

# **Syncmold Enterprise Corporation and Subsidiaries**

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

## **DECLARATION OF CONSOLIDATION OF FINANCIAL STATEMENTS OF AFFILIATES**

The companies required to be included in the consolidated financial statements of affiliates in accordance with the “Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises” for the year ended December 31, 2024 are all the same as the companies required to be included in the consolidated financial statements of parent and subsidiary companies as provided in International Financial Reporting Standard 10 “Consolidated Financial Statements”. Relevant information that should be disclosed in the consolidated financial statements of affiliates has all been disclosed in the consolidated financial statements of parent and subsidiary companies. Hence, we do not prepare a separate set of consolidated financial statements of affiliates.

Very truly yours,

SYNCMOLD ENTERPRISE CORPORATION

March 7, 2025

## **INDEPENDENT AUDITORS' REPORT**

The Board of Directors and Shareholders  
Syncmold Enterprise Corporation

### **Opinion**

We have audited the accompanying consolidated financial statements of Syncmold Enterprise Corporation (the "Corporation") and its subsidiaries (collectively referred to as the "Group"), which comprise the consolidated balance sheets as of December 31, 2024 and 2023, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including material accounting policy information (collectively referred to as the "consolidated financial statements").

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

### **Basis for Opinion**

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

### **Key Audit Matters**

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

The key audit matter of the Group's consolidated financial statements for the year ended December 31, 2024 is described as follows:

#### Occurrence of Sales Revenue under Triangular Trade

The sales revenue of the Group under triangular trade should be recognized when the control of inventory was transferred upon actual shipment of goods by the subsidiaries in China. Due to the significant and frequent nature of the sales revenue under triangular trade in relation to total operating revenue, the occurrence of sales revenue under triangular trade was deemed as a key audit matter for the year ended December 31, 2024. Refer to Note 4 to the consolidated financial statements for the related revenue recognition policies.

In response to this key audit matter, our main audit procedures performed for the Group were as follows:

1. We obtained an understanding of and assessed the operating effectiveness of the design and implementation of the relevant internal controls.
2. We performed detailed verification tests on the selected samples of sales revenue under triangular trade, checked transaction vouchers, and confirmed the occurrence of sales revenue.
3. We checked payment receipts or reconciled sales customer account records for any irregularities.

#### **Other Matter**

We did not audit the financial statements of associates accounted for using the equity method. These were instead audited by other auditors. Our opinion, insofar as it relates to the amounts included for associates accounted for using the equity method, is based solely on the reports of other auditors. As of December 31, 2024 and 2023, the amounts of investments accounted for using the equity method were NT\$188,702 thousand and NT\$175,055 thousand, respectively, which accounted for 1.43% and 1.45% of the Group's consolidated total assets, respectively. For the years ended December 31, 2024 and 2023, the share of comprehensive income of associates accounted for using the equity method amounted to NT\$31,195 thousand and NT\$34,327 thousand, respectively, which accounted for 2.20% and 6.39% of the Group's consolidated total comprehensive income, respectively.

We have also audited the parent company only financial statements of Syncmold Enterprise Corporation as of and for the years ended December 31, 2024 and 2023 on which we have issued an unmodified opinion with an other matter paragraph.

#### **Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and IFRS, IAS, IFRIC, and SIC endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

### **Auditors' Responsibilities for the Audit of the Consolidated Financial Statements**

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

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

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

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

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

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

The engagement partners on the audits resulting in this independent auditors' report are Yao-Lin Huang and Shih-Chieh Chou.

Deloitte & Touche  
Taipei, Taiwan  
Republic of China

March 7, 2025

#### Notice to Readers

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

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

# SYNCMOLD ENTERPRISE CORPORATION AND SUBSIDIARIES

## CONSOLIDATED BALANCE SHEETS DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars)

| ASSETS   | 2024                 |            | 2023                 |            |
|--|----------------------|------------|----------------------|------------|
|  | Amount               | %          | Amount               | %          |
| CURRENT ASSETS   |                      |            |                      |            |
| Cash and cash equivalents (Notes 4 and 6)  | \$ 3,700,938         | 28         | \$ 3,233,289         | 27         |
| Financial assets at fair value through profit or loss - current (Notes 4 and 7)      | 1,169,232            | 9          | 1,164,114            | 9          |
| Financial assets at amortized cost - current (Notes 4, 8 and 30)                     | 1,253,718            | 10         | 806,238              | 7          |
| Notes receivable (Note 22)   | 186,231              | 1          | 200,860              | 2          |
| Trade receivables, net (Notes 4, 9 and 22)   | 2,497,930            | 19         | 2,381,274            | 20         |
| Inventories (Notes 4 and 10)   | 811,250              | 6          | 734,463              | 6          |
| Other current assets (Notes 4 and 24)  | <u>296,572</u>       | <u>2</u>   | <u>236,990</u>       | <u>2</u>   |
| Total current assets   | <u>9,915,871</u>     | <u>75</u>  | <u>8,757,228</u>     | <u>73</u>  |
| NON-CURRENT ASSETS   |                      |            |                      |            |
| Financial assets at fair value through profit or loss - non-current (Notes 4 and 7)  | 87,755               | 1          | 103,644              | 1          |
| Financial assets at amortized cost - non-current (Notes 4, 8 and 30)                 | 3,427                | -          | 3,278                | -          |
| Investments accounted for using the equity method (Notes 4 and 12)                   | 188,702              | 2          | 175,055              | 1          |
| Property, plant and equipment (Notes 4, 13, 29 and 30)                               | 2,021,580            | 15         | 2,097,860            | 17         |
| Right-of-use assets (Notes 4, 14 and 29)   | 451,159              | 4          | 423,744              | 4          |
| Intangible assets (Notes 4, 15 and 29)   | 42,977               | -          | 44,146               | -          |
| Goodwill (Notes 4 and 16)  | 324,597              | 3          | 324,597              | 3          |
| Deferred tax assets (Notes 4 and 24)   | 49,064               | -          | 63,462               | 1          |
| Prepayments for equipment  | 51,665               | -          | 12,213               | -          |
| Refundable deposits  | 32,319               | -          | 31,253               | -          |
| Defined benefit assets (Notes 4 and 20)  | 10,457               | -          | 7,400                | -          |
| Other non-current assets (Note 29)   | <u>1,226</u>         | <u>-</u>   | <u>1,497</u>         | <u>-</u>   |
| Total non-current assets   | <u>3,264,928</u>     | <u>25</u>  | <u>3,288,149</u>     | <u>27</u>  |
| TOTAL  | <u>\$ 13,180,799</u> | <u>100</u> | <u>\$ 12,045,377</u> | <u>100</u> |
| LIABILITIES AND EQUITY   |                      |            |                      |            |
| CURRENT LIABILITIES  |                      |            |                      |            |
| Short-term borrowings (Notes 4, 17 and 30)   | \$ 1,704,290         | 13         | \$ 1,695,585         | 14         |
| Notes payable and trade payables   | 1,761,353            | 14         | 1,812,374            | 15         |
| Other payables (Notes 19 and 29)   | 623,268              | 5          | 474,353              | 4          |
| Current tax liabilities (Notes 4 and 24)   | 154,765              | 1          | 113,759              | 1          |
| Lease liabilities - current (Notes 4, 14 and 29)                                     | 134,031              | 1          | 130,202              | 1          |
| Current portion of bonds payable (Notes 4 and 18)                                    | -                    | -          | 200,931              | 2          |
| Current portion of long-term borrowings (Notes 4, 17 and 30)                         | 21,650               | -          | 16,499               | -          |
| Other current liabilities (Note 22)  | <u>12,173</u>        | <u>-</u>   | <u>8,650</u>         | <u>-</u>   |
| Total current liabilities  | <u>4,411,530</u>     | <u>34</u>  | <u>4,452,353</u>     | <u>37</u>  |
| NON-CURRENT LIABILITIES  |                      |            |                      |            |
| Long-term borrowings (Notes 4, 17 and 30)  | 173,119              | 1          | 188,365              | 2          |
| Deferred tax liabilities (Notes 4 and 24)  | 371,977              | 3          | 235,583              | 2          |
| Lease liabilities - non-current (Notes 4, 14 and 29)                                 | 128,427              | 1          | 109,324              | 1          |
| Net defined benefit liabilities (Notes 4 and 20)                                     | 2,609                | -          | 5,400                | -          |
| Guarantee deposits received  | 439                  | -          | 565                  | -          |
| Other non-current liabilities (Note 20)  | <u>16,218</u>        | <u>-</u>   | <u>18,332</u>        | <u>-</u>   |
| Total non-current liabilities  | <u>692,789</u>       | <u>5</u>   | <u>557,569</u>       | <u>5</u>   |
| Total liabilities  | <u>5,104,319</u>     | <u>39</u>  | <u>5,009,922</u>     | <u>42</u>  |
| EQUITY ATTRIBUTABLE TO OWNERS OF THE CORPORATION                                     |                      |            |                      |            |
| Ordinary shares  | <u>1,442,686</u>     | <u>11</u>  | <u>1,237,258</u>     | <u>10</u>  |
| Capital collected in advance   | <u>-</u>             | <u>-</u>   | <u>170,511</u>       | <u>2</u>   |
| Capital surplus  | <u>3,371,549</u>     | <u>26</u>  | <u>3,180,597</u>     | <u>26</u>  |
| Retained earnings  |                      |            |                      |            |
| Legal reserve  | 1,128,761            | 8          | 1,064,029            | 9          |
| Special reserve  | 619,827              | 5          | 518,796              | 4          |
| Unappropriated earnings  | <u>1,440,868</u>     | <u>11</u>  | <u>1,160,008</u>     | <u>10</u>  |
| Total retained earnings  | <u>3,189,456</u>     | <u>24</u>  | <u>2,742,833</u>     | <u>23</u>  |
| Other equity   |                      |            |                      |            |
| Exchange differences on translating the financial statements of foreign operations   | (281,598)            | (2)        | (626,422)            | (5)        |
| Unrealized gain on financial assets at fair value through other comprehensive income | <u>8,819</u>         | <u>-</u>   | <u>6,595</u>         | <u>-</u>   |
| Total other equity   | <u>(272,779)</u>     | <u>(2)</u> | <u>(619,827)</u>     | <u>(5)</u> |
| Total equity attributable to owners of the Corporation                               | 7,730,912            | 59         | 6,711,372            | 56         |
| NON-CONTROLLING INTERESTS  | <u>345,568</u>       | <u>2</u>   | <u>324,083</u>       | <u>2</u>   |
| Total equity   | <u>8,076,480</u>     | <u>61</u>  | <u>7,035,455</u>     | <u>58</u>  |
| TOTAL  | <u>\$ 13,180,799</u> | <u>100</u> | <u>\$ 12,045,377</u> | <u>100</u> |

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

(With Deloitte & Touche auditors' report dated March 7, 2025)

# SYNCMOLD ENTERPRISE CORPORATION AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

|   | 2024             |           | 2023             |            |
|---|------------------|-----------|------------------|------------|
|   | Amount           | %         | Amount           | %          |
| OPERATING REVENUE (Notes 4 and 22)  | \$ 9,404,071     | 100       | \$ 8,769,537     | 100        |
| OPERATING COSTS (Notes 4, 10, 23 and 29)                                  | <u>6,666,063</u> | <u>71</u> | <u>6,831,797</u> | <u>78</u>  |
| GROSS PROFIT  | <u>2,738,008</u> | <u>29</u> | <u>1,937,740</u> | <u>22</u>  |
| OPERATING EXPENSES (Notes 9, 23 and 29)                                   |                  |           |                  |            |
| Selling and marketing expenses  | 383,940          | 4         | 282,032          | 3          |
| General and administrative expenses                                       | 756,625          | 8         | 687,462          | 8          |
| Research and development expenses   | 203,984          | 2         | 184,732          | 2          |
| Expected credit loss  | <u>19,870</u>    | <u>1</u>  | <u>3,142</u>     | <u>-</u>   |
| Total operating expenses  | <u>1,364,419</u> | <u>15</u> | <u>1,157,368</u> | <u>13</u>  |
| PROFIT FROM OPERATIONS  | <u>1,373,589</u> | <u>14</u> | <u>780,372</u>   | <u>9</u>   |
| NON-OPERATING INCOME AND EXPENSES   |                  |           |                  |            |
| Other income (Notes 4, 14 and 23)   | 18,071           | -         | 51,547           | -          |
| Other gains and losses (Note 23)  | (3,786)          | -         | (8,952)          | -          |
| Interest income   | 118,096          | 1         | 91,523           | 1          |
| Net foreign exchange gain (Note 31)                                       | 110,008          | 1         | 57,568           | 1          |
| Net gain on financial assets at fair value through profit (Notes 4 and 7) | 54,451           | 1         | 76,367           | 1          |
| Share of profit of associates (Notes 4 and 12)                            | 28,562           | -         | 18,301           | -          |
| Interest expenses (Note 29)   | <u>(46,491)</u>  | <u>-</u>  | <u>(56,267)</u>  | <u>(1)</u> |
| Total non-operating income and expenses                                   | <u>278,911</u>   | <u>3</u>  | <u>230,087</u>   | <u>2</u>   |
| PROFIT BEFORE INCOME TAX FROM OPERATIONS                                  | 1,652,500        | 17        | 1,010,459        | 11         |
| INCOME TAX EXPENSE (Notes 4 and 24)                                       | <u>598,856</u>   | <u>6</u>  | <u>372,892</u>   | <u>4</u>   |
| NET PROFIT FOR THE YEAR   | <u>1,053,644</u> | <u>11</u> | <u>637,567</u>   | <u>7</u>   |

(Continued)



# SYNCMOLD ENTERPRISE CORPORATION AND SUBSIDIARIES

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

|   | 2024                |           | 2023              |            |
|---|---------------------|-----------|-------------------|------------|
|   | Amount              | %         | Amount            | %          |
| OTHER COMPREHENSIVE INCOME (LOSS)   |                     |           |                   |            |
| Items that will not be reclassified subsequently to profit or loss:                       |                     |           |                   |            |
| Remeasurement of defined benefit plans  | \$ 4,057            | -         | \$ (467)          | -          |
| Share of other comprehensive income of associates accounted for using the equity method   | 2,563               | -         | 16,067            | -          |
| Income tax relating to items that will not be reclassified subsequently to profit or loss | (613)               | -         | (174)             | -          |
| Items that may be reclassified subsequently to profit or loss:                            |                     |           |                   |            |
| Exchange differences on translating the financial statements of foreign operations        | <u>358,567</u>      | <u>4</u>  | <u>(115,735)</u>  | <u>(1)</u> |
| Other comprehensive income (loss) for the year  | <u>364,574</u>      | <u>4</u>  | <u>(100,309)</u>  | <u>(1)</u> |
| TOTAL COMPREHENSIVE INCOME FOR THE YEAR   | <u>\$ 1,418,218</u> | <u>15</u> | <u>\$ 537,258</u> | <u>6</u>   |
| NET PROFIT (LOSS) ATTRIBUTABLE TO:  |                     |           |                   |            |
| Owners of the Corporation   | \$ 1,021,361        | 11        | \$ 642,365        | 7          |
| Non-controlling interests   | <u>32,283</u>       | <u>-</u>  | <u>(4,798)</u>    | <u>-</u>   |
|   | <u>\$ 1,053,644</u> | <u>11</u> | <u>\$ 637,567</u> | <u>7</u>   |
| TOTAL COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO:  |                     |           |                   |            |
| Owners of the Corporation   | \$ 1,371,936        | 15        | \$ 546,293        | 6          |
| Non-controlling interests   | <u>46,282</u>       | <u>-</u>  | <u>(9,035)</u>    | <u>-</u>   |
|   | <u>\$ 1,418,218</u> | <u>15</u> | <u>\$ 537,258</u> | <u>6</u>   |
| EARNINGS PER SHARE (Note 25)  |                     |           |                   |            |
| Basic   | <u>\$ 7.13</u>      |           | <u>\$ 5.12</u>    |            |
| Diluted   | <u>\$ 7.03</u>      |           | <u>\$ 5.03</u>    |            |

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

(With Deloitte & Touche auditors' report dated March 7, 2025)

(Concluded)

SYNCMOLD ENTERPRISE CORPORATION AND SUBSIDIARIES

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

|  | Equity Attributable to Owners of the Corporation (Notes 4, 11, 12, 18, 21 and 26) |                              |                 |                   |                 |                         |              |   |   |                    |   |              |              |
|--|---|------------------------------|-----------------|-------------------|-----------------|-------------------------|--------------|---|---|--------------------|---|--------------|--------------|
|  |   |                              |                 |                   |                 |                         |              | Other Equity  |   |                    | Non-controlling Interests<br>(Notes 4, 21 and 26) | Total Equity |              |
|  | Capital   |                              | Capital Surplus | Retained Earnings |                 |                         |              | Exchange Differences on Translating of the Financial Statements of Foreign Operations | Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income | Total Other Equity |   |              | Total        |
|  | Ordinary Share  | Capital Collected in Advance |                 | Legal Reserve     | Special Reserve | Unappropriated Earnings | Total        |   |   |                    |   |              |              |
| BALANCE AT JANUARY 1, 2023   | \$ 1,237,242  | \$ -                         | \$ 2,361,070    | \$ 1,026,386      | \$ 687,191      | \$ 753,104              | \$ 2,466,681 | \$ (514,593)  | \$ (4,203)  | \$ (518,796)       | \$ 5,546,197                                      | \$ 335,132   | \$ 5,881,329 |
| Appropriation of 2022 earnings   |   |                              |                 |                   |                 |                         |              |   |   |                    |   |              |              |
| Legal reserve  | -   | -                            | -               | 37,643            | -               | (37,643)                | -            | -   | -   | -                  | -   | -            | -            |
| Special reserve  | -   | -                            | -               | -                 | (168,395)       | 168,395                 | -            | -   | -   | -                  | -   | -            | -            |
| Cash dividends distributed by the Corporation  | -   | -                            | -               | -                 | -               | (371,172)               | (371,172)    | -   | -   | -                  | (371,172)   | -            | (371,172)    |
|  | -   | -                            | -               | 37,643            | (168,395)       | (240,420)               | (371,172)    | -   | -   | -                  | (371,172)   | -            | (371,172)    |
| Unclaimed dividends  | -   | -                            | 15              | -                 | -               | -                       | -            | -   | -   | -                  | 15  | -            | 15           |
| Net profit (loss) for the year ended December 31, 2023   | -   | -                            | -               | -                 | -               | 642,365                 | 642,365      | -   | -   | -                  | 642,365   | (4,798)      | 637,567      |
| Other comprehensive income (loss) for the year ended December 31, 2023, net of income tax                                  | -   | -                            | -               | -                 | -               | (310)                   | (310)        | (111,829)   | 16,067  | (95,762)           | (96,072)  | (4,237)      | (100,309)    |
| Total comprehensive income (loss) for the year ended December 31, 2023   | -   | -                            | -               | -                 | -               | 642,055                 | 642,055      | (111,829)   | 16,067  | (95,762)           | 546,293   | (9,035)      | 537,258      |
| Convertible corporate bonds  | 16  | 170,511                      | 818,791         | -                 | -               | -                       | -            | -   | -   | -                  | 989,318   | -            | 989,318      |
| Actual acquisition of interests in subsidiaries  | -   | -                            | 721             | -                 | -               | -                       | -            | -   | -   | -                  | 721   | (2,014)      | (1,293)      |
| Disposal of investments in equity instruments designated as at fair value through other comprehensive income by associates | -   | -                            | -               | -                 | -               | 5,269                   | 5,269        | -   | (5,269)   | (5,269)            | -   | -            | -            |
| BALANCE AT DECEMBER 31, 2023   | 1,237,258   | 170,511                      | 3,180,597       | 1,064,029         | 518,796         | 1,160,008               | 2,742,833    | (626,422)   | 6,595   | (619,827)          | 6,711,372   | 324,083      | 7,035,455    |
| Appropriation of 2023 earnings   |   |                              |                 |                   |                 |                         |              |   |   |                    |   |              |              |
| Legal reserve  | -   | -                            | -               | 64,732            | -               | (64,732)                | -            | -   | -   | -                  | -   | -            | -            |
| Special reserve  | -   | -                            | -               | -                 | 101,031         | (101,031)               | -            | -   | -   | -                  | -   | -            | -            |
| Cash dividends distributed by the Corporation  | -   | -                            | -               | -                 | -               | (578,000)               | (578,000)    | -   | -   | -                  | (578,000)   | -            | (578,000)    |
|  | -   | -                            | -               | 64,732            | 101,031         | (743,763)               | (578,000)    | -   | -   | -                  | (578,000)   | -            | (578,000)    |
| Changes in capital surplus from investments in associates accounted for by using equity method                             | -   | -                            | -               | -                 | -               | (265)                   | (265)        | -   | -   | -                  | (265)   | -            | (265)        |
| Unclaimed dividends  | -   | -                            | 85              | -                 | -               | -                       | -            | -   | -   | -                  | 85  | -            | 85           |
| Net profit for the year ended December 31, 2024  | -   | -                            | -               | -                 | -               | 1,021,361               | 1,021,361    | -   | -   | -                  | 1,021,361   | 32,283       | 1,053,644    |
| Other comprehensive income for the year ended December 31, 2024, net of income tax   | -   | -                            | -               | -                 | -               | 3,188                   | 3,188        | 344,824   | 2,563   | 347,387            | 350,575   | 13,999       | 364,574      |
| Total comprehensive income for the year ended December 31, 2024  | -   | -                            | -               | -                 | -               | 1,024,549               | 1,024,549    | 344,824   | 2,563   | 347,387            | 1,371,936   | 46,282       | 1,418,218    |
| Convertible corporate bonds  | 205,428   | (170,511)                    | 166,680         | -                 | -               | -                       | -            | -   | -   | -                  | 201,597   | -            | 201,597      |
| Actual acquisition of interests in subsidiaries  | -   | -                            | 366             | -                 | -               | -                       | -            | -   | -   | -                  | 366   | (1,119)      | (753)        |
| Changes in ownership equity in subsidiaries  | -   | -                            | 23,821          | -                 | -               | -                       | -            | -   | -   | -                  | 23,821  | (23,678)     | 143          |
| Disposal of investments in equity instruments designated as at fair value through other comprehensive income by associates | -   | -                            | -               | -                 | -               | 339                     | 339          | -   | (339)   | (339)              | -   | -            | -            |
| BALANCE AT DECEMBER 31, 2024   | \$ 1,442,686  | \$ -                         | \$ 3,371,549    | \$ 1,128,761      | \$ 619,827      | \$ 1,440,868            | \$ 3,189,456 | \$ (281,598)  | \$ 8,819  | \$ (272,779)       | \$ 7,730,912                                      | \$ 345,568   | \$ 8,076,480 |

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

(With Deloitte & Touche auditors' report dated March 7, 2025)

