

FIRICH ENTERPRISES CO., LTD.
PARENT COMPANY ONLY FINANCIAL
STATEMENTS AND INDEPENDENT AUDITORS'
REPORT
DECEMBER 31, 2024 AND 2023

For the convenience of readers and for information purpose only, the auditors' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. In the event of any discrepancy between the English version and the original Chinese version or any differences in the interpretation of the two versions, the Chinese-language auditors' report and financial statements shall prevail.

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of Firich Enterprises Co., Ltd.

Opinion

We have audited the accompanying parent company only balance sheets of Firich Enterprises Co., Ltd. (the “Company”) as at December 31, 2024 and 2023, and the related parent company only statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the parent company only financial statements, including a summary of material accounting policies.

In our opinion, based on our audits and the reports of other auditors (please refer to the *Other matter* section), the accompanying parent company only financial statements present fairly, in all material respects, the parent company only financial position of the Company as at December 31, 2024 and 2023, and its parent company only financial performance and its parent company only cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for opinion

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

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Company's 2024 parent company only financial statements. These matters were addressed in the context of our audit of the parent company only financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters for the Company's 2024 parent company only financial statements are stated as follows:

Valuation of allowance for inventory valuation losses

Description

For the description of the accounting policy on inventory valuation, please refer to Note 4(12). For accounting estimates and assumptions regarding uncertainty relation to inventory valuation, please refer to Note 5(2). For the details of inventory, please refer to Note 6(5). As of December 31, 2023, the inventories of the Company and allowance for inventory valuation losses amounted to NT\$353,330 thousand and NT\$31,812 thousand, respectively.

Since the industry involves rapidly changing technology and is affected by market price, there is a higher risk of incurring inventory valuation losses or having obsolete inventory. The Company's inventories are measured at the lower of cost and net realisable value, and the net realisable value is measured in accordance with historical data of inventory clearance in order to provide for losses of inventories that are over a certain age. The Company's determination of net realisable value for inventories at the balance sheet date involves subjective judgments and estimates, which have a material effect on the financial statements. As a result, we determined the estimates of the allowance for inventory valuation losses as one of the key audit matters for this year's audit.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

1. Assessed the reasonableness of provision policies and internal control procedures related to the allowance for inventory valuation losses based on our understanding of the Company's operations and industry.
2. Verified the appropriateness of system logic in inventory aging analysis report and net realised value report by using the system, and confirmed whether the report information was consistent with the established policies.
3. Checked the appropriateness of estimate basis that was adopted for each net realised value, re-verified the information we obtained, such as market price, purchase price, and historical information of inventory clearance, and recalculated and evaluated the reasonableness of the information used by management in determining allowance for inventory valuation losses.

Other matter – Reference to the audits of other auditors

We did not audit the financial statements of certain investments accounted for using the equity method, which were audited by other auditors. Therefore, our opinion expressed herein, insofar as it relates to the amounts and information disclosed in Note 13 concerning these associates, is based solely on the reports of the other auditors. The balance of these investments accounted for using the equity method amounted to NT\$984,078 thousand and NT\$685,216 thousand, constituting 14.9% and 11.2% of the total assets as at December 31, 2024 and 2023, respectively. The share of profit (loss) of subsidiaries, associates and joint ventures accounted for using the equity method amounted to NT(\$3,049) thousand and NT(\$26,126) thousand, constituting (0.4%) and (26.2%) of the total comprehensive income for the years then ended, respectively.

Responsibilities of management and those charged with governance for the financial statements

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

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

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

Auditors' responsibilities for the audit of the parent company only financial statements

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

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

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

6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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

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

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

Chih, Ping-Chiun

Lai, Chung-Hsi

For and on behalf of PricewaterhouseCoopers, Taiwan

March 13, 2025

The accompanying parent company only financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying parent company only financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

FIRICH ENTERPRISES CO., LTD.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2024 AND 2023

(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

	Assets	Notes	December 31, 2024		December 31, 2023	
			AMOUNT	%	AMOUNT	%
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 672,881	10	\$ 774,462	13
1170	Accounts receivable, net	6(4)	193,956	3	116,041	2
1180	Accounts receivable, net - related parties	6(4) and 7	224,732	3	429,226	7
1200	Other receivables		8,704	-	5,786	-
1210	Other receivables - related parties	7	229,041	4	216,144	3
1220	Current tax assets	6(26)	11,206	-	-	-
130X	Inventories, net	6(5)	321,738	5	341,063	6
1410	Prepayments	7	27,465	1	23,792	-
1470	Other current assets		1,101	-	427	-
11XX	Total current assets		1,690,824	26	1,906,941	31
Non-current assets						
1510	Non-current financial assets at fair value through profit or loss	6(2)	1,001,518	15	717,021	12
1517	Non-current financial assets at fair value through other comprehensive income	6(3)	787,325	12	467,611	8
1550	Investments accounted for using the equity method	6(6)	2,663,022	40	2,537,290	41
1600	Property, plant and equipment, net	6(7) and 8	236,609	4	238,845	4
1755	Right-of-use assets	6(8)	673	-	1,211	-
1780	Intangible assets	6(9)	628	-	1,403	-
1840	Deferred income tax assets	6(26)	219,838	3	221,301	4
1900	Other non-current assets	6(10)	3,404	-	3,556	-
15XX	Total non-current assets		4,913,017	74	4,188,238	69
1XXX	Total assets		\$ 6,603,841	100	\$ 6,095,179	100

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FIRICH ENTERPRISES CO., LTD.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2024 AND 2023

(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

	Liabilities and Equity	Notes	December 31, 2024		December 31, 2023	
			AMOUNT	%	AMOUNT	%
Current liabilities						
2100	Short-term borrowings	6(11) and 8	\$ 1,180,000	18	\$ 1,190,000	20
2130	Current contract liabilities	6(19)	31,862	1	28,193	-
2170	Accounts payable		154,335	2	219,566	4
2180	Accounts payable - related parties	7	4,750	-	9,117	-
2200	Other payables		86,511	1	80,670	1
2230	Current income tax liabilities	6(26)	-	-	39,473	1
2280	Current lease liabilities		545	-	535	-
2300	Other current liabilities		10,328	-	14,588	-
21XX	Total current liabilities		<u>1,468,331</u>	<u>22</u>	<u>1,582,142</u>	<u>26</u>
Non-current liabilities						
2530	Corporate bonds payable	6(12)	500,000	8	500,000	8
2570	Deferred income tax liabilities	6(26)	113,024	2	-	-
2580	Non-current lease liabilities		139	-	684	-
2600	Other non-current liabilities	6(13)	11,821	-	14,639	-
25XX	Total non-current liabilities		<u>624,984</u>	<u>10</u>	<u>515,323</u>	<u>8</u>
2XXX	Total Liabilities		<u>2,093,315</u>	<u>32</u>	<u>2,097,465</u>	<u>34</u>
Equity						
	Share capital	6(15)				
3110	Share capital - common stock		3,014,526	46	3,014,526	50
	Capital surplus	6(14)(16)				
3200	Capital surplus		806,702	12	1,013,244	16
	Retained earnings	6(17)				
3310	Legal reserve		220,802	3	220,802	4
3320	Special reserve		893,507	13	844,690	14
3350	Unappropriated retained earnings		431,746	6	75,732	1
	Other equity interest	6(18)				
3400	Other equity interest		(578,984)	(8)	(893,507)	(14)
3500	Treasury stocks	6(15)	(277,773)	(4)	(277,773)	(5)
3XXX	Total equity		<u>4,510,526</u>	<u>68</u>	<u>3,997,714</u>	<u>66</u>
	Significant contingent liabilities and unrecognised contract commitments	9				
3X2X	Total liabilities and equity		<u>\$ 6,603,841</u>	<u>100</u>	<u>\$ 6,095,179</u>	<u>100</u>

The accompanying notes are an integral part of these parent company only financial statements.

FIRICH ENTERPRISES CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

	Items	Notes	Year ended December 31				
			2024	2023	AMOUNT	%	
4000	Operating revenue	6(19) and 7	\$ 1,666,349	100	\$ 1,887,768	100	
5000	Operating costs	6(5)(7)(9)(24)(25)	(1,238,702)	(74)	(1,362,883)	(72)	
5900	Gross profit		427,647	26	524,885	28	
5910	Unrealised profit from sales		(46,675)	(3)	(70,658)	(4)	
5920	Realised profit from sales		70,658	4	58,253	3	
5950	Net gross profit		451,630	27	512,480	27	
	Operating expenses	6(7)(8)(9)(13)(14)					
) (24)(25) and 7					
6100	Selling expenses		(89,822)	(5)	(101,079)	(5)	
6200	General and administrative expenses		(138,177)	(8)	(106,486)	(6)	
6300	Research and development expenses		(57,457)	(4)	(56,788)	(3)	
6450	Expected credit impairment (losses) gains	12(2)	(4,780)	-	476	-	
6000	Total operating expenses		(290,236)	(17)	(263,877)	(14)	
6900	Operating profit		161,394	10	248,603	13	
	Non-operating income and expenses						
7100	Interest income	6(20)	12,135	1	11,119	-	
7010	Other income	6(21)	51,612	3	24,514	1	
7020	Other gains and losses	6(2)(22)	596,480	36	127,153	7	
7050	Finance costs	6(23)	(27,869)	(2)	(26,396)	(1)	
7070	Share of loss of subsidiaries, associates and joint ventures accounted for using the equity method	6(6)	(266,142)	(16)	(338,545)	(18)	
7000	Total non-operating income and expenses		366,216	22	(202,155)	(11)	
7900	Profit before income tax		527,610	32	46,448	2	
7950	Income tax expense	6(26)	(93,566)	(6)	(3,736)	-	
8200	Profit for the year		\$ 434,044	26	\$ 42,712	2	

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FIRICH ENTERPRISES CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Items	Notes	Year ended December 31				
		2024		2023		
		AMOUNT	%	AMOUNT	%	
Other comprehensive income (loss) (Net)						
Other comprehensive income that will not be reclassified to profit or loss						
8311	Gains on remeasurements if defined benefit plans	6(13)		\$ 2,818	- \$ 177	
8316	Unrealised gains from investments in equity instruments measured at fair value through other comprehensive income	6(3)(18)				
8330	Share of other comprehensive loss of subsidiaries, associates and joint ventures accounted for using the equity method, components of other comprehensive income that will not be reclassified to profit or loss	6(18)		327,410	20	
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(18)(26)		(2,495)	- (9,504)	
8310	Components of other comprehensive income that will not be reclassified to profit or loss			(40,653) (3)	5,438	
					-	
				287,080	17	
					29,395	
					2	
Other comprehensive income that will be reclassified to profit or loss						
8361	Financial statements translation differences of foreign operations	6(18)		29,697	2	
8360	Components of other comprehensive income that will be reclassified to profit			29,697	2	
					27,467	
					1	
8300	Other comprehensive income for the year, net of tax					
8500	Total comprehensive income for the year			\$ 316,777	19	
					\$ 56,862	
					3	
9750	Basic earnings per share	6(27)		\$ 1.49	\$ 0.15	
9850	Diluted earnings per share	6(27)		\$ 1.48	\$ 0.15	

The accompanying notes are an integral part of these parent company only financial statements.

FIRICH ENTERPRISES CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Notes	Share capital- Common share	Total capital surplus	Retained Earnings			Other equity interest			Treasury stocks	Total equity
			Legal reserve	Special reserve	Unappropriated retained earnings (accumulated deficit)	Cumulative translation differences	Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income			
Year ended December 31, 2023										
Balance at January 1, 2023		\$ 2,960,915	\$ 1,115,833	\$ 189,170	\$ 842,691	\$ 318,318	(\$ 479,033)	(\$ 471,194)	(\$ 372,478)	\$ 4,104,222
Profit for the year		-	-	-	-	42,712	-	-	-	42,712
Other comprehensive income	6(18)	-	-	-	-	142	27,467	29,253	-	56,862
Total comprehensive income		-	-	-	-	42,854	27,467	29,253	-	99,574
Distribution of 2022 retained earnings	6(17)	-	-	-	-	-	-	-	-	-
Legal reserve		-	-	31,632	-	(31,632)	-	-	-	-
Special reserve		-	-	-	1,999	(1,999)	-	-	-	-
Cash dividends		-	-	-	-	(198,592)	-	-	-	(198,592)
Stock dividends from capital surplus	6(16)	85,111	(85,111)	-	-	-	-	-	-	-
Subsidiary issues employee stock option certificates	6(14)(16)	-	28	-	-	-	-	-	-	28
Changes in net equity value of affiliated companies	6(16)	-	(4,270)	-	-	-	-	-	-	(4,270)
Changes in equity of subsidiaries		-	-	-	-	(3,248)	-	-	-	(3,248)
Cancellation of treasury shares	6(15)(16)	(31,500)	(13,236)	-	-	(49,969)	-	-	94,705	-
Balance at December 31, 2023		\$ 3,014,526	\$ 1,013,244	\$ 220,802	\$ 844,690	\$ 75,732	(\$ 451,566)	(\$ 441,941)	(\$ 277,773)	\$ 3,997,714
Year ended December 31, 2024										
Balance at January 1, 2024		\$ 3,014,526	\$ 1,013,244	\$ 220,802	\$ 844,690	\$ 75,732	(\$ 451,566)	(\$ 441,941)	(\$ 277,773)	\$ 3,997,714
Profit for the year		-	-	-	-	434,044	-	-	-	434,044
Other comprehensive income	6(18)	-	-	-	-	2,254	29,697	284,826	-	316,777
Total comprehensive income		-	-	-	-	436,298	29,697	284,826	-	750,821
Distribution of 2023 retained earnings	6(17)	-	-	-	-	-	-	-	-	-
Special reserve		-	-	-	48,817	(48,817)	-	-	-	-
Cash dividends		-	-	-	-	(26,299)	-	-	-	(26,299)
Cash dividends from capital surplus	6(16)	-	(207,472)	-	-	-	-	-	-	(207,472)
Subsidiary issues employee stock option certificates	6(14)(16)	-	54	-	-	-	-	-	-	54
Changes in net equity value of affiliated companies	6(6)(16)	-	876	-	-	(1,288)	-	-	-	(412)
Ownership changes in subsidiaries		-	-	-	-	(3,880)	-	-	-	(3,880)
Balance at December 31, 2024		\$ 3,014,526	\$ 806,702	\$ 220,802	\$ 893,507	\$ 431,746	(\$ 421,869)	(\$ 157,115)	(\$ 277,773)	\$ 4,510,526

The accompanying notes are an integral part of these parent company only financial statements.

FIRICH ENTERPRISES CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

	Notes	Year ended December 31	
		2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		\$ 527,610	\$ 46,448
Adjustments			
Adjustments to reconcile profit (loss)			
Gains on financial assets at fair value through profit	6(2)(22)	(542,969)	(115,226)
Expected credit impairment (losses) gains	12(2)	4,780	(476)
Share-based payments compensation costs	6(14)	119	62
Provision for decline in market value and obsolescence of inventories	6(5)	26,465	11,803
Share of loss (profit) of subsidiaries, associates and joint ventures accounted for using the equity method	6(6)	266,142	338,545
Depreciation and amortization	6(7)(8)(9)(24)	18,134	13,575
Gain on disposal of investments	6(22)	(6,285)	-
Interest income	6(20)	(12,135)	(11,119)
Interest expense	6(23)	27,869	26,396
Dividends income	6(21)	(51,476)	(21,126)
Unrealised gain from sales		46,675	70,658
Realised gain from sales		(70,658)	(58,253)
Changes in operating assets and liabilities			
Changes in operating assets			
Accounts receivable, net		(75,736)	69,762
Accounts receivable, net - related parties		202,364	(324,903)
Other receivables		(1,913)	4,318
Other receivables - related parties		9,430	-
Inventories		(7,140)	139,092
Prepayments		(3,673)	17,273
Other current assets		(674)	208
Changes in operating liabilities			
Current contract liabilities		3,669	(7,761)
Accounts payable		(65,231)	20,681
Accounts payable - related parties		(4,367)	(2,827)
Other payables		5,841	(4,238)
Other current liabilities		(4,260)	2,713
Cash inflow generated from operations		292,581	215,605
Interest received	6(20)	12,135	11,119
Interest paid		(27,849)	(26,377)
Income tax paid		(70,411)	(52,046)
Net cash flows from operating activities		206,456	148,301
CASH FLOWS FROM INVESTING ACTIVITIES			
(Increase) decrease in other receivables - related parties - financing	7	(27,156)	35,092
Increase in non-current financial assets at fair value through profit or loss		(82,690)	(108,026)
Proceeds from disposal of financial assets at fair value through profit or loss		341,162	-
Proceeds from capital reduction of financial assets at fair value through other comprehensive income		7,696	-
Acquisition of investments accounted for using the equity method	6(6)	(358,751)	(122,139)
Proceeds of investments accounted for using the equity method		11,880	316,227
Acquisition of property, plant and equipment	6(7)	(14,514)	(13,248)
Decrease (increase) in prepayments for equipment	6(10)	391	(1,770)
Acquisition of intangible assets	6(9)	(71)	(432)
Increase in refundable deposits	6(10)	(239)	(650)
Dividends received		58,581	27,390
Net cash flows (used in) from investing activities		(63,711)	132,444

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FIRICH ENTERPRISES CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

	Notes	Year ended December 31	
		2024	2023
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Decrease in short-term borrowings	6(11)(28)	(\$ 10,000)	(\$ 70,000)
Cash dividends from capital surplus	6(16)	(207,472)	-
Cash dividends paid	6(17)	(26,299)	(198,592)
Lease liability principal repayment	6(28)	(555)	(415)
Net cash flows used in financing activities		(244,326)	(269,007)
Net (decrease) increase in cash and cash equivalents		(101,581)	11,738
Cash and cash equivalents at beginning of year	6(1)	<u>774,462</u>	<u>762,724</u>
Cash and cash equivalents at end of year	6(1)	<u>\$ 672,881</u>	<u>\$ 774,462</u>

The accompanying notes are an integral part of these parent company only financial statements.

