CyberTAN Technology Inc. and the subsidiaries
Consolidated Financial Report and Independent Auditors' Review Report
For the Second Quarters of 2025 and 2024
(Stock Code: 3062)

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CyberTAN Technology Inc. and the subsidiaries
Consolidated Financial Statements and Independent Auditors' Review Report for the Second Quarters of 2025 and 2024
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Independent Auditors' Review Report

(2025)-Cai-Shen-Bao-Zi No.25001562

To CyberTAN Technology Inc.:

We have reviewed the consolidated balance sheet of CyberTAN Technology Inc. and its subsidiaries (hereinafter referred to as the "CyberTAN Group") as of June 30, 2025 and 2024; the consolidated statements of comprehensive income for the periods from April 1 to June 30, 2025 and 2024, and from January 1 to June 30, 2025 and 2024; the consolidated statement of changes in equity and consolidated statements of cash flows for the periods from January 1 to June 30, 2025 and 2024; and the notes to the consolidated financial statements (including the summary of the material accounting policies). It is the Company's responsibility to prepare and fairly present the consolidated financial reports per the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission. Our responsibility as accountants is to draw a conclusion on the consolidated financial statements based on the results of our review.

Except as stated in the Basis for Qualified Conclusion paragraph, we conducted the review in accordance with the R.O.C. Review Standard No. 2410 "Reviews of Financial Statements." The procedures performed in reviewing the consolidated financial statements include inquiries (primarily of personnel responsible for financial and accounting affairs), analytical procedures, and other review procedures. The scope of a review is significantly smaller than that of an audit. Therefore, we may not become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

As stated in Notes 4(3) and 6(7) to the consolidated financial statements, the financial statements of some non-material subsidiaries and investees accounted for under the equity method included in the consolidated financial statements above have not been reviewed by accountants. As of June 30, 2025 and 2024, the total assets of these companies (including investments using the equity method) amounted to NTD 59,487 thousand and NTD 73,863 thousand, respectively, representing 1% of the consolidated total assets for both years. The total liabilities amounted to NTD 4,144 thousand and NTD 171 thousand, respectively, representing 0% of the consolidated total liabilities for both years. The total comprehensive income (including the share of profit or loss of associates and other comprehensive income under the equity method) for the periods from April 1 to June 30, 2025 and 2024, as well as from January 1 to June 30, 2025 and 2024, amounted to NTD (7,775) thousand, NTD 4,260 thousand, NTD (8,561) thousand, and NTD 4,014 thousand, respectively, representing 2%, 8%, 10%, and 5% of the consolidated total comprehensive income.

Based on our review, except for the potential adjustments that might be necessary to the consolidated financial statements if the financial statements of certain immaterial subsidiaries and investments accounted for using the equity method, as described in the Basis for Qualified Conclusion paragraph, had been reviewed by accountants, nothing has come to our attention that causes us to believe that the consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the CyberTAN Group as of June 30, 2025 and 2024, and its consolidated financial performance for the periods from April 1 to June 30, 2025 and 2024, and from January 1 to June 30, 2025 and 2024, and its consolidated cash flows for the periods from January 1 to June 30, 2025 and 2024, in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting," as endorsed and made effective by the Financial Supervisory Commission.

PricewaterhouseCoopers Taiwan

PO-CHUAN LIN
CPA
CHIH-HUA HU

FSC Approval Reference No.:
Jin-Guan-Zheng-Shen-Zi No. 1100350706
Jin-Guan-Zheng-Shen-Zi No. 1120348565

August 7, 2025

CyberTAN Technology Inc. and the subsidiaries
Consolidated Balance Sheet
June 30, 2025 and December 31, June 30, 2024

Unit: NTD thousand

	Assets	Notes	June 30, 2025 Amount	%	December 31, 2024 Amount	%	June 30, 2024 Amount	%
	Current assets							
1100	Cash and cash equivalents	6(1)	$ 692,492	11	$ 1,204,915	18	$ 1,268,035	19
1110	Financial assets measured at fair value through profit or loss – current	6(2)	66,459	1	-	-	-	-
1136	Financial assets measured at amortized cost – current	6(4)	343,194	5	277,037	4	1,085,473	16
1170	Accounts receivable, net	6(5)	660,927	11	696,194	11	373,945	6
1180	Accounts receivable – the related party, net	6(5) and 7	284,642	5	304,478	5	260,888	4
1200	Other receivables	7	83,726	1	125,444	2	101,483	2
1220	Income tax assets in the current period		6,543	-	7,299	-	6,935	-
130X	Inventory	6(6)	1,027,216	16	820,211	12	856,861	13
1470	Other current assets		17,353	-	12,080	-	12,960	-
11XX	**Total current assets**		3,182,552	50	3,447,658	52	3,966,580	60
	Non-current assets							
1517	Financial assets measured at fair value through profit or loss – non-current	6(3)	316,673	5	51,871	1	10,561	-
1535	Financial assets measured at amortized cost – non-current	6(4) and 8	312,529	5	312,529	5	312,528	5
1550	Investments accounted for using the equity method	6(7)	22,435	-	374,582	6	543,436	8
1600	Property, plant and equipment	6(8)	1,805,641	29	1,699,963	26	1,076,525	16
1755	Right-of-use assets	6(9)	334,427	5	368,279	5	383,568	6
1780	Intangible assets		7,597	-	7,915	-	25,335	-
1840	Deferred income tax assets		153,990	3	106,816	2	112,079	2
1900	Other non-current assets	6(11)	209,993	3	210,296	3	218,791	3
15XX	**Total non-current assets**		3,163,285	50	3,132,251	48	2,682,823	40
1XXX	**Total assets**		$ 6,345,837	100	$ 6,579,909	100	$ 6,649,403	100

(To be continued)

CyberTAN Technology Inc. and the subsidiaries
Consolidated Balance Sheet
June 30, 2025 and December 31, June 30, 2024

Unit: NTD thousand

Code	Liabilities and equity	Notes	June 30, 2025 Amount	%	December 31, 2024 Amount	%	June 30, 2024 Amount	%
	Current liabilities							
2100	Short-term loans	6(12)	$ 56,085	1	$ 94,539	1	$ 60,913	1
2120	Financial liabilities measured at fair value through profit or loss – current	6(2)	-	-	19,543	-	5,001	-
2130	Contract liabilities – current	6(21)	8,438	-	41,443	1	67,349	1
2170	Accounts payable		1,067,597	17	855,377	13	843,203	13
2180	Accounts payable – the related party	7	50,145	1	31,714	1	18,736	-
2200	Other payables	6(13)	347,744	6	355,988	5	241,474	4
2220	Other payables – the related party	7	10,369	-	18,828	-	16,214	-
2230	Income tax liabilities in the current period		2,496	-	701	-	-	-
2250	Liability reserve – current	6(16)	3,162	-	541	-	3,787	-
2280	Lease liabilities – current		30,744	-	58,775	1	57,710	1
2399	Other current liabilities – others		2,240	-	48,098	1	81,315	1
21XX	**Total current liabilities**		1,579,020	25	1,525,547	23	1,395,702	21
	Non-current liabilities							
2550	Liability reserve – non-current	6(16)	12,307	-	10,424	-	10,883	-
2570	Deferred income tax liabilities		7,760	-	13,094	-	6,436	-
2580	Lease liabilities – non-current		203,624	4	385,068	6	410,213	7
2600	Other non-current liabilities	7	6,911	-	6,911	-	6,911	-
25XX	**Total non-current liabilities**		230,602	4	415,497	6	434,443	7
2XXX	**Total liabilities**		1,809,622	29	1,941,044	29	1,830,145	28
	Equity attributable to parent company shareholders							
	Capital stock	6(17)						
3110	Common stock		3,302,994	52	3,303,254	50	3,304,954	50
	Capital reserves	6(18)						
3200	Capital reserves		605,316	10	598,676	9	608,257	9
	Retained earnings	6(19)						
3310	Legal reserve		825,257	13	825,257	13	825,257	12
3320	Special reserve		58,176	1	155,470	2	155,470	2
3350	Undistributed earnings		668,114	10	26,706	1	40,390	1
	Other equity	6(20)						
3400	Other equity		(690,475)	(11)	(64,804)	(1)	(94,645)	(2)
	Treasury stocks	6(17)						
3500	Treasury stocks		(233,167)	(4)	(205,694)	(3)	(20,425)	-
31XX	**Total equity attributable to parent company shareholders**		4,536,215	71	4,638,865	71	4,819,258	72
3XXX	**Total equity**		4,536,215	71	4,638,865	71	4,819,258	72
	Major Contingent Liabilities and Commitments Made Under Unrecognized Contracts	9						
3X2X	**Total liabilities and equity**		$ 6,345,837	100	$ 6,579,909	100	$ 6,649,403	100

Please refer to the notes of the consolidated financial statements, which constitute a part of the consolidated financial report.

Chairman: Gwong-Yih Lee Manager: Raoul Oyang Finance & Accounting Officer: Chiu-Ju Chen

CyberTAN Technology Inc. and the subsidiaries
Consolidated Statement of Comprehensive Income
January 1 to June 30, 2025 and 2024

Unit: NTD thousand
(Except the unit of earnings (losses) per share is NTD)

	Item	Notes	April 1 to June 30, 2025 Amount	%	April 1 to June 30, 2024 Amount	%	January 1 to June 30, 2025 Amount	%	January 1 to June 30, 2024 Amount	%
4000	Operating revenue	6(21) and 7	$ 1,167,576	100	$ 765,466	100	$ 2,035,864	100	$ 1,424,541	100
5000	Operating cost	6(6) (26) (27) and 7	(1,123,232)	(96)	(705,517)	(92)	(1,902,288)	(94)	(1,365,649)	(96)
5950	Net operating gross profit		44,344	4	59,949	8	133,576	6	58,892	4
	Operating expense	6(26) (27) and 7								
6100	Selling expenses		(36,063)	(3)	(15,700)	(2)	(76,696)	(4)	(34,966)	(2)
6200	Administrative expenses		(55,303)	(5)	(34,358)	(5)	(123,088)	(6)	(67,468)	(5)
6300	R&D expenses		(78,610)	(7)	(80,047)	(10)	(207,215)	(10)	(153,471)	(11)
6450	Expected credit impairment losses	12(2)	(653)	-	(2,473)	-	(2,600)	-	(956)	-
6000	Total operating expenses		(170,629)	(15)	(132,578)	(17)	(409,599)	(20)	(256,861)	(18)
6900	Operating losses		(126,285)	(11)	(72,629)	(9)	(276,023)	(14)	(197,969)	(14)
	Non-operating revenue and expenses									
7100	Interest revenue	6(22)	7,532	1	5,779	1	14,667	1	21,661	1
7010	Other revenue	6(23) and 7	18,335	2	21,901	3	35,156	2	38,713	3
7020	Other gains and losses	6(24)	(112,205)	(10)	96,825	13	764,228	37	224,620	16
7050	Financial Costs	6(25)	(1,472)	-	(4,830)	(1)	(3,791)	-	(15,348)	(1)
7060	The share of the profit or loss of affiliated companies, joint ventures recognized under the equity method	6(7)	(57)	-	(26,645)	(4)	(110)	-	(55,425)	(4)
7000	Total non-operating income and expense		(87,867)	(7)	93,030	12	810,150	40	214,221	15
7900	**Net profit (loss) before tax**		(214,152)	(18)	20,401	3	534,127	26	16,252	1
7950	Income tax benefits (expenses)	6(28)	53,588	4	(711)	-	48,226	3	1,837	-
8200	**Net profit (loss) for the current period**		($ 160,564)	(14)	$ 19,690	3	$ 582,353	29	$ 18,089	1

(To be continued)

CyberTAN Technology Inc. and the subsidiaries
Consolidated Statement of Comprehensive Income
January 1 to June 30, 2025 and 2024

Unit: NTD thousand
(Except the unit of earnings (losses) per share is NTD)

	Item	Notes	April 1 to June 30, 2025 Amount	%	April 1 to June 30, 2024 Amount	%	January 1 to June 30, 2025 Amount	%	January 1 to June 30, 2024 Amount	%
	Other comprehensive income									
	Items not reclassified to profit or loss									
8316	Unrealized valuation gains and loss from equity instrument investments measured at fair value through other comprehensive income	6(3), (20)	($ 10,233)	(1)	$ 2,043	-	($ 492,262)	(24)	($ 2,346)	-
8320	The share of other comprehensive income of affiliated companies, joint ventures recognized under the equity method – items not reclassified to profit or loss	6(7), (20)	2,545	1	13,615	2	(1,837)	-	22,324	1
8310	Total of items not reclassified to profit or loss		(7,688)	-	15,658	2	(494,099)	(24)	19,978	1
	Items may be reclassified to profit or loss subsequently									
8361	Exchange difference in the financial statement translation of the foreign operation	6(20)	(186,122)	(16)	19,948	3	(176,402)	(9)	34,400	2
8370	The share of other comprehensive income of affiliated companies, joint ventures recognized under the equity method – items may be reclassified to profit or loss	6(7), (20)	-	-	580	-	-	-	11,322	1
8399	Income tax related to items may be reclassified	6(20) (28)	1,354	-	(3,990)	(1)	1,220	-	(6,880)	-
8360	Total of items may be reclassified to profit or loss subsequently		(184,768)	(16)	16,538	2	(175,182)	(9)	38,842	3
8300	**Other comprehensive income (net amount)**		($ 192,456)	(16)	$ 32,196	4	($ 669,281)	(33)	$ 58,820	4
8500	**Total comprehensive income for the year**		($ 353,020)	(30)	$ 51,886	7	($ 86,928)	(4)	$ 76,909	5
	Net profit attributable to:									
8610	Parent company shareholders		($ 160,564)	(14)	$ 19,690	3	$ 582,353	29	$ 18,089	1
	The total comprehensive income attributable to:									
8710	Parent company shareholders		($ 353,020)	(30)	$ 51,886	7	($ 86,928)	(4)	$ 76,909	5
	Earnings (losses) per share	6(29)								
9750	Basic earnings (losses) per share		($ 0.50)		$ 0.06		$ 1.81		$ 0.05	
9850	Diluted earnings (losses) per share		($ 0.50)		$ 0.06		$ 1.79		$ 0.05	

Please refer to the notes of the consolidated financial statements, which constitute a part of the consolidated financial report.

Chairman: Gwong-Yih Lee　　Manager: Raoul Oyang　　Finance & Accounting Officer: Chiu-Ju Chen

CyberTAN Technology Inc. and the subsidiaries
Consolidated Statement of Changes in Shareholder Equity
January 1 to June 30, 2025 and 2024

Unit: NTD thousand

	Notes	Equity attributable to parent company shareholders									
				Retained earnings			Other equity				
		Common stock	Capital reserves	Legal reserve	Special reserve	Undistributed earnings	Exchange difference in the financial statement translation of the foreign operation	Unrealized profit or loss of financial assets measured at fair value through other comprehensive income	Employees' unearned remuneration	Treasury stocks	Total
January 1 to June 30, 2024											
Balance at January 1, 2024		$ 3,302,554	$ 622,678	$ 825,257	$ 162,392	$ 28,086	($ 77,986)	($ 77,483)	($ 14,143)	($ 1,426)	$ 4,769,929
Current net profit		-	-	-	-	18,089	-	-	-	-	18,089
Other comprehensive income for the year	6(20)	-	-	-	-	-	38,842	19,978	-	-	58,820
Total comprehensive income for the year		-	-	-	-	18,089	38,842	19,978	-	-	76,909
Appropriation and distribution of earnings in 2024:	6(19)										
Reversal of special reserves		-	-	-	(6,922)	6,922	-	-	-	-	-
Issuance of new restricted employee shares	6(15), (18)	2,600	3,107	-	-	-	-	-	(5,707)	-	-
Revocation of restricted employee shares	6(15), (17), (18), (20)	(200)	(261)	-	-	-	-	-	461	-	-
Share-based payment expenses	6(15), (20)	-	-	-	-	-	-	-	6,312	-	6,312
Disposal of investments accounted for using the equity method	6(18), (20)	-	(17,267)	-	-	(12,858)	2,374	12,858	-	-	(14,893)
Disposal of equity instrument measured at fair value through other comprehensive income		-	-	-	-	151	-	(151)	-	-	-
Repurchase of treasury shares		-	-	-	-	-	-	-	-	(18,999)	(18,999)
Balance at June 30, 2024		$ 3,304,954	$ 608,257	$ 825,257	$ 155,470	$ 40,390	($ 36,770)	($ 44,798)	($ 13,077)	($ 20,425)	$ 4,819,258

Please refer to the notes of the consolidated financial statements, which constitute a part of the consolidated financial report.