# SYNCMOLD ENTERPRISE CORPORATION AND SUBSIDIARIES

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

|   | 2024             | 2023             |
|---|------------------|------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                                 |                  |                  |
| Profit before income tax  | \$ 1,652,500     | \$ 1,010,459     |
| Adjustments for:  |                  |                  |
| Depreciation expenses   | 405,546          | 414,034          |
| Amortization expenses   | 21,293           | 22,528           |
| Expected credit loss  | 19,870           | 3,142            |
| Net gain on financial assets at fair value through profit or loss           | (54,451)         | (76,367)         |
| Interest expenses   | 46,491           | 56,267           |
| Interest income   | (118,096)        | (91,523)         |
| Dividend income   | (6,569)          | (5,089)          |
| Share of profit of associates   | (28,562)         | (18,301)         |
| Loss (gain) on disposal of property, plant and equipment                    | (633)            | 13,451           |
| Loss on disposal of intangible assets                                       | 278              | 13               |
| Write-downs of inventories (reversed)                                       | (26,800)         | 275              |
| Net gain on unrealized foreign currency exchange                            | (3,396)          | (21,381)         |
| Gain on lease modification  | (3,041)          | (11,789)         |
| Changes in operating assets and liabilities                                 |                  |                  |
| Notes receivable  | 23,196           | (21,206)         |
| Trade receivables   | 80,415           | (473,296)        |
| Inventories   | (16,526)         | 162,816          |
| Other current assets  | 3,764            | 133,478          |
| Other non-current assets  | 346              | (1,278)          |
| Notes payable and trade payables  | (216,627)        | 439,364          |
| Other payables  | 141,233          | (60,248)         |
| Other current liabilities   | (7,032)          | (40,243)         |
| Net defined benefit assets and liabilities                                  | (1,791)          | (1,031)          |
| Other non-current liabilities   | (3,690)          | 1,454            |
| Cash generated from operations  | 1,907,718        | 1,435,529        |
| Interest paid   | (46,470)         | (43,822)         |
| Income tax paid   | (410,196)        | (220,358)        |
| Net cash generated from operating activities                                | <u>1,451,052</u> | <u>1,171,349</u> |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                                 |                  |                  |
| Purchase of financial assets at amortized cost                              | (1,917,922)      | (914,141)        |
| Proceeds from sale of financial assets at amortized cost                    | 1,533,746        | 329,379          |
| Purchase of financial assets at fair value through profit or loss           | (3,045,300)      | (2,675,603)      |
| Proceeds from sale of financial assets at fair value through profit or loss | 3,171,677        | 2,236,137        |
| Acquisition of long-term equity investments under the equity method         | (5,517)          | -                |
| Payments for property, plant and equipment                                  | (186,396)        | (189,562)        |
| Proceeds from disposal of property, plant and equipment                     | 26,155           | 9,429            |
| Decrease in refundable deposits   | 505              | 12,069           |
| Payments for intangible assets  | (19,015)         | (7,926)          |
| Increase in prepayments for equipment                                       | (49,695)         | (11,569)         |

(Continued)

# SYNCMOLD ENTERPRISE CORPORATION AND SUBSIDIARIES

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

|  | 2024                | 2023                |
|--|---------------------|---------------------|
| Interest received  | \$ 108,624          | \$ 88,024           |
| Dividends received   | <u>29,369</u>       | <u>32,449</u>       |
| Net cash used in investing activities  | <u>(353,769)</u>    | <u>(1,091,314)</u>  |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>  |                     |                     |
| Increase in short-term borrowings  | 6,447               | 220,553             |
| Proceeds from long-term borrowings   | 5,433               | 27,420              |
| Repayments of long-term borrowings   | (17,664)            | (16,435)            |
| Refunds of guarantee deposits received   | (126)               | (368)               |
| Repayments of the principal portion of lease liabilities   | (155,582)           | (153,669)           |
| Cash dividends   | (578,000)           | (371,172)           |
| Cash capital increase by subsidiaries  | 143                 | -                   |
| Actual acquisition of additional interests in subsidiaries   | <u>(753)</u>        | <u>(1,293)</u>      |
| Net cash used in financing activities  | <u>(740,102)</u>    | <u>(294,964)</u>    |
| <b>EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE<br/>OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN<br/>CURRENCIES</b> | <u>110,468</u>      | <u>(62,147)</u>     |
| <b>NET INCREASE (DECREASE) IN CASH AND CASH<br/>EQUIVALENTS</b>  | 467,649             | (277,076)           |
| <b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE<br/>YEAR</b>  | <u>3,233,289</u>    | <u>3,510,365</u>    |
| <b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>  | <u>\$ 3,700,938</u> | <u>\$ 3,233,289</u> |

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

(With Deloitte & Touche auditors' report dated March 7, 2025)

(Concluded)

# SYNCMOLD ENTERPRISE CORPORATION AND SUBSIDIARIES

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

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### 1. GENERAL INFORMATION

Syncmold Enterprise Corporation (the “Corporation”) was incorporated in the Republic of China (ROC) in July 1979. The Corporation is mainly engaged in the processing, manufacturing, trading, technology licensing and related import and export business of various metal molds, plastic molds and electronic parts.

The Corporation’s shares were approved for listing on the emerging stock board of the Taipei Exchange (TPEX) in December 2005. After obtaining approval from the Financial Supervisory Commission, Executive Yuan in November 2006, the Corporation’s shares were listed on the over-the-counter (OTC) market on January 11, 2007. In November 2009, the Corporation obtained approval to transfer the listing of its shares to the Taiwan Stock Exchange (TWSE). The Corporation was officially listed and started trading its shares on December 17, 2009.

The consolidated financial statements are presented in the Corporation’s functional currency, the New Taiwan dollar.

### 2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Corporation’s board of directors on March 7, 2025.

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

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

The initial application of the IFRS Accounting Standards endorsed and issued into effect by the FSC did not have material impact on the Group’s accounting policies.

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

| <b>New, Amended and Revised Standards and Interpretations</b>  | <b>Effective Date<br/>Announced by the<br/>International Accounting<br/>Standards Board (IASB)</b> |
|--|--|
| Amendments to IAS 21 “Lack of Exchangeability”   | January 1, 2025 (Note 1)   |
| Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments” - the amendments to the application guidance of classification of financial assets | January 1, 2026 (Note 2)   |

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

Note 2: An entity shall apply those amendments for annual reporting periods beginning on or after January 1, 2026. It is permitted to apply these amendments for an earlier period beginning on January 1, 2025. An entity shall apply the amendments retrospectively but is not required to restate prior periods. The effect of initially applying the amendments shall be recognized as an adjustment to the opening balance at the date of initial application. An entity may restate prior periods if, and only if, it is possible to do so without the use of hindsight.

As of the date the consolidated financial statements were authorized for issue, the Group has assessed that the application of other standards and interpretations will not have a material impact on the Group's financial position and financial performance.

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

| <b>New, Amended and Revised Standards and Interpretations</b>  | <b>Effective Date<br/>Announced by IASB (Note)</b> |
|--|--|
| Annual Improvements to IFRS Accounting Standards - Volume 11   | January 1, 2026                                    |
| Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments" - the amendments to the application guidance of derecognition of financial liabilities | January 1, 2026                                    |
| Amendments to IFRS 9 and IFRS 7 "Contracts Referencing Nature-dependent Electricity"   | January 1, 2026                                    |
| Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"   | To be determined by IASB                           |
| IFRS 17 "Insurance Contracts"  | January 1, 2023                                    |
| Amendments to IFRS 17  | January 1, 2023                                    |
| Amendments to IFRS 17 "Initial Application of IFRS 17 and IFRS 9 - Comparative Information"  | January 1, 2023                                    |
| IFRS 18 "Presentation and Disclosure in Financial Statements"  | January 1, 2027                                    |
| IFRS 19 "Subsidiaries without Public Accountability: Disclosures"  | January 1, 2027                                    |

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

#### IFRS 18 "Presentation and Disclosure in Financial Statements"

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

- 1) Items of income and expenses included in the statement of profit or loss shall be classified into the operating, investing, financing, income taxes and discontinued operations categories.
- 2) The statement of profit or loss shall present totals and subtotals for operating profit or loss, profit or loss before financing and income taxes and profit or loss.

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

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

#### **4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION**

##### **a. Statement of compliance**

The consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IFRS Accounting Standards as endorsed and issued into effect by the FSC.

##### **b. Basis of preparation**

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

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

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

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

Current assets include:

- 1) Assets held primarily for the purpose of trading;
- 2) Assets expected to be realized within 12 months after the reporting period; and

- 3) Cash and cash equivalents unless the asset is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

Current liabilities include:

- 1) Liabilities held primarily for the purpose of trading;
- 2) Liabilities due to be settled within 12 months after the reporting period; and
- 3) Liabilities for which the Group does not have the substantial right at the end of the reporting period to defer settlement for at least 12 months after the reporting period.

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

d. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Corporation and the entities controlled by the Corporation (i.e., its subsidiaries).

Income and expenses of subsidiaries acquired or disposed of during the period are included in the consolidated statement of comprehensive income from the effective dates of acquisitions up to the effective dates of disposals, as appropriate.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Corporation.

All intra-group transactions, balances, income and expenses are eliminated in full upon consolidation. Total comprehensive income of subsidiaries is attributed to the owners of the Corporation and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the interests of the Group and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to the owners of the Corporation.

See Note 11 and Tables 7 and 8 for detailed information on subsidiaries (including percentages of ownership and main businesses).

e. Business combinations

Acquisitions of businesses are accounted for using the acquisition method. Acquisition-related costs are generally recognized in profit or loss as they are incurred.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interests in the acquiree over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after re-assessment, the net of the acquisition date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held interests in the acquiree, the excess is recognized immediately in profit or loss as a bargain purchase gain.



Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured at fair value. Other types of non-controlling interests are measured at fair value.

f. Foreign currencies

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

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

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

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

For the purpose of presenting the consolidated financial statements, the functional currencies of the Group and the group entities in the Group (including subsidiaries in other countries) that are prepared using functional currencies which are different from the currency of the Corporation are translated into the presentation currency, the New Taiwan dollar, as follows: Assets and liabilities are translated at the exchange rates prevailing at the end of the reporting period; and income and expense items are translated at the average exchange rates for the period. The resulting currency translation differences are recognized in other comprehensive income.

g. Inventories

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

h. Investments in associates

An associate is an entity over which the Group has significant influence and that is not a subsidiary.

The Group uses the equity method to account for its investments in associates.

Under the equity method, investments in an associate are initially recognized at cost and adjusted thereafter to recognize the Group's share of the profit or loss and other comprehensive income of the associate. The Group also recognizes the changes in the Group's share of the equity of associates.

When the Corporation subscribes for additional new shares of an associate at a percentage different from its existing ownership percentage, the resulting carrying amount of the investment differs from the amount of the Group's proportionate interest in the associate. The Group records such a difference as an adjustment to investments with the corresponding amount charged or credited to capital surplus - changes in capital surplus from investments in associates accounted for using the equity method. If the Group's ownership interest is reduced due to its additional subscription of the new shares of the associate, the proportionate amount of the gains or losses previously recognized in other comprehensive income in relation to that associate is reclassified to profit or loss on the same basis as would be required had the investee directly disposed of the related assets or liabilities. When the adjustment should be debited to capital surplus, but the capital surplus recognized from investments accounted for using the equity method is insufficient, the shortage is debited to retained earnings.

The entire carrying amount of an investment (including goodwill) is tested for impairment as a single asset by comparing its recoverable amount with its carrying amount. Any impairment loss recognized is not allocated to any asset, including goodwill that forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognized to the extent that the recoverable amount of the investment subsequently increases.

When the Group transacts with its associate, profits and losses resulting from the transactions with the associate are recognized in the Group's consolidated financial statements only to the extent of interests in the associates that are not related to the Group.

i. Property, plant and equipment

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

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

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

j. Goodwill

Goodwill arising from the acquisition of a business is measured at cost as established at the date of acquisition of the business less accumulated impairment loss.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units or groups of cash-generating units (referred to as "cash-generating units") that are expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually or more frequently whenever there is an indication that the unit may be impaired, by comparing its carrying amount, including the attributed goodwill, with its recoverable amount. However, if the goodwill allocated to a cash-generating unit was acquired in a business combination during the current annual period, that unit shall be tested for impairment before the end of the current annual period. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then pro rata to the other assets of the unit based on the carrying amount of each asset in the unit. Any impairment loss is recognized directly in profit or loss. Any impairment loss recognized for goodwill is not reversed in subsequent periods.

If goodwill has been allocated to a cash-generating unit and the Group disposes of an operation within that unit, the goodwill associated with the operation which is disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal and is measured on the basis of the relative values of the operation disposed of and the portion of the cash-generating unit retained.

k. Intangible assets

1) Intangible assets acquired separately

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

2) Derecognition of intangible assets

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

l. Impairment of property, plant and equipment, right-of-use asset and intangible assets other than goodwill

At the end of each reporting period, the Group reviews the carrying amounts of its property, plant and equipment, right-of-use asset and intangible assets, excluding goodwill, to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Corporate assets are allocated to the smallest group of cash-generating units on a reasonable and consistent basis of allocation.

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

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

m. Financial instruments

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

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

## 1) Financial assets

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

### a) Measurement categories

Financial assets are classified into the following categories: Financial assets at FVTPL and financial assets at amortized cost.

#### i. Financial assets at FVTPL

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

Financial assets at FVTPL are subsequently measured at fair value, with any gains or losses arising on remeasurement recognized in profit or loss. The net gain or loss recognized in profit or loss incorporates any dividends or interest earned on such a financial asset. Fair value is determined in the manner described in Note 28.

#### ii. Financial assets at amortized cost

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

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

Subsequent to initial recognition, financial assets at amortized cost, including cash, and cash equivalents notes receivable, trade receivables, other receivables, other receivables from related parties and refundable deposits are measured at amortized cost, which equals the gross carrying amount determined using the effective interest method less any impairment loss. Exchange differences are recognized in profit or loss.

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

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

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

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

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

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

b) Impairment of financial assets

The Group recognizes a loss allowance for expected credit losses on financial assets at amortized cost (including trade receivables).

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

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

The Group recognizes an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

c) Derecognition of financial assets

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

On derecognition of a financial asset at amortized cost in its entirety, the difference between the asset's carrying amount and the sum of the consideration received is recognized in profit or loss.

2) Equity instruments

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

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

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

### 3) Convertible bonds

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

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

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

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

#### n. Revenue recognition

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

Revenue from the sale of goods comes from sales of electronic components and molding products. Sales of electronic components and molding products are recognized as revenue when the goods are delivered via the modes of transportation as stated in the agreements with customers, e.g. FOB shipping or FOB destination modes because it is the time when the customer has full discretion over the manner of distribution and price to sell the goods, has the primary responsibility for sales to future customers and bears the risks of obsolescence. Trade receivables are recognized concurrently. Goods are sold at fixed prices as stated in the agreements with customers.

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

#### o. Leases

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

##### 1) The Group as lessor

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

Lease payments from operating leases are recognized as income on a straight-line basis over the terms of the relevant leases.

## 2) The Group as lessee

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

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

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

Lease liabilities are initially measured at the present value of the lease payments, which comprise fixed payments that depend on an index or a rate. The lease payments are discounted using the interest rate implicit in a lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses the lessee's incremental borrowing rate.

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

### p. Borrowing costs

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

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

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

### q. Government grants

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

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

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

r. Employee benefits

1) Short-term employee benefits

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

2) Retirement benefits

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

Defined benefit costs (including service cost, net interest and remeasurement) under defined benefit retirement benefit plans are determined using the projected unit credit method. Service cost (including current service cost) and net interest on the net defined benefit liabilities (assets) are recognized as employee benefits expense in the period in which they occur. Remeasurement, comprising actuarial gains and losses and the return on plan assets (excluding interest), is recognized in other comprehensive income in the period it occurs and is reflected immediately in retained earnings and will not be reclassified to profit or loss.

Net defined benefit liabilities (assets) represent the actual deficit (surplus) in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any refunds from the plans or reductions in future contributions to the plans.

s. Taxation

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

1) Current tax

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

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

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

2) Deferred tax

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

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

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



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

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liabilities are settled or the assets are realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

### 3) Current and deferred taxes for the year

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

Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

## 5. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

When developing material accounting estimates, the Group considers the possible impact on the cash flow projection, growth rates, discount rates, profitability and other relevant material estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

## 6. CASH AND CASH EQUIVALENTS

|  | <b>December 31</b>  |                     |
|--|---------------------|---------------------|
|  | <b>2024</b>         | <b>2023</b>         |
| Cash on hand   | \$ 2,748            | \$ 2,202            |
| Checking accounts and demand deposits                  | 2,367,135           | 2,137,332           |
| Cash equivalents                                       |                     |                     |
| Time deposits with original maturities within 3 months | <u>1,331,055</u>    | <u>1,093,755</u>    |
|  | <u>\$ 3,700,938</u> | <u>\$ 3,233,289</u> |

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

|               | <b>December 31</b> |              |
|---------------|--------------------|--------------|
|               | <b>2024</b>        | <b>2023</b>  |
| Bank deposits | 0.000%-5.00%       | 0.000%-5.74% |

## 7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

|  | December 31         |                     |
|--|---------------------|---------------------|
|  | 2024                | 2023                |
| <u>Financial assets at fair value through profit or loss (FVTPL) - current</u> |                     |                     |
| Financial assets mandatorily classified as at FVTPL                            |                     |                     |
| Non-derivative financial assets  |                     |                     |
| Domestic listed shares   | \$ 171,728          | \$ 75,093           |
| Mutual funds   | 212,986             | 197,342             |
| Hybrid financial assets  |                     |                     |
| Structured deposits (Note)   | <u>784,518</u>      | <u>891,679</u>      |
|  | <u>\$ 1,169,232</u> | <u>\$ 1,164,114</u> |
| <u>Financial assets at FVTPL - non-current</u>                                 |                     |                     |
| Financial assets mandatorily classified as at FVTPL                            |                     |                     |
| Non-derivative financial assets  |                     |                     |
| Domestic emerging market shares  | \$ 30,584           | \$ 42,667           |
| Domestic unlisted shares   | 19,928              | 20,883              |
| Overseas unlisted shares   | 22,345              | 24,189              |
| Private funds  | <u>14,898</u>       | <u>15,905</u>       |
|  | <u>\$ 87,755</u>    | <u>\$ 103,644</u>   |

Note: The Group successively entered into a one- to six-month structured time deposit contracts with bank in 2024 and 2023. The structured time deposit contract includes an embedded derivative instrument which is not closely related to the host contract. The entire contract is assessed and mandatorily classified as at FVTPL since it contained a host that is an asset within the scope of IFRS 9.

## 8. FINANCIAL ASSETS AT AMORTIZED COST

|  | December 31         |                   |
|--|---------------------|-------------------|
|  | 2024                | 2023              |
| <u>Current</u>   |                     |                   |
| Time deposits with original maturities of more than 3 months                       | \$ 1,252,270        | \$ 804,882        |
| Time deposits pledged as collateral with original maturities of more than 3 months | <u>1,448</u>        | <u>1,356</u>      |
|  | <u>\$ 1,253,718</u> | <u>\$ 806,238</u> |
| <u>Non-current</u>   |                     |                   |
| Time deposits pledged as collateral with original maturities of more than 1 year   | <u>\$ 3,427</u>     | <u>\$ 3,278</u>   |

The interest rates for time deposits with original maturities of more than 3 months were 2.05%-5.41% and 2.1%-5.9% per annum as of December 31, 2024 and 2023, respectively.

The interest rate for time deposits pledged as collateral with original maturities of more than 3 months were 0.15%-5.7% and 0.15%-5.7% per annum as of December 31, 2024 and 2023, respectively.

See Note 30 for detailed information on financial assets at amortized cost pledged as collateral.

## 9. TRADE RECEIVABLES, NET

|                                     | <b>December 31</b>  |                     |
|-------------------------------------|---------------------|---------------------|
|                                     | <b>2024</b>         | <b>2023</b>         |
| At amortized cost                   |                     |                     |
| Gross carrying amount               | \$ 2,528,100        | \$ 2,391,206        |
| Less: Allowance for impairment loss | <u>(30,170)</u>     | <u>(9,932)</u>      |
|                                     | <u>\$ 2,497,930</u> | <u>\$ 2,381,274</u> |

The average credit period of sales of goods is 90-160 days. No interest was charged on trade receivables. The Group uses other publicly available financial information or its own trading records to rate its major customers. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the management annually.

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

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

The following table details the loss allowance of trade receivables based on the Group's provision matrix.

### December 31, 2024

|                                | <b>Not Past Due</b> | <b>Less than 30 Days</b> | <b>31 to 90 Days</b> | <b>91 to 180 Days</b> | <b>Over 180 Days</b> | <b>Total</b>        |
|--------------------------------|---------------------|--------------------------|----------------------|-----------------------|----------------------|---------------------|
| Expected credit loss rate      |                     | 1.44%                    | 17.94%               | 40.21%                | 85.24%               |                     |
| Gross carrying amount          | \$ 2,419,220        | \$ 35,608                | \$ 48,279            | \$ 679                | \$ 24,314            | \$ 2,528,100        |
| Loss allowance (Lifetime ECLs) | <u>-</u>            | <u>(511)</u>             | <u>(8,661)</u>       | <u>(273)</u>          | <u>(20,725)</u>      | <u>(30,170)</u>     |
| Amortized cost                 | <u>\$ 2,419,220</u> | <u>\$ 35,097</u>         | <u>\$ 39,618</u>     | <u>\$ 406</u>         | <u>\$ 3,589</u>      | <u>\$ 2,497,930</u> |

## December 31, 2023

|                                | Not Past Due        | Less than 30<br>Days | 31 to 90 Days    | 91 to 180<br>Days | Over 180<br>Days | Total               |
|--------------------------------|---------------------|----------------------|------------------|-------------------|------------------|---------------------|
| Expected credit loss rate      | -                   | 1.20%                | 5.69%            | 46.53%            | 99.71%           |                     |
| Gross carrying amount          | \$ 2,319,124        | \$ 28,436            | \$ 32,891        | \$ 5,648          | \$ 5,107         | \$ 2,391,206        |
| Loss allowance (Lifetime ECLs) | <u>-</u>            | <u>(342)</u>         | <u>(1,870)</u>   | <u>(2,628)</u>    | <u>(5,092)</u>   | <u>(9,932)</u>      |
| Amortized cost                 | <u>\$ 2,319,124</u> | <u>\$ 28,094</u>     | <u>\$ 31,021</u> | <u>\$ 3,020</u>   | <u>\$ 15</u>     | <u>\$ 2,381,274</u> |

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

|  | <b>For the Year Ended December 31</b> |                 |
|--|---------------------------------------|-----------------|
|  | <b>2024</b>                           | <b>2023</b>     |
| Balance at January 1                     | \$ 9,932                              | \$ 6,907        |
| Add: Net remeasurement of loss allowance | 19,870                                | 3,142           |
| Less: Amounts written off                | (291)                                 | -               |
| Foreign exchange gains and losses        | <u>659</u>                            | <u>(117)</u>    |
| Balance at December 31                   | <u>\$ 30,170</u>                      | <u>\$ 9,932</u> |

## 10. INVENTORIES

|                  | <b>December 31</b> |                   |
|------------------|--------------------|-------------------|
|                  | <b>2024</b>        | <b>2023</b>       |
| Finished goods   | \$ 408,932         | \$ 360,494        |
| Work in progress | 143,183            | 120,561           |
| Raw materials    | <u>259,135</u>     | <u>253,408</u>    |
|                  | <u>\$ 811,250</u>  | <u>\$ 734,463</u> |

The cost of inventories recognized as cost of goods sold for the years ended December 31, 2024 and 2023 was \$6,666,063 thousand and \$6,831,703 thousand, respectively. The cost of goods sold for the years ended December 31, 2024 and 2023, included reversals of inventory write-downs of \$26,800 thousand and inventory write-downs of \$275 thousand, respectively. Inventory write-downs were reversed as a result of the reversed value in certain markets.