FIRICH ENTERPRISES CO., LTD.
NOTES TO THE PARENT COMPANY ONLY FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

1. HISTORY AND ORGANIZATION

Firich Enterprises Co., Ltd. (the “Company”) was incorporated in January 1995 under the provisions of the Company Law of the Republic of China (R.O.C.) as a company limited by shares. The Company mainly engages in the assembly, manufacture, import and export of business oriented computers and its peripheral equipment. The shares of the Company have been listed in the Taipei Exchange (TPEx) market since December 2003.

2. THE DATE OF AUTHORISATION FOR ISSUANCE OF THE PARENT COMPANY ONLY FINANCIAL STATEMENTS AND PROCEDURES FOR AUTHORISATION

The parent company only financial statements were authorised for issuance by the Board of Directors on March 13, 2025.

3. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS

(1) Effect of the adoption of new issuances of or amendments to International Financial Reporting Standards (“IFRS®”) Accounting Standards that came into effect as endorsed by the Financial Supervisory Commission (“FSC”)

New standards, interpretations and amendments endorsed by the FSC and became effective from 2024 are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 16, ‘Lease liability in a sale and leaseback’	January 1, 2024
Amendments to IAS 1, ‘Classification of liabilities as current or non-current’	January 1, 2024
Amendments to IAS 1, ‘Non-current liabilities with covenants’	January 1, 2024
Amendments to IAS 7 and IFRS 7, ‘Supplier finance arrangements’	January 1, 2024

The above standards and interpretations have no significant impact to the Company’s financial condition and financial performance based on the Company’s assessment.

(2) Effect of new issuances of or amendments to IFRS Accounting Standards as endorsed by the FSC but not yet adopted by the Company

New standards, interpretations and amendments endorsed by the FSC effective from 2025 are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IAS 21, 'Lack of exchangeability'	January 1, 2025
The above standards and interpretations have no significant impact to the Company's financial condition and financial performance based on the Company's assessment.	

(3) IFRS Accounting Standards issued by IASB but not yet endorsed by the FSC

New standards, interpretations and amendments issued by IASB but not yet included in the IFRS Accounting Standards as endorsed by the FSC are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Specific provisions of Amendments to IFRS 9 and IFRS 7, 'Amendments to the classification and measurement of financial instruments'	January 1, 2026
Amendments to IFRS 9 and IFRS 7, 'Contracts referencing nature-dependent electricity'	January 1, 2026
Amendments to IFRS 10 and IAS 28, 'Sale or contribution of assets between an investor and its associate or joint venture'	To be determined by International Accounting Standards Board
IFRS 17, 'Insurance contracts'	January 1, 2023
Amendments to IFRS 17, 'Insurance contracts'	January 1, 2023
Amendment to IFRS 17, 'Initial application of IFRS 17 and IFRS 9 – comparative information'	January 1, 2023
IFRS 18, 'Presentation and disclosure in financial statements'	January 1, 2027
IFRS 19, 'Subsidiaries without public accountability: disclosures'	January 1, 2027
Annual Improvements to IFRS Accounting Standards—Volume 11	January 1, 2026

Except for the following, the above standards and interpretations have no significant impact to the Group's financial condition and financial performance based on the Company's assessment.

IFRS 18, 'Presentation and disclosure in financial statements'

IFRS 18, 'Presentation and disclosure in financial statements' replaces IAS 1. The standard introduces a defined structure of the statement of profit or loss, disclosure requirements related to management-defined performance measures, and enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes.

4. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of the parent company only financial statements are set out below. These policies have been consistently applied to all the periods presented,

unless otherwise stated.

(1) Compliance statement

The parent company only financial statements have been prepared in accordance with the “Regulations Governing the Preparation of Financial Reports by Securities Issuers”.

(2) Basis of preparation

- A. Except for the following items, the parent company only financial statements have been prepared under the historical cost convention:
 - (a) Financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.
 - (b) Financial assets at fair value through other comprehensive income.
 - (c) Defined benefit liabilities recognised based on the net amount of pension fund assets less present value of defined benefit obligation.
- B. The preparation of financial statements in conformity with International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the FSC (collectively referred herein as the “IFRSs”) requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the parent company only financial statements are disclosed in Note 5.

(3) Foreign currency translation

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates (the “functional currency”). The parent company only financial statements are presented in New Taiwan Dollars, which is the Company’s functional currency.

A. Foreign currency transactions and balances

- (a) Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions are recognised in profit or loss in the period in which they arise.
- (b) Monetary assets and liabilities denominated in foreign currencies at the period end are re-translated at the exchange rates prevailing at the balance sheet date. Exchange differences arising upon re-translation at the balance sheet date are recognised in profit or loss.
- (c) Non-monetary assets and liabilities denominated in foreign currencies held at fair value through profit or loss are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognised in profit or loss. Non-monetary assets and liabilities denominated in foreign currencies held at fair value through other comprehensive income are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognised in other comprehensive income. However, non-

monetary assets and liabilities denominated in foreign currencies that are not measured at fair value are translated using the historical exchange rates at the dates of the initial transactions.

(d) All foreign exchange gains and losses are presented in the statement of comprehensive income within 'other gains and losses'.

B. Translation of foreign operations

(a) The operating results and financial position of all the Company entities, associates and joint arrangements that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- i. Assets and liabilities for each balance sheet presented are translated at the closing exchange rate at the date of that balance sheet;
- ii. Income and expenses for each statement of comprehensive income are translated at average exchange rates of that period; and
- iii. All resulting exchange differences are recognised in other comprehensive income.

(b) When the foreign operation partially disposed of or sold is an associate or joint arrangement, exchange differences that were recorded in other comprehensive income are proportionately reclassified to profit or loss as part of the gain or loss on sale. In addition, even when the Company still retains partial interest in the former foreign associate or joint arrangements after losing significant influence over the former foreign associate, or losing joint control of the former joint arrangements, such transactions should be accounted for as disposal of all interest in these foreign operations.

(c) When the foreign operation partially disposed of or sold is a subsidiary, cumulative exchange differences that were recorded in other comprehensive income are proportionately transferred to the non-controlling interest in this foreign operation. In addition, even when the Company still retains partial interest in the former foreign subsidiary after losing control of the former foreign subsidiary, such transactions should be accounted for as disposal of all interest in the foreign operation.

(4) Classification of current and non-current items

A. Assets that meet one of the following criteria are classified as current assets; otherwise they are classified as non-current assets:

- (a) Assets that are expected to be realised, or are intended to be sold or consumed in the normal operating cycle;
- (b) Assets that are held primarily for the purposes of trading;
- (c) Assets that are expected to be realised within twelve months after the reporting period;
- (d) Cash and cash equivalents, excluding restricted cash and cash equivalents and those that are to be exchanged or used to pay off liabilities for at least twelve months after the reporting period.

B. Liabilities that meet one of the following criteria are classified as current liabilities; otherwise they are classified as non-current liabilities:

- (a) Liabilities that are expected to be paid off in the normal operating cycle;

- (b) Liabilities that are held primarily for the purpose of trading;
- (c) Liabilities that are due to be paid off within twelve months after the reporting period;
- (d) It does not have the right at the end of the reporting period to defer settlement of the liability at least twelve months after the reporting period.

(5) Cash equivalents

Cash equivalents refer to short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Time deposits that meet the definition above and are held for the purpose of meeting short-term cash commitments in operations are classified as cash equivalents.

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

- A. Financial assets at fair value through profit or loss are financial assets that are not measured at amortised cost or fair value through other comprehensive income.
- B. On a regular way purchase or sale basis, financial assets at fair value through profit or loss are recognised and derecognised using trade date accounting.
- C. At initial recognition, the Company measures the financial liabilities at fair value. All related transaction costs are recognised in profit or loss. The Company subsequently measures these financial liabilities at fair value with any gain or loss recognised in profit or loss.
- D. The Company recognises the dividend income when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably.

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

- A. Financial assets at fair value through other comprehensive income comprise equity securities which are not held for trading, and for which the Company has made an irrevocable election at initial recognition to recognise changes in fair value in other comprehensive income.
- B. On a regular way purchase or sale basis, financial assets at fair value through other comprehensive income are recognised and derecognised using trade date accounting.
- C. At initial recognition, the Company measures the financial assets at fair value plus transaction costs. The Company subsequently measures the financial assets at fair value.

The changes in fair value of equity investments that were recognised in other comprehensive income are reclassified to retained earnings and are not reclassified to profit or loss following the derecognition of the investment. Dividends are recognised as revenue when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably.

(8) Accounts and notes receivable

- A. Accounts and notes receivable entitle the Company a legal right to receive consideration in exchange for transferred goods or rendered services.
- B. The short-term accounts and notes receivable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(9) Impairment of financial assets

For accounts receivable that do not contain a significant financing component, the Company recognises the impairment provision for the lifetime expected credit losses (ECLs) at each reporting date.

(10) Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to receive the cash flows from the financial asset expire.

(11) Leasing arrangements (lessor) – operating leases

Lease income from an operating lease (net of any incentives given to the leases) is recognised in profit or loss on a straight-line basis over the lease term.

(12) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted-average method. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads (allocated based on normal operating capacity). It excludes borrowing costs. The item by item approach is used in applying the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

(13) Investments accounted for using the equity method - subsidiaries, associates and joint ventures

- A. Subsidiaries are all entities (including structured entities) controlled by the Company. The Company controls an entity when the Company is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.
- B. Unrealised profit (loss) from the transactions between the Company and subsidiaries have been offset. The accounting policies of the subsidiaries have been adjusted to be consistent with the Company's accounting policies.
- C. The Company's share of its subsidiaries' post-acquisition profits or losses is recognised in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. When the Company's share of losses in a subsidiary equals or exceeds its interest in the subsidiary, the Company continues to recognise losses proportionate to its ownership.

- D. If changes in the Company's shares in subsidiaries do not result in loss in control (transactions with non-controlling interest), transactions shall be considered as equity transactions, which are transactions between owners. Difference of adjustment of non-controlling interest and fair value of consideration paid or received is recognised in equity.
- E. When the Company loses control of a subsidiary, the Company remeasures any investment retained in the former subsidiary at its fair value. That fair value is regarded as the fair value on initial recognition of a financial asset or the cost on initial recognition of the associate or joint venture. Any difference between fair value and carrying amount is recognised in profit or loss. All amounts previously recognised in other comprehensive income in relation to the subsidiary are reclassified to profit or loss on the same basis as would be required if the related assets or liabilities were disposed of. That is, when the Company loses control of a subsidiary, all gains or losses previously recognised in other comprehensive income in relation to the subsidiary should be reclassified from equity to profit or loss, if such gains or losses would be reclassified to profit or loss when the related assets or liabilities are disposed of.
- F. Associates are all entities over which the Company has significant influence but not control. In general, it is presumed that the investor has significant influence, if an investor holds, directly or indirectly 20 percent or more of the voting power of the investee. Investments in associates are accounted for using the equity method and are initially recognised at cost.
- G. The Company's share of its associates' post-acquisition profits or losses is recognised in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. When the Company's share of losses in an associate equals or exceeds its interest in the associate, the Company does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.
- H. When changes in an associate's equity that are not recognised in profit or loss or other comprehensive income of the associate and such changes do not affect the Company's ownership percentage of the associate, the Company recognises the Company's share of change in equity of the associate in 'capital surplus' in proportion to its ownership.
- I. Unrealised gains on transactions between the Company and its associates are eliminated to the extent of the Company's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been adjusted where necessary to ensure consistency with the policies adopted by the Company.
- J. In the case that an associate issues new shares and the Company does not subscribe or acquire new shares proportionately, which results in a change in the Company's ownership percentage of the associate but maintains significant influence on the associate, then 'capital surplus' and 'investments accounted for using the equity method' shall be adjusted for the increase or decrease of its share of equity interest. If the above condition causes a decrease in the Company's ownership percentage of the associate, in addition to the above adjustment, the amounts

previously recognised in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately on the same basis as would be required if the relevant assets or liabilities were disposed of.

- K. Upon loss of significant influence over an associate, the Company remeasures any investment retained in the former associate at its fair value. Any difference between fair value and carrying amount is recognised in profit or loss.
- L. When the Company disposes its investment in an associate and loses significant influence over this associate, the amounts previously recognised in other comprehensive income in relation to the associate, are reclassified to profit or loss, on the same basis as would be required if the relevant assets or liabilities were disposed of. If it retains significant influence over this associate, the amounts previously recognised in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately in accordance with the aforementioned approach.
- M. When the Company disposes its investment in an associate and loses significant influence over this associate, the amounts previously recognised as capital surplus in relation to the associate are transferred to profit or loss. If it retains significant influence over this associate, the amounts previously recognised as capital surplus in relation to the associate are transferred to profit or loss proportionately.
- N. Pursuant to the “Regulations Governing the Preparation of Financial Reports by Securities Issuers,” profit (loss) of the current period and other comprehensive income in the parent company only financial statements shall be equal to the amount attributable to owners of the parent in the parent company only financial statements. Owners’ equity in the parent company only financial statements shall be equal to equity attributable to owners of the parent in the parent company only financial statements.
- O. When assessing impairment, the Company treats the entire carrying amount of the investment as a single asset, compares the recoverable amount (the higher of value in use or fair value less costs of sale) and the carrying amount, conducts impairment testing, and recognizes impairment losses that will be included in the carrying amount of the investment. The reversal of any impairment loss is recognized to the extent that the recoverable amount of the investment subsequently increases.

(14) Property, plant and equipment

- A. Property, plant and equipment are initially recorded at cost.
- B. Subsequent costs are included in the asset’s carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

- C. Land is not depreciated. Other property, plant and equipment apply cost model and are depreciated using the straight-line method to allocate their cost over their estimated useful lives. Each part of an item of property, plant, and equipment with a cost that is significant in relation to the total cost of the item must be depreciated separately.
- D. The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each financial year-end. If expectations for the assets' residual values and useful lives differ from previous estimates or the patterns of consumption of the assets' future economic benefits embodied in the assets have changed significantly, any change is accounted for as a change in estimate under IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors', from the date of the change. The estimated useful lives of property, plant and equipment are as follows:

Buildings and structures	35 ~ 50 years
Machinery and equipment	2 ~ 7 years
Office equipment	2 ~ 5 years
Others	2 ~ 8 years

(15) Leasing arrangements (lessee) – right-of-use assets/ lease liabilities

- A. Leases are recognised as a right-of-use asset and a corresponding lease liability at the date at which the leased asset is available for use by the Company. For short-term leases or leases of low-value assets, lease payments are recognised as an expense on a straight-line basis over the lease term.
- B. Lease liabilities include the net present value of the remaining lease payments at the commencement date, discounted using the incremental borrowing interest rate. Lease payments are comprised of fixed payments, less any lease incentives receivable. The Company subsequently measures the lease liability at amortised cost using the interest method and recognises interest expense over the lease term. The lease liability is remeasured and the amount of remeasurement is recognised as an adjustment to the right-of-use asset when there are changes in the lease term or lease payments and such changes do not arise from contract modifications.
- C. At the commencement date, the right-of-use asset is stated at cost comprising the amount of the initial measurement of lease liability. The right-of-use asset is measured subsequently using the cost model and is depreciated from the commencement date to the earlier of the end of the asset's useful life or the end of the lease term. When the lease liability is remeasured, the amount of remeasurement is recognised as an adjustment to the right-of-use asset.

(16) Intangible assets

Computer software is stated at cost and amortised on a straight-line basis over its estimated useful life of 3~5 years.

(17) Impairment of non-financial assets

The Company assesses at each balance sheet date the recoverable amounts of those assets where there is an indication that they are impaired. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or value in use. Except for goodwill, when the circumstances or reasons for recognising impairment loss for an asset in prior years no longer exist or diminish, the impairment loss is reversed. The increased carrying amount due to reversal should not be more than what the depreciated or amortised historical cost would have been if the impairment had not been recognised.

(18) Borrowings

Borrowings comprise long-term and short-term bank borrowings. Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

(19) Accounts payable

- A. Accounts payable are liabilities for purchases of raw materials, goods or services resulting from operating and non-operating activities.
- B. The short-term accounts payable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(20) Bonds payable

Ordinary corporate bonds issued by the Group are initially recognised at fair value less transaction costs. Any difference between the proceeds (net of transaction costs) and the redemption value is presented as an addition to or deduction from bonds payable, which is amortised to profit or loss over the period of bond circulation using the effective interest method as an adjustment to 'finance costs'.

(21) Derecognition of financial liabilities

A financial liability is derecognised when the obligation specified in the contract is either discharged or cancelled or expires.

(22) Provisions

Provisions (including warranties) are recognised when the Company has a present legal or constructive obligation as a result of past events, and it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be reliably estimated.

(23) Employee benefits

A. Short-term employee benefits

Short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in respect of service rendered by employees in a period and should be recognised as expense in that period when the employees render service.

B. Pensions

(a) Defined contribution plans

For defined contribution plans, the contributions are recognised as pension expense when they are due on an accrual basis. Prepaid contributions are recognised as an asset to the extent of a cash refund or a reduction in the future payments.

