year ended December 31, 2023
Purchases of goods:		
Related party in substance	$ 450	$ 5,662
Associates	13,108	5,348
Subsidiaries	3,034	1,960
	$ 16,592	$ 12,970

The Company's transaction amounts and conditions with related parties were in agreement with third parties.

C. Notes receivable from related parties:

	December 31, 2024	December 31, 2023
Notes receivable:		
Related party in substance	$ -	$ 38

D. Accounts receivable from related parties:

	December 31, 2024	December 31, 2023
Accounts receivable:		
Subsidiaries	$ 2,604	$ 2,588
Associates	37	-
Related party in substance	88	656
	$ 2,729	$ 3,244

E. Prepayments to related parties:

	December 31, 2024	December 31, 2023
Prepayments		
Related party in substance	$ 571	-

F. Accounts payable to related parties:

	December 31, 2024	December 31, 2023
Accounts payable:		
Related party in substance	$ 473	$ -
Associates	5,676	3,430
Subsidiaries	1,385	205
	$ 7,534	$ 3,635

G. Other payables to related parties:

	December 31, 2024	December 31, 2023
Other payables:		
Related party in substance	$ -	$ 162
Associates	-	115
Subsidiaries	1,280	-
	$ 1,280	$ 277

H. Contract liabilities to related parties:

	December 31, 2024	December 31, 2023
Contract liabilities		
Related party in substance	$ -	$ 2,475

I. Property transactions:

(a) Acquisition of property, plant, and equipment:

	Year ended December 31, 2024	Year ended December 31, 2023
Subsidiaries	$ 985	$ -

(b) Acquisition of financial assets:

	Accounts	No. of shares (in thousands)	Objects	Year ended December 31, 2024 Consideration
Related party in substance	Financial assets at fair value through profit or lose - non-current	1,789	Asia World Engineering & Construction Co.	$ 23,373
Subsidiary	Investments accounted for using equity method (Issue of share)	510	DFOST Corp.	5,100
Related party in substance	Investments accounted for using equity method	552	Trisco Technology Corporation	17,116
Related party in substance	Investments accounted for using equity method	34	Trisco Technology Corporation	1,060
				$ 46,649

	Accounts	No. of shares (in thousands)	Objects	Year ended December 31, 2023 Consideration
Subsidiary	Investments accounted for using equity method (Issue of shares)	1,530	DFOST Corp.	$ 15,300

(c) Disposal of financial assets:

	Accounts	No. of shares (in thousands)	Objects	Year ended December 31, 2024 Proceeds
Related party in substance	Investments accounted for using equity	40	Gee Lien Resource Development Corp.	$ 964

	Accounts	No. of shares (in thousands)	Objects	Year ended December 31, 2023 Proceeds
Related party in substance	Investments accounted for using equity	35	Gee Lien Resource Development Corp.	$ 674

J. Lease transactions - lessee

Rent expense

	Year ended December 31, 2024	Year ended December 31, 2023
Subsidiaries	$ -	$ 15
Related party in substance	-	220
	$ -	$ 235

K. Leasing arrangements - lessor

(a) The Company leased buildings and structures in operating leases, with a lease period of 1 to 3 years. The amount of lease is determined based on the local rental level and used area, and is paid by the lessee on a monthly basis.

(b) Rent income:

	Year ended December 31, 2024	Year ended December 31, 2023
Subsidiaries	$ 189	$ 660
Related party in substance	-	30
	$ 189	$ 690

L. Others

(a) Others

Realationship with the Group	Account	Year ended December 31, 2024	Year ended December 31, 2023
Subsidiaries	Expenses for labour dispatch	$ 2,627	$ 2,555
〃	Other income	4,476	4,718
〃	Other operating expenses	1,137	801
Associates	Other operating expenses	34	-
Related party in substance	Other operating expenses	205	1,494
〃	Other income	7	4

In order to assist Sanlien Education Foundation in promoting each project and the development of science popularization education, the Company, for the years ended December 31, 2024and 2023, gave grants amounted to $2,000 and $1,700, respectively.

M. Endorsements and guarantees provided to related parties:

Refer to Note 9 for details of endorsements and guarantees provided to related parties.

(3) Key management compensation

	Year ended December 31, 2024	Year ended December 31, 2023
Salaries and other short-term employee benefits (Note)	$ 11,062	$ 10,792
Post-employment benefits	637	598
Share-based payment transaction	-	-
	$ 11,699	$ 11,390

Note: The related expenses and depreciation pertaining to the official cars used by the main management were included in key management compensation.

8. Pledged Assets

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

	Book value		
Pledged asset	December 31, 2024	December 31, 2023	Purpose
Land	$ 47,279	$ 47,279	Long-term borrowings
Buildings and structures - net	13,464	14,026	〃
Time deposits	840	840	Pledged as collateral for tariff
Deposits in reserve account	16,672	18,243	Short-term borrowings
	$ 78,255	$ 80,388	

9. Significant Contingent Liabilities and Unrecognised Contract Commitments

(1) Contingencies

None.

(2) Commitments

A. As of December 31, 2024 and 2023, the amounts of refundable deposit notes issued by the Company for undertaking each construction and bank financing facilities were $112,551, for both years.

B. As of December 31, 2024 and 2023, the Company had guarantee notes issued by financial institutions for customs duty in the amount of $5,000, for both years.

C. As of December 31, 2024 and 2023, the Company had repaid the prepayment for undertaking construction which were guaranteed by banks in the amounts of $1,833 and $5,009, respectively.

D. As of December 31, 2024 and 2023, the subsidiary, Gee Lien Resource Development Corp., provided guarantee for the Company to undertake constructions in the amounts of $20,000 and $50,000, respectively. As of December 31, 2024 and 2023, the Company has used $18,601 and $20,632, respectively.

E. As of December 31, 2024 and 2023, the Company's outstanding letters of credit but not yet drawn amounted to $7,000 and $16,000, respectively.

F. As of December 31, 2024 and 2023, the Company provided guarantee for the subsidiary, Gee Lien Resource Development Corp., to undertake constructions, amounting to $26,000 and $40,000, respectively. As of December 31, 2024 and 2023, the subsidiary, Gee Lien Resource Development Corp. has used $19,911 and $21,408, respectively.

10. Significant Disaster Loss

None.

11. Significant Events after the Balance Sheet Date

On March 14, 2025, the Board of Directors approved the appropriations of 2024 earnings. Details of resolution by the Board of Directors are provided in Note 6(17).

