

Solomon Data International Corporation
Financial Statements and Independent Auditor's Review Report
Second Quarter 2025 and 2024
(Stock Code 5432)

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Solomon Data International Corporation
Financial Statements and Independent Auditor's Review Report for Second Quarter
2025 and 2024
Table of Contents

<u>Item</u>	<u>Page</u>
1. Cover Page	1
2. Table of Contents	2
3. Independent Auditor's Review Report	3-4
4. Balance Sheet	5-6
5. Statement of Comprehensive Income	7
6. Statement of Changes in Equity	8
7. Statement of Cash Flows	9
8. Notes to the Financial Statements	10-56
(1) Company history	10
(2) Approval date and procedures of the financial statements	10
(3) Application of new and amended standards and interpretations	10-12
(4) Summary of material accounting policies	12-21
(5) Main sources of uncertainty of material accounting judgments, estimates and assumptions	21
(6) Description of major accounts	21-42
(7) Related party transactions	43-46
(8) Pledged assets	46
(9) Material contingent liabilities and unrecognized contractual commitments	46
(10) Material losses from disasters	46
(11) Material subsequent events	46
(12) Others	46-55
(13) Note disclosures	56
(14) Segment information	56-57

Independent Auditor's Review Report

(2025) Letter Cai-Shen-Bao-Zi No. 25001322

To Solomon Data International Corporation:

Introduction

We reviewed the consolidated balance sheets of SOLOMON Technology Corporation and its subsidiaries (hereinafter referred to as "Solomon Group") as of June 30, 2025 and 2024; their consolidated statements of comprehensive income for the three and six months ended June 30, 2025 and 2024; their consolidated statements of changes in equity; and their consolidated statements of cash flows for the six months then ended, along with the related notes to the consolidated financial statements, including a summary of material accounting policies. Compiling fairly presented financial statements in accordance with "Regulations Governing the Preparation of Financial Reports by Securities Issuers" and IAS 34 "Interim Financial Reporting," as endorsed and issued into effect by the Financial Supervisory Commission, is the responsibility of management. Our responsibility is to draw conclusions about the financial statements based on the results of the review.

Scope

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

Basis of Qualified Conclusion

As disclosed in Note 6(7) to the financial statements, the financial statements for the same periods of investments accounted for using the equity method included in the above financial statements were not reviewed by the auditors. As of June 30, 2025 and 2024, such investments accounted for using the equity method amounted to NT\$55,153 thousand and NT\$95,432 thousand, representing 13% and 22%, respectively, of the total assets. For the three months ended June 30, 2025 and 2024, the comprehensive income recognized was NT\$(849) thousand and NT\$3,393 thousand, representing 290% and 38%, respectively, of the consolidated comprehensive income; for the six months ended June 30, 2025 and 2024, the comprehensive income recognized was NT\$(1,237) thousand and NT\$(337) thousand, representing 95% and (2%), respectively, of the consolidated comprehensive income.

Qualified Conclusion

Based on our review, except for any adjustments that may have been determined to be necessary had the financial statements of investments accounted for using the equity method, as described in the Basis of Qualified Conclusion paragraph, been reviewed, nothing has come to our attention that causes us to believe that the accompanying financial statements do not present fairly, in all material respects, the financial position of Solomon Data International Corporation as of June 30, 2025, and 2024, as well as its financial performance for the three months and six months ended June 30, 2025, and 2024, and its cash flows for the six months then ended, in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 "Interim Financial Reporting," endorsed and issued into effect by the Financial Supervisory Commission.

PricewaterhouseCoopers Taiwan

Wen Ya-Fang

CPA

Lin Se-Kai

Financial Supervisory Commission

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

Former Securities and Futures Bureau, Financial

Supervisory Commission, Executive Yuan

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

August 6, 2025

Solomon Data International Corporation
Balance Sheet
June 30, 2025 and December 31 and June 30, 2024

Unit: NT\$ Thousand

Assets		Note	June 30, 2025		December 31, 2024		June 30, 2024	
			Amount	%	Amount	%	Amount	%
Current assets								
1100	Cash and cash equivalents	6 (1)	\$ 178,331	43	\$ 59,304	14	\$ 108,805	24
1110	Financial assets measured at fair value through profit or loss – current	6 (5)	56,081	14	55,666	13	45,776	10
1136	Financial assets measured at amortized cost – current	6 (2)	2,554	1	107,519	25	57,519	13
1150	Net notes receivable	6 (3)	2,401	-	2,023	1	4,879	1
1170	Net accounts receivable	6 (3)	23,318	6	11,973	3	16,203	4
1180	Net accounts receivable – related party	6 (3) and 7	58	-	180	-	1,780	-
1200	Other receivables		234	-	266	-	388	-
1210	Other receivables – related party	7	-	-	-	-	40	-
1220	Income tax assets in the current period		137	-	-	-	-	-
130X	Inventory	6 (4)	28,174	7	52,967	13	70,080	16
1410	Prepayments		591	-	1,195	-	2,231	1
11XX	Total current assets		291,879	71	291,093	69	307,701	69
Non-current assets								
1510	Financial assets measured at fair value through profit or loss – non-current	6 (5)	18,330	5	16,900	4	14,732	3
1517	Financial assets measured at fair value through other comprehensive income – non-current	6 (6)	20,925	5	31,938	7	-	-
1535	Financial assets measured at amortized cost – non-current	6 (2) and 8	561	-	561	-	552	-
1550	Investments accounted for using the equity method	6 (7)	55,153	13	56,397	13	95,432	22
1600	Property, plant and equipment	6 (8)	210	-	277	-	344	-
1755	Right-of-use assets	6 (9)	1,345	-	2,562	1	3,779	1
1760	Net investment property	6 (11)	20,593	5	20,593	5	20,593	5
1920	Deposits paid	8	2	-	2	-	2	-
1975	Net defined benefit assets – non-current		3,271	1	3,271	1	1,464	-
15XX	Total non-current assets		120,390	29	132,501	31	136,898	31
1XXX	Total assets		\$ 412,269	100	\$ 423,594	100	\$ 444,599	100

(Continued to next page)

Solomon Data International Corporation
Balance Sheet
June 30, 2025 and December 31 and June 30, 2024

Unit: NT\$ Thousand

Liabilities and equity			June 30, 2025		December 31, 2024		June 30, 2024				
			Note	Amount	%	Amount	%	Amount	%		
Current liabilities											
2130	Contractual liabilities – current	6 (16)	\$	5,764	1	\$	9,255	2	\$	5,915	1
2170	Accounts payable			7,068	2		13,964	3		20,584	5
2180	Accounts payable – related party	7		5,850	2		4,912	1		6,615	1
2200	Other payables	6 (25) and 7		26,402	6		5,042	1		27,159	6
2230	Income tax liabilities in the current period			-	-		7	-		127	-
2250	Liability provisions – current			16	-		16	-		16	-
2280	Lease liabilities – current			1,222	-		2,363	1		2,453	1
2300	Other current liabilities			273	-		274	-		274	-
21XX	Total current liabilities			46,595	11		35,833	8		63,143	14
Non-current liabilities											
2580	Lease liabilities – non-current			-	-		92	-		1,223	-
2XXX	Total liabilities			46,595	11		35,925	8		64,366	14
Equity											
	Share capital	6 (14)									
3110	Common share capital			206,878	50		206,878	49		206,878	47
	Retained earnings	6 (15)									
3310	Legal reserves			26,368	6		23,383	6		23,383	5
3320	Special reserves			7,709	2		-	-		-	-
3350	Undistributed earnings			143,441	35		165,117	39		149,972	34
3400	Other equity			(18,722)	(4)		(7,709)	(2)		-	-
3XXX	Total equity			365,674	89		387,669	92		380,233	86
3X2X	Total liabilities and equity			\$ 412,269	100		\$ 423,594	100		\$ 444,599	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 June 30, 2025 and 2024