Chairman: Gwong-Yih Lee   Manager: Raoul Oyang   Finance & Accounting Officer: Chiu-Ju Chen

CyberTAN Technology Inc. and the subsidiaries
Consolidated Statement of Changes in Shareholder Equity
January 1 to June 30, 2025 and 2024

Unit: NTD thousand

		Equity attributable to parent company shareholders									
				Retained earnings			Other equity				
	Notes	Common stock	Capital reserves	Legal reserve	Special reserve	Undistributed earnings	Exchange difference in the financial statement translation of the foreign operation	Unrealized profit or loss of financial assets measured at fair value through other comprehensive income	Employees' unearned remuneration	Treasury stocks	Total
January 1 to June 30, 2025											
Balance as of January 1, 2025		$ 3,303,254	$ 598,676	$ 825,257	$ 155,470	$ 26,706	($ 10,414)	($ 47,762)	($ 6,628)	($ 205,694)	$ 4,638,865
Current net profit		-	-	-	-	582,353	-	-	-	-	582,353
Other comprehensive income for the year	6(20)	-	-	-	-	-	(175,182)	(494,099)	-	-	(669,281)
Total comprehensive income for the year		-	-	-	-	582,353	(175,182)	(494,099)	-	-	(86,928)
Appropriation and distribution of earnings in 2025:	6(19)										
Reversal of special reserves		-	-	-	(97,294)	97,294	-	-	-	-	-
Revocation of restricted employee shares	6(15), (17), (18), (20)	(260)	(327)	-	-	-	-	-	587	-	-
Share-based payment expenses	6(15), (18), (20)	-	42,173	-	-	-	-	-	3,166	-	45,339
Disposal of investments accounted for using the equity method	6(18), (20)	-	(35,206)	-	-	(26,170)	1,618	26,170	-	-	(33,588)
Disposal of equity instrument measured at fair value through other comprehensive income	6(20)	-	-	-	-	(12,069)	-	12,069	-	-	-
Repurchase of treasury shares		-	-	-	-	-	-	-	-	(27,473)	(27,473)
Balance at June 30, 2025		$ 3,302,994	$ 605,316	$ 825,257	$ 58,176	$ 668,114	($ 183,978)	($ 503,622)	($ 2,875)	($ 233,167)	$ 4,536,215

Please refer to the notes of the consolidated financial statements, which constitute a part of the consolidated financial report.

Chairman: Gwong-Yih Lee   Manager: Raoul Oyang   Finance & Accounting Officer: Chiu-Ju Chen

CyberTAN Technology Inc. and the subsidiaries
Consolidated Statement of Cash Flow
January 1 to June 30, 2025 and 2024

Unit: NTD thousand

	Notes	January 1 to June 30, 2025	January 1 to June 30, 2024
Cash flow from operating activities			
Net profit before tax in the current period		$ 534,127	$ 16,252
Adjustment items			
Income/expenses items			
Depreciation expenses	6(26)	74,099	71,874
Miscellaneous expenses – depreciation expenses	6(24)	7,642	9,557
Amortization expenses	6(26)	4,459	2,988
Expected credit impairment losses (gains)	12(2)	2,600	956
Net (gain) loss on financial assets and liabilities at fair value through profit or loss	6(2), (24)	(86,887)	32,092
Interest expenses	6(25)	3,791	15,348
Miscellaneous expenses – Interest expenses	6(24)	721	900
Interest revenue	6(22)	(14,667)	(21,661)
Dividend revenue	6(3), (23)	(800)	-
Share of profit or loss from affiliated companies under the equity method	6(7)	110	55,425
Gains on disposal of investment accounted for using equity method	6(7), (24)	(707,714)	(260,445)
Gains on disposal of property, plant and equipment	6(24)	-	(201)
Share-based payment expenses	6(15) (27)	45,339	6,312
Lease modification profit	6(9), (24)	(223,831)	-
Changes of assets/liabilities related to operating activities			
Net changes of assets/liabilities related to operating activities			
Accounts receivable (including the related party)		52,503	329,935
Inventory		(207,005)	24,629
Other receivables		47,169	(49,900)
Other current assets		(5,273)	7,021
Other non-current assets		-	(1,042)
Net changes of liabilities related to operating activities			
Financial liabilities measured at fair value through profit or loss		885	(25,478)
Contract liabilities – current		(33,005)	18,701
Accounts payable (including the related party)		230,651	(4,546)
Other payables (including the related party)		103,190	62,489
Liability reserve		4,504	1,731
Other current liabilities		(45,858)	(8,877)
Cash inflow (outflow) from operations		(213,250)	284,060
Income tax paid		2,074	(1,010)
Net cash inflow (outflow) from operating activities		(211,176)	283,050

(To be continued)

CyberTAN Technology Inc. and the subsidiaries
Consolidated Statement of Cash Flow
January 1 to June 30, 2025 and 2024

Unit: NTD thousand

	Notes	January 1 to June 30, 2025	January 1 to June 30, 2024
Cash flow from investing activities			
Disposal of financial assets proceeds measured at fair value through profit or loss		$ 223,959	$ -
Acquisition of financial assets measured at amortized cost		(66,157)	(184,641)
Proceeds from disposal of investment under equity method	6(7)	55,107	462,396
Acquisition of property, plant, and equipment	6(30)	(413,730)	(223,385)
Disposal of property, plant, and equipment proceeds		-	201
Decrease (increase) in refundable deposit		303	(1,550)
Acquisition of intangible asset		(4,302)	(2,429)
Interest received		9,216	14,774
Dividends received	6(3), (23)	800	-
Cash dividend distributed by affiliated companies recognized under the equity method	6(7)	-	1,478
Acquisition of right-of-use assets	6(30)	-	(6,840)
Net cash (outflow)inflow from investing activities		(194,804)	60,004
Cash flow from financing activities			
Decrease in short-term loans		(38,454)	(529,603)
Increase in guarantee deposits		-	79
Repayment of lease principal	6(31)	(16,501)	(10,953)
Interest paid		(4,508)	(16,248)
Repurchase of treasury shares		(27,473)	(18,999)
Net cash outflow from financing activities		(86,936)	(575,724)
Foreign exchange rate effect		(19,507)	(1,878)
Decrease in cash and cash equivalents in the current period		(512,423)	(234,548)
Balance of cash and cash equivalents, beginning		1,204,915	1,502,583
Balance of cash and cash equivalents, ending		$ 692,492	$ 1,268,035

Please refer to the notes of the consolidated financial statements, which constitute a part of the consolidated financial report.

Chairman: Gwong-Yih Lee　　Manager: Raoul Oyang　　Finance & Accounting Officer: Chiu-Ju Chen

CyberTAN Technology Inc. and the subsidiaries
Notes to Consolidated Financial Statements
For the Second Quarters of 2025 and 2024

Unit: NTD thousand
(Unless otherwise specified)

1. Company History and Business Scope

CyberTAN Technology Inc. (hereinafter referred to as the "the Company") was established in the Republic of China. The Company and its subsidiaries (hereinafter referred to as "the Group") have primarily engaged in the manufacturing of wired communication mechanical equipment and electronic components, as well as the research and development, development, and sales of broadband Internet routers, gateways, virtual private networks, firewalls, Layer 3 and Layer 4 switches, wired broadband network security routers, and wireless broadband network security routers. The Company's stock has been listed and traded on the Taiwan Stock Exchange since July 28, 2003.

2. Approval Date and Procedures of the Financial Statements

The consolidated financial report was released after being approved by the board of directors on August 7, 2025.

3. New Standards, Amendments, and Interpretations Adopted

(1) Effect of adopting the new promulgated or amended IFRS endorsed and issued into effect by the Financial Supervisory Commission (hereinafter referred to as the "FSC")

The following table sets forth the standards and interpretations of new releases, amendments, and amendments of the IFRSs applicable in 2025 that were approved and promulgated by the FSC:

New, Amended, or Revised Standards and Interpretations	Effective Date per IASB
Amendments to IAS 21 "Lack of Exchangeability"	January 1, 2025

The Group evaluated that the above standards and interpretations have no significant impact on the financial status and business results of the Group.

(2) The impact of not yet adopting the new and revised IFRSs recognized by the FSC

The following table summarizes the newly issued, amended, and revised International Financial Reporting Standards (IFRS) and interpretations applicable for the year 2026, as endorsed by the FSC:

New, Amended, or Revised Standards and Interpretations	Effective Date per IASB
Amendments to IFRS 9 and IFRS 7 "Amendment 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

Amendments to IFRS 17 "Initial Application of IFRS 17 and IFRS 9 – Comparative Information"	January 1, 2023
Annual Improvements to IFRS Accounting Standards – Volume 11	January 1, 2026

The Group evaluated that the above standards and interpretations have no significant impact on the financial status and business results of the Group.

(3) Impacts of IFRSs issued by the IASB but not yet endorsed by the FSC

The following table summarizes the standards and interpretations of new releases, amendments, and amendments to the IFRSs issued by the IASB but not yet endorsed by the FSC:

New, Amended, or Revised Standards and Interpretations	Effective Date per IASB
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"	To be decided by IASB
IFRS 18 "Presentation and Disclosures of Financial Statements"	January 1, 2027
IFRS 19 "Subsidiaries without Public Accountability: Disclosures"	January 1, 2027

Except for the following, the Group has assessed that the standards and interpretations above have no significant impact on its financial position and performance:

IFRS 18 "Presentation and Disclosures of Financial Statements"

IFRS 18 "Presentation and Disclosures of Financial Statements" replaces IAS 1 and updates the structure of the statement of comprehensive income. It adds the disclosure of management-defined performance measures and enhances the guidance on the organization and grouping of information in the primary financial statements and the notes.

4. Summary of Significant Accounting Policies

The major accounting policies applied to prepare the consolidated financial statements are as follows. Unless otherwise stated, these policies apply consistently throughout the reporting period.

(1) Compliance Statement

The consolidated financial report was prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting," as endorsed and issued into effect by the FSC.

(2) Basis of preparation

A. Except the following important items, the consolidated financial report was prepared based on the historical cost:

(A) Financial instruments and liabilities (including derivatives) measured at fair value through profit or loss based on fair value.

(B) Financial assets measured at fair value through other comprehensive income based on fair value.

(C) Defined benefit assets stated based on the net after pension fund assets less the present value of defined benefit obligations.

B. The preparation of financial statements in compliance with International Financial Reporting Standards and International Accounting Standards and Interpretations (hereinafter referred to as IFRSs) endorsed and issued into effect by the FSC requires the use of critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. Please refer to Note 5 for details involving a higher degree of judgment or complexity, as well as the critical accounting estimates and assumptions that are significant to the consolidated financial statements.

(3) <u>Basis of consolidation</u>

A. Principle for the preparation of consolidated financial statements

(A) The Group included all of the subsidiaries in the consolidated financial statements. Subsidiaries refer to the entities controlled by the Group, including structured entities. When the Group is exposed to changes in remuneration participated in by the entities or is entitled to changes in remuneration, and is able to influence that remuneration by virtue of its power over the entities, the Group is considered to be controlling the entities. The subsidiaries are included in the consolidated financial statements on the date when the Group acquires the controlling power, and the consolidation shall be suspended as of the date when the Group forfeits the controlling power.

(B) Unrealized gains on transactions between the Group companies are eliminated to the extent of the Group's interest in the associates. Accounting policies of the subsidiaries have been adjusted where necessary to ensure consistency with the policies adopted by the Group.

(C) Elements of the income and other comprehensive income shall be vested in parent company shareholders and non-controlling equity. The total comprehensive income shall be vested in parent company shareholders and non-controlling equity, even if the non-controlling equity suffers a loss.

(D) Where the changes in shareholdings of subsidiaries don't result in forfeiture of controlling power (transactions with non-controlling equity), they shall be processed as equity transactions, which are identified as the transactions with parent company shareholders. The price difference between the adjustment value of non-controlling equity and fair value of paid or collected consideration was directly recognized as equity.

(E) When the Group forfeits control over its subsidiaries, its residual investment in the subsidiaries shall be remeasured based on fair value and identified as either the fair value of financial assets recognized initially or the cost of the investment in affiliated companies or joint ventures recognized initially. The price difference between fair value and book value is stated as current income. Where the accounting treatment for the values related to the subsidiaries, as stated in other comprehensive income previously, is identical to the basis for the Group's direct disposition of related assets or liabilities – namely, if the gain or loss stated in other comprehensive income previously would be reclassified into profit or loss when the related assets or liabilities are disposed of – the profit or loss shall be reclassified into income from equity when the Group forfeits control over the subsidiaries.

B. The subsidiaries covered within the consolidated financial report:

Name	Subsidiaries Name	Nature of business	Equity percentage June 30, 2025	December 31, 2024	June 30, 2024	Description
The Company	CyberTAN Corp(U.S.A)	Sales company	100%	100%	100%	(1)
"	Ta Tang Investment Co., Ltd.	General investment business	100%	100%	100%	
"	CyberTAN (B.V.I) Investment Corp.	"	100%	100%	100%	
"	SonicFi Inc.	Sales company	100%	100%	100%	(1)
CyberTAN (B.V.I) Investment Corp.	FU HAI Technology Company Limited	Manufacturing company	100%	100%	100%	
CyberTAN (B.V.I) Investment Corp.	HON YAO FU Technology Company Limited	Manufacturing company	100%	100%	100%	
CyberTAN (B.V.I) Investment Corp.	CyberTAN Technology (HONG KONG) Limited	General investment business	100%	100%	100%	
CyberTAN Technology (HONG KONG) Limited	Fuhongkang Technology (Shenzhen) Co., Ltd.	Manufacturing company	100%	100%	100%	

Investor	Subsidiaries		Equity percentage			
Name	Name	Nature of business	June 30, 2025	December 31, 2024	June 30, 2024	Description
CyberTAN Technology (HONG KONG) Limited	Guangzhou Fuguang Communication Technology Co., Ltd.	R&D company	100%	100%	100%	(1)(2)
Fuhongkang Technology (Shenzhen) Co., Ltd.	Chongqing Hongdaofu Technology Co., Ltd.	Manufacturing company	100%	100%	100%	

(A) As it does not meet the definition of a material subsidiary, its financial statements as of June 30, 2025 and 2024 have not been reviewed by accountants.

(B) The Group directly invested in the establishment of Guangzhou Fuguang Communication Technology Co., Ltd. on April 16, 2024, acquiring 100% of its equity, which was included in the consolidated financial statements from the date of investment.

C. Subsidiaries that are not included in the consolidated financial statements: None.

D. Different adjustment and treatment by subsidiaries in the accounting period: None.

E. Significant restrictions: None.

F. Subsidiaries over which the Group holds important non-controlling equity: None.

(4) Translation of foreign currency

Each item listed in the separate financial statements of the Group is measured by the currency of the primary economic environment in which the business department is situated (i.e. functional currency). The consolidated financial report was prepared in the Company's functional currency, "NTD."

A. Foreign currency transaction and balance

(A) Foreign currency transaction converts the conversion difference generated by the transaction to functional currency adopting the spot exchange rate on the date of transactions or measurement date and recognizes the difference as current profit or loss.

(B) The monetary assets and balance of liabilities in foreign currency are adjusted based on the spot exchange rate evaluation on the balance sheet date and the conversion difference generated by adjustment is recognized as current profit or loss.

(C) For non-monetary assets and liabilities denominated in foreign currency, those measured at fair value through profit or loss are adjusted based on the spot exchange rate evaluated on the balance sheet date, and the conversion difference generated by the adjustment is recognized as current profit or loss. Those measured at fair value through other comprehensive income are adjusted based on the spot exchange rate evaluation on the balance sheet date, and the conversion difference generated by the adjustment is recognized in other comprehensive income. Those not measured at fair value are measured at the historical exchange rate on the initial transaction date.

(D) All exchange gain or loss is listed in "Other Profit and Loss" of profit and loss statement.

B. Translation of the foreign operation

(A) For all the Group's entities, affiliated companies and joint agreements with differences in functional currency and presentation currency, the business result and financial status is converted to presentation currency by the following method:

(a) The assets and liabilities presented in each balance sheet were translated based on the exchange rates closed on every balance sheet date;

(b) The profits and losses presented in each statement of comprehensive income were translated in accordance with the average exchange rates in the current period; and

(c) All resulting exchange differences were recognized under other comprehensive income.