(b) Defined benefit plans

i. Net obligation under a defined benefit plan is defined as the present value of an amount of pension benefits that employees will receive on retirement for their services with the Company in current period or prior periods. The liability recognised in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets. The net defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The rate used to discount is determined by using interest rates of government bonds (at the balance sheet date) of a currency and term consistent with the currency and term of the employment benefit obligations.

ii. Remeasurements arising on defined benefit plans are recognised in other comprehensive income in the period in which they arise and are recorded as retained earnings.

C. Employees' compensation and directors' remuneration

Employees' compensation and directors' remuneration are recognised as expenses and liabilities, provided that such recognition is required under legal obligation or constructive obligation and those amounts can be reliably estimated. Any difference between the resolved amounts and the subsequently actual distributed amounts is accounted for as changes in estimates. If employee compensation is distributed by shares, the Company calculates the number of shares based on the closing price at the previous day of the board meeting resolution.

(24) Employee share-based payment

For the equity-settled share-based payment arrangements, the employee services received are measured at the fair value of the equity instruments granted at the grant date, and are recognised as compensation cost over the vesting period, with a corresponding adjustment to equity. The fair value of the equity instruments granted shall reflect the impact of market vesting conditions and non-vesting conditions. Compensation cost is subject to adjustment based on the service conditions that are expected to be satisfied and the estimates of the number of equity instruments that are expected to vest under the non-market vesting conditions at each balance sheet date. Ultimately, the amount of compensation cost recognised is based on the number of equity instruments that eventually vest.

(25) Income tax

- A. The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or items recognised directly in equity, in which cases the tax is recognised in other comprehensive income or equity.
- B. The current income tax expense is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in accordance with applicable tax regulations. It establishes provisions where appropriate based on the amounts expected to be paid to the tax authorities. The Company and its domestic subsidiaries' additional tax is levied on the unappropriated retained earnings and is recorded as income tax expense in the year the stockholders resolve to retain the earnings.
- C. Deferred tax is recognised, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the parent company only balance sheet. However, the deferred tax is not accounted for if it arises from initial recognition of goodwill or of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences. Deferred tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.
- D. Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. At each balance sheet date, unrecognised and recognised deferred tax assets are reassessed.

(26) Share capital

- A. Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new shares or stock options are shown in equity as a deduction, net of tax, from the proceeds.
- B. Where the Company repurchases the Company's equity share capital that has been issued, the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the Company's equity holders. Where such shares are subsequently reissued, the difference between their carrying amount and any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Company's equity holders.

(27) Dividends

Cash dividends are recorded as liabilities in the Company's financial statements in the period in which they are special resolved by the Board of Directors in accordance with Article 240 of the amended Company Act and the Articles of Incorporation. Stock dividends are recorded as stock dividends to be distributed in the Company's financial statements in the period in which they are resolved by the Company's shareholders, and are reclassified to ordinary shares on the effective date of new shares issuance.

(28) Revenue recognition

A. Sales of goods

- (a) The Company manufactures and sells business oriented computers and peripherals. Sales are recognised when control of the products has transferred, being when the products are delivered to the wholesaler, the wholesaler has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the wholesaler's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the wholesaler, and either the wholesaler has accepted the products in accordance with the sales contract, or the Company has objective evidence that all criteria for acceptance have been satisfied.
- (b) The Company's obligation to provide a refund for faulty products under the standard warranty terms is recognised as a provision.
- (c) A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

B. Services providing

- (a) The Company provides business oriented computer support and maintenance services. Revenue from providing services is recognised in the accounting period in which the services are rendered. For fixed-price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided. This is determined based on the period of actual service used relative to the total period of service to be provided. The customer pays at the time specified in the payment schedule. If the services rendered exceed the payment, a contract asset is recognised. If the payments exceed the services rendered, a contract liability is recognised.
- (b) Some contracts include multiple deliverables, such as the installation of hardware and software. In most cases, the installation is simple, does not include an integration service and could be performed by another supplier. It is therefore accounted for as a separate performance obligation. In this case, the transaction price will be allocated to each performance obligation based on the stand-alone selling prices. If contracts include the sales of hardware, revenue for the hardware is recognised at a point in time when the hardware is delivered, the legal title has passed and the customer has accepted the hardware.

(c) The Company's estimate about revenue, costs and progress towards complete satisfaction of a performance obligation is subject to a revision whenever there is a change in circumstances. Any increase or decrease in revenue or costs due to an estimate revision is reflected in profit or loss during the period when the management become aware of the changes in circumstances.

5. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND KEY SOURCES OF ASSUMPTION UNCERTAINTY

The preparation of the parent company only financial statements requires management to make critical judgements in applying the Company's accounting policies and make critical assumptions and estimates concerning future events. Assumptions and estimates may differ from the actual results and are continually evaluated and adjusted based on historical experience and other factors. Such assumptions and estimates have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year; and the related information is addressed below:

(1) Critical judgements in applying the Company's accounting policies

None.

(2) Critical accounting estimates and assumptions

Evaluation of inventories

Inventories are stated at the lower of cost and net realizable value. For inventory which is saleable and obsolete inventory that is checked item by item, the net realizable value are determined based on past experience on industry. Management's judgement on determining net realizable value involves material judgement.

6. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	December 31, 2024	December 31, 2023
Cash on hand	\$ 331	\$ 173
Checking accounts and demand deposits	590,588	708,692
Time deposits	81,962	46,058
Deposit in transit	-	19,539
	<hr/> <u>\$ 672,881</u>	<hr/> <u>\$ 774,462</u>

- A. The Company transacts with a variety of financial institutions all with high credit quality to disperse credit risk, so it expects that the probability of counterparty default is remote.
- B. The Company has no cash and cash equivalents pledged to others.

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

Items	December 31, 2024	December 31, 2023
Non-current items:		
Financial assets mandatorily measured at fair value through profit or loss		
Listed stocks	\$ 88,221	\$ 121,050
Unlisted stocks	114,618	82,598
Beneficiary certificates	47,652	-
Open-end fund	3,018	-
Valuation adjustment	748,009	513,373
	<u>\$ 1,001,518</u>	<u>\$ 717,021</u>

A. Amounts recognised in profit or loss in relation to financial assets at fair value through profit or loss are listed below:

	For the year ended December 31, 2024	For the year ended December 31, 2023
Financial assets mandatorily measured at fair value through profit or loss	\$ 542,969	\$ 115,226

B. The Company has no financial assets at fair value through profit or loss pledged to others as collateral.

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

Items	December 31, 2024	December 31, 2023
Non-current items:		
Equity instruments		
Listed stocks	\$ 671,902	\$ 671,902
Emerging stocks	5,979	5,979
Unlisted stocks	195,752	203,448
Valuation adjustment	(86,308)	(413,718)
	<u>\$ 787,325</u>	<u>\$ 467,611</u>

A. The Company has elected to classify equity instruments - J&V Energy Technology Co., Ltd. that are considered to be steady dividend income as financial assets at fair value through other comprehensive income. The fair value of such investments amounted to \$787,325 and \$467,611 as at December 31, 2024 and 2023, respectively.

B. Amounts recognised in profit or loss and other comprehensive income in relation to the financial assets at fair value through other comprehensive income are listed below:

	For the year ended December 31, 2024	For the year ended December 31, 2023
<u>Equity instruments at fair value through other comprehensive income</u>		
Fair value change recognised in other comprehensive income	\$ 327,410	\$ 33,284
Dividend income recognised in profit or loss		
Held at end of period	<u>\$ 22,332</u>	<u>\$ 8,400</u>

C. The Company has no financial assets at fair value through other comprehensive income pledged to others as collateral.

(4) Accounts receivable

A. Non-related parties

	December 31, 2024	December 31, 2023
Accounts receivable	\$ 198,932	\$ 184,411
Less: Allowance for uncollectible accounts	(4,976)	(68,370)
	<u>\$ 193,956</u>	<u>\$ 116,041</u>

B. Related parties

	December 31, 2024	December 31, 2023
Accounts receivable - related parties	\$ 227,407	\$ 429,771
Less: Allowance for uncollectible accounts	(2,675)	(545)
	<u>\$ 224,732</u>	<u>\$ 429,226</u>

C. The ageing analysis of accounts receivable (including related parties) that were past due but not impaired is as follows:

	December 31, 2024	December 31, 2023
Not past due	\$ 202,952	\$ 468,414
Past due		
Up to 30 days	89,798	46,652
31 to 90 days	23,287	23,287
91 to 180 days	8,648	5,697
Over 181 days	94,003	1,217
	<u>\$ 418,688</u>	<u>\$ 545,267</u>

The above aging analysis was based on past due date.

D. As of December 31, 2024 and 2023, accounts receivable were all from contracts with customers.

As of January 1, 2023, the balance of receivables from contracts with customers amounted to \$290,202.

E. As at December 31, 2024 and 2023, without taking into account any collateral held or other credit

enhancements, the maximum exposure to credit risk in respect of the amount that best represents the Company's accounts receivable (including related parties) was \$418,688 and \$545,267, respectively.

F. The Company does not hold any collateral as security.

G. Information relating to credit risk of accounts receivable is provided in Note 12(2).

(5) Inventories

	December 31, 2024		
	Cost	Allowance for valuation loss	Book value
Raw materials	\$ 332,044	(\$ 28,763)	\$ 303,281
Goods in Transit	2,133	-	2,133
Finished goods	19,373	(3,049)	16,324
	<u>\$ 353,550</u>	<u>(\$ 31,812)</u>	<u>\$ 321,738</u>
	December 31, 2023		
	Cost	Allowance for valuation loss	Book value
Raw materials	\$ 310,638	(\$ 10,300)	\$ 300,338
Finished goods	45,702	(4,977)	40,725
	<u>\$ 356,340</u>	<u>(\$ 15,277)</u>	<u>\$ 341,063</u>

The cost of inventories recognised as expense for the year:

	For the year ended December 31, 2024	For the year ended December 31, 2023
Cost of goods sold	\$ 1,174,365	\$ 1,317,154
Loss on decline in market value	26,465	11,803
Loss on physical inventory	403	120
	<u>\$ 1,201,233</u>	<u>\$ 1,329,077</u>

(6) Investments accounted for using the equity method

	December 31, 2024	December 31, 2023
Subsidiaries:		
Firich International Co., Ltd.	\$ 1,021,810	\$ 1,280,660
Firich Korea Co., Ltd.	527,304	553,644
AKAM Group B.V.	311,412	268,469
Tiga Gaming Inc.	63,291	52,718
TopRich Co., Ltd.	56,449	46,758
Firich UK Co., Ltd.	36,052	29,821
Firich USA Inc.	1,601	17,071
Xiang Ting Entertainment Co., Ltd.(Note1)	-	1,000
Subtotal	<u>2,017,919</u>	<u>2,250,141</u>
Associates:		
Li Ming Construction Co., Ltd.(Note2)	294,517	-
LotRich Information Co., Ltd.	163,270	133,029
Jia Hua Kang Jian Co., Ltd.	114,597	124,753
AquaLab Inc.	23,422	5,652
FEC ITALIA S.r.l.	21,568	17,515
Juhui Cultural and Creative Co., Ltd.(Note2)	19,406	-
FEC Deutschland GmbH	8,173	6,007
FEC Japan Co., Ltd.	5,492	5,492
Grab and Go Solutions, Inc.	150	193
Less: Accumulated impairment	(5,492)	(5,492)
Subtotal	<u>645,103</u>	<u>287,149</u>
Total	<u><u>\$ 2,663,022</u></u>	<u><u>\$ 2,537,290</u></u>

Note1 : Xiang Ting Entertainment Co., Ltd applied for dissolution on August 22, 2024.

Note2 : This pertains to the Company's additional investments for the year ended December 31, 2024.

For the years ended December 31, 2024 and 2023, share of profit (loss) of subsidiaries and associates accounted for using the equity method are as follows:

	For the year ended December 31, 2024	For the year ended December 31, 2023
Subsidiaries:		
Firich International Co., Ltd.	(\$ 329,091)	(\$ 339,972)
Firich Korea Co., Ltd.	(7,876)	(22,191)
AKAM Group B.V.	44,645	21,938
Tiga Gaming Inc.	10,407	12,132
TopRich Co., Ltd.	12,428	681
Firich UK Co., Ltd.	1,721	2,829
Firich USA Inc.	(12,524)	(17,963)
Xiang Ting Entertainment Co., Ltd.	5	-
Associates:		
Li Ming Construction Co., Ltd.	(4,195)	-
LotRich Information Co., Ltd.	4,439	5,804
Jia Hua Kang Jian Co., Ltd.	(4,560)	(3,999)
AquaLab Inc.	12,014	53
FEC ITALIA S.r.l.	5,663	2,397
Juhui Cultural and Creative Co., Ltd.	(913)	-
FEC Deutschland GmbH	1,738	243
FEC Japan Co., Ltd.	-	-
Grab and Go Solutions, Inc.	(43)	(497)
	<u><u>(\$ 266,142)</u></u>	<u><u>(\$ 338,545)</u></u>

A. Subsidiaries

- (a) Details of the Company's subsidiaries are provided in Note 4(3) of the Company's 2024 consolidated financial statements.
- (b) For the Investment deduction assessment using the equity method of the Company's subsidiaries are provided in Note 6(10) of the Company's 2024 consolidated financial statements.

B. The financial information of the Company's principal associates is summarised below:

(a) The basic information of the associates that are material to the Company is as follows:

Company name	Principal place of business	Shareholding ratio		Nature of relationship	Methods of measurement
		December 31, 2024	December 31, 2023		
LotRich Information Co., Ltd.	Taiwan	30%	30%	Financial investment and lottery machine distributor	Equity method
Li Ming Construction Co., Ltd.	"	28.57%	-	Financial Investment	"

(b) The summarised financial information of the associates that are material to the Company is as follows:

Balance sheet

	LotRich Information Co., Ltd.	
	December 31, 2024	December 31, 2023
Current assets	\$ 823,089	\$ 1,299,737
Non-current assets	61,614	201,283
Current liabilities	(340,045)	(953,227)
Non-current liabilities	(424)	(943)
Total net assets	<u>\$ 544,234</u>	<u>\$ 546,850</u>
Share in associate's net assets	163,270	164,055
Unrealized gain from sales	-	(31,026)
Carrying amount of the associate	<u>\$ 163,270</u>	<u>\$ 133,029</u>
	Li Ming Construction Co., Ltd.	
	December 31, 2024	December 31, 2023
Current assets	\$ 1,775,470	\$ -
Non-current assets	336,214	-
Current liabilities	(471,804)	-
Non-current liabilities	(634,197)	-
Total net assets	<u>\$ 1,005,683</u>	<u>\$ -</u>
Share in associate's net assets	287,324	-
Goodwill	7,193	-
Carrying amount of the associate	<u>\$ 294,517</u>	<u>\$ -</u>

Statement of comprehensive income

	LotRich Information Co., Ltd.	
	For the year ended December 31, 2024	For the year ended December 31, 2023
Revenue	\$ 871,019	\$ 211,445
Profit for the year from continuing operations	\$ 14,796	\$ 19,347
Total comprehensive income	<u>\$ 14,796</u>	<u>\$ 19,347</u>
Dividends received from the associate	<u>\$ 5,224</u>	<u>\$ 5,608</u>

	Li Ming Construction Co., Ltd.	
	Year ended December 31, 2024	Year ended December 31, 2023
Revenue	\$ 337	\$ -
Loss for the year from continuing operations	(19,940)	- -
Total comprehensive income	<u>(\$ 19,940)</u>	<u>\$ -</u>

(c) The carrying amount of the Company's interests in all individually immaterial associates and the Company's share of the operating results are summarised below:

As of December 31, 2024 and 2023, the carrying amount of the Company's individually immaterial associates amounted to \$187,316 and \$154,120, respectively.

	For the year ended December 31, 2024	For the year ended December 31, 2023
Profit (loss) for the year from continuing operations	\$ 13,899	(\$ 1,803)
Others comprehensive income (net value after tax)	<u>464</u>	<u>362</u>
Total comprehensive profit (loss)	<u>\$ 14,363</u>	<u>(\$ 1,441)</u>

B. On February 21, 2024, the Company invested \$200,000 in Li Ming Construction Co., Ltd., thereby holding a 25% equity interest in the company and accounting for the investment using the equity method. Additionally, during its meeting on April 26, 2024, the Board of Directors resolved to increase its capital in Li Ming Construction Co., Ltd. amounting to \$100,000. As the Company did not participate in the capital increase proportionally to its interest, the Company's share interest in the associate increased to 31.58% following the capital increase.

C. On June 25, 2024, Li Ming Construction Co., Ltd. increased its capital by issuing 10 million shares. As the Group did not participate in the capital increase, the Company's share interest in the associate decreased to 28.57% after the capital increase. The Group recognised a decrease in equity amounting to \$1,288 for the year ended December 31, 2024.

D. On February 21, 2024, the Company invested \$20,000 in Juhui Cultural and Creative Co., Ltd., acquiring a 66.67% equity interest in the company.

E. On May 17, 2024, Juhui Cultural and Creative Co., Ltd. increased its capital by issuing 3 million shares. As the Company did not participate in the capital increase, the Company's share interest in the associate decreased to 33.33% after the capital increase. The Company recognised an increase in equity amounting to \$320 for the year ended December 31, 2024.

F. The Company has assessed the value of its investee accounted for using the equity method, FEC Japan Co., Ltd. for the prior year, as impaired and the possibility for recovery was remote. Thus, accumulated impairment loss of \$5,492 was recognised as of December 31, 2024.

G. For the years ended December 31, 2024 and 2023, the Company's investee company accounted for using the equity method was based on financial statements audited by other auditors. The share of profit (loss) of subsidiaries, associates and joint ventures accounted for using the equity method for the years ended December 31, 2024 and 2023 amounted to (\$3,049) and (\$26,126), respectively. As of December 31, 2024 and 2023, the related investment balance accounted for under the equity method was recorded at \$984,078 and \$685,216, respectively.