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

	Item	Note	April 1 to June 30, 2025		April 1 to June 30, 2024		January 1 to June 30, 2025		January 1 to June 30, 2024	
			Amount	%	Amount	%	Amount	%	Amount	%
4000	Operating income	6 (16)	\$ 56,055	100	\$ 50,571	100	\$ 92,516	100	\$ 97,115	100
5000	Operating costs	6 (4) (20) (21) and 7	(43,053)	(77)	(39,250)	(78)	(70,728)	(76)	(75,120)	(78)
5950	Net gross operating profit		<u>13,002</u>	<u>23</u>	<u>11,321</u>	<u>22</u>	<u>21,788</u>	<u>24</u>	<u>21,995</u>	<u>22</u>
	Operating expenses	6 (20) (21)								
6100	Marketing expenses		(3,854)	(7)	(3,627)	(7)	(7,184)	(8)	(7,780)	(8)
6200	Management expenses		(2,041)	(3)	(2,347)	(4)	(4,230)	(4)	(4,577)	(5)
6300	R&D expenses		(63)	-	(396)	(1)	(63)	-	(579)	-
6450	Expected credit impairment gain	12 (2)	200	-	144	-	200	-	1,045	1
6000	Total operating expenses		<u>(5,758)</u>	<u>(10)</u>	<u>(6,226)</u>	<u>(12)</u>	<u>(11,277)</u>	<u>(12)</u>	<u>(11,891)</u>	<u>(12)</u>
6900	Operating profit		<u>7,244</u>	<u>13</u>	<u>5,095</u>	<u>10</u>	<u>10,511</u>	<u>12</u>	<u>10,104</u>	<u>10</u>
	Non-operating income and expenses									
7100	Interest income	6 (17)	827	1	806	1	1,524	1	1,620	2
7010	Other income	6 (18) and 7	70	-	316	1	105	-	412	-
7020	Other gains and losses	6 (19)	(970)	(2)	(289)	(1)	(1,173)	(1)	3,374	3
7050	Financial costs	6 (9) and 7	(7)	-	(18)	-	(17)	-	(40)	-
7060	Share of profits/losses of associates and joint ventures under the equity method	6 (7)	(849)	(1)	3,393	7	(1,237)	(1)	(337)	-
7000	Total non-operating income and expenses		<u>(929)</u>	<u>(2)</u>	<u>4,208</u>	<u>8</u>	<u>(798)</u>	<u>(1)</u>	<u>5,029</u>	<u>5</u>
7900	Pre-tax profit		<u>6,315</u>	<u>11</u>	<u>9,303</u>	<u>18</u>	<u>9,713</u>	<u>11</u>	<u>15,133</u>	<u>15</u>
7950	Income tax expense	6 (22)	-	-	(281)	-	-	-	(281)	-
8200	Net profit in the current period		<u>\$ 6,315</u>	<u>11</u>	<u>\$ 9,022</u>	<u>18</u>	<u>\$ 9,713</u>	<u>11</u>	<u>\$ 14,852</u>	<u>15</u>
	Items not subsequently reclassified as profit or loss									
8316	Unrealized valuation profit or loss of investments in equity instruments measured at fair value through other comprehensive income	6 (6)	(\$ 6,608)	(12)	\$ -	-	(\$ 11,013)	(12)	\$ -	-
8310	Total amount of items not reclassified as profit or loss		<u>(6,608)</u>	<u>(12)</u>	<u>-</u>	<u>-</u>	<u>(11,013)</u>	<u>(12)</u>	<u>-</u>	<u>-</u>
8300	Other comprehensive income (net)		<u>(\$ 6,608)</u>	<u>(12)</u>	<u>\$ -</u>	<u>-</u>	<u>(\$ 11,013)</u>	<u>(12)</u>	<u>\$ -</u>	<u>-</u>
8500	Total comprehensive income in the current period		<u>(\$ 293)</u>	<u>(1)</u>	<u>\$ 9,022</u>	<u>18</u>	<u>(\$ 1,300)</u>	<u>(1)</u>	<u>\$ 14,852</u>	<u>15</u>
	Earnings per share	6 (23)								
9750	Basic earnings per share		<u>\$ 0.31</u>		<u>\$ 0.44</u>		<u>\$ 0.47</u>		<u>\$ 0.72</u>	
9850	Diluted earnings per share		<u>\$ 0.31</u>		<u>\$ 0.44</u>		<u>\$ 0.47</u>		<u>\$ 0.72</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 June 30, 2025 and 2024

Unit: NT\$ Thousand

			Retained earnings			Unrealized gains and losses of financial assets measured at fair value through other comprehensive income	
	Note	Common share capital	Legal reserves	Special reserves	Undistributed earnings		Total equity
<u>January 1 to June 30, 2024</u>							
Balance on January 1, 2024		\$ 206,878	\$ 20,459	\$ -	\$ 158,878	\$ -	\$ 386,215
Net profit in the current period		-	-	-	14,852	-	14,852
Other comprehensive income in the current period		-	-	-	-	-	-
Total comprehensive income in the current period		-	-	-	14,852	-	14,852
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 on June 30, 2024		<u>\$ 206,878</u>	<u>\$ 23,383</u>	<u>\$ -</u>	<u>\$ 149,972</u>	<u>\$ -</u>	<u>\$ 380,233</u>
<u>January 1 to June 30, 2025</u>							
Balance on January 1, 2025		\$ 206,878	\$ 23,383	\$ -	\$ 165,117	(\$ 7,709)	\$ 387,669
Net profit in the current period		-	-	-	9,713	-	9,713
Other comprehensive income in the current period		-	-	-	-	(11,013)	(11,013)
Total comprehensive income in the current period		-	-	-	9,713	(11,013)	(1,300)
Allocation and distribution of earnings:	6 (15)						
Set aside as legal reserve		-	2,985	-	(2,985)	-	-
Set aside as special reserve		-	-	7,709	(7,709)	-	-
Cash dividends		-	-	-	(20,688)	-	(20,688)
Changes of associates and joint ventures under the equity method	6 (7)	-	-	-	(7)	-	(7)
Balance on June 30, 2025		<u>\$ 206,878</u>	<u>\$ 26,368</u>	<u>\$ 7,709</u>	<u>\$ 143,441</u>	<u>(\$ 18,722)</u>	<u>\$ 365,674</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 June 30, 2025 and 2024

Unit: NT\$ Thousand

	Note	January 1 to June 30, 2025	January 1 to June 30, 2024
<u>Cash flows from operating activities</u>			
Pre-tax profit in the current period		\$ 9,713	\$ 15,133
Adjustment items			
Profits and expenses			
Depreciation expense (including right-of-use assets)	6 (8) (9) (20)	1,284	1,261
Interest expense	6 (9)	17	40
Interest income	6 (17)	(1,524)	(1,620)
Share of associates under the equity method	6 (7)	1,237	337
Net gain from financial assets measured at fair value through profit or loss	6 (19)	(1,845)	(976)
Expected credit impairment gain	12 (2)	(200)	(1,045)
Changes in assets/liabilities related to operating activities			
Net changes in assets related to operating activities			
Notes receivable		(378)	4,027
Accounts receivable		(11,145)	10,743
Accounts receivable – related party		122	(1,764)
Other receivables		(4)	(26)
Other receivables – related party		-	(28)
Inventory		24,793	(23,662)
Prepayments		604	(1,588)
Net changes in liabilities related to operating activities			
Contractual liabilities		(3,491)	1,119
Accounts payable		(6,895)	(6,563)
Accounts payable – related party		937	4,956
Other payables (including those to related parties)		672	430
Liability provisions		-	(3)
Other current liabilities		(1)	(44)
Cash inflow from operations		13,896	727
Interest received		1,560	1,684
Interest paid		(17)	(40)
Income tax paid		(144)	(650)
Net cash inflow from operating activities		15,295	1,721
<u>Cash flows from investing activities</u>			
Increase in financial assets measured at amortized cost		(2,554)	(57,519)
Decrease in financial assets measured at amortized cost		107,519	96,697
Acquisition of property, plant and equipment	6 (8)	-	(138)
Net cash inflow from investing activities		104,965	39,040
<u>Cash flows from financing activities</u>			
Repayment of lease principal	6 (25)	(1,233)	(1,209)
Net cash outflow from financing activities		(1,233)	(1,209)
Increase in cash and cash equivalents in the current period		119,027	39,552
Opening balance of cash and cash equivalents		59,304	69,253
Closing balance of cash and cash equivalents		\$ 178,331	\$ 108,805

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
Second Quarter 2025 and 2024

Unit: NT\$ Thousand
(Unless otherwise specified)

1. Company history

(1) 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.

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

2. Approval date and procedures of the financial statements

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

3. Application of new and amended standards and interpretations

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

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

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

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

(2) 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 2026 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
IFRS 17 “Insurance Contracts”	January 1, 2023

Amendments to IFRS 17, “Insurance Contracts”

January 1, 2023

Amendment to IFRS 17, “Initial Application of IFRS 17 and IFRS 9 January 1, 2023
– Comparative Information”

Annual Improvements to IFRS Accounting Standards – Volume 11 January 1, 2026

Except for the impact of the amendments to IFRS 9 and IFRS 7, “Classification and Measurement of Financial Instruments,” which will be disclosed upon completion of the evaluation, the Company has assessed that the aforementioned standards and interpretations have no significant impact on its financial position and financial performance.

- A. The amendments clarify and provide further guidance for assessing whether financial assets meet the criteria of solely payments of principal and interest (SPPI). The scope covers contractual terms that could change the amount of cash flows based on a contingent event (e.g. ESG-linked interest rates), financial assets with non-recourse features, and contractually linked instruments.
 - B. For some instruments with contractual terms that could change the amount of cash flows, such as those with environmental, social, and governance (ESG)-linked features, the amendments additionally require disclosures of a qualitative description of the nature of the contingent event, quantitative information about the possible changes to contractual cash flows that could result from those contractual terms, and the gross carrying amount of financial assets, as well as the amortized cost of financial liabilities subject to those contractual terms.
 - C. Clarify the date of recognition and derecognition of certain financial assets and liabilities, and add the provision that when an entity uses an electronic payment system to settle financial liabilities (or a portion thereof) in cash, it may be permitted to recognize derecognition prior to the settlement date if the entity initiates a payment instruction and meets the following conditions:
 - (A) The entity does not have the practical ability to withdraw, stop or cancel the payment instruction;
 - (B) The entity does not have the practical ability to access the cash to be used for settlement as a result of the payment instruction; and
 - (C) The settlement risk associated with the electronic payment system is insignificant.
 - D. For equity instruments designated as measured at fair value through other comprehensive income (FVOCI), the fair value shall be disclosed by type, and there is no need to further disclose the fair value of each individual subject. In addition, the amount of fair value gains or losses recognized in other comprehensive income during the reporting period should be disclosed separately, indicating the amount related to investments derecognized during the reporting period and the amount related to investments held at the reporting date. Furthermore, the cumulative gains or losses related to investments derecognized during the reporting period and transferred to equity should also be disclosed separately.
- (3) Effect of the IFRSs issued by the IASB but not yet endorsed by the FSC

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

<u>New, revised or amended standards and interpretations</u>	<u>Effective date per IASB</u>
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 18 “Presentation and Disclosure in Financial Statements”	January 1, 2027
IFRS 19 “Subsidiaries without Public Accountability: Disclosures”	January 1, 2027

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

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

4. 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.

(1) Statement of compliance

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

(2) Basis of preparation

- A. The financial statements were prepared on the basis of historical cost, except for the key items listed below:
 - (A) Financial assets measured at fair value through profit or loss at fair value.
 - (B) Financial assets measured at fair value through other comprehensive income at fair value.
 - (C) Defined benefit assets recognized at the net amount calculated as pension fund assets less the present value of defined benefit obligations.
- B. Preparing financial statements in accordance with the International Financial Reporting Standards, International Accounting Standards, interpretations and pronouncements of interpretation endorsed and issued into effect by the FSC (hereinafter collectively referred to as “IFRSs”) requires the use of some important accounting estimates. During the adoption of the Company’s accounting policies, management needs to rely on their judgment regarding items that require significant judgments or are highly complex, or that involve material assumptions and estimates in financial statements. For details, please refer to the description in Note 5.

