

Solomon Data International Corporation
Financial Statements and Independent Auditors' Report
2024 and 2023
(Stock Code 5432)

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Solomon Data International Corporation
2024 and 2023 Financial Statements and Independent Auditors' Report
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Independent Auditors' Report

(2025) Letter Cai-Shen-Bao-Zi No. 24004492

To Solomon Data International Corporation,

Audit Opinions

We audited the balance sheet of Solomon Data International Corporation as of December 31, 2024 and 2023, its statement of comprehensive income, statement of changes in equity and statement of cash flows for the periods from January 1 to December 31, 2024 and 2023, and the notes to the financial statements (including the summary of material accounting policies).

In our opinion, based on our audit results and other independent auditors' reports (please refer to Other Matters), with respect to all material aspects, the foregoing financial statements were prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, interpretations and interpretation pronouncements endorsed and issued into effect by the Financial Supervisory Commission, and thus provided a fair presentation of the financial positions of Solomon Data International Corporation on December 31, 2024 and 2023 and the financial performance and cash flows for the periods from January 1 to December 31, 2024 and 2023.

Basis for Audit Opinions

We conducted the audit in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and the auditing standards of the Republic of China. Our responsibilities under such standards are further described in the paragraph of "Responsibilities of CPAs for the Audit of Financial Statements." As CPAs who are subject to independence requirements, we have, in accordance with the Standards of Professional Ethics for Certified Public Accountants of the Republic of China, remained independent from Solomon Data International Corporation and fulfilled all other responsibilities under the requirements. According to our audit results and other independent auditors' reports, we believe that we have acquired sufficient and appropriate audit evidence as the basis of our audit opinions.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the financial statements of Solomon Data International Corporation for 2024. Such matters were addressed in the context of our audit of the financial statements as a whole and, in forming our opinions thereon, we have not provided any separate opinions on these matters.

The key audit matters for Solomon Data International Corporation's financial statements for 2024 are described as follows:

Timing for recognition of sales income

Matter description

Please refer to Note 4 (25) to the financial statements for the accounting policy regarding the recognition of income. Please refer to Note 6 (16) to the financial statements for the details of income.

Solomon Data International Corporation has a wide range of sales terms and conditions, including those about the shipping point and Delivered at Place. The income is recognized based on the shipment of the goods; the sales income of transactions with obligations not completed (Delivered at Place) is manually adjusted downward on a quarterly basis. The aforementioned income adjustment process involves a lot of manual work, which can easily cause inconsistencies in the timing of income recognition. As the transaction amount before and after the end of the financial statements has a significant impact on the financial statements, we deem the timing for recognition of sales income to be one of the key audit matters.

Responsive audit procedures

The responsive procedures that we implemented for the timing for recognition of sales income are listed as follows:

1. Understanding and testing the internal controls related to sales income, including Solomon Data International Corporation's process for quarterly sales income adjustments.
2. Obtaining the details of sales income from customers, and conducting sampling inspection of the customer orders, delivery orders, and documents of receipt.
3. For the sales transactions during a certain period before and after the balance sheet date, examining the dates of the delivery orders or the customers' receipt documents to confirm that the sales income is recorded in the correct period.

Valuation of inventory

Matter description

Please refer to Note 4 (13) to the financial statements for the accounting policies for inventory valuation. Please refer to Note 5 to the financial statements for the uncertainty of accounting estimates and assumptions for inventory valuation. Please refer to Note 6 (4) to the financial statements for the description of the inventory account. Solomon Data International Corporation's inventory and allowance for devaluation losses as of December 31, 2024 were NT\$78,927 thousand and NT\$25,960 thousand, respectively.

Solomon Data International Corporation is mainly engaged in the sale of solar system components and the processing and sale of LCD modules. Solomon Data International Corporation's inventory is measured at the lower of cost or net realizable value. Due to the fierce competition of energy products and the possibility of inventory obsolescence resulting from technological advancement, for the inventory whose age exceeds a certain period of time, the net realizable value is extrapolated based on the level of destocking. Considering that the amount of inventory is material and the net realizable value used for the valuation of obsolete inventory often involves the subjective judgment of the management, we deem inventory valuation to be one of the key audit matters.

Responsive audit procedures

The responsive procedures that we implemented for inventory valuation are listed as follows:

1. Assessing Solomon Data International Corporation's accounting assumption policies for inventory devaluation losses and reviewing the consistency of the financial statements for the periods presented according to our understanding of its business and the industry that it is in.
2. Reviewing Solomon Data International Corporation's annual inventory plan and participating in its annual inventory to assess the effectiveness of the management's separation and control of obsolete inventory.
3. Verifying the appropriateness and consistency of the logic of the inventory aging reporting system used by the management for valuation.
4. Verifying the amount that Solomon Data International Corporation used to determine if its inventory was obsolete and the net realizable value of its inventory, and recalculating the inventory devaluation losses to assess the reasonableness of the devaluation losses.

Other Matters – Reference to the Audits of Other CPAs

The financial statements of the investee companies accounted for using the equity method in the financial statements of Solomon Data International Corporation were audited by other CPAs instead of us. Therefore, our opinions expressed on the foregoing financial statements with respect to the amounts in the financial statements of the Company were based on the CPAs' reports. The investments in the aforesaid investee companies accounted for using the equity method as of December 31, 2024 and 2023, amounted to NT\$56,397 thousand and NT\$95,915 thousand, respectively, accounting for 13.3% and 22.2% of the total assets. The comprehensive (loss) profit recognized with respect to said companies for the periods from January 1 to December 31, 2024 and 2023, amounted to NT\$(3,095) thousand and NT\$14,047 thousand, respectively, accounting for (13.89%) and 48.05% of the total consolidated comprehensive income.

Responsibilities of the Management and Governance Unit for the Financial Statements

The management was responsible for preparing the financial statements with fair presentation in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, interpretations and interpretation pronouncements endorsed and issued into effect by the Financial Supervisory Commission and maintaining necessary internal control related to preparation of the financial statements to ensure that the financial statements were free of material misstatements due to fraud or error.

In preparing the financial statements, the management was also responsible for evaluating Solomon Data International Corporation's ability to continue as a going concern, disclosure of relevant matters and use of the going concern basis of accounting, unless the management intended to liquidate or cease the operations of Solomon Data International Corporation, or there were no other actual feasible solutions other than liquidation or cessation of operations.

The governance unit (including the Audit Committee) of Solomon Data International Corporation was responsible for supervising the financial reporting process.

Responsibilities of CPAs for the Audit of the Financial Statements

The purpose of our audit of the financial statements was to obtain reasonable assurance about whether or not the financial statements were free of material misstatements due to fraud or error, with an audit report issued thereafter. Reasonable assurance means a high degree of assurance. However, there was no guarantee that all material misstatements contained in the financial statements could be discovered during the audit conducted in accordance with the auditing standards of the Republic of China. A misstatement may be due to error or fraud. A misstatement was deemed material if the individual or aggregate amount misstated was reasonably expected to affect the economic decisions made by the users of the financial statements.

We relied on our professional judgment and maintained our professional skepticism during the audit conducted pursuant to the auditing standards of the Republic of China. We also performed the following tasks:

1. Identifying and assessing the risk of misstatements in the financial statements due to fraud or error; designing and implementing appropriate measures in response to the assessed risk; and acquiring sufficient and appropriate audit evidence as the basis of our audit opinions. Since fraud may involve collusion, forgery, intentional omission, fraudulent statement or violation of internal control, the risk of not detecting a material misstatement resulting from fraud is higher than that resulting from error.
2. Acquiring necessary understanding of the internal control related to the audit to design audit procedures appropriate for the current circumstances, provided that the purpose of the foregoing was not to express opinions regarding the effectiveness of the internal control of Solomon Data International Corporation.
3. Assessing the appropriateness of the accounting policies adopted by the management and the reasonableness of the accounting estimates and relevant disclosures made by the management.
4. Drawing a conclusion about the appropriateness of the management's use of the going concern basis of accounting and whether or not there was material uncertainty in an event or circumstance which might cast significant doubt about the ability of Solomon Data International Corporation to remain as a going concern. If any material uncertainty was deemed to exist in such event or circumstance, we must provide a reminder in the audit report for the users of the financial statements to pay attention to the relevant disclosures therein or revise our audit opinions when any such disclosure was inappropriate. Our conclusion was based on the audit evidence obtained as of the date of this audit report. However, future events or circumstances could result in a situation where Solomon Data International Corporation is no longer able to remain as a going concern.

5. Assessing the overall presentation, structure and contents of the financial statements (including relevant notes) and whether or not the financial statements provided a fair presentation of the relevant transactions and events.
6. Acquiring sufficient and appropriate audit evidence of the financial information of the entities forming Solomon Data International Corporation to provide opinions regarding the financial statements. We are responsible for guidance, supervision and implementation in relation to Solomon Data International Corporation's audit cases and for the formation of audit opinions for the financial statements.

The matters for which we communicated with the governance unit include the planned scope and time of the audit and our material audit findings (including significant internal control deficiencies identified during the audit).

We also provided a declaration to the governance unit stating that as CPAs who are subject to independence requirements, we have complied with the independence requirements in the Standards of Professional Ethics for Certified Public Accountants of the Republic of China. We also communicated with the governance unit regarding all relationships and other matters (including relevant safeguard measures) which were deemed likely to affect the independence of CPAs.

The key audit matters in the audit of the financial statements of Solomon Data International Corporation for 2024 were determined by us from the matters regarding which we communicated with the governance unit. We shall specify such matters in the audit report, except where public disclosure of certain matters is prohibited by applicable laws or regulations, or where, under very exceptional circumstances, we have decided not to communicate certain matters in the audit report due to the reasonable expectation that any negative effects arising from such communication would outweigh the benefit to public interest.

PricewaterhouseCoopers Taiwan

Liang Yi-Chang

CPA

Wen Ya-Fang

Financial Supervisory Commission

Approval No.: Jin-Guan-Zheng-Shen-Zi No. 1070303009

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

March 10, 2025

Solomon Data International Corporation
Balance Sheet
December 31, 2024 and 2023

Unit: NT\$ thousand

			December 31, 2024		December 31, 2023	
Assets		Note	Amount	%	Amount	%
Current assets						
1100	Cash and cash equivalents	6 (1)	\$ 59,304	14	\$ 69,253	16
1110	Financial assets measured at fair value through profit or loss – current	6 (5)	55,666	13	45,479	11
1136	Financial assets measured at amortized cost – current	6 (2)	107,519	25	96,698	22
1150	Net notes receivable	6 (3)	2,023	1	8,906	2
1170	Net accounts receivable	6 (3)	11,973	3	25,902	6
1180	Net accounts receivable – related party	6 (3) and 7	180	-	15	-
1200	Other receivables		266	-	426	-
1210	Other receivables – related party	7	-	-	13	-
130X	Inventory	6 (4)	52,967	13	46,418	11
1410	Prepayments		1,195	-	643	-
11XX	Total current assets		<u>291,093</u>	<u>69</u>	<u>293,753</u>	<u>68</u>
Non-current assets						
1510	Financial assets measured at fair value through profit or loss – non-current	6 (5)	16,900	4	12,178	3
1517	Financial assets measured at fair value through other comprehensive income – non-current	6 (6)	31,938	7	-	-
1535	Financial assets measured at amortized cost – non-current	6 (2) and 8	561	-	551	-
1550	Investments accounted for using the equity method	6 (7)	56,397	13	95,915	22
1600	Property, plant and equipment	6 (8)	277	-	250	-
1755	Right-of-use assets	6 (9)	2,562	1	4,996	1
1760	Net investment property	6 (11)	20,593	5	20,593	5
1920	Deposits paid	8	2	-	2	-
1975	Net defined benefit assets – non-current	6 (13)	3,271	1	1,464	-
1990	Other non-current assets – others	6 (12)	-	-	1,875	1
15XX	Total non-current assets		<u>132,501</u>	<u>31</u>	<u>137,824</u>	<u>32</u>
1XXX	Total assets		\$ 423,594	100	\$ 431,577	100