## 11. SUBSIDIARIES

Subsidiaries included in the consolidated financial statements:

| Investor                             | Investee  | Nature of Activities  | Proportion of Ownership (%) |        | Note   |
|--------------------------------------|---|---|-----------------------------|--------|--------|
|                                      |   |   | December 31                 |        |        |
|                                      |   |   | 2024                        | 2023   |        |
| Syncmold Enterprise Corp.            | Grand Advance Inc.                                  | General investment business   | 100.00                      | 100.00 | -      |
|                                      | Syncmold Enterprise (Samoa) Corp.                   | General investment business   | 100.00                      | 100.00 | -      |
|                                      | Syncmold Enterprise (USA) Corp.                     | The trading, imports and exports of electronic parts  | 100.00                      | 100.00 | -      |
|                                      | Gatetech Technology Inc.                            | Precision molding and magnesium alloy die caster manufacturing and transaction business   | 74.17                       | 74.05  | Note 1 |
|                                      | Leohab Enterprise Co., Ltd.                         | Precision hardware components manufacturing   | 80.22                       | 70.00  | Note 2 |
|                                      | SynX Tech Co., Ltd.                                 | Electronic parts processing manufacturing, trading and related import and export business   | 100.00                      | -      | Note 3 |
|                                      | Syncmold Enterprise Vietnam Co., Ltd.               | Electronic parts processing manufacturing, trading and related import and export business   | 100.00                      | 100.00 | -      |
|                                      | Syncmold Enterprise (Malaysia) Sdn., Bhd.           | The trading, imports and exports of electronic parts and customer support & service center  | 100.00                      | 100.00 | -      |
|                                      | Syncmold Enterprise (Singapore) Pte., Ltd.          | The trading, imports and exports of electronic parts and customer support & service center  | 100.00                      | 100.00 | -      |
|                                      | Syncmold Enterprise (Thailand) Co., Ltd.            | Electronic parts processing manufacturing, trading and related import and export business   | 100.00                      | 100.00 | Note 4 |
| Grand Advance Inc.                   | Canford International Limited                       | General investment business   | 100.00                      | 100.00 | -      |
|                                      | Fullking Development Limited                        | General investment business   | 100.00                      | 100.00 | -      |
|                                      | Full Glary Holding Limited                          | General investment business   | 100.00                      | 100.00 | -      |
| Syncmold Enterprise (Samoa) Corp.    | Forever Business Development Limited                | General investment business   | 100.00                      | 100.00 | -      |
|                                      | Full Celebration Limited                            | General investment business   | 100.00                      | 100.00 | -      |
|                                      | Fuzhou Fulfil Tech Co., Ltd.                        | Electronic parts processing manufacturing, trading and related import and export business   | 100.00                      | 100.00 | -      |
|                                      | Fujian Khuan Hua Precise Mold Co., Ltd.             | Processing, manufacturing, trading and related import and export business of various metal molds, plastic molds and plastic injection molds | 100.00                      | 100.00 | -      |
|                                      | Fuqing Fuqun Electronic Hardware Tech Co., Ltd.     | Electronic parts processing manufacturing, trading and related import and export business   | 100.00                      | 100.00 | -      |
|                                      | Gatetech Technology Inc.                            | Gatech Holding Ltd.   | General investment business | 100.00 | 100.00 |
| Leohab Enterprise Co., Ltd.          | Sweet International Group Ltd.                      | General investment business   | 100.00                      | 100.00 | -      |
|                                      | Commuwell Enterprise (Thailand) Co., Ltd.           | Plastic shot and hardware components manufacturing  | 100.00                      | 100.00 | -      |
| Canford International Limited        | Suzhou Fulfil Electronics Co., Ltd.                 | Electronic parts processing manufacturing, trading and related import and export business   | 100.00                      | 100.00 | -      |
| Fullking Development Limited         | Zhongshan Fulfil Tech. Co., Ltd.                    | Electronic parts processing manufacturing, trading and related import and export business   | 100.00                      | 100.00 | -      |
| Full Glary Holding Limited           | Kunshan Fulfil Tech Co., Ltd.                       | Manufacturing and assembling of laptop components such as precision bearing, hardware and related accessories                               | 100.00                      | 100.00 | -      |
| Forever Business Development Limited | Dongguan Khuan Huang Precise Mold Plastic Co., Ltd. | Processing, manufacturing, trading and related import and export business of various metal molds, plastic molds and plastic injection molds | 100.00                      | 100.00 | -      |
| Full Celebration Limited             | Chongqing Fulfil Tech Co., Ltd.                     | The processing, manufacturing, related imports and exports of all electronic, plastic and electronic parts                                  | 100.00                      | 100.00 | -      |

(Continued)

| Investor                       | Investee                               | Nature of Activities                                   | Proportion of Ownership<br>(%) |        | Note |
|--------------------------------|--|--|--------------------------------|--------|------|
|                                |  |  | December 31                    |        |      |
|                                |  |  | 2024                           | 2023   |      |
| Gatech Holding Ltd.            | Gatech International Ltd.              | General investment business                            | 100.00                         | 100.00 | -    |
| Gatech International Ltd.      | Gatetech (Suzhou) Technology Co., Ltd. | Aluminum and magnesium alloy manufacturing and trading | 100.00                         | 100.00 | -    |
| Sweet International Group Ltd. | Lucky King Holdings Ltd.               | General investment business                            | 100.00                         | 100.00 | -    |
| Lucky King Holdings Ltd.       | Suzhou Leoho Electronics Co., Ltd.     | Precision hardware components manufacturing            | 100.00                         | 100.00 | -    |
| (Concluded)                    |  |  |                                |        |      |

Note 1: On August 14, 2024, July 18, 2024 and March 27, 2023, the Corporation acquired additional 0.09%, 0.03% and 0.23% ownership in Gatetech Technology Inc. for a cash consideration of \$543 thousand, \$210 thousand and \$1,293 thousand, respectively. The proportion of the Group's ownership was 74.17% as of December 31, 2024. The net increase in subscribed equity for the years 2024 and 2023 of \$366 thousand and \$721 thousand, respectively, and was adjusted under capital surplus. Refer to Note 26 for detailed information on the acquisition of non-controlling interests during 2024.

Note 2: On May 30, 2024, the Corporation subscribed for additional new shares of Leohab Enterprise Co., Ltd. at a percentage different from its existing ownership percentage and increased its continuing interest from 70% to 80.22%. The net increase in the subscription value of \$23,821 thousand was adjusted under capital surplus. Refer to Note 25 for detailed information on the acquisition of non-controlling interests during 2024.

Note 3: On November 22, 2024, the Corporation invested \$50,000 thousand in cash to establish SynX Tech Co., Ltd.

Note 4: On September 4, 2024, the Corporation increased its capital investment in Syncmold Enterprise (Thailand) Co., Ltd. by THB44,724 thousand, bringing the total investment amount to THB80,700 thousand (approximately \$75,155 thousand).

Information on the subsidiaries included in the consolidated financial statements for the years ended December 31, 2024 and 2023 in the table above was based on the financial statements of the subsidiaries audited by the auditors for the same periods.

## 12. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

|   | December 31       |                   |
|---|-------------------|-------------------|
|   | 2024              | 2023              |
| Associates that are not individually material |                   |                   |
| Unlisted company                              |                   |                   |
| High Grade Tech Co., Ltd.                     | \$ 174,714        | \$ 163,862        |
| Corebio Technologies Co., Ltd. (Note 1)       | -                 | -                 |
| Smart Automation Technology Inc. (Note 2)     | <u>13,988</u>     | <u>11,193</u>     |
|   | <u>\$ 188,702</u> | <u>\$ 175,055</u> |

Aggregate information of associates that are not individually material

|                            | <b>For the Year Ended December 31</b> |                  |
|----------------------------|---------------------------------------|------------------|
|                            | <b>2024</b>                           | <b>2023</b>      |
| The Group's share of:      |                                       |                  |
| Net profit of the year     | <u>\$ 28,562</u>                      | <u>\$ 18,301</u> |
| Other comprehensive income | <u>\$ 2,633</u>                       | <u>\$ 16,026</u> |

Note 1: On March 29, 2024, shareholders held a meeting and resolved to dissolve Corebio technologies Co., Ltd., and the liquidation process is completed.

Note 2: The Group originally held 49% of the shares of Smart Automation Technology Inc. On July 5, 2024, the Group did not subscribe to the cash capital increase of Smart Automation Technology Inc. for a cash consideration of \$5,517 thousand, which resulted in a decrease in its ownership percentage from 49% to 47.11%, and the net equity was reduced by \$265 thousand under the retained earnings.

All the investments of associates that are not individually material were accounted for using equity method, and the Corporation's share of profit or loss and other comprehensive income from those investments were calculated based on audited financial statements.

### 13. PROPERTY, PLANT AND EQUIPMENT

|  | Freehold Land     | Buildings           | Equipment           | Transportation Equipment | Office Equipment | Other Equipment   | Total               |
|--|-------------------|---------------------|---------------------|--------------------------|------------------|-------------------|---------------------|
| <u>Cost</u>                                      |                   |                     |                     |                          |                  |                   |                     |
| Balance at January 1, 2024                       | \$ 793,622        | \$ 1,300,741        | \$ 1,535,549        | \$ 54,596                | \$ 58,502        | \$ 266,143        | \$ 4,009,153        |
| Additions  | -                 | 24,573              | 144,875             | 1,883                    | 7,993            | 7,072             | 186,396             |
| Disposals  | -                 | (15,565)            | (121,442)           | (46)                     | (3,348)          | (10,622)          | (151,023)           |
| Transferred from prepayments for equipment       | -                 | 188                 | 8,671               | -                        | -                | -                 | 8,859               |
| Reclassifications                                | -                 | (12,099)            | (100,833)           | -                        | (501)            | 12,099            | (101,334)           |
| Effects of foreign currency exchange differences | 1,829             | 36,705              | 66,029              | 1,931                    | 2,339            | 11,063            | 119,896             |
| Balance at December 31, 2024                     | <u>\$ 795,451</u> | <u>\$ 1,334,543</u> | <u>\$ 1,532,849</u> | <u>\$ 58,364</u>         | <u>\$ 64,985</u> | <u>\$ 285,755</u> | <u>\$ 4,071,947</u> |
| <u>Accumulated depreciation and impairment</u>   |                   |                     |                     |                          |                  |                   |                     |
| Balance at January 1, 2024                       | \$ -              | \$ 622,908          | \$ 1,045,191        | \$ 32,466                | \$ 41,880        | \$ 168,848        | \$ 1,911,293        |
| Depreciation expenses                            | -                 | 80,314              | 122,498             | 4,455                    | 7,290            | 33,496            | 248,053             |
| Disposals  | -                 | (15,282)            | (97,481)            | (29)                     | (3,213)          | (9,496)           | (125,501)           |
| Reclassifications                                | -                 | (2,332)             | (60,099)            | -                        | (357)            | 2,332             | (60,456)            |
| Effects of foreign currency exchange differences | -                 | 22,476              | 43,144              | 1,376                    | 1,775            | 8,207             | 76,978              |
| Balance at December 31, 2024                     | <u>\$ -</u>       | <u>\$ 708,084</u>   | <u>\$ 1,053,253</u> | <u>\$ 38,268</u>         | <u>\$ 47,375</u> | <u>\$ 203,387</u> | <u>\$ 2,050,367</u> |
| Carrying amounts at December 31, 2024            | <u>\$ 795,451</u> | <u>\$ 626,459</u>   | <u>\$ 479,596</u>   | <u>\$ 20,096</u>         | <u>\$ 17,610</u> | <u>\$ 82,368</u>  | <u>\$ 2,021,580</u> |
| <u>Cost</u>                                      |                   |                     |                     |                          |                  |                   |                     |
| Balance at January 1, 2023                       | \$ 770,826        | \$ 1,267,421        | \$ 1,558,758        | \$ 54,595                | \$ 63,176        | \$ 254,785        | \$ 3,969,561        |
| Additions  | 23,069            | 69,120              | 66,385              | 1,984                    | 2,485            | 26,519            | 189,562             |
| Disposals  | -                 | (19,220)            | (86,671)            | (1,568)                  | (6,400)          | (13,481)          | (127,340)           |
| Transferred from prepayments for equipment       | -                 | 4,075               | 19,543              | -                        | -                | 449               | 24,067              |
| Reclassifications                                | -                 | (199)               | (950)               | -                        | (82)             | 39                | (1,192)             |
| Effects of foreign currency exchange differences | (273)             | (20,456)            | (21,516)            | (415)                    | (677)            | (2,168)           | (45,505)            |
| Balance at December 31, 2023                     | <u>\$ 793,622</u> | <u>\$ 1,300,741</u> | <u>\$ 1,535,549</u> | <u>\$ 54,596</u>         | <u>\$ 58,502</u> | <u>\$ 266,143</u> | <u>\$ 4,009,153</u> |

(Continued)

|  | Freehold Land     | Buildings         | Equipment           | Transportation Equipment | Office Equipment | Other Equipment   | Total               |
|--|-------------------|-------------------|---------------------|--------------------------|------------------|-------------------|---------------------|
| Accumulated depreciation and impairment          |                   |                   |                     |                          |                  |                   |                     |
| Balance at January 1, 2023                       | \$ -              | \$ 568,575        | \$ 1,012,084        | \$ 29,490                | \$ 39,192        | \$ 139,080        | \$ 1,788,421        |
| Depreciation expenses                            | -                 | 81,190            | 112,784             | 4,901                    | 9,399            | 42,561            | 250,835             |
| Disposals  | -                 | (19,070)          | (66,814)            | (1,451)                  | (6,128)          | (10,997)          | (104,460)           |
| Reclassifications                                | -                 | (99)              | (200)               | -                        | (66)             | 32                | (333)               |
| Effects of foreign currency exchange differences | -                 | (7,688)           | (12,663)            | (474)                    | (517)            | (1,828)           | (23,170)            |
| Balance at December 31, 2023                     | <u>\$ -</u>       | <u>\$ 622,908</u> | <u>\$ 1,045,191</u> | <u>\$ 32,466</u>         | <u>\$ 41,880</u> | <u>\$ 168,848</u> | <u>\$ 1,911,293</u> |
| Carrying amounts at December 31, 2023            | <u>\$ 793,622</u> | <u>\$ 677,833</u> | <u>\$ 490,358</u>   | <u>\$ 22,130</u>         | <u>\$ 16,622</u> | <u>\$ 97,295</u>  | <u>\$ 2,097,860</u> |

(Concluded)

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

|                                   |            |
|-----------------------------------|------------|
| Buildings                         |            |
| Main buildings                    | 5-60 years |
| Electromechanical power equipment | 4-5 years  |
| Equipment                         | 1-20 years |
| Transportation equipment          | 4-10 years |
| Office equipment                  | 1-10 years |
| Other equipment                   | 1-20 years |

See Note 30 for detailed information on property, plant and equipment pledged as collateral.

#### 14. LEASE ARRANGEMENTS

##### a. Right-of-use assets

|   | <b>December 31</b>                    |                   |
|---|---------------------------------------|-------------------|
|   | <b>2024</b>                           | <b>2023</b>       |
| <u>Carrying amount</u>  |                                       |                   |
| Land  | \$ 170,189                            | \$ 172,603        |
| Buildings   | 279,564                               | 249,342           |
| Transportation equipment  | <u>1,406</u>                          | <u>1,799</u>      |
|   | <u>\$ 451,159</u>                     | <u>\$ 423,744</u> |
|   | <b>For the Year Ended December 31</b> |                   |
|   | <b>2024</b>                           | <b>2023</b>       |
| Additions to right-of-use assets  | <u>\$ 175,631</u>                     | <u>\$ 49,966</u>  |
| Depreciation charge for right-of-use assets                                   |                                       |                   |
| Land  | \$ 4,888                              | \$ 4,926          |
| Buildings   | 151,614                               | 157,383           |
| Transportation equipment  | <u>991</u>                            | <u>890</u>        |
|   | <u>\$ 157,493</u>                     | <u>\$ 163,199</u> |
| Income from the subleasing of right-of-use assets (presented in other income) | <u>\$ -</u>                           | <u>\$ (1,613)</u> |



Except for the additions, recognized depreciation, and subleasing, the Group did not have any significant impairment of right-of-use assets during the years ended December 31, 2024 and 2023.

b. Lease liabilities

|                        | <b>December 31</b> |                   |
|------------------------|--------------------|-------------------|
|                        | <b>2024</b>        | <b>2023</b>       |
| <u>Carrying amount</u> |                    |                   |
| Current                | <u>\$ 134,031</u>  | <u>\$ 130,202</u> |
| Non-current            | <u>\$ 128,427</u>  | <u>\$ 109,324</u> |

Range of discount rates for lease liabilities was as follows:

|                          | <b>December 31</b> |             |
|--------------------------|--------------------|-------------|
|                          | <b>2024</b>        | <b>2023</b> |
| Buildings                | 0.81%-4.90%        | 0.81%-4.90% |
| Transportation equipment | 0.94%-1.71%        | 0.94%-1.71% |

c. Subleases

Sublease of right-of-use assets

The Group subleases its right-of-use assets for buildings under operating leases with lease terms of 1-2 years and with the priority to extend the lease. The lease contracts contain market review clauses in the event that the lessees exercise their options to extend.

d. Other lease information

|  | <b>December 31</b>  |                     |
|--|---------------------|---------------------|
|  | <b>2024</b>         | <b>2023</b>         |
| Expenses relating to short-term leases | <u>\$ 14,019</u>    | <u>\$ 14,067</u>    |
| Total cash outflow for leases          | <u>\$ (179,914)</u> | <u>\$ (179,419)</u> |

The Group leases certain buildings which qualify as short-term leases. The Group has elected to apply the recognition exemption and thus, did not recognize right-of-use assets and lease liabilities for these leases.

## 15. INTANGIBLE ASSETS

|  | <b>Trademarks</b> | <b>Computer Software</b> | <b>Patents</b>  | <b>Total</b>      |
|--|-------------------|--------------------------|-----------------|-------------------|
| <u>Cost</u>                                      |                   |                          |                 |                   |
| Balance at January 1, 2024                       | \$ 45             | \$ 101,832               | \$ 1,710        | \$ 103,587        |
| Additions  | -                 | 19,015                   | -               | 19,015            |
| Disposals  | -                 | -                        | (1,028)         | (1,028)           |
| Written off                                      | -                 | (15,969)                 | -               | (15,969)          |
| Effects of foreign currency exchange differences | -                 | 2,834                    | -               | 2,834             |
| Balance at December 31, 2024                     | <u>\$ 45</u>      | <u>\$ 107,712</u>        | <u>\$ 682</u>   | <u>\$ 108,439</u> |
| <u>Accumulated amortization</u>                  |                   |                          |                 |                   |
| Balance at January 1, 2024                       | \$ 19             | \$ 58,333                | \$ 1,089        | \$ 59,441         |
| Amortization expenses                            | 4                 | 21,236                   | 53              | 21,293            |
| Disposals  | -                 | -                        | (750)           | (750)             |
| Written off                                      | -                 | (15,969)                 | -               | (15,969)          |
| Effects of foreign currency exchange differences | -                 | 1,447                    | -               | 1,447             |
| Balance at December 31, 2024                     | <u>\$ 23</u>      | <u>\$ 65,047</u>         | <u>\$ 392</u>   | <u>\$ 65,462</u>  |
| Carrying amount at December 31, 2024             | <u>\$ 22</u>      | <u>\$ 42,665</u>         | <u>\$ 290</u>   | <u>\$ 42,977</u>  |
| <u>Cost</u>                                      |                   |                          |                 |                   |
| Balance at January 1, 2023                       | \$ 155            | \$ 103,872               | \$ 1,764        | \$ 105,791        |
| Additions  | -                 | 7,926                    | -               | 7,926             |
| Disposals  | -                 | -                        | (54)            | (54)              |
| Written off                                      | (110)             | (10,243)                 | -               | (10,353)          |
| Reclassifications                                | -                 | 1,105                    | -               | 1,105             |
| Effects of foreign currency exchange differences | -                 | (828)                    | -               | (828)             |
| Balance at December 31, 2023                     | <u>\$ 45</u>      | <u>\$ 101,832</u>        | <u>\$ 1,710</u> | <u>\$ 103,587</u> |
| <u>Accumulated amortization</u>                  |                   |                          |                 |                   |
| Balance at January 1, 2023                       | \$ 122            | \$ 45,369                | \$ 1,054        | \$ 46,545         |
| Amortization expenses                            | 7                 | 22,445                   | 76              | 22,528            |
| Disposals  | -                 | -                        | (41)            | (41)              |
| Written off                                      | (110)             | (10,243)                 | -               | (10,353)          |
| Reclassifications                                | -                 | 1,105                    | -               | 1,105             |
| Effects of foreign currency exchange differences | -                 | (343)                    | -               | (343)             |
| Balance at December 31, 2023                     | <u>\$ 19</u>      | <u>\$ 58,333</u>         | <u>\$ 1,089</u> | <u>\$ 59,441</u>  |
| Carrying amount at December 31, 2023             | <u>\$ 26</u>      | <u>\$ 43,499</u>         | <u>\$ 621</u>   | <u>\$ 44,146</u>  |

The above items of intangible assets are amortized on a straight-line basis their estimated useful lives as follows:

|                   |            |
|-------------------|------------|
| Trademarks        | 7-10 years |
| Computer software | 1-5 years  |
| Patents           | 1-19 years |

## 16. GOODWILL

|                                      | <b>For the Year Ended December 31</b> |                   |
|--------------------------------------|---------------------------------------|-------------------|
|                                      | <b>2024</b>                           | <b>2023</b>       |
| <u>Cost</u>                          |                                       |                   |
| Balance at January 1                 | <u>\$ 366,777</u>                     | <u>\$ 366,777</u> |
| Balance at December 31               | <u>\$ 366,777</u>                     | <u>\$ 366,777</u> |
| <u>Accumulated impairment losses</u> |                                       |                   |
| Balance at January 1                 | <u>\$ 42,180</u>                      | <u>\$ 42,180</u>  |
| Balance at December 31               | <u>\$ 42,180</u>                      | <u>\$ 42,180</u>  |
| Carrying amount at December 31       | <u>\$ 324,597</u>                     | <u>\$ 324,597</u> |

The Group acquired FulFil Tech Co., Ltd. on December 16, 2008 and recognized goodwill of \$366,777 thousand. The goodwill mainly arises from the expected benefit from sales growth of electronic components and molding products, and the potential of developing new electronic models.

The recoverable amount of plastic molding department was determined based on a value-in-use calculation that used the cash flow projections in the financial budgets approved by management covering a 5-year period; the discount rates were 9.63% and 12.12% in 2024 and 2023, respectively. Other key assumptions included budgeted revenue and budgeted gross margin. These assumptions were based on the past performance of the cash-generating unit and management's expectations of future market development.

## 17. BORROWINGS

### a. Short-term borrowings

|                                     | <b>December 31</b>  |                     |
|-------------------------------------|---------------------|---------------------|
|                                     | <b>2024</b>         | <b>2023</b>         |
| <u>Secured borrowings (Note 30)</u> |                     |                     |
| Mortgage loans                      | \$ 386,900          | \$ 287,000          |
| <u>Unsecured borrowings</u>         |                     |                     |
| Line of credit borrowings           | <u>1,317,390</u>    | <u>1,408,585</u>    |
|                                     | <u>\$ 1,704,290</u> | <u>\$ 1,695,585</u> |

The range of interest rate on bank loans was 1.925%-5.25% and 1.71%-5.96% per annum as of December 31, 2024 and 2023, respectively.

b. Long-term borrowings

|                                     | <b>December 31</b> |                   |
|-------------------------------------|--------------------|-------------------|
|                                     | <b>2024</b>        | <b>2023</b>       |
| <u>Secured borrowings (Note 30)</u> |                    |                   |
| Mortgage loans                      | \$ 194,769         | \$ 204,864        |
| Less: Current portion               | <u>(21,650)</u>    | <u>(16,499)</u>   |
|                                     | <u>\$ 173,119</u>  | <u>\$ 188,365</u> |

The effective interest rate on long-term borrowings was 1.82%-4.71% and 1.70%-4.49% on December 31, 2024 and 2023, respectively.

## 18. BONDS PAYABLE

|  | <b>December 31</b> |                  |
|--|--------------------|------------------|
|  | <b>2024</b>        | <b>2023</b>      |
| Domestic third unsecured convertible bonds | \$ -               | \$ 200,931       |
| Less: Current portion                      | <u>-</u>           | <u>(200,931)</u> |
|  | <u>\$ -</u>        | <u>\$ -</u>      |

On September 9, 2021, the Corporation issued 12,000 units of NTD-denominated unsecured convertible corporate bonds with a 0% coupon rate, a 3-years issue period and a total principal amount of \$1,200,000 thousand.

The bonds are convertible into ordinary shares of the Corporation at any time on or after December 10, 2021, and prior to September 9, 2024, except during the closed period or suspension period.

The conversion price of bonds is set based on the arithmetic mean of the business day's closing share price multiplied by the 102% premium rate before the effective date on August 20, 2021. As of September 4, 2024, the corporate bonds with a face value of \$1,200,000 thousand have been fully converted.

If the bonds are not converted between December 10, 2021 and July 31, 2024, and the closing price of ordinary shares has exceeded 30% of the current conversion price for 30 consecutive business days, the Corporation may send a copy of the "Bond Redemption Notice" with an expiration date of one month by registered mail, and the expiration date of the period is determined as the base date for the recovery of bonds. The Corporation will redeem the bonds at their par value within 5 business days following the base date.