(7) Property, plant and equipment

	Office				
	Buildings		Machinery equipment		Others
	Land	and structures	Owner-occupied	Owner-occupied	Owner-occupied
<u>At January 1, 2024</u>					
Cost	\$ 111,478	\$ 161,406	\$ 178,925	\$ 18,021	\$ 50,519
Accumulated depreciation	-	(57,804)	(168,633)	(13,496)	(41,571)
	<u>\$ 111,478</u>	<u>\$ 103,602</u>	<u>\$ 10,292</u>	<u>\$ 4,525</u>	<u>\$ 8,948</u>
<u>2024</u>					
Opening net book amount					
as at January 1	\$ 111,478	\$ 103,602	\$ 10,292	\$ 4,525	\$ 8,948
Additions	-	-	9,410	72	5,032
Disposals - Cost	-	-	(3,360)	(714)	- (4,074)
Disposals - Accumulated depreciation	-	-	3,360	714	-
Depreciation charge	-	(3,296)	(11,162)	(1,145)	(1,147)
Closing net book amount					
as at December 31	<u>\$ 111,478</u>	<u>\$ 100,306</u>	<u>\$ 8,540</u>	<u>\$ 3,452</u>	<u>\$ 12,833</u>
<u>At December 31, 2024</u>					
Cost	\$ 111,478	\$ 161,406	\$ 184,975	\$ 17,379	\$ 55,551
Accumulated depreciation	-	(61,100)	(176,435)	(13,927)	(42,718)
	<u>\$ 111,478</u>	<u>\$ 100,306</u>	<u>\$ 8,540</u>	<u>\$ 3,452</u>	<u>\$ 12,833</u>

	Office					
	Buildings		Machinery	equipment	Others	
	Land	and structures	Owner-occupied	Owner-occupied	Owner-occupied	
<u>At January 1, 2023</u>						
Cost	\$ 111,478	\$ 161,406	\$ 173,343	\$ 14,121	\$ 47,702	\$ 508,050
Accumulated depreciation	-	(54,508)	(161,728)	(12,967)	(41,117)	(270,320)
	<u>\$ 111,478</u>	<u>\$ 106,898</u>	<u>\$ 11,615</u>	<u>\$ 1,154</u>	<u>\$ 6,585</u>	<u>\$ 237,730</u>
<u>2023</u>						
Opening net book amount						
as at January 1	\$ 111,478	\$ 106,898	\$ 11,615	\$ 1,154	\$ 6,585	\$ 237,730
Additions	-	-	6,531	3,900	2,817	13,248
Disposals - Cost	-	-	(949)	-	-	(949)
Disposals - Accumulated depreciation	-	-	949	-	-	949
Depreciation charge	-	(3,296)	(7,854)	(529)	(454)	(12,133)
Closing net book amount						
as at December 31	<u>\$ 111,478</u>	<u>\$ 103,602</u>	<u>\$ 10,292</u>	<u>\$ 4,525</u>	<u>\$ 8,948</u>	<u>\$ 238,845</u>
<u>At December 31, 2023</u>						
Cost	\$ 111,478	\$ 161,406	\$ 178,925	\$ 18,021	\$ 50,519	\$ 520,349
Accumulated depreciation	-	(57,804)	(168,633)	(13,496)	(41,571)	(281,504)
	<u>\$ 111,478</u>	<u>\$ 103,602</u>	<u>\$ 10,292</u>	<u>\$ 4,525</u>	<u>\$ 8,948</u>	<u>\$ 238,845</u>

Information about the property, plant and equipment that were pledged to others as collaterals is provided in Note 8.

(8) Leasing arrangements—lessee

- A. The Company leases various assets including buildings and business vehicles. Rental contracts are typically made for 12~36 months. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose covenants, but leased assets may not be used as security for borrowing purposes.
- B. Buildings that the Company leases are not included in the right-of-use assets because their leasing terms are 12 months or less.
- C. The carrying amount of right-of-use assets and the depreciation charge are as follows:

	December 31, 2024	For the year ended December 31, 2024	December 31, 2023	For the year ended December 31, 2023
	Carrying amount	Depreciation charge	Carrying amount	Depreciation charge
Transportation equipment (Business vehicles)	\$ 673	\$ 538	\$ 1,211	\$ 404

D. For the years ended December 31, 2024 and 2023, the additions to right-of-use assets were \$0 and \$1,615, respectively.

E. The information on profit and loss accounts relating to lease contracts is as follows:

<u>Items affecting profit or loss</u>	For the year ended December 31, 2024	For the year ended December 31, 2023
Interest expense on lease liabilities	\$ 20	\$ 19
Expense on short-term lease contracts	<u>\$ 7,336</u>	<u>\$ 6,622</u>

F. For the years ended December 31, 2024 and 2023, the Company's total cash outflow for leases were \$7,891 and \$7,037, respectively.

(9) Intangible assets

	Software
<u>At January 1, 2024</u>	
Cost	\$ 18,729
Accumulated amortisation	<u>(17,326)</u>
	<u>\$ 1,403</u>
<u>2024</u>	
Opening net book amount as at January 1	\$ 1,403
Additions	71
Amortisation charge	<u>(846)</u>
Closing net book amount as at December 31	<u>\$ 628</u>
<u>At December 31, 2024</u>	
Cost	\$ 18,800
Accumulated amortisation	<u>(18,172)</u>
	<u>\$ 628</u>

	Software
<u>At January 1, 2023</u>	
Cost	\$ 18,297
Accumulated amortisation	(16,288)
	<u>\$ 2,009</u>
<u>2023</u>	
Opening net book amount as at January 1	\$ 2,009
Additions	432
Amortisation charge	(1,038)
Closing net book amount as at December 31	<u>\$ 1,403</u>
<u>At December 31, 2023</u>	
Cost	\$ 18,729
Accumulated amortisation	(17,326)
	<u>\$ 1,403</u>

Details of amortisation on intangible assets are as follows:

	For the year ended December 31, 2024	For the year ended December 31, 2023
Operating costs	\$ 815	\$ 950
General and administrative expenses	-	3
Research and development expenses	31	85
	<u>\$ 846</u>	<u>\$ 1,038</u>

(10) Other non-current assets

	December 31, 2024	December 31, 2023
Refundable deposits	\$ 2,025	\$ 1,786
Prepayments for equipment	1,379	1,770
	<u>\$ 3,404</u>	<u>\$ 3,556</u>

(11) Short-term borrowings

Type of borrowings	December 31, 2024	Interest rate range	Collateral
Bank borrowings			
Unsecured borrowings	\$ 800,000	1.875%~2.533%	None
Secured borrowings	380,000	1.875%~1.950%	Note
	<u>\$ 1,180,000</u>		
Type of borrowings	December 31, 2023	Interest rate range	Collateral
Bank borrowings			
Unsecured borrowings	\$ 900,000	1.75%~2.30%	None
Secured borrowings	290,000	1.75%~1.80%	Note
	<u>\$ 1,190,000</u>		

Note: Property, plant and equipment - land, buildings and structures.

(12) Bonds payable

	December 31, 2024	December 31, 2023
Bonds payable	\$ 500,000	\$ 500,000
Less: discount on bonds payable	-	-
	<u>\$ 500,000</u>	<u>\$ 500,000</u>

The terms of the first-time secured corporate bonds issued by the Company in year 2021 are as follows:

The Company issued \$500,000 in first-time secured corporate bonds with a fixed coupon rate of 6.2% in 2021, as approved by the regulatory authority on June 3, 2021. The bonds mature 5 years from the issue date (June 15, 2021, to June 15, 2026) and will be redeemed in cash at face value at the maturity.

(13) Pensions

A. (a) The Company has a defined benefit pension plan in accordance with the Labor Standards Law, covering all regular employees' service years prior to the enforcement of the Labor Pension Act on July 1, 2005 and service years thereafter of employees who chose to continue to be subject to the pension mechanism under the Law. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement. The Company contributes monthly an amount equal to 2% of the employees' monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, the trustee, under the name of the independent retirement fund committee. Also, the Company would assess the balance in the aforementioned labour pension reserve account by the end of December 31, every year. If the account balance is insufficient to pay the pension calculated by the aforementioned method, to the employees expected to be qualified for retirement next year, the Company will make contributions to cover the deficit by next March.

(b) The amounts recognised in the balance sheet are as follows:

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Present value of defined benefit obligations	(\$ 24,649)	(\$ 25,468)
Fair value of plan assets	19,468	17,469
Net defined benefit liability	<u>(\$ 5,181)</u>	<u>(\$ 7,999)</u>

(c) Movements in net defined benefit liabilities are as follows:

	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liability
2024			
Balance at January 1	(\$ 25,468)	\$ 17,469	(\$ 7,999)
Current service cost	(76)	- (76)
Interest (expense) income	(302)	209 (93)
	<u>(25,846)</u>	<u>17,678</u>	<u>(8,168)</u>
Remeasurements:			
Return on plan assets	- 1,621	1,621	1,621
Change in demographic assumptions	1 -	- 1	1
Change in financial assumptions	987 -	- 987	987
Experience adjustments	209 -	- 209	209
	<u>1,197</u>	<u>1,621</u>	<u>2,818</u>
Pension fund contribution	- 169	169	169
Balance at December 31	<u>(\$ 24,649)</u>	<u>\$ 19,468</u>	<u>(\$ 5,181)</u>

	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liability
2023			
Balance at January 1	(\$ 26,418)	\$ 18,242	(\$ 8,176)
Current service cost	(73)	-	(73)
Interest (expense) income	(321)	219	(102)
	(26,812)	18,461	(8,351)
Remeasurements:			
Return on plan assets	-	163	163
Change in demographic assumptions	9	-	9
Change in financial assumptions	(239)	-	(239)
Experience adjustments	244	-	244
	14	163	177
Pension fund contribution	-	175	175
Paid pension	1,330	(1,330)	-
Balance at December 31	<u>(\$ 25,468)</u>	<u>\$ 17,469</u>	<u>(\$ 7,999)</u>

(d) The Bank of Taiwan was commissioned to manage the Fund of the Company's and domestic subsidiaries' defined benefit pension plan in accordance with the Fund's annual investment and utilisation plan and the "Regulations for Revenues, Expenditures, Safeguard and Utilisation of the Labor Retirement Fund" (Article 6: The scope of utilisation for the Fund includes deposit in domestic or foreign financial institutions, investment in domestic or foreign listed, over-the-counter, or private placement equity securities, investment in domestic or foreign real estate securitisation products, etc.). With regard to the utilisation of the Fund, its minimum earnings in the annual distributions on the final financial statements shall be no less than the earnings attainable from the amounts accrued from two-year time deposits with the interest rates offered by local banks. If the earnings is less than aforementioned rates, government shall make payment for the deficit after being authorised by the Regulator. The Company has no right to participate in managing and operating that fund and hence the Company is unable to disclose the classification of plan asset fair value in accordance with IAS 19 paragraph 142. The composition of fair value of plan assets as of December 31, 2024 and 2023 is given in the Annual Labor Retirement Fund Utilisation Report announced by the government.

(e) The principal actuarial assumptions used were as follows:

	For the year ended December 31, 2024	For the year ended December 31, 2023
Discount rate	1.65%	1.20%
Future salary increases	3.00%	3.00%

Assumptions regarding future mortality experience are set based on the 6th Taiwan Standard Ordinary Experience Mortality Table for the years ended December 31, 2024 and 2023.

Because the main actuarial assumption changed, the present value of defined benefit obligation is affected. The analysis was as follows:

	Discount rate		Future salary increases	
	Increase by 0.25%	Decrease by 0.25%	Increase by 0.25%	Decrease by 0.25%
December 31, 2024				
Effect on present value of defined benefit obligation	(\$ 486)	\$ 501	\$ 494	(\$ 481)
December 31, 2023				
Effect on present value of defined benefit obligation	(\$ 589)	\$ 609	\$ 597	(\$ 580)

The sensitivity analysis above is based on one assumption which changed while the other conditions remain unchanged. In practice, more than one assumption may change all at once. The method of analysing sensitivity and the method of calculating net pension liability in the balance sheet are the same.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous period.

(f) Expected contributions to the defined benefit pension plans of the Company for the year ending December 31, 2025 amount to \$582.

(g) As of December 31, 2024, the weighted average duration of that retirement plan is 8 years.

The analysis of timing of the future pension payment was as follows:

Within 1 year	\$ 2,885
1-2 year(s)	831
2-5 years	6,039
Over 5 years	18,298
	<hr/>
	\$ 28,053

B. (a) Effective July 1, 2005, the Company has established a defined contribution pension plan (the “New Plan”) under the Labor Pension Act (the “Act”), covering all regular employees with R.O.C. nationality. Under the New Plan, the Company contributes monthly an amount based on 6% of the employees’ monthly salaries and wages to the employees’ individual pension

accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment.

(b) The pension costs under the defined contribution pension plan of the Company for the years ended December 31, 2024 and 2023 were \$8,946 and \$7,948, respectively.

(14) Share-based payment

A. For the years ended December 31, 2024 and 2023, the Company's share-based payment arrangements were as follows:

Type of arrangement	Grant date	Quantity granted	Contract period	Contract vesting conditions
Employee share purchase plan of Tiga Gaming Inc.	June 19, 2023	1,000,000	7 years	50% vested after two years of service 100% vested after three years of service

Tiga Gaming Inc. a subsidiary of the Company, issued employee stock option certificates to the company's employees. The share-based payment arrangements above are settled by equity.

B. Details of the share-based payment arrangements are as follows:

	2024		2023	
	No. of options	Weighted-average exercise price (in dollars)	No. of options	Weighted-average exercise price (in dollars)
Options outstanding at January 1	1,000,000	\$ 21	-	\$ -
Options granted	-	-	1,000,000	21
Options outstanding at December 31	1,000,000	\$ 21	1,000,000	\$ 21
Options exercisable at December 31	-	\$ 21	-	\$ 21

C. There were no stock options that have yet to be exercised in 2024 and 2023.

D. The expiry date and exercise price of stock options outstanding at balance sheet date are as follows:

	December 31, 2024		December 31, 2023	
	No. of shares (in thousands)	Exercise price (in dollars)	No. of shares (in thousands)	Exercise price (in dollars)
Issue date approved	Expiry date	1,000 \$ 21	1,000 \$ 21	
June 19, 2023	June 18, 2030			

E. The fair value of stock options granted on grant date is measured using the Black-Scholes option-pricing model. Relevant information is as follows:

Type of arrangement	Grant date	Stock price (in dollars)	Exercise price (in dollars)	Expected price volatility	Expected option life	Expected dividends	Risk-free interest rate	Fair value per unit (in dollars)
Employee share purchase plan of Tiga Gaming Inc.	June 19,2023	\$ 12.91	\$ 21	33.62%	2.5 years	-	1.03%	\$ 0.8714

Note: Expected price volatility rate was estimated by using the stock prices of the most recent period with length of this period approximate to the length of the stock options' expected life, and the standard deviation of return on the stock during this period.

F. Expenses incurred on share-based payment transactions are shown below:

	For the year ended December 31, 2024	For the year ended December 31, 2023
Equity settled-recognition of capital surplus	\$ 54	\$ 28
Equity settled-reduction of investments accounted for using the equity method.	65	34
Equity-settled	\$ 119	\$ 62

(15) Share capital

A. As of December 31, 2024, the Company's authorised capital was \$4,000,000, consisting of 400 million shares of ordinary stock, and the paid-in capital was \$3,014,526 with a par value of \$10 (in dollars) per share.

Movements in the number of the Company's ordinary shares outstanding are as follows:

	2024 (Note)	2023 (Note)
At January 1	292,214	283,703
Capitalisation of capital surplus	-	8,511
At December 31	292,214	292,214

Note: Each unit refers to one thousand shares.

B. Treasury shares

(a) Reason for share reacquisition and movements in the number of the Company's treasury shares are as follows:

December 31, 2024			
Name of company holding the shares	Reason for reacquisition	Number of shares	Carrying amount
The Company	To be reissued to employees	9,239 thousand	\$ 277,773
December 31, 2023			
Name of company holding the shares	Reason for reacquisition	Number of shares	Carrying amount
The Company	To be reissued to employees	9,239 thousand	\$ 277,773

(b) Pursuant to the R.O.C. Securities and Exchange Act, the number of shares bought back as treasury shares should not exceed 10% of the number of the Company's issued and outstanding shares and the amount bought back should not exceed the sum of retained earnings, paid-in capital in excess of par value and realised capital surplus.

(c) Pursuant to the R.O.C. Securities and Exchange Act, treasury shares should not be pledged as collateral and is not entitled to dividends before it is reissued.

(d) Pursuant to the R.O.C. Securities and Exchange Act, treasury shares should be reissued to the employees within five years from the reacquisition date and shares not reissued within the five-year period are to be retired.

(e) The Company has canceled 3,150 thousand treasury shares that had not been transferred to employees and completed the change registration on January 16, 2024.

(16) Capital surplus

Pursuant to the R.O.C. Company Act, capital surplus arising from paid-in capital in excess of par value on issuance of common stocks and donations can be used to cover accumulated deficit or to issue new stocks or cash to shareholders in proportion to their share ownership, provided that the Company has no accumulated deficit. Further, the R.O.C. Securities and Exchange Act requires that the amount of capital surplus to be capitalised mentioned above should not exceed 10% of the paid-in capital each year. Capital surplus should not be used to cover accumulated deficit unless the legal reserve is insufficient.