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Solomon Data International Corporation
Balance Sheet
December 31, 2024 and 2023

Unit: NT\$ thousand

Liabilities and equity			December 31, 2024		December 31, 2023	
			Amount	%	Amount	%
Current liabilities						
2130	Contractual liabilities – current	6 (16)	\$ 9255	2	\$ 4796	1
2170	Accounts payable		13964	3	27147	6
2180	Accounts payable – related party	7	4912	1	1659	-
2200	Other payables	6 (24) and 7	5042	1	6040	2
2230	Income tax liabilities in the current period		7	-	497	-
2250	Liability provisions – current		16	-	19	-
2280	Lease liabilities – current		2363	1	2430	1
2300	Other current liabilities		274	-	319	-
21XX	Total current liabilities		35833	8	42907	10
Non-current liabilities						
2580	Lease liabilities – non-current		92	-	2455	1
2XXX	Total liabilities		35925	8	45362	11
Equity						
	Share capital	6 (14)				
3110	Common share capital		206878	49	206878	48
	Retained earnings	6 (15)				
3310	Legal reserves		23383	6	20459	4
3350	Undistributed earnings		165117	39	158878	37
3400	Other equity		(7709)	(2)	-	-
3XXX	Total equity		387669	92	386215	89
	Material subsequent events	11				
3X2X	Total liabilities and equity		\$ 423594	100	\$ 431577	100

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

Chairman: Chen Cheng-Lung

General Manager: Chen Cheng-Lung

Chief Accountant: Chen Ssu-Mei

Solomon Data International Corporation
Statement of Comprehensive Income
January 1 to December 31, 2024 and 2023

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

	Item	Note	2024		2023	
			Amount	%	Amount	%
4000	Operating income	6 (16)	\$ 187,189	100	\$ 259,042	100
5000	Operating costs	6 (4) (20) (21) and 7	(145,053)	(77)	(211,601)	(82)
5950	Net gross operating profit		<u>42,136</u>	<u>23</u>	<u>47,441</u>	<u>18</u>
	Operating expenses	6 (20) (21)				
6100	Marketing expenses		(14,856)	(8)	(21,605)	(8)
6200	Management expense		(9,104)	(5)	(8,746)	(4)
6300	R&D expense		(604)	-	(798)	-
6450	Expected credit impairment gain (loss)	12 (2)	<u>558</u>	<u>-</u>	<u>(346)</u>	<u>-</u>
6000	Total operating expenses		<u>(24,006)</u>	<u>(13)</u>	<u>(31,495)</u>	<u>(12)</u>
6900	Operating profit		<u>18,130</u>	<u>10</u>	<u>15,946</u>	<u>6</u>
	Non-operating income and expenses					
7100	Interest income	6 (17)	2,972	2	2,695	1
7010	Other income	6 (18) and 7	1,075	-	526	-
7020	Other gains and losses	6 (19)	7,346	4	(3,132)	(1)
7050	Financial costs	6 (9) and 7	(69)	-	(97)	-
7060	Share of profits/losses of associates and joint ventures under the equity method	6 (7)	<u>(982)</u>	<u>(1)</u>	<u>14,047</u>	<u>5</u>
7000	Total non-operating income and expenses		<u>10,342</u>	<u>5</u>	<u>14,039</u>	<u>5</u>
7900	Pre-tax profit		<u>28,472</u>	<u>15</u>	<u>29,985</u>	<u>11</u>
7950	Income tax expense	6 (22)	<u>(281)</u>	<u>-</u>	<u>(781)</u>	<u>-</u>
8200	Net profit in the current period		<u>\$ 28,191</u>	<u>15</u>	<u>\$ 29,204</u>	<u>11</u>
	Items not subsequently reclassified as profit or loss					
8311	Remeasurement of defined benefit plan	6 (13)	\$ 1,806	1	\$ 31	-
8316	Unrealized equity instrument profit or loss measured at fair value through other comprehensive income	6 (6)	<u>(7,709)</u>	<u>(4)</u>	<u>-</u>	<u>-</u>
8310	Total amount of items not reclassified as profit or loss		<u>(5,903)</u>	<u>(3)</u>	<u>31</u>	<u>-</u>
8500	Total comprehensive income in the current period		<u>\$ 22,288</u>	<u>12</u>	<u>\$ 29,235</u>	<u>11</u>
	Earnings per share	6 (23)				
9750	Basic earnings per share		<u>\$ 1.36</u>		<u>\$ 1.41</u>	
9850	Diluted earnings per share		<u>\$ 1.36</u>		<u>\$ 1.41</u>	

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

Chairman: Chen Cheng-Lung

General Manager: Chen Cheng-Lung

Chief Accountant: Chen Ssu-Mei

Solomon Data International Corporation
Statement of Changes in Equity
January 1 to December 31, 2024 and 2023

Unit: NT\$ thousand

			<u>Retained earnings</u>		
	Note	Common share capital	Legal reserves	Undistributed earnings	Unrealized profit or loss on financial assets measured at fair value through other comprehensive income
					Total equity
<u>2023</u>					
Balance on January 1, 2023		\$ 206,878	\$ 16,406	\$ 154,384	\$ 377,668
Net profit in the current period		-	-	29,204	29,204
Other comprehensive income in the current period		-	-	31	31
Total comprehensive income in the current period		-	-	29,235	29,235
Allocation and distribution of earnings:	6 (15)				
Set aside as legal reserve		-	4,053	(4,053)	-
Cash dividends		-	-	(20,688)	(20,688)
Balance on December 31, 2023		<u>\$ 206,878</u>	<u>\$ 20,459</u>	<u>\$ 158,878</u>	<u>\$ 386,215</u>
<u>2024</u>					
Balance on January 1, 2024		\$ 206,878	\$ 20,459	\$ 158,878	\$ 386,215
Net profit in the current period		-	-	28,191	28,191
Other comprehensive income in the current period		-	-	1,806	(7,709)
Total comprehensive income in the current period		-	-	29,997	(7,709)
Allocation and distribution of earnings:	6 (15)				
Set aside as legal reserve		-	2,924	(2,924)	-
Cash dividends		-	-	(20,688)	(20,688)
Changes of associates and joint ventures under the equity method	6 (7)	-	-	(146)	(146)
Balance as of December 31, 2024		<u>\$ 206,878</u>	<u>\$ 23,383</u>	<u>\$ 165,117</u>	<u>\$ 387,669</u>

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

Chairman: Chen Cheng-Lung

General Manager: Chen Cheng-Lung

Chief Accountant: Chen Ssu-Mei

Solomon Data International Corporation
Statement of Cash Flows
January 1 to December 31, 2024 and 2023

Unit: NT\$ thousand

	Note	January 1 to December 31, 2024	January 1 to December 31, 2023
<u>Cash flows from operating activities</u>			
Pre-tax profit in the current period		\$ 28,472	\$ 29,985
Adjustment items			
Profits and expenses			
Depreciation expense (including right-of-use assets)	6 (8) (9) (20)	2,545	2,416
Interest expense	6 (9)	69	97
Interest income	6 (17)	(2,972)	(2,695)
Share of associates under the equity method	6 (7)	982	(14,047)
Net gain (loss) from financial assets measured at fair value through profit or loss	6 (19)	(3,580)	1,330
Expected credit impairment (gain) loss	12 (2)	(558)	346
Gain from disposal of investments	6 (19)	(1,257)	-
Changes in assets/liabilities related to operating activities			
Net changes in assets related to operating activities			
Notes receivable		6,883	(4,799)
Accounts receivable		14,487	160
Accounts receivable – related party	(165)	361
Other receivables		133	(40)
Other receivables – related party		13	(9)
Inventory	(6,549)	39,622
Prepayments	(553)	1,750
Net defined benefit assets	(2)	(1)
Net changes in liabilities related to operating activities			
Contractual liabilities		4,459	(3,014)
Accounts payable	(13,183)	4,227)
Accounts payable – related party		3,253	558
Other payables (including those to related parties)	(999)	356
Liability provisions	(3)	(12)
Other current liabilities	(44)	(60)
Cash inflow from operations		31,431	48,077
Interest received		2,998	3,078
Interest paid		(69)	(97)
Dividends received	6 (7)	-	467
Income tax returned		-	31
Income tax paid		(768)	(404)
Net cash inflow from operating activities		33,592	51,152
<u>Cash flows from investing activities</u>			
Increase in financial assets measured at amortized cost		(108,080)	(97,249)
Decrease in financial assets measured at amortized cost		97,249	-
Acquisition of property, plant and equipment	6 (8)	(138)	(265)
Acquisition of financial assets measured at fair value through profit or loss		(40,000)	(64,875)
Financial assets disposed at fair value through profit or loss		30,546	15,096
Decrease in other financial assets		-	3,004
Net cash outflow from investing activities		(20,423)	(144,289)
<u>Cash flows from financing activities</u>			
Repayment of lease principal	6 (24)	(2,430)	(2,309)
Distribution of cash dividends	6 (15)	(20,688)	(20,688)
Net cash outflow from financing activities		(23,118)	(22,997)
Decrease in cash and cash equivalents in the current period		(9,949)	(116,134)
Opening balance of cash and cash equivalents		69,253	185,387
Closing balance of cash and cash equivalents		\$ 59,304	\$ 69,253

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

Chairman: Chen Cheng-Lung

General Manager: Chen Cheng-Lung

Chief Accountant: Chen Ssu-Mei

Solomon Data International Corporation
Notes to the Financial Statements
2024 and 2023

Unit: NT\$ thousand
(Unless otherwise specified)

I. Company history

(I) Solomon Data International Corporation (hereinafter referred to as the “Company”) was established on May 21, 1990 with the former name of “Data International Co., Ltd.” Renamed “Solomon Data International Corporation” upon the resolution of the shareholders’ meeting on July 9, 2021, the Company is mainly engaged in the sale of solar system components and the processing and sale of LCD modules. SOLOMON Technology Corporation (hereinafter referred to as “SOLOMON”) directly and indirectly holds 51.41% of the Company’s equity, and is the ultimate parent company of the Company.

(II) The Company’s shares have been traded publicly at the Taipei Exchange since March 2000.

II. Approval date and procedures of the financial statements

The financial statements were approved for publication by the Board of Directors on March 6, 2025.

III. Application of new and amended standards and interpretations

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

The newly promulgated, amended and revised standards and interpretations of IFRSs endorsed and issued into effect by the FSC and applicable in 2024 are listed in the following table:

<u>New, revised or amended standards and interpretations</u>	<u>Effective date per IASB</u>
Amendments to IFRS 16, “Lease Liability in a Sale and Leaseback”	January 1, 2024
Amendments to IAS 1, “Classification of Liabilities as Current or Non-current”	January 1, 2024
Amendments to IAS 1, “Non-current Liabilities with Covenants”	January 1, 2024
Amendments to IAS 7 and IFRS 7, “Supplier Finance Arrangements”	January 1, 2024

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

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

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

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

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

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

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

<u>New, revised or amended standards and interpretations</u>	<u>Effective date per IASB</u>
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
Amendment to IFRS 17 “Insurance Contracts”	January 1, 2023
Amendment to IFRS 17, “Initial Application of IFRS 17 and IFRS 9 – Comparative Information”	January 1, 2023
IFRS 18 “Presentation and Disclosure in Financial Statements”	January 1, 2027
IFRS 19 “Subsidiaries without Public Accountability: Disclosures”	January 1, 2027
Annual Improvements to IFRS Accounting Standards – Volume 11	January 1, 2026

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

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

IV. Summary of material accounting policies

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

(I) Statement of compliance

The financial statements were prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, interpretations and interpretation pronouncements endorsed and issued into effect by the FSC (hereinafter collectively referred to as IFRSs).