(B) When the foreign operations partially disposed or sold are affiliated companies or under joint agreements, the exchange differences under other comprehensive income will be reclassified into the current profit or loss proportionately as part of the gains or losses on the sale. However, when the Group retains partial rights in former affiliated companies or joint agreements but loses significant influence over the affiliated companies included in the foreign operation, or loses joint control over the joint agreements included in the foreign operation, it is based on the disposal of all equity in the foreign operation institutions.

(5) Classification of assets and liabilities as current and non-current

A. Assets that match any of the following conditions shall be classified as current assets:

(A) Assets expected to be realized, intended to be sold or consumed over the normal operating cycles.

(B) Primarily for trading purposes.

(C) Assets expected to be realized within 12 months after the reporting period.

(D) Assets in cash or cash equivalents, except for those used for an exchange, to settle a liability, or those that remain restricted for more than 12 months after the reporting period.

The Group listed all assets that did not comply with the following conditions as non-current assets.

B. Assets that match any of the following conditions shall be classified as current liabilities:

(A) Liabilities expected to be settled in the normal business cycle.

(B) Primarily for trading purposes.

(C) Liabilities expected to be settled within 12 months after the reporting period.

(D) Entities that do not have the right to defer settlement of a liability for at least 12 months after the reporting period.

The Group listed all assets that did not comply with the following conditions as non-current liabilities.

(6) Cash equivalents

Cash equivalent includes short-term and highly liquid investments that are readily convertible to known amounts of cash with insignificant risk of changes in value. The time deposits that fall into the above definition and are intended to satisfy the short-term cash commitment shall be classified as cash equivalents.

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

A. This refers to financial assets not measured at amortized cost or measured at fair value through other comprehensive income.

B. The Group adopts the trade date accounting for financial assets in accordance with the general trade practice measured at fair value through profit or loss.

C. It is initially recognized at fair value by the Group, while the transaction cost is recognized in profit or loss when incurred. Subsequent valuation is based on fair value measurement, and the resulting gain or loss is recognized as profit or loss.

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

A. This refers to the irrevocable choice made at initial recognition to recognize the subsequent fair value changes of the equity instrument investment held not for trading in other comprehensive income or loss; or, at the same time, the debt instrument investment meets the following conditions:

(A) The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows or to sell.

(B) The contractual terms of the financial asset give rise, on specified dates, to cash flows that are solely payments of principal and interest on the principal amount outstanding.

B. The Group adopts the trade date accounting for financial assets in accordance with the general trade practice measured at fair value through other comprehensive income.

C. It is initially recognized at fair value plus the transaction cost by the Group and the subsequent valuation is measured at fair value:

(A) The changes in fair value belonging to equity instrument investment are recognized as other comprehensive income. During derecognition, accumulated profit or loss previously recognized in other comprehensive income shall not be subsequently reclassified as profit or loss but classified as retained earnings. When the Group is entitled to collect dividends, the economic effect related to the dividend may inflow and the amount of revenue can be measured reliably. Therefore, the related dividend revenue shall be recognized as profit or loss.

(B) The changes in fair value of equity instrument investments are recognized as other comprehensive income. The impairment loss, interest income, and exchange gains or losses in foreign currency before derecognition are recognized as profit or loss. During derecognition, the accumulated profit or loss previously recognized in other comprehensive income will be reclassified from equity to profit or loss.

(9) Financial assets measured at amortized cost

A. This refers to those meeting the following conditions at the same time:

(A) The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows.

(B) The contractual terms of the financial asset give rise, on specified dates, to cash flows that are solely payments of principal and interest on the principal amount outstanding.

B. The Group adopts the trade date accounting for financial assets in accordance with the general trade practice measured at amortized cost.

C. The Group measures its fair value plus transaction costs at the time of initial recognition. Subsequently, the effective interest method is adopted to recognize interest income and impairment loss in the current period according to the amortization procedure. At the time of derecognition, the loss is recognized in profit and/or loss.

D. The time deposit not complying with cash equivalents held by the Group is measured at investment amount since the impact of discounting was insignificant.

(10) Accounts receivable

A. This refers to accounts from the rights to receive consideration without any condition due to commodity transfer or labor service based on contract agreement.

B. This belongs to short-term accounts receivable with unpaid interest. The invoice payable was measured at the initial par value by the Group since the impact of discounting was insignificant.

(11) Impairment of financial assets

For debt instrument investments measured at fair value through other comprehensive income, financial assets measured at amortized cost, and accounts receivable that comprise material financial components, the Group measures the loss allowance based on 12-month expected credit losses for those without a significant increase in credit risk after initial recognition, taking reasonable and supporting materials (including forward-looking ones) into consideration on each balance sheet date. For those with a significant increase in credit risk after initial recognition, the loss allowance is measured based on the expected credit losses over the duration. For accounts receivable excluding material financial components, the loss allowance is measured at the expected credit losses over the duration.

(12) Derecognition of the financial assets

The Group will derecognize financial assets only in the event that the interests on a contract for financial assets-based cash flow cease to be effective.

(13) Lease transactions of lessor – operating lease

The lease income from operating a lease deducting any given incentives of the lessee is amortized and recognized as current profit or loss under straight-line method over the lease period.

(14) Inventory

Inventories are measured at the lower of cost or net realizable value while the cost is determined by weighted average method. The cost of finished product and goods in process includes material, direct manpower, other direct costs and manufacturing expenses related to production (amortized based on normal productivity) without loan cost. The item-by-item comparison method is adopted when comparing the cost or net realizable value, whichever is lower. Net realizable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and the estimated cost of sales balance.

(15) Investments accounted for using the equity method – affiliated companies

A. The affiliated companies refer to the entity in which the Group has a significant impact and often holds more than 20% of voting shares directly or indirectly. The investment of the Group in the affiliated companies adopts the equity method for disposal and is recognized based on cost upon acquisition.

B. The shares in profit or loss acquired from affiliated companies by the Group was recognized as current profit or loss and shares of other comprehensive income was recognized as other comprehensive income. In the event that the Group's shares of loss in the affiliated companies are equal to or exceed its equity in the affiliated companies (including other unsecured receivables), the Group does not recognize further losses, unless in the event of the occurrence of legal obligations, presumed obligations, or within the scope that the Group made payment on behalf of the affiliated companies.

C. When changes to equity irrespective of profit and loss or comprehensive income occur to affiliated companies with no impact on the shareholding ratio of the Group, all changes in equity will be recognized as "capital reserves" based on the shareholding ratio of the Group.

D. The unrealized profit or loss deriving from the transactions between the Group and the affiliated companies was written off based on the equity ratio of the affiliated companies; the unrealized loss was written off unless the evidence displayed the impairment of transferred assets in such transaction. Accounting policies of the affiliated companies have been adjusted where necessary to ensure consistency with the policies adopted by the Group.

E. If the Group fails to subscribe or acquire new shares in proportion to the issuance of new shares by the affiliated enterprise, resulting in a change in the proportion of investment but still a material influence on the affiliate, the increase or decrease in the change in the net value of the equity will be the adjustment of the "capital reserves" and "investments under the equity method." If the investment ratio decreases as a result, in addition to the above-mentioned adjustment, the profit or loss recognized under other comprehensive income related to the decrease in ownership interest must be reclassified to profit or loss, in proportion to the decrease, if any.

F. When the Group forfeits its material influence over the affiliated companies, if the Group disposes of the affiliated companies, the accounting treatment for the values related to the affiliated companies as stated in other comprehensive income previously is identical to the basis for the Group's direct disposition of related assets or liabilities, namely, if the gain or loss stated in other comprehensive income previously would be reclassified into income when the related assets or liabilities are disposed of, the gain or loss shall be reclassified into income from equity, when the Group has no significant impact on the affiliated companies. Provided that where it still has material influence over the affiliated companies, the amount previously recognized in other comprehensive income is transferred according to the method stated above based on the proportion.

G. When the Group disposes of an affiliate, the capital surplus of the affiliate is transferred to profit or loss if the Group loses significant influence over the affiliate. If there is still significant influence, profit or loss shall be transferred in proportion to the disposal.

(16) Property, plant and equipment

A. Property, plant and equipment is accounted at acquisition cost at initiation and the relevant interest is capitalized during the purchase and construction period.

B. The subsequent cost is included in the book value of assets or recognized as a single asset only when future economic benefits related to such item will have probable inflow to the Group and the cost of such item can be measured reliably. The book value of the replaced part shall be derecognized. All other repair expenses are recognized as profit or loss upon occurring.

C. Except for land, which is not depreciated, the subsequent measurement of property, plant, and equipment adopts the cost model, and the depreciation is calculated over the estimated useful lives in accordance with the straight-line method. Property, plant and equipment are depreciated for each and every major part individually.

D. The Group at least reviews the residual value, estimated useful life, and depreciation method of each asset at the end of each fiscal year. If the expected values of the residual value and useful years are different from the previous estimate or the expected consumption pattern used in future economic benefits of such asset has significant changes, it is conducted based on the accounting estimate of IFRS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" since the date of the change. The useful life of each asset is as follows:

House and buildings	3–41 years
(The useful life of interior construction is 3–10 years)	
Machinery and equipment	3–10 years
Transportation equipment	5 years
Office equipment	2–10 years
Other equipment	2–5 years

(17) Lease transactions of lessee – right-of-use assets/lease liabilities

A. The lease asset is recognized as right-of-use assets and lease liabilities upon the date available for use by the Group. When the lease contract is a short-term lease or a low-valued underlying asset lease, the lease payment is recognized as expenses on a straight-line method within the lease period.

B. The unpaid lease payment is recognized as lease liability based on present value discounted at the Group's incremental borrowing rate of interest on the start date of the lease. The lease payment consists of a fixed payment deducting any received lease incentives.

Subsequently, it is measured at the amortized cost under the interest method, and the interest expenses are recognized during the lease period. When changes in lease term or lease payment are not caused by contract modification, lease liabilities will be reevaluated, and the remeasurement will be used to adjust right-of-use assets.

C. The right-of-use assets are recognized based on the cost on the starting date of the lease, the cost includes:

(A) The original measured amount of lease liability;
(B) Any lease payment paid before or on the starting date; and
(C) Initial direct costs incurred.

Subsequently, the right-of-use assets are measured using the cost model, with depreciation recognized over the shorter of the asset's useful life or the lease term. When the lease liabilities are reassessed, the right-of-use assets will adjust any remeasurement of the lease liabilities.

D. For the lease modification regarding the decrease in scope of the lease, the lessee will decrease the book amount of right-of-use assets to reflect partial or overall termination of the lease and will recognize the difference between it and the remeasurement amount of lease liabilities as profit or loss. For all other lease modifications, the remeasured amount of lease liabilities shall be adjusted to the right-of-use assets accordingly.

(18) Intangible assets

Computer software is recognized by acquisition cost and is amortized under the straight-line method based on 1–3 years of useful life.

(19) Impairment of non-financial assets

The Group will estimate the recoverable amount of the assets which show signs of impairment on the balance sheet date, and an impairment loss will be recognized if the recoverable amount falls below the asset's carrying amount. The recoverable amount is the fair value of an asset less the disposition cost or the use value, whichever is higher. Impairment loss recognized in previous years on assets may be reversed if the basis of impairment no longer exists or is reduced. Notwithstanding, the increase in book value of the asset resulting from the reversal must not exceed the face value of the asset less depreciation or amortization without impairment.

(20) Loans

This refers to short-term amounts borrowed from the bank. Loans of the Group are measured based on the fair value less trading costs at the time of initial recognition. The subsequent measurement of any difference between the price deducting trading costs and redemption value, its interest expenses shall be recognized in profit or loss based on amortized procedure under the effective interest method within the outstanding period.

(21) Accounts payable

A. This means debt generated from the purchase of materials, commodities or labor services on credit, and accounts payable due to business and non-business reasons.

B. This belongs to short-term accounts payable with unpaid interest. The invoice payable was measured at the initial par value by the Group since the impact of discounting was insignificant.

(22) Financial liabilities measured at fair value through profit or loss

A. Refers to financial liabilities held for trading with the main purpose of repurchasing them in the near future, and derivative financial instruments that are not designated as hedging instruments by hedge accounting. When a financial liability meets one of the following conditions, the Group designates it to be measured at fair value through profit or loss at the time of initial recognition:

   (A) It is a hybrid (combined) contract; or
   (B) The measurement or recognition inconsistency can be eliminated or significantly reduced; or
   (C) It is a tool for managing and evaluating its performance on a fair value basis in accordance with documented risk management policies.

B. It is initially recognized at fair value by the Group, while the transaction cost is recognized in profit or loss when incurred. Subsequent valuation is based on fair value measurement, and the resulting gain or loss is recognized as profit or loss.

(23) Derecognition of the financial liabilities

The Group will have financial liabilities derecognized when the contractual obligation is performed, discharged, or expires.

(24) <u>Offsetting of financial assets and liabilities</u>

The financial assets and liabilities may be offset and the net amount is presented in the balance sheet when there is a legally enforceable right to offset the recognized amounts of the financial assets and liabilities and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

(25) <u>Liability reserve</u>

The reserve for warranty liabilities shall be recognized when the Group has a legal or constructive obligation as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The reserve for liabilities is measured by the best estimated present value paid to settle the obligation on the balance sheet date. The discount rate adopts the pre-tax discount rate that reflects the specific risk assessment of the current market toward the time value of money and the liabilities. The discounted amortization is then recognized as interest expenses. The future operating loss shall not be recognized in the reserve for liabilities.

(26) <u>Employee benefits</u>

A. Short-term employee benefits

Short-term employee benefits are measured at non-discounted amount expected to be paid, and stated as expenses when the relevant services are provided.

B. Pension

(A) Defined appropriation plan

Under the defined contribution plan, every contribution made to the pension fund is recognized as pension cost in the period occurred using the accrual basis. The prepaid contribution may be stated as assets, insofar as it may be refunded in cash or the future payment is reduced.

(B) Defined benefit plan

(a) The net obligation under the defined benefit pension plan is converted to the present value based on the future benefit earned from the services provided by the employees under various benefit plans in the current period or in the past, and the present value of defined benefit obligations on the balance sheet date less the fair value of the plan assets. An actuary uses the Projected Unit Credit Method to estimate defined benefit obligations each year. The discount rate is based on the market yield rate of government bonds (on the balance sheet date) that have the same currency exposure and maturity date as the obligations on the balance sheet date.

(b) The remeasurement generated from the defined benefit plan is stated as other comprehensive income in the period when it is incurred, and presented in the retained earnings.

(c) Expenses related to the service cost in the previous period are immediately recognized in profit or loss.

(d) The pension cost for the interim period was calculated using the actuarially determined pension cost rate at the end of the previous fiscal year from the beginning of the year to the end of the current period. If there are significant market changes and major reductions, settlements or other major one-time events after the end date, they will be adjusted and the relevant information will be disclosed in accordance with the aforementioned policies.

C. Severance benefits

Severance benefits are provided to employees upon termination of employment prior to the normal retirement date or when an employee accepts the Company's offer of benefits in exchange for termination of employment. The Group recognizes severance benefits as expenses when the offer of benefits can no longer be withdrawn, or the related reorganization costs are recognized, whichever occurs earlier. Benefits that are not expected to be settled in full within 12 months of the balance sheet date should be discounted.

D. Remuneration to employees and directors

The remuneration to employees and directors/supervisors shall be recognized as expenses and liabilities only when legal or constructive obligations and the value thereof may be estimated reasonably. Subsequently, if the actual distributed amount resolved is different from the estimate, the difference shall be treated as a change in the accounting estimate. If the remuneration to employees is paid with stock shares, the basis for calculating the number of shares shall be the closing price on the day preceding the day of resolution made by the shareholders' meeting.

(27) Share-based payments to employees

New restricted employee shares:

A. Remuneration costs are recognized over the vesting period on the basis of the fair value of the equity instrument given on the grant date.

B. If the right to participate in the distribution of dividends is not restricted, and employees do not need to return the dividends they have received if they resign during the vested period, then, on the date of dividend declaration, the portion of dividends allocated to employees who are expected to resign during the vested period is recognized as a remuneration cost based on the fair value of the dividends.

(28) Income Tax

A. The income tax expenses consist of current income tax and deferred income tax. The income tax is recognized in profit or loss, except for income taxes related to items recognized in other comprehensive income or directly attributed to equity, which are recognized in other comprehensive income or directly attributed to equity, respectively.

