Sitronix Technology Corporation and Subsidiaries

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

Sitronix Technology Corporation and Subsidiaries

Index

DECLARATION OF CONSOLIDATION OF FINANCIAL STATEMENTS OF AFFILIATES

The entities that are required to be included in the consolidated financial statements of affiliates of Sitronix Technology Corporation for the year ended December 31, 2024 under the “Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises” are all the same as those included in the consolidated financial statements of parent and subsidiary companies prepared in conformity with International Financial Reporting Standard 10 “Consolidated Financial Statements”. In addition, the relevant information required to 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 did not prepare a separate set of consolidated financial statements of affiliates.

Very truly yours,

Sitronix Technology Corporation

By

Vincent Mao
Chairman

March 6, 2025

INDEPENDENT AUDITORS' REPORT

The Board of Directors and the Shareholders
Sitronix Technology Corporation

Opinion

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

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and 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. 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:

<u>Recognition of sales revenue</u>

The Group's main source of revenue comes from the sale of goods, please refer to Notes 4, 23, and 38 for information on the accounting policies of revenue recognition. Such revenue is recognized when the goods are transferred to the customer and the performance obligations are met. The revenue recognition process is that after receiving customers' orders and checking the transaction conditions, the business unit creates a manufacturing notice in the system and enters into the production schedule after obtaining the approval from the supervisor. As soon as the production is completed, the production unit would issue packing lists and invoices from the system, then the Group would obtain a signed packing list or the bill of ladings on sight from the shipping companies when those shipping companies pick up the goods, then the system would check the shipping-related information, to generate the sales details. The accounting officers would recognize sales revenue according to the sales details.

We have assessed that the customers of the Group whose revenue significantly changed in 2024 are subject to the risk of validity of revenue recognition. Therefore, in order to confirm the validity of the Group's revenue recognition, we performed the following audit procedures on the sales transactions of these customers:

1. We obtained an understanding of the internal controls over revenue recognition, evaluated the design of the key controls, determined that the controls were implemented and tested the operating effectiveness of the controls.

2. We sampled and inspected the existence of the original purchase orders existed for each sale and were appropriately approved.

3. We inspected product names and quantities on notifications of manufacturing, invoices and goods receipts. We also inspected and confirmed the amounts were consistent.

4. We inspected the reasonableness of the collection of accounts receivable and confirmed the collection amounts, and counterparties were consistent with the revenue recognized.

Other Matter

We have also audited the parent company only financial statements of Sitronix Technology Corporation as of and for the years ended December 31, 2024 and 2023 on which we have issued an unmodified opinion.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and 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 and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditors’ Responsibilities for the Audit of the Consolidated Financial Statements

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

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and 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 Ya-Yun Chang and Mei-Chen Tsai.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 6, 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.

SITRONIX TECHNOLOGY CORPORATION AND SUBSIDIARIES

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

	December 31, 2024		December 31, 2023	
ASSETS	**Amount**	**%**	**Amount**	**%**
CURRENT ASSETS				
Cash and cash equivalents (Notes 4, 6 and 32)	$ 3,866,143	18	$ 5,499,342	28
Financial assets at fair value through profit or loss - current (Notes 4, 7 and 32)	364,341	2	623,250	3
Financial assets at fair value through other comprehensive income - current (Notes 4, 8 and 32)	617,778	3	667,938	3
Financial assets at amortized cost - current (Notes 4, 9, 32 and 34)	6,046,327	28	3,133,690	16
Notes receivable and trade receivables (Notes 4, 10, 23 and 32)	1,634,072	7	1,592,929	8
Trade receivables from related parties (Notes 4, 23, 32 and 33)	3,405	-	1,782	-
Other receivables (Notes 4, 10 and 32)	171,622	1	116,874	1
Inventories (Notes 4, 5 and 11)	3,083,686	14	2,660,629	14
Prepayments (Notes 18,33 and 35)	227,764	1	191,653	1
Other current assets (Notes 4, 18 and 32)	21,302	-	12,915	-
Total current assets	16,036,440	74	14,501,002	74
NON-CURRENT ASSETS				
Financial assets at fair value through profit or loss - non-current (Notes 4, 7 and 32)	371,308	2	302,718	2
Financial assets at fair value through other comprehensive income - non-current (Notes 4, 8 and 32)	1,734,144	8	1,203,010	6
Financial assets at amortized cost - non-current (Notes 4, 9, 32 and 34)	-	-	30,870	-
Investments accounted for using the equity method (Notes 4 and 13)	5,213	-	5,202	-
Property, plant and equipment (Notes 4 and 14)	2,095,638	10	1,867,934	10
Right-of-use assets (Notes 4 and 15)	231,349	1	146,749	1
Investment properties (Notes 4 and 16)	635,984	3	637,589	3
Goodwill (Notes 4 and 28)	7,074	-	7,074	-
Intangible assets (Notes 4 and 17)	182,497	1	195,713	1
Deferred tax assets - non-current (Notes 4 and 25)	2,623	-	5,771	-
Other non-current assets (Notes 4, 18, 32 and 35)	314,804	1	679,231	3
Total non-current assets	5,580,634	26	5,081,861	26
TOTAL	$ 21,617,074	100	$ 19,582,863	100

	December 31, 2024		December 31, 2023	
LIABILITIES AND EQUITY	**Amount**	**%**	**Amount**	**%**
CURRENT LIABILITIES				
Short-term borrowings (Notes 4, 19, 30 and 32)	$ 169,659	1	$ -	-
Financial liabilities at fair value through profit or loss (Notes 4, 7 and 32)	23,143	-	27,793	-
Notes payable and trade payables (Note 32)	2,382,359	11	1,974,921	10
Accrued profit sharing bonus to employees' compensation and remuneration of directors (Note 24)	339,810	2	330,763	2
Other payables (Notes 20 and 32)	1,552,222	7	1,473,716	7
Other payables to related parties (Notes 32 and 33)	354	-	371	-
Current tax liabilities (Notes 4 and 25)	294,367	1	562,401	3
Lease liabilities - current (Notes 4, 15, 30 and 32)	60,477	-	46,884	-
Other current liabilities (Notes 20, 23 ,32 and 33)	151,019	1	148,616	1
Total current liabilities	4,973,410	23	4,565,465	23
NON-CURRENT LIABILITIES				
Deferred tax liabilities (Notes 4 and 25)	9,927	-	23,329	-
Lease liabilities - non-current (Notes 4, 15, 30 and 32)	159,554	1	104,905	1
Net defined benefit liabilities - non-current (Notes 4 and 21)	14,901	-	26,355	-
Other non-current liabilities (Notes 4, 20, 30, 32, 33 and 35)	207,070	1	267,797	1
Total non-current liabilities	391,452	2	422,386	2
Total liabilities	5,364,862	25	4,987,851	25
EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY (Notes 4, 22, 27 and 29)				
Share capital				
Ordinary shares	1,201,369	5	1,201,369	6
Capital surplus	2,075,699	10	1,839,449	9
Retained earnings				
Legal reserve	2,351,222	11	2,165,105	11
Special reserve	76,387	-	288,225	1
Unappropriated earnings	6,076,690	28	5,633,437	29
Total retained earnings	8,504,299	39	8,086,767	41
Other equity				
Exchange differences on translating the financial statements of foreign operations	33,861	-	(2,758)	-
Unrealized gain (loss) on financial assets at fair value through other comprehensive income	101,742	1	(73,630)	-
Total other equity	135,603	1	(76,388)	-
Treasury shares	(56,009)	-	(56,009)	-
Total equity attributable to owners of the Company	11,860,961	55	10,995,188	56
NON-CONTROLLING INTERESTS (Notes 12, 22, 28 and 29)	4,391,251	20	3,599,824	19
Total equity	16,252,212	75	14,595,012	75
TOTAL	$ 21,617,074	100	$ 19,582,863	100

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

SITRONIX TECHNOLOGY 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**	**%**
NET REVENUE (Notes 4, 23, 33 and 38)	$ 17,826,505	100	$ 16,722,891	100
OPERATING COSTS (Notes 4, 11 and 24)	11,748,213	66	11,009,189	66
GROSS PROFIT	6,078,292	34	5,713,702	34
OPERATING EXPENSES (Notes 4, 10, 21, 24 and 33)				
Selling and marketing expenses	323,045	2	297,411	2
General and administrative expenses	760,169	4	642,369	4
Research and development expenses	2,523,210	14	2,271,280	13
Expected credit loss	1,761	-	69	-
Total operating expenses	3,608,185	20	3,211,129	19
OTHER OPERATING INCOME AND EXPENSES (Note 24)	19,822	-	982	-
INCOME FROM OPERATIONS	2,489,929	14	2,503,555	15
NON-OPERATING INCOME AND EXPENSES (Notes 4, 24 and 33)				
Interest income	180,809	1	155,951	1
Other income	109,348	1	103,222	1
Other gains and losses	77,166	-	84,089	-
Finance costs	(17,154)	-	(6,252)	-
Share of losses of associates	(2,017)	-	-	-
Total non-operating income and expenses	348,152	2	337,010	2
INCOME BEFORE INCOME TAX	2,838,081	16	2,840,565	17
INCOME TAX EXPENSE (Notes 4 and 25)	385,639	2	424,021	2
NET INCOME FOR THE YEAR	2,452,442	14	2,416,544	15
OTHER COMPREHENSIVE INCOME (LOSS) (Notes 4, 21 and 22)				
Items that will not be reclassified subsequently to profit or loss				
Remeasurement of defined benefit plans	9,227	-	2,764	-
Unrealized (loss) gain on investments in equity instruments at fair value through other comprehensive income	177,056	1	216,087	1

(Continued)

SITRONIX TECHNOLOGY 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**	**%**
Items that may be reclassified subsequently to profit or loss				
Exchange differences on translation of the financial statements of foreign operations	$ 38,349	-	($ 12,875)	-
Unrealized (loss) gain on investments in debt instruments at fair value through other comprehensive income	14,292	-	7,490	-
Other comprehensive (loss) income for the year, net of income tax	238,924	1	213,466	1
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	$ 2,691,366	15	$ 2,630,010	16
NET INCOME ATTRIBUTABLE TO:				
Owners of the Company	$ 1,848,211	10	$ 1,858,341	11
Non-controlling interests	604,231	4	558,203	3
	$ 2,452,442	14	$ 2,416,544	14
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Owners of the Company	$ 2,071,112	12	$ 2,066,424	12
Non-controlling interests	620,254	3	563,586	4
	$ 2,691,366	15	$ 2,630,010	16
EARNINGS PER SHARE (Note 26)				
Basic	$ 15.42		$ 15.50	
Diluted	$ 15.31		$ 15.39	

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

SITRONIX TECHNOLOGY 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 Shareholders of the Company (Notes 4, 22 and 29)											
	Share Capital			Retained Earnings			Other Equity					
	Number of Shares (In Thousands)	Amount	Capital Surplus	Legal Reserve	Special reserve	Unappropriated Earnings	Exchange Differences on Translating the Financial Statements of Foreign Operations	Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income	Treasury Share	Total	Non-controlling Interests (Notes 12, 22, 27, 28 and 29)	Total Equity
BALANCE AT JANUARY 1, 2023	120,137	$ 1,201,369	$ 1,690,740	$ 1,801,820	$ 105,464	$ 6,961,331	$ 9,186	($ 290,948)	($ 56,009)	$ 11,422,953	$ 3,342,919	$ 14,765,872
Appropriation of 2022 earnings												
Legal reserve	-	-	-	363,285	-	(363,285)	-	-	-	-	-	-
Special reserve	-	-	-	-	182,761	(182,761)	-	-	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	-	(2,643,011)	-	-	-	(2,643,011)	-	(2,643,011)
Other changes in capital surplus												
Adjustment of capital surplus due to dividends distributed to subsidiaries	-	-	6,141	-	-	-	-	-	-	6,141	7,191	13,332
Differences between consideration received and the carrying amount of subsidiaries' net assets during actual acquisitions or disposals	-	-	120,849	-	-	-	-	113	-	120,962	49,888	170,850
Changes in percentage of ownership interests in subsidiaries	-	-	21,719	-	-	-	-	-	-	21,719	(21,719)	-
Disposal of equity instruments at fair value through other comprehensive income	-	-	-	-	-	58	-	(58)	-	-	-	-
Net income for the year ended December 31, 2023	-	-	-	-	-	1,858,341	-	-	-	1,858,341	558,203	2,416,544
Other comprehensive income (loss) for the year ended December 31, 2023, net of income tax	-	-	-	-	-	2,764	(11,944)	217,263	-	208,083	5,383	213,466
Total comprehensive income (loss) for the year ended December 31, 2023	-	-	-	-	-	1,861,105	(11,944)	217,263	-	2,066,424	563,586	2,630,010
Increase in non- controlling interests	-	-	-	-	-	-	-	-	-	-	222,575	222,575
Subsidiary share-based payment transaction	-	-	-	-	-	-	-	-	-	-	7,671	7,671
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	(572,287)	(572,287)
BALANCE AT DECEMBER 31, 2023	120,137	1,201,369	1,839,449	2,165,105	288,225	5,633,437	(2,758)	(73,630)	(56,009)	10,995,188	3,599,824	14,595,012
Appropriation of 2023 earnings												
Legal reserve	-	-	-	186,117	-	(186,117)	-	-	-	-	-	-
Special reserve	-	-	-	-	(211,838)	211,838	-	-	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	-	(1,441,642)	-	-	-	(1,441,642)	-	(1,441,642)
Other changes in capital surplus												
Adjustment of capital surplus due to dividends distributed to subsidiaries	-	-	3,349	-	-	-	-	-	-	3,349	3,923	7,272
Differences between consideration received and the carrying amount of subsidiaries' net assets during actual acquisitions or disposals	-	-	15,189	-	-	-	-	-	-	15,189	4,811	20,000
Changes in percentage of ownership interests in subsidiaries	-	-	217,712	-	-	-	-	53	-	217,765	(217,579)	186
Disposal of equity instruments at fair value through other comprehensive income	-	-	-	-	-	1,736	-	(1,736)	-	-	-	-
Net income for the year ended December 31, 2024	-	-	-	-	-	1,848,211	-	-	-	1,848,211	604,231	2,452,442
Other comprehensive income (loss) for the year ended December 31, 2024, net of income tax	-	-	-	-	-	9,227	36,619	177,055	-	222,901	16,023	238,924
Total comprehensive income (loss) for the year ended December 31, 2024	-	-	-	-	-	1,857,438	36,619	177,055	-	2,071,112	620,254	2,691,366
Increase in non- controlling interests	-	-	-	-	-	-	-	-	-	-	863,934	863,934
Subsidiary share-based payment transaction	-	-	-	-	-	-	-	-	-	-	16,609	16,609
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	(500,525)	(500,525)
BALANCE AT DECEMBER 31, 2024	120,137	$ 1,201,369	$ 2,075,699	$ 2,351,222	$ 76,387	$ 6,076,690	$ 33,861	$ 101,742	($ 56,009)	$ 11,860,961	$ 4,391,251	$ 16,252,212

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

SITRONIX TECHNOLOGY 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
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	$ 2,838,081	$ 2,840,565
Adjustments for:		
Depreciation expense	416,607	372,085
Amortization expense	101,309	75,416
Expected credit loss recognized on trade receivables	1,761	69
Net gain on fair value changes of financial assets designated as at fair value through profit or loss	(28,710)	(55,848)
Finance costs	17,154	6,252
Interest income	(180,809)	(155,951)
Dividend income	(34,354)	(32,389)
Compensation costs of share-based payments	16,609	7,671
Share of losses of associates	2,017	-
Net (gain) loss on disposal of property, plant and equipment	(18,246)	170
Gain on disposal of financial instruments	(1,473)	(7,180)
Write-down of inventories recognized (reversed)	111,291	(83,267)
Impairment loss recognized on prepayment for purchase	-	178,142
Realized gain with associates	(1,842)	(4,750)
Unrealized net (gain) loss on foreign currency exchange	(18,192)	3,569
Gain on modification of lease agreements	(319)	(9)
Changes in operating assets and liabilities		
Notes receivable and trade receivables	8,533	(424,033)
Receivables from related parties	(1,623)	(313)
Other receivables	(56,659)	(5,249)
Inventories	(534,348)	1,839,531
Prepayments	(34,178)	(40,618)
Other current assets	(8,387)	(1,333)
Notes payable and trade payables	686,569	1,043,451
Other payables	2,725	(371,315)
Other payables to related parties	(17)	171
Provisions	(224)	-
Other current liabilities	33,108	(36,108)
Net defined benefit liabilities	(2,227)	(2,272)
Accrued profit sharing bonus to employees' compensation and remuneration of directors	23,185	(148,279)
Cash generated from operations	3,337,341	4,998,178
Interest received	183,497	143,966
Interest paid	(16,686)	(6,205)
Income tax paid	(661,932)	(837,722)
Net cash generated from operating activities	2,842,220	4,298,217

(Continued)

SITRONIX TECHNOLOGY 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
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of financial assets at fair value through other comprehensive income	($ 429,028)	($ 222,296)
Disposal of financial assets at fair value through other comprehensive income	168,155	96,002
Purchase of financial assets measured at amortized cost	(8,275,473)	(4,928,236)
Proceeds from the return of principal of financial assets at amortized cost	5,395,680	4,211,435
Acquisitions of financial assets at fair value through profit or loss	(557,506)	(445,690)
Disposal of financial assets at fair value through profit or loss	759,199	425,471
Net cash flow from acquisition of subsidiaries	-	1,157
Acquisition of property, plant and equipment	(583,032)	(460,866)
Proceeds from disposal of property, plant and equipment	18,329	1,500
Increase in refundable deposits	(3,594)	(3,179)
Decrease in refundable deposits	78,886	121,564
Acquisition of intangible assets	(92,618)	(153,669)
Acquisition of right-of-use assets	(7,591)	-
Acquisition of investment properties	(3,487)	-
Dividends received	34,592	32,151
Net cash used in investing activities	(3,497,488)	(1,324,656)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term borrowings	2,878,872	800,918
Repayments of short-term borrowings	(2,708,322)	(838,963)
Repayment of bonds	-	(9,000)
Increase in guarantee deposits	21,190	37,750
Decrease in guarantee deposits	(131,265)	(95,791)
Repayment of the principal portion of lease liabilities	(56,059)	(49,924)
Cash dividends distributed	(1,434,370)	(2,629,679)
Dividends paid to non-controlling interests	(500,525)	(572,287)
Disposal of ownership interests in subsidiaries (without losing control)	20,000	170,850
Increase in non-controlling interests	845,394	63,000
Employee compensation issued in the form of stock that are not vested	4,402	1,562
Net cash used in financing activities	(1,060,683)	(3,121,564)
EFFECT OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES	82,752	(14,372)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(1,633,199)	(162,375)

(Continued)

SITRONIX TECHNOLOGY 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
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	5,499,342	5,661,717
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	$ 3,866,143	$ 5,499,342

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

SITRONIX TECHNOLOGY 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)

1. GENERAL INFORMATION

Sitronix Technology Corporation (the “Company”) was incorporated in Taipei City, Taiwan (ROC) in July 1992 and commenced operations in the same year. The principal place of business is located in Tai Yuen Hi-Tech Industrial Park, Hsinchu County. The Company operates principally as a designer, manufacturer and supplier of integrated circuits (ICs) and memory chips and focuses on display driver ICs (DDIs) for entry-level mobile phones, industrial displays and automotive systems.