(II) Basis of preparation

1. The financial statements were prepared on the basis of historical cost, except for the key items listed below:
 - (1) Financial assets measured at fair value through profit or loss at fair value.
 - (2) Financial assets measured at fair value through other comprehensive income at fair value.
 - (3) Defined benefit assets recognized at the net amount calculated as pension fund assets less the present value of defined benefit obligations.
2. Preparing financial statements in accordance with IFRSs requires the use of some important accounting estimates. During the adoption of the Company's accounting policies, the management must rely on their judgment when it comes to items that require demanding judgments, are highly complex, or involve material assumptions and estimates in financial statements. For details, please refer to the description in Note 5.

(III) Foreign currency translation

The financial statements use the Company's functional currency, "NT dollars," as the presentation currency.

1. Foreign currencies in foreign currency transactions are translated into the functional currency based on the spot exchange rate on the transaction or measurement date. The translation difference generated by the translation is recognized as profit or loss in the current period.
2. Valuation adjustments are made to the balance of monetary foreign currency assets and liabilities based on the spot exchange rate on the balance sheet date. The translation difference generated by the adjustments is recognized as profit or loss in the current period.

3. If the balance of non-monetary foreign currency assets and liabilities is measured at fair value through profit or loss, valuation adjustments are made based on the spot exchange rate on the balance sheet date. The exchange difference generated by the adjustments is recognized as profit or loss in the current period. If the balance is measured at fair value through other comprehensive income, valuation adjustments are made based on the spot exchange rate on the balance sheet date. The exchange difference generated by the adjustments is recognized as other comprehensive income in the current period. If the balance is not measured at fair value, it is measured at the historical exchange rate on the initial transaction date.
4. All exchange differences are recognized as “other gains and losses” in the statement of comprehensive income based on the nature of the transactions.

(IV) Criteria for classification of current and non-current assets and liabilities

1. Assets that match any of the following conditions shall be classified as current assets:
 - (1) The asset is expected to be realized or is intended to be sold or depleted over normal business cycles.
 - (2) The asset is held primarily for the purpose of trading.
 - (3) The asset is expected to be realized within 12 months after the balance sheet date.
 - (4) The asset is cash or cash equivalents, excluding those that are restricted for being used for exchange or settlement of liabilities at least within 12 months after the balance sheet date.

The Company classifies all assets that do not match the above conditions as non-current.

2. Liabilities that match any of the following conditions shall be classified as current liabilities:
 - (1) The liability is expected to be settled over normal business cycles.
 - (2) The liability is primarily for the purpose of trading.
 - (3) The liability is expected to be due to be settled within 12 months after the balance sheet date.
 - (4) There is no right to defer settlement of the liability for at least 12 months after the reporting period.

The Company classifies all liabilities that do not match the above conditions as non-current.

(V) Cash equivalents

Cash equivalents refer to short-term investments with high liquidity that can be converted into specified amounts of cash at any time with little risk of value changes. Time deposits that fit into the aforesaid definition and are held for the purpose of meeting short-term operating cash commitments are classified as cash equivalents.

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

1. Financial assets measured at fair value through profit or loss refer to financial assets not measured at amortized cost or at fair value through other comprehensive income.

2. The Company uses trade date accounting for financial assets measured at fair value through profit or loss on a regular way purchase or sale basis.
3. The Company measures the financial assets at fair value at initial recognition and relevant transaction costs are recognized as profit or loss. The financial assets are subsequently measured at fair value and any gains or losses arising therefrom are recognized as profit or loss.
4. When the right to receive dividends is established, the Company recognizes the dividend income as profit or loss, provided that the economic benefits related to the dividends are likely to flow in and the amount of the dividends can be measured reliably.

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

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

(VIII) Financial assets measured at amortized cost

1. Financial assets measured at amortized cost refer to financial assets that meet all the following conditions:
 - (1) The financial asset is held under an operating model with the purpose of receiving contractual cash flows.
 - (2) The contractual terms of the financial asset generate cash flows on a specific date that are solely payments of principal and interest.
2. The Company uses trade date accounting for financial assets measured at amortized cost on a regular way purchase or sale basis.
3. The Company holds time deposits that do not qualify as cash equivalents. As the discount of the time deposits does not have a significant effect due to a short holding period, the Company measures them based on the investment amount.

(IX) Accounts and notes receivable

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

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

(X) Impairment of financial assets

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

(XI) Derecognition of financial assets

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

(XII) Lessor's lease transactions – operating leases

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

(XIII) Inventory

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

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

1. Associates refer to entities that the Company has significant influence and no control over, in which case, generally speaking, the Company directly or indirectly holds 20% or more of the voting rights in the entities. The Company adopts the equity method for its investments in associates and recognizes them at cost when acquiring them.
2. The Company recognizes its share of profits or losses after the acquisition of associates as profit or loss in the current period and recognizes its share of other comprehensive income after the acquisition as other comprehensive income. If the Company's share of losses in any associate is equal to or exceeds its interest in the associate (including any other unsecured receivables), the Company does not recognize further losses, unless the Company has incurred legal or constructive obligations to or made payments on behalf of the associate.

3. When there are changes in the equity of an associate that are not associated with profits or losses and other comprehensive income and do not affect the Company's shareholding percentage in the associate, the Company recognizes all equity changes as "capital reserves" in proportion to its shareholding.
4. Unrealized gains and losses generated from transactions between the Company and its associates have been derecognized based on the percentage of its interest in the associates. Unless there is any evidence indicating that the assets transferred in the transactions have impaired, the unrealized losses are derecognized, too.
5. When the Company loses significant influence over an associate, the fair value of the remaining investment in the former associate is remeasured. The difference between the fair value and the carrying amount is recognized as profit or loss in the current period.
6. If the Company loses significant influence over an associate when disposing of it, the accounting treatment of all amounts related to the associate and previously recognized as other comprehensive income shall follow the same basis as that for the Company's direct disposal of the relevant assets or liabilities. In other words, profits or losses previously recognized as other comprehensive income are reclassified as profit or loss when the relevant assets or liabilities are disposed of. Thus, the profits or losses are reclassified from equity to profit or loss when the Company loses significant influence over the associate. If the Company still has significant influence over the associate, the amount previously recognized as other comprehensive income is transferred out proportionally based on the above method.

(XV) Property, plant and equipment

1. Property, plant and equipment are accounted for at the acquisition cost.
2. Subsequent costs are included in the carrying amount of the asset or recognized as an individual asset only when future economic benefits associated with the item are likely to flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part shall be derecognized. All other maintenance expenses are recognized as profit or loss in the current period at the time of their occurrence.
3. The property, plant and equipment are subsequently measured under the cost model, and depreciated using the straight-line method over the estimated useful life. If the property, plant and equipment comprise any significant components, they are depreciated individually.
4. The Company reviews the residual value, useful life and depreciation method of all assets at the end of each fiscal year. If the expected residual value and useful life are different from the previous estimates or there has been a significant change in the pattern in which the future economic benefits of the asset are expected to be consumed, such change shall be treated in accordance with the requirements on changes in accounting estimates in IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" on the date of its occurrence. The useful life of different types of assets is as follows:

Leasehold improvements	3 years
Office and other equipment	3 years

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

1. Lease assets are recognized as right-of-use assets and lease liabilities on the date on which they become available for use by the Company. For short-term leases or leases of low-value underlying assets, the lease payments are recognized as expense using the straight-line method over the lease term.
2. As for lease liabilities, the unpaid lease payments are recognized at present value discounted at the incremental loan interest rate of the Company on the lease commencement date. Lease payments include fixed payments, less any receivable lease incentives.

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

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

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

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

(XVII) Investment property

Investment property is recognized at acquisition cost and subsequently measured under the cost model.

(XVIII) Impairment of non-financial assets

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

(XIX) Accounts payable

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

(XX) Derecognition of financial liabilities

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

(XXI) Liability provisions

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

(XXII) Employee benefits

1. Short-term employee benefits

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

2. Pension

(1) Defined contribution plan

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

(2) Defined benefit plans

- A. Under the defined benefit plan, net obligations are calculated based on the discounted future benefits earned by employees for services rendered during the current period or in the past and stated at the present value of the defined benefit obligations on the balance sheet date less the fair value of plan assets. The defined benefit obligations are calculated by an actuary using the projected unit credit method every year. The discount rate is the yield rate of government bonds on the balance sheet date.
- B. Remeasurements arising from the defined benefit plan are recognized as other comprehensive income and recorded in retained earnings in the period of their incurrence.
- C. Expenses related to the service cost in the previous period are immediately recognized as profit or loss.

3. Remuneration to employees and to directors and supervisors

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

(XXIII) Income tax

1. Income tax expense includes current and deferred income taxes. Income taxes related to the items recognized as other comprehensive income or directly recognized as equity are recognized as comprehensive income or directly recognized as equity, respectively. The other income taxes are recognized as profit or loss.
2. The Company calculates the current income tax based on the tax rates and laws of countries where the Company operates or generates taxable income that have been enacted or substantively enacted by the balance sheet date. The management regularly assesses the reporting of income taxes in accordance with applicable income tax laws and regulations and estimates income tax liabilities based on tax payments expected to be made to the taxation authority, if applicable. The income tax imposed on undistributed earnings according to the Income Tax Act is recognized as income tax on undistributed earnings based on the actual distribution of earnings only after the earnings distribution proposal is passed at the shareholders' meeting in the year following the year in which the earnings are generated.
3. Deferred income taxes are recognized at the temporary difference between the carrying amounts of assets and liabilities in the balance sheet and their tax bases using the balance sheet approach. The deferred income tax liabilities generated from the goodwill initially recognized are not recognized. If the deferred income tax results from the initially recognized assets or liabilities in transactions (excluding corporate mergers), does not affect the accounting profit or the taxable income (taxable loss) at the time of the transaction, and does not incur corresponding taxable and deductible temporary differences, the deferred income tax is not recognized. The tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date and are expected to be applicable when the relevant deferred income tax assets are realized or deferred income tax liabilities are settled are adopted for the deferred income taxes.
4. Deferred income tax assets are recognized when it is probable that temporary differences will be available for offsetting future taxable income. Unrecognized and recognized deferred income tax assets are reassessed on each balance sheet date.

(XXIV) Common share capital

Common shares are classified as equity. The incremental cost directly attributable to the issue of new shares is recognized as a debit item of the proceeds in equity, net of income taxes.

(XXV) Recognition of income

1. The Company is mainly engaged in the agency business and sale of optimizers and inverters of solar modules, and the processing and sale of optoelectronic products related to LCD modules. Sales income is recognized when control over products is transferred to a customer. That is, at the time the products are delivered to the customer – when the customer accepts the products pursuant to the sales contract or when there is objective evidence demonstrating that all acceptance criteria have been met – the products are deemed delivered.
2. The sales income of products is recognized at the contract price less the estimated net amount of sales discounts.
3. The payment terms of sales transactions are O/A 30 to 90 days after the shipment dates, which is consistent with the market practice. It was thus determined that the contracts do not contain significant financing components.
4. Accounts receivable are recognized when products are delivered to a customer as the Company has had unconditional rights to contract proceeds since that time and may collect consideration from the customer after that time.
5. The Company offers a standard warranty for the optoelectronic products sold and is obligated to provide maintenance services for product defects. The warranty is recognized as a liability provision at the time the products are sold.

(XXVI) Operating segments

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

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

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

(I) Important judgments for accounting policies adopted:

None.

(II) Important accounting estimates and assumptions

Valuation of inventory

Inventory shall be evaluated on the basis of the lower of cost or net realizable value. Hence, the Company must use judgments and estimates to determine the net realizable value of the inventory on the balance sheet date. As technology advances rapidly, the Company assesses the amount of inventory with normal wear and tear and obsolescence and without market sales value on the balance sheet date and writes down the cost of the inventory to the net realizable value. The valuation of inventory is mainly estimated according to the product demand within a certain period in the future; therefore, significant changes may occur. Please refer to Note 6 (4) for the description of inventory valuation.