B. The Group calculates the income tax related to the current period based on the statutory tax rate or tax rate substantially enacted in the countries where the Company is operating and generating taxable income on the balance sheet date. The management shall evaluate the status of the income tax return within the statutory period defined by the related income tax laws, and shall be responsible for the income tax expected to be paid to the tax collection authority. Income tax will be levied on any undistributed earnings. This will be stated in the year following the year in which the earnings were generated once the motion for allocation of earnings is approved at a shareholders' meeting.

C. Deferred tax is stated based on the temporary differences between taxation basis for assets and liabilities and the face value thereof on the consolidated balance sheet using the balance sheet method. The deferred income tax liabilities resulting from the initial recognition of goodwill shall not be recognized. The deferred income tax resulting from the initial recognition of assets or liabilities in a transaction (exclusive of a business merger) shall not be recognized if, at the time of the transaction, it does not affect accounting profit or taxable income (taxable loss), and no equal taxable and deductible temporary differences are generated. If temporary differences arise from investments in subsidiaries and affiliates, and the Group can control the timing of the reversal of those temporary differences, and it is highly probable that they will not reverse in the foreseeable future, then no deferred tax liabilities are recognized. The deferred income tax assets and liabilities are measured at the tax rate for the current period in which the assets are expected to be realized or the liabilities are to be repaid. The tax rate shall be based on the tax laws that have already been legislated or substantially legislated at the end of the reporting period.

D. Deferred income tax assets shall be recognized insofar as the temporary difference is very likely to be credited against future taxable income, and deferred income tax assets which are recognized and unrecognized shall be reevaluated on each balance sheet date.

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

F. Unused tax credits derived from the purchase of equipment or technology, R&D expenditures, and equity investments can be added to deductible temporary differences and recognized as deferred tax assets, to the extent that the Company is likely to earn taxable income to offset them.

G. The estimated average effective tax rate for the interim period is applied to the interim income tax expense to calculate the interim income before tax, and the relevant information is disclosed in accordance with the aforementioned policies.

H. When a tax rate change occurs during an interim period, the Group recognizes the effect of the change all at once in the period in which the change occurs. For income tax related to an item other than profit or loss, the effect of the change is recognized in other comprehensive income or equity. If the income tax is related to the item recognized in profit or loss, the effect of the change is recognized in profit or loss.

(29) Capital stock

A. Common share is classified as equity. The net amount directly attributable to new shares issuing or additional cost of stock options is recognized as deduction of proceeds in the equity after deducting income tax.

B. When the Company repurchases outstanding shares, the consideration paid, including any directly attributable incremental cost, shall be recognized as a deduction of shareholder equity after tax. When the repurchased shares are subsequently reissued, the difference between the consideration received, net of any directly attributable incremental costs, and the effect of income tax and the carrying amount is recognized as an adjustment to shareholder equity.

(30) Allocation of dividends

The dividends allocated to the Company's shareholders are recognized in the financial report upon the allocation of dividends resolved by the shareholders' meeting or specially resolved by the board of directors of the Company. The distributed cash dividend is recognized as a liability, while the distributed stock dividend is recognized as a stock dividend to be distributed and will be reclassified as common shares on the date of new share issuance.

(31) Recognition of revenue

A. Sale of goods

(A) The Group researches, develops, manufactures, and sells products related to wired communication and wireless broadband networks. The sales revenue is recognized upon the transfer of product control to the customer, i.e. the timing when the product is delivered to the buyer, when the buyer has discretionary power regarding the selling channels and prices of the product and the Group has no unfulfilled contract obligations that may affect the reception of such product by the buyer. When the product is delivered to the specified location, the risk of obsolescence and loss is transferred to the buyer and the buyer accepts the product based on the sales contract or there is objective evidence indicating all acceptance standards have been met, the commodity delivery is thus completed.

(B) The sales revenue of communication products is recognized by the net amount of contract price deducting estimated sales discount. Sales discounts granted to customers are generally calculated based on cumulative sales volume over a 12-month period. The Group estimates sales discounts using the expected value method based on historical experience. Revenue is recognized only to the extent that it is highly probable that a significant reversal will not occur in the future. Estimates are updated at each balance sheet date. As of the balance sheet date, the estimated sales discount payable to the customer related to the sales is recognized as refund liabilities. The collection conditions of trading are agreed upon based on the general business trading model.

(C) The Group provides a standard warranty for products sold and has a responsibility to provide refunds for defective products, which is recognized in reserve for liabilities upon sales.

(D) The accounts receivable is recognized upon the delivery of product to the customer because the Group has unconditional rights to contract proceeds from that time and can collect consideration from the customer after that time.

B. Cost of acquiring customer contract

The Group expected to recover the additional cost generated from the acquisition of customer contract. However, the related contract term is less than one year so such cost shall be recognized in expenses when incurred.

(32) Government grants

Government subsidies shall be stated at fair value when it is reasonable to ensure that an enterprise will comply with the conditions incident to the government subsidies and the subsidies may be received affirmatively. If the government subsidies, in nature, are intended to compensate for expenses incurred by the Group, the government subsidies shall be stated as current income on a systematic basis when the related expenses are incurred.

(33) Business segment

The Group's business segment information adopts the same reporting method as the internal management report provided for the main operating decision-maker. The main operating decision-maker is responsible for distributing resources to the business segment and evaluating their performance. The main operating decision-maker of the Group is identified to be the board of directors.

5. Major Sources of Uncertainty in Significant Accounting Judgments, Estimates, and Assumptions

When preparing the consolidated financial report of the Group, the management decided on the adopted accounting policy by their judgment and made accounting estimates and assumptions based on the reasonable expectation toward future events subject to current circumstances on the balance sheet date. The actual results might be different from the major accounting estimates and assumptions, so the historical experience and other factors will be considered for constant evaluation and adjustment. The risk description of the assumptions and estimates which may cause major adjustments to the book amount of assets and liabilities in the following financial year. The following are the description of uncertainty to significant accounting judgments, estimates and assumptions:

(1) Significant judgments on choice of accounting policy

None.

(2) Accounting estimates and assumptions

Valuation of inventory

Inventory shall be evaluated on the basis of the lower of the cost and net realizable value. As a result, the Group must make judgments and estimates to determine the net realizable value of the inventory on the balance sheet date. Due to the rapid transformation of technology, the Group assesses the amount of normal wearing out and phasing out of inventory or inventory with no market price and writes off the cost of inventory from net realizable value on the balance sheet date. The valuation of inventory is mainly estimated according to the product demand within a certain period in the future, therefore significant changes may occur.

As of June 30, 2025, the book value of the Group's inventories is NTD 1,027,216.

6. Description of Significant Accounting Items

(1) Cash and cash equivalents

	June 30, 2025	December 31, 2024	June 30, 2024
Cash on hand and working fund	$ 662	$ 543	$ 312
Current deposit	551,391	610,288	628,211
Time deposit	-	223,930	219,370
Cash equivalents – repurchase bonds	140,439	370,154	420,142
Total	$ 692,492	$ 1,204,915	$ 1,268,035

A. The financial institutions trading with the Group are reputable banks and the Group trades with various financial institutions to spread the credit risk. Thus, the possibility of default is low.

B. The Group has reclassified time deposits with original maturities over three months and those with restricted use under "Financial assets measured at amortized cost." Please refer to the description in Note 6(4).

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

Asset item	June 30, 2025	December 31, 2024	June 30, 2024
Current items:			
Financial assets mandatorily measured at fair value through profit or loss			
Cross-currency swap	$ 66,459	$ -	$ -

Liabilities	June 30, 2025	December 31, 2024	June 30, 2024
Current items:			
Financial liabilities mandatorily measured at fair value through profit or loss			
Cross-currency swap	$ -	$ 19,543	$ 5,001

A. Financial assets and liabilities measured at fair value through profit or loss are recognized in the income statement as follows:

	April 1 to June 30, 2025	April 1 to June 30, 2024
Recognized in profit or loss:		
Financial assets and liabilities mandatorily measured at fair value through profit or loss		
Cross-currency swap	$ 108,646	($ 17,915)

	January 1 to June 30, 2025	January 1 to June 30, 2024
Recognized in profit or loss:		
Financial assets and liabilities mandatorily measured at fair value through profit or loss		
Cross-currency swap	$ 86,887	($ 32,092)

B. The transactions and contracts information of derivative financial assets and liabilities not entitled to the hedging accounting used by the Group are as follows:

Derivative financial assets	June 30, 2025 Contract amount (Notional principal) (thousands)		Contract term
Current items:			
Cross-currency swap contracts	TWD(BUY)	1,272,684	2025.04.14-2025.09.23
	USD(SELL)	41,000	2025.04.14-2025.09.23

Derivative financial liabilities	December 31, 2024 Contract amount (Notional principal) (thousands)		Contract term
Current items:			
Cross-currency swap contracts	TWD(BUY)	1,134,430	2024.08.19-2025.03.24
	USD(SELL)	35,000	2024.08.19-2025.03.24

Derivative financial liabilities	June 30, 2024 Contract amount (Notional principal) (thousands)		Contract term
Current items:			
Cross-currency swap contracts	TWD(BUY)	940,020	2024.04.19-2024.09.30
	USD(SELL)	29,000	2024.04.19-2024.09.30

Cross-currency swap contracts

The cross-currency swap contracts entered into by the Group are to meet the needs of capital allocation. In terms of foreign currency exchange, the principals of the two currencies are swapped at the same exchange rate at the beginning and the end of the period, so there is no exchange rate risk. In terms of interest rate swap, the fixed interest rate between the two currencies is exchanged with a fixed interest rate, and there is no interest rate fluctuation risk.

C. Please refer to Note 12(3) for the fair value of financial assets measured at fair value through profit or loss.

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

Item	June 30, 2025	December 31, 2024	June 30, 2024
Non-current items:			
Equity instruments			
TWSE/TPEx listed stocks	$ 736,568	$ 12,175	$ -
TWSE/TPEx unlisted stocks	96,048	75,730	43,591
Valuation adjustment	(515,943)	(36,034)	(33,030)
Total	316,673	$ 51,871	$ 10,561

A. The Group classified the equity instrument investment belonging to strategic investment as financial assets measured at FVOCI. The fair values of these investments were NTD 316,673, NTD 51,871, and NTD 10,561 as of June 30, 2025, December 31, 2024, and June 30, 2024, respectively.

B. The details of financial assets measured at FVOCI recognized in comprehensive income are as follows:

	April 1 to June 30, 2025	April 1 to June 30, 2024
Equity instrument measured at fair value through other comprehensive income		
Fair value changes recognized in other comprehensive income	($ 10,233)	$ 2,043
Accumulated gains or losses reclassified to retained earnings upon derecognition	$ 127	$ -
Dividend income recognized in profit or loss recognized in profit or loss	$ 800	$ -

	January 1 to June 30, 2025	January 1 to June 30, 2024
Equity instrument measured at fair value through other comprehensive income		
Fair value changes recognized in other comprehensive income	($ 492,262)	($ 2,346)
Accumulated gains or losses reclassified to retained earnings upon derecognition	($ 12,069)	$ 151
Dividend income recognized in profit or loss recognized in profit or loss	$ 800	$ -

C. In January 2025, the Group recognized the financial assets measured at fair value through other comprehensive income due to the loss of significant influence over some of the investments accounted for using the equity method. Please refer to the descriptions in Note 6(7) for details.

D. For information related to financial assets measured at fair value through other comprehensive income, please refer to Note 12(3).

(4) Financial assets measured at amortized cost

Item	June 30, 2025	December 31, 2024	June 30, 2024
Current items:			
Time deposit expired over three months	$ 343,194	$ 277,037	$ 1,085,473
Non-current items:			
Ordinary corporate bonds	$ 290,000	$ 290,000	$ 290,000
Pledged time deposit	22,529	22,529	22,528
Total	$ 312,529	$ 312,529	$ 312,528

A. Without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk of the Group's financial assets measured at amortized cost as of June 30, 2025, December 31, 2024, and June 30, 2024 is represented by their carrying amounts.

B. For pledged financial assets measured at amortized cost by the Group, please refer to Note 8.

C. The Group's investments in time deposits and ordinary corporate bonds are with financial institutions of good credit quality with a very low likelihood of default expected.

(5) Accounts receivable

	June 30, 2025	December 31, 2024	June 30, 2024
Accounts receivable	$ 674,864	$ 708,183	$ 382,402
Accounts receivable – the related party	284,642	304,478	260,888
Less: Allowance loss	(13,937)	(11,989)	(8,457)
	$ 945,569	$ 1,000,672	$ 634,833

A. For aging analysis of accounts receivable (including the related party), please refer to Note 12(2).

B. As of June 30, 2025, December 31, 2024, and June 30, 2024, the balances of accounts receivable (including related parties) arise entirely from customer contracts. In addition, the accounts receivable balance from customer contracts as of January 1, 2024 was NTD 965,749.

C. The accounts receivable (including the related party) of the Group does not include collaterals.

D. Without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk of the Group’s accounts receivable as of June 30, 2025, December 31, 2024, and June 30, 2024 is represented by their carrying amounts.

E. Please refer to Note 12(2) for details on the credit risk of accounts receivable.

(6) Inventory

	June 30, 2025		
	Costs	Allowance for valuation loss	Book amount
Materials	$ 713,048	($ 102,339)	$ 610,709
Goods in process and semi-finished goods	134,827	(5,772)	129,055
Finished products	296,955	(9,503)	287,452
Total	$ 1,144,830	($ 117,614)	$ 1,027,216

	December 31, 2024		
	Costs	Allowance for valuation loss	Book amount
Materials	$ 519,559	($ 88,329)	$ 431,230
Goods in process and semi-finished goods	107,127	(5,879)	101,248
Finished products	295,019	(7,286)	287,733
Total	$ 921,705	($ 101,494)	$ 820,211

	June 30, 2024		
	Costs	Allowance for valuation loss	Book amount
Materials	$ 756,628	($ 86,946)	$ 669,682
Goods in process and semi-finished goods	76,543	(12,453)	64,090
Finished products	129,586	(6,497)	123,089
Total	$ 962,757	($ 105,896)	$ 856,861

The inventory cost recognized in expenses in current period by the Group:

	April 1 to June 30, 2025		April 1 to June 30, 2024	
Cost of sold inventory	$	1,086,966	$	674,191
Idle production capacity		36,024		41,939
Valuation loss (Recovery profit)		242	(	10,613)
	$	1,123,232	$	705,517

	January 1 to June 30, 2025		January 1 to June 30, 2024	
Cost of sold inventory	$	1,807,996	$	1,261,731
Idle production capacity		78,172		91,989
Devaluation loss		16,120		11,929
	$	1,902,288	$	1,365,649

From April 1 to June 30, 2024, the Group benefited from inventory decline due to gains from price decline in inventory.

(7) Investments accounted for using the equity method

	2025		2024	
January 1	$	374,582	$	783,537
Disposal of investments accounted for using the equity method	(	342,877)	(	219,218)
Acquisition of cash dividend by affiliated companies under the equity method	(	7,323)	(	1,478)
Share in profit or loss of affiliated companies under equity method	(	110)	(	55,425)
Exchange difference in the financial statement translation of the foreign operation		-		13,696
Share of other comprehensive income from affiliated companies under the equity method	(	1,837)		22,324
June 30	$	22,435	$	543,436

	June 30, 2025		December 31, 2024		June 30, 2024	
Affiliated companies:						
Microelectronics Technology, Inc. (Microelectronics Technology)	$	-	$	342,877	$	506,510
Mega Power Ventures Inc.		22,435		31,705		36,926
	$	22,435	$	374,582	$	543,436

A. The basic information about affiliated companies important to the Group is stated as follows:

Company Name	Principal business place	Shareholding ratio December 31, 2024	Shareholding ratio June 30, 2024	Nature of relationship	Measurement method
Microelectronics Technology	Taiwan	11.22%	13.36%	Invested company under the equity method by the Company	Equity method

B. The summarized financial information of affiliated companies important to the Group is stated as follows:

Balance sheet	Microelectronics Technology December 31, 2024	Microelectronics Technology June 30, 2024
Current assets	$ 2,183,643	$ 2,739,036
Non-current assets	1,777,450	1,874,996
Current liabilities	(2,388,851)	(2,435,744)
Non-current liabilities	(758,733)	(617,406)
Total net assets	$ 813,509	$ 1,560,882
Shares of the affiliates' net assets	$ 100,437	$ 208,456
Goodwill	248,151	306,431
Others	(5,711)	(8,377)
Book value of affiliated companies	$ 342,877	$ 506,510

Comprehensive Income Statement	Microelectronics Technology April 1 to June 30, 2024	Microelectronics Technology January 1 to June 30, 2024
Revenue	$ 501,439	$ 932,460
Net loss of continuing operations for the year	($ 192,417)	($ 372,643)
Other comprehensive income (after tax)	14,808	51,506
Total comprehensive income for the year	($ 177,609)	($ 321,137)

C. As the affiliated company important to the Group, Microelectronics Technology has open market quotation. Its fair value was NTD 1,136,353 and NTD 1,090,532 as of December 31, 2024 and June 30, 2024, respectively.