If the bonds are not converted between December 10, 2021 and July 31, 2024, and the closing price of ordinary shares is lower than 10% of the original total issue amount, the Corporation will therefore be entitled to send out a 30-day-expiration "Bond Redemption Notice" this is based on names recorded on the bondholder's name list 5 business days prior to the mailing day. The Corporation will redeem the bonds at their par value within 5 business days following the base date.

The convertible bonds contain both liability and equity components: The equity component was presented in equity under the heading of capital surplus-options. The liability components are recognized as liabilities of embedded derivative financial instruments and non-derivative products. Such embedded derivative financial instruments have been assessed at a fair value of \$0 thousand and \$0 thousand; non-derivative product liabilities have been measured on December 31, 2024 and 2023 at \$0 thousand and \$200,931 thousand (recorded under current portion of bonds payable and bonds payable), respectively, based on amortized cost and its effective interest rate originally recognized was 1.0663%.

|   |                  |
|---|------------------|
| Proceeds from insurance (less transaction cost of \$4,998 thousand)   | \$ 1,337,453     |
| Equity component  | <u>(175,396)</u> |
| Liability component at the date of issue (including \$1,162,417 thousand of bonds payable and NT\$360 thousand of financial asset at FVTPL - non-current) | 1,162,057        |
| Interest charged at an effective interest rate of 1.0663%   | 27,832           |
| Convertible bonds converted into ordinary shares  | (989,318)        |
| Loss on valuation of financial instruments  | <u>360</u>       |
| Liability component on December 31, 2023  | 200,931          |
| Interest charged at an effective interest rate of 1.0663%   | 666              |
| Convertible bonds converted into ordinary shares  | <u>(201,597)</u> |
| Liability component on December 31, 2024  | <u>\$ -</u>      |

As of December 31, 2024, the Corporation's third unsecured convertible bonds with a face value of \$1,200,000 thousand have all been converted into 20,544.4 thousand ordinary shares.

## 19. OTHER PAYABLES

|                                  | <b>December 31</b> |                   |
|----------------------------------|--------------------|-------------------|
|                                  | <b>2024</b>        | <b>2023</b>       |
| Other payables                   |                    |                   |
| Payables for salaries or bonuses | \$ 395,405         | \$ 284,369        |
| Others (Note 29)                 | <u>227,863</u>     | <u>189,984</u>    |
|                                  | <u>\$ 623,268</u>  | <u>\$ 474,353</u> |

## 20. RETIREMENT BENEFIT PLANS

### a. Defined contribution plans

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

The subsidiaries operate a defined contribution retirement benefit plan for all qualifying employees of its subsidiaries in China. The subsidiary is required to contribute a specified percentage of payroll costs to the retirement benefit scheme to fund the benefits. Where employees leave the plan prior to full vesting of the contributions, the contributions payable by the Group are reduced by the amount of forfeited contributions.

b. Defined benefit plans

The defined benefit plans adopted by the Group of the Group in accordance with the Labor Standards Law is operated by the government of the ROC. Pension benefits are calculated on the basis of the length of service and average monthly salaries of the 6 months before retirement. The Group contributes amounts equal to 2% of total monthly salaries and wages to a pension fund administered by the pension fund monitoring committee. Pension contributions are deposited in the Bank of Taiwan in the committee's name. Before the end of each year, the Group assesses the balance in the pension fund. If the amount of the balance in the pension fund is inadequate to pay retirement benefits for employees who conform to retirement requirements in the next year, the Group is required to fund the difference in one appropriation that should be made before the end of March of the next year. The pension fund is managed by the Bureau of Labor Funds, Ministry of Labor (the "Bureau"); the Group has no right to influence the investment policy and strategy.

The amounts included in the consolidated balance sheets in respect of the Group's defined benefit plans were as follows:

|   | <b>December 31</b> |                   |
|---|--------------------|-------------------|
|   | <b>2024</b>        | <b>2023</b>       |
| Present value of defined benefit obligation | \$ 41,627          | \$ 41,620         |
| Fair value of plan assets                   | <u>(49,475)</u>    | <u>(43,620)</u>   |
| Net defined benefit liabilities (assets)    | <u>\$ (7,848)</u>  | <u>\$ (2,000)</u> |

The net defined benefit liabilities (assets) were \$2,609 thousand and \$(10,457) thousand recognized in the consolidated balance sheets for the year ended December 31, 2024.

The net defined benefit liabilities (assets) were \$5,400 thousand and \$(7,400) thousand recognized in the consolidated balance sheets for the year ended December 31, 2023.

Movements in net defined benefit assets were as follows:

|   | <b>Present Value<br/>of the Defined<br/>Benefit<br/>Obligation</b> | <b>Fair Value of<br/>the Plan Assets</b> | <b>Net Defined<br/>Benefit Assets</b> |
|---|--|--|---------------------------------------|
| Balance at January 1, 2023  | <u>\$ 43,098</u>   | <u>\$ (42,516)</u>                       | <u>\$ 582</u>                         |
| Service cost  |  |  |                                       |
| Prior service cost  | (2,018)  | -  | (2,018)                               |
| Net interest expense (income)   | <u>511</u>   | <u>(516)</u>                             | <u>(5)</u>                            |
| Recognized in profit or loss  | <u>(1,507)</u>   | <u>(516)</u>                             | <u>(2,023)</u>                        |
| Remeasurement   |  |  |                                       |
| Return on plan assets (excluding amounts<br>included in net interest) | -  | (285)                                    | (285)                                 |
| Actuarial (gain) loss   |  |  |                                       |
| Experience adjustments  | <u>752</u>   | <u>-</u>                                 | <u>752</u>                            |
| Recognized in other comprehensive income                              | <u>752</u>   | <u>(285)</u>                             | <u>467</u>                            |
| Contributions from the employer                                       | <u>-</u>   | <u>(1,026)</u>                           | <u>(1,026)</u>                        |
| Benefits paid   | <u>(723)</u>   | <u>723</u>                               | <u>-</u>                              |
| Balance at December 31, 2023  | <u>41,620</u>  | <u>(43,620)</u>                          | <u>(2,000)</u>                        |

(Continued)

|   | <b>Present Value<br/>of the Defined<br/>Benefit<br/>Obligation</b> | <b>Fair Value of<br/>the Plan Assets</b> | <b>Net Defined<br/>Benefit Assets</b> |
|---|--|--|---------------------------------------|
| Repayment incomes   | \$ -   | \$ (28)                                  | \$ (28)                               |
| Net interest expense (income)   | <u>480</u>   | <u>(511)</u>                             | <u>(31)</u>                           |
| Recognized in profit or loss  | <u>480</u>   | <u>(539)</u>                             | <u>(59)</u>                           |
| Remeasurement   |  |  |                                       |
| Return on plan assets (excluding amounts<br>included in net interest) | -  | (3,584)                                  | (3,584)                               |
| Actuarial (gain) loss   |  |  |                                       |
| Changes in financial assumptions                                      | (576)  | -  | (576)                                 |
| Experience adjustments  | <u>103</u>   | <u>-</u>                                 | <u>103</u>                            |
| Recognized in other comprehensive income                              | <u>(473)</u>   | <u>(3,584)</u>                           | <u>(4,057)</u>                        |
| Repayment   | <u>-</u>   | <u>129</u>                               | <u>129</u>                            |
| Contributions from the employer                                       | <u>-</u>   | <u>(1,861)</u>                           | <u>(1,861)</u>                        |
| Balance at December 31, 2024  | <u>\$ 41,627</u>   | <u>\$ (49,475)</u>                       | <u>\$ (7,848)</u><br>(Concluded)      |

Through the defined benefit plans under the Labor Standards Law, the Group is exposed to the following risks:

- 1) Investment risk: The plan assets are invested in domestic and foreign equity and debt securities, bank deposits, etc. The investment is conducted at the discretion of the Bureau or under the mandated management. However, in accordance with relevant regulations, the return generated by plan assets should not be below the interest rate for a 2-year time deposit with local banks.
- 2) Interest risk: A decrease in the government bond interest rate will increase the present value of the defined benefit obligation; however, this will be partially offset by an increase in the return on the plans' debt investments.
- 3) Salary risk: The present value of the defined benefit obligation is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the present value of the defined benefit obligation.

The actuarial valuations of the present value of the defined benefit obligation were carried out by qualified actuaries. The significant assumptions used for the purposes of the actuarial valuations were as follows:

|                                     | <b>December 31</b>  |   |
|-------------------------------------|---|---|
|                                     | <b>2024</b>   | <b>2023</b>   |
| Discount rate                       | 1.50%   | 1.25%   |
| Expected rate(s) of salary increase | 1.000%-1.500%   | 1.000%-2.000%   |
| Mortality rate                      | According to the sixth<br>experience life table<br>of the insurance<br>industry in Taiwan | According to the sixth<br>experience life table<br>of the insurance<br>industry in Taiwan |
| Turnover rate                       | 0%-8.0%   | 0%-7.5%   |

If possible reasonable changes in each of the significant actuarial assumptions occur and all other assumptions remain constant, the present value of the defined benefit obligation would increase (decrease) as follows:

|                                  | <b>December 31</b> |             |
|----------------------------------|--------------------|-------------|
|                                  | <b>2024</b>        | <b>2023</b> |
| Discount rate                    |                    |             |
| 25% increase                     | \$ (566)           | \$ (648)    |
| 25% decrease                     | \$ 583             | \$ 668      |
| Expected rate of salary increase |                    |             |
| 25% increase                     | \$ 583             | \$ 669      |
| 25% decrease                     | \$ (569)           | \$ (651)    |

The sensitivity analysis presented above may not be representative of the actual changes in the present value of the defined benefit obligation as it is unlikely that changes in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

|   | <b>December 31</b> |              |
|---|--------------------|--------------|
|   | <b>2024</b>        | <b>2023</b>  |
| Expected contributions to the plans for the next year | \$ 1,862           | \$ 1,011     |
| Average duration of the defined benefit obligation    | 6.7-9.8 years      | 7-10.5 years |

- c. Commuwel Enterprise (Thailand) Co., Ltd. calculates the pension of Thai employees on the basis of seniority, in accordance with section 118/1 of the Labor Protection Act (No. 6).

## 21. EQUITY

- a. Share capital

### Ordinary shares

|   | <b>December 31</b> |              |
|---|--------------------|--------------|
|   | <b>2024</b>        | <b>2023</b>  |
| Number of shares authorized (in thousands)            | 200,000            | 200,000      |
| Shares authorized                                     | \$ 2,000,000       | \$ 2,000,000 |
| Number of shares issued and fully paid (in thousands) | 144,269            | 123,726      |
| Shares issued   | \$ 1,442,686       | \$ 1,237,258 |
| Capital collected in advance                          | \$ -               | \$ 170,511   |

Fully paid ordinary shares, which have a par value of \$10, carry one vote per share and a right to dividends.

The authorized shares include 3,000 thousand shares allocated for the exercise of employee share options.



b. Capital surplus

|   | <b>December 31</b>  |                     |
|---|---------------------|---------------------|
|   | <b>2024</b>         | <b>2023</b>         |
| <u>May be used to offset a deficit, distributed as cash dividends, or transferred to share capital (Note 1)</u>                 |                     |                     |
| Issuance of ordinary shares   | \$ 1,937,386        | \$ 1,741,123        |
| The difference between the consideration paid and the carrying amount of the subsidiaries' net assets during actual acquisition | 414,613             | 414,247             |
| Consolidation excess  | 852,372             | 852,372             |
| Unclaimed dividends   | 207                 | 122                 |
| <u>May only be used to offset a deficit (Note 2)</u>  |                     |                     |
| Changes in percentage of ownership interests in subsidiaries  | 166,971             | 143,150             |
| <u>May not be used for any purpose</u>  |                     |                     |
| Convertible bonds option  | <u>-</u>            | <u>29,583</u>       |
|   | <u>\$ 3,371,549</u> | <u>\$ 3,180,597</u> |

Note 1: Such capital surplus, which includes the amount in excess of par value of issued stocks (including the issuance of ordinary stocks at the excess premium, the conversion premium of bonds, and the premium of shares due to the consolidation excess, etc.), unclaimed dividends, and the difference between the consideration paid and the carrying amount of the subsidiaries' net assets during actual acquisition, may be used to offset a deficit; in addition, when the Corporation has no deficit, such capital surplus may be distributed as cash dividends or transferred to share capital (limited to a certain percentage of the Corporation's capital surplus and to once a year).

Note 2: Such capital surplus which arises from the effects of changes in ownership interests in subsidiaries may only be used to offset a deficit.

c. Retained earnings and dividends policy

Under the dividends policy as set forth in the amended Articles, where the Corporation made a profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting losses of previous years, setting aside as a legal reserve of 10% of the remaining profit, setting aside or reversing a special reserve in accordance with the laws and regulations, and then any remaining profit together with any undistributed retained earnings shall be used by the Corporation's board of directors as the basis for proposing a distribution plan, which should be resolved by the shareholders in their meeting for the distribution of dividends and bonuses to shareholders. For the policies on the distribution of compensation of employees and remuneration of directors after the amendment, refer to compensation of employees and remuneration of directors in Note 23-d.

As the Corporation is currently in the growth stage, the Corporation considers its industry development and long-term interests of shareholders as well as its programs to maintain operating efficiency and meet its financial goals when determining the distribution of bonuses in shares or cash. The board of directors shall propose allocation ratios every year and propose such allocation ratio at the shareholder's meeting. For the distribution of bonuses to shareholders, cash dividends are preferred. Distribution of earnings may also be made in the form of share dividends; provided that the ratio of cash dividends distributed is 5% to 100% of the total dividends distributed.

An appropriation of earnings to a legal reserve shall be made until the legal reserve equals the Corporation's paid-in capital. The legal reserve may be used to offset deficits. If the Corporation has no deficit and the legal reserve has exceeded 25% of the Corporation's paid-in capital, the excess may be transferred to capital or distributed in cash.

When a special reserve is appropriated for cumulative net debit balance reserves from prior period, the special reserve is only appropriated from the prior unappropriated earnings.

The appropriations of earnings for 2023 and 2022 which were approved by the shareholders in their meetings on June 21, 2024 and June 16, 2023, respectively, were as follows:

|                            | <b>Appropriation of Earnings</b>      |              |
|----------------------------|---------------------------------------|--------------|
|                            | <b>For the Year Ended December 31</b> |              |
|                            | <b>2023</b>                           | <b>2022</b>  |
| Legal reserve              | \$ 64,732                             | \$ 37,643    |
| Special reserve            | \$ 101,031                            | \$ (168,395) |
| Cash dividends             | \$ 578,000                            | \$ 371,172   |
| Dividends per share (NT\$) | \$ 4.11                               | \$ 3.00      |

The appropriation of earnings for 2024, proposed by the Corporation's board of directors on March 7, 2025, were as follows:

|                            | <b>For the Year Ended December 31, 2024</b> |
|----------------------------|---|
| Legal reserve              | \$ 102,462                                  |
| Special reserve            | \$ (347,048)                                |
| Cash dividends             | \$ 793,477                                  |
| Dividends per share (NT\$) | \$ 5.50                                     |

The appropriation of earnings and capital surplus for 2024 is subject to the resolution of the shareholders in the shareholders' meeting to be held on May 29, 2025.

d. Special reserve

|   | <b>For the Year Ended December 31</b> |             |
|---|---------------------------------------|-------------|
|   | <b>2024</b>                           | <b>2023</b> |
| Balance at January 1                        | \$ 518,796                            | \$ 687,191  |
| Appropriated to special reserve             |                                       |             |
| (Reversals of) debits to other equity items | 101,031                               | (168,395)   |
| Balance at December 31                      | \$ 619,827                            | \$ 518,796  |

On the initial application of the IFRS Accounting Standards, the net increase arising from the retained earnings was not enough for the special reserve appropriation; thus, the Corporation appropriated a special reserve at the amount of \$230,916 thousand, representing the remaining amount in retained earnings that resulted from the conversion to IFRS Accounting Standards. Additional special reserve should be appropriated for the amount equal to the difference between net debit balance reserves and the special reserve appropriated on the first-time adoption of IFRS Accounting Standards. Any special reserve appropriated may be reversed to the extent that the net debit balance reverses and is thereafter, distributed.

e. Non-controlling interests

|   | <b>For the Year Ended December 31,</b> |                   |
|---|--|-------------------|
|   | <b>2024</b>                            | <b>2023</b>       |
| Balance at January 1  | \$ 324,083                             | \$ 335,132        |
| Share of profit (loss) profit for the year  | 32,283                                 | (4,798)           |
| Other comprehensive income (loss) during the year   |  |                   |
| Exchange differences on translating the financial statements of foreign entities          | 13,743                                 | (3,906)           |
| Remeasurement of defined benefit plans  | 256                                    | (327)             |
| Income tax relating to items that will not be reclassified subsequently to profit or loss | -                                      | (4)               |
| Cash capital increase by subsidiaries   | 143                                    | -                 |
| Changes in ownership interests in subsidiaries (Note 26)                                  | (23,821)                               | -                 |
| Acquisition of non-controlling interests in subsidiaries (Note 26)                        | <u>(1,119)</u>                         | <u>(2,014)</u>    |
| Balance at December 31  | <u>\$ 345,568</u>                      | <u>\$ 324,083</u> |

## 22. REVENUE

|                                       | <b>For the Year Ended December 31</b> |                     |
|---------------------------------------|---------------------------------------|---------------------|
|                                       | <b>2024</b>                           | <b>2023</b>         |
| Revenue from contracts with customers |                                       |                     |
| Revenue from the sale of goods        | <u>\$ 9,404,071</u>                   | <u>\$ 8,769,537</u> |

a. Contracts with customers information

See Note 4 (n) for detailed information on contracts with customers.

b. Contract balance

|                                 | <b>December 31,<br/>2024</b> | <b>December 31,<br/>2023</b> | <b>January 1,<br/>2023</b> |
|---------------------------------|------------------------------|------------------------------|----------------------------|
| Notes receivable                | \$ 186,231                   | \$ 200,860                   | \$ 181,328                 |
| Trade receivables, net (Note 9) | <u>2,497,930</u>             | <u>2,381,274</u>             | <u>1,969,799</u>           |
|                                 | <u>\$ 2,684,161</u>          | <u>\$ 2,582,134</u>          | <u>\$ 2,151,127</u>        |

## 23. NET PROFIT

### a. Other income

|                | <b>For the Year Ended December 31,</b> |                  |
|----------------|--|------------------|
|                | <b>2024</b>                            | <b>2023</b>      |
| Dividends      | \$ 6,569                               | \$ 5,089         |
| Rental income  | 357                                    | 1,799            |
| Subsidy income | 4,956                                  | 16,849           |
| Others         | <u>6,189</u>                           | <u>27,810</u>    |
|                | <u>\$ 18,071</u>                       | <u>\$ 51,547</u> |

### b. Other gains and losses

|  | <b>For the Year Ended December 31,</b> |                   |
|--|--|-------------------|
|  | <b>2024</b>                            | <b>2023</b>       |
| Gain (loss) on disposal of property, plant and equipment | \$ 633                                 | \$ (13,451)       |
| Gain on lease modification                               | 3,041                                  | 11,789            |
| Others   | <u>(7,460)</u>                         | <u>(7,290)</u>    |
|  | <u>\$ (3,786)</u>                      | <u>\$ (8,952)</u> |

### c. Depreciation, amortization and employee benefits expense:

|                           | <b>For the Year Ended December 31</b> |                           |                     |                        |                           |                     |
|---------------------------|---------------------------------------|---------------------------|---------------------|------------------------|---------------------------|---------------------|
|                           | <b>2024</b>                           |                           |                     | <b>2023</b>            |                           |                     |
|                           | <b>Operating Costs</b>                | <b>Operating Expenses</b> | <b>Total</b>        | <b>Operating Costs</b> | <b>Operating Expenses</b> | <b>Total</b>        |
| Employee benefits expense |                                       |                           |                     |                        |                           |                     |
| Defined contribution plan | \$ 74,542                             | \$ 20,717                 | \$ 95,259           | \$ 69,495              | \$ 21,987                 | \$ 91,482           |
| Defined benefit plan      | 215                                   | (246)                     | (31)                | 227                    | (2,250)                   | (2,023)             |
| Other employee benefits   | <u>1,287,635</u>                      | <u>642,051</u>            | <u>1,929,686</u>    | <u>1,341,001</u>       | <u>569,988</u>            | <u>1,910,989</u>    |
|                           | <u>\$ 1,362,392</u>                   | <u>\$ 662,522</u>         | <u>\$ 2,024,914</u> | <u>\$ 1,410,723</u>    | <u>\$ 589,725</u>         | <u>\$ 2,000,448</u> |
| Depreciation              | <u>\$ 293,335</u>                     | <u>\$ 112,211</u>         | <u>\$ 405,546</u>   | <u>\$ 291,487</u>      | <u>\$ 122,547</u>         | <u>\$ 414,034</u>   |
| Amortization              | <u>\$ 3,418</u>                       | <u>\$ 17,875</u>          | <u>\$ 21,293</u>    | <u>\$ 3,009</u>        | <u>\$ 19,519</u>          | <u>\$ 22,528</u>    |

### d. Compensation of employees and remuneration of directors

According to the Corporation's Articles of Incorporation, the Corporation shall use the current year's pre-tax profit before the distribution of the remuneration to employees and directors to make up for the accumulated loss, and if there is any remaining balance, the Company shall appropriate not less than 3% as employees' remuneration and not more than 2% as directors' remuneration. The compensation of employees and the remuneration of directors for the years ended December 31, 2024 and 2023, which were approved by the Corporation's board of directors on March 7, 2025 and March 8, 2024, respectively, are as follows:

#### Accrual rate

|                           | <b>For the Year Ended December 31</b> |             |
|---------------------------|---------------------------------------|-------------|
|                           | <b>2024</b>                           | <b>2023</b> |
| Compensation of employees | 7.181%                                | 8.805%      |
| Remuneration of directors | 1.663%                                | 1.996%      |

Amount

|                           | <b>For the Year Ended December 31</b> |             |
|---------------------------|---------------------------------------|-------------|
|                           | <b>2024</b>                           | <b>2023</b> |
|                           | <b>Cash</b>                           | <b>Cash</b> |
| Compensation of employees | \$ 95,000                             | \$ 75,000   |
| Remuneration of directors | 22,000                                | 17,000      |

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

The appropriations of compensation of employees and remuneration of directors and supervisors for 2023 and 2022 that were resolved by the board of directors on March 8, 2024 and March 15, 2023, respectively, are as shown below:

|  | <b>For the Year Ended December 31</b> |                                      |                                      |                                      |
|--|---------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
|  | <b>2023</b>                           |                                      | <b>2022</b>                          |                                      |
|  | <b>Compensation<br/>of Employees</b>  | <b>Remuneration<br/>of Directors</b> | <b>Compensation<br/>of Employees</b> | <b>Remuneration<br/>of Directors</b> |
| Amounts approved in the board<br>of directors' meeting                   | <u>\$ 75,000</u>                      | <u>\$ 17,000</u>                     | <u>\$ 43,000</u>                     | <u>\$ 9,800</u>                      |
| Amounts recognized in the<br>annual consolidated financial<br>statements | <u>\$ 75,000</u>                      | <u>\$ 17,000</u>                     | <u>\$ 43,000</u>                     | <u>\$ 9,800</u>                      |

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

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

## 24. INCOME TAXES

- a. Income tax recognized in profit or loss

Major components of income tax expense are as follows:

|                                       | <b>For the Year Ended December 31</b> |                |
|---------------------------------------|---------------------------------------|----------------|
|                                       | <b>2024</b>                           | <b>2023</b>    |
| Current tax                           |                                       |                |
| In respect of the current year        | \$ 426,378                            | \$ 242,589     |
| Income tax on unappropriated earnings | -                                     | 8,208          |
| Adjustments for prior years           | <u>20,389</u>                         | <u>1,927</u>   |
|                                       | <u>446,767</u>                        | <u>252,724</u> |