12. Others

(1) Capital management

The Company’s goal of capital management was to secure the Company’s going concern and to maintain a healthy capital basis in order to keep the confidence of investor, debtor and market and to support the development of future operations. Capital included the Company’s share capital, capital surplus, retained earnings and non-controlling interests. The Board of Directors controlled and managed the return on capital and dividends policy of common share simultaneously. For the year ended December 31, 2024, the Company’s capital management was the same as usual and did not change.

(2) Financial instruments

A. Financial instruments by category

	December 31, 2024	December 31, 2023
Financial assets		
Financial assets at fair value through profit or loss		
Financial assets designated as at fair value through profit or loss on initial recognition	$ 323,101	$ 288,168
Financial assets at fair value through other comprehensive income		
Qualifying equity instruments	$ 766,712	$ 496,136
Financial assets at amortised cost		
Cash and cash equivalents	$ 129,811	$ 147,449
Financial assets at amortised cost	17,512	19,083
Notes receivable	13,855	9,832
Accounts receivable	72,500	66,174
Guarantee deposits paid	7,729	7,591
Long-term notes and accounts receivable	4,158	525
	$ 245,565	$ 250,654

	December 31, 2024	December 31, 2023
Financial liabilities		
Financial liabilities at amortised cost		
Short-term borrowings	$ 312,883	$ 306,425
Short-term notes and bills payable	49,993	29,985
Notes payable	25	347
Accounts payable	37,080	65,073
Other accounts payable	93,842	83,967
Long-term borrowings (including current portion)	190,000	200,000
Guarantee deposits received	1,257	2,094
	$ 685,080	$ 687,891
Lease liability	$ 6,476	$ 8,735

B. Financial risk management policies

The Company had adopted overall risk management and control system to identify all risks including market risk, credit risk, liquidity risks and cash flow risks in order for the management to control and evaluate these risks effectively. The Company's objectives on market risk management are to achieve the optimal risk position, maintain an optimal level of liquidity and centralise risk management operations, with consideration of the economic environment, competitive status and market value risk.

C. Significant financial risks and degrees of financial risks

(a) Market risk

Foreign exchange risk

i. The Company's sales and purchases are primarily denominated in NTD, JPY and USD. The fair value of financial assets and liabilities which were denominated in foreign currency changed according to the fluctuations in market exchange rates. As the Company offsets these market risks by matching the foreign currency assets and liabilities positions and their payment periods, it does not expect significant market risk due to exchange rate.

ii. The Company’s businesses involve some non-functional currency operations (the Company’s functional currency: NTD). The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

	December 31, 2024		
	Foreign currency amount (In thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
JPY:NTD	$ 60,011	$ 0.208	$ 12,482
USD:NTD	1,455	32.74	47,637
RMB:NTD	1	4.453	4
CHF:NTD	129	36.14	4,662
EUR:NTD	5	33.94	170
Investments accounted for using equity method			
HKD:NTD	$ 20,563	4.209	$ 86,550
EUR:NTD	5,047	34.14	172,307
USD:NTD	489	31.31	15,309
Financial liabilities			
Monetary items			
JPY:NTD	$ 28,396	0.212	$ 6,020
USD:NTD	14	32.84	460
EUR:NTD	1	34.34	34
CHF:NTD	13	36.39	473
RMB:NTD	284	4.503	1,279

	December 31, 2023		
	Foreign currency amount (In thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	$ 596	$ 30.66	$ 18,276
JPY:NTD	63,250	0.215	13,611
EUR:NTD	199	33.78	6,721
CHF:NTD	125	36.36	4,541
Investments accounted for using equity method			
EUR:NTD	$ 3,999	33.98	$ 135,896
HKD:NTD	20,936	3.895	81,536
Financial liabilities			
Monetary items			
USD:NTD	$ 22	30.76	$ 673
JPY:NTD	27,198	0.219	5,962
EUR:NTD	5	34.18	183
CHF:NTD	53	36.61	1,929
RMB:NTD	29	4.352	126

iii. The Company is primarily affected by the exchange rate fluctuation of JPY and USD. Foreign exchange risk between JPY, USD and NTD arose primarily from gains or losses on foreign currency exchange from translating JPY and USD denominated cash, cash equivalents, accounts receivable and other receivables, accounts payable and other payables. When the Company’s functional currency, NTD, fluctuated 1% against JPY and USD, the sensitivity analysis were as follows:

	December 31, 2024	December 31, 2023
Effect on profit after tax and equity	$ 429	$ 202

When the Company’s foreign currency assets position is higher than foreign currency liabilities, a positive number above indicates an increase in net profit and equity associated with New Taiwan dollars decreasing 1% against the relevant currency. For a 1% increase in New Taiwan dollars against the relevant currency, the amount of impact on net profit and equity would be the same but negative.

(b) Credit risk

i. The Company's policy is to trade only with counterparties with rating of investment level, and if necessary, the Company requires for sufficient collaterals to reduce the financial loss risk from past due accounts. The Company assesses credit rating of major customers by using public financial information and historical transaction records. The Company continuously monitors its credit exposure and the credit rating of counterparties, and allocates the total transaction amount to different customers with qualified credit rating. In addition, the Company manages credit exposures through proper review and approval to the credit facility of counterparties by key management annually.

ii. In order to reduce credit risk, the Company's management appointed an exclusive group to be in charge of the decision of credit facilities, approval of credit and other monitoring procedures to ensure adequate action is taken on the collection of the past due accounts receivable. In addition, on the balance sheet date, the Company will review the recoverable amount of each accounts receivable to ensure the unrecoverable accounts receivable had been properly provisioned impairment loss. Based on the above information, the management believes the credit risk of the Company has significantly decreased.

iii. The expected credit losses on accounts receivable are estimated by using the lifetime expected losses. The lifetime expected losses are calculated based on the provision matrix, taking into consideration that past default experience of the customer, an analysis of the customer's current financial position, industrial economic situation, GDP forecast and the future conditions of the industry in which the customers operate.

iv. As the Company's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision matrix is not further distinguished according to the Company's different customer base and the expected credit losses were calculated from the past due date of accounts receivable.

v. The Company has internal credit risk management, without consideration of the collaterals held, default has occurred under the following conditions:

(i) Internal or external information indicates that it is impossible for the creditors to repay its obligations.