VI. Description of major accounts

(I) Cash and cash equivalents

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Cash		
Demand deposits	\$ 42,842	\$ 53,831
Check deposits	39	39
Cash on hand and petty cash	30	30
Cash equivalents		
Time deposits	<u>16,393</u>	<u>15,353</u>
	<u>\$ 59,304</u>	<u>\$ 69,253</u>

1. The Company deals with financial institutions with good credit ratings and has dealings with multiple financial institutions to spread credit risk. Thus, the possibility of defaults is expected to be extremely low.
2. The time deposits provided by the Company as customs import guarantees have been transferred to “financial assets measured at amortized cost – non-current.” Please refer to Note 8 for details.

(II) Financial assets measured at amortized cost

<u>Item</u>	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Current items:		
Time deposits with maturities over three months	<u>\$ 107,519</u>	<u>\$ 96,698</u>
Non-current items:		
Time deposits with maturities over one year	<u>\$ 561</u>	<u>\$ 551</u>

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

	2024	2023
Interest income	\$ 1,139	\$ 1,019

2. Please refer to Note 8 for the Company's pledging of financial assets measured at amortized cost as collateral.
3. Without considering other credit enhancements, the amount that can best represent the maximum amount of the Company's financial assets measured at amortized cost exposed to credit risk as of December 31, 2024 and 2023 was \$108,080 and \$97,249, respectively.

(III) Notes and accounts receivable

	December 31, 2024	December 31, 2023
Notes receivable	\$ 2,023	\$ 8,906

	December 31, 2024	December 31, 2023
Accounts receivable	\$ 12,464	\$ 26,951
Accounts receivable – related party	180	15
Less: Loss allowance	(491)	(1,049)
	\$ 12,153	\$ 25,917

1. The Company's notes receivable were not overdue. Please refer to the description in Note 12 (2) for the aging analysis of the accounts receivable.
2. The receivables (including notes receivable) on December 31, 2024 and 2023 were derived from customer contracts. The amount of total receivables from customer contracts on January 1, 2023 was \$31,594, and the loss allowance was \$703.
3. Without considering other credit enhancements, the amount that can best represent the maximum amount of the Company's notes receivable exposed to credit risk as of December 31, 2024 and 2023 was \$2,023 and \$8,906, respectively; the amount that can best represent the maximum amount of the Company's accounts receivable exposed to credit risk as of December 31, 2024 and 2023 was \$12,153 and \$25,917, respectively.

(IV) Inventory

	December 31, 2024		
	Cost	Allowance for devaluation loss	Carrying value
Goods	\$ 53,122	(\$ 159)	\$ 52,963
Raw materials	25,803	(25,799)	4
Finished goods	<u>2</u>	<u>(2)</u>	<u>-</u>
	<u>\$ 78,927</u>	<u>(\$ 25,960)</u>	<u>\$ 52,967</u>

	December 31, 2023		
	Cost	Allowance for devaluation loss	Carrying value
Goods	\$ 42,594	(\$ 30)	\$ 42,564
Raw materials	26,806	(23,872)	2,934
Work in process	920	-	920
Finished goods	<u>2</u>	<u>(2)</u>	<u>-</u>
	<u>\$ 70,322</u>	<u>(\$ 23,904)</u>	<u>\$ 46,418</u>

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

	2024	2023
Cost of sold inventory	\$ 142,997	\$ 210,888
Devaluation loss	2,056	714
Inventory overage	<u>-</u>	<u>(1)</u>
	<u>\$ 145,053</u>	<u>\$ 211,601</u>

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

<u>Item</u>	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Current items:		
Financial assets measured at fair value through profit or loss on a mandatory basis		
Beneficiary certificates	\$ 55,000	\$ 45,000
Valuation adjustments	<u>666</u>	<u>479</u>
	<u>\$ 55,666</u>	<u>\$ 45,479</u>
Non-current items:		
Financial assets measured at fair value through profit or loss on a mandatory basis		
Non-listed, non-OTC, non-emerging stocks	\$ 8,500	\$ 8,500
Limited partnership	9,750	7,875
Valuation adjustments	<u>(1,350)</u>	<u>(4,197)</u>
	<u>\$ 16,900</u>	<u>\$ 12,178</u>

1. Details on financial assets measured at fair value through profit or loss recognized as (loss) profit are as follows:

	<u>2024</u>	<u>2023</u>
Financial assets measured at fair value through profit or loss on a mandatory basis		
Equity instruments	\$ 3,046	(\$ 1,420)
Limited partnership	(199)	(485)
Beneficiary certificates	<u>733</u>	<u>575</u>
	<u>\$ 3,580</u>	<u>(\$ 1,330)</u>

2. The Company expects to invest \$7,500 in Meng-Lue Venture Capital Limited Partnership. As of December 31, 2024 and 2023, the Company had invested \$3,750, of which \$1,875 was stated as other non-current assets on December 31, 2023 since the record date of the capital increase was set in January 2024. Please refer to Note to 6 (12) for details.
3. The Company did not pledge the financial assets measured at fair value through profit or loss as collateral.
4. Please refer to Note 12 (2) for information on the credit risk of the financial assets measured at fair value through profit or loss.

(VI) Financial assets measured at fair value through other comprehensive income (as of December 31, 2023: None)

<u>Item</u>	<u>December 31, 2024</u>
Non-current items:	
Equity instruments	
Non-listed, non-OTC, non-emerging stocks	\$ 39,647
Valuation adjustments	(7,709)
	<u>\$ 31,938</u>

1. The Company chooses to classify equity investments that are strategic investments as financial assets measured at fair value through other comprehensive income. The fair value of the investments on December 31, 2024 was \$31,938.
2. Details on financial assets measured at fair value through other comprehensive income recognized as profit or loss and comprehensive income are as follows:

	<u>2024</u>
<u>Equity instrument measured at fair value through other comprehensive income</u>	
Changes in fair value recognized as other comprehensive income	<u>(\$ 7,709)</u>

3. Without considering the collateral held or other credit enhancements, the amount that can best represent the maximum amount of the Company's financial assets measured at fair value through other comprehensive income exposed to credit risk as of December 31, 2024 was \$31,938.
4. The Company did not pledge the financial assets measured at fair value through other comprehensive income as collateral.
5. Please refer to Note 12 (2) for information on the credit risk of the financial assets measured at fair value through other comprehensive income.

(VII) Investments accounted for using the equity method

	2024	2023
January 1	\$ 95,915	\$ 82,335
Share of gains or losses form investments accounted for using the equity method	(982)	14,047
Distribution of earnings from investments accounted for using the equity method	-	(467)
Reclassification	(38,390)	-
Changes in other equity	(146)	-
December 31	<u>\$ 56,397</u>	<u>\$ 95,915</u>

1. Associate

(1) The basic information of the Company's associates is shown below:

Company name	Principal place of business	Shareholding percentage		Nature of relationship	Measurement method
		December 31, 2024	December 31, 2023		
Cornucopia Innovation Corporation	Taiwan	13.22%	13.22%	Sibling company	Equity method
AggrEnergy Inc.	Taiwan	-	18.21%	-	Equity method
Ju Xin Energy Inc.	Taiwan	5.00%	5.00%	-	Equity method

(2) A summary of the financial information of the Company's associates is shown below:

Balance Sheet

	December 31, 2024		
	Cornucopia Innovation	Ju Xin Energy	
Current assets	\$ 129,067	\$	31
Non-current assets	5,138		724,487
Current liabilities	(16,924)	(977)
Non-current liabilities	(471)		-
Total net assets	<u>\$ 116,810</u>	<u>\$</u>	<u>723,541</u>
Share in the net assets of the associate	\$ 15,443	\$	36,177
Goodwill	<u>4,775</u>		<u>2</u>
Carrying value of the associate	<u>\$ 20,218</u>	<u>\$</u>	<u>36,179</u>

	December 31, 2023		
	Cornucopia Innovation	AggrEnergy	Ju Xin Energy
Current assets	\$ 138,183	\$ 234,653	\$ 221
Non-current assets	6,702	109,843	753,166
Current liabilities	(17,025)	(161,404)	(918)
Non-current liabilities	(2,119)	(34,333)	-
Total net assets	<u>\$ 125,741</u>	<u>\$ 148,759</u>	<u>\$ 752,469</u>
Share in the net assets of the associate	\$ 16,623	\$ 27,089	\$ 38,092
Goodwill	<u>4,775</u>	<u>9,334</u>	<u>2</u>
Carrying value of the associate	<u>\$ 21,398</u>	<u>\$ 36,423</u>	<u>\$ 38,094</u>

Statement of Comprehensive Income

	2024	
	Cornucopia Innovation	Ju Xin Energy
Income	\$ 44,343	\$ -
Net loss from continuing operations in the current period	(\$ 8,037)	(\$ 28,928)
Total comprehensive income in the current period	(\$ 8,037)	(\$ 28,928)

	2023		
	Cornucopia Innovation	AggrEnergy	Ju Xin Energy
Income	\$ 68,900	\$ 212,421	\$ -
Net profit from continuing operations in the current period	\$ 10,298	\$ 58,466	\$ 31,429
Total comprehensive income in the current period	\$ 10,298	\$ 58,466	\$ 31,429

- The Company recognized (\$3,095) and \$14,047, respectively, as shares of profits (losses) on investments with respect to investments accounted for using the equity method in 2024 and 2023, which were derived from financial statement calculations audited by CPAs commissioned by the investee companies.
- Although the Company only had a 5% shareholding in Ju Xin Energy Inc, the Company had significant influence over the company for serving as one of its directors.
- In May 2024, AggrEnergy Inc. offered employee stock options, resulting in a decrease in the Company's shareholding rate from 18.21% to 16.46%. According to accounting standards, the Company adjusted the retained earnings by \$146. In the third quarter of the same year, the Company did not participate in AggrEnergy Inc.'s subsequent cash capital increase plan due to investment strategy considerations, and it was assessed that the Company lost significant influence over AggrEnergy Inc. Hence, the Company transferred its investment in AggrEnergy Inc., amounting to \$39,647, to "financial assets measured at fair value through other comprehensive income" at fair value, and recognized a gain from the disposal of investments of \$1,257 for 2024.

(VIII) Property, plant and equipment

	2024		
	Leasehold improvements	Office and other equipment	Total
January 1			
Cost	\$ 5,167	\$ 993	\$ 6,160
Accumulated depreciation	(4,917)	(993)	(5,910)
	<u>\$ 250</u>	<u>\$ -</u>	<u>\$ 250</u>
January 1	\$ 250	\$ -	\$ 250
Addition	-	138	138
Depreciation expense	(88)	(23)	(111)
December 31	<u>\$ 162</u>	<u>\$ 115</u>	<u>\$ 277</u>
December 31			
Cost	\$ 5,167	\$ 1,131	\$ 6,298
Accumulated depreciation	(5,005)	(1,016)	(6,021)
	<u>\$ 162</u>	<u>\$ 115</u>	<u>\$ 277</u>
	2023		
	Leasehold improvements	Office and other equipment	Total
January 1			
Cost	\$ 4,902	\$ 993	\$ 5,895
Accumulated depreciation	(4,842)	(993)	(5,835)
	<u>\$ 60</u>	<u>\$ -</u>	<u>\$ 60</u>
January 1	\$ 60	\$ -	\$ 60
Addition	265	-	265
Depreciation expense	(75)	-	(75)
December 31	<u>\$ 250</u>	<u>\$ -</u>	<u>\$ 250</u>
December 31			
Cost	\$ 5,167	\$ 993	\$ 6,160
Accumulated depreciation	(4,917)	(993)	(5,910)
	<u>\$ 250</u>	<u>\$ -</u>	<u>\$ 250</u>

The Company did not provide the property, plant and equipment as collateral.