	For the year ended December 31, 2024						
	Recognition						
	Share premium	Expired stock options	of ownership changes in subsidiaries	Net change in equity of associates		Others	Total
At January 1	\$ 995,421	\$ 14,534	\$ 28	\$ 2,945	\$ 316		\$ 1,013,244
Cash dividends from capital	(207,472)	-	-	-	-	-	(207,472)
Subsidiary issues employee stock option certificates	-	-	54	-	-	-	54
Recognition of changes in equity of affiliated enterprises based on shareholding ratio	-	-	-	876	-	-	876
At December 31	<u>\$ 787,949</u>	<u>\$ 14,534</u>	<u>\$ 82</u>	<u>\$ 3,821</u>	<u>\$ 316</u>		<u>\$ 806,702</u>

	For the year ended December 31, 2023						
	Recognition						
	Share premium	Expired stock options	Treasury share transactions	of ownership changes in subsidiaries	Net change in equity of associates	Others	Total
At January 1	\$ 1,090,875	\$ 14,534	\$ 2,893	\$ -	\$ 7,215	\$ 316	\$ 1,115,833
Capitalisation of capital surplus	(85,111)	-	-	-	-	-	(85,111)
Subsidiary issues employee stock option certificates	-	-	-	28	-	-	28
Recognition of changes in equity of affiliated enterprises based on shareholding ratio	-	-	-	-	- (4,270)	-	- (4,270)
Cancellation of the treasury shares	(10,343)	-	(2,893)	-	-	-	(13,236)
At December 31	<u>\$ 995,421</u>	<u>\$ 14,534</u>	<u>\$ -</u>	<u>\$ 28</u>	<u>\$ 2,945</u>	<u>\$ 316</u>	<u>\$ 1,013,244</u>

On June 19, 2024, the shareholders of the Company, during their meeting, resolved to distribute cash dividends from capital surplus in the amount of \$207,472 (\$0.71 in dollars per share).

On June 29, 2023, the shareholders of the Company, during their meeting, resolved to convert capital surplus of \$85,111 into capital to issue 8,511 thousand new shares (\$0.3 in dollars per share).

(17) Retained earnings

A. The Company is currently in the stage of corporate growth. In the future, in accordance with its business expansion and capital needs, the Board of Directors will draw up a distribution plan, which will be distributed after the resolution at the shareholders' meeting.

In accordance with Article 240 paragraph 5 of the Company Act, the Company authorizes the distributable dividends and bonuses in whole or in part may be paid in cash after a resolution has been adopted by a majority vote at a meeting of the Board of Directors attended by two-thirds of the total number of directors; and in addition thereto a report of such distribution shall be

submitted to the shareholders' meeting. The aforesaid requirement that resolution shall be resolved at the shareholders' meeting is not applicable.

The annual net earnings after final account, if any, shall be apportioned in the following order:

- (a) Payment of taxes and duties;
- (b) Covering prior years' accumulated deficit, if any;
- (c) Set aside 10% of the remaining amount as legal reserve; and
- (d) Set aside a certain amount as special reserve, if any.

The remaining amount plus prior years' retained earnings shall be distributed as stockholders' bonus for 10% to 100% (including cash dividends that shall account for at least 10%), taking into account capital budget and financial plan.

- B. Except for covering accumulated deficit or issuing new stocks or cash to shareholders in proportion to their share ownership, the legal reserve shall not be used for any other purpose. The use of legal reserve for the issuance of stocks or cash to shareholders in proportion to their share ownership is permitted, provided that the distribution of the reserve is limited to the portion in excess of 25% of the Company's paid-in capital.
- C. (a) In accordance with the regulations, the Company shall set aside special reserve from the debit balance on other equity items at the balance sheet date before distributing earnings. When debit balance on other equity items is reversed subsequently, the reversed amount could be included in the distributable earnings.
(b) The amounts previously set aside by the Company as special reserve on initial application of IFRSs in accordance with Financial-Supervisory-Securities-Corporate-No. 1010012865, dated April 6, 2012, shall be reversed proportionately when the relevant assets are used, disposed of or reclassified subsequently. Such amounts are reversed upon disposal or reclassified if the assets are investment property of land, and reversed over the use period if the assets are investment property other than land.
- D. The appropriation of 2023 earnings was resolved at the stockholders' meeting on June 19, 2024. The details are summarised below:

	For the year ended December 31, 2023	
	Amount	Dividends per share (in dollars)
Appropriation of special reserve	\$ 48,817	
Cash dividends	26,299	\$ 0.09
	<u>\$ 75,116</u>	

- E. The appropriation of 2022 earnings was resolved at the stockholders' meeting on June 29, 2023. The details are summarised below:

For the year ended
December 31, 2022

	Amount	Dividends per share (in dollars)
Appropriation of legal reserve	\$ 31,632	
Appropriation of special reserve	1,999	
Cash dividends	<u>198,592</u>	\$ 0.70
	<u><u>\$ 232,223</u></u>	

F. On March 13, 2025, the Board of Directors resolved that total dividends for the distribution of earnings for the year 2024 would be \$321,435 at \$1.1 (in dollars) per share.

(18) Other equity items

	For the year ended December 31, 2024		
	Unrealised gains (losses) on valuation	Currency translation	Total
At January 1	(\$ 441,941)	(\$ 451,566)	(\$ 893,507)
Revaluation - the Company	327,410	-	327,410
Revaluation - subsidiaries	(2,495)	-	(2,495)
Revaluation - tax	(40,089)	-	(40,089)
Currency translation differences	-	29,697	29,697
At December 31	<u>(\$ 157,115)</u>	<u>(\$ 421,869)</u>	<u>(\$ 578,984)</u>

	For the year ended December 31, 2023		
	Unrealised gains (losses) on valuation	Currency translation	Total
At January 1	(\$ 471,194)	(\$ 479,033)	(\$ 950,227)
Revaluation - the Company	33,284	-	33,284
Revaluation - subsidiaries	(9,504)	-	(9,504)
Revaluation - tax	5,473	-	5,473
Currency translation differences	-	(19,464)	(19,464)
Reclassification adjustment to profit and loss	-	46,931	46,931
At December 31	<u>(\$ 441,941)</u>	<u>(\$ 451,566)</u>	<u>(\$ 893,507)</u>

(19) Operating revenue

	For the year ended December 31, 2024	For the year ended December 31, 2023
Revenue from contracts with customers	<u>\$ 1,666,349</u>	<u>\$ 1,887,768</u>

A. Disaggregation of revenue from contracts with customers

The Company derives revenue from the transfer of goods and services over time and at a point in time in the following geographical regions :

	Taiwan	Mainland China and other regions in Asia	Europe and America region	Total
<u>2024</u>				
Revenue from external customer contracts	\$ 13,606	\$ 541,370	\$ 797,195	\$ 1,352,171
Inter-segment revenue	<u>25,284</u>	<u>20,196</u>	<u>268,698</u>	<u>314,178</u>
Total segment revenue	<u>\$ 38,890</u>	<u>\$ 561,566</u>	<u>\$ 1,065,893</u>	<u>\$ 1,666,349</u>
Timing of revenue				
At a point in time	\$ 38,051	\$ 549,450	\$ 1,042,897	\$ 1,630,398
Over time	<u>839</u>	<u>12,116</u>	<u>22,996</u>	<u>35,951</u>
	<u>\$ 38,890</u>	<u>\$ 561,566</u>	<u>\$ 1,065,893</u>	<u>\$ 1,666,349</u>
<u>2023</u>				
Revenue from external customer contracts	\$ 310,037	\$ 502,015	\$ 767,835	\$ 1,579,887
Inter-segment revenue	<u>29,282</u>	<u>5,801</u>	<u>272,798</u>	<u>307,881</u>
Total segment revenue	<u>\$ 339,319</u>	<u>\$ 507,816</u>	<u>\$ 1,040,633</u>	<u>\$ 1,887,768</u>
Timing of revenue				
At a point in time	\$ 333,348	\$ 498,880	\$ 1,022,322	\$ 1,854,550
Over time	<u>5,971</u>	<u>8,936</u>	<u>18,311</u>	<u>33,218</u>
	<u>\$ 339,319</u>	<u>\$ 507,816</u>	<u>\$ 1,040,633</u>	<u>\$ 1,887,768</u>

B. Contract liabilities - current

(a) Revenue recognised that was included in the contract liability balance at the beginning of the period

	For the year ended December 31, 2024	For the year ended December 31, 2023
Contract liabilities - advance sales receipts	<u>\$ 27,932</u>	<u>\$ 34,628</u>

(b) The Company has recognised the following revenue-related contract liabilities:

	December 31, 2024	December 31, 2023	January 1, 2023
Contract liabilities:			
Contract liabilities -			
advance sales receipts	\$ 31,862	\$ 28,193	\$ 35,954

(20) Interest income

	For the year ended December 31, 2024	For the year ended December 31, 2023
Interest income from bank deposits	\$ 12,125	\$ 11,112
Other interest income	10	7
	<u>\$ 12,135</u>	<u>\$ 11,119</u>

(21) Other income

	For the year ended December 31, 2024	For the year ended December 31, 2023
Dividend income	\$ 51,476	\$ 21,126
Other income	136	3,388
	<u>\$ 51,612</u>	<u>\$ 24,514</u>

(22) Other gains and losses

	For the year ended December 31, 2024	For the year ended December 31, 2023
Foreign exchange gains	\$ 47,400	\$ 12,507
Gains on financial assets at fair value through profit or loss	542,969	115,226
Gains on disposal of investments	6,285	-
Other losses	(174)	(580)
	<u>\$ 596,480</u>	<u>\$ 127,153</u>

(23) Finance costs

	For the year ended December 31, 2024	For the year ended December 31, 2023
Interest expense:		
Bank borrowings	\$ 24,749	\$ 23,277
Corporate bonds	3,100	3,100
Lease liabilities	20	19
	<u>\$ 27,869</u>	<u>\$ 26,396</u>

(24) Expenses by nature

	For the year ended December 31, 2024	For the year ended December 31, 2023
Employee benefit expense	264,958	231,354
Depreciation charges on property, plant and equipment	16,750	12,133
Amortisation charges on intangible assets	846	1,038
Depreciation charges on right-of-use asset	538	404

(25) Employee benefit expense

	For the year ended December 31, 2024	For the year ended December 31, 2023
Wages and salaries	\$ 233,376	\$ 200,188
Labor and health insurance fees	18,215	18,511
Pension costs	9,115	8,123
Other personnel expenses	4,252	4,532
	<hr/> <u>\$ 264,958</u>	<hr/> <u>\$ 231,354</u>

A. According to the Articles of Incorporation of the Company, when distributing earnings, the Company shall pay remuneration to the employees and directors. The ratio shall not be lower than 5% for employees' remuneration and shall not exceed 1% for directors' remuneration. If the Company has an accumulated deficit, earnings should be reserved.

B. For the years ended December 31, 2024 and 2023, employees' remuneration was accrued at \$27,916 and \$2,458, respectively, while directors' remuneration was accrued at \$2,792 and \$246, respectively. The aforementioned amounts were recognised as salary expenses.

For the year ended December 31, 2024, the employees' and directors' remuneration were estimated and accrued based on 5% and 0.5% of distributable profit of the current year as of the end of reporting period. The employees' compensation and directors' remuneration resolved by the Board of Directors were \$27,916 and \$2,792, respectively, and the employees' compensation will be distributed in cash.

Employees' compensation and directors' remuneration for 2023 as resolved by the Board of Directors, were in agreement with the amounts recognised in the 2023 financial statements.

Information about employees' compensation and directors' remuneration of the Company, as resolved by the Board of Directors meeting, will be posted on the "Market Observation Post System" on the Taiwan Stock Exchange's website.

(26) Income tax

A. Income tax expense

(a) Components of income tax expense:

	For the year ended December 31, 2024	For the year ended December 31, 2023
Current tax:		
Current tax on profits for the year	\$ 18,934	\$ 57,326
Tax on undistributed surplus earnings	-	3,815
Prior year income tax underestimation	798	1,655
Total current tax	<u>19,732</u>	<u>62,796</u>
Deferred tax:		
Origination and reversal of temporary differences	74,801	(59,060)
Origination and reversal of tax losses	<u>(967)</u>	<u>-</u>
Total deferred tax	<u>73,834</u>	<u>(59,060)</u>
Income tax expense	<u><u>\$ 93,566</u></u>	<u><u>\$ 3,736</u></u>

(b) The income tax (charge)/credit relating to components of other comprehensive income are as follows:

	For the year ended December 31, 2024	For the year ended December 31, 2023
Changes in fair value of financial assets at fair value through other comprehensive income	\$ 40,089	(\$ 5,473)
Remeasurement of defined benefit obligations	<u>564</u>	<u>35</u>
	<u><u>\$ 40,653</u></u>	<u><u>(\$ 5,438)</u></u>

B. Reconciliation between income tax expense and accounting profit

	<u>For the year ended December 31, 2024</u>	<u>For the year ended December 31, 2023</u>
Tax calculated based on profit before tax and statutory tax rate	\$ 105,522	\$ 9,290
Expenses from items allowed or disallowed by tax regulation	(1,512)	1,044
Tax exempt income by tax regulation	(49,712)	(25,667)
Prior year income tax underestimation	798	1,655
Effect from Alternative Minimum Tax Impact of change in the tax rate on temporary differences between current year and year realised	18,602	-
Changes in the realizability assessment of deferred tax assets	19,535	-
Temporary differences not recognised as deferred tax assets	-	13,599
Tax on undistributed surplus earnings	-	3,815
Foreign earnings income tax effects	<u>333</u>	<u>-</u>
Income tax expense	<u>\$ 93,566</u>	<u>\$ 3,736</u>

C. Amounts of deferred tax assets or liabilities as a result of temporary differences and tax losses are as follows:

	For the year ended December 31, 2024			
	Recognised in			
	Recognised	other		
	in	comprehensive		
	<u>January 1</u>	<u>profit or loss</u>	<u>income</u>	<u>December 31</u>
Temporary differences:				
-Deferred tax assets:				
Allowance for obsolescence and market value decline	\$ 3,056	\$ 3,307	\$ -	\$ 6,363
Over provision of allowance for doubtful accounts	13,875	(10,902)	-	2,973
Unrealised gross profit				
- Investments accounted for using the equity method	14,132	(4,797)	-	9,335
Unrealised gross profit				
- the Company	1,044	42	-	1,086
Unrealised expenses	3,676	- (564)	-	3,112
Unrealised foreign exchange losses	2,451	(2,451)	-	-
Overseas investment losses	66,173	8,850	-	75,023
Unrealised loss on financial instruments	113,699	2,758	1,355	117,812
Deferred revenue	3,195	(28)	-	3,167
-Tax losses	<u>-</u>	<u>967</u>	<u>-</u>	<u>967</u>
	<u>221,301</u>	<u>(2,254)</u>	<u>791</u>	<u>219,838</u>
-Deferred tax liabilities:				
Unrealised exchange gains	- (5,964)	-	(5,964)	
Unrealised foreign investment gains	- (19,192)	-	(19,192)	
Unrealized gains on financial assets (valuation adjustment)	<u>- (46,424)</u>	<u>(41,444)</u>	<u>(87,868)</u>	
	<u>- (71,580)</u>	<u>(41,444)</u>	<u>(113,024)</u>	
	<u>\$ 221,301</u>	<u>(\$ 73,834)</u>	<u>(\$ 40,653)</u>	<u> \$ 106,814</u>

For the year ended December 31, 2023

	January 1	Recognised in in profit or loss	other comprehensive income	December 31
Temporary differences:				
-Deferred tax assets:				
Allowance for obsolescence and market value decline	\$ 2,630	\$ 426	\$ -	\$ 3,056
Over provision of allowance for doubtful accounts	14,374	(499)	-	13,875
Unrealised gross profit				
- Investments accounted for using the equity method	11,651	2,481	-	14,132
Unrealised gross profit				
- the Company	1,806	(762)	-	1,044
Unrealised expenses	3,711	- (35)	-	3,676
Unrealised foreign exchange losses	-	2,451	-	2,451
Overseas investment losses	13,667	52,506	-	66,173
Unrealised loss on financial instruments	108,226	-	5,473	113,699
Deferred revenue	3,209	(14)	-	3,195
	<u>159,274</u>	<u>56,589</u>	<u>5,438</u>	<u>221,301</u>
-Deferred tax liabilities:				
Unrealised exchange gains	(2,471)	2,471	-	-
	<u>\$ 156,803</u>	<u>\$ 59,060</u>	<u>\$ 5,438</u>	<u>\$ 221,301</u>

D. The amounts of deductible temporary difference that are not recognised as deferred tax assets are as follows:

	December 31, 2024	December 31, 2023
Deductible temporary differences	\$ 218,517	\$ 273,988

E. The Company's income tax returns through 2022 have been assessed and approved by the Tax Authority.

(27) Earnings per share

For the year ended December 31, 2024

	Weighted-average number of ordinary shares outstanding after tax (shares in thousands)	Earnings per share (in dollars)
Basic earnings per share		
Profit attributable to ordinary shareholders of the Company	<u>\$ 434,044</u>	<u>292,214</u> <u>\$ 1.49</u>
Diluted earnings per share		
Profit attributable to ordinary shareholders of the Company	<u>\$ 434,044</u>	292,214
Assumed conversion of all dilutive potential ordinary shares	-	918
Employees' remuneration	-	918
Profit attributable to ordinary shareholders of the Company plus assumed conversion of all dilutive potential ordinary shares	<u>\$ 434,044</u>	<u>293,132</u> <u>\$ 1.48</u>

For the year ended December 31, 2023

	Weighted-average number of ordinary shares outstanding after tax (shares in thousands)	Earnings per share (in dollars)
Basic earnings per share		
Profit attributable to ordinary shareholders of the Company	<u>\$ 42,712</u>	<u>292,214</u> <u>\$ 0.15</u>
Diluted earnings per share		
Profit attributable to ordinary shareholders of the Company	<u>\$ 42,712</u>	292,214
Assumed conversion of all dilutive potential ordinary shares	-	218
Employees' remuneration	-	218
Profit attributable to ordinary shareholders of the Company plus assumed conversion of all dilutive potential ordinary shares	<u>\$ 42,712</u>	<u>292,432</u> <u>\$ 0.15</u>

(28) Changes in liabilities from financing activities

	For the year ended December 31, 2024			
	Lease Short-term borrowings	Liabilities liabilities (Note)	Bonds payable	Liabilities from financing activities-gross
At January 1	\$ 1,190,000	\$ 1,219	\$ 500,000	\$ 1,691,219
Changes in cash flow from financing activities	(10,000)	(555)	-	(10,555)
Interest expense	-	20	-	20
At December 31	<u>\$ 1,180,000</u>	<u>\$ 684</u>	<u>\$ 500,000</u>	<u>\$ 1,680,684</u>

	For the year ended December 31, 2023			
	Lease Short-term borrowings	Liabilities liabilities (Note)	Bonds payable	Liabilities from financing activities-gross
At January 1	\$ 1,260,000	\$ -	\$ 500,000	\$ 1,760,000
Changes in cash flow from financing activities	(70,000)	(415)	-	(70,415)
Additions	-	1,615	-	1,615
Interest expense	-	19	-	19
At December 31	<u>\$ 1,190,000</u>	<u>\$ 1,219</u>	<u>\$ 500,000</u>	<u>\$ 1,691,219</u>

Note: Include current liabilities and non-current liabilities.