(ii) Past due over 181 days, except when there was a reasonable explanation and supporting documentation that the delay shall not be considered a default.

vi. The Company adopts following assumptions under IFRS 9 to assess whether there has been a significant increase in credit risk on that instrument since initial recognition:

If the contract payments are past due in accordance with the contract terms, counterparties have serious financial difficulties and the Company cannot reasonably estimate the recoverable amount, there has been a significant increase in credit risk on that instrument since initial recognition.

vii. If there is evidence to prove that counterparties have a material financial difficulty and the recoverable amount cannot be estimated reliably, for example, when counterparties are processing the liquidation, the Company will directly write off related accounts receivable. However, the Company will continue executing the recourse procedures to secure their rights, and the recovered amount arising from the recourse procedures will be recognised in profit or loss.

viii. The Company's provision matrix of accounts receivable and contract assets is as follows:

	Not past due	Up to 30 days past due	31~90 days past due	91~180 days past due	Over 180 days	Overdue receivables	Total
At December 31, 2024							
Expected credit loss rate	0.50%	15.00%	51%~74%	-	-	-	
Book value	$ 77,171	$ 1,018	$ 1,055	$ -	$ -	$ -	$ 79,244
Allowance	(379)	(153)	(558)	-	-	-	(1,090)
Amortised cost	$ 76,792	$ 865	$ 497	$ -	$ -	$ -	$ 78,154
At December 31, 2023							
Expected credit loss rate	0.20%	11.00%	47%~81%	72%~86%	-	-	
Book value	$ 76,303	$ 83	$ 551	$ 319	$ -	$ -	$ 77,256
Allowance	(150)	(9)	(274)	(230)	-	-	(663)
Amortised cost	$ 76,153	$ 74	$ 277	$ 89	$ -	$ -	$ 76,593

ix. As of December 31, 2024 and 2023, the expected credit loss rates of contract assets were 0.5% and 0.2%, respectively.

x. Movements in relation to the Company applying the modified approach to provide loss allowance for accounts receivable and contract assets are as follows:

	2024	
	Accounts receivable	Contract assets
At January 1	$ 643	$ 21
Provision for impairment	418	8
At December 31	$ 1,061	$ 29

	2023	
	Accounts receivable	Contract assets
At January 1	$ 968	$ 8
Provision for impairment	116	13
Write-offs during the years	(441)	-
At December 31	$ 643	$ 21

(c) Liquidity risk

i. For the Company's financial assets and liabilities that will mature in one year, the working capital of the Company is sufficient, therefore there is no liquidity risk from the inability to raise capital for fulfilling contractual obligations.

ii. The Company invested surplus cash in interest bearing time deposits and marketable securities, choosing instruments with appropriate maturities or sufficient liquidity to provide sufficient headroom as determined by the abovementioned forecasts. As for the held monetary market fund, refer to Note 6 for details of financial assets. The Company expects to timely generate cash flows to manage liquidity risk.

iii. Refer to Notes 6(11) and 6(13) for details of undrawn borrowing facility of the Company.

iv. The table below analyses the Company's non-derivative financial liabilities and net-settled or gross-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date for non-derivative financial liabilities and to the expected maturity date for derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows.

December 31, 2024	Less than 1 year	Between 1 and 5 years	Over 5 years	Total
Non-derivative financial liabilities				
Long-term borrowings (including current portion)	$ -	$ 190,000	$ -	$190,000
Lease liability	$ 3,627	$ 3,040	$ -	$ 6,667

December 31, 2023	Less than 1 year	Between 1 and 5 years	Over 5 years	Total
Non-derivative financial liabilities				
Long-term borrowings (including current portion)	$140,000	$ 60,000	$ -	$200,000
Lease liability	$ 4,140	$ 4,846	$ -	$ 8,986

Except as stated above, the Company's short-term borrowings, short-term notes and bills payable, notes payable, accounts payable and other payable are due within the following year.

(3) Fair value information

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

Level 1: Inputs that are quoted prices unadjusted in active markets for identical assets or liabilities. A market is regarded as active if it meets all the following conditions: the items traded in the market are homogeneous; willing buyers and sellers can normally be found at any time; and prices are available to the public. The fair value of the Company's investment in listed stocks is included in Level 1.

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

Level 3: Inputs for the asset or liability that are not based on observable market data.

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

December 31, 2024	Level 1	Level 2	Level 3	Total
Recurring fair value measurements				
Financial assets at fair value through profit or loss				
Listed stocks	$ 110,353	$ -	$ -	$ 110,353
Unlisted stocks	-	-	212,748	212,748
Financial assets at fair value through other comprehensive income				
Unlisted stocks	-	-	766,712	766,712
	$ 110,353	$ -	$ 979,460	$ 1,089,813

December 31, 2023	Level 1	Level 2	Level 3	Total
Recurring fair value measurements				
Financial assets at fair value through profit or loss				
Listed stocks	$ 132,946	$ -	$ -	$ 132,946
Unlisted stocks	-	-	155,222	155,222
Financial assets at fair value through other comprehensive income				
Unlisted stocks	-	-	496,136	496,136
	$ 132,946	$ -	$ 651,358	$ 784,304

C. The methods and assumptions the Company used to measure fair value are as follows:

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

	Listed shares
Market quoted price	Closing price

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

E. The valuation procedures for fair value measurements being categorised within Level 3, which is to verify independent fair value of financial instruments. Such assessment is to ensure the valuation results are reasonable by applying independent information to make results close to current market conditions, confirming the resource of information is independent, reliable and in line with other resources and represented as the exercisable price, and periodically valued any other necessary adjustments to the fair value.