(IX) Lease transactions – lessee

1. The Company's leased assets include buildings and company vehicles and the leases often have a term of 2 to 3 years. The leases are individually negotiated and contain a variety of terms and conditions. Except for the prohibition on subleasing, leasing or selling the leased assets or providing them for use by others using any other methods without the lessors' agreement, the leased assets are subject to no other limitations.
2. The low-value assets leased by the Company are photocopiers.
3. Changes in the Company's right-of-use assets in 2024 and 2023 are as follows:

	2024		
	Premises and buildings	Transportation equipment	Total
January 1	\$ 4,545	\$ 451	\$ 4,996
Depreciation expense	(2,254)	(180)	(2,434)
December 31	<u>\$ 2,291</u>	<u>\$ 271</u>	<u>\$ 2,562</u>

	2023		
	Premises and buildings	Transportation equipment	Total
January 1	\$ 484	\$ -	\$ 484
Addition	6,312	541	6,853
Depreciation expense	(2,251)	(90)	(2,341)
December 31	<u>\$ 4,545</u>	<u>\$ 451</u>	<u>\$ 4,996</u>

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

	2024	2023
<u>Items that affect profit or loss in the current period</u>		
Interest expense on lease liabilities	\$ 69	\$ 97
Low-value asset lease expense	12	14

5. The total cash outflow for leases of the Company in 2024 and 2023 was \$2,511 and \$2,420, respectively.

(X) Lease transactions – lessor

1. The Company's assets leased out are land, and the leases often have a term of 3 years. The leases are individually negotiated and contain a variety of terms and conditions. To secure the use of the assets leased out, the lessee is often prohibited from subleasing, leasing or selling the leased assets or from providing them for use by others using any other methods.
2. The Company recognized \$56 and \$53 as rental income pursuant to operating leases in 2024 and 2023, respectively. There were no variable lease payments included.
3. A maturity analysis of lease payments under the Company's operating leases is as follows:

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
2024	\$ -	\$ 59
2025	59	59
2026	<u>59</u>	<u>59</u>
	<u>\$ 118</u>	<u>\$ 177</u>

(XI) Investment property

	<u>2024</u>	<u>2023</u>
	<u>Land</u>	<u>Land</u>
January 1 (i.e. December 31)		
Cost	\$ 38,183	\$ 38,183
Accumulated impairment	<u>(17,590)</u>	<u>(17,590)</u>
	<u>\$ 20,593</u>	<u>\$ 20,593</u>

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

	<u>2024</u>	<u>2023</u>
Rental income on investment property	<u>\$ 56</u>	<u>\$ 53</u>

2. The investment property held by the Company is recognized at acquisition cost, and the fair value thereof on December 31, 2024 and 2023 was \$21,481 and \$20,948, respectively. Due to the lack of information on transactions in the neighborhood, the calculation is based on the present value of lands announced by the government on a yearly basis.
3. The Company did not provide investment property as collateral.

(XII) Other non-current assets

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Receivables on demand	\$ 155,048	\$ 155,048
Less: Loss allowance of receivables on demand	(155,048)	(155,048)
Prepayments for investments	<u>-</u>	<u>1,875</u>
	<u>\$ -</u>	<u>\$ 1,875</u>

(XIII) Pension

1. Defined benefit plan

- (1) The Company has established a defined benefit pension plan in accordance with the “Labor Standards Act.” The plan is applicable to the length of service of all full-time employees calculated before the “Labor Pension Act” was implemented on July 1, 2005, and the length of service of employees who choose to stay in the pension scheme under the Labor Standards Act calculated after the implementation of the “Labor Pension Act.” The pension paid to employees who meet the criteria for retirement is calculated based on their length of service and their average salary for the 6 months prior to their retirement. Employees whose length of service is no more than 15 years (inclusive) will receive two base points for each year of service and employees whose length of service is more than 15 years will receive one base point for each additional year of service. The maximum number of accumulated base points is 45. The Company makes a pension contribution of 2% of the total salary on a monthly basis and deposits it into a special account with the Bank of Taiwan in the name of the Labor Pension Fund Supervisory Committee. In addition, before the end of each fiscal year, if the balance of the labor pension fund account referred to in the preceding paragraph is insufficient to pay the pension calculated above to employees expected to meet the criteria for retirement in the following fiscal year, the Company will make a full, one-off contribution by the end of March of the next fiscal year.
- (2) The amounts recognized in the balance sheet are as follows:

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Present value of defined benefit obligations	\$ 3,657	\$ 6,344
Fair value of plan assets	<u>(6,928)</u>	<u>(7,808)</u>
Net defined benefit assets	<u>(\$ 3,271)</u>	<u>(\$ 1,464)</u>

(3) Changes in net defined benefit assets are as follows:

	2024		
	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit assets
January 1	\$ 6,343	(\$ 7,807)	(\$ 1,464)
Service costs in the current period	56	-	56
Interest expense (income)	<u>76</u>	<u>(93)</u>	<u>(17)</u>
	<u>6,475</u>	<u>(7,900)</u>	<u>(1,425)</u>
Remeasurement:			
Effect of changes in financial assumptions	(145)	-	(145)
Experience adjustments	<u>(692)</u>	<u>(969)</u>	<u>(1,661)</u>
	<u>(837)</u>	<u>(969)</u>	<u>(1,806)</u>
Pension contributions made	-	(40)	(40)
Pension paid	<u>(1,981)</u>	<u>1,981</u>	<u>-</u>
December 31	<u>\$ 3,657</u>	<u>(\$ 6,928)</u>	<u>(\$ 3,271)</u>

	2023		
	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit assets
January 1	\$ 10,287	(\$ 11,719)	(\$ 1,432)
Service costs in the current period	82	-	82
Interest expense (income)	<u>134</u>	<u>(152)</u>	<u>(18)</u>
	<u>10,503</u>	<u>(11,871)</u>	<u>(1,368)</u>
Remeasurement:			
Effect of changes in financial assumptions	65	-	65
Experience adjustments	<u>(50)</u>	<u>(46)</u>	<u>(96)</u>
	<u>15</u>	<u>(46)</u>	<u>(31)</u>
Pension contributions made	-	(65)	(65)
Pension paid	<u>(4,175)</u>	<u>4,175</u>	<u>-</u>
December 31	<u>\$ 6,343</u>	<u>(\$ 7,807)</u>	<u>(\$ 1,464)</u>

- (4) The Company's defined retirement benefit plan fund assets are entrusted by the Bank of Taiwan through contracted management according to the proportion and amount for contracted management items set forth in the annual investment/utilization plan of the fund and within the scope as defined in Article 6 of the Regulations for Management, Utilization and Supervision of the National Pension Insurance Fund (i.e. being deposited in domestic or foreign financial institutions, invested in domestic/foreign listed, OTC, or privately offered equity securities and in domestic/foreign real estate-related securitized products, etc.) The relevant utilization is supervised by the Labor Pension Fund Supervisory Committee. Regarding the utilization of the fund, the minimum earnings approved to be distributed every year shall not be less than the attainable earnings calculated based on the 2-year time deposit interest rates offered by local banks. Any deficit shall be made up for with the money from the national treasury upon the approval of the competent authority. As the Company has no right to participate in the utilization and management of the fund, the classification of the fair value of plan assets cannot be disclosed in accordance with Paragraph 142 of IAS 19. Please refer to the labor pension fund utilization report for each year published by the government for the fair value of all assets constituting the fund on December 31, 2024 and 2023.
- (5) A summary of pension-related actuarial assumptions is shown below:

	<u>2024</u>	<u>2023</u>
Discount rate	<u>1.60%</u>	<u>1.20%</u>
Future salary increase rate	<u>2.50%</u>	<u>2.50%</u>

- A. The assumption of future mortality rates is made based on the statistics of the 6th Taiwan Standard Ordinary Experience Mortality Table.
- B. The present value of defined benefit obligations that has been affected due to changes in the main adopted actuarial assumptions is analyzed as follows:

	<u>Discount rate</u>		<u>Future salary increase rate</u>	
	<u>Increase by 0.25%</u>	<u>Decrease by 0.25%</u>	<u>Increase by 0.25%</u>	<u>Decrease by 0.25%</u>
<u>December 31, 2024</u>				
Effect on the present value of defined benefit obligations	(\$ <u>87</u>)	<u>\$ 90</u>	<u>\$ 79</u>	(\$ <u>78</u>)
<u>December 31, 2023</u>				
Effect on the present value of defined benefit obligations	(\$ <u>161</u>)	<u>\$ 166</u>	<u>\$ 148</u>	(\$ <u>144</u>)

- a. The above sensitivity analysis was conducted to analyze the effect of changes in a single assumption, with all other assumptions remaining unchanged. Changes in many assumptions could be correlated with each other in practice. The sensitivity analysis used the same method as that for calculating the net pension liabilities in the balance sheet.
 - b. The method and assumptions used for the sensitivity analysis in the current period are the same as those in the previous period.
- (6) The Company expects to pay a defined benefit plan contribution of \$38 in 2025.
- (7) As of December 31, 2024, the weighted average lifetime of the defined benefit plan was 10 years. A maturity analysis of pension payments is as follows:

Less than 1 year	\$	56
2-5 years		449
Over 5 years		<u>1,979</u>
	\$	<u>2,484</u>

2. Defined contribution plan

- (1) Since July 1, 2005, the Company has had its defined contribution plan in place in accordance with the “Labor Pension Act.” The plan is applicable to employees who are of Taiwanese nationality. The Company makes and deposits a labor pension distribution of 6% of the salary of the employees who choose to opt in to the labor pension scheme under the “Labor Pension Act” into their personal accounts with the Bureau of Labor Insurance every month. The pension is paid monthly or at once to the employees based on the amount of money in their personal pension accounts and the accumulated gains.
- (2) The pension cost recognized by the Company in accordance with the aforesaid pension plan in 2024 and 2023 was \$545 and \$916, respectively.

(XIV) Common share capital

As of December 31, 2024 and 2023, the Company’s authorized capital was \$1,800,000 and the paid-in capital was \$206,878, with 20,688 thousand outstanding shares at a par value of NT\$10 per share. Payment for the issued shares of the Company has been received.

(XV) Retained earnings

1. According to the Articles of Incorporation, the Company may distribute earnings or offset losses after the end of each half of a fiscal year. Where the Company has earnings at the year-end closing for the first half of a fiscal year or a fiscal year, 10% thereof shall be set aside as legal reserves as required by law after they are used to pay taxes and offset accumulated losses. Provision for special reserves is then required pursuant to the Securities and Exchange Act and related administrative rules. The remaining earnings, if any, shall be added to the undistributed earnings carried from prior years as distributable earnings. The Board of Directors shall subsequently draw up a distribution proposal and submit the same to a shareholders' meeting for a resolution on the distribution of the earnings. The Board of Directors is authorized to adopt a resolution to distribute the abovementioned earnings, legal reserve, and capital reserve in cash at a meeting attended by more than two-thirds of directors with the consent of a majority of all attending directors and the distribution shall be reported at a shareholders' meeting. The distribution of the earnings, legal reserve, and capital reserve by issuing new shares is subject to a resolution adopted at a shareholders' meeting according to the preceding paragraph.
2. The legal reserve shall not be used unless it is used to offset the Company's losses and distributed to shareholders in new shares or cash in proportion to the shares initially held thereby. The legal reserve shall not be distributed in new shares or cash unless the portion distributed exceeds 25% of the paid-in capital.
3. The Company may distribute earnings only after recognizing special reserves based on the debit balance of equity items on the balance sheet in the current year as required by laws. When the debit balance of the equity items is reversed subsequently, the reversed amount may be included as distributable earnings.
4. The Company's 2023 and 2022 earnings distribution proposals approved at the shareholders' meetings held on June 13, 2024, and June 15, 2023 are stated as follows:

	2023		2022	
	Amount	Dividend per share (NT\$)	Amount	Dividend per share (NT\$)
Legal reserves	\$ 2,924		\$ 4,053	
Cash dividends	20,688	\$ 1.0	20,688	\$ 1.0

5. The 2024 earnings distribution proposal proposed by the Board of Directors on March 6, 2025, is as follows:

	2024	
	Amount	Dividend per share (NT\$)
Legal reserves	\$ 2,985	
Cash dividends	20,688	\$ 1.0

The Company's 2024 earnings distribution proposal has not been approved at the shareholders' meeting as of the date of this audit report. For the earnings distribution approved by the Board of Directors and resolved at the shareholders' meeting, please visit the "Market Observation Post System."