(3) Foreign currency translation

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

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

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

- A. Assets that match any of the following conditions shall be classified as current assets:
 - (A) The asset is expected to be realized or is intended to be sold or depleted over normal business cycles.
 - (B) The liability is held primarily for the purpose of trading.
 - (C) The asset is expected to be realized within 12 months after the reporting period.
 - (D) The asset is cash or cash equivalents, excluding those that are restricted from being used for exchange or settlement of liabilities at least within 12 months after the reporting period.

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

- B. Liabilities that match any of the following conditions shall be classified as current liabilities:
 - (A) The liability is expected to be settled over normal business cycles.
 - (B) The liability is held primarily for the purpose of trading.
 - (C) The liability is expected to be due to be settled within 12 months after the reporting period.
 - (D) Having no right to defer settlement of the liability for at least 12 months after the reporting period.

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

(5) 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 the aforesaid definition and are held for the purpose of meeting short-term operating cash commitments are classified as cash equivalents.

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

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

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

- A. Equity investments not held for trading, for which an irrevocable decision has been made at initial recognition to present changes in fair value in other comprehensive income.
- B. The Company uses trade date accounting for financial assets measured at fair value through other comprehensive income on a regular way purchase or sale basis.
- C. The Company measures 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 that the amount of the dividends can be measured reliably.

(8) Financial assets measured at amortized cost

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

(9) Accounts and notes receivable

- A. Accounts and notes receivable refer to accounts and notes with the right to unconditionally receive the consideration for which goods or services are exchanged pursuant to contractual agreements.
- B. They are short-term accounts and notes receivable without the payment of interest. As the discount on accounts and notes receivable does not have a significant effect, the Company measures them at the initial invoice amount.

(10) 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 has not significantly increased since initial recognition – at the amount of the 12-month expected credit losses, considering all reasonable and supportable information, including forward-looking information. If their credit risk significantly increases after initial recognition, the loss allowance is measured at the amount of the expected credit losses over the lifetime. For accounts receivable that do not contain significant financing components, the loss allowance is measured at the amount of expected credit losses over the lifetime of the asset.

(11) 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.

(12) 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.

(13) 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 refers to the estimated selling price in the ordinary course of business, less the estimated costs required for completion and the estimated costs necessary to make the sale.

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

- A. 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 voting shares in the entities. The Company adopts the equity method for its investments in its associates and recognizes the cost for the acquisition of the associates.
- B. 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 accounts receivable), the Company does not recognize further losses unless it has incurred legal or constructive obligations to, or made payments on behalf of, the associate.

- C. When there are changes in the equity of an associate that are not associated with profits or losses and other comprehensive income and the changes do not affect the Company's shareholding percentage in the associate, the Company recognizes all changes in the equity as "capital reserves" in proportion to its shareholding.
- D. 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 evidence indicating that the assets transferred in the transactions have been impaired, the unrealized losses are also derecognized.
- E. Where the Company does not subscribe for or acquire the new shares issued by an associate in proportion to its shareholding, thus facing a change in the investment proportion yet still having significant influence over the associate, the changes in the net equity value shall be adjusted to the "capital reserves" and "investments accounted for using the equity method." If the investment proportion decreases accordingly, in addition to the above adjustment, the profits or losses related to such a decrease in ownership interests that were previously recognized as other comprehensive income shall be reclassified as profit or loss when the relevant assets or liabilities are disposed of, in proportion to the decrease.
- F. When the Company loses significant influence over an associate, the remaining investment in the former associate is remeasured at the fair value. The difference between the fair value and the carrying amount is recognized as profit or loss in the current period.
- G. If the Company loses significant influence over an associate upon its disposal, the accounting treatment of all amounts related to the associate, previously recognized as other comprehensive income, is conducted on 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.

(15) Property, plant and equipment

- A. Property, plant and equipment are accounted for at the acquisition cost.
- B. Subsequent costs are included in the carrying amount of the asset or recognized as an individual asset only when future economic benefits associated with the item are likely to flow into the 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.
- C. 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.

- D. 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 differ from the previous estimates, or if there has been a significant change in the pattern of how the future economic benefits of the asset are expected to be consumed, such a change shall be treated in accordance with the requirements regarding 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

(16) Lessee’s lease transactions – right-of-use assets and lease liabilities

- A. Lease assets are recognized as right-of-use assets and lease liabilities on the date on which they become available for use by the 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.

- B. 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.

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

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

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

(17) Investment property

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

(18) 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, after the reversal of the impairment loss, does not exceed the carrying amount of the asset less amortization or depreciation expense without recognizing the impairment loss.

(19) Accounts payable

- A. 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.
- B. They are short-term accounts payable without payment of interest. As the discount of the accounts payable does not have significant effect, the Company measures them at the initial invoice amount.

(20) Derecognition of financial liabilities

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

(21) 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 the expenses required to settle 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.

(22) Employee benefits

A. Short-term employee benefits

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

B. Pension

(A) Defined contribution plan

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

(B) Defined benefit plan

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

C. Remuneration to employees and to directors 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 actually distributed 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.

(23) Income tax

- A. Income tax expense includes current and deferred income taxes. Income taxes related to the items recognized as other comprehensive income or directly recognized as equity are recognized as comprehensive income or directly recognized as equity, respectively. The other income taxes are recognized as profit or loss.
- B. The 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.

- C. 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 initially recognized assets or liabilities in transactions (excluding corporate mergers), does not affect accounting profit or taxable income (or 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.
- D. Deferred income tax assets are recognized when it is probable that temporary differences are likely to be available for offsetting future taxable income. Unrecognized and recognized deferred income tax assets are reassessed on each balance sheet date.
- E. Interim period income taxes are calculated based on the interim period profit or loss before tax for which the estimated annual average effective tax rate is adopted, and relevant information shall be disclosed pursuant to the aforesaid policies.

(24) 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.

(25) Recognition of income

- A. 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 of the products is transferred to the 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.
- B. The sales income of products is recognized at the contract price less the estimated net amount of sales discounts.
- C. 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.
- D. 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.
- E. The Company offers a standard warranty for the optoelectronic products sold and is obligated to provide maintenance service for product defects. The warranty is recognized as a liability provision at the time the products are sold.

(26) 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.

5. 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.

(1) Important judgments for accounting policies adopted

None.

(2) 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.

6. Description of major accounts

(1) Cash and cash equivalents

	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
Cash			
Demand deposits	\$ 38,612	\$ 42,842	\$ 62,511
Check deposits	39	39	39
Cash on hand and petty cash	30	30	30
Cash equivalents			
Time deposits	139,650	16,393	46,225
	<u>\$ 178,331</u>	<u>\$ 59,304</u>	<u>\$ 108,805</u>

- A. 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.
- B. 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.

(2) Financial assets measured at amortized cost

Item	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
Current items:			
Time deposits with maturities over three months	<u>\$ 2,554</u>	<u>\$ 107,519</u>	<u>\$ 57,519</u>
Non-current items:			
Time deposits with maturities over one year	<u>\$ 561</u>	<u>\$ 561</u>	<u>\$ 552</u>

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

	<u>April 1 to June 30, 2025</u>	<u>April 1 to June 30, 2024</u>
Interest income	<u>\$ 134</u>	<u>\$ 200</u>
	<u>January 1 to June 30, 2025</u>	<u>January 1 to June 30, 2024</u>
Interest income	<u>\$ 531</u>	<u>\$ 457</u>

- B. Please refer to Note 8 for the Company’s pledging of financial assets measured at amortized cost as collateral.
- C. Without considering other credit enhancements, the amount that best represents the maximum amount of the Company’s financial assets measured at amortized cost exposed to credit risk as of June 30, 2025, December 31, 2024 and June 30, 2024 was NT\$3,115, NT\$108,080 and NT\$58,071, respectively.

(3) Notes and accounts receivable

	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
Notes receivable	<u>\$ 2,401</u>	<u>\$ 2,023</u>	<u>\$ 4,879</u>
Accounts receivable	\$ 23,609	\$ 12,464	\$ 16,207
Accounts receivable – related party	58	180	1,780
Less: Loss allowance	<u>(291)</u>	<u>(491)</u>	<u>(4)</u>
	<u>\$ 23,376</u>	<u>\$ 12,153</u>	<u>\$ 17,983</u>

- A. 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.
- B. The receivables (including notes receivable) on June 30, 2025, December 31, 2024, and June 30, 2024 were derived from customer contracts. The amount of total receivables from customer contracts on January 1, 2024 was NT\$35,872, and the loss allowance was NT\$1,049.
- C. 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 June 30, 2025, December 31, 2024 and June 30, 2024 was NT\$2,401, NT\$2,023 and NT\$4,879, respectively; the amount that can best represent the maximum amount of the Company's accounts receivable exposed to credit risk as of June 30, 2025, December 31, 2024 and June 30, 2024 was NT\$23,376, NT\$12,153 and NT\$17,983, respectively.