The Company’s shares have been listed on the Taiwan Stock Exchange (TWSE) since December 25, 2003.

In order to improve the Company’s overall operating performance and increase market competitiveness, the Company reorganized the Group’s structure, carried out a professional division of labor and coordinated the allocation of the Group’s resources. On March 18, 2021, according to the Business Mergers And Acquisitions Act and the Company Act, the Company’s board of directors resolved to spin off the automotive business division to the Company’s subsidiary, Forcelead Technology Corp., which issued new ordinary shares as consideration for the transfer. The spin-off completion date is June 1, 2021.

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

2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Company’s board of directors and authorized for issue on March 6, 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, “IFRS Accounting Standards”) endorsed and issued into effect by the Financial Supervisory Commission (FSC)

   The initial application of the amendments to the IFRS Accounting Standards endorsed and issued into effect by the FSC did not have a material impact on the accounting policies of the Company and its subsidiaries (“the Group”).

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

New, Amended and Revised Standards and Interpretations	Effective Date Issued by IASB
Amendments to IAS 21 “Lack of Exchangeability”	January 1, 2025 (Note 1)

Note 1: The Group shall apply those amendments for annual reporting periods beginning on or after January 1,2025. Upon initial application of the amendments, the comparison period may not be restated, and the Group recognizes any effect (as an adjustment) to the opening balance of retained earnings or the exchange differences on foreign operations under equity (where applicable) and the related affected assets and liabilities.

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

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

New, Amended and Revised Standards and Interpretations	Effective Date Issued by IASB (Note 1)
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"	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 1: Unless stated otherwise, the above IFRS Accounting Standards are effective for annual reporting periods beginning on or after their respective effective dates.

1) IFRS 18 "Presentation and Disclosure in Financial Statements"

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

- 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.

- 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.

- 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.

- 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 possible impact that the application of other standards and interpretations will have on the Group's financial position and financial performance and will disclose the relevant impact when the assessment is completed.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Statement of compliance

The accompanying consolidated financial statements have been prepared in conformity with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IFRS Accounting Standards 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 Company and the entities controlled by the Company (i.e. its subsidiaries). Income and expenses of subsidiaries acquired or disposed of during the period are included in the consolidated statement of profit or loss and other 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 Company. 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 Company 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 Company.

When the Group loses control of a subsidiary, a gain or loss is recognized in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and any investment retained in the former subsidiary at its fair value at the date when control is lost and (ii) the assets (including any goodwill) and liabilities and any non-controlling interests of the former subsidiary at their carrying amounts at the date when control is lost. The Group accounts for all amounts recognized in other comprehensive income in relation to that subsidiary on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

See Note 12 and Tables 8 and 9 for the detailed information of subsidiaries (including the 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 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.

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, for each business combination, the Group measures the non-controlling interests at either fair value or proportionate share of the recognized amounts of the acquiree's identifiable net assets. The choice of the measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at fair value.

f. Foreign currencies

In preparing the financial statements of each individual entity, 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 differences 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 was 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 that are measured at historical cost in a foreign currency are not retranslated.

For the purpose of presenting the consolidated financial statements, the functional currencies of the Company and the entities in the Group (including subsidiaries and associates or those that use currencies different from the currency of the Company) 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; 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 (attributed to the owners of the Company and non-controlling interests as appropriate).

g. Inventories

Inventories consist of raw materials, work in progress, finished goods and merchandise, and are stated at the lower of cost and net realizable value. Inventory write-downs are made by item, except where it may be appropriate to group similar or related items. 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 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 neither a subsidiary nor an interest in a joint venture.

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

Under the equity method, investments in an associate is 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.

Any excess of the cost of an acquisition over the Group's share of the net fair value of the identifiable assets and liabilities of an associate at the date of acquisition is recognized as goodwill, which is included within the carrying amount of the investment and is not amortized. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of acquisition, after reassessment, is recognized immediately in profit or loss.

When the Group 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 that associate. The Group records such a difference as an adjustment to investments, with the corresponding amount charged or credited to capital surplus - changes in the Group's share of equity of associates. 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 if the investee had 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.

When the Group's share of losses of an associate equals or exceeds its interest in that associate (which includes any carrying amount of the investment accounted for using the equity method and long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognizing its share of further losses. Additional losses and liabilities are recognized only to the extent that the Group has incurred legal obligations, or constructive obligations, or made payments on behalf of that associate.

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 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.

The Group discontinues the use of the equity method from the date on which its investment ceases to be an associate. Any retained investment is measured at fair value at that date, and the fair value is regarded as the investment's fair value on its initial recognition as a financial asset. The difference between the previous carrying amount of the associate attributable to the retained interest and its fair value is included in the determination of the gain or loss on disposal of the associate. The Group accounts for all amounts previously recognized in other comprehensive income in relation to that associate on the same basis as would be required had that associate directly disposed of the related assets or liabilities. If an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate, the Group continues to apply the equity method and does not remeasure the retained interest.

When a group entity transacts with its associate, profit and loss resulting from the upstream or downstream transactions with the associate, and transactions between associates are recognized in the Group's consolidated financial statements only to the extent that interests in the associate are not related to the Group.

i. Property, plant, and equipment

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

Property, plant and equipment in the course of construction are measured at cost less any recognized impairment loss. Such assets are depreciated and classified to the appropriate categories of property, plant and equipment when completed and ready for their intended use.

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 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. Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation.

Investment properties are initially measured at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at cost less accumulated depreciation and accumulated impairment loss.

Depreciation is recognized using the straight-line method.

Investment properties is transferred to property, plant and equipment at the carrying amount on the day when the supply for self-use begins.

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

k. Goodwill

Goodwill arising from the acquisition of a business is carried at cost as established at the date of the 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 is 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 to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss is recognized directly in profit or loss. An 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 that 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.

l. 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 life, residual value, and amortization method are reviewed at the end of each reporting period, with the effect of any changes in 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) Internally-generated intangible assets - research and development expenditure

Expenditure on research activities is recognized as an expense in the period in which it is incurred.

3) Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognized separately from goodwill are initially recognized at their fair value at the acquisition date. Subsequent to initial recognition, they are measured on the same basis as intangible assets that are acquired separately.

4) 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.

m. Impairment of property, plant and equipment, right-of-use assets, investment properties and intangible assets

At the end of each reporting period, the Group reviews the carrying amounts of its property, plant and equipment, right-of-use assets, investment properties and intangible assets, 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 individual 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 asset, 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.

n. Financial instruments

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

Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) 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 fair value through profit or loss 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 settlement date basis.

a) Measurement category

Financial assets are classified into the following categories: financial assets at FVTPL, financial assets at amortized cost, investments in debt instruments at FVTOCI and investments in equity instruments at FVTOCI.

i. Financial assets at FVTPL

Financial assets measured at FVTPL include financial assets mandatorily measured or designated as at FVTPL. Financial assets mandatorily measured 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 fair value through profit or loss are stated 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 dividend or interest earned on the financial asset. Fair value is determined in the manner described in Note 32.

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, accounts receivable, other receivables measured at amortized cost, time deposits with original maturities of over 3 months, pledged fixed deposits, and refundable deposits) and 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.

A credit-impaired financial asset is one where the issuer or debtor has experienced significant financial difficulties, defaults, the debtor is likely to file for bankruptcy or other financial reorganization, or the active market for the financial asset has disappeared due to financial difficulties.

Cash equivalents include short-term investments or time deposits with original maturities of three months or less, 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.

iii. Investments in debt instruments at FVTOCI

Debt instruments that meet the following conditions are subsequently measured at FVTOCI:

i) The debt instrument is held within a business model whose objective is achieved by both the collecting of contractual cash flows and the selling of such financial assets; 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.

Investments in debt instruments at FVTOCI are subsequently measured at fair value. Changes in the carrying amounts of these debt instruments relating to changes in foreign currency exchange rates, interest income calculated using the effective interest method and impairment losses or reversals are recognized in profit or loss. Other changes in the carrying amount of these debt instruments are recognized in other comprehensive income and will be reclassified to profit or loss when the investment is disposed of.

iv. Investments in equity instruments at FVTOCI

On initial recognition, the Group may make an irrevocable election to designate investments in equity instruments as at FVTOCI. Designation as at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognized by an acquirer in a business combination.

Investments in equity instruments at FVTOCI are subsequently measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in other equity. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments; instead, it will be transferred to retained earnings.

Dividends are recognized in profit and loss when the Group’s right to receive the dividends is established, unless they clearly represent a recovery of part of the cost of the investment, in which case, they are included in OCI.

b) Impairment of financial assets

The Group recognizes a loss allowance for expected credit losses on financial assets at amortized cost (including trade receivables), investments in debt instruments that are measured at FVTOCI.

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, except for investments in debt instruments that are measured at FVTOCI, for which the loss allowance is recognized in other comprehensive income and does not reduce the carrying amount of such a financial asset.

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.

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 and receivable is recognized in profit or loss. On derecognition of an investment in a debt instrument at FVTOCI, the difference between the asset’s carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss which had been recognized in other comprehensive income is recognized in profit or loss. However, on derecognition of an investment in an equity instrument at FVTOCI, the difference between the asset’s carrying amount and the sum of the consideration received and receivable is recognized in profit or loss, and the cumulative gain or loss which had been recognized in other comprehensive income is transferred directly to retained earnings, without recycling through profit or loss.

2) Equity instruments

Equity instruments issued by the Group are classified as equity in accordance with the substance of the contractual arrangements and the definitions of 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, and its carrying amounts are calculated based on weighted average by share types and calculated separately by repurchase category. No gain or loss is recognized in profit or loss on the purchase, sale, issue or cancellation of the Group’s own equity instruments.

3) Financial liabilities

a) Subsequent measurement

Except the following situation, all financial liabilities are measured at amortized cost using the effective interest method.

i. Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when such financial liabilities are held for trading as at FVTPL.

Financial liabilities held for trading are stated at fair value, with any gain or loss arising on remeasurement recognized in profit or loss.

Fair value is determined in the manner described in Note 32.

b) Derecognition of financial liabilities

The difference between the carrying amount of the financial liability derecognized and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

4) Derivative financial instruments

The Group enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including cross currency swaps and foreign exchange forward contracts.

Derivatives are initially recognized at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship. When the fair value of derivative financial instruments is positive, the derivative is recognized as a financial asset; when the fair value of derivative financial instruments is negative, the derivative is recognized as a financial liability.

Derivatives embedded in hybrid contracts that contain financial asset hosts that is within the scope of IFRS 9 “Financial instruments” are not separated; instead, the classification is determined in accordance with the entire hybrid contract. Derivatives embedded in non-derivative host contracts that are not financial assets that is within the scope of IFRS 9 (e.g. financial liabilities) are treated as separate derivatives when they meet the definition of a derivative; their risks and characteristics are not closely related to those of the host contracts; and the host contracts are not measured at FVTPL.

o. Provisions

Provisions are measured at the best estimate of the discounted cash flows of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Decommissioning and restoration obligation

Pursuant to the lease agreement, the Group has an obligation, at the end of the respective lease terms, to restore the leased plant assets to their original condition at the time of the lease. Provisions are recognized based on the present value of the best estimate of future outflows of economic benefits that will be required for fulfillment of the restoration obligation stated on the lease contract.

p. Revenue recognition

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

1) Sale of goods

Revenue from the sale of goods comes from sales of integrated circuits. Sales of integrated circuits are recognized as revenue when the goods are delivered to the customer's specific location 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.

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

2) Rendering of services

Service income is recognized when services are provided.

q. Leasing

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

When the Group subleases a right-of-use asset, the sublease is classified by reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. However, if the head lease is a short-term lease that the Group, as a lessee, has accounted for applying the recognition exemption, the sublease is classified as an operating lease.

Lease payments (less any lease incentives payable) 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 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 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. 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 future lease payments resulting from a change in the lease terms, 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.

r. Borrowing costs

Borrowing costs are recognized in profit or loss in the period in which they are incurred.

s. Government grants

Government grants are recognized only when it is reasonably certain that the Group will comply with the conditions attached to the government grant and that the grant will be received.

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.

t. 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 an expense 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 past service cost) and net interest on the net defined benefit liabilities are recognized as employee benefit expenses in the period in which they occur. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling and the return on plan assets (excluding interest), is recognized in other comprehensive income in the period in which it occurs. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss.

Net defined benefit liabilities represent the actual deficit in the Group's defined benefit plan. 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.

u. Share-based payment arrangements

Employee stock options and restricted stock units for employees

Employee stock options and shares with restricted employee rights are recognized as expense on a straight-line basis over the vesting period based on the fair value of the equity instruments at the grant date and the best estimate of the number expected to be vested, with an adjustment to capital surplus – employee stock options and other equity (unearned stock-based employee compensation) at the same time. If the vesting is made immediately on the grant date, the full cost is recognized on the grant date. The Group reserves shares for employee subscription at the time of cash capital increase and recognizes the date as the grant date when the number of shares to be subscribed by employees is confirmed.

When restricted shares for employees are issued, other equity (unearned stock-based employee compensation) is recognized on the grant date, with a corresponding increase in capital surplus – restricted shares for employees. Dividends paid to employees on restricted shares which do not need to be returned if employees resign in the vesting period are recognized as expenses upon the dividend declaration with a corresponding adjustment in retained earnings and capital surplus – restricted stock for employees.

The Group shall revise the estimated number of employee stock options and shares with restricted employee rights expected to be vested on each balance sheet date. If the original estimated quantity is revised, the affected amount is recognized as profit or loss, so that the accumulated expenses reflect the revised estimate, and the capital surplus – employee stock option and capital surplus – restricted stock for employees are adjusted accordingly.

v. Taxation

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

1) Current tax

Income tax payable (refundable) 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, 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, unused loss carryforward, research and development expenditures and personnel training expenditures 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 asset 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 year 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

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.

5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, management is required to make judgments, estimates 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.

The Group considers the possible impact of inflation and market rate of interest fluctuations into significant accounting estimates when making its critical significant accounting estimates on cash flow projections, growth rate, discount rate, profitability, etc. The estimates and underlying assumptions are reviewed on an ongoing basis.

Key Sources of Estimation Uncertainty

a. Write-down of inventories

The net realizable value of inventory is the estimated selling price in the ordinary course of business less the estimated costs of completion and disposal. The estimation of net realizable value was based on current market conditions and the historical experience with product sales of a similar nature. Changes in market conditions may have a material impact on the estimation of the net realizable value.

6. CASH AND CASH EQUIVALENTS

	December 31	
	2024	2023
Cash on hand	$ 251	$ 281
Checking and demand deposits	1,117,801	887,402
Cash equivalents		
Time deposits	1,997,789	4,128,237
Bonds with repurchase agreements	750,302	483,422
	$ 3,866,143	$ 5,499,342

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

	December 31	
	2024	2023
Time deposits	1.225%~4.430%	0.395%~5.400%
Bonds with repurchase agreements	1.300%~4.650%	1.250%~5.400%

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	December 31 2024	December 31 2023
Financial assets at FVTPL - current		
Mandatorily measured at FVTPL		
Derivative financial assets		
Credit linked notes - linked with convertible bonds	$ 115,022	$ 170,667
Foreign exchange forward contracts and foreign exchange swap contracts	28,766	37,811
Equity linked notes	-	15,466
Non-derivative financial assets		
Domestic mutual fund investments	99,222	241,345
Convertible bonds	79,414	113,786
Exchangeable bonds	41,220	41,520
Domestic listed shares	697	2,655
	$ 364,341	$ 623,250
Financial assets at FVTPL - non-current		
Mandatorily measured at FVTPL		
Derivative financial assets		
Credit linked notes - linked with convertible bonds	$ 195,789	$ 220,544
Non-derivative financial assets		
Limited partnership	165,939	82,174
Exchangeable bonds	9,580	-
	$ 371,308	$ 302,718
Financial liabilities at FVTPL - current		
Mandatorily measured at FVTPL		
Derivative financial liabilities		
Foreign exchange forward contracts and foreign exchange swap contracts	$ 23,143	$ 27,793

At the end of the reporting period, outstanding foreign exchange forward contracts and foreign exchange swaps contracts not under hedge accounting were as follows:

	Currency	Maturity Date	Notional Amount (In Thousands)
December 31, 2024			
Sell forward exchange contracts	USD/NTD	2025.01.09~2025.08.07	US$24,500/NT$780,090
Buy forward exchange contracts	NTD/USD	2025.01.13~2025.08.05	NT$774,467/US$24,500
December 31, 2023			
Sell forward exchange contracts	USD/NTD	2024.01.04~2024.08.14	US$44,500/NT$1,381,382
Buy forward exchange contracts	NTD/USD	2024.01.03~2024.08.16	NT$1,432,774/US$46,500

The Group entered into foreign exchange forward contracts and foreign exchange swaps contracts to manage exposures to exchange rate fluctuations of foreign currency denominated assets and liabilities.

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	December 31	
	2024	2023
Current		
Investments in equity instruments at FVTOCI	$ 536,764	$ 561,273
Investments in debt instruments at FVTOCI	81,014	106,665
	$ 617,778	$ 667,938
Non-current		
Investments in equity instruments at FVTOCI	$ 1,260,418	$ 791,077
Investments in debt instruments at FVTOCI	473,726	411,933
	$ 1,734,144	$ 1,203,010

a. Investments in equity instruments at FVTOCI

	December 31	
	2024	2023
Current		
Domestic investments		
Listed shares (1)、(2) and (3)	$ 526,342	$ 561,273
Foreign investments		
Listed shares (1) and (2)	10,422	-
	$ 536,764	$ 561,273
Non-current		
Domestic investments		
Unlisted equity investments (1) and (2)	$ 521,681	$ 218,352
Foreign investments		
Unlisted equity investments (1)	738,737	572,725
	$ 1,260,418	$ 791,077

1) These investments in equity instruments are not held for trading. Instead, they are held for strategic purposes. Accordingly, the management elected to designate these investments in equity instruments as at FVTOCI as they believe that recognizing short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Group's strategy of holding these investments for purposes.

2) In 2024, the Group acquired domestic unlisted equity investments at $280,000 thousand and acquired the ordinary shares of domestic and foreign listed at $42,726 thousand, additionally, in 2023, it acquired the ordinary shares of domestic listed companies at $22,348 thousand. The management designated these investments as at FVTOCI due to their strategic investment purposes.

3) In order to manage credit concentration risk, the Group sold its ordinary shares and preferred shares of domestic listed companies in 2024 and 2023 in the amounts of $54,952 thousand and $436 thousand; and transferred a gain of $1,736 thousand and $58 thousand from other equity to retained earnings.