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

(a) Financial asset at fair value through other comprehensive income- Equity instrument

	2024	2023
At January 1	$ 496,136	$ 447,927
Increase during the year	14,234	20,000
Disposal during the year	-	(86,018)
Recorded as unrealised losses on valuation of investments in equity instruments measured at fair value through other comprehensive income	256,342	114,227
At December 31	$ 766,712	$ 496,136

(b) Financial asset at fair value through profit or loss - Equity instrument

	2024	2023
At January 1	$ 155,222	$ 76,422
Increase during the year	34,443	-
Disposal during the year	(2,318)	-
Recorded as unrealized gains on valuation of investments in equity instruments measured at fair value through profit or loss	24,259	78,800
Transfer into Level 3	1,142	-
At December 31	$ 212,748	$ 155,222

G. The following is the qualitative information of significant unobservable inputs and sensitivity analysis of changes in significant unobservable inputs to valuation model used in Level 3 fair value measurement:

	Fair value at December 31, 2024	Valuation technique	Significant unobservable input	Range	Relationship of inputs to fair value
Non-derivative equity instrument:					
Unlisted shares	$ 927,110	Market comparable companies	Price-Book Ratio	0.55~38.95	The higher the multiple and control premium, the higher the fair value; the higher the discount for lack of marketability, the lower the fair value
			Price to book ratio multiple	1.24~3.46	
			Discount for lack of marketability	20%~50%	
Unlisted shares	$ 52,350	Net asset value	Net asset value	-	The higher the net asset value, the higher the fair value; the higher the discount for lack of marketability, the lower the fair value
			Discount for lack of marketability	10%	

	Fair value at December 31, 2023	Valuation technique	Significant unobservable input	Range	Relationship of inputs to fair value
Non-derivative equity instrument:					
Unlisted shares	$ 617,518	Market comparable companies	Price-Book Ratio	4.27~40.91	The higher the multiple and control premium, the higher the fair value; the higher the discount for lack of marketability, the lower the fair value
			Price to book ratio multiple	1.42~2.82	
			Discount for lack of marketability	20%~50%	
Unlisted shares	$ 33,840	Net asset value	Net asset value	-	The higher the net asset value, the higher the fair value; the higher the discount for lack of marketability, the lower the fair value
			Discount for lack of marketability	10%	

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

	Input value	Change	December 31, 2024			
			Recognized in profit or loss		Recognized in other comprehensive income	
			Favorable change	Unfavorable change	Favorable change	Unfavorable change
Financial assets						
Equity instruments	Price-to-book ratio, Price to book ratio multiple and Discount for lack of marketability	± 1%	$ 2,127	($ 2,127)	$ 7,249	($ 7,249)
Equity instruments	Net asset value, Discount for lack of marketability	± 1%	$ -	$ -	$ 419	($ 419)

	Input value	Change	December 31, 2023			
			Recognized in profit or loss		Recognized in other comprehensive income	
			Favorable change	Unfavorable change	Favorable change	Unfavorable change
Financial assets						
Equity instruments	Price-to-book ratio, Price to book ratio multiple and Discount for lack of marketability	± 1%	$ 1,552	($ 1,552)	$ 4,623	($ 4,623)
Equity instruments	Net asset value, Discount for lack of marketability	± 1%	$ -	$ -	$ 338	($ 338)

13. Supplementary Disclosures

(1) Significant transactions information

A. Loans to others: None.

B. Provision of endorsements and guarantees to others: Refer to table 1.

C. Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): Refer to table 2.

D. Acquisition or sale of the same security with the accumulated cost exceeding $300 million or 20% of the Company’s paid-in capital: None.

E. Acquisition of real estate reaching $300 million or 20% of paid-in capital or more: None.

F. Disposal of real estate reaching $300 million or 20% of paid-in capital or more: None.

G. Purchases or sales of goods from or to related parties reaching $100 million or 20% of paid-in capital or more: Refer to table 3.

H. Receivables from related parties reaching $100 million or 20% of paid-in capital or more: None.

I. Trading in derivative instruments undertaken during the reporting periods: None.

J. Significant inter-company transactions during the reporting periods: Refer to table 4.

(2) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China): Refer to Note 5.

(3) Information on investments in Mainland China

A. Basic information: Refer to table 6.

B. Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area: None.

(4) Major shareholders information

Major shareholders information: Refer to table 7.

14. Segment Information

Not applicable.

SANLIEN TECHNOLOGY CORP. AND SUBSIDIARIES

Provision of endorsements and guarantees to others

For the year ended December 31, 2024

Table 1

Expressed in thousands of NTD

(Except as otherwise indicated)

Number (Note 1)	Endorser/ guarantor	Party being endorsed/guaranteed		Limit on endorsements/ guarantees provided for a single party (Note 3)	Maximum outstanding endorsement/ guarantee amount as of December 31, 2024	Outstanding endorsement/ guarantee amount at December 31, 2024	Actual amount drawn down	Amount of endorsements/ guarantees secured with collateral	Ratio of accumulated endorsement/ guarantee amount to net asset value of the endorser/ guarantor company	Ceiling on total amount of endorsements/ guarantees provided (Note 3)	Provision of endorsements/ guarantees by parent company to subsidiary	Provision of endorsements/ guarantees by subsidiary to parent company	Provision of endorsements/ guarantees to the party in Mainland China	Footnote
		Company name	Relationship with the endorser/ guarantor (Note 2)											
0	Sanlien Technology Corp.	Gee Lien Resource Development Corp.	(1)	$ 398,204	$ 40,000	$ 26,000	$ 19,911	$ -	1.31	$ 597,306	Y	N	N	-
1	Gee Lien Resource Development Corp.	Sanlien Technology Corp.	(1)	26,460	50,000	20,000	18,601	-	67.24	26,460	N	Y	N	-

Note 1:The company assigns "0" for itself, and subsidiaries are numbered sequentially starting with the Arabic numeral "1" according to their respective companies.

Note 2:(1) Companies with business transactions.

(2) Companies in which the company directly or indirectly holds more than 50% of voting shares.

(3) Companies that directly or indirectly hold more than 50% of the voting shares in the company.

(4) The endorser/guarantor parent company owns directly and indirectly more than 90% voting shares of the endorsed/guaranteed company.

Note 3: 1. Endorsement guarantee method.

(1) According to the company's endorsement and guarantee regulations, the total amount of endorsements and guarantees shall not exceed 30% of the net value of the most recent financial statements audited by an accountant, and the limit for endorsements and guarantees for a single enterprise shall not exceed 20% of the most recent net value.

(2) Maximum endorsement and guarantee limit: 1,991,020 * 30% = 597,306.

(3) Limit for endorsement and guarantee for a single enterprise: 1,991,020 * 20% = 398,204.

2. Gee Lien Resource Development Corp. The endorsement and guarantee are limited to the parent company. The total amount of the company's endorsement and guarantee responsibility and the limit for a single enterprise are based on the business dealings amount between the two parties in the most recent year. Business dealings refer to the purchase or sales amount, signed contracts, etc., with the higher amount prevailing.