7. RELATED PARTY TRANSACTIONS

(1) Names of related parties and relationship

Names of related parties	Relationship with the Company
Firich International Co., Ltd. (Firich International)	Subsidiaries
Firich USA Inc. (Firich USA)	"
Firich UK Co., Ltd. (Firich UK)	"
Tiga Gaming Inc. (Tiga Gaming)	"
Firich Korea Co., Ltd. (Firich Korea)	"
Crimson Technology (Shanghai) Inc. (Crimson)	"
AKAM Group B.V.(AKAM Group)	"
AKAM Netherlands B.V. (AKAM Netherlands)	"
LotRich Information Co., Ltd. (LotRich)	Associates
FEC Deutschland GmbH (FEC Deutschland)	"
FEC ITALIA S.r.l. (FEC ITALIA)	"
Grab and Go Solutions, Inc. (Grab and Go Solutions)	"
Jia Hua Kang Jian Co., Ltd. (Jia Hua)	"
AquaLab Inc.(AquaLab)	"
Li Ming Construction Co., Ltd.(Li Ming)	"
Juhui Cultural and Creative Co., Ltd.(Juhui)	"
Xue Xiaofan	Second-degree relatives of other related parties
Xue Xiaocheng	"

(2) Significant related party transactions and balances

A. Operating revenue

	For the year ended December 31, 2024	For the year ended December 31, 2023
Sales of goods:		
Subsidiaries	\$ 172,801	\$ 147,418
AKAM Netherlands	<u>140,488</u>	<u>159,743</u>
Others	<u>313,289</u>	<u>307,161</u>
Associates		
LotRich	5,610	299,713
Others	<u>133,383</u>	<u>74,106</u>
	<u>138,993</u>	<u>373,819</u>
	<u>452,282</u>	<u>680,980</u>
Sales of services:		
Subsidiaries		
Firich Korea	511	322
Others	<u>329</u>	<u>369</u>
	<u>840</u>	<u>691</u>
Associates		
LotRich	139	1,126
Others	<u>58</u>	<u>20</u>
	<u>197</u>	<u>1,146</u>
	<u>1,037</u>	<u>1,837</u>
Others:		
Subsidiaries	50	29
Associates	<u>108</u>	<u>95</u>
	<u>158</u>	<u>124</u>
	<u>\$ 453,477</u>	<u>\$ 682,941</u>

The sales prices of goods and services are similar to general market prices. The collection terms are determined in accordance with mutual agreement.

B. Purchases

	For the year ended December 31, 2024	For the year ended December 31, 2023
Purchases of goods:		
Subsidiaries	\$ 84	\$ 6,197
Associates	-	3
Purchases of services:		
Subsidiaries	<u>38,687</u>	<u>34,698</u>
	<u>\$ 38,771</u>	<u>\$ 40,898</u>

The purchases of goods have no similar transactions to compare with. The payment term is 60 days from the first day of the month following the month of delivery.

C. Prepayments

	December 31, 2024	December 31, 2023
Other prepayments:		
Subsidiaries		
Tiga Gaming	<u>\$ 16,203</u>	<u>\$ 16,315</u>

The other prepayments are for the purchases of goods. The purchase prices have no similar transactions for comparison.

D. Receivables from related parties

	December 31, 2024	December 31, 2023
Accounts receivable:		
Subsidiaries		
Firich USA	37,621	21,346
AKAM Netherlands	35,185	24,979
Others	<u>19,902</u>	<u>42,959</u>
	92,708	89,284
Associates		
LotRich	93,717	312,816
FEC ITALIA	29,909	10,794
FEC Deutschland	11,073	16,877
Less: Allowance for doubtful accounts	(2,675)	(545)
	<u>224,732</u>	<u>429,226</u>
Other receivables-transferred from accounts receivable		
Subsidiaries		
Others	34,976	4,357
Associates		
FEC Deutschland	9,219	12,682
Less: Allowance for doubtful accounts	(5,307)	(478)
	<u>38,888</u>	<u>16,561</u>
Other receivables-proceeds from capital reduction		
Subsidiaries		
Firich International	<u>190,153</u>	<u>199,583</u>
	<u>\$ 453,773</u>	<u>\$ 645,370</u>

- (a) Overdue accounts receivable, aged past the due date compared to normal credit terms for non-related parties, amounted to \$38,888 and \$16,561 as of December 31, 2024 and 2023, respectively, and were reclassified to other receivables.
- (b) As of December 31, 2024, the aging of accounts receivable aged 121~180 days, 181~365 days and over 365 days amounted to \$0, \$27,653 and \$11,235, respectively. As of December 31, 2023, the aging of accounts receivable aged 121~180 days, 181~365 days and over 365 days amounted to \$0, \$16,521 and \$40, respectively.
- (c) The aforementioned receivables are unsecured in nature and bear no interest.

E. Payables to related parties

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Accounts payable:		
Subsidiaries		
Tiga Gaming	\$ 4,750	\$ 9,117

The payables to related parties arise mainly from purchase transactions, with a payment term of 60 days from the first day of the month following the month of delivery. These payables bear no interest. Other payables to related parties arise mainly from investment funds and service fees.

F. Endorsements and guarantees provided to related parties

Financing guarantee provided by related parties:

As of December 31, 2024 and 2023, financing guarantees provided by key management amounted to \$2,070,000 and \$2,070,000, respectively.

G. Property transactions

(a) Acquisition of financial assets

	Accounts	No. of shares	Objects	<u>For the year ended</u> <u>December 31, 2024</u>	
				Consideration	
Subsidiaries					
Firich Korea	Investments accounted for using the equity method	280 thousand	Common shares of Firich Korea	\$ 33,461	
Associates					
Li Ming	Investments accounted for using the equity method	30,000 thousand	Common shares of Li Ming		300,000
Juhui	Investments accounted for using the equity method	2,000 thousand	Common shares of Juhui		20,000
AquaLab	Investments accounted for using the equity method	529 thousand	Common shares of AquaLab		5,290
				<u>\$ 353,461</u>	

					For the year ended December 31, 2023
	Accounts	No. of shares	Objects		Consideration
Subsidiaries					
Firich Korea	Investments accounted for using the equity method	300 thousand	Common shares of Firich Korea	\$	35,339
Firich USA	Investments accounted for using the equity method	1,500 thousand	Common shares of Firich USA		45,924
Associates					
Jia Hua	Investments accounted for using the equity method	3,000 thousand	Common shares of Jia Hua		36,000
					<u>117,263</u>

(b) Disposal of financial assets

					For the year ended December 31, 2024
	Accounts	No. of shares	Objects	Proceeds	Gain
Second-degree relatives of other related parties	Investments accounted for using the equity method	594 thousand	Common shares of Jia Hua	\$ 11,880	\$ 6,285

(3) Key management compensation

	For the year ended December 31, 2024	For the year ended December 31, 2023
Short-term employee benefits	<u>\$ 14,963</u>	<u>\$ 17,333</u>

8. PLEDGED ASSETS

The Company's assets pledged as collateral are as follows:

Pledged asset	December 31, 2024	December 31, 2023	Purpose
Property, plant and equipment :			
Land	\$ 111,478	\$ 111,478	Note
Buildings and structures	<u>100,306</u>	<u>103,602</u>	"
	<u>\$ 211,784</u>	<u>\$ 215,080</u>	

Note: For short-term borrowings.

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNISED CONTRACT COMMITMENTS

(1) Contingencies

None.

(2) Commitments

Capital expenditure contracted for at the balance sheet date but not yet incurred is as follows:

	December 31, 2024	December 31, 2023
Property, plant and equipment	\$ 591	\$ 3,661

10. SIGNIFICANT DISASTER LOSS

None.

11. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

None.

12. OTHERS

(1) Capital management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, issue new shares or sell assets to reduce debt. The Company monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the parent company only balance sheet) less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the parent company only balance sheet plus net debt.

During 2024, the Company's strategy, which was unchanged from 2023, was to collectively consider the environment the Company was in, the growth stage, capital needs for future significant investment plan and long-term financial plan.

The gearing ratios at December 31, 2024 and 2023 were as follows:

	December 31, 2024	December 31, 2023
Total borrowings	\$ 1,680,000	\$ 1,690,000
Less: Cash and cash equivalents	(672,881)	(774,462)
Net debt	1,007,119	915,538
Total equity	4,510,526	3,997,714
Total capital	\$ 5,517,645	\$ 4,913,252
Gearing ratio	18.25%	18.63%

(2) Financial instruments

A. Financial instruments by category

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Financial assets		
Financial assets at fair value through profit or loss		
Financial assets mandatorily measured at fair value through profit or loss	\$ 1,001,518	\$ 717,021
Financial assets at fair value through other comprehensive income		
Designation of equity instrument	787,325	467,611
Financial assets at amortised cost		
Cash and cash equivalents	672,881	774,462
Accounts receivable (including related parties)	418,688	545,267
Other receivables (including related parties)	237,745	221,930
Guarantee deposits paid	2,025	1,786
	<u>\$ 3,120,182</u>	<u>\$ 2,728,077</u>
 Financial liabilities		
Financial liabilities at amortised cost		
Short-term borrowings	\$ 1,180,000	\$ 1,190,000
Accounts payable (including related parties)	159,085	228,683
Other payables (including related parties)	86,511	80,670
Corporate bonds payable (including current portion)	500,000	500,000
Guarantee deposits received	6,640	6,640
	<u>\$ 1,932,236</u>	<u>\$ 2,005,993</u>
Lease liabilities	\$ 684	\$ 1,219

B. Financial risk management policies

- (a) The Company's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk.
- (b) Risk management is carried out by a central treasury department (Company treasury) under policies approved by the Board of Directors. Company treasury identifies, evaluates and hedges financial risks in close co-operation with the Company's operating units. The Board of Directors provides written principles for overall risk management, as well as written policies covering specific areas and matters, such as foreign exchange risk, interest rate risk,

credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

C. Significant financial risks and degrees of financial risks

(a) Market risk

Foreign exchange risk

- i. The Company operates internationally and is exposed to foreign exchange risk arising from the transactions of the Company and its subsidiaries used in various functional currency, primarily with respect to the USD and RMB. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities.
- ii. The Company has certain investments in foreign operations, whose net assets are exposed to foreign currency translation risk. Currency exposure arise from the net assets of the Company's foreign operations.
- iii. The Company's businesses involve some non-functional currency operations (the Company's functional currency: NTD). The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations are as follows:

December 31, 2024						
Foreign currency						
	amount (In thousands)	Exchange rate	Book value (NTD)			
(Foreign currency: functional currency)						
<u>Financial assets</u>						
<u>Monetary items</u>						
USD: NTD	\$ 24,056	32.785	\$ 788,676			
KRW: NTD	1,975,055	0.022	43,451			
RMB: NTD	2,011	4.478	9,005			
GBP: NTD	306	41.190	12,604			
<u>Non-monetary items</u>						
SGD: NTD	3	24.130	69			
HKD: NTD	1,404	4.222	5,927			
USD: NTD	31,216	32.785	1,023,411			
KRW: NTD	25,507,545	0.022	561,166			
EUR: NTD	9,993	34.140	341,153			
GBP: NTD	875	41.190	36,052			
<u>Financial liabilities</u>						
<u>Monetary items</u>						
USD: NTD	2,945	32.785	96,552			

December 31, 2023

Foreign currency	amount (In thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD: NTD	\$ 19,289	30.705	\$ 592,269
KRW: NTD	5,451,221	0.024	130,829
RMB: NTD	15,197	4.327	65,757
GBP: NTD	159	39.150	6,225
<u>Non-monetary items</u>			
SGD: NTD	4	23.290	88
HKD: NTD	3,000	3.929	11,788
USD: NTD	42,264	30.705	1,297,731
KRW: NTD	23,068,500	0.024	553,644
EUR: NTD	8,593	33.980	291,991
GBP: NTD	762	39.150	29,821
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD: NTD	2,577	30.705	79,127

iv. The total exchange gain, including realised and unrealised, arising from significant foreign exchange variation on the monetary items held by the Company for the years ended December 31, 2024 and 2023, amounted to \$47,400 and \$12,507, respectively.

v. Analysis of foreign currency market risk arising from significant foreign exchange variation:

For the year ended December 31, 2024					
Sensitivity analysis					
Degree of variation	Effect on profit or loss	Effect on other comprehensive income			
<u>Financial assets</u>					
<u>Monetary items</u>					
USD: NTD	1%	\$ 6,309	\$ -		
KRW: NTD	1%	348	-		
RMB: NTD	1%	72	-		
GBP: NTD	1%	101	-		
<u>Financial liabilities</u>					
<u>Monetary items</u>					
USD: NTD	1%	772	-		

For the year ended December 31, 2023

Sensitivity analysis			
	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
Financial assets			
Monetary items			
USD: NTD	1%	\$ 4,738	\$ -
KRW: NTD	1%	1,047	-
RMB: NTD	1%	526	-
GBP: NTD	1%	50	-
Financial liabilities			
Monetary items			
USD: NTD	1%	633	-

Price risk

- i. The Company's equity securities, which are exposed to price risk, are the held financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income. To manage its price risk arising from investments in financial instruments, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company. The Company is not exposed to commodity price risk.
- ii. The Company's investments in equity securities comprise of shares issued by the foreign and domestic listed and emerging companies and open-end funds. The prices of these financial assets would change due to the change of the future value of investee instruments. If the prices of these financial assets had increased/decreased by 5% with all other variables held constant, post-tax profit for the years ended December 31, 2024 and 2023 would have increased/decreased by \$43,245 and \$31,516, respectively, as a result of gains/losses on financial assets classified as at fair value through profit or loss. Other components of equity would have increased/decreased by \$37,722 and \$20,847, respectively, as a result of other comprehensive income on equity investments classified as at fair value through other comprehensive income.

Cash flow and fair value interest rate risk

- i. The Company's interest rate risk arises from long-term and short-term borrowings. Borrowings issued at variable rates expose the Company to cash flow interest rate risk which is partially offset by cash and cash equivalents held at variable rates. During the years ended December 31, 2024 and 2023, the Company's borrowings at variable rate were denominated in NTD.

ii. If the borrowing interest rate of TWD dollars had increased/decreased by 0.1% with all other variables held constant profit, net of tax for the years ended December 31, 2024 and 2023 would have increased/decreased by \$944 and \$952, respectively. The main factor is that changes in interest expense result in floating-rate borrowings.