(Continued)

|   | <b>For the Year Ended December 31</b> |                   |
|---|---------------------------------------|-------------------|
|   | <b>2024</b>                           | <b>2023</b>       |
| Deferred tax  |                                       |                   |
| In respect of the current year  | \$ 154,001                            | \$ 101,775        |
| Adjustments to deferred tax attributable to changes in tax rates and laws | <u>(1,912)</u>                        | <u>18,393</u>     |
|   | <u>152,089</u>                        | <u>120,168</u>    |
| Income tax expense recognized in profit or loss                           | <u>\$ 598,856</u>                     | <u>\$ 372,892</u> |
|   |                                       | (Concluded)       |

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

|   | <b>For the Year Ended December 31</b> |                     |
|---|---------------------------------------|---------------------|
|   | <b>2024</b>                           | <b>2023</b>         |
| Profit before tax                                   | <u>\$ 1,652,500</u>                   | <u>\$ 1,010,459</u> |
| Income tax expense calculated at the statutory rate | \$ 638,198                            | \$ 359,679          |
| Permanent differences                               | (73,758)                              | (30,320)            |
| Unrecognized deductible temporary differences       | 4,453                                 | (249)               |
| Unrecognized loss carryforwards                     | 11,486                                | 15,254              |
| Income tax on unappropriated earnings               | -                                     | 8,208               |
| Adjustments for prior years' tax                    | <u>18,477</u>                         | <u>20,320</u>       |
| Income tax expense recognized in profit or loss     | <u>\$ 598,856</u>                     | <u>\$ 372,892</u>   |

b. Current tax assets and liabilities

|                         | <b>December 31</b> |                   |
|-------------------------|--------------------|-------------------|
|                         | <b>2024</b>        | <b>2023</b>       |
| Current tax assets      |                    |                   |
| Tax refund receivable   | <u>\$ 2</u>        | <u>\$ 11</u>      |
| Current tax liabilities |                    |                   |
| Income tax payable      | <u>\$ 154,765</u>  | <u>\$ 113,759</u> |

c. Deferred tax assets and liabilities

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

For the year ended December 31, 2024

| Deferred Tax Assets                                       | Opening Balance  | Recognized in Profit or Loss | Recognized in Other Comprehensive Income | Adjustments to Deferred Tax Attributable to Changes in Tax Rates and Laws | Exchange Differences | Closing Balance  |
|---|------------------|------------------------------|--|---|----------------------|------------------|
| Temporary differences                                     |                  |                              |  |   |                      |                  |
| Allowance loss for exceeding limits                       | \$ 3,308         | \$ 378                       | \$ -                                     | \$ -  | \$ 64                | \$ 3,750         |
| Allowance for inventory valuation and obsolescence losses | 24,966           | (4,463)                      | -  | -   | 1,142                | 21,645           |
| Unrealized exchange losses                                | 168              | (174)                        | -  | -   | 6                    | -                |
| Others  | 5,915            | (1,957)                      | -  | -   | 269                  | 4,227            |
| Loss carryforwards  | <u>29,105</u>    | <u>(12,235)</u>              | <u>-</u>                                 | <u>1,912</u>  | <u>660</u>           | <u>19,442</u>    |
|   | <u>\$ 63,462</u> | <u>\$ (18,451)</u>           | <u>\$ -</u>                              | <u>\$ 1,912</u>   | <u>\$ 2,141</u>      | <u>\$ 49,064</u> |

| Deferred Tax Liabilities                                  | Opening Balance   | Recognized in Profit or Loss | Recognized in Other Comprehensive Income | Adjustments to Deferred Tax Attributable to Changes in Tax Rates and Laws | Exchange Differences | Closing Balance   |
|---|-------------------|------------------------------|--|---|----------------------|-------------------|
| Temporary differences                                     |                   |                              |  |   |                      |                   |
| Gain on investments accounted for using the equity method | \$ 191,577        | \$ 134,119                   | \$ -                                     | \$ -  | \$ -                 | \$ 325,696        |
| Unrealized exchange gains                                 | 15,714            | 2,409                        | -  | -   | 3                    | 18,126            |
| Land value income tax                                     | 22,171            | -                            | -  | -   | -                    | 22,171            |
| Others  | <u>6,121</u>      | <u>(978)</u>                 | <u>613</u>                               | <u>-</u>  | <u>228</u>           | <u>5,984</u>      |
|   | <u>\$ 235,583</u> | <u>\$ 135,550</u>            | <u>\$ 613</u>                            | <u>\$ -</u>   | <u>\$ 231</u>        | <u>\$ 371,977</u> |

For the year ended December 31, 2023

| Deferred Tax Assets                                       | Opening Balance   | Recognized in Profit or Loss | Recognized in Other Comprehensive Income | Adjustments to Deferred Tax Attributable to Changes in Tax Rates and Laws | Exchange Differences | Closing Balance  |
|---|-------------------|------------------------------|--|---|----------------------|------------------|
| Temporary differences                                     |                   |                              |  |   |                      |                  |
| Allowance loss for exceeding limits                       | \$ 2,564          | \$ 470                       | \$ -                                     | \$ 293  | \$ (19)              | \$ 3,308         |
| Allowance for inventory valuation and obsolescence losses | 32,856            | (1,410)                      | -  | (6,202)   | (278)                | 24,966           |
| Unrealized exchange losses                                | -                 | 171                          | -  | -   | (3)                  | 168              |
| Others  | 4,173             | (1,760)                      | (14)                                     | 3,500   | 16                   | 5,915            |
| Loss carryforwards  | <u>67,562</u>     | <u>(22,309)</u>              | <u>-</u>                                 | <u>(15,984)</u>   | <u>(164)</u>         | <u>29,105</u>    |
|   | <u>\$ 107,155</u> | <u>\$ (24,838)</u>           | <u>\$ (14)</u>                           | <u>\$ (18,393)</u>  | <u>\$ (448)</u>      | <u>\$ 63,462</u> |

| Deferred Tax Liabilities                                  | Opening Balance   | Recognized in Profit or Loss | Recognized in Other Comprehensive Income | Adjustments to Deferred Tax Attributable to Changes in Tax Rates and Laws | Exchange Differences | Closing Balance   |
|---|-------------------|------------------------------|--|---|----------------------|-------------------|
| Temporary differences                                     |                   |                              |  |   |                      |                   |
| Gain on investments accounted for using the equity method | \$ 124,060        | \$ 71,973                    | \$ -                                     | \$ (4,456)  | \$ -                 | \$ 191,577        |
| Unrealized exchange gains                                 | 6,939             | 6,549                        | -  | 2,226   | -                    | 15,714            |
| Land value income tax                                     | 22,171            | -                            | -  | -   | -                    | 22,171            |
| Others  | <u>5,347</u>      | <u>(1,585)</u>               | <u>160</u>                               | <u>2,230</u>  | <u>(31)</u>          | <u>6,121</u>      |
|   | <u>\$ 158,517</u> | <u>\$ 76,937</u>             | <u>\$ 160</u>                            | <u>\$ -</u>   | <u>\$ (31)</u>       | <u>\$ 235,583</u> |

- d. Deductible temporary differences and unused loss carryforwards for which no deferred tax assets have been recognized in the consolidated balance sheets

|                                  | December 31       |                   |
|----------------------------------|-------------------|-------------------|
|                                  | 2024              | 2023              |
| Deductible temporary differences | \$ 184,856        | \$ 141,487        |
| Loss carryforwards               | <u>59,190</u>     | <u>57,656</u>     |
|                                  | <u>\$ 244,046</u> | <u>\$ 199,143</u> |

The unrecognized deductible temporary differences are goodwill amortization, excess loss allowance, impairment loss on financial assets measured at cost, and loss on investments accounted for using the equity method.

e. Information about unused loss carryforwards

Loss carryforwards as of December 31, 2024 comprised:

| Unused Amount     | Expiry Year |
|-------------------|-------------|
| \$ 21,082         | 2025        |
| 26,278            | 2026        |
| 31,530            | 2027        |
| 10,077            | 2028        |
| 20,878            | 2029        |
| 2,060             | 2030        |
| 34,814            | 2031        |
| 29,372            | 2033        |
| <u>4,182</u>      | 2034        |
| <u>\$ 180,273</u> |             |

f. Income tax assessments

The income tax returns of the Corporation through 2021 have been assessed by the tax authorities.

The income tax returns of the Gatetech Technology Inc. and Leohab Enterprise Co., Ltd. through 2022 have been assessed by the tax authorities.

All the subsidiaries in China and other overseas countries have completed income tax returns within the time limit specified by the local tax collection authority.

## 25. EARNINGS PER SHARE

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

**Net Profit for the Year**

|  | <b>For the Year Ended December 31</b> |                   |
|--|---------------------------------------|-------------------|
|  | <b>2024</b>                           | <b>2023</b>       |
| Earnings used in the computation of diluted earnings per share | \$ 1,021,361                          | \$ 642,365        |
| Effect of potentially dilutive ordinary shares                 |                                       |                   |
| Convertible bonds  | <u>666</u>                            | <u>11,525</u>     |
|  | <u>\$ 1,022,027</u>                   | <u>\$ 653,890</u> |



## Shares

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

|  | <b>For the Year Ended December 31</b> |                |
|--|---------------------------------------|----------------|
|  | <b>2024</b>                           | <b>2023</b>    |
| Weighted average number of ordinary shares used in the computation of basic earnings per share   | 143,177                               | 125,443        |
| Effect of potentially dilutive ordinary shares   |                                       |                |
| Convertible bonds  | 1,092                                 | 3,460          |
| Compensation of employees  | <u>1,209</u>                          | <u>1,079</u>   |
| Weighted average number of ordinary shares used in the computation of diluted earnings per share | <u>145,478</u>                        | <u>129,982</u> |

The Group may settle the compensation paid to employees in cash or shares; therefore, the Group assumes that the entire amount of the compensation will be settled in shares, and the resulting potential shares will be included in the weighted average number of shares outstanding used in the computation of diluted earnings per share, as the effect is dilutive. Such dilutive effect of the potential shares is included in the computation of diluted earnings per share until the number of shares to be distributed to employees is resolved in the following year.

## 26. EQUITY TRANSACTIONS WITH NON-CONTROLLING INTERESTS

On May 30, 2024, the Group subscribed for additional new shares of Leohab Enterprise Co., Ltd. at a percentage different from its existing ownership percentage and increased its continuing interest from 70% to 80.22%.

On August 14, 2024, July 18, 2024, and March 27, 2023, the Corporation subscribed for additional new shares of Gatetech Technology Inc. at 0.09%, 0.03% and 0.23% from its existing ownership percentage for a cash consideration of \$543 thousand, \$210 thousand, and \$1,293 thousand, respectively, and increased the Corporation's percentage of ownership from 73.82% to 74.17%.

The above transactions were accounted for as equity transactions, since the Corporation did not cease to have control over these subsidiaries.

For the year ended December 31, 2024

|   | <b>Leohab<br/>Enterprise<br/>Co., Ltd.</b> | <b>Gatetech<br/>Technology Inc.</b> |
|---|--|-------------------------------------|
| Consideration paid  | \$ -                                       | \$ (753)                            |
| The proportionate share of carrying amount of the net assets of the subsidiary transferred to non-controlling interests | <u>23,821</u>                              | <u>1,119</u>                        |
| Difference recognized from equity transactions  | <u>\$ 23,821</u>                           | <u>\$ 366</u>                       |

(Continued)

|   | <b>Leohab<br/>Enterprise<br/>Co., Ltd.</b> | <b>Gatetech<br/>Technology Inc.</b> |
|---|--|-------------------------------------|
| <u>Adjustment of difference recognized from equity transactions</u>   |  |                                     |
| Capital surplus - difference between consideration received or paid and the carrying amount of the subsidiaries' net assets during actual disposal or acquisition | \$ 23,821                                  | \$ -                                |
| Capital surplus - difference between actual acquisition of subsidiary's equity prices and carrying amount   | <u>-</u>                                   | <u>366</u>                          |
|   | <u>\$ 23,821</u>                           | <u>\$ 366</u><br>(Concluded)        |

For the year ended December 31, 2023

|   | <b>Gatetech<br/>Technology Inc.</b> |
|---|-------------------------------------|
| Consideration paid  | \$ (1,293)                          |
| The proportionate share of carrying amount of the net assets of the subsidiary transferred to non-controlling interests | <u>2,014</u>                        |
| Difference recognized from equity transactions  | <u>\$ 721</u>                       |
| <u>Adjustment of difference recognized from equity transactions</u>   |                                     |
| Capital surplus - difference between actual acquisition of subsidiary's equity prices and carrying amount               | <u>\$ 721</u>                       |

## 27. CAPITAL MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximizing the return to stockholders through the optimization of the debt and equity balance.

The strategy for managing the capital structure of the Group is based on the scale of the business, the future growth of the industry and the blueprints of the products' development. The Group calculates trading fund and cash based on its production capacity in order to have a long-term and completed plan. The Group takes into account product competition to estimate the products' contribution, operating profit margin and cash flow. It also considers the business cycle and the product's life cycle and risks when deciding the appropriate capital structure.

Key management personnel of the Group review the capital structure on a regular basis. As part of this review, the key management personnel consider the cost of capital and the risks associated with each class of capital. Generally, the Group uses a cautious risk management strategy.

## 28. FINANCIAL INSTRUMENTS

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

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

December 31, 2024

|  | Carrying<br>Amount | Fair Value |         |         |       |
|--|--------------------|------------|---------|---------|-------|
|  |                    | Level 1    | Level 2 | Level 3 | Total |
| <u>Financial liabilities</u>               |                    |            |         |         |       |
| Financial liabilities at<br>amortized cost |                    |            |         |         |       |
| Convertible bonds                          | \$ -               | \$ -       | \$ -    | \$ -    | \$ -  |

December 31, 2023

|  | Carrying<br>Amount | Fair Value |         |         |            |
|--|--------------------|------------|---------|---------|------------|
|  |                    | Level 1    | Level 2 | Level 3 | Total      |
| <u>Financial liabilities</u>               |                    |            |         |         |            |
| Financial liabilities at<br>amortized cost |                    |            |         |         |            |
| Convertible bonds                          | \$ 200,931         | \$ 308,822 | \$ -    | \$ -    | \$ 308,822 |

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

#### 1) Fair value hierarchy

December 31, 2024

|                           | Level 1             | Level 2     | Level 3          | Total               |
|---------------------------|---------------------|-------------|------------------|---------------------|
| Financial assets at FVTPL |                     |             |                  |                     |
| Listed shares             | \$ 171,728          | \$ -        | \$ -             | \$ 171,728          |
| Mutual funds              | 212,986             | -           | -                | 212,986             |
| Structured deposits       | 784,518             | -           | -                | 784,518             |
| Emerging market shares    | 7,858               | -           | 22,726           | 30,584              |
| Domestic unlisted shares  | -                   | -           | 19,928           | 19,928              |
| Overseas unlisted shares  | -                   | -           | 22,345           | 22,345              |
| Private funds             | -                   | -           | 14,898           | 14,898              |
|                           | <u>\$ 1,177,090</u> | <u>\$ -</u> | <u>\$ 79,897</u> | <u>\$ 1,256,987</u> |

December 31, 2023

|                           | Level 1             | Level 2     | Level 3          | Total               |
|---------------------------|---------------------|-------------|------------------|---------------------|
| Financial assets at FVTPL |                     |             |                  |                     |
| Listed shares             | \$ 75,093           | \$ -        | \$ -             | \$ 75,093           |
| Mutual funds              | 197,342             | -           | -                | 197,342             |
| Structured deposits       | 891,679             | -           | -                | 891,679             |
| Emerging market shares    | 30,070              | -           | 12,597           | 42,667              |
| Domestic unlisted shares  | -                   | -           | 20,883           | 20,883              |
| Overseas unlisted shares  | -                   | -           | 24,189           | 24,189              |
| Private funds             | <u>-</u>            | <u>-</u>    | <u>15,905</u>    | <u>15,905</u>       |
|                           | <u>\$ 1,194,184</u> | <u>\$ -</u> | <u>\$ 73,574</u> | <u>\$ 1,267,758</u> |

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

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

The financial assets which is measured by the third level of fair value is FVTPL.

Reconciliation of Level 3 fair value measurements of financial instruments in 2024 and 2023.

|  | <b><u>For the Year Ended December 31</u></b> |                  |
|--|--|------------------|
|  | <b>2024</b>                                  | <b>2023</b>      |
| Balance at January 1   | \$ 73,574                                    | \$ 54,156        |
| Recognized in profit or loss (included in net gain (loss) on fair value changes of financial instruments at FVTPL) | 5,898  | (3,766)          |
| Purchases  | 6,755  | 30,000           |
| Refund of capital reduction  | <u>(6,330)</u>                               | <u>(6,816)</u>   |
| Balance at December 31   | <u>\$ 79,897</u>                             | <u>\$ 73,574</u> |

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

| <b><u>Financial Instrument</u></b>         | <b><u>Valuation Technique and Inputs</u></b>  |
|--|---|
| Domestic third unsecured convertible bonds | Under the assumption that bonds will be redeemed on September 9, 2024, discount rate adopted is calculated via interpolation method using government bond yield rates from public offer 2-year and 5-year period. |

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

The fair values of emerging market shares are measured using the market approach, while the fair values of domestic and overseas unlisted shares and private funds are measured using the asset approach.

c. Categories of financial instruments

|  | <b>December 31</b> |              |
|--|--------------------|--------------|
|  | <b>2024</b>        | <b>2023</b>  |
| <u>Financial assets</u>                          |                    |              |
| Mandatorily classified as at FVTPL               | \$ 1,256,987       | \$ 1,267,758 |
| Financial assets at amortized cost (Note 1)      | 7,716,730          | 6,701,169    |
| <u>Financial liabilities</u>                     |                    |              |
| Financial liabilities at amortized cost (Note 2) | 3,888,714          | 4,104,303    |

Note 1: The balances include financial assets measured at amortized cost, which comprise cash and cash equivalents, financial assets at amortized cost, notes receivable and trade receivables, other receivables and refundable deposits.

Note 2: The balances include financial liabilities at amortized cost, which comprise notes payable and trade payable, other payables less salaries payable, short-term borrowings, long-term borrowings, current portion of long-term borrowings, current portion of bonds payable and guarantee deposits received.

d. Financial risk management objectives and policies

The Group's major financial instruments include cash and cash equivalents, financial assets mandatorily classified as at FVTPL, financial assets at amortized costs, equity investment, trade receivables, trade payables, accounts payable, bonds payable, borrowings and lease liabilities. The Group's corporate treasury function provides services to the business, coordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyze exposures by degree and magnitude of risks. These risks include market risk (including foreign currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

1) Market risk

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

There is no change in the method of the measurement of market risk.

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

a) Foreign currency risk

Several subsidiaries of the Group have sales and purchases denominated in foreign currency, which exposes the Group to foreign currency risk.

The carrying amounts of the Group's foreign currency-denominated monetary assets and monetary liabilities (including those eliminated upon consolidation) and of the derivatives exposed to foreign currency risk at the end of the reporting period are set out in Note 31.

Sensitivity analysis

The Group is mainly exposed to the USD and RMB.

The following table details the Group's sensitivity to a 1% increase and decrease in the New Taiwan dollar (i.e., functional currency) against the relevant foreign currencies. The sensitivity rate used when reporting foreign currency risk internally to key management personnel and representing management's assessment of the reasonably possible change in foreign exchange rates is 1%. The sensitivity analysis included only outstanding foreign currency-denominated monetary items and foreign exchange forward contracts designated as cash flow hedges, and their translation was adjusted at the end of the reporting period for a 1% change in foreign currency rates. A negative number below indicates a decrease in pre-tax profit associated with the New Taiwan dollar strengthening 1% against the relevant currency. For a 1% weakening of the New Taiwan dollar against the relevant currency, there would be an equal and opposite impact on pre-tax profit, and the balances below would be positive.

|                   | <b>For the Year Ended December 31</b> |             |
|-------------------|---------------------------------------|-------------|
|                   | <b>2024</b>                           | <b>2023</b> |
| <u>USD impact</u> |                                       |             |
| USD:NTD           | \$ (65)                               | \$ (2,766)  |
| USD:RMB           | \$ (28,949)                           | \$ (20,790) |
| USD:VND           | \$ (1,459)                            | \$ (1,311)  |
| <u>RMB impact</u> |                                       |             |
| RMB:NTD           | \$ (1,653)                            | \$ (2,328)  |
| RMB:USD           | \$ (457)                              | \$ (446)    |

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

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign currency risk because the exposure at the end of the reporting period did not reflect the exposure during the period.

b) Interest rate risk

The Group is exposed to interest rate risk because entities in the Group borrow funds at both fixed and floating interest rates.

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

|                               | <b>December 31</b> |              |
|-------------------------------|--------------------|--------------|
|                               | <b>2024</b>        | <b>2023</b>  |
| Fair value interest rate risk |                    |              |
| Financial assets              | \$ 3,372,718       | \$ 2,794,950 |
| Financial liabilities         | 2,161,517          | 2,340,906    |
| Cash flow interest rate risk  |                    |              |
| Financial assets              | 2,361,907          | 2,135,574    |

### Sensitivity analysis

The sensitivity analysis below was determined based on the Group's exposure to interest rates for both derivative and non-derivative instruments at the end of the reporting period. For floating rate assets and liabilities, the analysis was prepared assuming the amount of each liability outstanding at the end of the reporting period was outstanding at the end of the reporting period. A 100-basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 100-basis points higher/lower and all other variables were held constant, the Group's pre-tax profit for the years ended December 31, 2024 and 2023 would have increased/decreased by \$23,619 thousand and \$21,356 thousand, respectively, which was mainly attributable to the Group's exposure to interest rates on its variable-rate deposits.

#### c) Other price risk

The Group was exposed to equity price risk through its investments in domestic listed shares, domestic emerging market shares, mutual funds, domestic and overseas unlisted shares and private funds. In addition, the Group has appointed a special team to monitor the price risk and will consider hedging the risk exposure should the need arise.

### Sensitivity analysis

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

If equity prices had been 1% higher/lower, pre-tax profit for the years ended December 31, 2024 and 2023 would have increased/decreased by \$4,725 thousand and \$3,761 thousand, respectively, as a result of the changes in fair value of financial assets at FVTPL.

#### 2) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. As at the end of the reporting period, the Group's maximum exposure to credit risk, which would cause a financial loss to the Group due to the failure of the counterparty to discharge its obligation and due to the financial guarantees provided by the Group, could be equal to the total of the carrying amount of the respective recognized financial assets as stated in the balance sheets.

In order to reduce credit risk, the management team of the Group designated a special team to decide the credit ratings of counterparties and other monitoring procedures to make sure there are appropriate actions taken to collect the overdue receivables. Additionally, on each balance sheet date, the Group reviews the recoverable amounts to ensure appropriate allowances have been made for doubtful accounts. Therefore, the Group considers its credit risk to be significantly reduced.

The Group continuously assesses the financial conditions of customers with outstanding receivables.

As the counterparties of the Group are financial institutions and companies with good credit ratings, the Group has limited credit risk.

### 3) Liquidity risk

The Group manages liquidity risk by monitoring and maintaining a level of cash and cash equivalents deemed adequate to finance the Group's operations and mitigate the effects of fluctuations in cash flows. In addition, management monitors the utilization of bank borrowings and ensures compliance with loan covenants.

The Group relies on bank borrowings as a significant source of liquidity. The Group had available unutilized short-term bank loan facilities set out in below.

#### Financing facilities

|  | <b>December 31</b>  |                     |
|--|---------------------|---------------------|
|  | <b>2024</b>         | <b>2023</b>         |
| Unsecured bank overdraft facilities, reviewed annually |                     |                     |
| Amount used  | \$ 1,317,390        | \$ 1,408,585        |
| Amount unused  | <u>3,368,481</u>    | <u>2,605,670</u>    |
|  | <u>\$ 4,685,871</u> | <u>\$ 4,014,255</u> |
| Secured bank overdraft facilities                      |                     |                     |
| Amount used  | \$ 581,669          | \$ 491,864          |
| Amount unused  | <u>174,628</u>      | <u>205,119</u>      |
|  | <u>\$ 756,297</u>   | <u>\$ 696,983</u>   |

## 29. TRANSACTIONS WITH RELATED PARTIES

Balances and transactions between the Group and its subsidiaries, which are related parties of the Group, have been eliminated on consolidation and are not disclosed in this note. Besides information disclosed elsewhere in the other notes, details of transactions between the Group and other related parties are disclosed below.