D. In the first half of 2024, the Group sold 13,865 thousand shares of the affiliate Microelectronics Technology for a total sale price of NTD 462,396. This was recognized as an investment gain of NTD 260,445 accounted for under the equity method, resulting in a decrease of its shareholding from 18.86% to 13.36% in the current period.

E. From January 1 to January 9, 2025, the Group sold 1,473 thousand shares of affiliate Microelectronics Technology for a total sale price of NTD 55,107. This was recognized as an investment gain of NTD 38,991 accounted for under the equity method, decreasing its shareholding from 11.22% to 10.63%.

F. The Group was originally the largest single shareholder of Microelectronics Technology. However, due to the transfer of more than half of the shares held at the time of board appointment, the Group was legally and automatically disqualified from its board position. As a result, the Group lost significant influence over Microelectronics Technology on January 9, 2025. On that date, the Group derecognized the carrying amount of the investment previously accounted for using the equity method, reclassified it as a financial asset at fair value through other comprehensive income based on its fair value, and recognized a gain on the disposal of the investment in the amount of NTD 668,723 for the difference.

G. As of December 31, 2024, and June 30, 2024, the Group held 11.22% and 13.36% equity interests in Microelectronics Technology, respectively, and was the largest single shareholder. However, the shareholding does not exceed half of the total shares and does not surpass the majority vote of the shareholders present at the meeting. Additionally, the Group has no control over the financial affairs, operations, or personnel guidelines of Microelectronics Technology without actual guidance on relevant activities. Therefore, it is determined that the Group has no control over such a company but only a significant impact on it.

(8) Property, plant and equipment

	House and buildings	Machinery and equipment	Others	Unfinished construction and equipment to be inspected	Total
January 1, 2025					
Costs	$ 884,948	$ 425,179	$ 252,184	$ 909,026	$ 2,471,337
Accumulated depreciation	(385,805)	(248,067)	(137,502)	-	(771,374)
	$ 499,143	$ 177,112	$ 114,682	$ 909,026	$ 1,699,963
2025					
January 1	$ 499,143	$ 177,112	$ 114,682	$ 909,026	$ 1,699,963
Increase	231,084	88,329	10,758	4,357	334,528
Disposal (cost)	-	(166)	(598)	-	(764)
Disposal (accumulated depreciation)	-	166	598	-	764
Depreciation expenses	(17,967)	(36,987)	(8,769)	-	(63,723)
Reclassification (cost)	693,604	1 22,263	(49,215)	(766,652)	-
Net exchange differences	493	(18,547)	(10,203)	(136,870)	(165,127)
June 30	$ 1,406,357	$ 332,170	$ 57,253	$ 9,861	$ 1,805,641
June 30, 2025					
Costs	$ 1,803,485	$ 544,527	$ 198,209	$ 9,861	$ 2,556,082
Accumulated depreciation	(397,128)	(212,357)	(140,956)	-	(750,441)
	$ 1,406,357	$ 332,170	$ 57,253	$ 9,861	$ 1,805,641

	House and buildings	Machinery and equipment	Others	Unfinished construction and equipment to be inspected	Total
January 1, 2024					
Costs	$ 878,858	$ 360,766	$ 177,425	$ 132,104	$ 1,549,153
Accumulated depreciation	(361,454)	(171,520)	(115,421)	-	(648,395)
	$ 517,404	$ 189,246	$ 62,004	$ 132,104	$ 900,758
2024					
January 1	$ 517,404	$ 189,246	$ 62,004	$ 132,104	$ 900,758
Increase	5,161	24,172	13,234	176,660	219,227
Disposal (cost)	-	(675)	(743)	-	(1,418)
Disposal (accumulated depreciation)	-	675	743	-	1,418
Depreciation expenses	(12,152)	(42,624)	(8,848)	-	(63,624)
Reclassification (cost)	-	8,836	-	(8,836)	-
Net exchange differences	-	7,797	1,908	10,459	20,164
June 30	$ 510,413	$ 187,427	$ 68,298	$ 310,387	$ 1,076,525
June 30, 2024					
Costs	$ 884,019	$ 413,374	$ 191,619	$ 310,387	$ 1,799,399
Accumulated depreciation	(373,606)	(225,947)	(123,321)	-	(722,874)
	$ 510,413	$ 187,427	$ 68,298	$ 310,387	$ 1,076,525

The property, plant, and equipment of the Group were not provided as collateral or capitalized interest.

(9) Lease transactions – Lessee

A. The underlying assets leased by the Group include land, buildings, and transportation equipment. The term of lease contracts is usually 3 to 43 years. The lease contract employs individual negotiation and includes various terms and conditions. Besides the fact that the rented assets shall not be used as loan guarantees, there are no other restrictions.

B. The lease terms of parking spaces rented by the Group are less than 12 months, and the underlying leased assets of low value are water dispensers and photocopiers.

C. The following information is the book value and recognized depreciation expenses of right-of-use assets:

	June 30, 2025 Book amount	December 31, 2024 Book amount	June 30, 2024 Book amount
Land	$ 298,444	$ 322,687	$ 331,590
House	33,052	44,623	50,268
Transportation equipment	2,931	969	1,710
	$ 334,427	$ 368,279	$ 383,568

	April 1 to June 30, 2025 Depreciation expenses	April 1 to June 30, 2024 Depreciation expenses
Land	$ 5,098	$ 5,135
House	3,202	3,383
Transportation equipment	371	371
	$ 8,671	$ 8,889

	January 1 to June 30, 2025 Depreciation expenses	January 1 to June 30, 2024 Depreciation expenses
Land	$ 10,247	$ 10,249
House	7,030	6,829
Transportation equipment	741	729
	$ 18,018	$ 17,807

D. The increase in the right-of-use assets of the Group from January 1 to June 30, 2025, and 2024 were NTD 3,304 and NTD 5,061, respectively.

E. The following is information regarding the profit or loss items related to lease contracts:

Item influencing current profit or loss	April 1 to June 30, 2025	April 1 to June 30, 2024
Interest expenses of lease liabilities	$ 1,209	$ 3,892
Expenses for short-term lease contracts	523	366
Expenses for lease of low-price assets	51	51
Lease modification profit	-	-

Item influencing current profit or loss	January 1 to June 30, 2025	January 1 to June 30, 2024
Interest expenses of lease liabilities	$ 2,461	$ 7,825
Expenses for short-term lease contracts	984	765
Expenses for lease of low-price assets	121	103
Lease modification profit	223,831	-

In the current year, due to the early termination of the lease contract through a supplemental agreement for plant usage rights, the Group recognized a gain on lease modification in the amount of $223,831. Please refer to Note 6, (24) for details.

F. The Group's total lease cash outflows for the periods from January 1 to June 30, 2025 and 2024 were NTD 20,067 and NTD 19,646, respectively.

(10) Lease transactions – Lessor

A. The assets leased out by the Group are buildings, with lease terms typically ranging from 1 to 20 years. Lease contracts are individually negotiated and contain a variety of terms and conditions. To ensure the use condition of the leased assets, it is often required that the lessee shall not use the leased assets for loan guarantee.

B. For the periods from April 1 to June 30, 2025, and 2024, and from January 1 to June 30, 2025, and 2024, the Group recognized rental income of NTD 14,283, NTD 16,889, NTD 29,598, and NTD 33,509, respectively, based on the operating lease contracts, and there were no variable lease payments.

C. The maturity analysis of lease payments based on operating lease of the Group is as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Not more than 1 year	$ 54,016	$ 63,428	$ 71,035
2 to 5 years	6,665	32,722	71,356
More than 5 years	757	786	800
Total	$ 61,438	$ 96,936	$ 143,191

(11) Other non-current assets

	June 30, 2025	December 31, 2024	June 30, 2024
Offset against business tax payable	$ 148,980	$ 148,980	$ 163,936
Net defined benefit assets	56,652	56,652	50,251
Refundable deposits	4,361	4,664	4,604
Total	$ 209,993	$ 210,296	$ 218,791

(12) Short-term loans

	June 30, 2025	Interest rate range	Collateral
Bank loans			
Credit loans	$ 56,085	4.90%～5.05%	None

Nature of loan	December 31, 2024	Interest rate range	Collateral
Bank loans			
Credit loans	$ 94,539	5.60%～5.62%	None

Nature of loan	June 30, 2024	Interest rate range	Collateral
Bank loans			
Credit loans	$ 60,913	6.26%	None

(13) Other payables

	June 30, 2025	December 31, 2024	June 30, 2024
Payables for discount	$ 72,538	$ 87,958	$ 86,216
Salaries and bonuses payable	60,210	76,773	63,369
Employee bonus payable	54,268	1,476	-
Payables for equipment	51,823	81,234	3,339
Collections payable	49,729	-	-
Rent payable	-	53,922	33,974
Other fees payable	59,176	54,625	54,576
	$ 347,744	$ 355,988	$ 241,474

(14) Pension

A. (A) The Company has established the regulation for retirement with welfare in accordance with the "Labor Standards Act," which is applicable to the years of service for full-time employees before the implementation of the "Labor Pension Act" on July 1, 2005, and the employees continued to adopt the "Labor Standards Act" after the "Labor Pension Act" came into effect. Employees who meet the retirement requirements will receive a pension based on their years of service and the average salary or wage from the six (6) months prior to retirement. Two units are accrued for each year of service for the first 15 years, and one unit is accrued for each additional year thereafter, up to a maximum of 45 units. The Company contributes 2% of the total salary on a monthly basis to the pension fund and deposits it at the special pension account under the title of the Pension Reserve Monitoring Committee Taiwan, the Bank of Taiwan. Before the end of the fiscal year, the Company calculates the balance of the said labor pension fund account. If the pension account balance is insufficient to pay for the pension of employees expecting to meet the retirement conditions in the following year, the spread amount shall be deposited by the Company in a lump sum before the end of March in the following year.

(B) In February 2025, the Science Park Administration approved the Company to suspend the appropriation of the labor pension reserve.

(C) The Company is scheduled to contribute NTD 0 to the pension plan in 2025.

B. (A) As of July 1, 2005, the Company and its domestic subsidiaries instituted the defined contribution pension plan according to the Labor Pension Act applicable to employees who are nationals of the country where the Company operates. For employees who have elected to participate in the pension system under the Labor Pension Act, the Company and its domestic subsidiaries contribute 6% of the employees' monthly salary to their individual pension accounts maintained by the Bureau of Labor Insurance. Pension benefits are paid out based on the balance of the personal pension account, including accumulated returns, and may be received either as monthly payments or as a lump sum.

(B) The subsidiaries in China and Vietnam make monthly contributions to the endowment insurance based on a certain percentage of the local employees' total salary in accordance with the endowment insurance system stipulated by the local government and deposit them in a dedicated employee account. Employee pensions are arranged by the government. Except for the contribution of funds on a monthly basis, the Company mentioned above shall bear no other obligations.

(C) The principal of the pension cost recognized by the Group according to the said pension regulations for the periods from April 1 to June 30, 2025, and 2024, and from January 1 to June 30, 2025, and 2024, were NTD 8,161, NTD 6,882, NTD 14,309, and NTD 13,160, respectively.

(15) Share-based payment

A. The share-based payment for remuneration agreements of the Group as of June 30, 2025, December 31, 2024, and June 30, 2024, were as follows:

Type of agreement	Grant date	Amount given	Contract period	Criteria for vesting
New restricted employee shares plan	2022.09.13	1,110 thousand shares	3 years	Descriptions (1) and (6)
New restricted employee shares plan	2022.11.08	500 thousand shares	3 years	Descriptions (2) and (6)
New restricted employee shares plan	2023.08.11	100 thousand shares	3 years	Descriptions (3) and (6)
New restricted employee shares plan	2023.11.10	30 thousand shares	3 years	Descriptions (4) and (6)
New restricted employee shares plan	2024.05.10	260 thousand shares	3 years	Descriptions (5) and (6)
Transfer of treasury shares to employees	2025.06.30	5,500 thousand shares	-	Vested immediately

(A) According to the different lengths of continued service by employees (ranging from one to three years), new restricted employee shares will be exercised in batches at ratios of 40%, 30%, and 30%, with an expiration date of September 12, 2025.

(B) According to the different lengths of continued service by employees (ranging from one to three years), new restricted employee shares will be exercised in batches at ratios of 40%, 30%, and 30%, with an expiration date of November 7, 2025.

(C) According to the different lengths of continued service by employees (ranging from one to three years), new restricted employee shares will be exercised in batches at ratios of 40%, 30%, and 30%, with an expiration date of August 10, 2026.

(D) According to the different lengths of continued service by employees (ranging from one to three years), new restricted employee shares will be exercised in batches at ratios of 40%, 30%, and 30%, with an expiration date of November 9, 2026.

(E) According to the different lengths of continued service by employees (ranging from one to three years), new restricted employee shares will be exercised in batches at ratios of 40%, 30%, and 30%, with an expiration date of May 9, 2027.

(F) The new restricted employee shares issued by the Company are issued without consideration and may not be transferred during the vesting period. However, they are not restricted in terms of voting rights or the right to participate in dividend distributions. If an employee resigns during the vesting period, he/she must return the shares but not the dividends received.

(G) On June 26, 2025, the Company's board of directors resolved to transfer the repurchased treasury shares to employees. The transfer was 5,500 thousand shares at a price of NTD 15 per share.

(H) The above share-based payment agreements are all settled through equity.

B. The details of the above share-based payment agreements are shown below:

	2025 Quantity (thousand shares)	2024 Quantity (thousand shares)
New restricted employee shares on January 1	614	1,042
Issued in the current period	-	260
Vested in the current period	(100)	-
Canceled in the current period	(26)	(20)
New restricted employee shares on June 30	488	1,282

C. The share-based payment transaction on the grant date is based on the fair value of the option, estimated using the Black-Scholes option valuation model, and the stock price on the grant date less the exercise price. The relevant information is as follows:

Type of agreement	Grant date	Stock price (NTD)	Fulfillment price (NTD)	Expected volatility (%)	Expected duration	Expected dividends	Risk-free rate (%)	Fair value per unit (NTD)
New restricted employee shares plan	2022.09.13	29.70	-	-	3 years	-	-	29.70
New restricted employee shares plan	2022.11.08	23.05	-	-	3 years	-	-	23.05
New restricted employee shares plan	2023.08.11	20.05	-	-	3 years	-	-	20.05
New restricted employee shares plan	2023.11.10	21.95	-	-	3 years	-	-	21.95
New restricted employee shares plan	2024.05.10	21.95	-	-	3 years	-	-	21.95
Transfer of treasury shares to employees	2025.6.30	22.63	15	58.52	0.1 years	-	1.22	7.67

D. The expenses generated from share-based payment transactions are as follows:

	April 1 to June 30, 2025	April 1 to June 30, 2024
Equity settled	$ 43,674	$ 3,573

	January 1 to June 30, 2025	January 1 to June 30, 2024
Equity settled	$ 45,339	$ 6,312

(16) Liability reserve

	Warranty	
	2025	2024
Balance, January 1	$ 10,965	$ 12,939
Increase in liability reserve in current period	6,096	4,213
Used liability reserve in current period	(1,592)	(2,482)
Balance at June 30	$ 15,469	$ 14,670

The analysis of liability reserve is as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Current	$ 3,162	$ 541	$ 3,787
Non-current	$ 12,307	$ 10,424	$ 10,883

The Group's reserve for warranty liabilities is estimated based on the historical warranty information of these products to project possible after-sale service in the future. The warranty liabilities of the Group, estimated to be incurred in 2025 and 2026, are NTD 3,162 and NTD 12,307, respectively.

(17) Capital stock

A. As of June 30, 2025, the Company's authorized capital was NTD 5,000,000, divided into 500,000 thousand shares (including 14,000 thousand shares reserved for employee stock options), and the paid-in capital amounted to NTD 3,302,994, with a par value of NTD 10 per share. All shares issued by the Company were paid in full.