(4) Inventory

<u>June 30, 2025</u>			
	<u>Cost</u>	<u>Allowance for devaluation loss</u>	<u>Carrying value</u>
Goods	\$ 28,271	(\$ 97)	\$ 28,174
Raw materials	25,616	(25,616)	-
Finished goods	2	(2)	-
	<u>\$ 53,889</u>	<u>(\$ 25,715)</u>	<u>\$ 28,174</u>
<u>December 31, 2024</u>			
	<u>Cost</u>	<u>Allowance for devaluation loss</u>	<u>Carrying value</u>
Goods	\$ 53,122	(\$ 159)	\$ 52,963
Raw materials	25,803	(25,799)	4
Finished goods	2	(2)	-
	<u>\$ 78,927</u>	<u>(\$ 25,960)</u>	<u>\$ 52,967</u>
<u>June 30, 2024</u>			
	<u>Cost</u>	<u>Allowance for devaluation loss</u>	<u>Carrying value</u>
Goods	\$ 67,768	(\$ 35)	\$ 67,733
Raw materials	25,909	(23,562)	2,347
Finished goods	2	(2)	-
	<u>\$ 93,679</u>	<u>(\$ 23,599)</u>	<u>\$ 70,080</u>

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

	<u>April 1 to June 30, 2025</u>	<u>April 1 to June 30, 2024</u>
Cost of sold inventory	\$ 43,124	\$ 39,558
Gain on reversal	(71)	(308)
	<u>\$ 43,053</u>	<u>\$ 39,250</u>

	<u>January 1 to June 30, 2025</u>	<u>January 1 to June 30, 2024</u>
Cost of sold inventory	\$ 70,973	\$ 75,425
Gain on reversal	(245)	(305)
	<u>\$ 70,728</u>	<u>\$ 75,120</u>

During the three months and six months ended September 30, 2025 and 2024, the Company sold the inventories for which an allowance for devaluation losses was recognized, resulting in a recovery of the net realizable value of the inventories, which was recognized as a decrease in the cost of goods sold.

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

<u>Item</u>	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
Current items:			
Financial assets measured at fair value through profit or loss on a mandatory basis			
Beneficiary certificates	\$ 55,000	\$ 55,000	\$ 45,000
Valuation adjustments	<u>1,081</u>	<u>666</u>	<u>776</u>
	<u>\$ 56,081</u>	<u>\$ 55,666</u>	<u>\$ 45,776</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	\$ 8,500
Limited partnership	9,750	9,750	9,750
Valuation adjustments	<u>80</u>	<u>(1,350)</u>	<u>(3,518)</u>
	<u>\$ 18,330</u>	<u>\$ 16,900</u>	<u>\$ 14,732</u>

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

	<u>April 1 to June 30, 2025</u>	<u>April 1 to June 30, 2024</u>
Financial assets measured at fair value through profit or loss on a mandatory basis		
Equity instruments	\$ 1,574	(\$ 731)
Limited partnership	<u>467</u>	<u>(106)</u>
Beneficiary certificates	<u>205</u>	<u>152</u>
	<u>\$ 2,246</u>	<u>(\$ 685)</u>
	<u>January 1 to June 30, 2025</u>	<u>January 1 to June 30, 2024</u>
Financial assets measured at fair value through profit or loss on a mandatory basis		
Equity instruments	\$ 1,420	\$ 590
Limited partnership	<u>10</u>	<u>89</u>
Beneficiary certificates	<u>415</u>	<u>297</u>
	<u>\$ 1,845</u>	<u>\$ 976</u>

- B. The Company did not pledge the financial assets measured at fair value through profit or loss as collateral.
- C. Please refer to Note 12 (2) for information on the credit risk of the financial assets measured at fair value through profit or loss.
- (6) Financial assets measured at fair value through other comprehensive income (as of June 30, 2024: None)

<u>Item</u>	<u>June 30, 2025</u>	<u>December 31, 2024</u>
Non-current items:		
Equity instruments		
Non-listed, non-OTC, non-emerging stocks	\$ 39,647	\$ 39,647
Valuation adjustments	<u>(18,722)</u>	<u>(7,709)</u>
	<u>\$ 20,925</u>	<u>\$ 31,938</u>

- A. 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 June 30, 2025 and December 31, 2024 was NT\$20,925 and NT\$31,938, respectively.

- B. Details on financial assets measured at fair value through other comprehensive income recognized as other comprehensive income are as follows:

April 1 to June 30, 2025

Equity instrument measured at fair
value through other comprehensive
income

Changes in fair value recognized as
other comprehensive income

(\$ 6,608)

January 1 to June 30, 2025

Equity instrument measured at fair
value through other comprehensive
income

Changes in fair value recognized as
other comprehensive income

(\$ 11,013)

- C. Without considering other credit enhancements, the amount that can best represent the maximum amount of the Group's financial assets measured at fair value through other comprehensive income exposed to credit risk as of June 30, 2025 and December 31, 2024 was NT\$20,925 and NT\$31,938, respectively.
- D. The Company did not pledge the financial assets measured at fair value through other comprehensive income as collateral.
- E. Please refer to Note 12 (2) for information on the credit risk of the financial assets measured at fair value through other comprehensive income.
- (7) Investments accounted for using the equity method

	<u>2025</u>		<u>2024</u>	
January 1	\$	56,397	\$	95,915
Share of gains or losses from investments accounted for using the equity method	(1,237)	(337)
Changes in other equity	(<u>7</u>)	(<u>146</u>)
June 30	<u>\$</u>	<u>55,153</u>	<u>\$</u>	<u>95,432</u>

A. Associate

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

<u>Company name</u>	<u>Principal place of business</u>	<u>Shareholding percentage</u>			<u>Nature of relationship</u>	<u>Measurement method</u>
		<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>		
Cornucopia Innovation Corporation	Taiwan	13.22%	13.22%	13.22%	Sibling company	Equity method
AggrEnergy Inc.	Taiwan	-	-	16.46%	-	Equity method
Ju Xin Energy Inc.	Taiwan	4.80%	5.00%	5.00%	-	Equity method

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

Balance Sheet

	<u>June 30, 2025</u>	
	<u>Cornucopia Innovation</u>	<u>Ju Xin Energy</u>
Current assets	\$ 125,305	\$ 29
Non-current assets	3,414	740,834
Current liabilities	(15,900)	(1,068)
Non-current liabilities	(371)	-
Total net assets	<u>\$ 112,448</u>	<u>\$ 739,795</u>
Share in the net assets of the associate	\$ 14,866	\$ 35,510
Goodwill	<u>4,775</u>	<u>2</u>
Carrying value of the associate	<u>\$ 19,641</u>	<u>\$ 35,512</u>
	<u>December 31, 2024</u>	
	<u>Cornucopia Innovation</u>	<u>Ju Xin Energy</u>
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>\$ 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>\$ 36,179</u>

	<u>June 30, 2024</u>		
	<u>Cornucopia Innovation</u>	<u>AggrEnergy</u>	<u>Ju Xin Energy</u>
Current assets	\$ 131,063	\$ 172,367	\$ 91
Non-current assets	5,161	156,570	728,806
Current liabilities	(15,160)	(126,500)	(882)
Non-current liabilities	(1,065)	(27,407)	-
Total net assets	<u>\$ 119,999</u>	<u>\$ 175,030</u>	<u>\$ 728,015</u>
Share in the net assets of the associate	\$ 15,864	\$ 29,056	\$ 36,401
Goodwill	<u>4,775</u>	<u>9,334</u>	<u>2</u>
Carrying value of the associate	<u>\$ 20,639</u>	<u>\$ 38,390</u>	<u>\$ 36,403</u>

Statement of Comprehensive Income

	<u>April 1 to June 30, 2025</u>	
	<u>Cornucopia Innovation</u>	<u>Ju Xin Energy</u>
Income	\$ 22,194	\$ -
Net profit (loss) from continuing operations in the current period	(\$ 3,769)	(\$ 7,318)
Total comprehensive income in the current period	<u>(\$ 3,769)</u>	<u>(\$ 7,318)</u>

	<u>April 1 to June 30, 2024</u>		
	<u>Cornucopia Innovation</u>	<u>AggrEnergy</u>	<u>Ju Xin Energy</u>
Income	\$ 7,616	\$ 77,463	\$ -
Net profit (loss) from continuing operations in the current period	(\$ 2,454)	\$ 26,930	(\$ 19,236)
Total comprehensive income in the current period	<u>(\$ 2,454)</u>	<u>\$ 26,930</u>	<u>(\$ 19,236)</u>

	<u>January 1 to June 30, 2025</u>	
	<u>Cornucopia Innovation</u>	<u>Ju Xin Energy</u>
Income	\$ 38,827	\$ -
Net profit (loss) from continuing operations in the current period	(\$ 4,362)	(\$ 13,746)
Total comprehensive income in the current period	(\$ 4,362)	(\$ 13,746)

	<u>January 1 to June 30, 2024</u>		
	<u>Cornucopia Innovation</u>	<u>AggrEnergy</u>	<u>Ju Xin Energy</u>
Income	\$ 18,104	\$ 82,746	\$ -
Net profit (loss) from continuing operations in the current period	(\$ 5,742)	\$ 12,837	(\$ 24,454)
Total comprehensive income in the current period	(\$ 5,742)	\$ 12,837	(\$ 24,454)

- B. The Company recognized (\$849), NT\$3,393, (\$1,237), and (\$337) as its share of gains (losses) on investments accounted for using the equity method for the three months and six months ended June 30, 2025 and 2024, respectively. These figures were derived from valuations based on the investee companies' financial statements for the same periods, which were not reviewed by the CPA.
- C. In March 2025, Ju Xin Energy Inc. arranged a cash capital increase. As the Company did not participate in such cash capital increase, the Company's shareholding dropped from 5% to 4.8%. According to accounting standards, the Company adjusted the retained earnings by NT\$7. The Company had significant influence over the company for serving as one of its directors.
- D. In May 2024, AggrEnergy Inc. offered employee stock options, resulting in a decrease in the Company's shareholding rate from 18.21% to 16.46%. According to accounting standards, the Company adjusted the retained earnings by NT\$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. Consequently, the Company transferred its investment in AggrEnergy Inc., amounting to NT\$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 NT\$1,257 for 2024.