(XVI) Operating income

1. Sub-items of income from contracts with customers

The Company's income is totally from goods transferred at a specific timing, and can be disaggregated into the following main product types with relevant income generated by each reporting segment:

	2024	2023
Income from contracts with external customers		
Energy products	\$ 150,775	\$ 211,643
Electronic products	<u>36,414</u>	<u>47,399</u>
	<u>\$ 187,189</u>	<u>\$ 259,042</u>

2. Contractual liabilities

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

	December 31, 2024	December 31, 2023	January 1, 2023
Product sales contracts	<u>\$ 9,255</u>	<u>\$ 4,796</u>	<u>\$ 7,810</u>

(1) Material changes in contractual liabilities

The changes in the Company's contractual liabilities were due to the difference in timing of advance sale receipts and the Company's fulfillment of obligations as a result of the changes in the demand for solar module installation and the electronic product customers' demand for early material preparation.

(2) The opening contractual liabilities recognized as income in 2024 and 2023 was \$4,004 and \$7,078, respectively.

(XVII) Interest income

	2024	2023
Bank deposit interest	\$ 1,789	\$ 1,744
Interest income of bonds under repurchase agreements	44	(68)
Financial assets measured at amortized cost		
Interest income	1,139	1,019
	<u>\$ 2,972</u>	<u>\$ 2,695</u>

(XVIII) Other income

	2024	2023
Rental income	\$ 56	\$ 53
Others	1,019	473
	<u>\$ 1,075</u>	<u>\$ 526</u>

(XIX) Other gains and losses

	2024	2023
Gain (loss) from foreign currency exchange	\$ 2,699	(\$ 1,802)
Gain (loss) from financial assets measured at fair value through profit or loss	3,580	(1,330)
Gain from disposal of investments	1,257	-
Others	(190)	-
	<u>\$ 7,346</u>	<u>(\$ 3,132)</u>

(XX) Additional information on the nature of expense

	2024	2023
Employee benefit expenses	\$ 16,333	\$ 24,772
Depreciation expense of right-of-use assets	2,434	2,341
Depreciation expense of property, plant and equipment	111	75
Service expense	2,556	2,140
	<u>\$ 21,434</u>	<u>\$ 29,328</u>

(XXI) Employee benefit expenses

	2024	2023
Salary expense	\$ 11,822	\$ 19,497
Labor and health insurance expenses	1,196	1,922
Pension expense	584	980
Remuneration to directors	1,032	843
Other employment expenses	1,699	1,530
	<u>\$ 16,333</u>	<u>\$ 24,772</u>

1. The Company's salary and remuneration policies are as follows:
 - (1) According to the Articles of Incorporation, the Company shall subtract any accumulated losses from earnings in the year. A minimum amount of 1% of the remaining (if any) shall be appropriated as remuneration to employees and a maximum amount of 2% shall be appropriated as remuneration to directors and supervisors.
 - (2) The remuneration to directors includes the compensation and transportation allowance.
 - (3) The remuneration to managerial officers and employees includes the monthly salary, bonuses and employee compensation.
 - (4) The remuneration to managerial officers and employees is determined based on the level of the industry standard and the individual experience, performance and previous compensation conditions, with the evaluation of individual performance serving as the calculation basis of the compensation.
 - (5) The remuneration to directors, managerial officers and employees are discussed and approved by the Compensation Committee, and then submitted to the Board of Directors for discussion and resolution.
2. In 2024 and 2023, the Company's estimated amount of remuneration to employees was \$294 and \$309, respectively, and the estimated amount of remuneration to directors was \$587 and \$618, respectively. The above amounts were stated as remuneration expense.

The remuneration in 2024 was estimated based on the earnings in the year in accordance with the Articles of Incorporation.

There is consistency between the amounts of remuneration to employees and to directors for 2023 resolved by the Board of Directors, which were \$309 and \$618, and the amounts recognized in the financial statements for 2023.

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

3. In 2024 and 2023, the Company had an average of 26 and 34 employees, respectively, and the number of non-employee directors was 7 and 6, respectively.

The Company's average employee benefit expense in 2024 and 2023 was \$805 and \$855, respectively. The average employee salary expense in 2024 and 2023 was \$622 and \$696, respectively. The average employee salary expense in 2024 was adjusted by (10.63%).

(XXII) Income tax

1. The income tax expenses comprise the following:

	2024	2023
Income tax in the current period:		
Imposition on undistributed earnings	\$ 281	\$ 790
Overestimation of income tax in prior years	-	(9)
Income tax expense	<u>\$ 281</u>	<u>\$ 781</u>

2. The relationship between the income tax expenses and the accounting profit is as follows:

	2024	2023
Income tax on pre-tax profit calculated at the statutory tax rate	\$ 5,695	\$ 5,997
Non-taxable income losses under the tax act	(520)	(2,543)
Temporary difference with respect to unrecognized deferred income tax assets	(26)	774
Changes in the realizability assessment of deferred income tax assets	(5,149)	(4,228)
Imposition on undistributed earnings	281	790
Overestimation of income tax in prior years	-	(9)
Income tax expense	<u>\$ 281</u>	<u>\$ 781</u>

3. The expiry dates for the Company's unused taxable losses and the amount of the unrecognized deferred income tax assets are as follows:

December 31, 2024				
Year of occurrence	Reported amount/approved amount	Amount of unused taxable losses	Amount of unrecognized deferred income tax assets	Year of expiration
2018	\$ 124	\$ 124	\$ 124	2028
2019	151,688	151,688	151,688	2029
2020	452	452	452	2030

December 31, 2023

Year of occurrence	Reported amount/approved amount	Amount of unused taxable losses	Amount of unrecognized deferred income tax assets	Year of expiration
2014	\$ 254,057	\$ 204,147	\$ 204,147	2024
2018	124	124	124	2028
2019	151,688	151,688	151,688	2029
2020	452	452	452	2030

4. Deductible temporary differences not recognized as deferred income tax assets:

	December 31, 2024	December 31, 2023
Deductible temporary difference	<u>\$ 198,397</u>	<u>\$ 196,681</u>

5. The Company's profit-seeking business income taxes filed have been certified by the tax authority up until 2023.

(XXIII) Earnings per share

	2024		
	Amount after tax	Weighted average outstanding shares (thousand shares)	Earnings per share (NT\$)
<u>Basic earnings per share</u>			
Net profit attributable to the common shareholders in the current period	<u>\$ 28,191</u>	<u>20,688</u>	<u>\$ 1.36</u>
<u>Diluted earnings per share</u>			
Net profit attributable to the common shareholders in the current period	\$ 28,191	20,688	
Effect of dilutive potential common shares			
- remuneration to employees	<u>-</u>	<u>2</u>	
Net profit attributable to the common shareholders in the current period	<u>\$ 28,191</u>	<u>20,690</u>	<u>\$ 1.36</u>

	2023		
	Amount after tax	Weighted average outstanding shares (thousand shares)	Earnings per share (NT\$)
<u>Basic earnings per share</u>			
Net profit attributable to the common shareholders in the current period	<u>\$ 29,204</u>	<u>20,688</u>	<u>\$ 1.41</u>
<u>Diluted earnings per share</u>			
Net profit attributable to the common shareholders in the current period	\$ 29,204	20,688	
Effect of dilutive potential common shares			
- remuneration to employees	<u>-</u>	<u>5</u>	
Net profit attributable to the common shareholders in the current period	<u>\$ 29,204</u>	<u>20,693</u>	<u>\$ 1.41</u>

(XXIV)Changes in liabilities from financing activities

	2024	2023
	Lease liabilities	Lease liabilities
January 1	\$ 4,885	\$ 341
Changes in cash flows from financing activities	(2,430)	(2,309)
Interest expenses paid (Note)	(69)	(97)
Other non-cash changes	<u>69</u>	<u>6,950</u>
December 31	<u>\$ 2,455</u>	<u>\$ 4,885</u>

Note: Stated as cash flows from operating activities

VII. Related party transactions

(I) Parent company and ultimate controller

The Company is controlled by SOLOMON Technology Corporation (registered in the Republic of China), which directly and indirectly holds 51.41% of the Company's shares. The remaining 48.59% is held by the public. The Company's ultimate parent company and ultimate controller is SOLOMON Technology Corporation.

(II) Names of related parties and their relationship with the Company

<u>Names of related parties</u>	<u>Relationship with the Company</u>
SOLOMON Technology Corporation	Parent company and ultimate parent company of the Company
Solomon Goldentek Display Corp.	Sibling company
Cornucopia Innovation Corporation	Sibling company

(III) Significant transactions with the related parties

1. Operating income

	<u>2024</u>	<u>2023</u>
Sale of goods:		
SOLOMON Technology Corporation	\$ -	\$ 359
Sibling company	-	15
	<u>\$ -</u>	<u>\$ 374</u>

There is no major difference in terms of the transaction price and the payment terms of the sale of goods and the non-related parties. The payment terms are 30 days after delivery.

2. Purchase of goods and services

	<u>2024</u>	<u>2023</u>
Purchase of goods:		
Solomon Goldentek Display Corp.	\$ 15,161	\$ 7,997
Management fee (stated as “operating expenses”)		
SOLOMON Technology Corporation	2,100	2,100
	<u>\$ 17,261</u>	<u>\$ 10,097</u>

- (1) The purchase of the above goods is based on the price agreed between both parties. The payment terms are O/A 60 days. In addition, the Company pays the management fee shared for the joint office in the parent company’s office building based on the pricing agreed in the contract and on a monthly basis.
- (2) In 2024, the Company sold raw materials to Solomon Goldentek Display Corp. for goods production and further bought the goods from the said company to sell them to the Company’s customers. The sales income and operating costs of the relevant raw materials for the aforementioned transactions have been written off, so the amounts from selling raw materials and the operating costs are not included in the Company’s purchases and sales.

3. Payables

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Accounts payable:		
Solomon Goldentek Display Corp.	<u>\$ 4,912</u>	<u>\$ 1,659</u>
Other payables:		
SOLOMON Technology Corporation	<u>\$ 599</u>	<u>\$ 637</u>

4. Other income

	<u>2024</u>	<u>2023</u>
SOLOMON Technology Corporation	\$ 210	\$ -
Solomon Goldentek Display Corp.	57	329
Cornucopia Innovation Corporation	<u>10</u>	<u>-</u>
	<u>\$ 277</u>	<u>\$ 329</u>

5. Payments receivable from related party

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Accounts receivable:		
Solomon Goldentek Display Corp.	\$ 180	\$ 15
Other receivables:		
Solomon Goldentek Display Corp.	<u>-</u>	<u>13</u>
	<u>\$ 180</u>	<u>\$ 28</u>

There is neither pledge of or interest on receivables from related parties nor overdue accounts receivable. Please refer to Note 12 (2) for the details of credit risk.

6. Lease transactions – lessee

- (1) The Company leased the office in Neihu District, Taipei City from the parent company for a period from October 1, 2023 to September 30, 2025. On November 30, 2022, the Company signed a lease contract for the plant and office in Nangang District, Taipei City with the parent company for a period from January 1, 2023 to December 31, 2025. The above rents are paid on a monthly basis.