#### a. Related party name and category

| <b>Related Party Name</b>                 | <b>Related Party Category</b>  |
|---|--|
| Chen Chien Hung                           | Related party in substance (first-degree relative of the Corporation's director) |
| Chen Chien Yuan                           | The Corporation's director (Note)  |
| Smart Automation Technology Inc.          | Associate  |
| Dongguan Smart Automation Technology Inc. | The subsidiary of associate  |

Note: Since August 2023, the natural person has become the Corporation's director after being the legal representative of the Corporation.

#### b. Purchases of goods

|                               | <b>For the Year Ended December 31</b> |               |
|-------------------------------|---------------------------------------|---------------|
| <b>Related Party Category</b> | <b>2024</b>                           | <b>2023</b>   |
| The subsidiary of associate   | <u>\$ 409</u>                         | <u>\$ 355</u> |



Purchases from related parties had no material differences in price or payment terms compared to transactions with unrelated parties.

c. Operating costs

| <b>Related Party Category</b> | <b>For the Year Ended December 31</b> |              |
|-------------------------------|---------------------------------------|--------------|
|                               | <b>2024</b>                           | <b>2023</b>  |
| Associate                     | \$ 42                                 | \$ 39        |
| The subsidiary of associate   | <u>58</u>                             | <u>-</u>     |
|                               | <u>\$ 100</u>                         | <u>\$ 39</u> |

d. Acquisition of property, plant and equipment

| <b>Related Party Category</b> | <b>For the Year Ended December 31</b> |              |
|-------------------------------|---------------------------------------|--------------|
|                               | <b>2024</b>                           | <b>2023</b>  |
| Associate                     | \$ 1,450                              | \$ -         |
| The subsidiary of associate   | <u>545</u>                            | <u>82</u>    |
|                               | <u>\$ 1,995</u>                       | <u>\$ 82</u> |

e. Lease agreements

| <b>Line Item</b>  | <b>Related Party Category</b> | <b>December 31</b> |               |
|-------------------|-------------------------------|--------------------|---------------|
|                   |                               | <b>2024</b>        | <b>2023</b>   |
| Lease liabilities | Related party in substance    | \$ -               | \$ 280        |
|                   | The Corporation's director    | <u>-</u>           | <u>152</u>    |
|                   |                               | <u>\$ -</u>        | <u>\$ 432</u> |

| <b>Related Party Category</b>                          | <b>For the Year Ended December 31</b> |              |
|--|---------------------------------------|--------------|
|  | <b>2024</b>                           | <b>2023</b>  |
| <u>Interest expense</u>                                |                                       |              |
| Related party in substance                             | \$ -                                  | \$ 11        |
| The legal representative of the Corporation's director | -                                     | 4            |
| The Corporation's director                             | <u>-</u>                              | <u>2</u>     |
|  | <u>\$ -</u>                           | <u>\$ 17</u> |

Lease expense

|  |                 |               |
|--|-----------------|---------------|
| The Corporation's director                             | \$ 1,744        | \$ 403        |
| Related party in substance                             | 1,406           | -             |
| The legal representative of the Corporation's director | <u>-</u>        | <u>535</u>    |
|  | <u>\$ 3,150</u> | <u>\$ 938</u> |

Lease expenses included expenses relating to short-term leases.

The rental amounts agreed in lease contracts between the Group and other related parties are determined based on market prices and general payment terms.

f. Acquisition of other assets

| Line Item         | Related Party Category      | Purchase Price<br>For the Year Ended December 31 |                 |
|-------------------|-----------------------------|--|-----------------|
|                   |                             | 2024   | 2023            |
| Intangible assets | Associate                   | \$ 2,113   | \$ 1,842        |
|                   | The subsidiary of associate | <u>4,600</u>                                     | <u>323</u>      |
|                   |                             | <u>\$ 6,713</u>                                  | <u>\$ 2,165</u> |

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

| Line Item      | Related Party Category      | December 31     |             |
|----------------|-----------------------------|-----------------|-------------|
|                |                             | 2024            | 2023        |
| Other payables | Associates                  | \$ 3            | \$ -        |
|                | The subsidiary of associate | <u>1,441</u>    | <u>-</u>    |
|                |                             | <u>\$ 1,444</u> | <u>\$ -</u> |

h. Prepayments

| Line Item  | Related Party Category      | December 31  |               |
|--|-----------------------------|--------------|---------------|
|  |                             | 2024         | 2023          |
| Prepayments for intangible assets (included in other non-current assets) | The subsidiary of associate | <u>\$ 44</u> | <u>\$ 401</u> |

i. Remuneration of key management personnel

|                              | For the Year Ended December 31 |                  |
|------------------------------|--------------------------------|------------------|
|                              | 2024                           | 2023             |
| Short-term employee benefits | \$ 63,478                      | \$ 54,451        |
| Post-employment benefits     | <u>331</u>                     | <u>314</u>       |
|                              | <u>\$ 63,809</u>               | <u>\$ 54,765</u> |

The remuneration of directors and key executives, as determined by the remuneration committee, was based on the performance of individuals and market trends.

### 30. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The following assets were provided as collateral for bank borrowings:

|                                    | December 31       |                   |
|------------------------------------|-------------------|-------------------|
|                                    | 2024              | 2023              |
| Property, plant and equipment      | \$ 877,857        | \$ 885,049        |
| Financial assets at amortized cost | <u>4,875</u>      | <u>4,634</u>      |
|                                    | <u>\$ 882,732</u> | <u>\$ 889,683</u> |

### 31. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The Group's significant financial assets and liabilities denominated in foreign currencies aggregated by the foreign currencies other than functional currencies of the entities in the Group and the related exchange rates between the foreign currencies and the respective functional currencies were as follows:

December 31, 2024

|   | Foreign<br>Currency | Exchange Rate    | Carrying<br>Amount |
|---|---------------------|------------------|--------------------|
| <u>Financial assets</u>                 |                     |                  |                    |
| Monetary items                          |                     |                  |                    |
| USD                                     | \$ 54,300           | 32.785 (USD:NTD) | \$ 1,780,226       |
| USD                                     | 89,046              | 7.1884 (USD:RMB) | 2,919,373          |
| USD                                     | 9,264               | 25,650 (USD:VND) | 303,720            |
| RMB                                     | 51,374              | 4.478 (RMB:NTD)  | 230,053            |
| RMB                                     | 10,214              | 0.1366 (RMB:USD) | 45,738             |
| Non-monetary items                      |                     |                  |                    |
| Financial assets at FVTPL - non-current |                     |                  |                    |
| USD                                     | 682                 | 32.785 (USD:NTD) | 22,345             |
| <u>Financial liabilities</u>            |                     |                  |                    |
| Monetary items                          |                     |                  |                    |
| USD                                     | 54,102              | 32.785 (USD:NTD) | 1,773,734          |
| USD                                     | 748                 | 7.1884 (USD:RMB) | 24,523             |
| USD                                     | 4,813               | 25,650 (USD:VND) | 157,794            |
| RMB                                     | 14,456              | 4.478 (RMB:NTD)  | 64,734             |

December 31, 2023

|   | <b>Foreign<br/>Currency</b> | <b>Exchange Rate</b> | <b>Carrying<br/>Amount</b> |
|---|-----------------------------|----------------------|----------------------------|
| <u>Financial assets</u>                 |                             |                      |                            |
| Monetary items                          |                             |                      |                            |
| USD                                     | \$ 58,190                   | 30.705 (USD:NTD)     | \$ 1,786,724               |
| USD                                     | 70,090                      | 7.0827 (USD:RMB)     | 2,152,113                  |
| USD                                     | 11,436                      | 24,623 (USD:VND)     | 351,142                    |
| RMB                                     | 58,575                      | 4.327 (RMB:NTD)      | 253,454                    |
| RMB                                     | 10,308                      | 0.1409 (RMB:USD)     | 44,603                     |
| Non-monetary items                      |                             |                      |                            |
| Financial assets at FVTPL - non-current |                             |                      |                            |
| USD                                     | 788                         | 30.705 (USD:NTD)     | 24,189                     |

Financial liabilities

|                |        |                  |           |
|----------------|--------|------------------|-----------|
| Monetary items |        |                  |           |
| USD            | 49,182 | 30.705 (USD:NTD) | 1,510,133 |
| USD            | 2,380  | 7.0827 (USD:RMB) | 73,078    |
| USD            | 7,165  | 24,623 (USD:VND) | 220,001   |
| RMB            | 4,773  | 4.327 (RMB:NTD)  | 20,653    |

The Group is mainly exposed to the USD and RMB. The following information was aggregated by the functional currencies of the group entities in the Group, and the exchange rates between respective functional currencies and the presentation currency were disclosed. The significant realized and unrealized foreign exchange gains (losses) were as follows:

| <b>For the Year Ended December 31</b> |                      |  |                      |  |
|---------------------------------------|----------------------|--|----------------------|--|
| <b>Foreign<br/>Currency</b>           | <b>2024</b>          |  | <b>2023</b>          |  |
|                                       | <b>Exchange Rate</b> | <b>Net Foreign<br/>Exchange Gains<br/>(Losses)</b> | <b>Exchange Rate</b> | <b>Net Foreign<br/>Exchange Gains<br/>(Losses)</b> |
| NTD                                   | 1 (NTD:NTD)          | \$ 27,416  | 1 (NTD:NTD)          | \$ 27,094  |
| USD                                   | 32.112 (USD:NTD)     | (691)  | 31.155 (USD:NTD)     | (782)  |
| RMB                                   | 4.454 (RMB:NTD)      | 68,145   | 4.396 (RMB:NTD)      | 28,240   |
| VND                                   | 0.00127 (VND:NTD)    | 12,415   | 0.00129 (VND:NTD)    | 3,028  |
| Others                                |                      | <u>2,723</u>                                       |                      | <u>(12)</u>  |
|                                       |                      | <u>\$ 110,008</u>                                  |                      | <u>\$ 57,568</u>                                   |

## 32. SEPARATELY DISCLOSED ITEMS

a. Information on significant transactions:

- 1) Financing provided to others (Table 1)
- 2) Endorsements/guarantees provided (Table 2)
- 3) Marketable securities held (excluding investments in subsidiaries, associates and joint ventures) (Table 3)

- 4) Marketable securities acquired or disposed of at costs or prices of at least NT\$300 million or 20% of the paid-in capital (Table 4)
  - 5) Acquisition of individual real estate at costs of at least NT\$300 million or 20% of the paid-in capital (None)
  - 6) Disposal of individual real estate at prices of at least NT\$300 million or 20% of the paid-in capital (None)
  - 7) Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital (Table 5)
  - 8) Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital (Table 6)
  - 9) Trading in derivative instruments (Note 7)
  - 10) Intercompany relationships and significant intercompany transactions (Table 9)
- b. Information on investees (Table 7)
  - c. Information on investments in mainland China
    - 1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, net income of investees, investment income or loss, carrying amount of the investment at the end of the period, repatriations of investment income, and limit on the amount of investment in the mainland China area (Table 8)
    - 2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses (Tables 1, 2, 5, 6 and 9)
      - a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period
      - b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period
      - c) The amount of property transactions and the amount of the resultant gains or losses
      - d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes
      - e) The highest balance, the end of period balance, the interest rate range, and total current period interest with respect to the financing of funds
      - f) Other transactions that have a material effect on the profit or loss for the year or on the financial position, such as the rendering or receipt of services
  - d. Information of major shareholders: List all shareholders with ownership of 5% or greater showing the name of the shareholder, the number of shares owned, and percentage of ownership of each shareholder (Table 10)

### 33. SEGMENT INFORMATION

Information reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance focuses on the types of goods or services delivered or provided. Specifically, the Group's reportable segments were electronic equipment and molding.

No operating segments have ceased operation during the year.

#### a. Segment revenue and results

The following was an analysis of the Group's revenue and results from continuing operations by reportable segments:

|                                     | <b>Income</b>                             |                     | <b>Loss</b>                               |                     |
|-------------------------------------|---|---------------------|---|---------------------|
|                                     | <b>For the Year Ended<br/>December 31</b> |                     | <b>For the Year Ended<br/>December 31</b> |                     |
|                                     | <b>2024</b>                               | <b>2023</b>         | <b>2024</b>                               | <b>2023</b>         |
| Equipment - electronic parts        | \$ 9,380,206                              | \$ 8,743,711        | \$ 2,124,033                              | \$ 1,462,636        |
| - plastic molding                   | <u>23,865</u>                             | <u>25,826</u>       | <u>6,181</u>                              | <u>5,198</u>        |
| Revenue from continuing operations  | <u>\$ 9,404,071</u>                       | <u>\$ 8,769,537</u> | 2,130,214                                 | 1,467,834           |
| Non-operating income and expenses   |   |                     | 278,911                                   | 230,087             |
| General and administrative expenses |   |                     | <u>(756,625)</u>                          | <u>(687,462)</u>    |
| Income before tax                   |   |                     | <u>\$ 1,652,500</u>                       | <u>\$ 1,010,459</u> |

The above segment revenue and results were generated from the transactions with external customers. There were no inter-segment transactions for the years ended December 31, 2024 and 2023.

Segment profit represented the profit before tax earned by each segment without allocation of non-operating income and expenses, central administration costs and income tax expense. This was the measure reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance.

#### b. Segment total assets

The Group has no key operational personnel to monitor segment performance, and thus, the amount of segment assets is zero.

#### c. Other segment information

|                             | <b>Depreciation and Amortization</b>  |                   |
|-----------------------------|---------------------------------------|-------------------|
|                             | <b>For the Year Ended December 31</b> |                   |
|                             | <b>2024</b>                           | <b>2023</b>       |
| Electronic parts department | \$ 391,903                            | \$ 402,578        |
| Plastic molding department  | <u>34,936</u>                         | <u>33,984</u>     |
|                             | <u>\$ 426,839</u>                     | <u>\$ 436,562</u> |

d. Revenue from major products and services

The following is an analysis of the Group's revenue from continuing operations from its major products and services.

|                   | <b>For the Year Ended December 31</b> |                     |
|-------------------|---------------------------------------|---------------------|
|                   | <b>2024</b>                           | <b>2023</b>         |
| Display hinges    | \$ 9,380,206                          | \$ 8,743,711        |
| Molding equipment | <u>23,865</u>                         | <u>25,826</u>       |
|                   | <u>\$ 9,404,071</u>                   | <u>\$ 8,769,537</u> |

e. Geographical information

The Group operates in three principal geographical areas - China, Vietnam and Taiwan.

The Group's revenue from continuing operations from external customers by location of operations and information about its non-current assets by location of assets are detailed below.

|         | <b>For the Year Ended December 31</b> |                     |
|---------|---------------------------------------|---------------------|
|         | <b>2024</b>                           | <b>2023</b>         |
| China   | \$ 4,621,646                          | \$ 4,020,589        |
| Taiwan  | 3,733,716                             | 3,680,613           |
| Vietnam | 560,550                               | 590,164             |
| Other   | <u>488,159</u>                        | <u>478,171</u>      |
|         | <u>\$ 9,404,071</u>                   | <u>\$ 8,769,537</u> |

f. Information about major customers

Revenue in 2024 and 2023 were \$9,404,071 thousand and \$8,769,537 thousand, respectively and each single customer contributing 10% or more to the Group's revenue was as follows:

|                    | <b>For the Year Ended December 31</b> |                     |              |                     |
|--------------------|---------------------------------------|---------------------|--------------|---------------------|
|                    | <b>2024</b>                           |                     | <b>2023</b>  |                     |
| <b>Client Code</b> | <b>Sales</b>                          | <b>% of Revenue</b> | <b>Sales</b> | <b>% of Revenue</b> |
| A                  | \$ 1,963,783                          | 20.88               | \$ 2,194,566 | 25.02               |

TABLE 1

SYNCMOLD ENTERPRISE CORPORATION AND SUBSIDIARIES

FINANCING PROVIDED TO OTHERS  
FOR THE YEAR ENDED DECEMBER 31, 2024  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

| No. | Lender                            | Borrower  | Financial Statement Account            | Related Party | Highest Balance for the Period (Notes 1 and 2) | Ending Balance (Notes 1 and 2) | Actual Amount Borrowed | Interest Rate (%) | Nature of Financing  | Business Transaction Amount | Reasons for Short-term Financing | Allowance for Impairment Loss | Collateral |       | Financing Limit for Each Borrower                                      | Aggregate Financing Limit  |
|-----|-----------------------------------|---|--|---------------|--|--------------------------------|------------------------|-------------------|----------------------|-----------------------------|----------------------------------|-------------------------------|------------|-------|--|--|
|     |                                   |   |  |               |  |                                |                        |                   |                      |                             |                                  |                               | Item       | Value |  |  |
| 0   | Syncmold Enterprise Corporation   | Grand Advance Inc.                                  | Other receivables from related parties | Yes           | \$ 100,000                                     | \$ 100,000                     | \$ -                   | -                 | Short-term financing | \$ -                        | Operating capital                | \$ -                          | -          | -     | \$ 1,546,182<br>(20% of the net worth of the Corporation)              | \$ 3,092,365<br>(40% of the net worth of the Corporation)                |
|     |                                   | Syncmold Enterprise (Samoa) Corp.                   | Other receivables from related parties | Yes           | 100,000  | 100,000                        | -                      | -                 | Short-term financing | -                           | Operating capital                | -                             | -          | -     | 1,546,182<br>(20% of the net worth of the Corporation)                 | 3,092,365<br>(40% of the net worth of the Corporation)                   |
|     |                                   | Gatetech Technology Inc.                            | Other receivables from related parties | Yes           | 100,000  | 100,000                        | -                      | -                 | Short-term financing | -                           | Operating capital                | -                             | -          | -     | 1,546,182<br>(20% of the net worth of the Corporation)                 | 3,092,365<br>(40% of the net worth of the Corporation)                   |
|     |                                   | Leohab Enterprise Co., Ltd.                         | Other receivables from related parties | Yes           | 100,000  | 100,000                        | -                      | -                 | Short-term financing | -                           | Operating capital                | -                             | -          | -     | 1,546,182<br>(20% of the net worth of the Corporation)                 | 3,092,365<br>(40% of the net worth of the Corporation)                   |
|     |                                   | Commuwell Enterprise (Thailand) Co., Ltd.           | Other receivables from related parties | Yes           | 50,000   | 50,000                         | -                      | -                 | Short-term financing | -                           | Operating capital                | -                             | -          | -     | 1,546,182<br>(20% of the net worth of the Corporation)                 | 3,092,365<br>(40% of the net worth of the Corporation)                   |
|     |                                   | Syncmold Enterprise (THAILAND) Co., Ltd.            | Other receivables from related parties | Yes           | 80,000   | 80,000                         | -                      | -                 | Short-term financing | -                           | Operating capital                | -                             | -          | -     | 1,546,182<br>(20% of the net worth of the Corporation)                 | 3,092,365<br>(40% of the net worth of the Corporation)                   |
| 1   | Syncmold Enterprise (Samoa) Corp. | Syncmold Enterprise Corporation                     | Other receivables from related parties | Yes           | 196,710  | 196,710                        | 98,355                 | 0.00              | Short-term financing | -                           | Operating capital                | -                             | -          | -     | 502,394<br>(20% of the net worth of Syncmold Enterprise (Samoa) Corp.) | 1,255,984<br>(50% of the net worth of Syncmold Enterprise (Samoa) Corp.) |
|     |                                   | Fujian Khuan Hua Precise Mold Co., Ltd.             | Other receivables from related parties | Yes           | 65,570   | -                              | -                      | -                 | Short-term financing | -                           | Operating capital                | -                             | -          | -     | 502,394<br>(20% of the net worth of Syncmold Enterprise (Samoa) Corp.) | 1,255,984<br>(50% of the net worth of Syncmold Enterprise (Samoa) Corp.) |
|     |                                   | Dongguan Khuan Huang Precise Mold Plastic Co., Ltd. | Other receivables from related parties | Yes           | 65,570   | -                              | -                      | -                 | Short-term financing | -                           | Operating capital                | -                             | -          | -     | 502,394<br>(20% of the net worth of Syncmold Enterprise (Samoa) Corp.) | 1,255,984<br>(50% of the net worth of Syncmold Enterprise (Samoa) Corp.) |
|     |                                   | Chongqing Fulfil Tech Co., Ltd.                     | Other receivables from related parties | Yes           | 147,533  | 114,748                        | 16,393                 | 2.00              | Short-term financing | -                           | Operating capital                | -                             | -          | -     | 502,394<br>(20% of the net worth of Syncmold Enterprise (Samoa) Corp.) | 1,255,984<br>(50% of the net worth of Syncmold Enterprise (Samoa) Corp.) |
|     |                                   | Fullking Development Limited                        | Other receivables from related parties | Yes           | 74,258   | 74,258                         | 74,258                 | 0.00              | Short-term financing | -                           | Operating capital                | -                             | -          | -     | 502,394<br>(20% of the net worth of Syncmold Enterprise (Samoa) Corp.) | 1,255,984<br>(50% of the net worth of Syncmold Enterprise (Samoa) Corp.) |

(Continued)



| No. | Lender                              | Borrower  | Financial Statement Account            | Related Party | Highest Balance for the Period (Notes 1 and 2) | Ending Balance (Notes 1 and 2) | Actual Amount Borrowed | Interest Rate (%) | Nature of Financing  | Business Transaction Amount | Reasons for Short-term Financing | Allowance for Impairment Loss | Collateral |       | Financing Limit for Each Borrower  | Aggregate Financing Limit  |
|-----|-------------------------------------|---|--|---------------|--|--------------------------------|------------------------|-------------------|----------------------|-----------------------------|----------------------------------|-------------------------------|------------|-------|--|--|
|     |                                     |   |  |               |  |                                |                        |                   |                      |                             |                                  |                               | Item       | Value |  |  |
| 2   | Grand Advance Inc.                  | Syncmold Enterprise Corporation                     | Other receivables from related parties | Yes           | \$ 114,748                                     | \$ -                           | \$ -                   | -                 | Short-term financing | \$ -                        | Operating capital                | \$ -                          | -          | -     | \$ 730,987<br>(20% of the net worth of Grand Advance Inc.)               | \$ 1,827,467<br>(50% of the net worth of Grand Advance Inc.)             |
|     |                                     | Suzhou Fulfil Electronics Co., Ltd.                 | Other receivables from related parties | Yes           | 65,570   | -                              | -                      | -                 | Short-term financing | -                           | Operating capital                | -                             | -          | -     | 730,987<br>(20% of the net worth of Grand Advance Inc.)                  | 1,827,467<br>(50% of the net worth of Grand Advance Inc.)                |
|     |                                     | Kunshan Fulfil Tech Co., Ltd.                       | Other receivables from related parties | Yes           | 65,570   | -                              | -                      | -                 | Short-term financing | -                           | Operating capital                | -                             | -          | -     | 730,987<br>(20% of the net worth of Grand Advance Inc.)                  | 1,827,467<br>(50% of the net worth of Grand Advance Inc.)                |
|     |                                     | Syncmold Enterprise (Samoa) Corp.                   | Other receivables from related parties | Yes           | 65,570   | -                              | -                      | -                 | Short-term financing | -                           | Operating capital                | -                             | -          | -     | 730,987<br>(20% of the net worth of Grand Advance Inc.)                  | 1,827,467<br>(50% of the net worth of Grand Advance Inc.)                |
|     |                                     | Syncmold Enterprise (USA) Corp.                     | Other receivables from related parties | Yes           | 29,507   | 22,950                         | 6,557                  | 0.00              | Short-term financing | -                           | Operating capital                | -                             | -          | -     | 730,987<br>(20% of the net worth of Grand Advance Inc.)                  | 1,827,467<br>(50% of the net worth of Grand Advance Inc.)                |
| 3   | Fuzhou Fulfil Tech Co., Ltd.        | Fujian Khuan Hua Precise Mold Co., Ltd.             | Other receivables from related parties | Yes           | 22,804   | 22,804                         | -                      | -                 | Short-term financing | -                           | Operating capital                | -                             | -          | -     | 255,084<br>(20% of the net worth of Fuzhou Fulfil Tech Co., Ltd.)        | 637,710<br>(50% of the net worth of Fuzhou Fulfil Tech Co., Ltd.)        |
|     |                                     | Fuqing Fuqun Electronic Hardware Tech Co., Ltd.     | Other receivables from related parties | Yes           | 31,926   | 31,926                         | -                      | -                 | Short-term financing | -                           | Operating capital                | -                             | -          | -     | 255,084<br>(20% of the net worth of Fuzhou Fulfil Tech Co., Ltd.)        | 637,710<br>(50% of the net worth of Fuzhou Fulfil Tech Co., Ltd.)        |
|     |                                     | Chongqing Fulfil Tech Co., Ltd.                     | Other receivables from related parties | Yes           | 27,365   | 27,365                         | -                      | -                 | Short-term financing | -                           | Operating capital                | -                             | -          | -     | 255,084<br>(20% of the net worth of Fuzhou Fulfil Tech Co., Ltd.)        | 637,710<br>(50% of the net worth of Fuzhou Fulfil Tech Co., Ltd.)        |
| 4   | Suzhou Fulfil Electronics Co., Ltd. | Kunshan Fulfil Tech Co., Ltd.                       | Other receivables from related parties | Yes           | 36,487   | 36,487                         | -                      | -                 | Short-term financing | -                           | Operating capital                | -                             | -          | -     | 390,650<br>(20% of the net worth of Suzhou Fulfil Electronics Co., Ltd.) | 976,624<br>(50% of the net worth of Suzhou Fulfil Electronics Co., Ltd.) |
| 5   | Zhongshan Fulfil Tech. Co., Ltd.    | Dongguan Khuan Huang Precise Mold Plastic Co., Ltd. | Other receivables from related parties | Yes           | 36,487   | 36,487                         | -                      | -                 | Short-term financing | -                           | Operating capital                | -                             | -          | -     | 275,104<br>(20% of the net worth of Zhongshan Fulfil Tech. Co., Ltd.)    | 687,761<br>(50% of the net worth of Zhongshan Fulfil Tech. Co., Ltd.)    |

Note 1: The authorized of loans was approved by the board of directors.