(8) Property, plant and equipment

	<u>2025</u> <u>Leasehold</u> <u>improvements</u>	<u>Office and other</u> <u>equipment</u>	<u>Total</u>
January 1			
Cost	\$ 5,167	\$ 1,131	\$ 6,298
Accumulated depreciation	(5,005)	(1,016)	(6,021)
	<u>\$ 162</u>	<u>\$ 115</u>	<u>\$ 277</u>
January 1	\$ 162	\$ 115	\$ 277
Depreciation expense	(44)	(23)	(67)
June 30	<u>\$ 118</u>	<u>\$ 92</u>	<u>\$ 210</u>
June 30			
Cost	\$ 5,167	\$ 1,131	\$ 6,298
Accumulated depreciation	(5,049)	(1,039)	(6,088)
	<u>\$ 118</u>	<u>\$ 92</u>	<u>\$ 210</u>

	<u>2024</u> <u>Leasehold</u> <u>improvements</u>	<u>Office and other</u> <u>equipment</u>	<u>Total</u>
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
New	-	138	138
Depreciation expense	(44)	-	(44)
June 30	<u>\$ 206</u>	<u>\$ 138</u>	<u>\$ 344</u>
June 30			
Cost	\$ 5,167	\$ 1,131	\$ 6,298
Accumulated depreciation	(4,961)	(993)	(5,954)
	<u>\$ 206</u>	<u>\$ 138</u>	<u>\$ 344</u>

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

(9) Lease transactions – lessee

- A. 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 lessor's agreement, the leased assets are subject to no other limitations.
- B. The low-value assets leased by the Company are photocopiers.
- C. Changes in the Company's right-of-use assets during January 1 to June 30, 2025 and 2024 are as follows:

	<u>2025</u>			
	<u>Premises and</u>	<u>Transportation</u>		
	<u>buildings</u>	<u>equipment</u>	<u>Total</u>	
January 1	\$ 2,291	\$ 271	\$	2,562
Depreciation expense	(1,127)	(90)	(1,217)
June 30	<u>\$ 1,164</u>	<u>\$ 181</u>	<u>\$</u>	<u>1,345</u>

	<u>2024</u>			
	<u>Premises and</u>	<u>Transportation</u>		
	<u>buildings</u>	<u>equipment</u>	<u>Total</u>	
January 1	\$ 4,545	\$ 451	\$	4,996
Depreciation expense	(1,127)	(90)	(1,217)
June 30	<u>\$ 3,418</u>	<u>\$ 361</u>	<u>\$</u>	<u>3,779</u>

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

	<u>April 1 to June 30, 2025</u>	<u>April 1 to June 30, 2024</u>
<u>Items that affect profit or loss in the current period</u>		
Interest expense on lease liabilities	\$ 7	\$ 18
Low-value asset lease expense	3	3

	<u>January 1 to June 30, 2025</u>	<u>January 1 to June 30, 2024</u>
<u>Items that affect profit or loss in the current period</u>		
Interest expense on lease liabilities	\$ 17	\$ 40
Low-value asset lease expense	6	6

- E. The total cash outflow for leases of the Company for the six months ended June 30, 2025 and 2024 was NT\$1,256 and NT\$1,255, respectively.

(10) Lease transactions – lessor

- A. The Company's assets leased out are lands, 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.
- B. The Company recognized NT\$14, NT\$14, NT\$28, and NT\$28, respectively, as rental income pursuant to operating leases for the three months ended June 30, 2025 and 2024, and for the six months ended June 30, 2025 and 2024. There were no variable lease payments included.
- C. A maturity analysis of lease payments under the Company's operating leases is as follows:

	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
2024	\$ -	\$ -	\$ 29
2025	29	59	59
2026	59	59	59
	<u>\$ 88</u>	<u>\$ 118</u>	<u>\$ 147</u>

(11) Investment property

	<u>2025</u>	<u>2024</u>
	<u>Land</u>	<u>Land</u>
January 1 (i.e. June 30)		
Cost	\$ 38,183	\$ 38,183
Accumulated impairment	(17,590)	(17,590)
	<u>\$ 20,593</u>	<u>\$ 20,593</u>

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

	<u>April 1 to June 30, 2025</u>	<u>April 1 to June 30, 2024</u>
Rental income on investment property	<u>\$ 14</u>	<u>\$ 14</u>
	<u>January 1 to June 30, 2025</u>	<u>January 1 to June 30, 2024</u>
Rental income on investment property	<u>\$ 28</u>	<u>\$ 28</u>

B. The investment property held by the Company is recognized at acquisition cost, and the fair value thereof on June 30, 2025, December 31, 2024 and June 30, 2024 was NT\$21,481, NT\$21,481 and NT\$20,948, respectively. Due to the lack of information on transactions in the neighborhood, the calculation is based on the present value of land announced by the government on a yearly basis.

C. The Company did not provide investment property as collateral.

(12) Other non-current assets

	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
Receivables on demand	\$ 155,048	\$ 155,048	\$ 155,048
Less: Loss allowance	(155,048)	(155,048)	(155,048)
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(13) Pension

A. Defined benefit plan

- (A) 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.
- (B) The pension cost recognized by the Company in accordance with the aforesaid pension plan for the three months ended June 30, 2025 and 2024, and the six months ended June 30, 2025 and 2024, was NT\$0, NT\$9, NT\$6, and NT\$19, respectively.
- (C) As of June 30, 2025, the Company had already paid NT\$9 to the pension plan, and applied to the competent authority for a temporary suspension of contribution on July 14, 2025.

B. Defined contribution plan

- (A) 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 salaries of the employees who choose to opt into 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 as a lump sum to employees based on the balance in their personal pension accounts and the accumulated gains.
- (B) The pension cost recognized by the Company in accordance with the aforesaid pension plan for the three months and six months ended June 30, 2025 and 2024 was NT\$122, NT\$131, NT\$239, and NT\$306, respectively.

(14) Common share capital

As of June 30, 2025, December 31, 2024, and June 30, 2024, the Company’s authorized capital was NT\$1,800,000 and the paid-in capital was NT\$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.

(15) Retained earnings

- A. According to the Articles of Incorporation, the Company may distribute earnings or offset losses after the end of each half of the fiscal year. Where the Company has earnings at the year-end closing for the first half of a fiscal year or for a fiscal year, 10% of those earnings 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 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 over from prior years as distributable earnings. The Board of Directors shall subsequently draw up a distribution proposal and submit it to a shareholders’ meeting for a resolution on the distribution of the earnings. The Board of Directors is authorized to adopt a resolution to distribute the above-mentioned earnings, legal reserve, and capital reserve in cash at a meeting attended by more than two-thirds of directors with the consent of a majority of all attending directors, and the distribution shall be reported at a shareholders’ meeting. The distribution of earnings, legal reserve, and capital reserve by issuing new shares is subject to a resolution adopted at a shareholders’ meeting according to the preceding paragraph.
- B. The legal reserve shall not be used unless it is used to offset the Company’s losses and distributed to shareholders in new shares or cash in proportion to the shares initially held thereby. The legal reserve shall not be distributed in new shares or cash unless the portion distributed exceeds 25% of the paid-in capital.
- C. The Company may distribute earnings only after recognizing special reserves based on the debit balance of equity items on the balance sheet in the current year as required by law. When the debit balance of the equity items is subsequently reversed, the reversed amount may be included as distributable earnings.

- D. The Company's 2024 and 2023 earning distribution proposals approved by the shareholders' meetings on June 13, 2025 and June 13, 2024 are as follows:

	<u>2024</u>	<u>Dividend per</u>	<u>2023</u>	<u>Dividend per</u>
	<u>Amount</u>	<u>share (NT\$)</u>	<u>Amount</u>	<u>share (NT\$)</u>
Set aside as legal reserve	\$ 2,985		\$ 2,924	
Set aside as special reserve	7,709		-	
Cash dividends	20,688	\$ 1.0	20,688	\$ 1.0

- E. The Board of Directors resolved on August 6, 2025, not to distribute earnings in the first half of 2025.

For the earnings distribution approved by the Board of Directors and resolved at the shareholders' meeting, please visit the Market Observation Post System.

(16) Operating income

- A. 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:

	<u>April 1 to June 30, 2025</u>	<u>April 1 to June 30, 2024</u>
Income from contracts with external customers		
Energy products	\$ 46,893	\$ 42,246
Electronic products	9,162	8,325
	<u>\$ 56,055</u>	<u>\$ 50,571</u>
	<u>January 1 to June 30, 2025</u>	<u>January 1 to June 30, 2024</u>
Income from contracts with external customers		
Energy products	\$ 75,987	\$ 80,703
Electronic products	16,529	16,412
	<u>\$ 92,516</u>	<u>\$ 97,115</u>

- B. Contractual liabilities

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

	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>	<u>January 1, 2024</u>
Product sales contracts	<u>\$ 5,764</u>	<u>\$ 9,255</u>	<u>\$ 5,915</u>	<u>\$ 4,796</u>

(A) Material changes in contractual liabilities

The changes in the Company's contractual liabilities from January 1 to December 31, 2024, were due to the difference in the timing of advance sale receipts and the Company's fulfillment of obligations as a result of changes in the demand for solar module installation and customer demand for early material preparation for electronic products.

(B) The amounts of contract liabilities recognized as revenue for the three months and six months ended June 30, 2025 and 2024 were NT\$2,321, NT\$3,475, NT\$7,291, and NT\$3,801, respectively.