The Company's outstanding common stock at beginning and ending is reconciled as follows:

	2025 (thousand shares)	2024 (thousand shares)
January 1	323,679	330,190
Issuance of new restricted employees shares	-	260
Cancellation of new restricted employee shares	(26)	(20)
Recovery of shares	(854)	(783)
June 30	322,799	329,647

B. The Company's board of directors resolved to issue new restricted employee shares on May 10, 2024 (please refer to Note 6(14)). The respective issuance reference date for the new shares was May 10, 2024. Employees did not need to pay to acquire the new restricted employee shares. The rights and obligations of the common shares issued this time are the same as other previously issued common stocks, except for the restriction on the transferability of shares, until the vested conditions are met by the employees.

C. On March 11, 2024, the Company's board of directors resolved to cancel 20 thousand shares of restricted stock units reclaimed, reducing the capital by NTD 200. The reduction date was set as March 11, 2024, and the change of registration was completed on March 27, 2024.

D. On August 9, 2024, the Company's board of directors resolved to cancel 50 thousand shares of restricted stock units reclaimed, reducing the capital by NTD 500 thousand. The reduction date was set as August 9, 2024, and the change of registration was completed on August 27, 2024.

E. On November 13, 2024, the Company's board of directors resolved to cancel 120 thousand shares of restricted stock units reclaimed, reducing the capital by NTD 1,200. The reduction date was set as November 13, 2024, and the change of registration was completed on November 28, 2024.

F. On March 5, 2025, the Company's board of directors resolved to cancel 15 thousand shares of restricted stock units reclaimed, reducing the capital by NTD 150. The reduction date was set as March 5, 2025, and the change of registration was completed on March 20, 2025.

G. On May 9, 2025, the Company's board of directors resolved to cancel 11 thousand shares of restricted stock units reclaimed, reducing the capital by NTD 110 thousand. The reduction date was set as May 9, 2025, and the change of registration was completed on June 13, 2025.

H. Treasury stocks

(A) Reasons for the redemption of shares and their quantities:

Name of Company Holding Shares	Reason for redemption	June 30, 2025 Number of shares (thousand shares)	Book amount
The Company	For transfer of shares to employees	7,500	$ 233,167

Name of Company Holding Shares	Reason for redemption	December 31, 2024 Number of shares (thousand shares)	Book amount
The Company	For transfer of shares to employees	6,646	$ 205,694

Name of Company Holding Shares	Reason for redemption	June 30, 2024 Number of shares (thousand shares)	Book amount
The Company	For transfer of shares to employees	848	$ 20,425

(B) On May 10, 2024, the Company's board of directors resolved to buy back 5,000 thousand shares of the Company from May 13 to July 12, 2024, at the price of NTD 15.5–NTD 33.6 per share to protect the Company's credit and shareholders' equity. If the market price falls below the lower limit of the original price range, the repurchase of the Company's shares will continue. As of the expiration of the exercise period, a total of 2,650 thousand shares have been repurchased at a total cost of NTD 78,605 thousand.

(C) On August 9, 2024, the Company's board of directors resolved to buy back 3,000 thousand shares of the Company from August 12 to October 11, 2024, at the price of NTD 17.8–NTD 33 per share to protect the Company's credit and shareholder equity. If the market price falls below the lower limit of the original price range, the repurchase of the Company's shares will continue. As of the expiration of the exercise period, a total of 1,785 thousand shares have been repurchased at a total cost of NTD 56,912 thousand.

(D) On November 13, 2024, the Company's board of directors resolved to buy back 3,000 thousand shares of the Company from November 14, 2024 to January 13, 2025, at the price of NTD 24.85–NTD 37.30 per share to protect the Company's credit and shareholder equity. If the market price falls below the lower limit of the original price range, the repurchase of the Company's shares will continue. As of the expiration of the exercise period, a total of 3,000 thousand shares have been repurchased at a total cost of NTD 96,224 thousand.

(E) Pursuant to the Securities and Exchange Act, the amount of outstanding shares repurchased by the Company shall not exceed ten percent of the total number of issued shares. The total amount of the repurchased shares shall not exceed 10% of the Company's retained earnings plus the premium of the outstanding shares and the realized capital stock.

(F) According to the Securities and Exchange Act, the treasury stock held by the Company shall not be pledged and shall not be entitled to the rights of shareholders before transfer.

(G) Pursuant to the Securities and Exchange Act, shares repurchased due to the transfer of shares to employees shall be transferred within five years from the repurchase date. Failure to transfer the shares within this period will be treated as if the Company has not issued the shares, and the Company must proceed to change the registration to cancel the shares. For the repurchased shares to protect the Company's credit and shareholders' rights and interests, a change of registration shall be made to cancel the shares within six months from the date of repurchase.

(H) The Company's board of directors approved the transfer of 5,500 thousand shares of treasury stock at NTD 15 per share to employees on June 26, 2025. As of June 30, 2025, the transfer procedure had not been completed.

(18) Capital reserves

According to the Company Act, for capital reserves that include shares issued at a premium exceeding the par value and gains in the form of gifts, the Company shall distribute the capital reserve by issuing new shares or cash in proportion to the original shareholding ratio of the shareholders, provided that the Company incurs no losses. In addition, according to the relevant regulation of the Securities and Exchange Act, the capital surplus mentioned above that can be capitalized annually shall not exceed 10% of the total paid-in capital. When the reserve is insufficient to cover the capital losses, the Company shall not use capital reserve for offset.

	2025					
	Stock premium	Employee stock option	Changes in net worth of equity of affiliated companies and joint ventures recognized under equity method	New restricted employee shares	Others	Total
January 1	$ 484,632	$ -	$ 35,206	$ 69,870	$ 8,968	$ 598,676
Employee stock options executed	-	42,173	-	-	-	42,173
Cancellation of new restricted employee shares	-	-	-	(327)	-	(327)
Disposal of investments accounted for using the equity method	-	-	(35,206)	-	-	(35,206)
June 30	$ 484,632	42.173	$ -	$ 69,543	$ 8,968	$ 605,316

2024	Stock premium	Changes in net worth of equity of affiliated companies and joint ventures recognized under equity method	New restricted employee shares	Others	Total
January 1	$ 484,632	$ 59,187	$ 69,891	$ 8,968	$ 622,678
Issuance of new restricted employee shares	-	-	3,107	-	3,107
Cancellation of new restricted employee shares	-	-	(261)	-	(261)
Disposal of investments accounted for using the equity method	-	(17,267)	-	-	(17,267)
June 30	$ 484,632	$ 41,920	$ 72,737	$ 8,968	$ 608,257

(19) Retained earnings

A. If the Company has a profit at the year's final accounting, it shall first be used to pay the income tax and to offset any cumulative losses in accordance with the law, and 10% of the balance shall be appropriated as a legal reserve, unless the existing legal reserve reaches the amount of the Company's paid-in capital. The rest of the balance shall be used for the provision/reversal of special reserves pursuant to the law. The residual balance, if any, shall be added to the cumulative undistributed earnings. The board of directors shall draft a proposal for the allocation of the residual balance plus the undistributed earnings and submit it to the shareholders' meeting to determine whether shareholder bonuses shall be distributed.

B. The Company authorizes the board of directors to make a resolution with respect to payment of all or part of the distributable dividends, bonuses, capital reserves or legal reserves in cash by a majority vote at a meeting attended by over two-thirds of the directors and report such payment to the shareholders' meeting without being subject to the resolution of the shareholders' meeting referred to in the preceding paragraph.

C. The dividend policy of the Company is as follows: CyberTAN is currently in the growth stage. Its policy for the distribution of bonuses to shareholders must be based on the current and future investment environment, funding needs, domestic and international competition, capital budget, and other factors, and it must take into account shareholder interests and CyberTAN's long-term financial plan. Bonuses to shareholders shall be allocated from the accumulated distributable earnings and shall be no less than 15% of the distributable earnings of the current year. No distribution is required if the distributable earnings of the current year are less than 3% of the paid-in capital. Cash dividends shall account for no less than 10% of the bonuses to shareholders.

D. The legal reserve shall not be used except for covering losses, issuing new shares, or distributing cash in proportion to the original shareholding ratio of the shareholders. The new shares or cash allocated shall not exceed 25% of the paid-in capital.

E. Pursuant to the law, when allocating earnings, the Company shall provide the special reserve from the credit balance under other equities as of the balance sheet date in the current year. The Company may then allocate the earnings. If the credit balance under other equities is subsequently reversed, the reversed amount may be included in the allocable earnings.

F. The 2024 and 2023 coverage of net losses proposals of the Company approved by the shareholders' meetings on May 29, 2025, and June 25, 2024, respectively, are as follows:

	2024		2023	
	Amount	Dividends per share (NTD)	Amount	Dividends per share (NTD)
Reversal of special reserves	$ 97,294	$ -	$ 6,922	$ -

(20) Other items of interest

	Financial assets measured at fair value through other comprehensive income	Translation of foreign currency	Employees' unearned remuneration	Total
January 1, 2025	($ 47,762)	($ 10,414)	($ 6,628)	($ 64,804)
Valuation adjustment	(492,262)	-	-	(492,262)
Valuation adjustment – Affiliated companies	(1,837)	-	-	(1,837)
Valuation adjustment transferred to retained earnings	12,550	-	-	12,550
Valuation adjustment transferred to retained earnings – Affiliated companies	(481)	-	-	(481)
Currency translation differences:				
- Group	-	(176,402)	-	(176,402)
- Group's tax	-	1,220	-	1,220
Cancellation of new restricted employee shares	-	-	587	587
Share-based payment expenses	-	-	3,166	3,166
Disposal of investments accounted for using the equity method	26,170	1,618	-	27,788
June 30, 2025	($ 503,622)	($ 183,978)	($ 2,875)	($ 690,475)

	Financial assets measured at fair value through other comprehensive income	Translation of foreign currency	Employees' unearned remuneration	Total
January 1, 2024	($ 77,483)	($ 77,986)	($ 14,143)	($ 169,612)
Valuation adjustment	(2,346)	-	-	(2,346)
Valuation adjustment – Affiliated companies	22,324	-	-	22,324
Valuation adjustment transferred to retained earnings – Affiliated companies	(151)	-	-	(151)
Currency translation differences:				
- Group	-	34,400	-	34,400
- Group's tax	-	(6,880)	-	(6,880)
- Affiliated companies	-	11,322	-	11,322
Issuance of new restricted employee shares	-	-	(5,707)	(5,707)
Cancellation of new restricted employee shares	-	-	461	461
Share-based payment expenses	-	-	6,312	6,312
Disposal of investments accounted for using the equity method	12,858	2,374	-	15,232
June 30, 2024	($ 44,798)	($ 36,770)	($ 13,077)	($ 94,645)

(21) Operating revenue

	April 1 to June 30, 2025	April 1 to June 30, 2024
Revenue from customer contracts	$ 1,167,576	$ 765,466

	January 1 to June 30, 2025	January 1 to June 30, 2024
Revenue from customer contracts	$ 2,035,864	$ 1,424,541

A. Details of revenue from customer contracts

The revenue of the Group is mainly from providing products transferred at specific times, and it can be classified by the following main product lines and geographical areas:

	America Communication product	Europe Communication product	Asia Communication product	Other departments	Total
Revenue from external customer contracts	$342,149	$383,097	$396,328	$ 46,002	$1,167,576

April 1 to June 30, 2024	America Communication product	Europe Communication product	Asia Communication product	Other departments	Total
Revenue from external customer contracts	$389,023	$274,477	$ 13,309	$ 88,657	$ 765,466

January 1 to June 30, 2025	America Communication product	Europe Communication product	Asia Communication product	Other departments	Total
Revenue from external customer contracts	$421,435	$643,134	$854,850	$116,445	$2,035,864

January 1 to June 30, 2024	America Communication product	Europe Communication product	Asia Communication product	Other departments	Total
Revenue from external customer contracts	$667,949	$468,951	$ 22,496	$265,145	$1,424,541

B. Contract liabilities

(A) As of June 30, 2025, December 31, 2024, June 30, 2024, and January 1, 2024, the Group recognized contract liabilities – advance receipts related to customer contract revenue in the amounts of NTD 8,438, NTD 41,443, NTD 67,349, and NTD 48,648, respectively.

(B) Contract liabilities at the beginning recognized in the revenue in current period

	April 1 to June 30, 2025	April 1 to June 30, 2024
Balance of the contract liabilities at the beginning recognized in the revenue in current period	$ 141	$ 267

	January 1 to June 30, 2025	January 1 to June 30, 2024
Balance of the contract liabilities at the beginning recognized in the revenue in current period	$ 41,043	$ 7,561

(22) Interest revenue

	April 1 to June 30, 2025	April 1 to June 30, 2024
Bank deposit interest	$ 7,532	$ 5,779

	January 1 to June 30, 2025	January 1 to June 30, 2024
Bank deposit interest	$ 14,667	$ 21,661

(23) Other revenue

	April 1 to June 30, 2025	April 1 to June 30, 2024
Rental revenue	$ 14,283	$ 16,889
Dividend revenue	800	-
Other revenues – others	3,252	5,012
	$ 18,335	$ 21,901

	January 1 to June 30, 2025	January 1 to June 30, 2024
Rental revenue	$ 29,598	$ 33,509
Dividend revenue	800	-
Other revenues – others	4,758	5,204
	$ 35,156	$ 38,713

(24) Other gains and losses

	April 1 to June 30, 2025	April 1 to June 30, 2024
Gains on disposal of investment	$ -	$ 130,328
Lease modification profit (Note)	-	-
Foreign currency exchange gain	(214,943)	(12,676)
Miscellaneous expenses – interest	(318)	(450)
Miscellaneous expenses – depreciation	(3,607)	(4,625)
Loss from financial assets and liabilities at fair value through profit or loss	108,646	(17,915)
Gains on disposal of property, plant and equipment	-	201
Miscellaneous expenses	(1,983)	1,962
	($ 112,205)	$ 96,825

	January 1 to June 30, 2025	January 1 to June 30, 2024
Gains on disposal of investment	$ 707,714	$ 260,445
Lease modification profit (Note)	223,831	-
Foreign currency exchange gain (loss)	(243,353)	9,388
Miscellaneous expenses – interest	(721)	(900)
Miscellaneous expenses – depreciation	(7,642)	(9,557)
Gains (losses) from financial assets and liabilities at fair value through profit or loss	86,887	(32,092)
Gains on disposal of property, plant and equipment	-	201
Miscellaneous expenses	(2,488)	(2,865)
	$ 764,228	$ 224,620

Note: The Group's subsidiary in China, Chongqing Hongdao Full Technology Co., Ltd., originally entered into an 18-year factory lease. As the Group had fully relocated its production lines to Vietnam, a supplementary agreement was signed on January 20, 2025, to terminate the lease early. A lease modification gain of NTD 223,831 was recognized based on the difference between the lease liability and the right-of-use asset.

(25) Financial Costs

	April 1 to June 30, 2025	April 1 to June 30, 2024
Interest expenses:		
Bank loans	$ 581	$ 1,388
Lease liabilities	891	3,442
	$ 1,472	$ 4,830

	January 1 to June 30, 2025	January 1 to June 30, 2024
Interest expenses:		
Bank loans	$ 2,051	$ 8,423
Lease liabilities	1,740	6,925
	$ 3,791	$ 15,348

(26) Additional Information on the Nature of Expense

	April 1 to June 30, 2025	April 1 to June 30, 2024
Employee benefit expenses	$ 185,913	$ 132,667
Depreciation expenses of property, plant and equipment	33,118	29,730
Depreciation expenses of right-of-use assets	7,208	6,960
Amortization expense of intangible assets	2,259	1,161
	$ 228,498	$ 170,518

	January 1 to June 30, 2025	January 1 to June 30, 2024
Employee benefit expenses	$ 409,133	$ 245,873
Depreciation expenses of property, plant and equipment	59,434	57,928
Depreciation expenses of right-of-use assets	14,665	13,946
Amortization expense of intangible assets	4,459	2,988
	$ 487,691	$ 320,735

(27) Employee benefit expenses

	April 1 to June 30, 2025	April 1 to June 30, 2024
Salary expenses	$ 117,129	$ 109,762
Employee stock option	43,674	3,573
Expenses for labor and health insurance	10,177	7,591
Pension expenses	8,161	6,882
Other employment expenses	6,772	4,859
	$ 185,913	$ 132,667

	January 1 to June 30, 2025	January 1 to June 30, 2024
Salary expenses	$ 317,048	$ 201,337
Employee stock option	45,339	6,312
Expenses for labor and health insurance	21,078	15,060
Pension expenses	14,309	13,160
Other employment expenses	11,359	10,004
	$ 409,133	$ 245,873

A. According to the Articles of Incorporation of the Company, if the Company makes a profit in a year, it shall allocate no less than 6% of the profit as employee remuneration, with no less than 25% of the total amount of employee remuneration allocated to entry-level employees. However, if the Company has accumulated losses, a provision shall first be made to offset those losses, and then no less than 6% of the profit shall be allocated as employee remuneration.