(2) Acquisition of right-of-use assets

	2024	2023
SOLOMON Technology Corporation	\$ -	\$ 6,312

(3) Lease liabilities

A. Closing balance:

	December 31, 2024	December 31, 2023
SOLOMON Technology Corporation	\$ 2,181	\$ 4,432

B. Interest expense:

	2024	2023
SOLOMON Technology Corporation	\$ 62	\$ 93

(IV) Information on remuneration to key management

	2024	2023
Short-term employee benefits	\$ 3,989	\$ 5,545
Post-employment benefits	40	108
	\$ 4,029	\$ 5,653

VIII. Pledged assets

Details on the Company's assets provided as collateral are shown below:

Details on assets	Carrying value		Purpose of collateral
	December 31, 2024	December 31, 2023	
Financial assets measured at amortized cost	\$ 561	\$ 551	Customs import security
Deposits paid	2	2	Performance bond
	\$ 563	\$ 553	

IX. Material contingent liabilities and unrecognized contractual commitments

None.

X. Material losses from disasters

None.

XI. Material subsequent events

Please refer to Note 6 (15) for the 2024 earnings distribution proposal proposed by the Board of Directors on March 6, 2025.

XII. Others

(I) Capital management

1. The Company's capital management aims to ensure that the Company can operate as a going concern, maintain the best capital structure to reduce the cost of funds, and offer returns to shareholders. In order to maintain or adjust the capital structure, the Company may adjust dividends paid to the shareholders, return capital to the shareholders, issue new shares or sell assets to reduce debts.
2. The Company's strategies for 2024 were the same as those for 2023, and the Company did not have loans from banks or non-financial institutions. The debt ratios as of December 31, 2024, and 2023, were 8% and 11%, respectively, and were considered fair.

(II) Financial instruments

1. Types of financial instruments

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
<u>Financial assets</u>		
Financial assets measured at fair value through profit or loss		
Financial assets measured at fair value through profit or loss on a mandatory basis	<u>\$ 72,566</u>	<u>\$ 57,657</u>
Financial assets measured at fair value through other comprehensive income		
Investments in designated equity instruments	<u>\$ 31,938</u>	<u>\$ -</u>
Financial assets measured at amortized cost		
Cash and cash equivalents	\$ 59,304	\$ 69,253
Financial assets measured at amortized cost	108,080	97,249
Notes receivable	2,023	8,906
Accounts receivable (including those from related parties)	12,153	25,917
Other receivables (including those from related parties)	266	439
Deposits paid	<u>2</u>	<u>2</u>
	<u>\$ 181,828</u>	<u>\$ 201,766</u>

Financial liabilities

Financial liabilities measured at
amortized cost

Accounts payable (including those to related parties)	\$	18,876	\$	28,806
Other payables (including those to related parties)		<u>5,042</u>		<u>6,040</u>
	\$	<u>23,918</u>	\$	<u>34,846</u>
Lease liabilities	\$	<u>2,455</u>	\$	<u>4,885</u>

2. Risk management policy

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

3. Nature and level of material financial risks

(1) Market risk

Exchange rate risk

- A. As the business activities that the Company is engaged in involve several non-functional currencies, there is an effect from exchange rate volatility on the Company. Information on foreign currency assets and liabilities with significant exchange rate volatility effects is shown below:

December 31, 2024			
	Foreign currency (thousand dollars)	Exchange rate	Carrying amount
(Foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD : NTD	\$ 899	32.79	\$ 29,478
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD : NTD	286	32.79	9,378

December 31, 2023			
	Foreign currency (thousand dollars)	Exchange rate	Carrying amount
(Foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD : NTD	\$ 1,988	30.71	\$ 61,042
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD : NTD	49	30.71	1,505

- B. Due to the effect of exchange rate volatility, all net gain (loss) from currency exchange (both realized and unrealized) recognized with respect to the monetary items of the Company in 2024 and 2023 were \$2,699 and (\$1,802), respectively.
- C. The Company's exchange rate risk was mainly affected by the fluctuations in the US dollar exchange rate. When there was a 1% appreciation or depreciation of the NT dollar against the US dollar, the pre-tax profit decreased or increased by \$201 and \$595 in 2024 and 2023, respectively.

Price risk

The Company's equity instruments exposed to price risk are financial assets measured at fair value through profit or loss and financial assets measured at fair value through other comprehensive income. However, since the investment amount is not significant, it is expected that no significant price risk will arise.

(2) Credit risk

- A. The Company's credit risk is the risk that a customer or counterparty trading financial instruments with the company will fail to fulfill their contractual obligations, leading to financial loss for the Company. The risk primarily arises from accounts receivable and other receivables that cannot be collected from the counterparty according to the payment terms, as well as from contractual cash flows classified as investments in debt instruments measured at amortized cost.

According to the Company's explicitly defined internal loan policy, the Company must conduct management and credit risk analysis for every new customer before setting payment terms and proposing delivery terms and conditions. The customers' credit quality is assessed by taking into consideration their financial position, past experiences and other factors for internal risk control.

- B. Based on the historical collection experience, when a contract payment is more than 30 days overdue according to the agreed payment terms, the credit risk of financial assets is considered to have significantly increased after initial recognition; when a contract payment is more than 90 days overdue according to the agreed payment terms, a default is considered to have occurred.
- C. The Company adopts the simplified approach to estimate expected credit losses for accounts receivable from customers based on the provision matrix.
- D. The Company took into consideration the Prosperity Observation Report of the National Development Council for future prospects when adjusting the loss rate derived from information during specific historical and current periods to estimate the loss allowance for accounts receivable. The provision matrix on December 31, 2024 and 2023, respectively, is as follows:

	Not overdue	1-90 days overdue	More than 90 days overdue	Total
<u>December 31, 2024</u>				
Expected loss rate	0.03%	-	100%	
Total carrying value	<u>\$ 12,644</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,644</u>
Loss allowance	<u>\$ 491</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 491</u>
	Not overdue	1-90 days overdue	More than 90 days overdue	Total
<u>December 31, 2023</u>				
Expected loss rate	0.03%	14.02%	100%	
Total carrying value	<u>\$ 24,010</u>	<u>\$ 2,422</u>	<u>\$ 534</u>	<u>\$ 26,966</u>
Loss allowance	<u>\$ 6</u>	<u>\$ 509</u>	<u>\$ 534</u>	<u>\$ 1,049</u>

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

	2024	2023
January 1	\$ 1,049	\$ 703
Impairment losses (reversed) set aside	<u>(558)</u>	<u>346</u>
December 31	<u>\$ 491</u>	<u>\$ 1,049</u>

(3) Liquidity risk

- A. The Company's working capital is sufficient to meet the Company's capital needs, and except for lease liabilities – non-current, all other liabilities are due within one year. The Company's cash and cash equivalents stated are sufficient to meet relevant needs, so it is expected that no significant liquidity risk will arise.

B. The following table presents the Company's non-derivative financial liabilities that are grouped by relevant maturity dates. The non-derivative financial liabilities are analyzed based on the remaining period from the balance sheet date to the contract maturity date.

	Below 3 months	3 months to 1 year	1 to 2 years	Over 2 years
December 31, 2024				
<u>Non-derivative financial liabilities:</u>				
Lease liabilities	<u>\$ 625</u>	<u>\$ 1,760</u>	<u>\$ 93</u>	<u>\$ -</u>
December 31, 2023				
<u>Non-derivative financial liabilities:</u>				
Lease liabilities	<u>\$ 625</u>	<u>\$ 1,874</u>	<u>\$ 2,385</u>	<u>\$ 92</u>

(III) Fair value information

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

Level 1: Public quoted prices in active markets for identical assets or liabilities accessible to an entity on the measurement date (unadjusted). Active markets are ones where asset or liability transactions take place with sufficient frequency and volume for pricing information to be provided on an ongoing basis.

Level 2: Level 2 inputs are inputs other than the quoted prices included in Level 1 that are directly or indirectly observable for the asset or liability.

Level 3: Level 3 inputs are inputs that are unobservable to the asset or liability. The Company's investments in equity instruments without active market fall under this level.

2. Please refer to the description in Note 6 (10) for information on the fair value of investment property measured at cost.
3. Financial instruments not measured at fair value

The carrying amounts of the Company's cash and cash equivalents, financial assets measured at amortized cost, accounts and notes receivable (including those from related parties), other receivables (including those from related parties), deposits paid, accounts payable (including those to related parties), and other payables (including those to related parties) are reasonable approximations of their fair values.

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

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

December 31, 2024	Level 1	Level 2	Level 3	Total
Assets				
<u>Recurring fair value</u>				
Financial assets measured at fair value through profit or loss				
Beneficiary certificates	\$ 55,666	\$ -	\$ -	\$ 55,666
Equity securities	-	-	7,834	7,834
Limited partnership	-	-	9,066	9,066
Financial assets measured at fair value through other comprehensive income				
Equity securities	-	-	31,938	31,938
	<u>\$ 55,666</u>	<u>\$ -</u>	<u>\$ 48,838</u>	<u>\$ 104,504</u>

December 31, 2023	Level 1	Level 2	Level 3	Total
Assets				
<u>Recurring fair value</u>				
Financial assets measured at fair value through profit or loss				
Beneficiary certificates	\$ 45,479	\$ -	\$ -	\$ 45,479
Equity securities	-	-	4,788	4,788
Limited partnership	-	-	7,390	7,390
	<u>\$ 45,479</u>	<u>\$ -</u>	<u>\$ 12,178</u>	<u>\$ 57,657</u>

- (2) The Company's Finance Department is responsible for verifying the independent fair value of financial instruments in the process of valuation of Level 3 fair values to make valuation results close to the market situation based on information from independent sources and make sure that the information sources are independent, reliable and consistent with other resources and reflect executable prices. The Company also regularly updates inputs and data required, and makes any other necessary fair value adjustment to ensure reasonable valuation results.
5. The methods and assumptions used by the Company to measure the fair value are as follows:
- The beneficiary certificates of the Company's investments are based on the net value on the balance sheet date as the fair value input (i.e. Level 1).
6. There was no transfer between Level 1 and Level 2 in 2024 and 2023.

7. Movements in Level 3 equity instruments in 2024 and 2023 are listed in the following table:

	2024	2023
January 1	\$ 12,178	\$ 11,083
Purchase in the current period	-	3,000
Reclassified from other non-current assets	1,875	-
Reclassified from investments accounted for using the equity method	39,647	-
Profits or losses recognized as profit or loss	2,847	(1,905)
Profits or losses recognized as other comprehensive income		
Stated unrealized equity instrument profit or loss measured at fair value through other comprehensive income	(7,709)	-
December 31	<u>\$ 48,838</u>	<u>\$ 12,178</u>

8. There was no transfer-in/transfer-out to/from Level 3 in 2024 and 2023.

9. The summary of the valuation model used for Level 3 fair value measurements are described as follows:

December 31, 2024					
	Fair value	Valuation technique	Significant unobservable inputs	Discount rate	Relationship between the input and the fair value
Non-listed/non-OTC stocks	<u>\$ 39,772</u>	Comparable company method	PB multiplier, discount for lack of marketability	22.5%~25 %	The higher the multipliers, the higher the fair value. The higher the discount for lack of marketability, the lower the fair value.
Limited partnership	<u>\$ 9,066</u>	Net asset value method	N/A	N/A	N/A

December 31, 2023

	Fair value	Valuation technique	Significant unobservable inputs	Discount rate	Relationship between the input and the fair value
Non-listed/non-OTC stocks	<u>\$ 4,788</u>	Comparable company method	PB multiplier, discount for lack of marketability	25%	The higher the multipliers, the higher the fair value. The higher the discount for lack of marketability, the lower the fair value.
Limited partnership	<u>\$ 7,390</u>	Net asset value method	N/A	N/A	N/A

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

			December 31, 2024			
			Recognized as profit or loss		Recognized as other comprehensive income	
	Input	Change	Favorable change	Unfavorable change	Favorable change	Unfavorable change
Financial assets						
Equity instruments	Liquidity	±5%	<u>\$ 522</u>	<u>\$ 522</u>	<u>\$ 2,203</u>	<u>\$ 2,203</u>
			December 31, 2023			
			Recognized as profit or loss		Recognized as other comprehensive income	
	Input	Change	Favorable change	Unfavorable change	Favorable change	Unfavorable change
Financial assets						
Equity instruments	Liquidity	±5%	<u>\$ 369</u>	<u>\$ 369</u>	<u>\$ -</u>	<u>\$ -</u>

XIII. Note disclosures

(I) Information of material transactions

1. Loaning of funds to others: None.
2. Endorsements/guarantees for others: None.
3. Securities held at end of period: Please refer to Table 1.
4. Aggregate purchases or sales of the same securities amounting to NT\$300 million or more than 20% of the paid-in capital: None.
5. Acquisition of property amounting to NT\$300 million or more than 20% of the paid-in capital: None.
6. Disposal of property amounting to NT\$300 million or more than 20% of the paid-in capital: None.
7. Purchases and sales with related parties amounting to NT\$100 million or more than 20% of the paid-in capital: None.
8. Accounts receivable from related parties amounting to NT\$100 million or more than 20% of the paid-in capital: None.
9. Derivative transactions: None.
10. Business relationship and important transactions between the parent company and subsidiaries and between the subsidiaries, and the amounts of such transactions: N/A.