4) Dividends of $32,522 thousand and $30,667 thousand were recognized for the years ended December 31, 2024, and 2023, respectively, the amounts related to investments that had been derecognized by the end of the year were $1,760 thousand and $0, respectively, while the amounts related to investments still held on December 31, 2024 and 2023 were $30,762 thousand and $30,667 thousand, respectively.

b. Investments in debt instruments at FVTOCI

	December 31	
	2024	**2023**
Current		
Foreign corporate bonds	$ 81,014	$ 106,665
Non-current		
Foreign corporate bonds	$ 424,254	$ 362,195
Domestic corporate bonds	49,472	49,738
	$ 473,726	$ 411,933

In 2024 and 2023, the Group purchased foreign corporate bonds respectively for $118,377 thousand and $199,948 thousand with a coupon rate respectively of 2.125%～5.75% and 2.50%～5.80%.

In 2023, the Group purchased domestic corporate bonds for $49,999 thousand with a coupon rate of 1.537%.

In 2024, the Group disposal value of foreign corporate bonds at maturity was $113,203 thousand.

9. FINANCIAL ASSETS AT AMORTIZED COST

	December 31	
	2024	**2023**
Current		
Domestic investments		
Time deposits with original maturities of more than 3 months (a)	$ 5,180,000	$ 2,305,000
Pledged fixed deposits (b)	833,483	828,690
	6,013,483	3,133,690
Foreign investments		
Foreign corporate bonds (c)	32,844	-
	$ 6,046,327	$ 3,133,690
Non-current		
Foreign investments		
Foreign corporate bonds (c)	$ -	$ 30,870

a. The interest rates for time deposits with original maturities of more than 3 months ranged from 0.90%~1.77% and 0.56%~1.80% per annum as of December 31, 2024 and 2023, respectively.

b. Refer to Note 34 for information relating to investments in financial assets at amortized cost pledged as security.

c. In August 2016, the Group purchased the priority unsecured US dollar debt issued by Formosa Group (Cayman) Limited at US$1,028 thousand, with an expiry date of April 22, 2025 and the coupon rate of 3.375%.

10. NOTES RECEIVABLE, TRADE RECEIVABLES AND OTHER RECEIVABLES

	December 31	
	2024	2023
Notes receivable		
At amortized cost		
Gross carrying amount	$ 79	$ -
Less: Allowance for impairment loss	-	-
	$ 79	$ -
Trade receivables		
At amortized cost		
Gross carrying amount	$ 1,656,893	$ 1,614,048
Less: Allowance for impairment loss	(22,900)	(21,119)
	$ 1,633,993	$ 1,592,929
Other receivables		
Income tax refund receivable	$ 142,725	$ 84,954
Interest receivables	25,296	29,139
Others	3,601	2,781
	$ 171,622	$ 116,874

The credit period of sales of goods was 5~135 days. No interest was charged on trade receivables. The Group adopted a policy of obtaining advance payment or sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group uses other publicly available financial information or its own historical trading records to rate its major customers. The Group's exposure and the credit ratings of its counterparties are continuously monitored. Credit exposure is controlled by counterparty limits that are reviewed and approved by the Group annually.

The Group measures the loss allowance for trade receivables at an amount equal to lifetime ECLs. The expected credit losses on trade receivables are estimated using a provision matrix by reference to the past default records 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. 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, e.g. when the debtor has been placed under liquidation. 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 notes receivable and trade receivables based on the Group's provision matrix:

December 31, 2024

	Not Past Due	Up to 60 Days	61 to 90 Days	Over 90 Days	Total
Expected credit loss rate	0.42%	66.30%	62.13%	100%	
Gross carrying amount	$ 1,634,781	$ 17,017	$ 1,109	$ 4,065	$ 1,656,972
Loss allowance (Lifetime ECLs)	(6,863)	(11,283)	(689)	(4,065)	(22,900)
Amortized cost	$ 1,627,918	$ 5,734	$ 420	$ -	$ 1,634,072

December 31, 2023

	Not Past Due	Up to 60 Days	61 to 90 Days	Over 90 Days	Total
Expected credit loss rate	0.94%	2.69%	29.87%	100%	
Gross carrying amount	$ 1,602,952	$ 4,381	$ 1,192	$ 5,523	$ 1,614,048
Loss allowance (Lifetime ECLs)	(15,122)	(118)	(356)	(5,523)	(21,119)
Amortized cost	$ 1,587,830	$ 4,263	$ 836	$ -	$ 1,592,929

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

	Years Ended December 31	
	2024	2023
Balance at January 1	$ 21,119	$ 21,338
Provision for expected credit loss (a)	1,761	69
Amounts written off (b)	-	(277)
Change in exchange rates or others	20	(11)
Balance at December 31	$ 22,900	$ 21,119

a. Compared with January 1, 2024, the total carrying amount of notes receivable and trade receivables as of December 31, 2024 increased by a net amount of $42,924 thousand, and the loss allowance increased by $1,781 thousand; compared with January 1, 2023, the total carrying amount of notes receivable and trade receivables as of December 31, 2023 increased by a net amount of $366,190 thousand, and the loss allowance decreased by $219 thousand.

b. The Group wrote off the related trade receivables of $277 thousand and the loss allowance of $277 thousand, due to the bankruptcy declared by the court for one customer in the year ended 2023.

11. INVENTORIES

	December 31	
	2024	2023
Finished goods	$ 1,116,131	$ 723,718
Work in progress	1,537,405	1,540,029
Raw materials	428,191	394,753
Merchandise	1,959	2,129
	$ 3,083, 686	$ 2,660,629

Cost of goods sold is defined as follows:

	Years Ended December, 31	
	2024	2023
Cost of inventories sold	$ 11,697,120	$ 10,937,590
Allowance for inventory valuation loss (reversal of write-down inventories) (a)	111,291	(83,267)
Impairment loss on prepayment for purchase	-	178,142
Others	(60,198)	(23,276)
	$ 11,748,213	$ 11,009,189

a. The reversal of the inventories to net receivable value was due to the circumtances that caused the net realizable value of inventories to be lower than its cost no longer existed.

12. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

a. Subsidiaries included in the consolidated financial statements:

			Proportion of Ownership (%) December 31	
Investor	Investee	Main Business	2024	2023
The Company	Sitronix Investment Corp.	Investment	100.00	100.00
	Sensortek Technology Corp.	R&D, design and sales of sensor integrated circuit products	46.06	46.06
	INFSitronix Technology Corp.	Comprehensive line of Power supervisor IC design	58.42	58.42
	mCore Technology Corp.	Providing solutions for consumer display and voice/audio related applications.	90.73	90.73
	Forcelead Technology Corp.	R&D and sale of multi-functional integrated automotive display driver ICs	55.10	61.01
	Sync-Tech System Corp.	Design, manufacturing and maintenance of semiconductor consumables and testing equipment	45.48	42.19
	Sitronix Holding International Ltd.	Investment	100.00	100.00
	HeFei ezGreen Co., Ltd.	Design, sales and technical services of Supplier management software development	100.00	100.00
	CELEFIDE CO., LTD	R&D, design, sales and technical services of integrated circuits and system hardware and software	90.00	90.00
	ezGreen Inc.	Software design and electronic information supply services	100.00	100.00
	Sitronix Technology (Shenzhen) Co., Ltd.	Computer software and hardware development, sales and after-sales service business and related technical consulting services	100.00	100.00
	HeFei Sitronix Technology Co., Ltd.	R&D, sale and provision of after-sales services and related technical consultancy services of integrated circuits and system hardware and software	100.00	100.00
	Seer Microelectronics, Inc.	High performance sensor IC chip with single photon design and applications	72.66	72.66
Sitronix Investment Corp.	Sensortek Technology Corp.	R&D, design and sales of sensor integrated circuit products	-	-
	INFSitronix Technology Corp.	Comprehensive line of Power supervisor IC design	-	-

As of December 31, 2024, and 2023, the Group's shareholding ratio of Sensortek Technology Corp. were both 46.06%. Since Sensortek Technology Corp. is a TPEx listed company in the Republic of China, the remaining 53.94% of the shares held are widely dispersed. After considering the absolute number, relative size and distribution of shareholding held by the other shareholders, the Group was judged to have the substantive ability to dominate the relevant activities of Sensortek Technology Corp., therefore, it is classified as a subsidiary.

As of December 31, 2024, and 2023, the Group's shareholding ratio of Sync-Tech System Corp. were 45.48% and 42.19%, respectively and was the largest single shareholder of the latter. After considering the absolute number, relative size and distribution of shareholding held by the other shareholders, the Group was judged to have the substantive ability to dominate the relevant activities of Sync-Tech System Corp., therefore, it is classified as a subsidiary.

In 2023, the Group acquired Seer Microelectronics, Inc. by subscribing to its newly issued shares through capital increase. As a result, the Group has accumulated a 72.66% equity stake therefore, it is classified as a subsidiary. For more information, please refer to Note 28.

Please refer to Note 29 for the equity transactions between the Group and non-controlling interests.

b. Details of subsidiaries that have material non-controlling interests

Name of Subsidiary	Principal Place of Business	Proportion of Ownership and Voting Rights Held by Non-controlling Interests December 31 2024	2023
Sensortek Technology Corp.	Taiwan	53.94%	53.94%
Forcelead Technology Corp.	Taiwan	44.90%	38.99%
Sync-Tech System Corp.	Taiwan	54.52%	57.81%

Name of Subsidiary	Profit (Loss) Allocated to Non-controlling Interests Years Ended December 31 2024	2023	Accumulated Non-controlling Interests December 31 2024	2023
Sensortek Technology Corp.	$ 287,580	$ 357,144	$ 2,303,518	$ 2,327,738
Forcelead Technology Corp.	231,483	145,865	1,217,801	652,939
Sync-Tech System Corp.	98,145	66,273	752,920	490,089
Others	(12,977)	(11,079)	117,012	129,058
Total	$ 604,231	$ 558,203	$ 4,391,251	$ 3,599,824

Summarized financial information in respect of each of the Group's subsidiaries that has material non-controlling interests is set out below. The summarized financial information below represents amounts before intragroup eliminations:

	December 31 2024	2023
Current assets	$ 8,547,650	$ 7,378,260
Non-current assets	2,496,775	2,166,992

(Continued)

	December 31	
	2024	2023
Current liabilities	($ 2,230,830)	($ 2,290,029)
Non-current liabilities	(318,690)	(245,131)
Equity	$ 8,494,905	$ 7,010,092
Equity attributable to:		
Owners of the Company	$ 4,150,147	$ 3,446,444
Non-controlling interests of subsidiaries	4,344,758	3,563,648
	$ 8,494,905	$ 7,010,092

(Concluded)

	Years Ended December 31	
	2024	2023
Revenue	$ 8,774,054	$ 7,805,182
Net income for the year	$ 1,298,684	$ 1,225,896
Other comprehensive income (loss)	(13,096)	72,506
Total comprehensive income	$ 1,285,588	$ 1,298,402
Profit attributable to:		
Owners of the Company	$ 678,509	$ 650,281
Non-controlling interests of the subsidiaries	620,175	575,615
	$ 1,298,684	$ 1,225,896
Total comprehensive income attributable to:		
Owners of the Company	$ 672,528	$ 683,599
Non-controlling interests of the subsidiaries	613,060	614,803
	$ 1,285,588	$ 1,298,402
Net cash inflow (outflow) from:		
Operating activities	$ 1,363,855	$ 1,972,071
Investing activities	(1,753,436)	(842,123)
Financing activities	43,569	(1,222,465)
Effects of exchange rate changes on the balance of cash and cash equivalents held in foreign currencies	30,082	(3,464)
Net cash outflow	($ 315,930)	($ 95,981)
Dividends paid to non-controlling interests	$ 499,725	$ 570,802

13. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	December 31, 2024	December 31, 2023
Associates that are not individually material		
esGMeta Co.,Ltd.	$ 5,213	$ 5,202

In December 2023, the Group invested $9,500 thousand in esGMeta Co.,Ltd. (collectively, the "esGMeta Co.,Ltd.") through technical pricing, and by resolution of the Directors on December 5, 2023, to capital increase was carried out with a shareholding percentage of 47.50%. As the Group has significant influence over this company, it is classified as an investment accounted for using the equity method.

On March 27, 2024, the Group did not participate in the cash capital increase of esGMeta Co.,Ltd. in proportion to its existing ownership, and the Group's shareholding percentage decreased from 47.50% to 38.00%.

On April 19, 2024, the Group did not participate in the cash capital increase of esGMeta Co.,Ltd. in proportion to its existing ownership, and the Group's shareholding percentage decreased from 38.00% to 33.93%.

Please refer to Table 8 "Information on Investees, Locations, etc." for information on the nature of business, its area of operations, and country of company registry of the above affiliates.

Summary information of associates that are not individually material:

	Years Ended December 31,	
	2024	**2023**
The Group's share of:		
Net loss for the year	($ 2,017)	$ -

14. PROPERTY, PLANT AND EQUIPMENT

	Freehold Land	Buildings	Machinery Equipment	Test Equipment	Office Equipment	Property Under Construction and Equipment Under Installation	Total
Cost							
Balance at January 1, 2023	$ 298,723	$ 977,129	$ 284,661	$ 905,299	$ 30,831	$ 210,635	$ 2,707,278
Additions	-	17,950	61,429	221,829	1,689	4,411	307,308
Disposals	-	(1,010)	(7,025)	(86,738)	-	-	(94,773)
Reclassification	22,903	69,072	13	-	(13)	(6,889)	85,086
Acquired through business combinations	-	-	50	381	244	-	675
Effect of foreign currency exchange differences	-	(1,392)	(71)	(1,220)	(107)	(3,734)	(6,524)
Balance at December 31, 2023	$ 321,626	$ 1,061,749	$ 339,057	$ 1,039,551	$ 32,644	$ 204,423	$ 2,999,050
Accumulated depreciation							
Balance at January 1, 2023	$ -	$ 216,018	$ 154,136	$ 519,443	$ 15,843	$ -	$ 905,440
Additions	-	35,357	44,513	227,385	4,111	-	311,366
Disposals	-	(1,010)	(5,355)	(86,738)	-	-	(93,103)
Reclassification	-	8,568	-	-	-	-	8,568
Acquired through business combinations	-	-	39	221	155	-	415
Effect of foreign currency exchange differences	-	(347)	(49)	(1,103)	(71)	-	(1,570)
Balance at December 31, 2023	$ -	$ 258,586	$ 193,284	$ 659,208	$ 20,038	$ -	$ 1,131,116
Carrying amount at December 31, 2023	$ 321,626	$ 803,163	$ 145,773	$ 380,343	$ 12,606	$ 204,423	$ 1,867,934

(Continued)

	Freehold Land	Buildings	Machinery Equipment	Test Equipment	Office Equipment	Property Under Construction and Equipment Under Installation	Total
Cost							
Balance at January1, 2024	$ 321,626	$ 1,061,749	$ 339,057	$ 1,039,551	$ 32,644	$ 204,423	$ 2,999,050
Additions	-	25,225	65,526	303,639	6,294	179,007	579,691
Disposals	-	(3,061)	(14,719)	(209,267)	(4,491)	-	(231,538)
Reclassification	16,840	172,222	16,767	(2,046)	2,136	(217,781)	(11,862)
Effect of foreign currency exchange differences	-	5,596	136	2,286	212	906	9,136
Balance at December 31, 2024	$ 338,466	$ 1,261,731	$ 406,767	$ 1,134,163	$ 36,795	$ 166,555	$ 3,344,477
Accumulated depreciation							
Balance at January1, 2024	$ -	$ 258,586	$ 193,284	$ 659,208	$ 20,038	$ -	$ 1,131,116
Additions	-	39,694	54,149	246,832	4,694	-	345,369
Disposals	-	(3,061)	(14,670)	(209,267)	(4,457)	-	(231,455)
Reclassification	-	690	-	-	-	-	690
Effect of foreign currency exchange differences	-	748	96	2,133	142	-	3,119
Balance at December 31, 2024	$ -	$ 296,657	$ 232,859	$ 698,906	$ 20,417	$ -	$ 1,248,839
Carrying amount at December 31, 2024	$ 338,466	$ 965,074	$ 173,908	$ 435,257	$ 16,378	$ 166,555	$ 2,095,638

(Concluded)

In 2024 and 2023, the impairment loss was not recognized or reversed.

The Group’s property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives as follows:

Buildings	
Main buildings	40~51 years
Renovation construction / Lease improvement	3~15 years
Machinery equipment	2~6 years
Test equipment	1~6 years
Office equipment	3~6 years

15. LEASE ARRANGEMENTS

a. Right-of-use assets

	December 31	
	2024	2023
Carrying amount		
Buildings	$ 117,418	$ 86,355
Land	102,753	52,160
Office equipment	4,707	7,993
Machinery equipment	6,471	241
	$ 231,349	$ 146,749

	Years Ended December 31	
	2024	2023
Additions to right-of-use assets	$ 146,974	$ 69,617
Depreciation charge for right-of-use assets		
Buildings	$ 53,771	$ 42,952
Land	1,427	2,506
Office equipment	4,425	5,655
Machinery equipment	1,361	96
	$ 60,984	$ 51,209
Income from the subleasing of right-of-use assets (classified under other operating income and expenses)	$ 1,257	$ 1,143

b. Lease liabilities

	December 31	
	2024	2023
Carrying amount		
Current	$ 60,477	$ 46,884
Non-current	$ 159,554	$ 104,905

Range of discount rates for lease liabilities was as follows:

	December 31	
	2024	2023
Buildings	1.345%~4.750%	1.250%~4.750%
Land	1.700%	1.700%
Office equipment	1.345%~2.430%	1.250%~2.225%
Machinery equipment	1.250%	1.250%

c. Material lease activities and terms

The Group leases various assets including land, buildings, office equipment and machinery equipment with lease terms between 2~52 years. The leased land is used for constructing a factory building with lease contracts adjusted payment every 2 years on the announced land value. The leased buildings includes factory and offices, and the leased office equipment includes rental cars. The Group does not have bargain purchase or renewal options to acquire or renew the leases when they expire.

d. Other lease information

Lease arrangements under operating leases for the leasing out of investment properties are set out in Note 16.

	Years Ended December 31	
	2024	2023
Expenses relating to short-term leases	$ 4,805	$ 4,473

(Continued)

	Years Ended December 31	
	2024	2023
Expenses relating to low-value asset leases	$ 218	$ 196
Total cash outflow for leases	$ 66,638	$ 57,633

(Concluded)

The Group's leases of certain parking spaces qualify as short-term leases and leases of machinery qualify as low-value asset 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.