B. The Company estimated the remuneration to employees for the periods from April 1 to June 30, 2025, and 2024, and from January 1 to April 1 to June 30, 2025, and 2024, were NTD (19,933), NTD 1,449, NTD 49,573, and NTD 1,449, respectively. The estimated remuneration to directors and supervisors for all periods was NTD 0. The aforementioned amounts were recorded under salary expenses.

   From January 1 to June 30, 2025, and 2024, the estimated amounts were calculated based on the profit for the period, using rates of 8.5%, 0% and 8.5%, 0%, respectively.

   As resolved by the board of directors, the amount of employee remuneration and director remuneration in 2024 was NTD 1,476 and NTD 0, respectively, consistent with the amounts recognized in the 2024 financial statements.

C. Please refer to the “Market Observation Post System” for information related to the remuneration to employees and directors of the Company approved by the board of directors.

(28) Income Tax

A. Income tax expenses (benefits)

(A) Components of income tax expenses (benefits):

	April 1 to June 30, 2025	April 1 to June 30, 2024
Income tax in the current period:		
Income tax generated from the current income	$ 428	$ 302
Additional tax levied on the undistributed earnings	2,553	-
Over-estimated income tax in previous years	(18)	-
Total income tax in the current period	2,963	302
Deferred income tax:		
Initial occurrence and reversal of temporary difference	(56,551)	409
Total deferred income tax	(56,551)	409
Income tax (benefits) expenses	($ 53,588)	$ 711

	January 1 to June 30, 2025	January 1 to June 30, 2024
Income tax in the current period:		
Income tax generated from the current income	$ 490	$ 686
Additional tax levied on the undistributed earnings	2,553	-
Over-estimated income tax in previous years	(18)	(27)
Total income tax in the current period	3,025	659
Deferred income tax:		
Initial occurrence and reversal of temporary difference	(51,251)	(2,496)
Total deferred income tax	(51,251)	(2,496)
Income tax benefits	($ 48,226)	($ 1,837)

(B) Income tax related to other comprehensive income:

	April 1 to June 30, 2025	April 1 to June 30, 2024
Exchange differences on the translation of the foreign operation	($ 1,354)	$ 3,990

	January 1 to June 30, 2025	January 1 to June 30, 2024
Exchange differences on the translation of the foreign operation	($ 1,220)	$ 6,880

B. The Company's profit-seeking business income tax has been certified by the tax authority up until 2022.

(29) Earnings per share

	April 1 to June 30, 2025		
	After-tax income	Weighted average outstanding shares (thousand shares)	Losses per share (NTD)
Basic losses per share			
Net loss for the period attributable to the parent company's common stock shareholders	($ 160,564)	322,267	($ 0.50)
Diluted loss per share			
Net loss for the period attributable to the parent company's common stock shareholders	($ 160,564)	322,267	($ 0.50)

	April 1 to June 30, 2024		
	After-tax income	Weighted average outstanding shares (thousand shares)	Earnings per share (NTD)
Basic earnings per share			
Net profit attributable to the parent company's common stock shareholders	$ 19,690	328,954	$ 0.06
Diluted earnings per share			
Net profit attributable to the parent company's common stock shareholders	$ 19,690	328,954	
Impacts of dilutive potential common shares			
Remuneration to employees	-	45	
Restricted stock	-	755	
Impacts of net profit attributable to the parent company's common stock shareholders plus potential common stocks	$ 19,690	329,754	$ 0.06

January 1 to June 30, 2025

	After-tax income	Weighted average outstanding shares (thousand shares)	Earnings per share (NTD)
Basic earnings per share			
Net profit attributable to the parent company's common stock shareholders	$ 582,353	322,269	$ 1.81
Diluted earnings per share			
Net profit attributable to the parent company's common stock shareholders	$ 582,353	22,269	
Impacts of dilutive potential common shares			
Remuneration to employees	-	2,019	
Restricted stock	-	397	
Impacts of net profit attributable to the parent company's common stock shareholders plus potential common stocks	$ 582,353	324,685	$ 1.79

January 1 to June 30, 2024

	After-tax income	Weighted average outstanding shares (thousand shares)	Earnings per share (NTD)
Basic earnings per share			
Net profit attributable to the parent company's common stock shareholders	$ 18,089	329,051	$ 0.05
Diluted earnings per share			
Net profit attributable to the parent company's common stock shareholders	$ 18,089	329,051	
Impacts of dilutive potential common shares			
Remuneration to employees	-	45	
Restricted stock	-	716	
Impacts of net losses attributable to the parent company's common stock shareholders plus potential common stocks	$ 18,089	329,812	$ 0.05

As the Company posted a net loss from April to June 2025, potential common shares were included in the computation of diluted earnings per share; however, the dilutive effect was not significant.

(30) Supplementary information on cash flow

Partial cash payment investment activities:

	January 1 to June 30, 2025	January 1 to June 30, 2024
Purchase of land use rights	$ -	$ -
Add: Payables at beginning of period	-	6,840
Cash paid in current period	$ -	$ 6,840

	January 1 to June 30, 2025	January 1 to June 30, 2024
Purchase of property, plant and equipment	$ 334,528	$ 219,227
Add: Payables for equipment, beginning	81,234	4,158
Less: payables for equipment, ending	(2,032)	-
Cash paid in current period	$ 413,730	$ 223,385

(31) Changes in liabilities from financing activities

	Lease liabilities	
	2025	2024
January 1	$ 443,843	$ 482,764
Changes in cash flow from financing activities	(16,501)	(10,953)
Other non-cash changes	(181,152)	(12,119)
Impact of changes in exchange rate	(11,822)	8,231
June 30	$ 234,368	$ 467,923

Besides lease liabilities, the Group's changes in liabilities from financing activities for the periods from January 1 to June 30, 2025, and 2024 were due to changes in cash flow from financing, with no non-cash changes. Please refer to the consolidated statement of cash flow.

7. Transactions of the Related Party

(1) Name of the related party and relationship

Name of the related party	Relationship with the Group
Gwong-Yih Lee	Key management of the Group
Microelectronics Technology, Inc. and its subsidiaries (Note)	Other related parties
Hon Hai Precision Industry Co., Ltd. and its subsidiaries (Hong Hai)	〃
FOXCONN Technology Co., Ltd. and its subsidiaries	〃

Garuda Technology Co., Ltd. and its subsidiaries	〃
Pan-International Industrial Corp.	〃
Cloud Network Technology Singapore Pte. Ltd.(Cloud Network)	〃

Note: Microelectronics Technology, Inc. and its subsidiaries were previously related parties of the Company. However, since the Group ceased to hold a board seat on January 9, 2025, it no longer has significant influence over Microelectronics Technology, Inc. Therefore, it reclassified the company as an other related party, effective January 9, 2025.

(2) Significant transactions with the related party

A. Operating revenue

	April 1 to June 30, 2025	April 1 to June 30, 2024
Sale of goods:		
Other related parties		
- Cloud Network	$ 311,797	$ 275,127
- Hon Hai Precision Ind. Co., Ltd.	69,478	7,460
- Others	1,428	-
Affiliated companies	-	-
Total	$ 382,703	$ 282,587

	January 1 to June 30, 2025	January 1 to June 30, 2024
Sale of goods:		
Other related parties		
- Cloud Network	$ 549,877	$ 470,212
- Hon Hai Precision Ind. Co., Ltd.	213,991	18,386
- Others	8,110	658
Affiliated companies	-	1,057
Total	$ 771,978	$ 490,313

Except for transactions that have no similar transactions to follow, where the transaction terms are negotiated and determined by both parties, the selling prices of the Group to the aforementioned related parties are similar to the selling prices for ordinary customers. The mode of collection adopts NET 20 days, and the collection period is O/A 120 days. The mode of collection for general customers is O/A 60 days.

B. Purchase

	April 1 to June 30, 2025	April 1 to June 30, 2024
Purchase of commodities:		
Other related parties	$ 74,577	$ 34,331
Affiliated companies	-	496
Total	$ 74,577	$ 34,827

	January 1 to June 30, 2025	January 1 to June 30, 2024
Purchase of commodities:		
Other related parties	$ 112,736	$ 72,087
Affiliated companies	-	618
Total	$ 112,736	$ 72,705

Except for transactions with no similar transactions to follow, where the transaction terms are negotiated and determined by both parties, all other transactions of the Group involve purchasing from related parties at prevailing market prices. The mode of collection adopts NET 30 days, and the collection period is O/A 120 days. The mode of collection for general vendors is O/A 60 days.

C. Accounts receivable

	June 30, 2025	December 31, 2024	June 30, 2024
Accounts receivable – the related party			
Other related parties			
- Cloud Network	$ 251,078	$ 238,127	$ 254,267
- Hon Hai Precision Ind. Co., Ltd.	33,564	55,534	6,621
Affiliated companies	-	10,817	-
Total	$ 284,642	$ 304,478	$ 260,888

D. Other receivables

	June 30, 2025	December 31, 2024	June 30, 2024
Other receivables – the related party			
Affiliated companies - Microelectronics Technology and its subsidiaries	$ -	$ 92,602	$ 65,877
Other related parties - Microelectronics Technology and its subsidiaries	58,949	-	-
- Others	379	1,039	2,400
Total	$ 59,328	$ 93,641	$ 68,277

Other receivables from the related party mainly are the purchase amount on behalf of the related party and rental revenue.

E. Accounts payable

	June 30, 2025	December 31, 2024	June 30, 2024
Accounts payable – the related party			
Other related parties	$ 50,145	$ 19,663	$ 18,237
Affiliated companies	-	12,051	499
Total	$ 50,145	$ 31,714	$ 18,736

F. Other payables

	June 30, 2025	December 31, 2024	June 30, 2024
Other payables – the related party			
Other related parties	$ 10,369	$ 17,749	$ 15,337
Affiliated companies	-	1,079	877
Total	$ 10,369	$ 18,828	$ 16,214

Other payables to the related party mainly are payables of processing fee, labor service fee and freight.

G. Processing expenses

	April 1 to June 30, 2025	April 1 to June 30, 2024
Other related parties	$ 1,120	$ 978

	January 1 to June 30, 2025	January 1 to June 30, 2024
Other related parties	$ 2,502	$ 1,544

H. Labor service fee

	April 1 to June 30, 2025	April 1 to June 30, 2024
Other related parties	$ 600	$ 630

	January 1 to June 30, 2025	January 1 to June 30, 2024
Other related parties	$ 1,200	$ 1,230

I. Freight costs

	April 1 to June 30, 2025	April 1 to June 30, 2024
Other related parties	$ 14,383	$ 2,395

	January 1 to June 30, 2025	January 1 to June 30, 2024
Other related parties	$ 28,631	$ 7,146

J. Rental revenue

	April 1 to June 30, 2025	April 1 to June 30, 2024
Affiliated companies - Microelectronics Technology and its subsidiaries	$ -	$ 14,806
Other related parties - Microelectronics Technology and its subsidiaries	12,592	-
- Hon Hai Precision Ind. Co., Ltd.	1,646	2,008
Total	$ 14,238	$ 16,814

	January 1 to June 30, 2025	January 1 to June 30, 2024
Affiliated companies - Microelectronics Technology and its subsidiaries	$ -	$ 29,665

Other related parties		
- Microelectronics Technology and its subsidiaries	26,208	-
- Hon Hai Precision Ind. Co., Ltd.	3,300	3,694
Total	$ 29,508	$ 33,359

The Group leased property, plant and equipment to the related party for the periods from January 1 to June 30, 2025, and 2024. Rental rates were determined in accordance with prevailing market conditions. The rent is collected every quarter.

K. Deposit received

	June 30, 2025	December 31, 2024	June 30, 2024
Affiliated companies			
- Microelectronics Technology and its subsidiaries	$ -	$ 5,765	$ 5,765
Other related parties			
- Microelectronics Technology and its subsidiaries	5,765	-	-
- Others	690	690	690
Total	$ 6,455	$ 6,455	$ 6,455

L. Other transactions

The related party, Gwong-Yih Lee, served as the joint guarantor of bank loans and joint writer of guaranteeing invoices by the Company for the periods from January 1 to June 30, 2025 and 2024.

(3) Information on the remuneration to the key management:

	April 1 to June 30, 2025	April 1 to June 30, 2024
Short-term employee benefits	$ 5,345	$ 5,042
Benefits after severance/retirement	144	131
Total	$ 5,489	$ 5,173
	January 1 to June 30, 2025	January 1 to June 30, 2024
Short-term employee benefits	$ 10,950	$ 10,279
Benefits after severance/retirement	288	262
Total	$ 11,238	$ 10,541

8. Pledged Assets

The details of the Group’s assets provided as collateral are as follows:

	Book value			
Asset item	June 30, 2025	December 31, 2024	June 30, 2024	Purpose of collateral
Time deposit (listed financial assets measured at amortized cost – non-current)	$ 22,529	$ 22,529	$ 22,528	Guarantee deposits of superficies

9. Major Contingent Liabilities and Commitments Made Under Unrecognized Contracts

(1) Contingency

None.

(2) Commitments

As of June 30, 2025, December 31, 2024, and June 30, 2024, the total contract prices for the projects signed were NTD 945,211, NTD 998,884, and NTD 811,733, respectively. The amounts paid were NTD 943,179, NTD 820,872, and NTD 310,388, leaving outstanding balances of NTD 2,032, NTD 178,012, and NTD 501,345, respectively.

10. Losses Due to Major Disasters

None.

11. Significant Subsequent Events

None.

12. Others

(1) Capital Management

The Group's capital management objective is intended to protect its continued operation and maintain an optimal capital structure to reduce capital costs and provide remuneration to shareholders. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce liabilities.

(2) Financial instruments

A. Categories of financial instruments

	June 30, 2025	December 31, 2024	June 30, 2024
Financial assets			
Financial assets measured at fair value through profit or loss			
Financial assets mandatorily measured at fair value through profit or loss	$ 66,459	$ -	$ -
Financial assets measured at fair value through other comprehensive income			
Selection of specified equity instrument investment	316,673	51,871	10,561
Financial assets measured at amortized cost	2,381,871	2,925,566	3,406,956
	$ 2,765,003	$ 2,977,437	$ 3,417,517
Financial liabilities			
Financial liabilities measured at fair value through profit or loss			
Financial liabilities mandatorily measured at fair value through profit or loss	$ -	$ 19,543	$ 5,001
Financial liabilities measured at amortized cost	1,538,851	1,363,357	1,187,451
Lease liabilities	234,368	443,843	467,923
	$ 1,773,219	$ 1,826,743	$ 1,660,375

Note: The financial assets carried at amortized cost, including cash and cash equivalents, financial assets measured at amortized cost, accounts receivables (including the related party), other receivables, and guaranteed deposits paid; the financial liabilities measured at amortized cost include short-term loans, accounts payable (including the related party), other payables (including the related party) and deposits received.

B. Risk management policy

(A) Various financial risks have an impact on the daily operation of the Group, including market risk (including the exchange rate risk, interest rate risk, and price risk), credit risk, and liquidity risk. To reduce the adverse impact of uncertainty on the Group's financial performance, the Group used forward exchange contracts to hedge the risk of exchange rate. The derivative tools used by the Group are for hedging purposes instead of trading or speculation.

(B) The risk management work is executed by the Group's financial department based on the policy approved by the board of directors. The Group's financial department is responsible for identifying, evaluating and hedging financial risks through close cooperation with each business unit in the Group. The board of directors has established written principles for overall risk management while providing a written policy for specific areas and matters, such as exchange rate risk, interest rate risk, credit risk, the utilization of financial and non-financial instruments, and the investment principles for remaining current funds.

C. Nature and degree of important financial risk

(A) Market risk

Exchange rate risk

(a) The Group is a multinational corporation. Therefore, the exchange rate risk resulting from transactions with functional currencies relatively different from the Company and its subsidiaries mainly involve USD, RMB, and VND. Related exchange rate risks come from future commercial transactions and recognized assets and liabilities.