(17) Interest income

	<u>April 1 to June 30, 2025</u>	<u>April 1 to June 30, 2024</u>
Bank deposit interest	\$ 693	\$ 562
Interest income from bond repurchases	-	44
Interest income from financial assets measured at amortized cost	134	200
	<u>\$ 827</u>	<u>\$ 806</u>
	<u>January 1 to June 30, 2025</u>	<u>January 1 to June 30, 2024</u>
Bank deposit interest	\$ 993	\$ 1,119
Interest income from bond repurchases	-	44
Interest income from financial assets measured at amortized cost	531	457
	<u>\$ 1,524</u>	<u>\$ 1,620</u>

(18) Other income

	<u>April 1 to June 30, 2025</u>	<u>April 1 to June 30, 2024</u>
Rental income	\$ 14	\$ 14
Others	56	302
	<u>\$ 70</u>	<u>\$ 316</u>
	<u>January 1 to June 30, 2025</u>	<u>January 1 to June 30, 2024</u>
Rental income	\$ 28	\$ 28
Others	77	384
	<u>\$ 105</u>	<u>\$ 412</u>

(19) Other gains and losses

	<u>April 1 to June 30, 2025</u>	<u>April 1 to June 30, 2024</u>
Gain (loss) from foreign currency exchange	(\$ 3,201)	\$ 396
Gain (loss) from financial assets measured at fair value through profit or loss	2,246	(685)
Others	(15)	-
	<u>(\$ 970)</u>	<u>(\$ 289)</u>
	<u>January 1 to June 30, 2025</u>	<u>January 1 to June 30, 2024</u>
Gain (loss) from foreign currency exchange	(\$ 2,531)	\$ 2,398
Gain from financial assets measured at fair value through profit or loss	1,845	976
Others	(487)	-
	<u>(\$ 1,173)</u>	<u>\$ 3,374</u>

(20) Additional information on the nature of expenses

	<u>April 1 to June 30, 2025</u>	<u>April 1 to June 30, 2024</u>
Employee benefit expenses	\$ 3,558	\$ 4,226
Depreciation expense of right-of-use assets	609	609
Depreciation expense of property, plant and equipment	33	22
Service expense	671	589
	<u>\$ 4,871</u>	<u>\$ 5,446</u>
	<u>January 1 to June 30, 2025</u>	<u>January 1 to June 30, 2024</u>
Employee benefit expenses	\$ 7,184	\$ 9,749
Depreciation expense of right-of-use assets	1,217	1,217
Depreciation expense of property, plant and equipment	67	44
Service expense	1,303	1,213
	<u>\$ 9,771</u>	<u>\$ 12,223</u>

(21) Employee benefit expenses

	<u>April 1 to June 30, 2025</u>	<u>April 1 to June 30, 2024</u>
Salary expense	\$ 2,753	\$ 2,965
Labor and health insurance expenses	260	277
Pension expense	122	140
Remuneration to directors	255	358
Other employment expenses	168	486
	<u>\$ 3,558</u>	<u>\$ 4,226</u>
	<u>January 1 to June 30, 2025</u>	<u>January 1 to June 30, 2024</u>
Salary expense	\$ 5,704	\$ 6,982
Labor and health insurance expenses	523	685
Pension expense	245	325
Remuneration to directors	410	552
Other employment expenses	302	1,205
	<u>\$ 7,184</u>	<u>\$ 9,749</u>

- A. According to the Articles of Incorporation, the Company shall subtract any accumulated losses from earnings in the year. A minimum amount of 1% of the remaining (if any) shall be appropriated as remuneration to employees and a maximum amount of 2% shall be appropriated as remuneration to directors and supervisors. In the remuneration to employees described in the preceding paragraph, no less than 10% shall be distributed to entry-level employees.
- B. For the three months and six months ended June 30, 2025, and 2024, the Company's estimated remuneration for employees was NT\$65, NT\$96, NT\$100, and NT\$156, respectively, while the estimated remuneration for directors was NT\$130, NT\$192, NT\$200, and NT\$312, respectively. The above amounts were stated as salary expenses.

The remuneration for the six months ended June 30, 2025 was estimated based on the earnings in the period in accordance with the Articles of Incorporation.

There is consistency between the amounts of remuneration to employees and to directors for 2024 resolved by the Board of Directors, which were NT\$294 and NT\$587, and the amounts recognized in the financial statements for 2024. The aforesaid remuneration to employees and to directors are to be paid in cash. As of August 6, 2025, the remuneration has not been paid.

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

(22) Income tax

A. Components of income tax expense:

	<u>April 1 to June 30, 2025</u>	<u>April 1 to June 30, 2024</u>
Income tax in the current period:		
Additional tax on unappropriated earnings	<u>\$ -</u>	<u>\$ 281</u>

	<u>January 1 to June 30, 2025</u>	<u>January 1 to June 30, 2024</u>
Income tax in the current period:		
Additional tax on unappropriated earnings	<u>\$ -</u>	<u>\$ 281</u>

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

(23) Earnings per share

<u>April 1 to June 30, 2025</u>			
	<u>Amount after</u>	<u>Weighted average</u>	<u>Earnings per share</u>
	<u>tax</u>	<u>outstanding shares</u>	<u>(NT\$)</u>
		<u>(thousand shares)</u>	
<u>Basic earnings per share</u>			
Net profit attributable to the common shareholders in the current period	\$ 6,315	20,688	\$ 0.31
<u>Diluted earnings per share</u>			
Net profit attributable to the common shareholders in the current period	\$ 6,315	20,688	
Effect of dilutive potential common shares			
- Remuneration to employees	-	-	
Net profit attributable to the common shareholders in the current period	\$ 6,315	20,688	\$ 0.31
<u>April 1 to June 30, 2024</u>			
	<u>Amount after</u>	<u>Weighted average</u>	<u>Earnings per share</u>
	<u>tax</u>	<u>outstanding shares</u>	<u>(NT\$)</u>
		<u>(thousand shares)</u>	
<u>Basic and diluted earnings per share</u>			
Net profit attributable to the common shareholders in the current period	\$ 9,022	20,688	\$ 0.44
<u>Diluted earnings per share</u>			
Net profit attributable to the common shareholders in the current period	\$ 9,022	20,688	
Effect of dilutive potential common shares			
- Remuneration to employees	-	-	
Net profit attributable to the common shareholders in the current period	\$ 9,022	20,688	\$ 0.44
<u>January 1 to June 30, 2025</u>			
	<u>Amount after</u>	<u>Weighted average</u>	<u>Earnings per share</u>
	<u>tax</u>	<u>outstanding shares</u>	<u>(NT\$)</u>
		<u>(thousand shares)</u>	
<u>Basic earnings per share</u>			
Net profit attributable to the common shareholders in the current period	\$ 9,713	20,688	\$ 0.47
<u>Diluted earnings per share</u>			
Net profit attributable to the common shareholders in the current period	\$ 9,713	20,688	
Effect of dilutive potential common shares			
- Remuneration to employees	-	2	
Net profit attributable to the common shareholders in the current period	\$ 9,713	20,690	\$ 0.47

<u>January 1 to June 30, 2024</u>			
	<u>Amount after</u>	<u>Weighted average</u>	<u>Earnings per share</u>
	<u>tax</u>	<u>outstanding shares</u>	<u>(NT\$)</u>
		<u>(thousand shares)</u>	
<u>Basic earnings per share</u>			
Net profit attributable to the common shareholders in the current period	\$ 14,852	20,688	\$ 0.72
<u>Diluted earnings per share</u>			
Net profit attributable to the common shareholders in the current period	\$ 14,852	20,688	
Effect of dilutive potential common shares			
- Remuneration to employees	-	1	
Net profit attributable to the common shareholders in the current period	\$ 14,852	20,689	\$ 0.72

(24) Supplementary information on cash flows

Financing activities not affecting cash flows:

	<u>January 1 to June 30, 2025</u>	<u>January 1 to June 30, 2024</u>
Cash dividends declared but not yet distributed	\$ 20,688	\$ 20,688

(25) Changes in liabilities from financing activities

<u>2025</u>			
	<u>Lease liabilities</u>	<u>Dividends payable</u>	<u>Total liabilities from financing activities</u>
January 1	\$ 2,455	\$ -	\$ 2,455
Changes in cash flows from financing activities	(1,233)	-	(1,233)
Interest expenses paid (Note)	(17)	-	(17)
Other non-cash changes	17	20,688	20,705
June 30	\$ 1,222	\$ 20,688	\$ 21,910

<u>2024</u>			
	<u>Lease liabilities</u>	<u>Dividends payable</u>	<u>Total liabilities from financing activities</u>
January 1	\$ 4,885	\$ -	\$ 4,885
Changes in cash flows from financing activities	(1,209)	-	(1,209)
Interest expenses paid (Note)	(40)	-	(40)
Other non-cash changes	40	20,688	20,728
June 30	\$ 3,676	\$ 20,688	\$ 24,364

Note: Stated as cash flows from operating activities

7. Related party transactions

(1) 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 are both SOLOMON Technology Corporation.

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

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

(3) Significant transactions with the related parties

A. Purchase of goods and services

	<u>April 1 to June 30, 2025</u>	<u>April 1 to June 30, 2024</u>
Purchase of goods:		
Solomon Goldentek Display Corp.	\$ 6,278	\$ 3,283
Management fee (stated as "operating expenses"):		
SOLOMON Technology Corporation	300	525
	<u>\$ 6,578</u>	<u>\$ 3,808</u>
	<u>January 1 to June 30, 2025</u>	<u>January 1 to June 30, 2024</u>
Purchase of goods:		
Solomon Goldentek Display Corp.	\$ 10,151	\$ 4,445
Management fee (stated as "operating expenses"):		
SOLOMON Technology Corporation	600	1,050
	<u>\$ 10,751</u>	<u>\$ 5,495</u>

- (A) In the six months ended June 30, 2025 and 2024, the Company sold raw materials to Solomon Goldentek Display Corp. for goods production and subsequently purchased the goods from the same company to sell to its 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. The purchase of the above goods is based on the price agreed between both parties. The payment terms are O/A 30 days.
- (B) 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.