16. INVESTMENT PROPERTIES

	Land	Buildings	Total
Cost			
Balance at January 1, 2023	$ 245,266	$ 541,530	$ 786,796
Reclassification	(22,903)	(69,072)	(91,975)
Balance at December 31, 2023	$ 222,363	$ 472,458	$ 694,821
Accumulated depreciation			
Balance at January 1, 2023	$ -	$ 56,290	$ 56,290
Additions	-	9,510	9,510
Reclassification	-	(8,568)	(8,568)
Balance at December 31, 2023	$ -	$ 57,232	$ 57,232
Carrying amount at December 31, 2023	$ 222,363	$ 415,226	$ 637,589
Cost			
Balance at January 1, 2024	$ 222,363	$ 472,458	$ 694,821
Additions	-	3,487	3,487
Reclassification	(16,840)	18,061	1,221
Effect of foreign currency exchange differences	-	3,257	3,257
Balance at December 31, 2024	$ 205,523	$ 497,263	$ 702,786
Accumulated depreciation			
Balance at January 1, 2024	$ -	$ 57,232	$ 57,232
Additions	-	10,254	10,254
Reclassification	-	(690)	(690)
Effect of foreign currency exchange differences	-	6	6
Balance at December 31, 2024	$ -	$ 66,802	$ 66,802
Carrying amount at December 31, 2024	$ 205,523	$ 430,461	$ 635,984

Except for the situation that Sync-Tech System Corp. has not yet leased out its investment properties, the above-mentioned investment properties were leased out for 1 to 5 years. The lessees do not have bargain purchase options to acquire the investment properties at the expiry of the lease periods.

The future minimum lease payments of operating lease commitments were as follows:

	December 31	
	2024	2023
Within 1 year	$ 20,259	$ 18,877
Years 1～5	11,545	25,767
	$ 31,804	$ 44,644

Investment properties are depreciated using the straight-line method over their estimated useful lives of 40 to 51 years.

The determination of fair values of the Group's investment properties was performed by independent qualified professional vaulters of the China Real Estate Appraising Firm using Level 3 inputs. The evaluation is based on the weighted average of the income method and the market comparison method. The significant unobservable input used include the discount rate, and the appraised fair value are as follows:

	December 31	
	2024	2023
Fair value	$ 839,233	$ 788,574

All of the Group's investment properties were held under freehold interests.

17. INTANGIBLE ASSETS

	Royalty	Computer Software	Specialized Technology	Total
Cost				
Balance at January 1, 2023	$ 140,911	$ 201,792	$ 500	$ 343,203
Additions	21,891	130,787	-	152,678
Disposals	(9,897)	(10,499)	-	(20,396)
Acquired through business combinations	8,800	-	39,661	48,461
Effect of foreign currency exchange differences	-	(102)	-	(102)
Balance at December 31, 2023	$ 161,705	$ 321,978	$ 40,161	$ 523,844
Accumulated amortization				
Balance at January 1, 2023	$ 132,356	$ 133,928	$ 21	$ 266,305
Additions	9,830	62,909	2,677	75,416
Disposals	(9,897)	(10,499)	-	(20,396)
Acquired through business combinations	2,635	-	4,225	6,860
Effect of foreign currency exchange differences	-	(54)	-	(54)
Balance at December 31, 2023	$ 134,924	$ 186,284	$ 6,923	$ 328,131
Carrying amount at December 31, 2023	$ 26,781	$ 135,694	$ 33,238	$ 195,713

(Continued)

	Royalty	Computer Software	Specialized Technology	Total
Cost				
Balance at January 1, 2024	$ 161,705	$ 321,978	$ 40,161	$ 523,844
Additions	22,458	65,553	-	88,011
Disposals	(2,471)	(5,772)	-	(8,243)
Effect of foreign currency exchange differences	-	193	-	193
Balance at December 31, 2024	$ 181,692	$ 381,952	$ 40,161	$ 603,805
Accumulated amortization				
Balance at January 1, 2024	$ 134,924	$ 186,284	$ 6,923	$ 328,131
Additions	15,957	80,268	5,084	101,309
Disposals	(2,471)	(5,772)	-	(8,243)
Effect of foreign currency exchange differences	-	111	-	111
Balance at December 31, 2024	$ 148,410	$ 260,891	$ 12,007	$ 421,308
Carrying amount at December 31, 2024	$ 33,282	$ 121,061	$ 28,154	$ 182,497

(Concluded)

Intangible assets are amortized on a straight-line basis over their estimated useful lives as follows:

Royalty	2~10 years
Computer software	2~10 years
Specialized technology	2~10 years

An analysis of amortization by function:

	Years Ended December 31	
	2024	2023
Operating costs	$ 251	$ 119
Selling and marketing expenses	172	143
General and administrative expenses	8,889	9,950
Research and development expenses	91,997	65,204
	$ 101,309	$ 75,416

18. OTHER ASSETS

	December 31	
	2024	2023
Prepayments		
Input tax and offset against business tax	$ 148,530	$ 102,881
Prepaid probe cards	56,261	52,795
Prepayments	18,327	23,559
Prepayment for purchase	589	5,154
Others	4,057	7,264
	$ 227,764	$ 191,653

(Continued)

	December 31	
	2024	2023
Other current assets		
Provisional payments	$ 10,204	$ 5,142
Others	11,098	7,773
	$ 21,302	$ 12,915
Other non-current assets		
Prepayments for buildings	$ 182,830	$ 121,870
Refundable deposits	80,529	521,497
Prepayments for equipment	51,445	35,864
	$ 314,804	$ 679,231

(Concluded)

Please refer to Note 35 for details of the contract terms related to the prepayments for buildings and the capacity guarantee agreements.

19. SHORT-TERM BORROWINGS

	December 31	
	2024	2023
Unsecured borrowings		
Bank loans	$ 169,659	$ -

The range of weighted average effective interest rates on bank loans was 3.10%～3.45% as of December 31, 2024.

20. OTHER LIABILITIES

	December 31	
	2024	2023
Current		
Other payables		
Payables for salaries and bonuses	$ 1,011,364	$ 1,031,478
Payables for equipment	112,880	38,782
Payables for research	51,457	45,691
Others	376,521	357,765
	$ 1,552,222	$ 1,473,716
Other current liabilities		
Contract liabilities	$ 92,028	$ 97,482
Temporary receipts	40,930	7,804
Others	14,052	12,625
Deferred revenue - government grants	4,009	-
Guarantee deposits received	-	30,705
	$ 151,019	$ 148,616

(Continued)

	December 31	
	2024	2023
<u>Non-current</u>		
Other non-current liabilities		
Guarantee deposits received	$ 182,992	$ 257,283
Decommissioning liabilities	24,078	10,514
	$ 207,070	$ 267,797

(Concluded)

21. RETIREMENT BENEFIT PLANS

a. Defined contribution plans

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

b. Defined benefit plans

The defined benefit plan adopted by the Group in accordance with the Labor Standards Act is operated by the government. 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 based on the actuarial report of the Group's defined benefit plans were as follows:

	December 31	
	2024	2023
Present value of defined benefit obligation	$ 80,297	$ 93,558
Fair value of the plan assets	(65,396)	(67,203)
Net defined benefit liabilities	$ 14,901	$ 26,355

Movements in net defined benefit liabilities were as follows:

	Present Value of Defined Benefit Obligation	Fair Value of the Plan Assets	Net Defined Benefit Liabilities
Balance at January 1, 2023	$ 94,582	($ 63,191)	$ 31,391
Net interest expense (income)	1,220	(829)	391
Recognized in profit or loss	1,220	(829)	391

(Continued)

	Present Value of Defined Benefit Obligation	Fair Value of the Plan Assets	Net Defined Benefit Liabilities
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	$ -	($ 520)	($ 520)
Actuarial loss - change in demographic assumptions	2	-	2
Actuarial loss - change in financial assumptions	774	-	774
Actuarial gain - experience adjustments	(3,020)	-	(3,020)
Recognized in other comprehensive income(loss)	(2,244)	(520)	(2,764)
Contributions from the employer	-	(2,663)	(2,663)
Balance at December 31, 2023	93,558	(67,203)	26,355
Net interest expense (income)	1,050	(749)	301
Recognized in profit or loss	1,050	(749)	301
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	(5,848)	(5,848)
Actuarial gain - change in financial assumptions	(3,150)	-	(3,150)
Actuarial gain - experience adjustments	(229)	-	(229)
Recognized in other comprehensive income(loss)	(3,379)	(5,848)	(9,227)
Contributions from the employer	-	(2,528)	(2,528)
Benefit payments	(10,932)	10,932	-
Balance at December 31, 2024	$ 80,297	($ 65,396)	$ 14,901

(Concluded)

An analysis by function of the amounts recognized in profit or loss in respect of the defined benefit plans is as follows:

	Years Ended December 31	
	2024	2023
Selling and marketing expenses	$ 38	$ 47
General and administrative expenses	73	101
Research and development expenses	190	243
	$ 301	$ 391

Through the defined benefit plans under the Labor Standards Act, 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 plan's 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:

	December 31	
	2024	**2023**
Discount rate	1.65%	1.20%
Expected rate of salary increase	4.00%	4.00%

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

	December 31	
	2024	**2023**
Discount rate		
0.25% increase	($ 1,671)	($ 1,916)
0.25% decrease	$ 1,727	$ 1,984
Expected rate of salary increase		
0.25% increase	$ 1,683	$ 1,925
0.25% decrease	($ 1,638)	($ 1,870)

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

	December 31	
	2024	**2023**
Expected contributions to the plan for the next year	$ 2,548	$ 2,470
Average duration of the defined benefit obligation	8 years	9 years

22. EQUITY

a. Share capital

	December 31	
	2024	**2023**
Number of shares authorized (in thousands)	200,000	200,000
Share capital	$ 2,000,000	$ 2,000,000
Number of shares issued and fully paid (in thousands)	120,137	120,137
Shares issued	$ 1,201,369	$ 1,201,369

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

The authorized shares include 20,000 thousand shares reserved for the exercise of employee stock options.

b. Capital surplus

	December 31	
	2024	2023
<u>May be used to offset a deficit, distributed as cash dividends, or transferred to share capital (1)</u>		
Issuance of ordinary shares	$ 401,995	$ 401,995
Conversion of bonds	335,041	335,041
Treasury share transactions	17,604	14,255
Differences between the consideration received and the carrying amount of subsidiaries' net assets during actual acquisitions or disposals	136,038	120,849
<u>May be used to offset a deficit only (2)</u>		
Changes in percentage of ownership interests in subsidiaries	1,185,021	967,309
	$ 2,075,699	$ 1,839,449

1) Such capital surplus may be used to offset a deficit; in addition, when the Company has no deficit, such capital surplus may be distributed as cash or transferred to share capital (limited to a certain percentage of the Company's capital surplus and to once a year).

2) Such capital surplus arises from the effect of changes in ownership interests in subsidiaries resulting from equity transactions other than actual disposals or acquisitions, or from changes in capital surplus of subsidiaries accounted for using the equity method.

c. Retained earnings and dividends policy

Under the dividends policy as set in the Company's Articles of Incorporation (the "Articles"), the board of directors is authorized to adopt a special resolution to distribute all or part of the dividends and bonuses in cash, and a report of such distribution should be submitted in the latest shareholders' meeting.

Under the dividends policy as set forth in the Articles, where the Company made a profit in a fiscal year, the profit shall be distributed in the following order:

1) Utilized for paying taxes.

2) Offsetting losses of previous years.

3) Setting aside as a legal reserve of 10% of the remaining profit (legal reserve that has reached the company's paid-in capital is not subject to this condition).

4) Setting aside or reversing a special reserve in accordance with the laws and regulations.

5) Any remaining profit together with any undistributed retained earnings shall be used by the Company's board of directors as the basis for proposing a distribution plan, which should be resolved in the shareholders' meeting for the distribution of dividends and bonuses to shareholders.

For the policies on the distribution of employees' compensation and remuneration of directors, refer to employees' compensation and remuneration of directors in Note 24(h).

The distribution of dividends to shareholders of the Company can be made in cash or shares, but the proportion of cash dividends distributed should not be less than 10% of the total dividends distributed. The dividends policy is dependent on the Company’s current and future investment environment, capital needs, domestic and international competition and capital budget, etc., taking into account the interests of shareholders, balance of dividends and long-term financial planning of the Company, the board of directors plans to distribute the case to the shareholders’ meeting.

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

The appropriations of earnings for 2023 and 2022 were as follows:

	Years Ended December 31	
	2023	2022
Legal reserve	$ 186,117	$ 363,285
Special reserve	($ 211,838)	$ 182,761
Cash dividends	$ 1,441,642	$ 2,643,011
Cash dividends per share (NT$)	$ 12	$ 22

The above appropriations for cash dividends were resolved by the Company’s board of directors on March 7, 2024 and March 16, 2023, respectively; the other proposed appropriations were resolved by the shareholders in their meeting on June 20, 2024 and June 21, 2023, respectively.

The appropriation of earnings for 2024 had been proposed by the Company’s board of directors on March 6, 2025. The appropriation and dividends per share were as follows:

	Years Ended December 31, 2024
Legal reserve	$ 185,917
Special reserve	($ 76,387)
Cash dividends	$ 1,441,642
Cash dividends per share (NT$)	$ 12

The aforementioned distribution of cash dividends has been resolved by the board of directors, and the rest has yet to be resolved at the shareholders’ meeting to be held on May 29, 2025.

d. Special reserve

	Years Ended December 31	
	2024	2023
Balance at January 1	$ 288,225	$ 105,464
(Reversals) Appropriations in respect of		
Debits to other equity items	(211,838)	182,761
Balance at December 31	$ 76,387	$ 288,225

e. Other equity items

1) Exchange differences on translating the financial statements of foreign operations

	Years Ended December 31	
	2024	2023
Balance at January 1	($ 2,758)	$ 9,186
Exchange differences on translating the financial statements of foreign operations	36,619	(11,944)
Balance at December 31	$ 33,861	($ 2,758)

2) Unrealized gain (loss) on financial assets at FVTOCI

	Years Ended December 31	
	2024	2023
Balance at January 1	($ 73,630)	($ 290,948)
Recognized for the year		
Unrealized gain (loss) - debt instruments	8,244	7,237
Unrealized gain (loss) - equity instruments	168,811	210,026
Cumulative unrealized (gain) loss of equity instruments transferred to retained earnings due to disposal	(1,736)	(58)
Disposal of subsidiaries' partial equity	-	113
Changes in ownership interests in subsidiaries	53	-
Balance at December 31	$ 101,742	($ 73,630)

f. Non-controlling interests

	Years Ended December 31	
	2024	2023
Balance at January 1	$ 3,599,824	$ 3,342,919
Share attributable to non-controlling interests:		
Share in profit for the year	604,231	558,203
Exchange difference on translating the financial statements of foreign operations	1,730	(931)
Financial assets at FVTOCI	14,293	6,314
Adjustment of capital surplus due to dividends distributed to subsidiaries	3,923	7,191
Cash dividends distributed by subsidiaries	(500,525)	(572,287)
Non-controlling interests relating to outstanding vested employee share options and restricted shares granted by subsidiaries	7,519	1,427
Non-controlling interests arising from acquisition of subsidiaries (Note 28)	-	25,312
Disposal of partial interest in a subsidiary (Note 29)	4,811	49,888
The net assets of the subsidiary transferred to non-controlling interests (Note 29)	653,611	180,914
Disposal of employee trust shares by subsidiary	1,834	874
Balance at December 31	$ 4,391,251	$ 3,599,824

g. Treasury shares

The Company's shares held by its subsidiary	Number of Shares
Number of shares at January 1, and December 31, 2024	606,000
Number of shares at January 1, and December 31, 2023	606,000

The Company's shares held by its subsidiary at the end of the reporting period were as follows:

Name of Subsidiary	Number of Shares Held	Carrying Amount/ Carrying Amount per Share	Market Price/ Market Price per Share
December 31, 2024			
Sensortek Technology Corp.	606,000	$128,775/212.5	$128,775/212.5
December 31, 2023			
Sensortek Technology Corp.	606,000	$168,468/278.0	$168,468/278.0

The subsidiary shareholdings of the Company held presented in the table above reflect the actual number of shares held by the subsidiary. The Company's shares held by its subsidiary are treated as treasury shares.

23. REVENUE

a. Disaggregation of revenue

Product	Years Ended December 31 2024	2023
Integrated circuits	$ 17,011,909	$ 16,169,905
Others	814,596	552,986
	$ 17,826,505	$ 16,722,891

Primary geographical markets	Years Ended December 31 2024	2023
Hong Kong	$ 13,425,031	$ 13,451,241
Vietnam	1,422,016	988,167
Taiwan	1,132,039	880,864
China	748,537	453,694
South Korea	597,943	456,321
Others	500,939	492,604
	$ 17,826,505	$ 16,722,891

The basis of calculation of the Group's revenue segregated by geographical location is mainly based on the location the goods were shipped as designated by the customers.

b. Contract balances

	December 31		January 1,
	2024	2023	2023
Notes receivable and trade receivables (Note 10)	$ 1,634,072	$ 1,592,929	$ 1,226,520
Trade receivables from related parties (Note 33)	3,405	1,782	1,469
	$ 1,637,477	$ 1,594,711	$ 1,227,989
Contract liabilities - current (Note 20)			
Sales of goods	$ 92,028	$ 97,482	$ 135,268

Revenue recognized in the current year that was included in the contract liability balance at the beginning of the year is as follows:

	Years Ended December 31	
	2024	2023
From contract liabilities at the start of the year		
Sales of goods	$ 95,771	$ 128,318

Changes in contract liabilities are mainly due to the timing difference between the satisfaction of performance obligations and customer payment.

24. NET PROFIT

a. Other operating income and expense

	Years Ended December 31	
	2024	2023
Gain on sublease of right-of-use assets	$ 1,257	$ 1,143
Gain on modification of lease agreements	319	9
Gain (loss) on disposal of property, plant and equipment	18,246	(170)
	$ 19,822	$ 982

b. Interest income

	Years Ended December 31	
	2024	2023
Financial assets at amortized cost	$ 147,806	$ 128,213
Financial asset at FVTPL	10,243	12,746
Investments in debt instruments at FVTOCI	22,293	14,885
Others	467	107
	$ 180,809	$ 155,951

c. Other income

	Years Ended December 31	
	2024	2023
Dividend income	$ 34,354	$ 32,389
Rental income	28,610	26,941
Government grants income	27,547	26,734
Others	18,837	17,158
	$ 109,348	$ 103,222

d. Other gains and losses

	Years Ended December 31	
	2024	2023
Net foreign exchange gains	$ 57,483	$ 30,718
Gain on financial assets designated as at FVTPL	28,710	55,848
Gain on disposal of financial instruments	1,473	7,180
Depreciation of investment property	(10,254)	(9,510)
Other losses	(246)	(147)
	$ 77,166	$ 84,089

e. Finance costs

	Years Ended December 31	
	2024	2023
Interest on lease liabilities	$ 5,556	$ 3,040
Interest on loans	9,968	1,677
Reversal of discounted provisions	297	75
Other interest expenses	1,333	1,460
	$ 17,154	$ 6,252

f. Depreciation and amortization

	Years Ended December 31	
	2024	2023
Property, plant and equipment	$ 345,369	$ 311,366
Investment properties	10,254	9,510
Right-of-use assets	60,984	51,209
Intangible assets	101,309	75,416
	$ 517,916	$ 447,501
An analysis of depreciation by function		
Operating expenses	$ 326,940	$ 296,271
Operating costs	79,413	66,304
Depreciation of investment property	10,254	9,510
	$ 416,607	$ 372,085
An analysis of amortization by function		
Operating expenses	$ 101,058	$ 75,297
Operating costs	251	119
	$ 101,309	$ 75,416

For information regarding the allocation of intangible asset amortization expense to individual line items, please refer to Note 17.

g. Employee benefits expense

	Years Ended December 31	
	2024	2023
Short-term benefits	$ 2,715,286	$ 2,446,749
Post-employment benefits		
Defined contribution plans	69,101	63,128
Defined benefit plans (Note 21)	301	395
Share-based payments	16,609	7,671
	$ 2,801,297	$ 2,517,943
An analysis of employee benefits expense by function		
Operating expenses	$ 2,488,932	$ 2,247,482
Operating costs	312,365	270,461
	$ 2,801,297	$ 2,517,943

h. Employees' compensation and remuneration of directors

According to the articles of incorporation of the Company, the Company accrued employees' compensation and remuneration of directors at rates of no less than 1% and no higher than 25%, and rates of no higher than 3%, respectively, of net profit before income tax, employees' compensation, and remuneration of directors.The employees' compensation and the remuneration of directors for the years ended December 31, 2024 and 2023, which were approved by the Company's board of directors on March 6, 2025 and March 7, 2024, respectively, are as follows:

<u>Amount</u>

	Years Ended December 31	
	2024	2023
	Cash	Cash
Employees' compensation	$ 165,705	$ 165,555
Remuneration of directors	24,856	24,833

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.