(b) The management of the Group has established a policy that regulates the management of exchange rate risk relative to the functional currency of the Companies in the Group. Each Company shall adopt a hedging policy against the overall exchange rate risk via the Group's financial department. The exchange rate risk is measured by the expected transactions with a high possibility of generating USD, RMB, and VND expenses, which adopt forward exchange contracts to reduce the impact of exchange rate fluctuations on the expected purchase inventory cost.

(c) The Group's business lines involved some non-functional currencies (the functional currency of the Company and some of its subsidiaries is NTD, while that of other subsidiaries is USD, RMB, and VND). Therefore, the Company would be subject to the effects of fluctuations in foreign exchange rates. The information about assets and liabilities denominated in foreign currency, which are exposed to significant effects caused by fluctuations in the foreign exchange rate, is stated as follows:

June 30, 2025

(Foreign currency: functional currency)	Foreign currency (thousand dollars)	Exchange rate	Book amount (NTD)	Sensitivity analysis Range of change	Impact on profit or loss	Impact on other comprehensive income
Financial assets						
Monetary items						
USD : NTD	$ 39,097	29.300	$ 1,145,542	2%	$ 18,329	$ -
RMB : NTD	2,157	4.091	8,824	2%	141	-
USD : VND	1,269	26,315.789	36,901	2%	590	-
Financial liabilities						
Monetary items						
USD : NTD	28,081	29.300	822,773	2%	13,164	-
USD : VND	12,740	26,315.789	370,466	2%	5,927	-

December 31, 2024

(Foreign currency: functional currency)	Foreign currency (thousand dollars)	Exchange rate	Book amount (NTD)	Sensitivity analysis Range of change	Impact on profit or loss	Impact on other comprehensive income
Financial assets						
Monetary items						
USD : NTD	$ 31,310	32.785	$ 1,026,498	2%	$ 16,424	$ -
RMB : NTD	2,157	4.478	9,659	2%	155	-
USD : VND	1,719	25,641.026	55,757	2%	892	-
Financial liabilities						
Monetary items						
USD : NTD	41,945	32.785	1,375,167	2%	22,003	-
USD : VND	2,229	25,641.026	74,570	2%	1,193	-

June 30, 2024

(Foreign currency: functional currency)	Foreign currency (thousand dollars)	Exchange rate	Book amount (NTD)	Sensitivity analysis Range of change	Impact on profit or loss	Impact on other comprehensive income

Financial assets						
Monetary items						
USD : NTD	$ 23,475	32.450	$ 761,764	2%	$ 12,188	$ -
RMB : NTD	2,145	4.445	9,535	2%	153	-
USD : VND	1,239	25,856.574	40,206	2%	643	-
Financial liabilities						
Monetary items						
USD : NTD	19,464	32.450	631,607	2%	10,106	-
USD : VND	11,211	25,856.574	363,797	2%	5,821	-

(d) The Group's total amount of all exchange loss (including realized and unrealized) from monetary items due to the significant impact of exchange rate fluctuations for the periods from April 1 to June 30, 2025, and 2024, and from January 1 to June 30, 2025, and 2024, were NTD (214,943), NTD (12,676), NTD (243,353), and NTD 9,388, respectively.

Price risk

(a) The Group's equity instruments exposed to price risk are the holding financial assets measured at the fair value through profit or loss and financial assets measured at the fair value through other comprehensive income. To manage the price risk of the equity instrument investment, the Group separated the investment portfolio and the separation method based on the limited amount set by the Group.

(b) The Group mainly invested in equity instruments issued at home and abroad. The price of such equity instruments is affected by the uncertainty of the investment's future value. If the price of the equity instrument increases or decreases by 1% and all other factors remain unchanged, the other comprehensive income for the periods from January 1 to June 30, 2025 and 2024, would increase or decrease by NTD 3,037 and NTD 106, respectively, as a result of the profit or loss in the equity instrument measured at fair value through other comprehensive income.

(B) Credit risk

(a) The Group's credit risk is the risk of financial loss that would be incurred by the Group if its customers or financial instrument trading counterparties failed to fulfill contracts. This is mainly due to the trading counterparty's inability to pay the accounts payable based on the payment conditions and the contractual cash flows of debt instruments classified as measured at amortized cost.

(b) The Group manages credit risk from a group-wide perspective. For trading banks and financial institutes, only those with good credit can be accepted as trading counterparties. According to the loan policy expressly defined internally, each business department within the Group shall conduct a management and credit risk analysis on each new customer before setting payment and proposing the delivery terms and conditions. The internal risk control evaluates customers' credit quality by taking into consideration the customers' financial position, past experience and other factors. The individual risk limit is set by the board of directors according to the internal or external ratings. The management will also control the periodic draw down of credit limits.

(c) The Group adopts IFRS 9 for presumption that when the contract payment is past due for over 90 days based on the agreed payment terms, the Group takes it as a default of the contract.

(d) The following presumption provided by the Group adopts IFRS 9 as the basis to determine whether the credit risk of a financial instrument increases significantly after the initial recognition:

  (A) When the contract payment is past due for over 30 days based on the agreed payment terms, it is determined that the credit risk of the financial instrument has increased significantly after the initial recognition.

  (B) For bond investments traded on the Taipei Exchange, those financial assets with investment grading rated by any external credit rating agency on the balance sheet date are considered to be low credit risk.

(e) The Group's indexes used to determine the debt instrument as credit impairment are as follows:

  (A) Issuer has major financial difficulty or is likely to wind up or proceed with other financial reorganizations;

  (B) The active market of financial assets might extinguish due to the financial difficulty of the issuer;

  (C) Overdue or non-performance of interest or principal payment by the issuer;

  (D) National or regional adverse economic changes related to the default of issuer.

(f) The Group classified the customer's accounts receivable based on customer ratings and the characteristics of the customers. They used the reserve matrix as the basis, employing a simplified approach to estimate the expected credit losses.

(g) The Group offsets the amount of recoverable financial assets which cannot be reasonably expected after the recourse procedure. However, the Group will continue the legal recourse procedure to protect the creditor's rights. As of June 30, 2025, December 31, 2024, and June 30, 2024, the Group does not have creditor's rights, which were written off with means of recourse.

(h) The Group adopted the business indicators of the National Development Council for future forward-looking considerations to adjust the established loss ratio based on certain historical periods and current information to estimate the allowance loss of the accounts receivable (including the related parties). The provision matrixes as of June 30, 2025, December 31, 2024, and June 30, 2024, are as follows:

	Undue	Overdue 1–30 days	Overdue 31–60 days	Overdue 61–90 days	Overdue more than 90 days	Total
June 30, 2025						
Expected loss ratio	0.61%	20.11%	20.14%	20.17%	100%	
Total book value	$ 954,764	$ 4,005	$ 161	$ -	$ 576	$ 959,506
Allowance loss	12,523	806	32	-	576	13,937

	Undue	Overdue 1–30 days	Overdue 31–60 days	Overdue 61–90 days	Overdue more than 90 days	Total
December 31, 2024						
Expected loss ratio	0.88%	13.67%	13.70%	13.73%	100%	
Total book value	$ 983,675	$ 25,974	$ 1,106	$ 89	$ 1,817	$ 1,012,661
Allowance loss	6,459	3,550	151	12	1,817	11,989

	Undue	Overdue 1–30 days	Overdue 31–60 days	Overdue 61–90 days	Overdue more than 90 days	Total
June 30, 2024						
Expected loss ratio	0.25%	21.25%	21.28%	21.31%	100%	
Total book value	$ 634,693	$ 6,763	$ 93	$ 94	$ 1,647	$ 643,290
Allowance loss	5,333	1,437	20	20	1,647	8,457

(i) The aging analysis of accounts receivable (including the related party) is as follows:

	June 30, 2025 Accounts receivable	December 31, 2024 Accounts receivable	June 30, 2024 Accounts receivable
Undue	$ 954,764	$ 983,675	$ 634,693
Within 30 days	4,005	25,974	6,763
31–60 days	161	1,106	93
61–90 days	-	89	94
90 days and above	576	1,817	1,647
	$ 959,506	$ 1,012,661	$ 643,290

The aging analysis stated above was based on the number of overdue days.

(j) The Group's statement of changes in the allowance loss for accounts receivable using the simplified approach is as follows:

	2025 Accounts receivable (including the related party)	2024 Accounts receivable (including the related party)
January 1	$ 11,989	$ 7,476
Impairment loss recognized	2,600	956
Foreign exchange rate effect	(652)	25
June 30	$ 13,937	$ 8,457

(C) Liquidity risk

(a) The cash flow forecast is executed by each business department in the Group and summarized by the Group's finance department. The finance department of the Group supervises the forecast of the Group's current fund demand to ensure there are sufficient funds to support operating needs.

(b) The following table refers to the non-derivative financial liabilities and is grouped subject to the relevant expiry dates. The non-derivative financial liabilities are analyzed based on the residual period from the date of the balance sheet to the expiry date. The contractual cash flow amount disclosed in the following statement is the undiscounted amount.

Non-derivative financial liabilities June 30, 2025	Within 1 year	Within 1 to 2 years	Within 2 to 5 years	Over 5 years
Deposit received	$ 5,765	$ -	$ 689	$ 456
Lease liabilities	35,014	33,523	78,410	111,340
	$ 40,779	$ 33,523	$ 79,099	$ 111,796

Non-derivative financial liabilities December 31, 2024	Within 1 year	Within 1 to 2 years	Within 2 to 5 years	Over 5 years
Deposit received	$ 349	$ 341	$ 5,765	$ 456
Lease liabilities	70,695	67,284	188,959	167,523
	$ 71,044	$ 67,625	$ 194,724	$ 167,979

Non-derivative financial liabilities June 30, 2024	Within 1 year	Within 1 to 2 years	Within 2 to 5 years	Over 5 years
Deposit received	$ 690	$ 5,765	$ -	$ 456
Lease liabilities	71,528	67,555	194,067	194,595
	$ 72,218	$ 73,320	$ 194,067	$ 195,051

Except for those specified above, the non-derivative financial liabilities of the Group will expire within the coming year.

(3) Fair value information

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

Level 1: The quotation of the same asset or liability in an active market on the measurement date acquired by the enterprise (before adjustment). The active market means the market in which there are frequent and large volumes of transactions to provide information about pricing on an ongoing basis.

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly. The fair value of derivatives invested by the Group belongs to this level.

Level 3: Unobservable inputs for the asset or liability. All the equity instruments invested by the Group for which there is no active market belong to this category.

B. The following is the analysis regarding the Group's classification of financial instruments measured at fair value based on the nature, characteristics and risks of the assets and liabilities as well as the levels of fair value:

June 30, 2025	Level 1	Level 2	Level 3	Total
Recurring fair value assets:				
Financial assets measured at fair value through profit or loss	$ -	$ 66,459	$ -	$ 66,459
Financial assets measured at fair value through other comprehensive income	$ 216,029	$ -	$ 100,644	$ 316,673

December 31, 2024	Level 1	Level 2	Level 3	Total
Recurring fair value assets:				
Financial assets measured at fair value through other comprehensive income	$ 12,175	$ -	$ 39,696	$ 51,871
Recurring fair value liability:				
Financial liabilities measured at fair value through profit or loss	$ -	$ 19,543	$ -	$ 19,543

June 30, 2024	Level 1	Level 2	Level 3	Total
Recurring fair value assets:				
Financial assets measured at fair value through other comprehensive income	$ -	$ -	$ 10,561	$ 10,561
Recurring fair value liability:				

Financial liabilities measured at fair value through profit or loss	$ -	$ 5,001	$ -	$ 5,001

C. The methods and assumptions used by the Group to measure fair value is as follows:

(A) The Group's fair value inputs (i.e. Level 1) adopting the quoted market price are listed in the following based on the characteristics of the instruments:

	TWSE/TPEx listed stocks
Quoted market price	Closing price

(B) Except for the financial instrument in the active market, the fair value of other financial instruments is based on the evaluation technology or the quotation of the counterparty. The fair value acquired through the evaluation technology can reference other substantial conditions and the current fair value of similar financial instruments, as well as the discounted cash flow method or other evaluation techniques, including market information that can be obtained on the date of preparing the consolidated balance sheet. The information is then used in a calculation model (such as the yield curve referred to by the Taipei Exchange and the average quotation of the Reuters commercial paper rate).

(C) When evaluating unstandardized financial instruments with low complexity such as debt instruments without active market, interest rate swap contracts, exchange swap contracts and options, the Group adopts evaluation technology widely used by market participants. The parameters used by the evaluation model of such financial instruments are usually information observable in the market.

(D) The Group includes the credit valuation adjustment in the consideration for the fair value calculation of financial and non-financial instruments to reflect the credit risk of the trading counterparty and the credit quality of the Group, respectively.

D. There was no transfer between levels 1 and 2 between January 1 to June 30, 2025 and 2024.

E. The following table shows the changes in level 3 from January 1 to June 30, 2025 and 2024:

	Equity instruments	
	2025	2024
January 1	$ 39,696	$ 10,464
Purchases in current period	25,000	-
Profit (loss) recognized under other comprehensive income	40,828	(2,346)
Foreign exchange rate effect	(4,880)	2,443
June 30	$ 100,644	$ 10,561

F. There was no transfer into or out of level 3 from January 1 to June 30, 2025 and 2024.

G. For the Group's evaluation process for fair value classified as level 3, the finance department is responsible for conducting the independent fair value validation of the financial instrument. The department confirms the reasonableness of the evaluation result by aligning it more closely with market conditions using information from independent sources. It ensures that these sources are independent, reliable, and consistent with other resources, and that they represent executable prices. Additionally, the department regularly calibrates the evaluation model, conducts back testing, updates required input values and data, and makes other necessary fair value adjustments to the evaluation model.

H. For the evaluation model used by the measurement item of level 3 fair value, the quantitative information of unobservable major input and sensitivity analysis for the changes in unobservable major input are as follows:

	Fair value on June 30, 2025	Evaluation technology	Unobservable major input	Range (weighted average)	Relationship between input and fair value
Non-derivative equity instruments:					
Non-TWSE/TPEx listed stocks	$ 64,832	Comparable to TWSE/TPEx listed companies	Note 1	12.70	Note 2
Stocks of venture capital companies	$ 35,812	Net asset value method	N/A	N/A	N/A

	December 31, 2024 Fair value	Evaluation technology	Unobservable major input	Range (weighted average)	Relationship between input and fair value
Non-derivative equity instruments:					
Non-TWSE/TPEx listed stocks	$ 26,405	Comparable to TWSE/TPEx listed companies	Note 1	3.76	Note 2
Stocks of venture capital companies	$ 13,291	Net asset value method	N/A	N/A	N/A

	Fair value on June 30, 2024	Evaluation technology	Unobservable major input	Range (weighted average)	Relationship between input and fair value
Non-derivative equity instruments:					
Stocks of venture capital companies	$ 10,561	Net asset value method	N/A	N/A	N/A

Note 1: The multiple of this net ratio and the lack of market liquidity discount.

Note 2: The higher the multiple, the higher the fair value; the higher the market liquidity discount lacked, the lower the fair value.

13. Noted Disclosures

(1) Information related to material transactions

A. Loaning of funds to others: Please refer to Attachment I.

B. Endorsement and guarantee made for others: None.

C. Significant marketable securities held at the end of the period (excluding investments in subsidiaries, affiliated companies, and joint ventures): Please refer to Attachment II.

D. Purchase/sale amount of transactions with the related party reaching NTD 100 million or more than 20% of the paid-in capital: Please refer to Attachment III.

E. Accounts receivable from the related party reaching NTD 100 million or more than 20% of the paid-in capital: Please refer to Attachment IV.

F. Business relationship and major transactions between the parent company and its subsidiaries: Please refer to Attachment V.

(2) Information related to reinvested enterprises

Information related to the invested company, such as names and locations (excluding the invested company in China): Please refer to Attachment 6.

(3) Information about investment in Mainland China

A. Basic information: Please refer to Attachment VII.

B. Major transactions with the invested company in China either directly or indirectly with occurrence through third regions: None.

14. Business Segment Information

(1) General information

The Company only engages in one industry and the Group's operating decision-maker, the board of directors, adopts the overall group financial statements to evaluate performance and distribute resources. Therefore, the Company is identified as a single reportable segment.

(2) Segment Information

The Group is a single reportable segment. The Group's operating decision-maker, the board of directors, adopts profit after tax in the financial statements for measurement and as the basis for performance evaluation. Therefore, the business segment information is consistent with the information in the main financial statements.