B. Payables

	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
Accounts payable:			
Solomon Goldentek Display Corp.	<u>\$ 5,850</u>	<u>\$ 4,912</u>	<u>\$ 6,615</u>
Other payables:			
SOLOMON Technology Corporation	<u>\$ 448</u>	<u>\$ 599</u>	<u>\$ 595</u>

C. Other income

	<u>April 1 to June 30, 2025</u>	<u>April 1 to June 30, 2024</u>
SOLOMON Technology Corporation	\$ -	\$ 129
Solomon Goldentek Display Corp.	<u>23</u>	<u>41</u>
	<u>\$ 23</u>	<u>\$ 170</u>
	<u>January 1 to June 30, 2025</u>	<u>January 1 to June 30, 2024</u>
SOLOMON Technology Corporation	\$ -	\$ 210
Solomon Goldentek Display Corp.	<u>23</u>	<u>41</u>
	<u>\$ 23</u>	<u>\$ 251</u>

D. Payments receivable from related party

	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
Accounts receivable:			
Solomon Goldentek Display Corp.	\$ 58	\$ 180	\$ 1,780
Other receivables:			
Solomon Goldentek Display Corp.	-	-	40
	<u>\$ 58</u>	<u>\$ 180</u>	<u>\$ 1,820</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.

E. Lease transactions – lessee

- (A) 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.

(B) Lease liabilities

(a) Closing balance:

	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
SOLOMON Technology Corporation	<u>\$ 1,039</u>	<u>\$ 2,181</u>	<u>\$ 3,312</u>

(b) Interest expense:

	<u>April 1 to June 30, 2025</u>	<u>April 1 to June 30, 2024</u>
SOLOMON Technology Corporation	<u>\$ 6</u>	<u>\$ 16</u>

	<u>January 1 to June 30, 2025</u>	<u>January 1 to June 30, 2024</u>
SOLOMON Technology Corporation	<u>\$ 15</u>	<u>\$ 36</u>

(4) Information on remuneration to key management

	<u>April 1 to June 30, 2025</u>	<u>April 1 to June 30, 2024</u>
Short-term employee benefits	\$ 1,028	\$ 928
Post-employment benefits	20	4
	<u>\$ 1,048</u>	<u>\$ 932</u>
	<u>January 1 to June 30, 2025</u>	<u>January 1 to June 30, 2024</u>
Short-term employee benefits	\$ 2,044	\$ 1,670
Post-employment benefits	38	4
	<u>\$ 2,082</u>	<u>\$ 1,674</u>

8. Pledged assets

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

	<u>Carrying value</u>			<u>Purpose of collateral</u>
<u>Details on assets</u>	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>	
Financial assets measured at amortized cost	\$ 561	\$ 561	\$ 552	Customs import security
Deposits paid	2	2	-	Performance bond
	<u>\$ 563</u>	<u>\$ 563</u>	<u>\$ 552</u>	

9. Material contingent liabilities and unrecognized contractual commitments

None.

10. Material losses from disasters

None.

11. Material subsequent events

None.

12. Others

(1) Capital management

- A. 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 shareholders, return capital to shareholders, issue new shares or sell assets to reduce debts.

B. The Company's strategies for 2025 were the same as those for 2024, and the Company did not have loans from banks or non-financial institutions. The debt ratios as of June 30, 2025, December 31, 2024 and June 30, 2024 were 11%, 8% and 14%, respectively, which were considered fair.

(2) Financial instruments

A. Types of financial instruments

	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</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>\$ 74,411</u>	<u>\$ 72,566</u>	<u>\$ 60,508</u>
Financial assets measured at fair value through other comprehensive income			
Investments in designated equity instruments	<u>\$ 20,925</u>	<u>\$ 31,938</u>	<u>\$ -</u>
Financial assets measured at amortized cost			
Cash and cash equivalents	\$ 178,331	\$ 59,304	\$ 108,805
Financial assets measured at amortized cost	3,115	108,080	58,071
Notes receivable	2,401	2,023	4,879
Accounts receivable (including those from related parties)	23,376	12,153	17,983
Other receivables	234	266	428
Deposits paid	<u>2</u>	<u>2</u>	<u>2</u>
	<u>\$ 207,459</u>	<u>\$ 181,828</u>	<u>\$ 190,168</u>
<u>Financial liabilities</u>			
Financial liabilities measured at amortized cost			
Accounts payable (including those to related parties)	\$ 12,918	\$ 18,876	\$ 27,199
Other payables	<u>26,402</u>	<u>5,042</u>	<u>27,159</u>
	<u>\$ 39,320</u>	<u>\$ 23,918</u>	<u>\$ 54,358</u>
Lease liabilities	<u>\$ 1,222</u>	<u>\$ 2,455</u>	<u>\$ 3,676</u>

B. Risk management policy

- (A) 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.
- (B) 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.

C. Nature and level of material financial risks

(A) Market risk

Exchange rate risk

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

<u>June 30, 2025</u>			
	<u>Foreign currency (thousand dollars)</u>	<u>Exchange rate</u>	<u>Carrying amount</u>
(Foreign currency: functional currency)			
Financial assets			
<u>Monetary items</u>			
USD : NTD	\$ 990	29.30	\$ 29,007
Financial liabilities			
<u>Monetary items</u>			
USD : NTD	197	29.30	5,772
<u>December 31, 2024</u>			
	<u>Foreign currency (thousand dollars)</u>	<u>Exchange rate</u>	<u>Carrying amount</u>
(Foreign currency: functional currency)			
Financial assets			
<u>Monetary items</u>			
USD : NTD	\$ 899	32.79	\$ 29,478
Financial liabilities			
<u>Monetary items</u>			
USD : NTD	286	32.79	9,378
<u>June 30, 2024</u>			
	<u>Foreign currency (thousand dollars)</u>	<u>Exchange rate</u>	<u>Carrying amount</u>
(Foreign currency: functional currency)			
Financial assets			
<u>Monetary items</u>			
USD : NTD	\$ 1,095	32.45	\$ 35,533
Financial liabilities			
<u>Monetary items</u>			
USD : NTD	346	32.45	11,228

- (b) As exchange rate volatility has significant effect, all exchange gains or losses (both realized and unrealized) recognized with respect to the monetary items of the Company for the three months and six months ended June 30, 2025 and 2024 were NT\$(3,201), NT\$396, NT\$(2,531), and NT\$2,398, respectively.
- (c) The Company's exchange rate risk was mainly affected by 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 for the six months ended June 30, 2025 and 2024 decreased or increased by NT\$232 and NT\$243, respectively.

Price risk

- (a) 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. To manage the price risk from investments in equity instruments, the Company diversifies its portfolio based on the limit set by it.
- (b) The Company mainly invests in equity instruments issued by domestic companies and open-end funds. The price of such equity instruments is affected due to the uncertainty of their future value. When the price of the equity instruments rose or dropped by 1% and all other factors remained the same, the net profit after tax increased or decreased by NT\$744 and NT\$605 for the six months ended June 30, 2025, and 2024, respectively, due to the gains or losses from equity instruments measured at fair value through profit or loss. Additionally, other comprehensive income increased or decreased by NT\$209 and NT\$0, as it was classified as gains or losses from equity instruments measured at fair value through other comprehensive income.

(B) Credit risk

- (a) The Company's credit risk is the risk that a customer or a 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 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 June 30, 2025, December 31, 2024 and June 30, 2024, respectively, is as follows:

	<u>Not overdue</u>	<u>1–90 days overdue</u>	<u>More than 90 days overdue</u>	<u>Total</u>
<u>June 30, 2025</u>				
Expected loss rate 0.03%		-	100%	
Total carrying value	\$ 23,667	\$ -	\$ -	\$ 23,667
Loss allowance	\$ 291	\$ -	\$ -	\$ 291

	<u>Not overdue</u>	<u>1–90 days overdue</u>	<u>More than 90 days overdue</u>	<u>Total</u>
<u>December 31, 2024</u>				
Expected loss rate 0.03%		-	100%	
Total carrying value	\$ 12,644	\$ -	\$ -	\$ 12,644
Loss allowance	\$ 491	\$ -	\$ -	\$ 491

	<u>Not overdue</u>	<u>1–90 days overdue</u>	<u>More than 90 days overdue</u>	<u>Total</u>
<u>June 30, 2024</u>				
Expected loss rate 0.03%		-	100%	
Total carrying value	\$ 17,987	\$ -	\$ -	\$ 17,987
Loss allowance	\$ 4	\$ -	\$ -	\$ 4

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

	<u>2025</u>	<u>2024</u>
January 1	\$ 491	\$ 1,049
Gain from recovery of impairment	(200)	(1,045)
June 30	\$ 291	\$ 4

(C) 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; therefore, 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.

June 30, 2025	<u>Within 1 year</u>	<u>1 to 2 years</u>	<u>Over 2 years</u>
<u>Non-derivative</u>			
<u>financial liabilities:</u>			
Lease liabilities	\$ 1,228	\$ -	\$ -

December 31, 2024	<u>Within 1 year</u>	<u>1 to 2 years</u>	<u>Over 2 years</u>
<u>Non-derivative</u>			
<u>financial liabilities:</u>			
Lease liabilities	\$ 2,385	\$ 93	\$ -

June 30, 2024	<u>Within 1 year</u>	<u>1 to 2 years</u>	<u>Over 2 years</u>
<u>Non-derivative</u>			
<u>financial liabilities:</u>			
Lease liabilities	\$ 2,499	\$ 1,228	\$ -

(3) Fair value information

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

- Level 1: Publicly 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.

- B. Please refer to the description in Note 6 (10) for information on the fair value of investment property measured at cost.

- C. Financial instruments not measured at fair value

The carrying amounts of the 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.