There is no difference between the actual amounts of employees' compensation and remuneration of directors and the actual amount recognized in the consolidated financial statements for the years ended December 31, 2023 and 2022.

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

i. Gains or losses on foreign currency exchange

	Years Ended December 31	
	2024	2023
Foreign exchange gains	$ 348,934	$ 369,159
Foreign exchange losses	(291,451)	(338,441)
Net benefit	$ 57,483	$ 30,718

25. INCOME TAXES RELATING TO CONTINUING OPERATIONS

a. Income tax recognized in profit or loss

Major components of income tax expense are as follows:

	Years Ended December 31	
	2024	2023
Current tax		
In respect of the current year	$ 380,687	$ 394,917
Income tax on unappropriated earnings	22,262	24,724
Adjustments for prior years	(7,056)	(5,340)
	395,893	414,301
Deferred tax		
In respect of the current year	(10,254)	9,720
Income tax expense recognized in profit or loss	$ 385,639	$ 424,021

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

	Years Ended December 31	
	2024	2023
Profit before tax	$ 2,838,081	$ 2,840,565
Income tax expense calculated at the statutory rate	$ 714,565	$ 703,486
Deductible expenses in determining taxable income	(148,093)	(115,197)
Income tax on unappropriated earnings	22,262	24,724
Impact of the temporary differences	(49,284)	(8,447)
Effects of investment credits	(144,571)	(174,586)
Unrecognized tax-deductible loss	(2,184)	(619)
Adjustments for prior years' tax	(7,056)	(5,340)
Income tax expense recognized in profit or loss	$ 385,639	$ 424,021

b. Current tax liabilities

	December 31	
	2024	2023
Current tax liabilities		
Income tax payable	$ 294,367	$ 562,401

c. Deferred tax assets and liabilities

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

Year Ended December 31, 2024

Deferred Tax Assets	January 1, 2024	Recognized in Profit or Loss	Acquired through combination	December 31, 2024
Temporary differences	$ 5,771	($ 3,148)	$ -	$ 2,623

Deferred Tax Liabilities	January 1, 2024	Recognized in Profit or Loss	Acquired through combination	December 31, 2024
Temporary differences	$ 23,329	($ 13,402)	$ -	$ 9,927

Year Ended December 31, 2023

Deferred Tax Assets	January 1, 2023	Recognized in Profit or Loss	Acquired through combination	December 31, 2023
Temporary differences	$ 9,191	($ 3,420)	$ -	$ 5,771

Deferred Tax Liabilities	January 1, 2023	Recognized in Profit or Loss	Acquired through combination	December 31, 2023
Temporary differences	$ 11,697	$ 6,300	$ 5,332	$ 23,329

d. Deductible temporary differences for which no deferred assets have been recognized in the consolidated balance sheets

	December 31	
	2024	2023
Deductible temporary differences	$ 322,918	$ 608,482

e. Information on unrecognized deferred income tax liabilities associated with investments

As of December 31, 2024 and 2023, there were no recognized taxable temporary differences associated with investments in subsidiaries for which no deferred tax liabilities were recognized.

f. Income tax assessments

The Company's tax returns through 2022 have been assessed by the tax authorities.

26. EARNINGS PER SHARE

Unit: NT$ Per Share

	Years Ended December 31	
	2024	2023
Basic earnings per share	$ 15.42	$ 15.50
Diluted earnings per share	$ 15.31	$ 15.39

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

Net Income for the Year

	Years Ended December 31	
	2024	2023
Net income for the year	$ 1,848,211	$ 1,858,341
Earnings used in the computation of basic earnings per share	$ 1,848,211	$ 1,858,341
Effect of potentially dilutive ordinary shares:		
Employees' compensation	-	-
Earnings used in the computation of diluted earnings per share	$ 1,848,211	$ 1,858,341

Shares | **Unit: in thousands of shares**

	Years Ended December 31	
	2024	**2023**
Weighted average number of ordinary shares used in the computation of basic earnings per share	119,858	119,858
Effect of potentially dilutive ordinary shares:		
Employees' compensation	880	881
Weighted average number of ordinary shares used in the computation of diluted earnings per share	120,738	120,739

Since the Company offered to settle compensation or bonuses paid to employees in cash or shares, the Company assumes the entire amount of the compensation or bonus will be settled in shares and the resulting potential shares were 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.

27. SHARE-BASED PAYMENT ARRANGEMENTS

a. Employee restricted shares of Forcelead Technology Corp.

On September 18, 2024, the extraordinary general meeting of Forcelead Technology Corp. approved to issue for free of charge 500 thousand shares of restricted stock for employees, with a par value of $10, according to the issuance plan, Forcelead Technology Corp. may issue the restricted stock for employees either all at once or in several installments, depending on the actual needs, within two years from the effective date of the notice of issuance.The resolution was also filed to the Securities and Futures Bureau, FSC of the ROC and enforced on October 9, 2024.

On October 30, 2024, the board of directors of Forcelead Technology Corp. approved the issuance of 293 thousand shares of restricted stock for employees, with a par value of $10 per share and an issuance price of $0 per share (that is, free of charge). The dates of issuance and distribution for the restricted stock for employees were both October 30, 2024, and the fair value of the shares on the grant date of distribution was $233.12.

1) The vesting conditions for the restricted stock for employees issued by Forcelead Technology Corp. are as follows:

Ⅰ.Remaining employed on each vesting period.

Ⅱ.Personnel who satisfied the Company's established individual performance assessment indicators and the Company's overall performance.

Ⅲ.Has not violated any contracts entered into with Forcelead Technology Corp. or its domestic or foreign subsidiaries or affiliates during any vesting period.

Ⅳ.Has not violated these regulations or the work rules and company policies of Forcelead Technology Corp. or its domestic or foreign subsidiaries or affiliates during any vesting period.

Ⅴ.Has not violated any contracts between third parties and Forcelead Technology Corp. or its domestic or foreign subsidiaries or affiliates during any vesting period.

The maximum percentage of shares that may vest each year is as follows:

Vesting period	Proportion
Remain employed by Forcelead Technology Corp. for one year	25%
Remain employed by Forcelead Technology Corp. for two years	25%
Remain employed by Forcelead Technology Corp. for three years	25%
Remain employed by Forcelead Technology Corp. for four years	25%

2) After the allocation of new shares, employees will be delivered to a trust or custodian according to Forcelead Technology Corp.'s procedures. In addition, before meeting the vesting conditions, the restricted rights are as follows:

Ⅰ. According to the trust agreement, after the employee acquired the new shares, the employee cannot sell, mortgage, transfer, donate, pledge, no objection to the right to buy, or other way due to disposal before the vested condition is reached. However, if there are other norms in this measure, they shall be followed.

Ⅱ. The attendance, proposals, speeches, voting rights, and other shareholder rights of the shareholders' meeting shall be exercised by the trust custodian institution according to law.

Ⅲ. Employee restricted shares, after the new shares are issued, they should be immediately delivered to the trust, and the employee must not ask the trustee for any reason or manner to receive the return of the employee's rights to new shares before the vested condition is reached.

Ⅳ. During the vesting period, if Forcelead Technology Corp. conducts a cash capital reduction or a capital reduction to offset losses, which is not a statutory capital reduction, the restricted stock options for employees shall be canceled in proportion to the capital reduction. In the case of a cash capital reduction, the refunded cash must be placed in trust or custody and delivered to the employees upon the fulfillment of the vesting conditions. However, if the vesting conditions are not met, Forcelead Technology Corp. will reclaim the cash.

3) The information regarding the new shares of restricted employee share awards planned to be issued in 2024 is as follows:

	Number of Shares (In Thousands)
	Year Ended December 31, 2024
Balance at January 1	-
Options granted	293
Options vested	-
Balance at December 31	293

On October 30, 2024, Forcelead Technology Corp. granted restricted stock options for employees, which were valued using the Black-Scholes Pricing Model. The inputs values applied in the valuation model are as follows:

	October 2024
Grant date fair value of shares (NT$)	$ 233.12
Expected volatility rate	18.96%
Option life	1~4 years
Dividend yield	0.00%
Risk-free interest rate	1.3625%

If employees fail to meet the vesting conditions, Forcelead Technology Corp. will reclaim the shares without compensation and proceed with cancellation.

Compensation costs of the Group's restricted stock options for employees were $5,929 thousand in 2024.

b. Issuance of shares from cash capital increase reserved for employees' subscription - Forcelead Technology Corp.

The board of directors of Forcelead Technology Corp. resolved a pre-IPO cash capital increase on August 28, 2024 and reserved 361 thousand shares for employees' subscription. The grant date of the shares is November 29, 2024. The Black-Scholes pricing model was used to calculate the fair value of the shares; the input values used in the option pricing model are as follows:

	November 2024
Grant date fair value of shares (NT$)	$ 224.99
Exercise price (NT$)	$ 200
Expected volatility rate	23.358%
Option life	0.011 years
Risk-free interest rate	1.5355%
Share options fair value (NT$)	$ 25.02

Compensation costs of the Group's issuance of shares from the cash capital increase reserved for employees were $9,032 thousand in 2024.

c. Employee share option plan of Forcelead Technology Corp.

On April 11, 2023, the board of directors of Forcelead Technology Corp. approved the issuance of 1,000 thousand units of employee share option certificates. Each unit of share option certificate can be exchanged for 1 ordinary share. The share option certificates can be issued all at once or split into several issues after the approval date of the board of directors, the actual issuance date is to be fixed by the Chairman. Eligible employees are limited to full-time employees and those under certain requirements within Forcelead Technology Corp. and the employees of controlling or controlled entity who meet certain terms. The holder of the share option certificates can exercise the options at any time after the date of issuance.

The information on employee share option is summarized as follows:

	2023 Year Share Option Plan	
Year Ended December 31, 2023	**Number of Shares (In Thousands)**	**Weighted-average Exercise Price(NT$)**
Balance at January 1	-	$ -
Options granted	1,000	58.00
Options exercised	(1,000)	58.00
Options forfeited	-	-
Balance at December 31	-	-

Per the employee share option plan of 2023, Forcelead Technology Corp. distributed 1,000 thousand units of employee share option certificates to its employees on April 11, 2023. The Black-Scholes Pricing Model was used to calculate the fair values of the employee share options, and the input values used are summarized as follows:

	April 2023
Grant date fair value of shares (NT$)	$ 65.57
Exercise price (NT$)	$ 58.00
Expected volatility rate	33.99%
Option life	0.012 years
Dividend yield	-
Risk-free interest rate	1.02%
Share options fair value (NT$)	$ 7.58

Compensation costs of the Group's employee share option plans were $7,580 thousand in 2023.

d. Employee share option plan of Seer Microelectronics, Inc.

The employee share option certificates issued by Seer Microelectronics, Inc. are granted to employees of the Seer Microelectronics, Inc. who meet certain conditions, and the certificate holders can exercise the share options in a certain period and proportion two years after the expiration date of the certificates, and the duration of the share options is six years, after which the unexercised share options shall be deemed to be waived, and the share rights holders shall not claim their share options again.

The information on employee share option is summarized as follows:

	2020-Year Share Option Plan	
Year Ended December 31, 2023	Number of Shares (In Thousands)	Weighted-average Exercise Price (NT$)
Balance at January 1	76	$ 8.50
Options granted	-	-
Options exercised	-	-
Canceled of share options	(76)	8.50
Balance at December 31	-	-

Per the employee share option plan of 2020, Seer Microelectronics, Inc. distributed 176 thousand units of employee share option certificates to its employees on August 31, 2020. The Black-Scholes Pricing Model was used to calculate the fair values of the employee share options, and the input values used are summarized as follows:

	August 2020
Grant date fair value of shares (NT$)	$ 14.96
Exercise price (NT$)	$ 8.50
Expected volatility rate	46.53%
Option life	6years
Dividend yield	-
Risk-free interest rate	0.42%
Share options fair value (NT$)	$ 7.2874

Compensation costs of the Group's employee share option plans were $91 thousand in 2023.

Due to operational consideration, Seer Microelectronics, Inc. abolished the issuance of employee share warrants and share subscription measures on June 14, 2023.

e. Issuance of shares from cash capital increase reserved for employees' subscription of Sync-Tech System Corp.

The board of directors of Sync-Tech System Corp. decided to increase the capital in cash on September 12, 2024 and reserved 250 thousand shares for employees' subscription. The grant date of the shares is September 23, 2024.

The Black-Scholes pricing model was used to calculate the fair value of the shares; the input values used in the option pricing model are as follows:

	September 2024
Grant date fair value of shares (NT$)	$ 147.96
Exercise price (NT$)	$ 150.00
Expected volatility rate	37.42%
Option life	0.112 years
Dividend yield	-
Risk-free interest rate	1.24%
Share options fair value (NT$)	$ 6.59

Compensation costs of the Group’s issuance of shares from the cash capital increase reserved for employees were $1,648 thousand in 2024.

28. BUSINESS COMBINATIONS

a. Subsidiaries acquired

	Principal Activity	Date of Acquisition	Proportion of Voting Equity Interests Acquired (%)	Consideration Transferred
Seer Microelectronics, Inc.	High performance sensor IC with single photon design and applications	July 5, 2023	56.54	$ 40,000

Seer Microelectronics, Inc were acquired on July 5, 2023 in order to continue the expansion of the Group’s activities in scale and product mix.

b. Consideration transferred

	Seer Microelectronics, Inc.
Cash	$ 40,000

c. Assets acquired and liabilities assumed at the date of acquisition

	Seer Microelectronics, Inc.
Current assets	
Cash and cash equivalents	$ 41,157
Trade receivables and other receivables	2,093
Inventories	17,550
Other current assets	1,643
Non-current assets	
Plant and Equipment	260
Right-of-use assets	489
Intangible assets	41,601
Other non-current assets	224
Current liabilities	
Short-term borrowings	(20,000)

(Continued)

	Seer Microelectronics, Inc.
Trade payables and other payables	($ 10,768)
Lease liabilities	(284)
Bonds payable	(9,000)
Other current liabilities	(164)
Non-current liabilities	
Lease liabilities	(231)
Deferred tax liabilities	(5,332)
Other non-current liabilities	(1,000)
	$ 58,238

(Concluded)

d. Non-controlling interests

The non-controlling interest (43.46% ownership interest in Seer Microelectronics, Inc.) was measured by proportionate share of Seer Microelectronics, Inc.'s identifiable net assets at the date of acquisition.

e. Goodwill generated from the acquisition

	Seer Microelectronics, Inc.
Consideration transferred	$ 40,000
Plus: Non-controlling interests (43.46% ownership interest in Seer Microelectronics, Inc.)	25,312
Less: Fair value of identifiable net assets acquired	(58,238)
Goodwill generated from the acquisition	$ 7,074

The goodwill generated from the acquisitions of Seer Microelectronics, Inc. mainly comes from the control premium.

The goodwill generated from the acquisition is not expected to be tax-deductible.

f. Net cash inflow on the acquisition of subsidiaries

	Seer Microelectronics, Inc.
Consideration paid in cash	$ 40,000
Less: Cash and cash equivalent balances acquired	(41,157)
	($ 1,157)

g. Impact of acquisitions on the results of the Group

The financial results of the acquirees since the acquisition dates, which are included in the consolidated statements of comprehensive income, were as follows:

	Seer Microelectronics, Inc. (2023.07.05～12.31)
Revenue	$ 482
Profit(loss)	(17,616)

If the acquisition of Seer Microelectronics, Inc. in July 2023 took place on January 1, 2023, the proposed operating revenue and net profit (loss) of the Seer Microelectronics, Inc. for the year ended December 31, 2023 were $3,341 thousand, and ($27,949) thousand, respectively.

29. EQUITY TRANSACTIONS WITH NON-CONTROLLING INTERESTS

On August 6, 2023, the Group did not participate in the cash capital increase of Seer Microelectronics, Inc. in proportion to its existing ownership, the Group's shareholding percentage increased from 56.54% to 72.66%.

On December 6, 2024, the Group did not participate in the cash capital increase of Forcelead Technology Corp. in proportion to its existing ownership, the Group's shareholding percentage decreased from 60.28% to 55.10%.

On December 1, 2024, due to the Group sold part of the Forcelead Technology Corp.'s shares, the Group's shareholding percentage decreased from 60.54% to 60.28%.

Due to the issuance of restricted stock options for employees by Forcelead Technology Corp. on October 30, 2024, the Group's shareholding percentage decreased from 61.01% to 60.54%.

On December 14, 2023, due to the Group sold part of the Forcelead Technology Corp.'s shares, the Group's shareholding percentage decreased from 64.00% to 61.01%.

Due to the distribution of employees' compensation in the form of shares by Forcelead Technology Corp. on July 20, 2023, the Group's shareholding percentage decreased from 68.76% to 64.00%.

On April 20, 2023, due to the Forcelead Technology Corp.'s employees execute options to issue new shares, the Group's shareholding percentage decreased from 70.76% to 68.76%.

On November 4, 2024, the Group did not participate in the cash capital increase of Sync-Tech system Corp. in proportion to its existing ownership, the Group's shareholding percentage increased from 41.51% to 45.48%.

Due to the distribution of employees' compensation in the form of shares by Sync-Tech system Corp. on July 21, 2024, the Group's shareholding percentage decreased from 42.19% to 41.51%.

Due to the distribution of employees' compensation in the form of shares by Sync-Tech system Corp. on July 16, 2023, the Group's shareholding percentage decreased from 42.86% to 42.19%.