Note 2: The highest balance, ending balance, and the actual amount borrowed were calculated based on the exchange rate at the end of 2024.

Note 3: All the transactions in the table above have been eliminated during the preparation of the consolidated financial statements.

TABLE 2

SYNCMOLD ENTERPRISE CORPORATION AND SUBSIDIARIES

ENDORSEMENTS/GUARANTEES PROVIDED  
FOR THE YEAR ENDED DECEMBER 31, 2024  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

| No. | Endorser/Guarantor              | Endorsee/Guarantee                           |                | Limit on<br>Endorsement/<br>Guarantee Given<br>on Behalf of Each<br>Party | Maximum<br>Amount<br>Endorsed/<br>Guaranteed<br>During the Period | Outstanding<br>Endorsement/<br>Guarantee at the<br>End of the Period | Actual Borrowing<br>Amount | Amount<br>Endorsed/<br>Guaranteed by<br>Collateral | Ratio of<br>Accumulated<br>Endorsement/<br>Guarantee to Net<br>Equity in Latest<br>Financial<br>Statements (%) | Aggregate<br>Endorsement/<br>Guarantee Limit                    | Endorsement/<br>Guarantee Given<br>by Parent on<br>Behalf of<br>Subsidiaries | Endorsement/<br>Guarantee Given<br>by Subsidiaries<br>on Behalf of<br>Parent | Endorsement/<br>Guarantee Given<br>on Behalf of<br>Companies in<br>Mainland China |
|-----|---------------------------------|--|----------------|---|---|--|----------------------------|--|--|---|--|--|---|
|     |                                 | Name   | Relationship   |   |   |  |                            |  |  |   |  |  |   |
| 0   | Syncmold Enterprise Corporation | Gatetech Technology Inc.                     | Subsidiary     | \$ 1,546,182<br>(20% of the net<br>worth of the<br>Corporation)           | \$ 200,000  | \$ 200,000   | \$ -                       | \$ -   | 2.59   | \$ 3,865,456<br>(50% of the net<br>worth of the<br>Corporation) | Y  | N  | N   |
|     |                                 | Leohab Enterprise Co., Ltd.                  | Subsidiary     | 1,546,182<br>(20% of the net<br>worth of the<br>Corporation)              | 340,000   | 340,000  | 177,000                    | -  | 4.40   | 3,865,456<br>(50% of the net<br>worth of the<br>Corporation)    | Y  | N  | N   |
|     |                                 | Syncmold Enterprise Vietnam<br>Co., Ltd.     | Subsidiary     | 2,319,274<br>(30% of the net<br>worth of the<br>Corporation)              | 983,550<br>(US\$ 30,000<br>thousand)                              | 655,700<br>(US\$ 20,000<br>thousand)                                 | 15,549                     | -  | 8.48   | 3,865,456<br>(50% of the net<br>worth of the<br>Corporation)    | Y  | N  | N   |
|     |                                 | Commuwell Enterprise<br>(Thailand) Co., Ltd. | Sub-subsidiary | 2,319,274<br>(30% of the net<br>worth of the<br>Corporation)              | 125,099<br>(THB 130,000<br>thousand)                              | 125,099<br>(THB 130,000<br>thousand)                                 | -                          | -  | 1.62   | 3,865,456<br>(50% of the net<br>worth of the<br>Corporation)    | Y  | N  | N   |

**TABLE 3**

**SYNCMOLD ENTERPRISE CORPORATION AND SUBSIDIARIES**

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

| Holding Company Name                | Type and Name of Marketable Securities                         | Relationship with the Holding Company | Financial Statement Account             | December 31, 2024 |                 |                             |            | Note            |
|-------------------------------------|--|---------------------------------------|---|-------------------|-----------------|-----------------------------|------------|-----------------|
|                                     |  |                                       |   | Number of Shares  | Carrying Amount | Percentage of Ownership (%) | Fair Value |                 |
| Syncmold Enterprise Corporation     | <u>Shares</u>  |                                       |   |                   |                 |                             |            |                 |
|                                     | Gigastone Corporation  | -                                     | Financial assets at FVTPL - non-current | 216,011           | \$ 7,858        | 0.43                        | \$ 7,858   | (Notes 2 and 7) |
|                                     | Tiga Gaming Inc.   | -                                     | Financial assets at FVTPL - non-current | 1,332,132         | 22,726          | 5.06                        | 22,726     | (Notes 3 and 7) |
|                                     | Foxfortune Technology Ventures Ltd.                            | -                                     | Financial assets at FVTPL - non-current | 624,000           | 15,576          | 5.80                        | 15,576     | (Notes 4 and 7) |
|                                     | Hercules BioVenture, L.P.                                      | -                                     | Financial assets at FVTPL - non-current | 210,526           | 6,769           | 2.63                        | 6,769      | (Notes 4 and 7) |
|                                     | WK Technology Fund IX II Ltd.                                  | -                                     | Financial assets at FVTPL - non-current | 3,000,000         | 19,928          | 2.67                        | 19,928     | (Notes 4 and 7) |
|                                     | Winmate Inc.   | -                                     | Financial assets at FVTPL - current     | 613,000           | 98,387          | 0.77                        | 98,387     | (Notes 2 and 7) |
|                                     | Eris Technology Corp.  | -                                     | Financial assets at FVTPL - current     | 139,321           | 32,113          | 0.25                        | 32,113     | (Notes 2 and 7) |
|                                     | Chicony Power Technology Co., Ltd.                             | -                                     | Financial assets at FVTPL - current     | 345,000           | 41,228          | 0.09                        | 41,228     | (Notes 2 and 7) |
|                                     | <u>Private funds</u>   |                                       |   |                   |                 |                             |            |                 |
|                                     | China Development of Healthcare Venture of Limited Partnership | -                                     | Financial assets at FVTPL - non-current | 25,903,675        | 14,898          | 0.96                        | 14,898     | (Notes 4 and 7) |
| Suzhou Fulfil Electronics Co., Ltd. | <u>Structured commodity</u>                                    |                                       |   |                   |                 |                             |            |                 |
|                                     | Linked bonds No. 202411003                                     | -                                     | Financial assets at FVTPL - current     | -                 | 45,652          | -                           | 45,652     | (Notes 5 and 7) |
|                                     | Linked bonds No. 202412001                                     | -                                     | Financial assets at FVTPL - current     | -                 | 45,644          | -                           | 45,644     | (Notes 5 and 7) |
|                                     | Fortune Yield (Range Accumulation Type)                        | -                                     | Financial assets at FVTPL - current     | -                 | 68,414          | -                           | 68,414     | (Notes 5 and 7) |
|                                     | Fortune Yield (Range Accumulation Type)                        | -                                     | Financial assets at FVTPL - current     | -                 | 77,534          | -                           | 77,534     | (Notes 5 and 7) |
| Zhongshan Fulfil Tech. Co., Ltd.    | Linked interest rate structured deposit products No. 202409005 | -                                     | Financial assets at FVTPL - current     | -                 | 45,751          | -                           | 45,751     | (Notes 5 and 7) |
|                                     | Linked interest rate structured deposit products No. 202409006 | -                                     | Financial assets at FVTPL - current     | -                 | 45,748          | -                           | 45,748     | (Notes 5 and 7) |
|                                     | Linked interest rate structured deposit products No. 202409007 | -                                     | Financial assets at FVTPL - current     | -                 | 68,616          | -                           | 68,616     | (Notes 5 and 7) |
|                                     | Linked interest rate structured deposit products No. 202411001 | -                                     | Financial assets at FVTPL - current     | -                 | 45,676          | -                           | 45,676     | (Notes 5 and 7) |
|                                     | Linked interest rate structured deposit products No. 202411002 | -                                     | Financial assets at FVTPL - current     | -                 | 45,674          | -                           | 45,674     | (Notes 5 and 7) |
|                                     | Linked interest rate structured deposit products No. 202411004 | -                                     | Financial assets at FVTPL - current     | -                 | 45,647          | -                           | 45,647     | (Notes 5 and 7) |
|                                     | Linked interest rate structured deposit products No. 202412004 | -                                     | Financial assets at FVTPL - current     | -                 | 68,427          | -                           | 68,427     | (Notes 5 and 7) |
|                                     | Linked interest rate structured deposit products No. 202412005 | -                                     | Financial assets at FVTPL - current     | -                 | 45,616          | -                           | 45,616     | (Notes 5 and 7) |
|                                     |  |                                       |   |                   |                 |                             |            |                 |

(Continued)

| Holding Company Name                   | Type and Name of Marketable Securities  | Relationship with the Holding Company | Financial Statement Account         | December 31, 2024 |                 |                             |            | Note            |
|--|---|---------------------------------------|-------------------------------------|-------------------|-----------------|-----------------------------|------------|-----------------|
|  |   |                                       |                                     | Number of Shares  | Carrying Amount | Percentage of Ownership (%) | Fair Value |                 |
| Kunshan Fulfil Tech Co., Ltd.          | Fortune Yield No. 20244245  | -                                     | Financial assets at FVTPL - current | -                 | \$ 45,656       | -                           | \$ 45,656  | (Notes 5 and 7) |
|  | Fortune Yield No. 20244244  | -                                     | Financial assets at FVTPL - current | -                 | 45,655          | -                           | 45,655     | (Notes 5 and 7) |
| Gatetech (Suzhou) Technology Co., Ltd. | Linked bonds No. 202412002  | -                                     | Financial assets at FVTPL - current | -                 | 44,808          | -                           | 44,808     | (Notes 5 and 7) |
| Zhongshan Fulfil Tech. Co., Ltd.       | <u>Mutual fund</u>  |                                       |                                     |                   |                 |                             |            |                 |
|  | ICBC Finance Coreoptimization of 14 days Holding Fixed-income Open Financial Products for Legal Person  | -                                     | Financial assets at FVTPL - current | 19,217,834        | 94,888          | -                           | 94,888     | (Notes 6 and 7) |
|  | ICBC Finance Coreoptimization of 14 days Holding Fixed-income Open Financial Products for Legal Person  | -                                     | Financial assets at FVTPL - current | 14,406,454        | 71,133          | -                           | 71,133     | (Notes 6 and 7) |
|  | ICBC Wealth Management Tiantian Xin Wenyue Interbank Certificate of Deposit and Deposit Fixed Income Open Financial Products for Legal Person | -                                     | Financial assets at FVTPL - current | 9,912,768         | 46,965          | -                           | 46,965     | (Notes 6 and 7) |

Note 1: The negotiable securities in the table above are the shares, bonds and mutual funds recognized under IFRS 9 - financial instruments.

Note 2: The shares are calculated at the strike price as of December 31, 2024.

Note 3: The shares are measured using the market approach.

Note 4: The shares are measured using the asset approach.

Note 5: The structured commodity is calculated at value stated in its contract worth as of December 31, 2024.

Note 6: The mutual fund certificate is calculated at the value stated in its contract as of December 31, 2024.

Note 7: There were no guarantees, pledged collateral or other restricted.

Note 8: Refer to Tables 7 and 8 for information on investments in subsidiaries and associates.

(Concluded)

TABLE 4

SYNCMOLD ENTERPRISE CORPORATION AND SUBSIDIARIES

MARKETABLE SECURITIES ACQUIRED OR DISPOSED OF AT COSTS OR PRICES OF AT LEAST NT\$300 MILLION OR 20% OF THE PAID-IN CAPITAL  
FOR THE YEAR ENDED DECEMBER 31, 2024  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

| Company Name                           | Type and Name of Marketable Securities | Financial Statement Account         | Counterparty             | Relationship | Beginning Balance |             | Acquisition      |             | Disposal         |             |                 |                         | Ending Balance   |            |      |
|--|--|-------------------------------------|--------------------------|--------------|-------------------|-------------|------------------|-------------|------------------|-------------|-----------------|-------------------------|------------------|------------|------|
|  |  |                                     |                          |              | Number of Shares  | Amount      | Number of Shares | Amount      | Number of Shares | Amount      | Carrying Amount | Gain (Loss) on Disposal | Number of Shares | Amount     | Note |
| Zhongshan Fulfil Tech. Co., Ltd.       | Structed commodity - linked rate       | Financial assets at FVTPL - current | E.SUN Bank (China), Ltd. | -            | -                 | RMB 50,053  | -                | RMB 275,000 | -                | RMB 236,730 | RMB 235,000     | RMB 1,730               | -                | RMB 90,149 | Note |
| Kunshan Fulfil Tech Co., Ltd.          | Structed commodity - monthly profit    | Financial assets at FVTPL - current | Fubon Bank (China)       | -            | -                 | RMB 20,035  | -                | RMB 20,000  | -                | RMB 40,506  | RMB 40,000      | RMB 506                 | -                | -          | Note |
|  | Structed commodity - fortune yield     | Financial assets at FVTPL - current | Fubon Bank (China)       | -            | -                 | -           | -                | RMB 20,000  | -                | -           | -               | -                       | -                | RMB 20,021 | Note |
| Gatetech (Suzhou) Technology Co., Ltd. | Structed commodity - monthly profit    | Financial assets at FVTPL - current | Fubon Bank (China)       | -            | -                 | RMB 35,135  | -                | RMB 40,000  | -                | RMB 76,030  | RMB 75,000      | RMB 1,030               | -                | -          | Note |
|  | Structed commodity - linked rate       | Financial assets at FVTPL - current | E.SUN Bank (China), Ltd. | -            | -                 | -           | -                | RMB 20,000  | -                | RMB 10,076  | RMB 10,000      | RMB 76                  | -                | RMB 10,006 | Note |
| Suzhou Fulfil Electronics Co., Ltd.    | Structed commodity - monthly profit    | Financial assets at FVTPL - current | Fubon Bank (China)       | -            | -                 | RMB 100,528 | -                | RMB 85,000  | -                | RMB 186,896 | RMB 185,000     | RMB 1,896               | -                | -          | Note |
|  | Structed commodity - fortune yield     | Financial assets at FVTPL - current | Fubon Bank (China)       | -            | -                 | -           | -                | RMB 64,000  | -                | RMB 32,182  | RMB 32,000      | RMB 182                 | -                | RMB 32,000 | Note |
|  | Structed commodity - linked rate       | Financial assets at FVTPL - current | E.SUN Bank (China), Ltd. | -            | -                 | -           | -                | RMB 130,000 | -                | RMB 110,786 | RMB 110,000     | RMB 786                 | -                | RMB 20,017 | Note |

Note: The amount at the end of the period included financial asset evaluation adjustments.

**TABLE 5**

**SYNCMOLD ENTERPRISE CORPORATION AND SUBSIDIARIES**

**TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL  
FOR THE YEAR ENDED DECEMBER 31, 2024  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

| Buyer   | Related Party  | Relationship             | Transaction Details |              |               |               | Abnormal Transaction |               | Notes/Accounts Receivable (Payable) |               | Note |
|---|--|--------------------------|---------------------|--------------|---------------|---------------|----------------------|---------------|-------------------------------------|---------------|------|
|   |  |                          | Purchase/<br>Sale   | Amount       | % of<br>Total | Payment Terms | Unit Price           | Payment Terms | Ending Balance                      | % of<br>Total |      |
| Syncmold Enterprise Corporation                 | Syncmold Enterprise (USA) Corp.<br>Suzhou Fulfil Electronics Co., Ltd. | Subsidiary<br>Subsidiary | Sales               | \$ (103,220) | (3)           | Note 1        | \$ -                 | -             | \$ 40,700                           | 8             |      |
|   |  |                          | Royalty income      | (101,784)    | (3)           | Note 2        | -                    | -             | 52,908                              | 10            |      |
| Kunshan Fulfil Tech Co., Ltd.                   | Suzhou Fulfil Electronics Co., Ltd.                                    | Indirect subsidiary      | Sales               | (349,051)    | (97)          | Note 1        | -                    | -             | 67,068                              | 100           |      |
| Fuqing Fuqun Electronic Hardware Tech Co., Ltd. | Fuzhou Fulfil Tech Co., Ltd.   | Indirect subsidiary      | Sales               | (222,364)    | (53)          | Note 1        | -                    | -             | 24,790                              | 30            |      |
| Fuzhou Fulfil Tech Co., Ltd.                    | Syncmold Enterprise Corporation  | Ultimate parent entity   | Sales               | (456,243)    | (22)          | Note 1        | -                    | -             | 216,243                             | 26            |      |
|   | Zhongshan Fulfil Tech. Co., Ltd.                                       | Indirect subsidiary      | Sales               | (209,517)    | (10)          | Note 1        | -                    | -             | 24,005                              | 3             |      |
| Zhongshan Fulfil Tech. Co., Ltd.                | Syncmold Enterprise Corporation  | Ultimate parent entity   | Sales               | (885,574)    | (58)          | Note 1        | -                    | -             | 541,271                             | 75            |      |
| Suzhou Fulfil Electronics Co., Ltd.             | Syncmold Enterprise Corporation  | Ultimate parent entity   | Sales               | (882,211)    | (34)          | Note 1        | -                    | -             | 531,727                             | 42            |      |
| Chongqing Fulfil Tech Co., Ltd.                 | Syncmold Enterprise Corporation  | Ultimate parent entity   | Sales               | (222,878)    | (65)          | Note 1        | -                    | -             | 78,984                              | 66            |      |
| Suzhou Leoho Electronics Co., Ltd.              | Commuwell Enterprise (Thailand) Co., Ltd.                              | Indirect subsidiary      | Sales               | (118,547)    | (12)          | Note 1        | -                    | -             | 105,490                             | 21            |      |
|   | Leohab Enterprise Co., Ltd.  | Indirect subsidiary      | Sales               | (123,310)    | (13)          | Note 1        | -                    | -             | 78,527                              | 16            |      |
|   | Syncmold Enterprise Corporation  | Ultimate parent entity   | Sales               | (296,434)    | (31)          | Note 1        | -                    | -             | 199,429                             | 40            |      |
| Syncmold Enterprise (USA) Corp.                 | Syncmold Enterprise Corporation  | Parent entity            | Purchases           | 103,220      | 100           | Note 1        | -                    | -             | (40,700)                            | (100)         |      |
| Suzhou Fulfil Electronics Co., Ltd.             | Kunshan Fulfil Tech Co., Ltd.  | Indirect subsidiary      | Purchases           | 349,051      | 18            | Note 1        | -                    | -             | (67,068)                            | (13)          |      |
|   | Syncmold Enterprise Corporation  | Parent entity            | Royalty income      | 101,784      | 52            | Note 2        | -                    | -             | (52,908)                            | (58)          |      |
| Fuzhou Fulfil Tech Co., Ltd.                    | Fuqing Fuqun Electronic Hardware Tech Co., Ltd.                        | Indirect subsidiary      | Purchases           | 222,364      | 14            | Note 1        | -                    | -             | (24,790)                            | (6)           |      |
| Syncmold Enterprise Corporation                 | Fuzhou Fulfil Tech Co., Ltd.   | Sub-subsidiary           | Purchases           | 456,243      | 16            | Note 1        | -                    | -             | (216,243)                           | (14)          |      |

(Continued)

| Buyer                                     | Related Party                       | Relationship        | Transaction Details |            |               |               | Abnormal Transaction |               | Notes/Accounts Receivable (Payable) |               | Note |
|---|-------------------------------------|---------------------|---------------------|------------|---------------|---------------|----------------------|---------------|-------------------------------------|---------------|------|
|   |                                     |                     | Purchase/<br>Sale   | Amount     | % of<br>Total | Payment Terms | Unit Price           | Payment Terms | Ending Balance                      | % of<br>Total |      |
| Zhongshan Fulfil Tech. Co., Ltd.          | Fuzhou Fulfil Tech Co., Ltd.        | Indirect subsidiary | Purchases           | \$ 209,517 | 16            | Note 1        | \$ -                 | -             | \$ (24,005)                         | (7)           |      |
| Syncmold Enterprise Corporation           | Zhongshan Fulfil Tech. Co., Ltd.    | Sub-subsidiary      | Purchases           | 885,574    | 31            | Note 1        | -                    | -             | (541,271)                           | (34)          |      |
|   | Suzhou Fulfil Electronics Co., Ltd. | Sub-subsidiary      | Purchases           | 882,211    | 31            | Note 1        | -                    | -             | (531,727)                           | (33)          |      |
|   | Chongqing Fulfil Tech Co., Ltd.     | Sub-subsidiary      | Purchases           | 222,878    | 8             | Note 1        | -                    | -             | (78,984)                            | (5)           |      |
| Commuwell Enterprise (Thailand) Co., Ltd. | Suzhou Leoho Electronics Co., Ltd.  | Indirect subsidiary | Purchases           | 118,547    | 36            | Note 1        | -                    | -             | (105,490)                           | (68)          |      |
| Leohab Enterprise Co., Ltd.               | Suzhou Leoho Electronics Co., Ltd.  | Indirect subsidiary | Purchases           | 123,310    | 51            | Note 1        | -                    | -             | (78,527)                            | (66)          |      |
| Syncmold Enterprise Corporation           | Suzhou Leoho Electronics Co., Ltd.  | Sub-subsidiary      | Purchases           | 296,434    | 5             | Note 1        | -                    | -             | (199,429)                           | (6)           |      |

Note 1: Payment terms are the same as the payment terms of non-related parties.

Note 2: Payment terms are according to the contract period.

Note 3: All the transactions in the table above have been eliminated during the preparation of the consolidated financial statements.