(II) Information of investee companies

Information related to investee companies (excluding those in Mainland China), their place of registration, etc.: Please refer to Table 2.

(III) Information of investments in Mainland China

None.

(IV) Information of major shareholders

Information of major shareholders: Please refer to Table 3.

XIV. Segment information

(I) General information

1. The management of the Company has identified the reportable segments according to the reported information that the operating decision-maker uses to formulate policies.
2. The operating decision-maker of the Company operates and manages the business by product type.

(II) Measurement of segment information

The Company's operating decision-maker evaluates the performance of the operating segments based on the profit or loss of the segments. Segment profit or loss means the profit earned or the loss incurred by each segment and is used as a basis for the chief operating decision-maker to allocate resources to the segments and evaluate their performance.

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

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

<u>2024</u>	<u>Energy products</u>	<u>Electronic products</u>	<u>Total</u>
External income	\$ 150,775	\$ 36,414	\$ 187,189
Internal income	-	-	-
Segment income	<u>\$ 150,775</u>	<u>\$ 36,414</u>	<u>\$ 187,189</u>
After-tax segment profit or loss	<u>\$ 26,125</u>	<u>\$ 2,066</u>	<u>\$ 28,191</u>

<u>2023</u>	<u>Energy products</u>	<u>Electronic products</u>	<u>Total</u>
External income	\$ 211,643	\$ 47,399	\$ 259,042
Internal income	-	-	-
Segment income	<u>\$ 211,643</u>	<u>\$ 47,399</u>	<u>\$ 259,042</u>
After-tax segment profit or loss	<u>\$ 22,547</u>	<u>\$ 6,657</u>	<u>\$ 29,204</u>

(IV) Information on the reconciliations of segment profit or loss

The performance of the Company's reportable operating segments was evaluated based on their after-tax profit or loss. The total profit or loss was consistent with the after-tax profit or loss from continuing operations. Thus, there was no need for reconciliation.

(V) Information by product and service

Please refer to Note 6 (16) for details.

(VI) Information by region

The following is information on the Company's income from external customers and non-current assets, listed by the region where the customers and assets are located:

	2024		2023	
	Income	Non-current assets	Income	Non-current assets
Taiwan	\$ 153,791	\$ 23,432	\$ 214,902	\$ 25,839
United States	20,066	-	27,062	-
Asia Pacific	3,225	-	11,237	-
Europe	10,107	-	5,841	-
	<u>\$ 187,189</u>	<u>\$ 23,432</u>	<u>\$ 259,042</u>	<u>\$ 25,839</u>

Note: Non-current assets do not include financial assets.

(VII) Information of important customers

The Company had no customers accounting for 10% or more of operating income in 2024 and 2023.

(The End)

Solomon Data International Corporation
Securities Held at End of Period (Excluding Those Controlled by Investee Subsidiaries, Associates and Joint Ventures)
December 31, 2024

Table 1

Unit: NT\$ thousand
(Unless otherwise specified)

Holding company	Type and name of securities	Relationship with the securities issuer	Account	End of period			
				Number of shares (thousand)	Carrying amount	Shareholding percentage	Fair value
Solomon Data International Corporation	Hua Nan Phoenix Money Market Fund (beneficiary certificates)	None	Financial assets measured at fair value through profit or loss – current	3,282	\$ 55,666	-	\$ 55,666
Solomon Data International Corporation	CENZ Automation Co., Ltd. (shares)	None	Financial assets measured at fair value through profit or loss – non-current	80	-	0.94	-
Solomon Data International Corporation	Truewin Technology Co., Ltd. (shares)	None	Financial assets measured at fair value through profit or loss – non-current	148	7,834	0.23	7,834
Solomon Data International Corporation	Cerulean Asset Management Venture Capital Limited Partnership	None	Financial assets measured at fair value through profit or loss – non-current	-	6,169	-	6,169
Solomon Data International Corporation	Meng-Lue Venture Capital Limited Partnership	None	Financial assets measured at fair value through profit or loss – non-current	-	2,897	-	2,897
Solomon Data International Corporation	AggrEnergy Inc.	None	Financial assets measured at fair value through other comprehensive income – non-current	110,132	31,938	16.46	31,938

Solomon Data International Corporation
Information Related to Investee Companies (Excluding Those in Mainland China), Their Place of Registration, etc.
January 1 to December 31, 2024

Table 2

Unit: NT\$ thousand (Unless otherwise specified)											
Name of investor company	Name of investee company	Place of registration	Principal business	Initial investment amount		Holding percentage at end of period			Gain or loss of investee company in the current period	Investment gain or loss recognized in the current period	Remarks
				End of current period	End of previous year	Number of shares (thousand)	Percent age	Carrying amount			
Solomon Data International Corporation	Comucopia Innovation Corporation	Taiwan	Manufacturing of machines/ equipment and electronic parts and components	\$ 25,300	\$ 25,300	2,300	13.22%	\$ 20,218	(\$ 8,037)	(\$ 1,181)	
Solomon Data International Corporation	AggrEnergy Inc.	Taiwan	Energy technology service	-	24,532	-	-	-	-	2,113	Note
Solomon Data International Corporation	Ju Xin Energy Inc.	Taiwan	Energy technology service	36,000	36,000	3,600	5.00%	36,179	(28,928)	(1,914)	

Note: As it was assessed that the Company lost significant influence over AggrEnergy Inc. in the third quarter of 2024, the Company transferred its investment to “financial assets measured at fair value through other comprehensive income” at fair value. Please refer to Note 6 (7) for details.

Solomon Data International Corporation
Information of Major Shareholders
December 31, 2024

Table 3

Name of major shareholders	Shares	
	Number of shares held	Shareholding percentage (%)
SOLOMON Technology Corporation	4,972,676	24.04
Solomon Smartnet Corp.	3,071,117	14.84
Moredel Investment Corp.	2,591,740	12.53

Solomon Data International Corporation
Statement of Cash and Cash Equivalents
December 31, 2024

Statement 1

Unit: NT\$ thousand

<u>Item</u>	<u>Summary</u>	<u>Amount</u>	<u>Remarks</u>
Cash and bank deposits:			
Demand deposits			
- NTD deposits		\$ 33,813	
- Foreign currency deposits	USD 253 thousand, with a conversion rate of USD 1 to NTD 32.79	8,310	
	Others	719	
Check deposits		39	
Cash on hand and petty cash		30	
Cash equivalents:			
Time deposits	USD 500 thousand, with a conversion rate of USD 1 to NTD 32.79	16,393	
		<u>\$ 59,304</u>	

(The End)

Solomon Data International Corporation
Statement of Net Accounts Receivable
December 31, 2024

Statement 2

Unit: NT\$ thousand

Name of customer	Summary	Amount	Remarks
Accounts receivable – non-related party			
Company A		\$ 4,302	
Company E		2,765	
Company I		1,124	
Company J		821	
Company K		750	
Company L		735	The balance for each customer did not exceed 5% of the total amount of the account
Others		1,967	
Subtotal		12,464	
Accounts receivable – related party			
Solomon Goldentek Display Corp.		180	
Subtotal		12,644	
Less: Loss allowance		(491)	
Total		<u>\$ 12,153</u>	

(The End)

Solomon Data International Corporation
Statement of Inventory
December 31, 2024

Statement 3

Unit: NT\$ thousand

Item	Summary	Amount		Remarks
		Cost	Market price	
Goods		\$ 53,122	\$ 64,614	Measured at net realizable value
Raw materials		25,803	7	"
Finished goods		<u>2</u>	<u>-</u>	
Subtotal		78,927	<u>\$ 64,621</u>	
Less: Allowance for obsolescence and devaluation loss		<u>(25,960)</u>		
Total		<u>\$ 52,967</u>		

(The End)

Solomon Data International Corporation
Statement of Accounts Payable
December 31, 2024

Statement 4

Unit: NT\$ thousand

<u>Name of customer</u>	<u>Summary</u>	<u>Amount</u>	<u>Remarks</u>
Accounts payable – non-related party			
Company G		\$ 12,753	
Company J		974	
			The balance for each company did not exceed 5% of the total amount of the account
Others		237	
		13,964	
Accounts payable – related party			
Solomon Goldentek Display Corp.		4,912	
		<u>\$ 18,876</u>	

(The End)

Solomon Data International Corporation
Statement of net operating revenue
January 1 to December 31, 2024

Statement 5

Unit: NT\$ thousand

Item	Number (thousand)	Amount	Remarks
Total sales income			
Energy products	58	\$ 151,432	
LCD modules	609	37,503	
Total operating income		188,935	
Less: Sales returns and discounts		(1,746)	
Net operating income		<u>\$ 187,189</u>	

(The End)

Solomon Data International Corporation
Statement of Operating Costs
January 1 to December 31, 2024

Statement 6

Unit: NT\$ thousand

Item	Amount
Opening inventory of goods	\$ 42,594
Plus: Purchase of goods in the current period	114,478
Less: Closing inventory of goods	(53,122)
Transferred to expense in the current period	(195)
Cost of goods sold	103,755
Raw materials – opening	26,806
Plus: Purchase of materials in the current period	6,342
Less: Transferred to expense	(1,343)
Raw materials – closing	(25,803)
Costs of raw materials consumed in the current period	6,002
Direct labor	1,286
Production overheads	3,190
Production cost	10,478
Opening work in process	920
Closing work in process	-
Finished goods cost	11,398
Opening finished goods	2
Plus: Purchase of finished goods	15,161
Closing finished goods	(2)
Production and sales cost	26,559
Service cost	12,686
Reversal of warranty cost	(3)
Loss on inventory devaluation	2,056
Operating costs in the current period	<u>\$ 145,053</u>

Solomon Data International Corporation
Statement of Operating Expenses
January 1 to December 31, 2024

Statement 7

Unit: NT\$ thousand

Item	Summary	Amount	Remarks
Marketing expenses			
Salary expense		\$ 7,150	
Management fee for the Group		1,050	
Insurance expense		734	
Depreciation expense		1,083	
Freight		934	
Travel expense		747	The balance of each item did not exceed 5% of the total amount of the account
Other expenses		3,158	
		14,856	
Management expense			
Salary expense		4,112	
Service expense		2,074	
Consultancy expense		467	
Management fee for the Group		1,050	
Depreciation expense		560	The balance of each item did not exceed 5% of the total amount of the account
Other expenses		841	
		9,104	
R&D expense			
Salary expense		188	
Mold expense		35	
Severance pay		336	The balance of each item did not exceed 5% of the total amount of the account
Other expenses		45	
		604	
Expected credit impairment loss		(558)	
Total		<u>\$ 24,006</u>	