SANLIEN TECHNOLOGY CORP. AND SUBSIDIARIES

Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures)

December 31, 2024

Table 2

Expressed in thousands of NTD

(Except as otherwise indicated)

				As of December 31, 2023				
Securities held by	Marketable securities （Note 1）	Relationship with the securities issuer （Note 2）	General ledger account	Number of shares	Book value （Note 3）	Ownership (%)	Fair value	Footnote （Note 4）
Sanlien Technology Corp.	China Metal Products Co., Ltd. Common Stock	The chairman of the issuer is the immediate family of the chairman of the Company	Financial assets at fair value through profit or loss - current	$ 2,900,637	$ 89,920	0.72	$ 89,920	-
"	TECO Electric & Machinery Co., Ltd. Common Stock	-	"	30,000	1,566	-	1,566	-
"	MAYER Steel Pipe Corp. Common Stock	-	"	48,000	1,344	0.02	1,344	
"	Tatung Company Common Stock	-	"	60,000	2,874	-	2,874	
"	Sinopac Financial Holdings Company Limited Common Stock	-	"	608,289	13,930	-	13,930	-
"	Holy Stone Enterprise Co., Ltd Common Stock	-	"	8,400	719	0.01	719	-
Sanlien Technology Corp.	Asia World Engineering & Construction Co. Common Stock	The Company is the director of the issuer	Financial assets at fair value through profit or loss - non-current	11,000,000	198,220	11.00	198,220	-
"	Yan Lien Technology Corp., Common shares	-	"	90,000	3,042	18.00	3,042	-
"	Hansuan Cheng Corporation Common Stock	-	"	57,000	986	19.00	986	-
"	Kintech Technology Co., Ltd. Common Stock	-	"	432,000	-	0.25	-	-
"	Longmen No. 1 Venture Capital Limited Partnership	-	"	-	10,500	4.73	10,500	-
Sanlien Technology Corp.	Pujen Land Development Co., Ltd. Common Stock	The chairman of the issuer is the immediate family of the chairman of the Company	Measured at fair value through other comprehensive income - non-current	17,786,456	610,787	6.34	610,787	-
"	Pacific Cycles Inc. Common Stock	The Company is the director of the issuer	"	1,227,600	53,891	5.46	53,891	-
"	Innofund li Co., Ltd. Common Stock	The Company is the director of the issuer	"	3,000,000	41,850	10.00	41,850	-
"	P-waver Inc. Common Stock	The Company is the director of the issuer	"	2,000,000	16,260	13.07	16,260	-
"	Masada Technology Co., Ltd. Common Stock	-	"	2,922,600	42,202	2.60	42,202	
"	AEGIVERSE Co., Ltd. Common Stock	-	"	3,130,000	1,722	1.63	1,722	-

Note 1: Marketable securities in the table refer to stocks, bonds, beneficiary certificates and other related derivative securities.
Note 2: Leave the column blank if the issuer of marketable securities is non-related party.
Note 3: Fill in the amount after adjusted at fair value and deducted by accumulated impairment for the marketable securities measured at fair value; fill in the acquisition cost or amortised cost deducted by accumulated impairment for the marketable securities not measured at fair value.
Note 4: The number of shares of securities and their amounts pledged as security or pledged for loans and their restrictions on use under some agreements should be stated in the footnote if the securities presented herein have such conditions.

SANLIEN TECHNOLOGY CORP. AND SUBSIDIARIES

Purchases or sales of goods from or to related parties reaching NT$100 million or 20% of paid-in capital or more

For the year ended December 31, 2024

Table 3

Expressed in thousands of NTD

(Except as otherwise indicated)

			Transaction				Differences in transaction terms compared to third party transactions		Notes/accounts receivable (payable)		
Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	Footnote
Kemitek Industrial Corp.	Tama Chemicals Co., Ltd.	An investee accounted for under the equity method	Purchases	$ 1,845,428	55.27	30~120 days	Same as other transactions	Comparable with other vendors	$ 653,886	56.34	-

SANLIEN TECHNOLOGY CORP. AND SUBSIDIARIES

Significant inter-company transactions during the reporting period

For the year ended December 31, 2024

Table 4

Expressed in thousands of NTD

(Except as otherwise indicated)

				Transaction			
Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	General ledger account	Amount (Note 3)	Transaction terms	Percentage of consolidated total operating revenues or total assets
0	Sanlien Technology Corp.	Santek Technology, Inc.	(1)	Operating income	$ 16,482	Same as general customers	0.37
0	Sanlien Technology Corp.	Gee Lien Resource Development Corp.	(1)	Operating income	6,295	Same as general customers	0.14
0	Sanlien Technology Corp.	Kemitek Industrial Corp.	(1)	Operating income	3,410	Same as general customers	0.08
0	Sanlien Technology Corp.	Gee Lien Resource Development Corp.	(1)	Cost of sales	4,188	Same as general customers	0.09
0	Sanlien Technology Corp.	Kemitek Industrial Corp.	(1)	Other income	3,259	Same as general customers	0.07
0	Sanlien Technology Corp.	Santek Technology, Inc.	(1)	Other expense	2,627	Same as general customers	0.06
1	Santek Technology, Inc.	Sanlien Technology Corp.	(2)	Operating income	3,532	Same as general customers	0.08
1	Santek Technology, Inc.	Timlien Trading (Shanghai) Co., Ltd.	(1)	Cost of sales	3,175	Same as general customers	0.07

Note 1: The numbers filled in for the transaction company in respect of inter-company transactions are as follows:
(1) Parent company is ‘0’.
(2) The subsidiaries are numbered in order starting from ‘1’.

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

Note 3: The transaction amount or the balance of the creditor's rights and debts is more than $2,500.