(b) Credit risk

- i. Credit risk refers to the risk of financial loss to the Company arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is that counterparties could not repay in full the accounts receivable based on the agreed terms.
- ii. The Company manages their credit risk taking into consideration the entire Company's concern. For banks and financial institutions, only independently rated parties with a minimum rating of 'A' are accepted. According to the Company's credit policy, each local entity in the Company is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Board of Directors. The utilisation of credit limits is regularly monitored.
- iii. The Company adopts the assumptions under IFRS 9, the default occurs when the contract payments are past due over 90 days.
- iv. The Company adopts the following assumptions under IFRS 9 to assess whether there has been a significant increase in credit risk on that instrument since initial recognition:
If the contract payments were past due over 30 days based on the terms, there has been a significant increase in credit risk on that instrument since initial recognition.
- v. The Company classifies customers' accounts receivable in accordance with credit rating of customer. The Company applies the simplified approach using a provision matrix based on the loss rate methodology to estimate expected credit loss under the provision matrix basis.
- vi. The following indicators are used to determine whether the credit impairment of debt instruments has occurred:
 - (i) It becomes probable that the issuer will enter bankruptcy or other financial reorganisation due to their financial difficulties;
 - (ii) The disappearance of an active market for that financial asset because of financial difficulties;

(iii) Default or delinquency in interest or principal repayments;

vii. The Company used the forecastability to adjust historical and timely information to assess the default possibility of accounts receivable (including related parties) and other receivables (including related parties). On December 31, 2024 and 2023, the provision matrix is as follows:

December 31, 2024			
Accounts receivable (including related parties)	Expected loss rate	Total book value	Loss allowance
Not past due	0.10~0.35%	\$ 203,197	\$ 245
Up to 30 days	0.05%~10%	91,646	1,848
31 to 90 days	2%~30%	26,162	2,875
91 to 180 days	2%~50%	10,076	1,428
Over 181 days	2%~100%	<u>95,258</u>	<u>1,255</u>
		\$ 426,339	\$ 7,651
December 31, 2024			
Other receivables (including related parties) (Note)	Expected loss rate	Total book value	Loss allowance
Up to 120 days	0.10%~100%	\$ 8,704	\$ -
Over 120 days	0.10%~100%	<u>234,348</u>	<u>5,307</u>
		\$ 243,052	\$ 5,307
December 31, 2023			
Accounts receivable (including related parties)	Expected loss rate	Total book value	Loss allowance
Not past due	0.09%	\$ 469,431	\$ 1,017
Up to 30 days	0.05%~10.00%	48,117	1,465
31 to 90 days	2.00%~30.00%	23,806	519
91 to 180 days	2.00%~50.00%	5,969	272
Over 181 days	2.00%~100.00%	<u>66,859</u>	<u>65,642</u>
		\$ 614,182	\$ 68,915
December 31, 2023			
Other receivables (including related parties) (Note)	Expected loss rate	Total book value	Loss allowance
Up to 120 days	0.09%~100%	\$ 205,368	\$ -
Over 120 days	0.09%~100%	<u>17,039</u>	<u>478</u>
		\$ 222,407	\$ 478

Note: Including other receivables transferred from accounts receivable.

viii. Movements in relation to the Company applying the simplified approach to provide loss allowance for accounts receivable and other receivables (including related parties) are as follows:

	For the year ended December 31, 2024	
	Accounts receivable (including related parties)	Other receivables (including related parties)
At January 1	\$ 68,915	\$ 478
Provision for impairment	4,780	-
Accounts receivable transferred to other receivables	(4,829)	4,829
Write-offs	(61,215)	-
At December 31	<u>\$ 7,651</u>	<u>\$ 5,307</u>

	For the year ended December 31, 2023	
	Accounts receivable (including related parties)	Other receivables (including related parties)
At January 1	\$ 70,010	\$ 1,030
Reversal of impairment	(476)	-
Accounts receivable transferred to other receivables	552	(552)
Write-offs	(1,171)	-
At December 31	<u>\$ 68,915</u>	<u>\$ 478</u>

(c) Liquidity risk

i. Surplus cash held by the operating entities over and above balance required for working capital management are transferred to the Company treasury. Company treasury invests surplus cash in interest bearing current accounts and money market deposits, choosing instruments with appropriate maturities or sufficient liquidity to provide sufficient headroom as determined by the abovementioned forecasts. As at December 31, 2024 and 2023, the Company held money market positions of \$672,881 and \$774,462, respectively, that are expected to readily generate cash inflows for managing liquidity risk.

ii. The Company has the following undrawn borrowing facilities:

	December 31, 2024	December 31, 2023
Floating rate:		
Expiring within one year	<u>\$ 380,000</u>	<u>\$ 370,000</u>

iii. The table below analyses the Company's non-derivative financial liabilities and net-settled or gross-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date for non-derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows.

Non-derivative financial liabilities:

	December 31, 2024	Less than 1	Between 1 and 2	Between 2 and 5	Over 5	Total
		year	years	years	years	
Short-term borrowings	\$ 1,180,000	\$ -	\$ -	\$ -	\$ -	\$ 1,180,000
Accounts payable (including related parties)	159,085	-	-	-	-	159,085
Other payables	86,511	-	-	-	-	86,511
Guarantee deposits received	-	-	-	6,640	-	6,640
Bonds payable (including current portion)	3,100	503,100	-	-	-	506,200
Lease liabilities	554	139	-	-	-	693

Non-derivative financial liabilities:

	December 31, 2023	Less than 1	Between 1 and 2	Between 2 and 5	Over 5	Total
		year	years	years	years	
Short-term borrowings	\$ 1,190,000	\$ -	\$ -	\$ -	\$ -	\$ 1,190,000
Accounts payable (including related parties)	228,683	-	-	-	-	228,683
Other payables	80,670	-	-	-	-	80,670
Guarantee deposits received	-	-	-	6,640	-	6,640
Bonds payable (including current portion)	3,100	3,100	503,100	-	-	509,300
Lease liabilities	554	554	140	-	-	1,248

(3) Fair value information

A. The different levels that the inputs to valuation techniques are used to measure fair value of financial and non-financial instruments have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. A market is regarded as active where a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The fair value of the Company's investment in listed stocks is included in Level 1.

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 the Company's investment in convertible bonds and most derivative instruments is included in Level 2.

Level 3: Unobservable inputs for the asset or liability. The fair value of the Company's investment in equity investment without active market is included in Level 3.

B. Financial instruments not measured at fair value

The carrying amounts of cash and cash equivalents, accounts receivable (including related parties), other receivables (including related parties), short-term borrowings, accounts payable (including related parties), other payables (including related parties), bonds payable and lease liabilities are approximate to their fair values.

C. The related information of financial and non-financial instruments measured at fair value by level on the basis of the nature, characteristics and risks of the assets and liabilities is as follows:

(a) The related information of natures of the assets and liabilities is as follows:

<u>December 31, 2024</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets:				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through profit or loss				
- Equity securities	\$ 864,904	\$ -	\$ 136,614	\$ 1,001,518
Financial assets at fair value through other comprehensive income - Equity securities				
	<u>755,642</u>	<u>-</u>	<u>31,683</u>	<u>787,325</u>
	<u>\$ 1,620,546</u>	<u>\$ -</u>	<u>\$ 168,297</u>	<u>\$ 1,788,843</u>

<u>December 31, 2023</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets:				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through profit or loss				
- Equity securities	\$ 630,320	\$ -	\$ 86,701	\$ 717,021
Financial assets at fair value through other comprehensive income - Equity securities				
	<u>419,308</u>	<u>-</u>	<u>48,303</u>	<u>467,611</u>
	<u>\$ 1,049,628</u>	<u>\$ -</u>	<u>\$ 135,004</u>	<u>\$ 1,184,632</u>

(b) The methods and assumptions the Company used to measure fair value are as follows:

i. The instruments the Company used market quoted prices as their fair values (that is, Level 1) are listed below by characteristics:

	<u>Listed shares and emerging stocks</u>	<u>Open-end fund</u>
Market quoted price	Closing price	Net asset value

- ii. Except for financial instruments with active markets, the fair value of other financial instruments is measured by using valuation techniques or by reference to counterparty quotes. The fair value of financial instruments measured by using valuation techniques can be referred to current fair value of instruments with similar terms and characteristics in substance, discounted cash flow method or other valuation methods, including calculated by applying model using market information available at the parent company only balance sheet date (i.e. yield curves on the Taipei Exchange, average commercial paper interest rates quoted from Reuters).
- iii. When assessing non-standard and low-complexity financial instruments, for example, debt instruments without active market, interest rate swap contracts, foreign exchange swap contracts and options, the Company adopts valuation technique that is widely used by market participants. The inputs used in the valuation method to measure these financial instruments are normally observable in the market.
- iv. For high-complexity financial instruments, the fair value is measured by using self-developed valuation model based on the valuation method and technique widely used within the same industry. The valuation model is normally applied to derivative financial instruments, debt instruments with embedded derivatives or securitised instruments. Certain inputs used in the valuation model are not observable at market, and the Company must make reasonable estimates based on its assumptions. The effect of unobservable inputs to the valuation of financial instruments is provided in Note 12(3)I.
- v. The output of valuation model is an estimated value and the valuation technique may not be able to capture all relevant factors of the Company's financial and non-financial instruments. Therefore, the estimated value derived using valuation model is adjusted accordingly with additional inputs, for example, model risk or liquidity risk and etc. In accordance with the Company's management policies and relevant control procedures relating to the valuation models used for fair value measurement, management believes adjustment to valuation is necessary in order to reasonably represent the fair value of financial and non-financial instruments at the parent company only balance sheet. The inputs and pricing information used during valuation are carefully assessed and adjusted based on current market conditions.
- vi. The Company takes into account adjustments for credit risks to measure the fair value of financial and non-financial instruments to reflect credit risk of the counterparty and the Company's credit quality.

D. For the year ended December 31, 2024 and 2023, there was no transfer between Level 1 and Level 2.

E. In accordance with the instructions of the Securities and Futures Commission (SFC), the HKEX suspended trading of Summit Ascent Holding Ltd.'s stocks on February 14, 2024. Consequently, the Company transferred the fair value from Level 1 to Level 3 for the period during which the

event occurred.

F. The following chart is the movement of Level 3 for the years ended December 31, 2024 and 2023:

	For the years ended December 31	
	2024	2023
	Non-Derivative equity instrument	Non-Derivative equity instrument
At January 1	\$ 135,004	\$ 58,049
Gains recognised in profit (Note 1)	(29,759)	4,103
Gains recognised in other comprehensive income (Note 2)	(8,924)	(9,746)
Acquired during the period	79,672	82,598
Refund of capital reduction	(7,696)	-
At December 31	<u>\$ 168,297</u>	<u>\$ 135,004</u>

Note 1: Recorded as other gains and losses.

Note 2: Recorded as unrealised valuation gain or loss of financial assets.

G. Treasury department segment is in charge of valuation procedures for fair value measurements being categorised within Level 3, which is to verify independent fair value of financial instruments. Such assessment is to ensure the valuation results are reasonable by applying independent information to make results close to current market conditions, confirming the source of information is independent, reliable and in line with other resources and represented as the exercisable price, and frequently calibrating valuation model, performing back-testing, updating inputs used to the valuation model and making any other necessary adjustments to the fair value.

H. The following is the qualitative information of significant unobservable inputs and sensitivity analysis of changes in significant unobservable inputs to valuation model used in Level 3 fair value measurement:

	<u>Fair value at December 31, 2024</u>	<u>Valuation technique</u>	<u>Significant unobservable input</u>	<u>Range (weighted average)</u>	<u>Relationship of inputs to fair value</u>
Non-derivative equity instrument:					
Unlisted shares					
Lealeahotel Co., Ltd.	\$ 27,172	Market comparable companies	Price to book ratio multiple	0.77	The higher the multiple, the higher the fair value
			Discount for lack of marketability	30%	The higher the discount for lack of marketability, the lower the fair value
Asia Renewable Energy (Cayman) Ltd.	4,511	"	Price to book ratio multiple	1.16	"
			Discount for lack of marketability	35%	
Sanhe Health Co., Ltd.	97,793	"	Price to book ratio multiple	1.08	"
			Discount for lack of marketability	35%	
Weisheng Environmental Technology Co., Ltd.	4,959	"	Price to book ratio multiple	2.38	"
			Discount for lack of marketability	20%	
Leading CO2 Fund 1	33,862	"	Discount for lack of marketability	20%	The higher the discount for lack of marketability, the lower the fair value

			Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
	Fair value at December 31, 2023	Valuation technique			
Non-derivative equity instrument:					
Unlisted shares					
Lealeahotel Co., Ltd.	\$ 42,899	Market comparable companies	Price to book ratio multiple	1.01	The higher the multiple, the higher the fair value
			Discount for lack of marketability	30%	The higher the discount for lack of marketability, the lower the fair value
Asia Renewable Energy (Cayman) Ltd.	5,404	"	Price to book ratio multiple	1.43	"
			Discount for lack of marketability	40%	
Sanhe Health Co., Ltd.	81,251	"	Price to book ratio multiple	1.19	"
			Discount for lack of marketability	40%	
Weisheng Environmental Technology Co., Ltd.	5,450	"	Price to book ratio multiple	2.61	"
			Discount for lack of marketability	20%	

I. The Company has carefully assessed the valuation models and assumptions used to measure fair value; therefore, the fair value measurement is reasonable. However, use of different valuation models or assumptions may result in different measurements. The following is the effect of profit or loss or of other comprehensive income from financial assets and liabilities categorised within Level 3 if the inputs used to valuation models have changed:

		December 31, 2024					
		Recognised in profit or loss		Recognised in other comprehensive income			
		Favourable	Unfavourable	Favourable	Unfavourable		
		Input	Change	Input	Change	Input	Change
Financial assets							
Equity instrument	Discount for lack of marketability	±1%	\$ 1,366 (\$ 1,366)	\$ 317 (\$ 317)			

		December 31, 2023					
		Recognised in profit or loss		Recognised in other comprehensive income			
		Favourable	Unfavourable	Favourable	Unfavourable		
		Input	Change	Input	Change	Input	Change
Financial assets							
Equity instrument	Discount for lack of marketability	±1%	\$ 867 (\$ 867)	\$ 483 (\$ 483)			

(4) Other information

None.

13. SUPPLEMENTARY DISCLOSURES

(1) Significant transactions information

- A. Loans to others: Please refer to table 1.
- B. Provision of endorsements and guarantees to others: None
- C. Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): Please refer to table 2.
- D. Acquisition or sale of the same security with the accumulated cost exceeding \$300 million or 20% of the Company's paid-in capital: Please refer to table 3.
- E. Acquisition of real estate reaching NT\$300 million or 20% of paid-in capital or more: None.
- F. Disposal of real estate reaching NT\$300 million or 20% of paid-in capital or more: None.
- G. Purchases or sales of goods from or to related parties reaching NT\$100 million or 20% of paid-in capital or more: Please refer to table 4.
- H. Receivables from related parties reaching NT\$100 million or 20% of paid-in capital or more: None.

- I. Trading in derivative instruments undertaken during the reporting periods: None.
- J. Significant inter-company transactions during the reporting periods: Please refer to table 5.

(2) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China) : Please refer to table 6.

(3) Information on investments in Mainland China

- A. Basic information: Please refer to table 7.
- B. Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area: Please refer to table 8.

(4) Major shareholders information

Major shareholders information: Please refer to table 9.

14. SEGMENT INFORMATION

Not applicable.

FIRICH ENTERPRISES CO., LTD.
Loans to others
For the year ended December 31, 2024

Table 1

Expressed in thousands of NTD
(Except as otherwise indicated)

No. (Note 1)	Creditor	Borrower	General ledger account	Related party	Maximum outstanding balance during the year ended December 31, 2024			Actual amount drawn down (Note 6)	Interest rate (%)	Nature of loans (Note 4)	Amount of transactions with the borrower (Note 3)	Reason for short-term financing	Allowance for doubtful accounts	Collateral	Limit on loans granted to a single party (Note 4)	Ceiling on total loans granted (Note 5)	Ceiling on total loans granted (Note 5)	Footnote
					December 31, 2024	(Note 7)	Balance at December 31, 2024											
0	Firich Enterprises Co., Ltd.	Firich USA Inc.	Other receivables	Yes	\$ 15,867	\$ 15,867	\$ 15,867	-	-	2	\$ 53,518	Operational needs	\$ -	-	\$ -	\$ 1,028,714	\$ 2,057,428	Note 2
0	Firich Enterprises Co., Ltd.	Crimson Technology (Shanghai) Inc.	Other receivables	Yes	6,746	3,817	3,738	-	2	10,659	Operational needs	-	-	-	1,028,714	2,057,428	Note 2	
0	Firich Enterprises Co., Ltd.	Firich Korea Co., Ltd.	Other receivables	Yes	15,371	15,371	15,371	-	2	9,537	Operational needs	-	-	-	1,028,714	2,057,428	Note 2	
0	Firich Enterprises Co., Ltd.	Firich UK Co., Ltd.	Other receivables	Yes	1,861	-	-	-	2	42,262	Operational needs	-	-	-	1,028,714	2,057,428	Note 2	
0	Firich Enterprises Co., Ltd.	FEC Deutschland GmbH	Other receivables	Yes	23,447	14,598	9,219	-	2	19,370	Operational needs	5,307	-	-	1,028,714	2,057,428	Note 2	
1	Firich International Co., Ltd.	Crimson Technology (Shanghai) Inc.	Other receivables	Yes	163,925 (USD5,000 thousand)	163,925 (USD5,000 thousand)	147,533 (USD4,500 thousand)	-	2	-	Operational needs	-	-	-	206,644	413,289	None	

Note 1: The numbers filled in for the loans provided by the Company or subsidiaries are as follows:

(1) The Company is '0'.

(2) The subsidiaries are numbered in order starting from '1'.

Note 2: In accordance with Accounting Research and Development Foundation Interpretation 93-167, accounts receivable that pass the regular terms of third parties should be transferred to other receivables and the nature of receivables is considered as financing.

The credit line is approved by the Company's Board of Directors.

Note 3: It is the amount of sales for the year ended December 31, 2024.

Note 4: (1) The limit on loans provided by the Company to a single party which trades with the Company shall not exceed the total transaction amount during the most recent year and the total transaction amount for the year until the date of financing, whichever is higher.

(2) The limit on loans provided by the Company to a single party for short-term financing shall not exceed 20% of the Company's net assets based on the latest audited or reviewed financial statements of the Company (as of September 30, 2024).

Note 5: Accumulated amount of loans to others shall not be more than 40% of the Company's net asset based on the latest audited or reviewed financial statements of the Company (as of September 30, 2024).

Note 6: Amounts denominated in foreign currencies are translated into New Taiwan dollars at the exchange rate of USD\$1: NTD\$32.785 and RMB\$1: NTD\$4.478 prevailing on December 31, 2024.

Note 7: The authorised limit approved by the Company's Board of Directors.