D. 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:

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

<u>June 30, 2025</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets				
<u>Recurring fair value</u>				
Financial assets measured at fair value through profit or loss				
Beneficiary certificates	\$ 56,081	\$ -	\$ -	\$ 56,081
Equity securities	-	-	9,254	9,254
Limited partnership	-	-	9,076	9,076
Financial assets measured at fair value through other comprehensive income				
Equity securities	-	-	20,925	20,925
	<u>\$ 56,081</u>	<u>\$ -</u>	<u>\$ 39,255</u>	<u>\$ 95,336</u>
 <u>December 31, 2024</u>	 <u>Level 1</u>	 <u>Level 2</u>	 <u>Level 3</u>	 <u>Total</u>
Assets				
<u>Recurring fair value</u>				
Financial assets measured at fair value through profit or loss				
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>
 <u>June 30, 2024</u>	 <u>Level 1</u>	 <u>Level 2</u>	 <u>Level 3</u>	 <u>Total</u>
Assets				
<u>Recurring fair value</u>				
Financial assets measured at fair value through profit or loss				
Beneficiary certificates	\$ 45,776	\$ -	\$ -	\$ 45,776
Equity securities	-	-	5,378	5,378
Limited partnership	-	-	9,354	9,354
	<u>\$ 45,776</u>	<u>\$ -</u>	<u>\$ 14,732</u>	<u>\$ 60,508</u>

- (B) The Company's Finance Department is responsible for verifying the independent fair value of financial instruments during the valuation of Level 3 fair values. This process aims to align valuation results with the market situation, based on information from independent sources. Additionally, the department ensures that these information sources are independent, reliable, 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.
- E. 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).
- F. There were no transfers between Level 1 and Level 2 in the six months ended June 30, 2025 and 2024.
- G. Movements in Level 3 equity instruments in the six months ended June 30, 2025 and 2024 are listed in the following table:

	<u>2025</u>		<u>2024</u>	
January 1	\$	48,838	\$	12,178
Reclassified from other non-current assets		-		1,875
Profits or losses recognized as profit or loss		1,430		679
Profits or losses recognized in other comprehensive income				
Unrealized valuation profit or loss of investments in equity instruments measured at fair value through other comprehensive income was recognized	(11,013)		-
June 30	\$	<u>39,255</u>	\$	<u>14,732</u>

- H. There was no transfer-in/transfer-out to/from Level 3 in the six months ended, 2025 and 2024.

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

	<u>Fair value on June</u> <u>30, 2025</u>	<u>Valuation technique</u>	<u>Significant</u> <u>unobservable</u> <u>input</u>	<u>Discount rate</u>	<u>Relationship</u> <u>between the input</u> <u>and the fair value</u>
Non-listed/non-OTC stocks	\$ 30,179	Comparable public company method	PB multiplier, discount for lack of marketability	22.5–25%	The higher the multipliers, the higher the fair value. The higher the discount for lack of marketability, the lower the fair value.
Limited partnership	\$ 9,076	Net asset value method	N/A	N/A	N/A
	<u>Fair value on</u> <u>December 31,</u> <u>2024</u>	<u>Valuation technique</u>	<u>Significant</u> <u>unobservable</u> <u>input</u>	<u>Discount rate</u>	<u>Relationship</u> <u>between the input</u> <u>and the fair value</u>
Non-listed/non-OTC stocks	\$ 39,772	Comparable public company method	PB multiplier, discount for lack of marketability	22.5–25%	The higher the multipliers, the higher the fair value. The higher the discount for lack of marketability, the lower the fair value.
Limited partnership	\$ 9,066	Net asset value method	N/A	N/A	N/A
	<u>Fair value on June</u> <u>30, 2024</u>	<u>Valuation technique</u>	<u>Significant</u> <u>unobservable</u> <u>input</u>	<u>Discount rate</u>	<u>Relationship</u> <u>between the input</u> <u>and the fair value</u>
Non-listed/non-OTC stocks	\$ 5,378	Comparable public company method	PB multiplier, discount for lack of marketability	25%	The higher the multipliers, the higher the fair value. The higher the discount for lack of marketability, the lower the fair value.
Limited partnership	\$ 9,354	Net asset value method	N/A	N/A	N/A

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

		<u>June 30, 2025</u>				
		<u>Recognized as profit or loss</u>			<u>Recognized as other</u>	
		<u>Favorable</u>	<u>Unfavorable</u>	<u>Favorable</u>	<u>Unfavorable</u>	
	<u>Input</u>	<u>Change</u>	<u>change</u>	<u>change</u>	<u>change</u>	<u>e change</u>
Financial assets						
Equity instruments	Liquidity	±5%	<u>\$ 617</u>	<u>\$ 617</u>	<u>\$ 1,333</u>	<u>\$ 1,333</u>

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

		<u>June 30, 2024</u>				
		<u>Recognized as profit or loss</u>		<u>Recognized as other comprehensive income</u>		
		<u>Favorable</u>	<u>Unfavorable</u>	<u>Favorable</u>	<u>Unfavorable</u>	
	<u>Input</u>	<u>Change</u>	<u>change</u>	<u>change</u>	<u>change</u>	
Financial assets						
Equity instruments	Liquidity±5%		<u>\$ 359</u>	<u>\$ 359</u>	<u>\$ -</u>	<u>\$ -</u>

13. Note disclosures

(1) Information of material transactions

- A. Loaning of funds to others: None.
- B. Endorsements/guarantees for others: None.
- C. Securities held at end of period: Please refer to Table 1.
- D. Purchases and sales with related parties amounting to NT\$100 million or more than 20% of the paid-in capital: None.
- E. Accounts receivable from related parties amounting to NT\$100 million or more than 20% of the paid-in capital: None.
- F. Business relationship and important transactions between the parent company and subsidiaries: N/A.

(2) Information of investee companies

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

(3) Information of investments in Mainland China

None.

14. Segment information

(1) General information

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

(The End)

(2) 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>April 1 to June 30, 2025</u>	<u>Energy products</u>	<u>Electronic products</u>	<u>Total</u>
External income	\$ 46,893	\$ 9,162	\$ 56,055
Internal income	-	-	-
Segment income	<u>\$ 46,893</u>	<u>\$ 9,162</u>	<u>\$ 56,055</u>
After-tax segment profit or loss	<u>\$ 4,715</u>	<u>\$ 1,600</u>	<u>\$ 6,315</u>
<u>April 1 to June 30, 2024</u>	<u>Energy products</u>	<u>Electronic products</u>	<u>Total</u>
External income	\$ 42,246	\$ 8,325	\$ 50,571
Internal income	-	-	-
Segment income	<u>\$ 42,246</u>	<u>\$ 8,325</u>	<u>\$ 50,571</u>
After-tax segment profit or loss	<u>\$ 9,206</u>	<u>(\$ 184)</u>	<u>\$ 9,022</u>
<u>January 1 to June 30, 2025</u>	<u>Energy products</u>	<u>Electronic products</u>	<u>Total</u>
External income	\$ 75,987	\$ 16,529	\$ 92,516
Internal income	-	-	-
Segment income	<u>\$ 75,987</u>	<u>\$ 16,529</u>	<u>\$ 92,516</u>
After-tax segment profit or loss	<u>\$ 8,043</u>	<u>\$ 1,670</u>	<u>\$ 9,713</u>
<u>January 1 to June 30, 2024</u>	<u>Energy products</u>	<u>Electronic products</u>	<u>Total</u>
External income	\$ 80,703	\$ 16,412	\$ 97,115
Internal income	-	-	-
Segment income	<u>\$ 80,703</u>	<u>\$ 16,412</u>	<u>\$ 97,115</u>
After-tax segment profit or loss	<u>\$ 14,912</u>	<u>(\$ 60)</u>	<u>\$ 14,852</u>

Solomon Data International Corporation
Securities Held at End of Period (Excluding Equity of Investments in Subsidiaries, Associates and Joint Ventures)
June 30, 2025

Unit: NT\$ Thousand
(Unless otherwise
specified)

Table 1

<u>Holding company</u>	<u>Type and name of securities</u>	<u>Relationship with the securities</u>		<u>Account</u>	<u>Number of shares</u>	<u>End of period</u>		<u>Shareholding percentage</u>	<u>Fair value</u>
		<u>issuer</u>			<u>(thousand)</u>	<u>Carrying amount</u>			
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	\$ 56,081		-	\$ 56,081
Solomon Data International Corporation	Truewin Technology Co., Ltd. (shares)	None		Financial assets measured at fair value through profit or loss – non-current	148	9,254		0.23	9,254
Solomon Data International Corporation	Cerulean Asset Management Venture Capital Limited Partnership	None		Financial assets measured at fair value through profit or loss – non-current	-	6,383		-	6,383
Solomon Data International Corporation	Meng-Lue Venture Capital Limited Partnership	None		Financial assets measured at fair value through profit or loss – non-current	-	2,693		-	2,693
Solomon Data International Corporation	AggrEnergy Inc. (shares)	None		Financial assets measured at fair value through other comprehensive income – non-current	110,132	20,925		16.46	20,925

Note: The securities with a carrying value of NT\$1,000 are listed by the Company in accordance with the principle of materiality.

Solomon Data International Corporation
Information Related to Investee Companies (Excluding Those in Mainland China), Their Place of Registration, etc.
January 1 to June 30, 2025

Unit: NT\$ Thousand
(Unless otherwise specified)

Table 2

<u>Name of investor company</u>	<u>Name of investee company</u>	<u>Place of registration</u>	<u>Principal business</u>	<u>Initial investment amount</u>		<u>Holding percentage at end of period</u>			<u>Profit or loss of investee company in the current period</u>	<u>Investment gain or loss recognized in the current period</u>	<u>Remarks</u>
				<u>End of current period</u>	<u>End of previous year</u>	<u>Number of shares (thousand)</u>	<u>Percentage</u>	<u>Carrying amount</u>			
Solomon Data International Corporation	Cornucopia Innovation Corporation	Taiwan	Manufacturing of machines/equipment and electronic parts and components	\$ 25,300	\$ 25,300	2,300	13.22%	\$ 19,641	(\$ 4,362)	(\$ 577)	
Solomon Data International Corporation	Ju Xin Energy Inc.	Taiwan	Energy technology service	36,000	36,000	3,600	4.80%	35,512	(13,746)	(660)	