SANLIEN TECHNOLOGY CORP. AND SUBSIDIARIES

Information on investees

For the year ended December 31, 2024

Table 5

Expressed in thousands of NTD

(Except as otherwise indicated)

Investor	Investee	Location	Main business activities	Initial investment amount: Balance as at December 31, 2024	Initial investment amount: Balance as at December 31, 2023	Shares held as at December 31, 2024: Number of shares	Shares held as at December 31, 2024: Ownership (%)	Shares held as at December 31, 2024: Book value	Net profit (loss) of the investee for the year ended December 31, 2024	Investment income (loss) recognised by the Company for the year ended December 31, 2024	Footnote
Sanlien Technology Corp.	Kemitek Industrial Corp.	Taiwan	Manufacturing and sales of semiconductor-related chemicals	$ 276,923	$ 276,923	25,490,748	37.24	$ 692,553	$ 277,072	$ 103,468	Subsidiary
"	Santek Technology, Inc.	Hong Kong	Sales of electronic and electrical products	22,321	22,321	5,520,420	100.00	86,550	(201)	256	Subsidiary
"	Gee Lien Resource Development Corp.	Taiwan	Earth science and technology engineering contractor	10,318	12,635	490,000	49.00	16,213	11,526	5,887	Subsidiary
"	DFOST Corporation	Taiwan	Development and sales of optical fiber sensor monitors	30,600	25,500	3,060,000	51.00	886	(23,264)	(11,864)	Subsidiary
"	Rift Holdings Inc.	U.S.A.	Overseas holding company	29,571	29,571	950,000	100.00	15,309	(8,353)	(8,353)	Subsidiary
Rift Holdings Inc.	Rift Systems Inc.	U.S.A.	Sales of equipment (sensors), electrical materials	27,257	27,257	900,000	90.00	15,055	(8,618)	(7,757)	Subsidiary
Sanlien Technology Corp.	Siap+Micros Holding S.r.l	Italy	Overseas holding company	86,950	86,950	-	49.00	172,307	73,259	35,897	-
Siap+Micros Holding S.r.l	Siap+Micros S.p.a	Italy	Manufacturing, trading and providing related technical services of astronomical,walrus and meteorological monitoring instruments	177,448	177,448	1,302,083	100.00	363,437	74,798	-	-
Sanlien Technology Corp.	Trisco Technology Corporation	Taiwan	Manufacturing, processing and trading of electronic component	75,575	57,400	4,226,598	26.15	125,417	38,731	8,333	-
Santek Technology, Inc.	Agnos Chemicals Pte.Ltd.	Singapore	Specialty chemicals manufacturing and trading	12,058	12,058	625,000	6.25	22,221	90,934	-	-
"	Billion Corporation	Samoa	Overseas holding company	7,155	7,155	199,963	35.10	9,707	(4,678)	-	-
Kemitek Industrial Corp.	Agnos Chemicals Pte.Ltd.	Singapore	Specialty chemicals manufacturing and trading	48,583	48,583	2,500,000	25.00	88,553	90,934	-	-

SANLIEN TECHNOLOGY CORP. AND SUBSIDIARIES

Information on investments in Mainland China

For the year ended December 31, 2024

Table 6

Expressed in thousands of NTD

(Except as otherwise indicated)

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2024	Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan for the year ended December 31, 2024		Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2024	Net income of investee for the year ended December 31, 2024	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended December 31, 2024 (Note 2 (2) B)	Book value of investments in Mainland China as of December 31, 2024	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2024	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
Zhuhai Tritek Electronic Co., Ltd.	Manufacturing and sales of auto meter, sensor, tube and alcohol solubility tester.	$ 13,081	(2)	$ 7,155	$ -	$ -	$ 7,155	($ 4,679)	35.10	($ 1,641)	$ 8,178	$ -	
Timlien Trading (Shanghai) Co., Ltd.	Wholesale, import and export of electronic products, electronic components, sensors, instruments, electromechanical equipment and accessories, geotechnical construction safety equipment and materials, commission agency (except auction), and provision of related supporting services.	6,557	(2)	6,753	-	-	6,753	110	100.00	110	4,580	-	Note 3

Company name	Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2024	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (MOEA)	Ceiling on investments in Mainland China imposed by the Investment Commission of MOEA
Sanlien Technology Corp.	$ 16,449	$ 16,449	$ 1,889,957

Note 1: Investment methods:

(1) Direct investment in mainland China.

(2) Investment in mainland Chinese companies directly or indirectly through an existing company in a third region, such as Santek Technology Co., Ltd. in Hong Kong.

(3) Others.

Note 2: In the ‘Investment income (loss) recognised by the companyfor the year ended December 31, 2024’ column:

(1) It should be indicated if the investee was still in the incorporation arrangements and had not yet any profit during this period.

(2) Indicate the basis for investment income (loss) recognition in the number of one of the following three categories:

A.The financial statements were audited and attested by international accounting firm which has cooperative relationship with accounting firm in R.O.C.

B.The financial statements were audited and attested by R.O.C. parent company’s CPA.

C.Recognized based on the self-prepared financial statements provided by the investee company.

Note 3: It has been written off during the preparation of the consolidated financial statements.

SANLIEN TECHNOLOGY CORP. AND SUBSIDIARIES

Major shareholders information

December 31, 2024

Table 7

Name of major shareholders	Shares	
	Number of shares held	Ownership (%)
Multiple Investment Corp.	3,392,317	7.76
Rui Hua Investment Co., Ltd.	2,866,977	6.56
Lucent Source, Ltd.	2,659,087	6.08

SANLIEN TECHNOLOGY CORP.
STATEMENT OF CASH AND CASH EQUIVALENTS
DECEMBER 31, 2024
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Statement 1

Item	Description	Amount	
Cash on hand and revolving funds	Cash on hand and revolving funds	$	258
Checking accounts			343
Demand deposits			73,782
Demand deposits with foreign currency			
	(USD 1,169 thousand, exchange rate: 32.74)		38,262
	(JPY 59,485 thousand, exchange rate: 0.208)		12,367
	(CHF 128 thousand, exchange rate: 36.14)		4,641
	(EUR 5 thousand, exchange rate: 33.94)		158
		$	129,811

SANLIEN TECHNOLOGY CORP.
STATEMENT OF FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS - CURRENT
DECEMBER 31, 2024
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Statement 2

Name of Financial Instrument	Description	Shares	Face Value (in dollars)	Total Amount	Cost	Fair Value	
						Unit Price (in dollars)	Total Amount
Common shares	China Metal Products Co., Ltd.	2,900,637	$ 10	$ 89,920	$ 93,683	$ 31.00	$ 89,920
Common shares	TECO Electric & Machinery Co.,	30,000	10	1,566	1,588	52.20	1,566
Common shares	MAYER Steel Pipe Corp.	48,000	10	1,344	1,612	28.00	1,344
Common shares	Tatung Company	60,000	10	2,874	3,421	47.90	2,874
Common shares	Sinopac Financial Holdings Company Limited	608,289	10	13,930	11,197	22.90	13,930
Common shares	Holy Stone Enterprise Co., Ltd	8,400	10	719	873	85.60	719
				$ 110,353	$ 112,374		$ 110,353