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

Year Ended December 31, 2024

	Sync-Tech System Corp.	Forcelead Technology Corp.
Cash consideration received	$ 23,209	$ 842,185
Non-cash transaction	14,138	-
The proportionate share of the carrying amount of the net assets of the subsidiary transferred to non-controlling interests	(180,356)	(478,066)
Adjustment of other equity items attributable to owners of the Company - unrealized gain (loss) of financial assets at FVTOCI	-	(53)
Differences recognized from equity transactions	($ 143,009)	$ 364,066

(Continued)

	Sync-Tech System Corp.	Forcelead Technology Corp.
Line items adjusted for equity transactions		
Capital surplus - differences between consideration received and the carrying amount of subsidiaries' net assets during actual acquisitions or disposals	$ -	$ 15,189
Capital surplus - changes in percentage of ownership interests in subsidiaries	(143,009)	348,877
	($ 143,009)	$ 364,066

(Concluded)

Year Ended December 31, 2023

	Sync-Tech System Corp.	Forcelead Technology Corp.	Seer Microelectronics, Inc.
Cash consideration received	$ -	$ 228,850	$ 5,000
Non-cash transaction	12,191	120,510	-
The proportionate share of the carrying amount of the net assets of the subsidiary transferred to non-controlling interests	(12,135)	(207,758)	(10,909)
Adjustment of other equity items attributable to owners of the Company - unrealized gain (loss) of financial assets at FVTOCI	-	(113)	-
Differences recognized from equity transactions	$ 56	$ 141,489	($ 5,909)
Line items adjusted for equity transactions			
Capital surplus - differences between consideration received and the carrying amount of subsidiaries' net assets during actual acquisitions or disposals	$ -	$ 120,849	$ -
Capital surplus - changes in percentage of ownership interests in subsidiaries	56	20,640	(5,909)
	$ 56	$ 141,489	($ 5,909)

30. CASH FLOW INFORMATION

a. Changes in liabilities arising from financing activities

Year Ended December 31, 2024

	January 1, 2024	Cash Flows	Non-cash Changes: Foreign Exchange Movement	Non-cash Changes: New Leases	Non-cash Changes: Lease Modification	December 31, 2024
Short-term borrowings	$ -	$ 175,550	($ 891)	$ -	$ -	$ 169,659
Lease liabilities	151,789	(56,059)	809	125,663	(2,171)	220,031
Guarantee deposits received	287,988	(110,075)	5,079	-	-	182,992
	$ 439,777	$ 4,416	$ 4,997	$ 125,663	($ 2,171)	$ 572,682

Year Ended December 31, 2023

	January 1, 2023	Cash Flows	Non-cash Changes: Foreign Exchange Movement	Non-cash Changes: New Leases	Non-cash Changes: Lease Modification	Non-cash Changes: Acquired through combination	December 31, 2023
Short-term borrowings	$ 18,119	($ 38,045)	($ 74)	$ -	$ -	$ 20,000	$ -
Bonds payable	-	(9,000)	-	-	-	9,000	-
Lease liabilities	132,914	(49,924)	(491)	69,128	(353)	515	151,789
Guarantee deposits received	352,371	(58,041)	(6,342)	-	-	-	287,988
	$ 503,404	($ 155,010)	($ 6,907)	$ 69,128	($ 353)	$ 29,515	$ 439,777

31. CAPITAL RISK 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 shareholders through the optimization of the debt and equity balance.

The capital structure of the Group consists of net debt (borrowings offset by cash and cash equivalents) and equity of the Group (comprising issued capital, reserves, retained earnings and other equity).

The Group is not subject to any externally imposed capital requirements.

32. FINANCIAL INSTRUMENTS

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

The management considers that the carrying amounts of financial assets and financial liabilities recognized in the financial statements are relatively close to their fair values.

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				
Domestic corporate funds	$ 99,222	$ -	$ -	$ 99,222
Convertible bonds	79,414	-	-	79,414
Exchangeable bonds	50,800	-	-	50,800
Domestic listed shares	697	-	-	697
Limited partnership	-	-	165,939	165,939
Derivative instrument				
Credit linked notes - linked with convertible bonds	-	310,811	-	310,811
Foreign exchange forward contracts and foreign exchange swap contracts	-	28,766	-	28,766
	$ 230,133	$ 339,577	$ 165,939	$ 735,649
Financial assets at FVTOCI				
Investments in equity instruments at FVTOCI				
Domestic listed shares	$ 526,342	$ -	$ -	$ 526,342
Foreign listed shares	10,422	-	-	10,422

(Continued)

	Level 1	Level 2	Level 3	Total
Domestic unlisted equity investments	$ -	$ -	$ 521,681	$ 521,681
Foreign unlisted equity investments	-	-	738,737	738,737
Investments in debt instruments at FVTOCI				
Domestic corporate bonds	-	49,472	-	49,472
Foreign corporate bonds	-	505,268	-	505,268
	$ 536,764	$ 554,740	$ 1,260,418	$ 2,351,922
Financial liabilities at FVTPL				
Derivative instruments				
Foreign exchange forward contracts and foreign exchange swap contracts	$ -	$ 23,143	$ -	$ 23,143

(Concluded)

December 31, 2023

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Domestic corporate funds	$ 241,345	$ -	$ -	$ 241,345
Convertible bonds	113,786	-	-	113,786
Exchangeable bonds	41,520	-	-	41,520
Domestic listed shares	2,655	-	-	2,655
Limited partnership	-	-	82,174	82,174
Derivative instrument				
Credit linked notes - linked with convertible bonds	-	391,211	-	391,211
Foreign exchange forward contracts and foreign exchange swap contracts	-	37,811	-	37,811
Equity linked notes	-	15,466	-	15,466
	$ 399,306	$ 444,488	$ 82,174	$ 925,968
Financial assets at FVTOCI				
Investments in equity instruments at FVTOCI				
Domestic listed shares	$ 561,273	$ -	$ -	$ 561,273
Domestic unlisted equity investments	-	-	218,352	218,352
Foreign unlisted equity investments	-	-	572,725	572,725
Investments in debt instruments at FVTOCI				
Domestic corporate bonds	-	49,738	-	49,738
Foreign corporate bonds	-	468,860	-	468,860
	$ 561,273	$ 518,598	$ 791,077	$ 1,870,948
Financial liabilities at FVTPL				
Derivative instruments				
Foreign exchange forward contracts and foreign exchange swap contracts	$ -	$ 27,793	$ -	$ 27,793

For the years ended December 31, 2024 and 2023, there were no transfers between Level 1 and Level 2 fair value measurements.

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

Financial Instruments	Valuation Techniques and Inputs
Domestic and Foreign corporate bonds	Based on the public market quotes provided by third-party agencies.
Credit linked notes - linked with convertible bonds	Based on the public market quotation of convertible bond, the parameters of the repurchase, the coupon interest and the interest compensation are considered as the basis for fair value measurement.
Equity linked notes	Based on the public market quotation of stock, the parameters of the repurchase and the interest compensation are considered as the basis for fair value measurement.
Derivatives - foreign exchange forward contracts and foreign exchange swap contracts	Discounted cash flow method: Estimate the future cash flow at the end of the period by observing the forward exchange rate and the exchange rate and interest rate set by the contract, and have already discounted the discount rate of each counterparty's credit risk.

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

Domestic and foreign unlisted equity investments are evaluated by the net asset value method. The management of the Group evaluates the target of such equity investments with the active market quotation, and the net asset amount tends to the fair value of the equity investments.

The domestic limited partnership are valued using the net asset value method. The management of the Group evaluates that the amount of the net assets of this investment is equivalent to its fair value. The evaluation covers the total value of the investment's individual assets and liabilities, which reflects the value of the entity or business.

4) Adjustment of financial instruments measured using Level 3 fair values

The Group's financial assets under level 3 fair value measurement are financial assets at FVTPL and equity instruments measured at fair value through other comprehensive income.

Year Ended December 31, 2024

	Financial instruments at FVTPL	Equity instruments at FVTOCI	Total
Balance at January 1	$ 82,174	$ 791,077	$ 873,251
Additions	77,900	280,000	357,900
Disposal	(1,905)	-	(1,905)
Recognized under profit or loss	7,770	-	7,770
Recognized under other comprehensive income	-	189,341	189,341
Balance at December 31	$ 165,939	$ 1,260,418	$1,426,357

Year Ended December 31, 2023

	Financial instruments at FVTPL	Equity instruments at FVTOCI	Total
Balance at January 1	$ 34,768	$ 640,322	$ 675,090
Additions	40,000	-	40,000
Disposal	(467)	-	(467)
Recognized under profit or loss	7,873	-	7,873
Recognized under other comprehensive income	-	150,755	150,755
Balance at December 31	$ 82,174	$ 791,077	$ 873,251

c. Categories of financial instruments

	December 31	
	2024	2023
Financial assets		
Financial assets at FVTPL		
Mandatorily classified as at FVTPL	$ 735,649	$ 925,968
Financial assets at amortized cost (1)	11,823,400	10,909,899
Financial assets at FVTOCI		
Equity instruments	1,797,182	1,352,350
Debt instruments	554,740	518,598
Financial liabilities		
Financial liabilities at FVTPL		
Held for trading	23,143	27,793
Financial liabilities at amortized cost (2)	3,317,152	2,713,322

1) The balances include financial assets measured at amortized cost, which comprise cash and cash equivalents, pledged fixed deposits, time deposits with original maturities of more than 3 months, notes receivable and trade receivables (including receivables from related parties), other receivable, other current assets and refundable deposits.

2) The balances include financial liabilities at amortized cost, which comprise short-term borrowings, notes and trade payables, other payables (including other payables to related parties), temporary receipts and guarantee deposits.

d. Financial risk management objectives and policies

The Group's major financial instruments include equity and debt investments, trade receivables, trade payables and borrowings. 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.

The Group seeks to minimize the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives is governed by the Group's policies approved by the board of directors, which provided written principles on foreign currency risk, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments, and the investment of excess liquidity. Compliance with policies and exposure limits is reviewed by the internal auditors on a continuous basis. The Group did not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

1) Market risk

The Group's activities exposed it primarily to the financial risks of changes in foreign currency exchange rates (see (a) below) and interest rates (see (b) below). The Group entered into a variety of derivative financial instruments to manage its exposure to foreign currency risk and interest rate risk.

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

a) Foreign currency risk

The Group's operating activities are partially denominated in foreign currencies and thus have partial natural hedging effects.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities (including those eliminated on consolidation) and of the derivatives exposed to foreign currency risk at the end of the reporting period are set out in Note 36.

<u>Sensitivity analysis</u>

The Group was mainly exposed to the USD, JPY and CNY.

The following table details the Group's sensitivity to a 5% increase and decrease in the New Taiwan dollar (i.e. the functional currency) against the relevant foreign currencies. The sensitivity analysis included only outstanding foreign currency denominated monetary items, and adjusts their translation at the end of the reporting period for a 5% change in foreign currency rates. A positive (negative) number below indicates an increase (decrease) in pre-tax profit and other equity associated with the New Taiwan dollar weakening (strengthening) 5% against the relevant currency.

	USD Impact		JPY Impact		CNY Impact	
	Years Ended December 31		Years Ended December 31		Years Ended December 31	
	2024	2023	2024	2023	2024	2023
Profit or loss	$ 4,860	$ 33,535	$ 1,015	$ 792	$ 15,695	$ 13,303

b) Interest rate risk

The Group was exposed to interest rate risk because the Group borrowed 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:

	December 31	
	2024	2023
Fair value interest rate risk		
Financial assets	$ 8,763,371	$ 6,346,975
Financial liabilities	354,508	151,789

(Continued)

	December 31	
	2024	2023
Cash flow interest rate risk		
Financial assets	$ 1,694,460	$ 2,830,895
Financial liabilities	35,353	-

(Concluded)

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 net assets, the analysis was prepared assuming the amount of each net assets outstanding at the end of the reporting period was outstanding for the reporting period.

If interest rates had been 0.1% 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 increase/decrease by $1,659 thousand and $2,831 thousand, respectively, which was mainly attributable to the Group's exposure to interest rates on variable-rate net assets. The Group's pre-tax other comprehensive income for the years ended December 31, 2024 and 2023 would decrease/increase by $555 thousand and $519 thousand, respectively, which was mainly due to the changes in the fair value of investments in fixed-rate debt instruments at FVTOCI.

c) Other price risk

The Group was exposed to equity price risk through its investments in listed equity securities, convertible bonds, exchangeable bonds, credit linked structured notes of listed companies and mutual fund investments. The Group does not actively trade these investments. The Group's equity price risk is mainly concentrated in equity instruments operating in the semiconductor industry, finance and insurance industries structured notes and exchange-traded funds quoted on the Taiwan Stock Exchange and the Taipei Exchange.

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 5% higher/lower, pre-tax income for the years ended December 31, 2024 and 2023 would have increased/decreased by $27,047 thousand and $40,299 thousand, respectively, as a result of the changes in fair value of financial assets at FVTPL. Pre-tax other comprehensive income for the years ended December 31, 2024 and 2023 would have increased/decreased by $26,838 thousand and $28,064 thousand, respectively, as a result of the changes in the fair value of financial assets at FVTOCI.

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 carrying amount of the respective recognized financial assets as stated in the balance sheets.

To mitigate credit risk, the management of the Group assigns a dedicated team responsible for credit line decisions, credit approvals and other monitoring procedures to ensure appropriate actions are taken for the collections of overdue receivables. In addition the Group reviews conditions on each collecting receivable to ensure the uncollectible amounts are provided with appropriate impairment losses. Accordingly, the management of the Group believes that the credit risk of the Group has been significantly reduced.

In addition, since the counterparties of liquidity and derivative financial instruments are banks with sound credit ratings, the credit risk is limited.

Apart from customers whose accounts receivable constitute more than 10% of the Group’s total trade receivables, the Group did not have significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The credit risk is minimal because the customers which account for more than 10% of the Group’s trade receivables balance are creditworthy companies.

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. As of December 31, 2024 and 2023, the Group had available unutilized short-term bank loan facilities set out in (c) below.

a) Liquidity and interest rate risk tables for non-derivative financial liabilities

The following table details the Group’s remaining contractual maturities for its non-derivative financial liabilities with agreed repayment periods. The table has been drawn up based on the undiscounted cash flows of financial liabilities from the earliest date on which the Group can be required to pay. The table included both interest and principal cash flows. Specifically, bank loans with a repayment on demand clause were included in the earliest time band regardless of the probability of the banks choosing to exercise their rights. The maturity dates for other non-derivative financial liabilities were based on the agreed repayment dates.

December 31, 2024

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	Over 5 Years	Total
Non-derivative financial liabilities						
Non-interest bearing liabilities	$ 1,696,394	$ 1,485,476	$ 793,824	$ -	$ -	$3,975,694
Lease liabilities	5,360	10,942	47,768	70,386	139,189	273,645
Fixed interest rate liabilities	89,651	44,826	-	-	-	134,477
Floating interest rate liabilities	4,143	-	31,210	-	-	35,353

December 31, 2023

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	Over 5 Years	Total
Non-derivative financial liabilities						
Non-interest bearing liabilities	$ 1,292,511	$ 1,275,794	$ 888,507	$ -	$ -	$3,456,812
Lease liabilities	4,462	8,714	34,977	66,255	43,480	157,888

b) Liquidity and interest rate risk table for derivative financial liabilities

The following table details the Group's liquidity analysis of its derivative financial instruments. The table is based on the undiscounted contractual net cash inflows and outflows on derivative instruments that settle on a net basis, and the undiscounted gross inflows and outflows on those derivatives that require gross settlement. When the amount payable or receivable is not fixed, the amount disclosed is determined by reference to the projected interest rates as illustrated by the yield curves at the end of the reporting period.

December 31, 2024

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years
Foreign exchange forward contracts and foreign exchange swaps contracts				
Inflows	$ 129,850	$ 516,690	$ 936,782	$ -
Outflows	(129,432)	(513,824)	(934,443)	-
	$ 418	$ 2,866	$ 2,339	$ -

December 31, 2023

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years
Foreign exchange forward contracts and foreign exchange swaps contracts				
Inflows	$ 305,895	$ 1,143,430	$ 1,359,840	$ -
Outflows	(304,550)	(1,139,240)	(1,355,357)	-
	$ 1,345	$ 4,190	$ 4,483	$ -

c) Financing facilities

	December 31	
	2024	2023
Unsecured bank overdraft facilities, reviewed annually and payable on demand:		
Amount used	$ 185,693	$ 165,000
Amount unused	6,175,219	6,575,373
	$ 6,360,912	$ 6,740,373

The amount of used bank facilities includes a performance guarantee of $16,034 thousand and 165,000 thousand which were guaranteed by the bank in respect of the IC Design Top Grant Program to the Taipei Computer Association and issuance of purchase material guarantee letter opened to suppliers by the Group as of December 31, 2024 and 2023.

33. TRANSACTIONS WITH RELATED PARTIES

In addition to those disclosed in other notes, detail of transactions between the Group and related parties are disclosed below:

a. Related party name and category

Related Party Name	Related Party Category
Silicon Power Computer & Communications Inc.	Substantive related party
ezGlobal Corp.	Substantive related party
Top Optronics Corp.	Substantive related party(Since October 18, 2023)
esGMeta Co.,Ltd.	Associates

b. Sales of goods

	Years Ended December 31	
Related Party Category	2024	2023
Substantive related party	$ 8,061	$ 6,363
Associates	86	-
	$ 8,147	$ 6,363

The transactions for related parties were negotiated under the terms of general transactions and prices.

c. Operating expenses

	Years Ended December 31	
Related Party Category	2024	2023
Substantive related party	$ 1,412	$ 1,033

The transactions in which the Group made payments of operating expenses to a related party were subject to a contractual agreement as there were no similar transactions for comparison.

.

d. Other income

	Years Ended December 31	
Related Party Category	2024	2023
Associates	$ 1,842	$ 4,750

In December 2023, the Group invested in associates through technical pricing, recognized other income of $9,048 thousand and proportionally deferred $4,298 thousand according to the shareholding ratio. However, as this income will be realized over time, $1,842 thousand was realized and recognized for the year ended December 31, 2024, while the remaining $2,456 thousand will be deferred. The transaction was subject to the contractual agreement as there were no similar transactions for comparison.

e. Trade receivables from related parties

		December 31	
Line Item	Related Party Category	2024	2023
Trade receivables from related parties	Substantive related party	$ 3,405	$ 1,782

The outstanding trade receivables from related parties were unsecured. No impairment losses were recognized for trade receivables from related parties.

f. Prepayments

Related Party Category	December 31 2024	December 31 2023
Substantive related party	$ -	$ 20

g. Trade payables to related parties

Line Item	Related Party Category	December 31 2024	December 31 2023
Other payables to related parties	Substantive related party	$ 354	$ 371

The outstanding trade payables to related parties are unsecured.

h. Lease arrangement - the Group is lessor

Operating lease rental

Future lease receivables are as follows:

Related Party Category	December 31 2024	December 31 2023
Substantive related party	$ 2,542	$ 508

Lease income were as follows:

Related Party Category	Years Ended December 31 2024	Years Ended December 31 2023
Substantive related party	$ 2,039	$ 2,039

The terms of transactions between the Group and its related parties for the collection of rent are based on the terms of contractual agreements as there were no similar transactions for comparison.