(Concluded)

**TABLE 6**

**SYNCMOLD ENTERPRISE CORPORATION AND SUBSIDIARIES**

**RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL**  
**DECEMBER 31, 2024**  
**(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

| Company Name                       | Related Party                             | Relationship           | Ending Balance<br>(Note) | Turnover<br>Rate | Overdue |               | Amount<br>Received in<br>Subsequent<br>Period | Allowance for<br>Impairment<br>Loss |
|------------------------------------|---|------------------------|--------------------------|------------------|---------|---------------|---|-------------------------------------|
|                                    |   |                        |                          |                  | Amount  | Actions Taken |   |                                     |
| Zhongshan Fulfil Tech. Co., Ltd.   | Syncmold Enterprise Corporation           | Ultimate parent entity | \$ 541,271               | -                | \$ -    | -             | \$ 266,165                                    | \$ -                                |
| Fuzhou Fulfil Tech Co., Ltd.       | Syncmold Enterprise Corporation           | Ultimate parent entity | 531,727                  | -                | -       | -             | 272,337                                       | -                                   |
|                                    | Syncmold Enterprise Corporation           | Ultimate parent entity | 216,243                  | -                | -       | -             | 78,259  | -                                   |
| Suzhou Leoho Electronics Co., Ltd. | Commuwell Enterprise (Thailand) Co., Ltd. | Indirect subsidiary    | 105,490                  | -                | -       | -             | 4,997   | -                                   |
|                                    | Syncmold Enterprise Corporation           | Ultimate parent entity | 199,429                  | -                | -       | -             | 30,413  | -                                   |

Note: All the transactions in the table above have been eliminated during the preparation of the consolidated financial statements.



TABLE 7

SYNCMOLD ENTERPRISE CORPORATION AND SUBSIDIARIES

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

| Investor Company                  | Investee Company                           | Location               | Main Businesses and Products   | Original Investment Amount |                   | As of December 31, 2024 |        |                 | Net Income (Loss) of the Investee | Share of Profit (Loss) | Note     |
|-----------------------------------|--|------------------------|--|----------------------------|-------------------|-------------------------|--------|-----------------|-----------------------------------|------------------------|----------|
|                                   |  |                        |  | December 31, 2024          | December 31, 2023 | Number of Shares        | %      | Carrying Amount |                                   |                        |          |
| Syncmold Enterprise Corporation   | Syncmold Enterprise (Samoa) Corp.          | Samoa                  | General investment business  | \$ 110,598                 | \$ 110,598        | 3,546                   | 100.00 | \$ 2,502,576    | \$ 301,560                        | \$ 303,736             | (Note 1) |
|                                   | Grand Advance Inc.                         | Samoa                  | General investment business  | 506,240                    | 506,240           | -                       | 100.00 | 3,653,501       | 348,009                           | 348,439                | (Note 1) |
|                                   | Syncmold Enterprise (USA) Corp.            | USA                    | Trading, import and export in electronic parts   | 32                         | 32                | -                       | 100.00 | (7,958)         | (2,403)                           | (2,403)                | (Note 1) |
|                                   | High Grade Tech Co., Ltd.                  | Taiwan                 | The design and sale of television hangers and related import and export businesses         | 36,075                     | 36,075            | 2,280                   | 35.63  | 174,714         | 87,267                            | 31,089                 | (Note 1) |
|                                   | Corebio Technologies Co., Ltd.             | Taiwan                 | Medical technology and precision instrument wholesale and retail                           | 52,000                     | 52,000            | 5,200                   | 38.29  | -               | -                                 | -                      | -        |
|                                   | Smart Automation Technology Inc.           | Taiwan                 | Software design services   | 21,197                     | 15,680            | 2,120                   | 47.11  | 13,988          | (5,071)                           | (2,527)                | (Note 1) |
|                                   | Leohab Enterprise Co., Ltd.                | Taiwan                 | Precision hardware components manufacturing  | 288,182                    | 232,677           | 23,438                  | 80.22  | 483,374         | 213,773                           | 117,061                | (Note 1) |
|                                   | Gatetech Technology Inc.                   | Taiwan                 | Precision molding and magnesium alloy die caster manufacturing and transaction business    | 558,109                    | 557,356           | 42,634                  | 74.17  | 650,365         | (35,078)                          | (28,026)               | (Note 1) |
|                                   | SynX Tech Co., Ltd.                        | Taiwan                 | Electronic parts processing manufacturing, trading and related import and export business  | 50,000                     | -                 | 5,000                   | 100.00 | 49,930          | (70)                              | (70)                   | (Note 1) |
|                                   | Syncmold Enterprise Vietnam Co., Ltd.      | Vietnam                | Electronic parts processing manufacturing, trading and related import and export business  | 579,944                    | 579,944           | -                       | 100.00 | 662,387         | 101,786                           | 101,786                | (Note 1) |
|                                   | Syncmold Enterprise (Malaysia) Sdn. Bhd.   | Malaysia               | The trading, imports and exports of electronic parts and customer support & service center | 7,192                      | 7,192             | -                       | 100.00 | 2,397           | (153)                             | (153)                  | (Note 1) |
|                                   | Syncmold Enterprise (Singapore) Pte., Ltd. | Singapore              | The trading, imports and exports of electronic parts and customer support & service center | 1,100                      | 1,100             | -                       | 100.00 | 6,669           | 565                               | 565                    | (Note 1) |
|                                   | Syncmold Enterprise (Thailand) Co., Ltd.   | Thailand               | Electronic parts processing manufacturing, trading and related import and export business  | 75,155                     | 33,638            | 807                     | 100.00 | 40,510          | (15,946)                          | (15,946)               | (Note 1) |
| Grand Advance Inc.                | Canford International Limited              | Samoa                  | General investment business  | 119,342                    | 119,342           | -                       | 100.00 | 1,953,263       | 330,700                           | 330,700                | (Note 1) |
|                                   | Fullking Development Limited               | Hong Kong              | General investment business  | 160,175                    | 160,175           | -                       | 100.00 | 1,301,233       | 72,639                            | 72,639                 | (Note 1) |
|                                   | Full Glary Holding Limited                 | Hong Kong              | General investment business  | 259,720                    | 259,720           | -                       | 100.00 | 306,128         | 13,817                            | 16,783                 | (Note 1) |
| Syncmold Enterprise (Samoa) Corp. | Forever Business Development Limited       | Samoa                  | General investment business  | 125,957                    | 125,957           | -                       | 100.00 | 298,435         | 9,018                             | 9,024                  | (Note 1) |
|                                   | Full Celebration Limited                   | Samoa                  | General investment business  | 147,710                    | 147,710           | -                       | 100.00 | 134,392         | 17,318                            | 17,318                 | (Note 1) |
| Gatetech Technology Inc.          | Gatech Holding Ltd.                        | Samoa                  | General investment business  | 647,041                    | 647,041           | 20,130                  | 100.00 | 602,092         | (9,079)                           | (9,079)                | (Note 1) |
| Gatech Holding Ltd.               | Gatech International Ltd.                  | Samoa                  | General investment business  | 657,284                    | 657,284           | 20,268                  | 100.00 | 602,092         | (9,079)                           | (9,079)                | (Note 1) |
| Leohab Enterprise Co., Ltd.       | Sweet International Group Ltd.             | British Virgin Islands | General investment business  | 147,834                    | 147,834           | 5,868                   | 100.00 | 611,919         | 270,280                           | 270,280                | (Note 1) |
|                                   | Commuwell Enterprise (Thailand) Co., Ltd.  | Thailand               | Plastic shot and hardware components manufacturing   | 141,564                    | 141,564           | 1,450                   | 100.00 | 263,165         | (4,572)                           | (4,572)                | (Note 1) |
| Sweet International Group Ltd.    | Lucky King Holdings Ltd.                   | Mauritius              | General investment business  | 147,834                    | 147,834           | 5,868                   | 100.00 | 611,917         | 270,280                           | 270,280                | (Note 1) |

Note 1: Calculated based on the audited financial statements of the investee company and the investor company’s shareholding ratio.

Note 2: Refer to Table 8 for related information on investees from mainland China.

Note 3: The profit and loss of investments between reinvested companies, investments accounted for using the equity method, and the equity of investee companies were all eliminated during the preparation of the consolidated financial statements, except for High Grade Tech Co., Ltd., Corebio Technology Co., Ltd. and Smart Automation Technology Inc.

**TABLE 8**

**SYNCMOLD ENTERPRISE CORPORATION AND SUBSIDIARIES**

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

| Investee Company                                    | Main Businesses and Products  | Paid-in Capital | Method of Investment                                  | Accumulated<br>Outward<br>Remittance for<br>Investment from<br>Taiwan as of<br>December 31,<br>2023 | Remittance of Funds |        | Accumulated<br>Outward<br>Remittance for<br>Investment from<br>Taiwan as of<br>December 31,<br>2024 | Net Income (Loss)<br>of the Investee | % Ownership of<br>Direct or<br>Indirect<br>Investment | Investment<br>Gain (Loss) | Carrying Amount<br>as of<br>December 31,<br>2024 | Accumulated<br>Repatriation of<br>Investment<br>Income as of<br>December 31,<br>2024 |
|---|---|-----------------|---|---|---------------------|--------|---|--------------------------------------|---|---------------------------|--|--|
|   |   |                 |   |   | Outward             | Inward |   |                                      |   |                           |  |  |
| Fuzhou Fulfil Tech Co., Ltd.                        | Electronic parts processing and manufacturing. Trading and related import and export business   | \$ 44,200       | Invested through Syncmold Enterprise (Samoa) Corp.    | \$ 68,291<br>(US\$ 2,083 thousand)  | \$ -                | \$ -   | \$ 68,291<br>(US\$ 2,083 thousand)  | \$ 231,745                           | 100.00  | \$ 231,152                | \$ 1,262,559                                     | \$ 2,638,176<br>(US\$ 80,469 thousand)   |
| Fujian Khuan Hua Precise Mold Co., Ltd.             | Processing, manufacturing, trading and related import and export business of various metal molds, plastic molds and plastic injection molds | 113,175         | Invested through Syncmold Enterprise (Samoa) Corp.    | 44,456<br>(US\$ 1,356 thousand)   | -                   | -      | 44,456<br>(US\$ 1,356 thousand)   | 35,577                               | 100.00  | 31,929                    | 262,247  | -  |
| Fuqing Fuqun Electronic Hardware Tech Co., Ltd.     | Electronic parts processing and manufacturing. Trading and related import and export business   | 60,315          | Invested through Syncmold Enterprise (Samoa) Corp.    | -   | -                   | -      | -   | 22,577                               | 100.00  | 24,127                    | 191,585  | 127,796<br>(US\$ 3,898 thousand)   |
| Dongguan Khuan Huang Precise Mold Plastic Co., Ltd. | Processing, manufacturing, trading and related import and export business of various metal molds, plastic molds and plastic injection molds | 127,887         | Invested through Forever Business Development Limited | -   | -                   | -      | -   | 3,711                                | 100.00  | 5,267                     | 187,045  | 89,831<br>(US\$ 2,740 thousand)  |
| Suzhou Fulfil Electronics Co., Ltd.                 | Electronic parts processing and manufacturing. Trading and related import and export business   | 18,875          | Invested through Canford International Limited        | -   | -                   | -      | -   | 330,697                              | 100.00  | 330,674                   | 1,953,248  | 1,443,720<br>(US\$ 44,036 thousand)  |
| Zhongshan Fulfil Tech. Co., Ltd.                    | Electronic parts processing and manufacturing. Trading and related import and export business   | 155,648         | Invested through Fullking Development Limited         | -   | -                   | -      | -   | 72,704                               | 100.00  | 72,688                    | 1,375,521  | 1,924,512<br>(US\$ 58,701 thousand)  |
| Kunshan Fulfil Tech Co., Ltd.                       | Manufacturing and assembling of laptops uses precise bearing, hardware and related accessories  | 239,011         | Invested through Full Glary Holding Limited           | 196,710<br>(US\$ 6,000 thousand)  | -                   | -      | 196,710<br>(US\$ 6,000 thousand)  | 13,817                               | 100.00  | 17,251                    | 306,639  | -  |
| Chongqing Fulfil Tech Co., Ltd.                     | The processing, manufacturing, related imports and exports of all electronic, plastic and hardware parts                                    | 142,090         | Invested through Full Celebration Limited             | -   | -                   | -      | -   | 17,318                               | 100.00  | 14,056                    | 134,379  | 594,195<br>(US\$ 18,124 thousand)  |

(Continued)

| Investee Company                       | Main Businesses and Products                           | Paid-in Capital | Method of Investment                       | Accumulated Outward Remittance for Investment from Taiwan as of December 31, 2023 | Remittance of Funds |        | Accumulated Outward Remittance for Investment from Taiwan as of December 31, 2024 | Net Income (Loss) of the Investee | % Ownership of Direct or Indirect Investment | Investment Gain (Loss) | Carrying Amount as of December 31, 2024 | Accumulated Repatriation of Investment Income as of December 31, 2024 |
|--|--|-----------------|--|---|---------------------|--------|---|-----------------------------------|--|------------------------|---|---|
|  |  |                 |  |   | Outward             | Inward |   |                                   |  |                        |   |   |
| Gatetech (Suzhou) Technology Co., Ltd. | Aluminum and magnesium alloy manufacturing and trading | \$ 723,593      | Invested through Gatech International Ltd. | \$ 796,676 (US\$ 24,300 thousand)   | \$ -                | \$ -   | \$ 796,676 (US\$ 24,300 thousand)   | \$ (9,079)                        | 74.17  | \$ (6,719)             | \$ 602,092                              | \$ -  |
| Suzhou Leoho Electronics Co., Ltd.     | Precision hardware components manufacturing            | 210,814         | Invested through Lucky King Holdings Ltd.  | 146,811 (US\$ 4,478 thousand)   | -                   | -      | 146,811 (US\$ 4,478 thousand)   | 270,280                           | 80.22  | 163,062                | 611,917                                 | -   |

| Accumulated Outward Remittance for Investment in Mainland China as of December 31, 2024 | Investment Amount Authorized by the Investment Commission, MOEA | Upper Limit on the Amount of Investment Stipulated by the Investment Commission, MOEA |
|---|---|---|
| \$1,497,455<br>(US\$45,675 thousand)  | \$2,538,969<br>(US\$77,443 thousand)                            | \$4,845,888   |

Note 1: Calculated based on the audited financial statements of the investee company and the investor company’s shareholding ratio.

Note 2: The profit and loss of investments between reinvested companies, investments accounted for using the equity method, and the equity of investee companies were all eliminated during the preparation of the consolidated financial statements.

(Concluded)

**TABLE 9**

**SYNCMOLD ENTERPRISE CORPORATION AND SUBSIDIARIES**

**INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS  
FOR THE YEAR ENDED DECEMBER 31, 2024  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

| No.<br>(Note 1) | Investee Company   | Counterparty  | Relationship<br>(Note 2) | Transaction Details                    |           | Payment Terms                                      | % of Total<br>Sales or Asset<br>(Note 3) |
|-----------------|--|---|--------------------------|--|-----------|--|--|
|                 |  |   |                          | Financial Statement Account            | Price     |  |  |
| 0               | Syncmold Enterprise Corporation                          | Syncmold Enterprise (USA) Corp.<br>Zhongshan Fulfil Tech. Co., Ltd. | 1                        | Trade receivables from related parties | \$ 59,595 | No significant difference with non-related parties | -  |
|                 |  |   | 1                        | Trade receivables from related parties | 52,908    | No significant difference with non-related parties | -  |
| 1               | Zhongshan Fulfil Tech. Co., Ltd.                         | Syncmold Enterprise Corporation                                     | 2                        | Sales                                  | 885,574   | No significant difference with non-related parties | 9  |
|                 |  | Syncmold Enterprise Corporation                                     | 2                        | Trade receivables from related parties | 541,271   | No significant difference with non-related parties | 4  |
|                 |  | Syncmold Enterprise Corporation                                     | 2                        | Royalty fee                            | 58,937    | Based on the contract between both parties         | 1  |
|                 |  | Syncmold Enterprise Corporation                                     | 2                        | Other payables - royalty               | 59,595    | Based on the contract between both parties         | 1  |
| 2               | Dongguan Khuan Huang Precision Mold<br>Plastic Co., Ltd. | Syncmold Enterprise Vietnam Co., Ltd.                               | 3                        | Sales                                  | 40,496    | No significant difference with non-related parties | -  |
|                 |  | Syncmold Enterprise Vietnam Co., Ltd.                               | 3                        | Trade receivables from related parties | 20,999    | No significant difference with non-related parties | -  |
|                 |  | Zhongshan Fulfil Tech. Co., Ltd.                                    | 3                        | Sales                                  | 82,425    | No significant difference with non-related parties | 1  |
|                 |  | Zhongshan Fulfil Tech. Co., Ltd.                                    | 3                        | Trade receivables from related parties | 15,151    | No significant difference with non-related parties | -  |
|                 |  | Fuzhou Fulfil Tech Co., Ltd.  | 3                        | Sales                                  | 86,047    | No significant difference with non-related parties | 1  |
|                 |  | Fuzhou Fulfil Tech Co., Ltd.  | 3                        | Trade receivables from related parties | 11,966    | No significant difference with non-related parties | -  |
|                 |  | Suzhou Fulfil Electronics Co., Ltd.                                 | 3                        | Sales                                  | 58,666    | No significant difference with non-related parties | 1  |
|                 |  | Suzhou Fulfil Electronics Co., Ltd.                                 | 3                        | Trade receivables from related parties | 18,233    | No significant difference with non-related parties | -  |
| 3               | Fuzhou Fulfil Tech Co., Ltd.                             | Zhongshan Fulfil Tech. Co., Ltd.                                    | 3                        | Sales                                  | 209,517   | No significant difference with non-related parties | 2  |
|                 |  | Syncmold Enterprise Corporation                                     | 2                        | Sales                                  | 456,243   | No significant difference with non-related parties | 5  |
|                 |  | Syncmold Enterprise Corporation                                     | 2                        | Trade receivables from related parties | 216,243   | No significant difference with non-related parties | 2  |
|                 |  | Syncmold Enterprise Corporation                                     | 2                        | Royalty fee                            | 81,846    | Based on the contract between both parties         | 1  |
|                 |  | Syncmold Enterprise Corporation                                     | 2                        | Other payables - royalty               | 38,198    | Based on the contract between both parties         | -  |
| 4               | Fuqing Fuqun Electronic Hardware Tech<br>Co., Ltd.       | Zhongshan Fulfil Tech. Co., Ltd.                                    | 3                        | Sales                                  | 52,559    | No significant difference with non-related parties | 1  |
|                 |  | Fuzhou Fulfil Tech Co., Ltd.  | 3                        | Sales                                  | 222,364   | No significant difference with non-related parties | 2  |
|                 |  | Fuzhou Fulfil Tech Co., Ltd.  | 3                        | Trade receivables from related parties | 24,790    | No significant difference with non-related parties | -  |
|                 |  | Suzhou Fulfil Electronics Co., Ltd.                                 | 3                        | Sales                                  | 98,510    | No significant difference with non-related parties | 1  |
|                 |  | Suzhou Fulfil Electronics Co., Ltd.                                 | 3                        | Trade receivables from related parties | 19,775    | No significant difference with non-related parties | -  |
|                 |  | Syncmold Enterprise Vietnam Co., Ltd.                               | 3                        | Trade receivables from related parties | 24,739    | No significant difference with non-related parties | -  |
| 5               | Suzhou Fulfil Electronics Co., Ltd.                      | Syncmold Enterprise Corporation                                     | 2                        | Sales                                  | 882,211   | No significant difference with non-related parties | 9  |
|                 |  | Syncmold Enterprise Corporation                                     | 2                        | Trade receivables from related parties | 531,727   | No significant difference with non-related parties | 4  |
|                 |  | Syncmold Enterprise Corporation                                     | 2                        | Royalty fee                            | 101,784   | Based on the contract between both parties         | 1  |
|                 |  | Syncmold Enterprise Corporation                                     | 2                        | Other payables - royalty               | 52,908    | Based on the contract between both parties         | 1  |

(Continued)

| No.<br>(Note 1) | Investee Company                        | Counterparty                              | Relationship<br>(Note 2) | Transaction Details                                |            | Payment Terms                                      | % of Total<br>Sales or Asset<br>(Note 3) |
|-----------------|---|---|--------------------------|--|------------|--|--|
|                 |   |   |                          | Financial Statement Account                        | Price      |  |  |
| 6               | Kunshan Fulfil Tech Co., Ltd.           | Suzhou Fulfil Electronics Co., Ltd.       | 3                        | Sales  | \$ 349,051 | No significant difference with non-related parties | 4  |
|                 |   | Suzhou Fulfil Electronics Co., Ltd.       | 3                        | Trade receivables from related parties             | 67,068     | No significant difference with non-related parties | 1  |
| 7               | Chongqing Fulfil Tech Co., Ltd.         | Syncmold Enterprise Corporation           | 2                        | Sale   | 222,878    | No significant difference with non-related parties | 2  |
|                 |   | Syncmold Enterprise Corporation           | 2                        | Trade receivables from related parties             | 78,984     | No significant difference with non-related parties | 1  |
| 8               | Syncmold Enterprise (Samoa) Corp.       | Syncmold Enterprise Corporation           | 2                        | Other receivables from related parties - financing | 98,355     | Based on the contract between both parties         | 1  |
|                 |   | Fujian Khuan Hua Precise Mold Co., Ltd.   | 3                        | Other receivables from related parties - dividends | 45,820     | Based on the contract between both parties         | -  |
|                 |   | Fullking Development Limited              | 3                        | Other receivables from related parties - financing | 74,258     | Based on the contract between both parties         | 1  |
| 9               | Fujian Khuan Hua Precise Mold Co., Ltd. | Fuzhou Fulfil Tech Co., Ltd.              | 3                        | Sale   | 43,108     | No significant difference with non-related parties | -  |
|                 |   | Suzhou Fulfil Electronics Co., Ltd.       | 3                        | Sale   | 22,125     | No significant difference with non-related parties | -  |
|                 |   | Zhongshan Fulfil Tech. Co., Ltd.          | 3                        | Sale   | 34,713     | No significant difference with non-related parties | -  |
|                 |   | Syncmold Enterprise Vietnam Co., Ltd.     | 3                        | Sale   | 26,370     | No significant difference with non-related parties | -  |
| 10              | Suzhou Leoho Electronics Co., Ltd       | Leohab Enterprise Co., Ltd                | 3                        | Sale   | 123,310    | No significant difference with non-related parties | 1  |
|                 |   | Leohab Enterprise Co., Ltd                | 3                        | Trade receivables from related parties             | 78,527     | No significant difference with non-related parties | 1  |
|                 |   | Commuwell Enterprise (Thailand) Co., Ltd. | 3                        | Sale   | 118,547    | No significant difference with non-related parties | 1  |
|                 |   | Commuwell Enterprise (Thailand) Co., Ltd. | 3                        | Trade receivables from related parties             | 105,490    | No significant difference with non-related parties | 1  |
|                 |   | Syncmold Enterprise Corporation           | 2                        | Sale   | 296,434    | No significant difference with non-related parties | 3  |
|                 |   | Syncmold Enterprise Corporation           | 2                        | Trade receivables from related parties             | 199,429    | No significant difference with non-related parties | 2  |
| 11              | Leohab Enterprise Co., Ltd              | Suzhou Leoho Electronics Co., Ltd         | 3                        | Trade receivables from related parties             | 22,888     | No significant difference with non-related parties | -  |

Note 1: 0 represents the parent company and the subsidiaries are numbered from 1.

Note 2: 1 represents transactions from the parent company to the subsidiaries, 2 represents transactions from the subsidiaries to the parent company, and 3 represents transactions between the subsidiaries.

Note 3: The monetary amount of the transaction is calculated based on percentage of total sales or assets. If the account is an asset or a liability, the ratio is calculated using the ending balance. If the account is in the income statement, the ratio is calculated using cumulative amount during that period.

Note 4: The disclosure standard of the table above was 10% of the specified account and reached to \$10,000 thousand.

Note 5: All the transactions in the table above have been eliminated during the preparation of the consolidated financial statements.

(Concluded)

**TABLE 10****SYNCMOLD ENTERPRISE CORPORATION AND SUBSIDIARIES****INFORMATION ON MAJOR SHAREHOLDERS****DECEMBER 31, 2024**

| Name of Major Shareholder | Shares           |                             |
|---------------------------|------------------|-----------------------------|
|                           | Number of Shares | Percentage of Ownership (%) |
| Chen Chiu-Lang            | 8,708,211        | 6.03                        |

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

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