SANLIEN TECHNOLOGY CORP.
STATEMENT OF CHANGES IN FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS - NON-CURRENT
FOR THE YEAR ENDED DECEMBER 31, 2024
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Statement 3

	Beginning Balance		Addition (Note 1)		Decrease (Note 2)		Ending Balance		Pledged as
Name of Financial Instrument	Shares	Fair Value	Shares	Amount	Shares	Amount	Shares	Fair Value	collateral
Miramar Hospitality Co., Ltd. Common Shares	122,000	$ 1,142	-	$ -	(122,000)	($ 1,142)	-	$ -	None
Asia World Engineering & Construction Co. Common Shares	9,202,096	152,479	1,797,904	45,741	-	-	11,000,000	198,220	None
Yan Lien Technology Corp. Common Shares	90,000	2,743	-	299	-	-	90,000	3,042	None
Hansuan Cheng Corporation Common Stock	-	-	57,000	986	-	-	57,000	986	None
Kintech Technology Co., Ltd. Common Shares	432,000	-	-	-	-	-	432,000	-	None
Longmen No. 1 Venture Capital Limited Partnership	-	-	-	10,500	-	-	-	10,500	None
		$ 156,364		$ 57,526		($ 1,142)		$ 212,748	

Note 1 : Additions for the year increase the amount of investment and increase in financial assets arising from fair value measurement.
Note 2 : This period's decrease is due to the disposal of investments.

SANLIEN TECHNOLOGY CORP.
STATEMENT OF FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME - NON-CURRENT
FOR THE YEAR ENDED DECEMBER 31, 2024
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Statement 4

	Beginning Balance		Addition (Note 1)		Decrease (Note 2)		Ending Balance		Accumulated	Pledged as
Name	Shares	Fair Value	Shares	Amount	Shares	Amount	Shares	Fair Value	Impairment	collateral
Pujen Land Development Co., Ltd. Common Shares	17,786,456	$ 358,397	-	$ 252,390	-	$ -	17,786,456	$ 610,787	Not applicable	None
Pacific Cycles Inc. Common Shares	1,227,600	69,519	-	-	-	(15,627)	1,227,600	53,892	Not applicable	None
Innofund li Co., Ltd. Common Shares	3,000,000	33,840	-	8,010	-	-	3,000,000	41,850	Not applicable	None
P-waver Inc. Common Shares	2,000,000	17,520	-	-	-	(1,260)	2,000,000	16,260	Not applicable	None
Masada Technology Co., Ltd. Common Shares	2,000,000	16,860	922,600	25,342	-	-	2,922,600	42,202	Not applicable	None
AEGIVERSE Co., Ltd. Common Shares	-	-	3,130,000	5,008	-	(3,287)	3,130,000	1,721	Not applicable	None
		$ 496,136		$ 290,750		($ 20,174)		$ 766,712		

Note 1 : Additions for the year are increases in investment amount and increases in financial assets arising from fair value measurement.
Note 2 : Decreases for the year are decreases in financial assets arising from fair value measurement.

SANLIEN TECHNOLOGY CORP.
STATEMENT OF CHANGES IN INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD
FOR THE YEAR ENDED DECEMBER 31, 2024
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Statement 5

	Beginning Balance		Addition (Note 1)		Decrease (Note 2)		Ending Balance			Market Value or Net Assets			
Name	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Percentage of Ownership	Amount	Unit Price	Total Amount	Valuation basis	Pledged as collateral
Kemitek Industrial Corp.	25,490,748	$ 651,970	-	$ 104,310	-	($ 63,727)	25,490,748	37.24%	$ 692,553	-	$ 677,347	Equity method	None
Santek Technology, Inc.	5,520,420	81,536	-	5,014	-	-	5,520,420	100.00%	86,550	-	86,815	Equity method	None
Gee Lien Resource Development Corp	600,000	15,677	-	5,888	(110,000)	(5,352)	490,000	49.00%	16,213	-	14,575	Equity method	None
Siap+Micros Holding S.r.l	-	135,896	-	36,411	-	-	-	49.00%	172,307	-	187,093	Equity method	None
DFOST Corp.	2,550,000	7,650	510,000	5,100	-	(11,864)	3,060,000	51.00%	886	-	886	Equity method	None
RIFT Holdings Inc.	950,000	22,295	-	1,367	-	(8,353)	950,000	100.00%	15,309	-	160,004	Equity method	None
Trisco Technology Corporation	3,640,295	101,330	586,303	27,871	-	(3,784)	4,226,598	26.15%	125,417		125,417	Equity method	None
		$ 1,016,354		$ 185,961		($ 93,080)			$ 1,109,235		$ 1,252,137		

Note 1 : Additions for the year include additional investments for the year, share of profit or loss and other comprehensive income of the Company's investments accounted for using the equity method.
Note 2 : Decreases for the year include disposals of subsidiaries, cash dividends received from the investees, share of loss and other comprehensive income of investments accounted for using the equity method.

SANLIEN TECHNOLOGY CORP.
STATEMENT OF SHORT-TERM BORROWINGS
DECEMBER 31, 2024
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Statement 6

Nature	Description	Ending Balance	Contract Period	Range of Interest Rate	Credit Line	Pledged as collateral
Unsecured borrowings	Taiwan Business Bank Co., Ltd.	$ 120,000	2024/12/10~2025/12/10	2.09%	$ 120,000	
Unsecured borrowings	Mizuho Bank, Ltd.	10,000	2024/12/31~2025/12/31	2.68%	90,000	
Secured borrowings	Hua Nan Commercial Bank, Ltd.	52,883	2024/04/23~2025/04/23	2.05%	70,000	Deposits in reserve account
Secured borrowings	Mega International Commercial Bank	-	2024/11/01~2025/10/31	0.00%	80,000	Deposits in reserve account
Secured borrowings	Taiwan Cooperative Bank	80,000	2024/06/18~2025/06/03	2.03%	80,000	Deposits in reserve account
Secured borrowings	Yuanta Commercial Bank, Ltd.	50,000	2024/02/23~2025/02/22	1.95%	50,000	Deposits in reserve account
		$ 312,883			$ 490,000	

SANLIEN TECHNOLOGY CORP.
STATEMENT OF LONG-TERM BORROWINGS
DECEMBER 31, 2024
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Statement 7