Related Party Category	Years Ended December 31 2024	Years Ended December 31 2023
Deposit interest		
Substantive related party	$ 6	$ 5

i. Contract liability

Related Party Category	December 31 2024	December 31 2023
Associates	$ 59	$ -

j. Guarantee deposits received

Related Party Category	December 31 2024	2023
Substantive related party	$ 356	$ 356

The guarantee deposits received are mainly generated from the rental deposits.

k. Remuneration of key management personnel

	Years Ended December 31 2024	2023
Short-term employee benefits	$168,548	$211,054
Post-employment benefits	2,090	2,079
Share-based payments	2,877	1,455
	$173,515	$214,588

The remuneration of directors and key executives was determined by the performance of individuals and the Group’s profits.

34. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The following assets were provided as collateral for the tariff of imported raw materials guarantees:

	December 31 2024	2023
Pledged time deposits	$ 833,483	$828,690

Pledged time deposits are classified as financial assets measured at amortized cost - current.

35. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED CONTRACTUAL COMMITMENTS

In addition to those disclosed in other notes, the significant commitments of the Group at the balance sheet date are as follows:

a. Long-term purchase agreements

The Group entered into long-term purchase agreements of materials with suppliers during 2021. Both parties agreed that during the contract period, the suppliers would deliver the materials to the Group in accordance with the agreements. The Group has paid the suppliers USD1,944 thousand as guarantee to ensure the supply of materials. The rights and obligations of both parties are based on the content of each agreement. Refundable deposits was USD1,944 thousand.

b Long-term supply agreements

The Group entered into long-term supply agreements of products with clients from 2021 to 2022. Both parties agreed that during the contract period, the Group would deliver the products to clients in accordance with the agreements. As of December 31, 2024, the Group has collected USD714 thousand as guarantee to ensure the supply of products. The rights and obligations of both parties are based on the content of each agreement.

As of December 31, 2024, the balance of the guarantee deposits received was USD714 thousand.

c Acquisition of Property

Forcelead Technology Corp's Board of Directors approved on September 6, 2023 to purchase the office premises and entered into a purchase agreement with Winsome Development Co., Ltd. to acquire office on the 8th and 9th floors and parking spaces of Building 2B, Phase 10 of Tai Yuen Hi-Tech Industrial Park, in the amounting of NT$937,250 thousand (including tax). As of December 31, 2024, NT$121,870 thousand was paid as consideration.

The Company's Board of Directors approved on May 2, 2024, to purchase the office premises and entered into a purchase agreement with Winsome Development Co., Ltd. to acquire office on the 7th floors and parking spaces of Building 2B, Phase 10 of Tai Yuen Hi-Tech Industrial Park, in the amounting of NT$468,800 thousand (including tax). As of December 31, 2024, NT$60,960 thousand was paid as consideration.

36. 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 and the related exchange rates between the foreign currencies and the respective functional currencies were as follows:

	December 31			
	2024		2023	
	Foreign Currency	Exchange Rate	Foreign Currency	Exchange Rate
Financial assets				
Monetary items				
USD	$ 87,398	32.785	$ 99,508	30.705
JPY	178,972	0.2099	134,167	0.2172
CNY	70,235	4.478	61,502	4.327
Non-monetary items				
USD	32,230	32.785	28,932	30.705
Financial liabilities				
Monetary items				
USD	84,433	32.785	77,665	30.705
JPY	82,282	0.2099	61,276	0.2172
CNY	138	4.478	15	4.327

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

	Years Ended December 31			
	2024		2023	
Foreign Currency	Exchange Rate	Net Foreign Exchange (Losses) Gains	Exchange Rate	Net Foreign Exchange (Losses) Gains
NTD	1 (NTD:NTD)	$ 58,804	1 (NTD:NTD)	$ 28,296
CNY	4.478 (CNY:NTD)	(1,321)	4.327 (CNY:NTD)	2,422
		$ 57,483		$ 30,718

37. SEPARATELY DISCLOSED ITEMS

a. Information on significant transactions and b. information on investees:

1) Financing provided to others: Table 1 (attached)

2) Endorsements/guarantees provided: Table 2 (attached)

3) Marketable securities held (excluding investment in subsidiaries): Table 3 (attached)

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 (attached)

5) Acquisition of individual real estate at costs of at least NT$300 million or 20% of the paid-in capital: Table 5 (attached)

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 6 (attached)

8) Receivables from related parties amounting to at least NT$100 million or 20% of the paid-in capital: None

9) Trading in derivative instruments: Note 7 and Note 32.

10) Intercompany relationships and significant intercompany transactions: Table 7 (attached)

11) Information on investees: Table 8 (attached)

c. Information on investments in mainland China: Table 9 and 10 (attached)

In the preparation of the consolidated financial statements, major transactions between parent and subsidiary companies and their balances have been fully eliminated.

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: None

38. SEGMENT INFORMATION

a. Segment revenues, results and assets

The operating decision makers of the Group use the distribution of resources and the evaluation of segment performance to focus on the financial information of the Group as a whole, while individual companies have similar economic characteristics, and individual companies have used similar processes to produce similar products and sell them through the same sales method, so the Company and its subsidiaries are reported by the single operating department.

The Company and its subsidiaries provide the segment information reviewed by the operating decision maker on the same basis as the financial statements, and the profit and loss, assets and liabilities of the operating department are measured on the same basis as the combined financial Report preparation, Therefore, the segment income and operating results for the years ended December 31, 2024 and 2023 can be referenced by the combined consolidated income and loss Statement for the years ended December 31, 2024 and 2023.

Segment assets that should be reported can be found in the consolidated balance sheets as of December 31, 2024 and 2023.

b. Revenue from major products and services

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

	Years Ended December 31	
	2024	**2023**
Integrated circuits	$ 17,011,909	$ 16,169,905
Others	814,596	552,986
	$ 17,826,505	$ 16,722,891

c. Geographical information

The Group's net operating revenue from external customers by location based on the location where the goods were shipped as designated by the customers and information about its non-current assets by location of assets are detailed below:

	Revenue from External Customers		**Non-current Assets**	
	Years Ended December 31		**December 31**	
	2024	**2023**	**2024**	**2023**
Hong Kong	$ 13,425,031	$ 13,451,241	$ -	$ -
Vietnam	1,422,016	988,167	-	-
Taiwan	1,132,039	880,864	2,871,511	2,567,515
China	748,537	453,694	281,031	287,544
South Korea	597,943	456,321	-	-
Others	500,939	492,604	-	-
	$ 17,826,505	$ 16,722,891	$ 3,152,542	$ 2,855,059

Non-current assets exclude financial instruments and other assets.

d. Information on major customers

Single customer contributed 10% or more to the Group's revenue is below:

	Years Ended December 31			
	2024		**2023**	
Customer Name	**Amount**	**As a percentage of net sales (%)**	**Amount**	**As a percentage of net sales (%)**
A	$ 1,717,243	10	Note	Note
B	Note	Note	$ 1,589,793	10

Notes: Revenue represents less than 10% of the Group's revenue.

SITRONIX TECHNOLOGY 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 Parties	Highest Balance for the Period	Ending Balance	Actual Amount Borrowed	Interest Rate	Nature of Financing	Business Transaction Amounts	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower	Aggregate Financing Limits
													Item	Value		
0	The Company	mCore Technology Corp.	Other receivables from related parties	Yes	$ 50,000	$ 50,000	$ 6,721	5.68%~6.0%	For financing	$ -	Working capital	$ -	—	$ -	$ 2,372,192	$ 4,744,384
		Seer Microelectronics, Inc.	Other receivables from related parties	Yes	60,000	50,000	-	-	For financing	-	Working capital	-	—	-	2,372,192	4,744,384
		INFSitronix Technology Corp.	Other receivables from related parties	Yes	100,000	100,000	12,393	2.19%~6.0%	For financing	-	Working capital	-	—	-	2,372,192	4,744,384

Note 1: The description is as follows

1. Lender is numbered as 0.
2. Investee is numbered sequentially from 1.

Note 2: According to the “Financing providing and operation management method”, the total amount and the available amount to any individual for lending are as follows:

1. The total amount for lending shall not exceed 40% of SITRONIX’s net worth. However the total amount lendable to any subsidiary for short-term financing could upper to the total available amount of the company.
2. The total amount for lending to or lending from any directly or indirectly hold foreign subsidiaries with 100% ownership, shall not exceed 40% of the net worth of the lending company. The total amount for lending to any individual shall not exceed 50% of the total available amount.
3. Where funds are lent to a company or business with business relationships with the Company, the total amount for lending to any individual shall not exceed the amount of business transaction between the two parties. Amount of business transaction defines the highest amount of purchase or sales.
4. The total amount for lending to any individual shall not exceed 50% of the Company’s net worth for the company or firm that needs short-term financing.

SITRONIX TECHNOLOGY CORPORATION AND SUBSIDIARIES

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

No. (Note 1)	Endorser/ Guarantor	Endorsee/Guarantee		Limit on Endorsement/ Guarantee Given on Behalf of Each Party (Note 2)	Maximum Amount Endorsed/ Guaranteed During the Period	Outstanding Endorsement/ Guarantee at the End of the Period	Actual Amount Borrowed	Amount Endorsed/ Guaranteed by Collateral	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements (%)	Aggregate Endorsement/ Guarantee Limit (Note 2)	Endorsement/ Guarantee Given by Parent on Behalf of Subsidiaries	Endorsement/ Guarantee Given by Subsidiaries on Behalf of Parent	Endorsement/ Guarantee Given on Behalf of Companies in Mainland China
		Name	Relationship										
0	The Company	HeFei Sitronix Technology Co., Ltd.	Subsidiary	$ 5,930,481	$ 600,000	$ 600,000	$ 327,850	$ -	5.06	$ 5,930,481	Yes	–	Yes
		mCore Technology Corp.	Subsidiary	5,930,481	100,000	100,000	26,104	-	0.84	5,930,481	Yes	–	–
		CELEFIDE CO., LTD	Subsidiary	5,930,481	400,000	200,000	75,406	-	1.69	5,930,481	Yes	–	Yes
		Seer Microelectronics, Inc.	Subsidiary	5,930,481	200,000	200,000	9,836	-	1.69	5,930,481	Yes	–	–
		INFSitronix Technology Corp.	Subsidiary	5,930,481	100,000	100,000	8,196	-	0.84	5,930,481	Yes	–	–

Note 1: The description is as follows

1. Lender is numbered as 0.

2. Investee is numbered sequentially from 1.

Note 2: According to the “endorsement guarantee operation management measures” of Sitronix Technology Corp. The total amount of endorsement guarantee shall not exceed 50% of the net value in the latest year’s financial statements audited by CPA. The amount of endorsement guarantee for a single enterprise shall not exceed 25% of the net value of the latest year’s financial statements audited by CPA. However, the amount of endorsement guarantee for the company that directly and indirectly holds more than 50% of the voting shares of a company shall not exceed 50% of the net value of the latest year’s financial statements audited by CPA.

SITRONIX TECHNOLOGY 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	
The Company	Bond							
	FORCAY 3.375% 04/22/2025, USD Bond	-	Financial assets at amortized cost - current	-	$ 32,844	-	$ 32,844	Note 2
	GS 5.8% 12/18/2033, USD Bond	-	Investments in debt instruments at fair value through other comprehensive income - non-current	-	32,131	-	32,131	Note 1
	TAIWAN MOBILE first Unsecured Straight Corporate Bond in 2023	-	Investments in debt instruments at fair value through other comprehensive income - non-current	-	49,472	-	49,472	Note 1
	TSMC ARIZONA CORP 4.125% 04/22/2029, USD Bond	-	Investments in debt instruments at fair value through other comprehensive income - non-current	-	31,952	-	31,952	Note 1
	Yulon Finance Corp. second Unsecured Convertible Bond	-	Financial assets at fair value through profit or loss - current	100,000	9,500	-	9,500	Note 1
	Ennoconn Corporation fifth Unsecured Convertible Bond	-	Financial assets at fair value through profit or loss - current	100,000	11,325	-	11,325	Note 1
	Gloria Material Technology Corp. seventh Unsecured Convertible Bond	-	Financial assets at fair value through profit or loss - current	100,000	10,355	-	10,355	Note 1
	Yulon Motor Co., Ltd. third Unsecured Convertible Bond	-	Financial assets at fair value through profit or loss - current	65,000	6,422	-	6,422	Note 1
	Topco Technologies Corp. first Unsecured Convertible Bond	-	Financial assets at fair value through profit or loss - current	200,000	21,130	-	21,130	Note 1
	Taishin Financial Holding Co., Ltd. first Unsecured Exchangeable Bond	-	Financial assets at fair value through profit or loss - current	200,000	20,610	-	20,610	Note 1
	Far Eastern New Century Corporation second Unsecured Exchangeable Bond	-	Financial assets at fair value through profit or loss - non-current	100,000	9,580	-	9,580	Note 1
	Derivatives	-						
	Giant Manufacturing Co., Ltd. first Credit Linked Structured Product	-	Financial assets at fair value through profit or loss - current	-	20,138	-	20,138	Note 1
	Taishin Financial Holding Co., Ltd. E1 Credit Linked Structured Product	-	Financial assets at fair value through profit or loss - current	-	35,106	-	35,106	Note 1
	Weikeng Industrial Co., Ltd. seventh Credit Linked Structured Product	-	Financial assets at fair value through profit or loss - non-current	-	15,028	-	15,028	Note 1
	Huaku Development Co., Ltd. third Credit Linked Structured Product	-	Financial assets at fair value through profit or loss - non-current	-	40,171	-	40,171	Note 1
	Gloria Material Technology Corp. seventh Credit Linked Structured Product	-	Financial assets at fair value through profit or loss - non-current	-	5,032	-	5,032	Note 1
	Yulon Finance Corp. second Credit Linked Structured Product	-	Financial assets at fair value through profit or loss - non-current	-	20,062	-	20,062	Note 1
	Champion Microelectronic Corp. first Credit Linked Structured Product	-	Financial assets at fair value through profit or loss - non-current	-	5,006	-	5,006	Note 1

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2024 Number of Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value	Note
The Company	Fund							
	Jih Sun Taiwan Quality Multi-Asset Fund	-	Financial assets at fair value through profit or loss - current	1,000,000	$ 10,000	-	$ 10,000	Note 1
	Eastspring Investments-US Corporate Bond Fund A-USD	-	Financial assets at fair value through profit or loss - current	11,687	5,374	-	5,374	Note 1
	Cathay U.S. Treasury 20+ Year Bond ETF	-	Financial assets at fair value through profit or loss - current	950,000	28,291	-	28,291	Note 1
	UPAMC Taiwan Smart Strategy fund	-	Financial assets at fair value through profit or loss - current	1,000,000	13,120	-	13,120	Note 1
	Stock							
	Taishin Financial Holding Co., Ltd. Preferred Share E	-	Investments in equity instruments at fair value through other comprehensive income - current	189,000	9,753	-	9,753	Note 1
	KGI Financial Holding Co., Ltd. Preferred Share B	-	Investments in equity instruments at fair value through other comprehensive income - current	2,834,000	22,360	-	22,360	Note 1
	Intel Corporation	-	Investments in equity instruments at fair value through other comprehensive income - current	15,855	10,422	-	10,422	Note 1
	Kwong Lung Enterprise Co., Ltd	-	Investments in equity instruments at fair value through other comprehensive income - current	146,000	8,410	-	8,410	Note 1
	Nan Ya Plastics Corporation	-	Investments in equity instruments at fair value through other comprehensive income - current	150,000	4,485	-	4,485	Note 1
	Cathay Financial Holding Co., Ltd. Preferred Share A	-	Investments in equity instruments at fair value through other comprehensive income - current	131,000	7,991	-	7,991	Note 1
	Fubon Financial Holding Co., Ltd. Preferred Share A	-	Investments in equity instruments at fair value through other comprehensive income - current	175,000	11,060	-	11,060	Note 1
	WT Microelectronics Co., Ltd. Preferred Share A	-	Investments in equity instruments at fair value through other comprehensive income - current	1,000,000	49,800	-	49,800	Note 1
	Chailease Holding Company Limited Preferred Share A	-	Investments in equity instruments at fair value through other comprehensive income - current	250,000	24,525	-	24,525	Note 1
	Taishin Financial Holding Co., Ltd. Preferred Share F (2)	-	Investments in equity instruments at fair value through other comprehensive income - current	661,000	30,703	-	30,703	Note 1
	Silicon Power Computer & Communications Inc.	Substantive related party	Investments in equity instruments at fair value through other comprehensive income - current	4,198,701	131,839	-	131,839	Note 1
	Fubon Financial Holding Co., Ltd.	-	Financial assets at fair value through profit or loss - current	7,721	697	-	697	Note 1
	G-tech Electronics Co., Ltd.	-	Investments in equity instruments at fair value through other comprehensive income - current	307,000	-	2	-	Note 2

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2024 Number of Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value	Note
The Company	Equity Investment							
	HANS GLOBAL SELECT FUND LIMITED	-	Investments in equity instruments at fair value through other comprehensive income - non-current	120,000	$ 382,931	-	$ 382,931	Note 3
	Fong Huang VI Innovation Investment Co., Ltd.	-	Investments in equity instruments at fair value through other comprehensive income - non-current	22,000,000	214,683	11	214,683	Note 3
	Fong Huang IV Innovation Investment Co., Ltd.	-	Investments in equity instruments at fair value through other comprehensive income - non-current	1,500,000	21,172	6	21,172	Note 3
	Top Taiwan XIII Venture Capital Co., Ltd.	-	Investments in equity instruments at fair value through other comprehensive income - non-current	10,000,000	102,371	12	102,371	Note 3
	Fong Huang II Innovation Investment Co., Ltd.	-	Investments in equity instruments at fair value through other comprehensive income - non-current	3,000,000	41,331	7	41,331	Note 3
	Fong Huang Innovation Investment Co., Ltd.	-	Investments in equity instruments at fair value through other comprehensive income - non-current	3,000,000	42,243	9	42,243	Note 3
	Limited Partnership							
	CDIB-Innolux II Limited Partnership	-	Financial assets at fair value through profit or loss - non-current	-	53,945	-	53,945	Note 3
	Megawood Green Technology Fund L.P.	-	Financial assets at fair value through profit or loss - non-current	-	24,705	-	24,705	Note 3
	CDIB-Innolux Limited Partnership	-	Financial assets at fair value through profit or loss - non-current	-	65,735	-	65,735	Note 3
Forcelead Technology Corp.	Fund							
	TAISHIN JU LONG Fund	-	Financial assets at fair value through profit or loss - current	1,746,862	22,842	-	22,842	Note 1
Sensortek Technology Corp.	Bond							
	FORCAY 3.375% 04/22/2025, USD Bond	-	Investments in debt instruments at fair value through other comprehensive income - current	-	16,291	-	16,291	Note 1
	CITI 2.80% 06/15/2025, USD Bond	-	Investments in debt instruments at fair value through other comprehensive income - current	-	32,362	-	32,362	Note 1
	China Huadian Corporation 3.375% Perpetual, USD Bond	-	Investments in debt instruments at fair value through other comprehensive income - non-current	-	32,071	-	32,071	Note 1
	TSMC ARIZONA CORP 4.125% 04/22/2029, USD Bond	-	Investments in debt instruments at fair value through other comprehensive income - non-current	-	31,952	-	31,952	Note 1
	TSMC ARIZONA CORP 3.875% 04/22/2027, USD Bond	-	Investments in debt instruments at fair value through other comprehensive income - non-current	-	32,222	-	32,222	Note 1
	TSMC ARIZONA CORP 2.5% 10/25/2031, USD Bond	-	Investments in debt instruments at fair value through other comprehensive income - non-current	-	28,160	-	28,160	Note 1
	GS 5.8% 12/18/2033, USD Bond	-	Investments in debt instruments at fair value through other comprehensive income - non-current	-	32,131	-	32,131	Note 1

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	
Sensortek Technology Corp.	Taishin Financial Holding Co., Ltd. first Unsecured Exchangeable Bond	-	Financial assets at fair value through profit or loss - current	200,000	$ 20,610	-	$ 20,610	Note 1
	Yulon Motor Co., Ltd. third Unsecured Convertible Bond	-	Financial assets at fair value through profit or loss - current	40,000	3,952	-	3,952	Note 1
	Gloria Material Technology Corp. seventh Unsecured Convertible Bond	-	Financial assets at fair value through profit or loss - current	100,000	10,355	-	10,355	Note 1
	Alltop Technology Co., Ltd. sixth Unsecured Convertible Bond	-	Financial assets at fair value through profit or loss - current	50,000	6,375	-	6,375	Note 1
	Derivatives	-						
	RiTdisplay Corporation second Credit Linked Structured Product	-	Financial assets at fair value through profit or loss - current	-	4,534	-	4,534	Note 1
	Taishin Financial Holding Co., Ltd. E1 Credit Linked Structured Product	-	Financial assets at fair value through profit or loss - current	-	35,106	-	35,106	Note 1
	Giant Manufacturing Co., Ltd. first Credit Linked Structured Product	-	Financial assets at fair value through profit or loss - current	-	20,138	-	20,138	Note 1
	Gloria Material Technology Corp. seventh Credit Linked Structured Product	-	Financial assets at fair value through profit or loss - non-current	-	20,138	-	20,138	Note 1
	Phison Electronics Corp. second Credit Linked Structured Product	-	Financial assets at fair value through profit or loss - non-current	-	15,064	-	15,064	Note 1
	Alltop Technology Co., Ltd. sixth Credit Linked Structured Product	-	Financial assets at fair value through profit or loss - non-current	-	15,076	-	15,076	Note 1
	Scientech Corp. first Credit Linked Structured Product	-	Financial assets at fair value through profit or loss - non-current	-	5,009	-	5,009	Note 1
	Huaku Development Co., Ltd. third Credit Linked Structured Product	-	Financial assets at fair value through profit or loss - non-current	-	40,171	-	40,171	Note 1
	Weikeng Industrial Co., Ltd. seventh Credit Linked Structured Product	-	Financial assets at fair value through profit or loss - non-current	-	10,022	-	10,022	Note 1
	Group Up Industrial Co., Ltd. second Credit Linked Structured Product	-	Financial assets at fair value through profit or loss - non-current	-	5,010	-	5,010	Note 1
	Fund							
	Cathay U.S. Treasury 20+ Year Bond ETF	-	Financial assets at fair value through profit or loss - current	658,000	19,595	-	19,595	Note 1
	Stock							
	Chailease Holding Company Limited Preferred Share A	-	Investments in equity instruments at fair value through other comprehensive income - current	300,000	29,430	-	29,430	Note 1
	WT Microelectronics Co., Ltd. Preferred Share A	-	Investments in equity instruments at fair value through other comprehensive income - current	2,000,000	99,600	-	99,600	Note 1
	Fubon Financial Holding Co., Ltd. Preferred Share A	-	Investments in equity instruments at fair value through other comprehensive income - current	800,000	50,560	-	50,560	Note 1
	Taishin Financial Holding Co., Ltd. Preferred Share E	-	Investments in equity instruments at fair value through other comprehensive income - current	609,000	31,424	-	31,424	Note 1
	Taiwan Cement Corp.	-	Investments in equity instruments at fair value through other comprehensive income - current	69,450	2,202	-	2,202	Note 1

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	
Sensortek Technology Corp.	Powertech Technology Inc.	-	Investments in equity instruments at fair value through other comprehensive income - current	100,000	$ 12,200	-	$12,200	Note 1
	Sitronix Technology Corp.	The Parent Company	Investments in equity instruments at fair value through other comprehensive income - non-current	606,000	128,775	-	128,775	Note 1
	Equity Investment							
	Fong Huang II Innovation Investment Co., Ltd.	-	Investments in equity instruments at fair value through other comprehensive income - non-current	3,000,000	41,331	7	41,331	Note 3
	Fong Huang VI Innovation Investment Co., Ltd.	-	Investments in equity instruments at fair value through other comprehensive income - non-current	6,000,000	58,550	3	58,550	Note 3
	Limited Partnership							
	CDIB-Innolux II Limited Partnership	-	Financial assets at fair value through profit or loss - non-current	-	21,554	-	21,554	Note 3
Sitronix Investment Corp.	Equity Investment							
	HANS GLOBAL SELECT FUND LIMITED	-	Investments in equity instruments at fair value through other comprehensive income - non-current	111,500	355,806	-	355,806	Note 3
Sitronix Holding International Ltd.	Bond							
	CITI 2.80% 06/15/2025, USD Bond	-	Investments in debt instruments at fair value through other comprehensive income - current	-	USD 987	-	USD 987	Note 1
	NDAQ 5.55 02/15/34, USD Bond	-	Investments in debt instruments at fair value through other comprehensive income - non-current	-	USD 1,011	-	USD 1,011	Note 1
	GS 5.75% 05/22/34, USD Bond	-	Investments in debt instruments at fair value through other comprehensive income - non-current	-	USD 978	-	USD 978	Note 1
	CATLIF 5.3 09/05/39, USD Bond	-	Investments in debt instruments at fair value through other comprehensive income - non-current	-	USD 195	-	USD 195	Note 1
	MCD 2 1/8 03/01/30, USD Bond	-	Investments in debt instruments at fair value through other comprehensive income - non-current	-	USD 874	-	USD 874	Note 1
	GS 5.8% 12/18/2033, USD Bond	-	Investments in debt instruments at fair value through other comprehensive income - non-current	-	USD 980	-	USD 980	Note 1
	AVGO 5.05 07/12/29, USD Bond	-	Investments in debt instruments at fair value through other comprehensive income - non-current	-	USD 603	-	USD 603	Note 1
	AT&T INC 5.35% 11/01/2066 (TBB), USD Bond	-	Investments in debt instruments at fair value through other comprehensive income - non-current	-	USD 593	-	USD 593	Note 1
	China Huadian Corporation 3.375% Perpetual, USD Bond	-	Investments in debt instruments at fair value through other comprehensive income - non-current	-	USD 978	-	USD 978	Note 1

Note 1: Calculated based on the closing price on December 31, 2024.

Note 2: Listed based on book value.

Note 3: Calculated based on the net value on December 31, 2024.

Note 4: As of December 31, 2024, the above listed marketable securities were neither provided as guarantee nor pledged as collateral for loans.

Note 5: The marketable securities listed in the table above refer to the securities, bonds, beneficiary certificates and securities that fall within the scope of IFRS 9 “Financial Instruments”.

SITRONIX TECHNOLOGY 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 (Note)	Financial Statement Account	Counterparty	Relationship	January 1, 2024		Acquisition		Disposal				December 31, 2024	
					Shares/Units	Amount	Shares/Units	Amount	Shares/Units	Amount	Carrying Amount	Gain (Loss) on Disposal	Shares/Units	Amount
The Company	Sync-Tech System Corp.	Investments accounted for using the equity method	Sync-Tech System Corp.	Subsidiary	12,403,511	$ 160,554	2,593,344	$ 351,791	-	$ -	$ -	$ -	14,996,855	$ 512,345

Note: The securities referred to the document are stocks, bonds, beneficiary certificates and other securities derived from the aforementioned items.

<u>**TABLE 5**</u>

SITRONIX TECHNOLOGY CORPORATION AND SUBSIDIARIES

ACQUISTION OF INDIVIDUAL REAL ESTATE 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	Property	Event Date	Transaction Amount	Payment Status	Counterparty	Relationship	Information on Previous Title Transfer If Counterparty Is A Related Party				Pricing Reference	Purpose of Acquisition	Other Terms
							Property Owner	Relationship	Transaction Date	Amount			
The Company	Land and buildings	2024.5.2	$ 468,800	$ 60,960 （Note 1）	Winsome Development Co., Ltd.	None	—	—	—	$ -	Real estate valuation report and board of directors	Operating Purpose	None
Sync-Tech System Corp.	Buildings	2024.6.26	About 495,000 （Note 2）	113,850 （Note 3）	Verizon Construction Ltd.	None	—	—	—	-	Price comparison and price negotiation	Operating Purpose	None

Note 1: The payments are recognized as prepayments for buildings.

Note 2: The total price of the construction order signed.

Note 3: The payments made by Sync-Tech System Corp. are recognized as property under construction and equipment under installation.

TABLE 6

SITRONIX TECHNOLOGY 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/Trade Receivable (Payable)		Note
			Purchase/ Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total	
The Company	Sensortek Technology Corp.	Subsidiary	Purchase	$ 2,264,188	34%	Net 60 days from the ship date	$ -	—	($ 368,677)	(25%)	—
Forcelead Technology Corp.	Sitronix Technology Corp.	The Parent Company	Sale	92,902	3%	Net 45 days monthly settlement	-	—	11,534	5%	—

SITRONIX TECHNOLOGY 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.	Investee Company	Counterparty	Relationship	Transaction Details			
				Financial Statement Account	Amount	Payment Terms (Note)	% of Total Sales or Assets
0	The Company	Sensortek Technology Corp.	from the parent company to the subsidiary	Sales	$ 61,398	—	-
				Purchases	2,264,188	—	13%
				Trade receivables	16,816	—	-
				Trade payables	368,677	—	2%
		Forcelead Technology Corp.	from the parent company to the subsidiary	Sales	44,781	—	-
				Rental income	7,694	—	-
				Purchases	92,902	—	-
				Trade receivables	9,475	—	-
				Other receivables	16,143	—	-
				Trade payables	11,534	—	-
		INFSitronix Technology Corp.	from the parent company to the subsidiary	Sales	23,656	—	-
				Rental income	2,044	—	-
				Trade receivables	8,311	—	-
				Other receivables	15,407	—	-
		mCore Technology Corp.	from the parent company to the subsidiary	Sales	23,260	—	-
				Rental income	2,492	—	-
				Trade receivables	4,951	—	-
				Other receivables	6,764	—	-
		Sync-Tech System Corp.	from the parent company to the subsidiary	Sales	6,324	—	-
				Rental income	8,259	—	-
				Manufacturing expenses	58,223	—	-
				Other payables	14,218	—	-
		Sitronix Technology (Shenzhen) Co., Ltd.	from the parent company to the subsidiary	Professional service fees	224,705	—	1%
		CELEFIDE CO., LTD.	from the parent company to the subsidiary	Purchases	48,412	—	-
				Trade payables	31,657	—	-
1	Forcelead Technology Corp.	Sync-Tech System Corp.	from the subsidiary to the subsidiary	Manufacturing expenses	50,125	—	-
				Other payables	19,043	—	-
2	mCore Technology Corp.	CELEFIDE CO., LTD.	from the subsidiary to the subsidiary	Purchases	24,300	—	-
				Trade payables	7,251	—	-
3	HeFei Sitronix Technology Co., Ltd.	Sync-Tech System Corp.	from the subsidiary to the subsidiary	Manufacturing expenses	25,408	—	-
		CELEFIDE CO., LTD.	from the subsidiary to the subsidiary	Rental income	5,495	—	-

Note: The transactions were based on mutual agreement or contractual agreement ; therefore, there was no appropriate transaction object to compare.

TABLE 8

SITRONIX TECHNOLOGY CORPORATION AND SUBSIDIARIES

INFORMATION ON INVESTEES (EXCLUDING INFORMATION ON INVESTMENT IN MAINLAND CHINA)
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 (Foreign Currencies in Thousands)		Balance as of December 31, 2024			Net Income (Loss) of the Investee	Share of (Loss) Profit (Note 2)
				December 31, 2024	December 31, 2023	Number of Shares	Percentage of Ownership (%)	Carrying Amount		
The Company	Sitronix Investment Corp.	Taiwan	Investment	$ 367,270	$ 367,270	33,249,060	100.00	$ 357,270	($ 3,085)	($ 3,085)
	Forcelead Technology Corp.	Taiwan	R&D design and sales of multi-functional integrated automotive display driver ICs	681,099	684,047	23,097,545	55.10	1,494,717	588,556	357,073
	Sensortek Technology Corp.	Taiwan	R&D, design and sales of sensor integrated circuit products	113,318	113,318	22,529,596	46.06	1,954,146	540,477	245,599
	mCore Technology Corp.	Taiwan	Providing solutions for consumer display and voice/audio related applications.	131,074	131,074	9,583,010	90.73	142,516	41,674	37,811
	Sync-Tech System Corp.	Taiwan	Design, manufacturing and maintenance of semiconductor consumables and testing equipment	512,345	160,554	14,996,855	45.48	628,388	169,652	72,463
	INFSitronix Technology Corp.	Taiwan	Comprehensive line of Power supervisor IC design	193,559	193,559	9,796,220	58.42	33,926	(31,725)	(18,534)
	ezGreen Inc.	Taiwan	Software design and electronic information supply services	220,000	160,000	22,000,000	100.00	60,220	(45,660)	(45,660)
	Seer Microelectronics, Inc.	Taiwan	High performance sensor IC with single photon design and applications	95,000	95,000	9,500,000	72.66	55,942	(25,404)	(18,458)
	Sitronix Holding International Ltd.	Samoa	Investment	196,710 (USD 6,000)	196,710 (USD 6,000)	6,000,000	100.00	243,388	10,279	10,279
Sitronix Investment Corp.	Sensortek Technology Corp.	Taiwan	R&D, design and sales of sensor integrated circuit products	10	10	2,290	-	206	540,477	25
	INFSitronix Technology Corp.	Taiwan	Comprehensive line of Power supervisor IC design	10	10	266	-	1	(31,725)	(1)
ezGreen Inc.	esGMeta Co.,Ltd.	Taiwan	Carbon footprint verification, analysis of data on carbon system platforms, execution of carbon reduction projects and commissioning of carbon trading rights	9,500	9,500	9,500,000	33.93	5,213	(6,201)	(2,017)

Note 1: Foreign currencies is converted into NTD using the exchange rates of the US dollar to NTD on December 31, 2024.

Note 2: The investment income or loss recognized for the current period is calculated based on the investee's financial statements and the percentage of ownership.

SITRONIX TECHNOLOGY 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 (Foreign Currencies in Thousands)	Method of Investment	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2024 (Foreign Currencies in Thousands)	Remittance of Funds: Outward (Foreign Currencies in Thousands)	Remittance of Funds: Inward (Foreign Currencies in Thousands)	Accumulated Outward Remittance for Investment from Taiwan as of December 31, 2024 (Foreign Currencies in Thousands)	Net Income (Loss) of the Investee	% Ownership for Direct or Indirect Investment	Investment Gain (Loss) (Note 7)	Carrying Amount as of December 31, 2024	Accumulated Repatriation of Investment Income as of December 31, 2024
Sitronix Technology (Shenzhen) Co., Ltd.	Computer software and hardware development, sales and after-sales service business and related technical consulting services	$ 13,114 (USD 400)	Note 3	$ 13,114 (USD 400)	$ -	$ -	$ 13,114 (USD 400)	$ 4,477	100%	$ 4,477	$ 34,085	$ 10,237
HeFei ezGreen Co., Ltd.	Design, sales and technical services of Supplier management software development	67,170 (CNY 15,000)	Note 4	44,780 (CNY 10,000)	22,390 (CNY 5,000)	-	67,170 (CNY 15,000)	(10,786)	100%	(10,786)	22,879	-
CELEFIDE CO., LTD.	R&D, design, sales and technical services of integrated circuits and system hardware and software	223,900 (CNY 50,000)	Note 5	100,755 (CNY 22,500)	-	-	100,755 (CNY 22,500)	45,317	90%	40,785	506,013	-
HeFei Sitronix Technology Co., Ltd.	R&D and sale of integrated circuits; R&D, service and sales of integrated circuits chip	156,730 (CNY 35,000)	Note 6	156,730 (CNY 35,000)	-	-	156,730 (CNY 35,000)	10,187	100%	10,187	154,219	-

Investor Company	Accumulated Outward Remittance for Investment in Mainland China as of December 31, 2024 (Foreign Currencies in Thousands)	Investment Amount Authorized by the Investment Commission, MOEA (Foreign Currencies in Thousands)	Upper Limit on the Amounts of Investment Stipulated by Investment Commission, MOEA (Note 2)
Sitronix Technology Corporation	$ 371,520 (US$ 11,332)	$ 784,742 (US$ 23,936)	$7,116,577
Forcelead Technology Corp.	$ - (US$ -)	$ 25,507 (US$ 778)	$1,627,351

Note 1: Foreign currencies are converted into NTD using the exchange rates of the US dollar and CNY to NTD on December 31, 2024.

Note 2: According to the Investment Commission, MOEA, 60% of the net value of investments in mainland China is set.

Note 3: Direct Investment, as of December 31, 2024, the total investment amount approved by the Investment Commission, MOEA, is US$400 thousand, and the investment amount of US$400 thousand has been remitted.

Note 4: Direct Investment, as of December 31, 2024, the total investment amount approved by the Investment Commission, MOEA, is CNY20,000 thousand, and the investment amount of CNY15,000 thousand has been remitted.

Note 5: Direct Investment, as of December 31, 2024, the total investment amount approved by the Investment Commission, MOEA, is CNY45,000 thousand, and the investment amount of CNY22,500 thousand has been remitted, and the capital increase from capital surplus in the amount of CNY22,500 thousand.

Note 6: Direct Investment, as of December 31, 2024, the total investment amount approved by the Investment Commission, MOEA, is CNY90,000 thousand, and the investment amount of CNY35,000 thousand has been remitted.

Note 7: The investment income or loss recognized for the current period is calculated based on the investee's financial statements and the percentage of ownership.

SITRONIX TECHNOLOGY CORPORATION AND SUBSIDIARIES

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

Investor Company	Investee Company	Relationship	Transaction Type	Total Operating Expenses		Price	Transaction Details		Notes/Accounts Receivable (Payable)		Unrealized (Gain) Loss	Note
				Amount	%		Payment Terms	Comparison with Normal Transactions	Ending Balance	%		
The Company	Sitronix Technology (Shenzhen) Co., Ltd	from the parent company to the subsidiary	Professional service fees	$ 224,705	12%	Calculated based on the contract	Calculated based on the contract	No related similar transactions to follow	$ -	-	$ -	—