Creditor	Amount	Contract Period	Interest Rate	Collateral or pledge
Far Eastern International Bank	$ 70,000	2024/02/15~2026/02/15	2.42%	Land and buildings
First Commercial Bank	80,000	2024/11/21~2026/11/21	2.22%	Land and buildings
Bank of Taiwan	40,000	2024/10/24~2026/10/24	2.37%	Land and buildings
	190,000			
Less: Long-term borrowings due within one year	-			
	$ 190,000			

SANLIEN TECHNOLOGY CORP.
STATEMENT OF OPERATING REVENUE
FOR THE YEAR ENDED DECEMBER 31, 2024
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Statement 8

Item	Amount
Sales revenue	$ 437,758
Less: Sales returns	(482)
Sales discounts and allowances	(17)
Net sales revenue	437,259
Revenue from system integration	47,275
Other operating revenue	47,442
	$ 531,976

SANLIEN TECHNOLOGY CORP.
STATEMENT OF OPERATING COSTS
FOR THE YEAR ENDED DECEMBER 31, 2024
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Statement 9

Item	Amount
Cost of goods sold from manufacturing	
Raw materials	
Beginning raw materials	$ 8,391
Add: Raw materials purchased for the year	1,810
Transferred for processing	98
Less: Raw materials requested for its own use	(62)
Raw materials available for use for the year	10,237
Less: Raw materials at the end of year	(3,940)
Add: Remanufacturing of finished goods	1,968
Raw materials used	8,265
Direct labor	3,154
Manufacturing expense	6,322
Manufacturing cost	17,741
Add: Beginning work in progress	100
Less: Ending work in progress	(270)
Cost of finished goods	17,571
Add: Beginning finished goods	8,177
Less: Reclassified to other operating costs – construction and system integration costs	(222)
Transferred for its own use and remanufacture	(1,976)
Scrapped finished goods	(310)
Ending finished goods	(5,423)
Cost of goods sold from manufacturing	17,817
Cost of goods sold from purchases	
Beginning inventory	112,966
Net purchases for the year	269,230
Add: Cost for reassembling goods	(546)
Less: Reclassified to other operating costs – construction and system integration costs	(11,679)
Transfer of self-manufactured assembly materials	(17,572)
Transferred for its own use	(264)
Ending inventory	(77,849)
Cost of goods sold from purchases	274,286
Total cost of goods sold	292,103
Cost of construction	20,014
Cost of system integration	40,494
Maintenance costs	2,006
Other operating costs	66
Inventory scrapping loss	310
(Reversal of) loss on decline in market value	1,417
Total operating cost	$ 356,410

SANLIEN TECHNOLOGY CORP.
STATEMENT OF OPERATING EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2024
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Statement 10

Item	Selling expenses	General and administrative expenses	Research and development expenses
Salaries and Wages	$ 40,156	$ 43,565	$ 9,731
Depreciation and Amortization	3,270	4,965	287
Insurance	2,249	3,283	678
Others	19,904	26,830	4,850
	$ 65,579	$ 78,643	$ 15,546

SANLIEN TECHNOLOGY CORP.
SUMMARY STATEMENT OF CURRENT PERIOD EMPLOYEE BENEFITS, DEPRECIATION AND AMORTIZATION EXPENSES BY FUNCTION
FOR THE YEAR ENDED DECEMBER 31, 2024

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

Statement 11

Function / Nature	Year ended December 31, 2024			Year ended December 31, 2023		
	Classified as Operating Costs	Classified as Operating Expenses	Total	Classified as Operating Costs	Classified as Operating Expenses	Total
Employee Benefit Expense						
Wages and salaries	22,535	76,123	98,658	25,616	75,305	100,921
Directors' remuneration	-	15,049	15,049	-	18,041	18,041
Labour and health insurance fees	2,062	5,554	7,616	2,184	5,102	7,286
Pension costs	1,213	2,446	3,659	1,294	2,130	3,424
Other personnel expenses	1,009	4,240	5,249	902	4,494	5,396
Depreciation	2,405	8,412	10,817	2,387	8,660	11,047
Amortisation	-	110	110	-	413	413

Note:

1. As at December 31, 2024 and 2023, the Company had 93 and 92 employees, respectively, including 7 non-employee directors.
2. A company whose stock is listed for trading on the stock exchange or over-the-counter securities exchange shall additionally disclose the following information:
   (1) Average employee benefit expense in current year was $1,339.
   Average employee benefit expense in previous year was $1,377.
   (2) Average employees salaries in current year was $1,147.
   Average employees salaries in previous year was $1,187.
   (3) Adjustments of average employees salaries was -3%.
   (4) The Company has set up the audit committee and thus has no supervisors.
   (5) The Company’s compensation policy is as follows:
   (a) Directors: The directors’ compensation package includes directors’ salaries, remuneration and transportation allowances. In accordance with the Articles of Incorporation, no higher than 5% of distributable profit of the current year shall be distributed as directors’ remuneration. In addition, the compensation committee of the Company will periodically assess and determine the directors’ salaries and remuneration by reference to their contribution to operating performance, and present the report thereof to the Board of Directors for approval.
   (b) Supervisor: The Company has set up the audit committee and thus has no supervisors.
   (c) Managers: The managers’ compensation package includes salaries, bonuses and employees’ compensation. The compensation committee of the Company determines the managers’ compensation according to the extent of their participation and value of contributions to the Company in the past years, positions, seniority, education and work experience and potential contributions to the Company, and by reference to the general pay levels in the same industry.
   The performance appraisals and reasonableness of compensation will be reviewed and approved by the compensation committee and the Board of Directors, and the compensation system will be adjusted according to the actual operational conditions and the relevant laws in order to achieve sustainable operations and balance risk management.
   (d) Employees: The employees’ compensation is established in accordance with the laws. Salaries are determined based on equal pay for work of equal value and by reference to market salaries, the Company’s operating conditions and organisational structures, and will be adjusted in due course according to market salary dynamics, changes in the overall economy and industrial climate and governmental laws and regulations. Employees’ salaries include monthly salaries (monthly salaries include base salaries, meal allowances, additional managerial pay and additional professional pay), year-end performance bonuses, special performance bonuses, various benefits and allowances, compensation from earnings distribution, etc. The Company’s employees will have their performance evaluated twice a year, and the performance appraisal results will be used as a factor to be considered in employee bonuses, transfer, promotion and other personnel management. The information on adjustments of employee salaries will be disclosed in the “Market Observation Post System” at the website of the Taiwan Stock Exchange.