FIRICH ENTERPRISES CO., LTD.
 Holding of marketable securities at the end of the period
 December 31, 2024

Table 2

Expressed in thousands of NTD
 (Except as otherwise indicated)

Securities held by	Marketable securities (Note 1)	Relationship with the securities issuer (Note 2)	General ledger account	As of December 31, 2024				
				Number of shares (Note 4)	Book value (Note 3)	Ownership (%)	Fair value	Footnote
Firich Enterprises Co., Ltd.	Stock SinoCloud Group Limited	Not applicable	Financial assets at fair value through other comprehensive income - non-current	238	\$ 69	0.11	\$ 69	None
Firich Enterprises Co., Ltd.	Stock Summit Ascent Holdings Ltd.	Not applicable	Financial assets at fair value through other comprehensive income - non-current	41,398	-	0.92	-	None
Firich Enterprises Co., Ltd.	Stock Crypto Flow Technology Limited	Not applicable	Financial assets at fair value through other comprehensive income - non-current	5,399	5,927	0.98	5,927	None
Firich Enterprises Co., Ltd.	Stock Cai Hua Technology Co., Ltd.	Not applicable	Financial assets at fair value through other comprehensive income - non-current	87	-	0.26	-	Note 5
Firich Enterprises Co., Ltd.	Stock Rich Forest Leisure Development Co., Ltd.	Related party in substance	Financial assets at fair value through other comprehensive income-non- current	3,390	-	5.10	-	None
Firich Enterprises Co., Ltd.	Stock Platinum Drink Co., Ltd.	Related party in substance	Financial assets at fair value through other comprehensive income - non-current	950	-	19.00	-	None
Firich Enterprises Co., Ltd.	Stock Lealeahotel Co., Ltd.	Related party in substance	Financial assets at fair value through other comprehensive income - non-current	7,676	27,172	9.25	27,172	None
Firich Enterprises Co., Ltd.	Stock Darwish Investments Ltd.	Not applicable	Financial assets at fair value through other comprehensive income - non-current	288	-	1.22	-	None

Securities held by	Marketable securities (Note 1)	Relationship with the securities issuer (Note 2)	General ledger account	As of December 31, 2024				
				Number of shares (Note 4)	Book value (Note 3)	Ownership (%)	Fair value	Footnote
Firich Enterprises Co., Ltd.	Stock Asia Renewable Energy (Cayman) Ltd.	Not applicable	Financial assets at fair value through other comprehensive income - non-current	445	\$ 4,511	0.44	\$ 4,511	None
Firich Enterprises Co., Ltd.	Stock Tien Li Offshore Wind Technology Co., Ltd.	Not applicable	Financial assets at fair value through other comprehensive income - non-current	215	4,146	0.28	4,146	None
Firich Enterprises Co., Ltd.	Stock J&V Energy Technology Co., Ltd.	Not applicable	Financial assets at fair value through other comprehensive income - non-current	4,200	745,500	3.05	745,500	None
Firich Enterprises Co., Ltd.	Stock J&V Energy Technology Co., Ltd.	Not applicable	Financial assets at fair value through profit or loss - non-current	4,856	861,940	3.52	861,940	None
Firich Enterprises Co., Ltd.	Stock Sanhe Health Co., Ltd.	Not applicable	Financial assets at fair value through profit or loss - non-current	6,664	97,793	13.88	97,793	None
Firich Enterprises Co., Ltd.	Stock Weisheng Environmental Technology Co., Ltd.	Not applicable	Financial assets at fair value through profit or loss - non-current	200	4,959	0.58	4,959	None
Firich Enterprises Co., Ltd.	Beneficiary certificate Leading CO2 Fund 1	Not applicable	Financial assets at fair value through profit or loss - non-current	-	33,862	0.00	33,862	None
Firich Enterprises Co., Ltd.	Fund Fuh Hwa Taiwan Technology High Dividend Fund A	Not applicable	Financial assets at fair value through profit or loss - non-current	-	2,964	0.00	2,964	None
Firich International Co., Ltd.	Stock Pointsoft Japan Ltd.	Not applicable	Financial assets at fair value through other comprehensive income - non-current	20	-	10.00	-	None
Firich International Co., Ltd.	Stock CSSB Limited.	Not applicable	Financial assets at fair value through other comprehensive income - non-current	20	-	1.91	-	None

Securities held by	Marketable securities (Note 1)	Relationship with the securities issuer (Note 2)	General ledger account	As of December 31, 2024				
				Number of shares (Note 4)	Book value (Note 3)	Ownership (%)	Fair value	Footnote
Crimson Technology (Shanghai) Inc.	Stock Shanghai Han League Management Consultants Ltd.	Not applicable	Financial assets at fair value through other comprehensive income - non-current	-	\$ -	18.18	\$ -	None
TopRich Co., Ltd.	Stock Crypto Flow Technology Limited	Not applicable	Financial assets at fair value through other comprehensive income - non-current	2,580	2,833	0.47	2,833	None
TopRich Co., Ltd.	Stock Summit Ascent Holdings Ltd.	Not applicable	Financial assets at fair value through other comprehensive income - non-current	1,656	-	0.04	-	None
TopRich Co., Ltd.	Stock Zenii Information System Co., Ltd.	Related party in substance	Financial assets at fair value through other comprehensive income - non-current	1,845	-	13.09	-	None
TopRich Co., Ltd.	Stock Lealeahotel Co., Ltd.	Related party in substance	Financial assets at fair value through other comprehensive income - non-current	4,500	15,924	5.42	15,924	None
TopRich Co., Ltd.	Stock J&V Energy Technology Co., Ltd.	Not applicable	Financial assets at fair value through profit or loss - non-current	30	5,325	0.02	5,325	None
TopRich Co., Ltd.	Stock Rich Forest Leisure Development Co., Ltd.	Related party in substance	Financial assets at fair value through other comprehensive income - non-current	2,870	-	4.32	-	None
Firich Korea Co.,Ltd	Beneficiary certificate Leading MB Fund 1	Not applicable	Financial assets at fair value through profit or loss - non-current	-	33,662	-	33,662	None

Note 1: Marketable securities in the table refer to stocks, bonds, beneficiary certificates and other related derivative securities within the scope of IAS 9 'Financial instruments'.

Note 2: Leave the column blank if the issuer of marketable securities is non-related party.

Note 3: Represents fair value less accumulated impairment for marketable securities measured at fair value; represents acquisition cost or amortized cost less accumulated impairment for marketable securities not measured at fair value.

Note 4: In thousands of shares.

Note 5: The business of Chi Hua Technology Co., Ltd. has been deregistered.

FIRICH ENTERPRISES CO., LTD.

The cumulative amount of the same securities purchased or sold is NT\$300 million or more than 20% of the paid-up capital

December 31, 2024

Table 3

Companies that buy and sell	Item (Note 1)	General ledger account	Counterparty (Note 2)	Relationship (Note 2)	Expressed in thousands of NTD (Except as otherwise indicated)								Number of shares (thousands of shares)	December 31,2024		
					January 1,2024		Buy (Note 3)		Sell (Note 3)		Price	Book value	Profit or loss			
					Number of shares (thousands of shares)	Amount	Number of shares (thousands of shares)	Amount	Number of shares (thousands of shares)							
Firich Enterprises Co., Ltd.	Stock/Liming Construction	Investments accounted for using equity method	Liming Construction Co., Ltd	Associates	-	\$ -	30,000	\$ 300,000	-	\$ -	\$ -	\$ -	\$ -	30,000	\$ 294,517	Note5
Firich Enterprises Co., Ltd.	Stock/Stock J&V Energy Technology Co., Ltd.	financial assets at fair value through profit or loss	None	None	6,663	630,320	-	-	1,807	341,162	32,829	308,333	4,856	861,940	None	

Note 1: Marketable securities in the table refer to stocks, bonds, beneficiary certificates and other related derivative securities.

Note 2: Fill in the columns the counterparty and relationship if securities are accounted for under the equity method; otherwise leave the columns blank.

Note 3: Aggregate purchases and sales amounts should be calculated separately at their market values to verify whether they individually reach NT\$300 million or 20% of paid-in capital or more.

Note 4: Paid-in capital referred to herein is the paid-in capital of parent company. In the case that shares were issued with no par value or a par value other than NT\$10 per share, the 20 % of paid-in capital shall be replaced by 10% of equity attributable to owners of the parent in the calculation.

Note 5: The purchases amount consisted of investment costs totaling \$300,000. For the year ended December 31, 2024, the Company recognised an investment loss of (\$4,195) and retained of (\$1,288), respectively.

FIRICH ENTERPRISES CO., LTD.
 Purchases or sales of goods from or to related parties reaching NT\$100 million or 20% of paid-in capital or more
 For the year ended December 31, 2024

Table 4

Expressed in thousands of NTD
 (Except as otherwise indicated)

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				Differences in transaction terms compared to third party transactions			Notes/accounts receivable (payable)		
			Percentage of total purchases				Credit term			Percentage of total notes/accounts		
			Purchases (sales)	Amount	(sales)	Credit term	Unit price	Credit term	Balance	notes/accounts	Footnote	
Firich Enterprises Co., Ltd.	AKAM Netherlands B.V.	Subsidiary	Sales	(\$ 172,918)	(10.38%)	Within 60 days	Note 1	Note 1	\$ 35,185	7.48%	None	
Firich Enterprises Co., Ltd.	FEC ITALIA S.r.l.	Subsidiary	Sales	(114,179)	(6.85%)	Within 90 days	Note 1	Note 1	29,909	6.36%	None	
AKAM Netherlands B.V.	Firich Enterprises Co., Ltd.	Parent company	Purchases	172,918	70.15%	Within 60 days	Note 2	Note 2	(35,185)	(81.23%)	None	

Note 1: The sales price is similar with general sales price. Transaction terms are determined in accordance with mutual agreement.

Note 2: The purchase price is similar with general purchase price. Transaction terms are determined in accordance with mutual agreement.

FIRICH ENTERPRISES CO., LTD.
 Significant inter-company transactions during the reporting period
 For the year ended December 31, 2024

Table 5

Expressed in thousands of NTD
 (Except as otherwise indicated)

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			Percentage of consolidated total operating revenues or total assets (Note 3)
				General ledger account	Amount	Transaction terms	
0	Firich Enterprises Co., Ltd.	AKAM Netherlands B.V.	1	Operating revenue	\$ 172,918	Note 4	7.75
0	Firich Enterprises Co., Ltd.	AKAM Netherlands B.V.	1	Accounts receivable	35,185	Note 4	0.51

Note 1: The numbers filled in for the transaction company in respect of inter-company transactions are as follows:

- (1) Parent company is '0'.
- (2) The subsidiaries are numbered in order starting from '1'.

Note 2: Relationship between transaction company and counterparty is classified into the following three categories:

- (1) Parent company to subsidiary.
- (2) Subsidiary to parent company.
- (3) Subsidiary to subsidiary.

Note 3: Regarding percentage of transaction amount to consolidated total operating revenues or total assets, it is computed based on period-end balance of transaction to consolidated total assets for balance sheet accounts and based on accumulated transaction amount for the period to consolidated total operating revenues for income statement accounts.

Note 4: Transaction terms are determined in accordance with mutual agreement.

Note 5: Transaction amounts that are not significant are not disclosed.

FIRICH ENTERPRISES CO., LTD.
Information on investees
For the year ended December 31, 2024

Table 6

Expressed in thousands of NTD
(Except as otherwise indicated)

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2023			Net profit (loss) of the investee for the year ended December 31, 2023	Investment income (loss) recognised by the Company for the year ended December 31, 2023	Footnote		
				Balance as at December 31, 2024	Balance as at December 31, 2023	Number of shares (thousands of shares)		Ownership (%)	Book value				
						2024	2023						
Firich Enterprises Co., Ltd.	Firich International Co., Ltd.	Mauritius	Investment holdings of overseas companies	\$ 1,683,058	\$ 2,078,089	55,377	100.00	\$ 1,021,810	(\$ 329,091)	(\$ 329,091)	Note 3		
Firich Enterprises Co., Ltd.	AKAM Group B.V.	Netherlands	Information software and electronic information supply and wholesale of computer and business machinery equipment	234,116	234,116	18	100.00	311,412	44,645	44,645	Note 3		
Firich Enterprises Co., Ltd.	Firich Korea Co., Ltd.	South Korea	Information software and electronic information supply and retail of electronic materials, computer and business machinery equipment	525,152	491,691	4,298	100.00	527,304	(7,876)	(7,876)	Note 1, 3		
Firich Enterprises Co., Ltd.	Firich USA Inc.	U.S.A	International trade and sales of computer and its peripherals	168,493	168,493	5,500	100.00	1,601	(12,524)	(12,524)	Note 3		
Firich Enterprises Co., Ltd.	Firich UK Co., Ltd.	England	Import and export of inventory, enterpot trade, sale of electronic products and consulting	32,862	32,862	825	82.50	36,052	2,086	1,721	Note 3		
Firich Enterprises Co., Ltd.	LotRich Information Co., Ltd.	Taiwan	Information process and wholesale and retail of electronic software and computer equipment	150,300	150,300	15,030	30.00	163,270	14,796	4,439	None		
Firich Enterprises Co., Ltd.	TopRich Co., Ltd.	Taiwan	International and enterpot trade	108,000	108,000	10,800	100.00	56,449	12,428	12,428	None		
Firich Enterprises Co., Ltd.	AquaLab Inc.	Taiwan	Sewage disposal and wholesale and retail of pollution control	46,077	50,970	4,916	24.43	23,422	48,164	12,014	Note 1		
Firich Enterprises Co., Ltd.	Tiga Gaming Inc.	Taiwan	Design, production and process of computer and peripherals, development and manufacturing of computer software and sale of product	180,898	180,898	13,952	53.00	63,291	19,637	10,407	Note 3		
Firich Enterprises Co., Ltd.	FEC Deutschland GmbH	Germany	Import and export of inventory, enterpot trade, sale of electronic products and consulting	18,445	18,445	9	35.00	8,173	4,965	1,738	None 3		
Firich Enterprises Co., Ltd.	FEC ITALIA S.r.l.	Italy	Import and export of inventory, enterpot trade, sale of electronic products and consulting	7,008	7,008	90	24.50	21,568	23,114	5,663	None 3		
Firich Enterprises Co., Ltd.	FEC Japan Co., Ltd.	Japan	Import and export of inventory, enterpot trade, sale of electronic products and consulting	5,340	5,340	0.40	26.67	-	-	-	Note 4		

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2023				Net profit (loss) of the investee for the year ended December 31, 2023	Investment income (loss) recognised by the Company for the year ended December 31, 2023	Footnote			
				Balance as at December 31, 2024	Balance as at December 31, 2023	Number of shares (thousands of shares)		Ownership (%)	Book value						
						100	33.22								
Firich Enterprises Co., Ltd.	Grab and Go Solutions, Inc.	Taiwan	Information software data processing service industry, electronic component manufacturing industry and research and development service industry	\$ 1,000	\$ 1,000				\$ 150	(\$ 129)	(\$ 43)	None			
Firich Enterprises Co., Ltd.	Jia Hua Kang Jian Co., Ltd	Taiwan	International trade, general investment, venture capital industry, residential and building development, leasing and sales, factory development lease and sale business, real estate sale and lease business, investment consulting and management consulting	129,786	136,000	12,406	37.59	114,597	(11,851)	(4,560)	Note 1				
Firich Enterprises Co., Ltd.	Xiang Ting Entertainment Co., Ltd.	Taiwan	Book publishing industry, audio publishing industry, film production industry and radio program production industry	-	1,000	-	-	-	-	5	5	Note 5			
Firich Enterprises Co., Ltd.	Liming Construction Co., Ltd	Taiwan	Urban renewal reconstruction, urban renewal renovation or maintenance, housing and building	300,000	-	30,000	28.57	294,517	(19,940)	(4,195)	Note 1				
Firich Enterprises Co., Ltd.	Juhui Cultural and Creative Co., Ltd.	Taiwan	Motion picture production, motion picture distribution, animated motion picture production and motion pictures effects production	20,000	-	2,000	33.33	19,406	(1,777)	(913)	Note 1				
Firich International Co., Ltd.	Firich (Hong Kong) International Co., Ltd.	Hong Kong	Investment holdings of overseas companies	759,658	759,658	15,500	100.00	203,498	(95,874)	(95,874)	None				
Firich International Co., Ltd.	Firich Investment Ltd.	Mauritius	Investment holdings of overseas companies	1,099,179	1,520,054	38,700	100.00	567,339	(198,329)	(198,329)	None				
Firich Investment Ltd.	Oriental Regent Ltd.	Hong Kong	Investment holdings of overseas companies	1,661,885	1,661,885	85	20.00	743,355	(989,897)	(197,980)	Note 2				
Firich Investment Ltd.	Firich Information Technologies PVT Ltd.	India	Research and development of software and sales of computer and its peripherals	39,451	39,451	8,159	100.00	20,118	(245)	(245)	None				
AKAM Group B.V.	AKAM Netherlands B.V.	Netherlands	Information software and electronic information supply and wholesale of computer and business machinery equipment	643	643	18	100.00	162,638	35,305	35,305	None				
AKAM Group B.V.	AKAM Belgium BVBA	Belgium	Information software and electronic information supply and wholesale of computer and business machinery equipment	722	722	20	99.00	888	223	221	None				

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2023				Net profit (loss) of the investee for the year ended December 31, 2023	Investment income (loss) recognised by the Company for the year ended December 31, 2023	Footnote
				Balance as at December 31, 2024	Balance as at December 31, 2023	Number of shares (thousands of shares)	Ownership (%)	Book value				
AKAM Netherlands B.V.	AKAM Belgium BVBA	Belgium	Information software and electronic information supply and wholesale of computer and business machinery equipment	\$ 7	\$ 7	0.20	1.00	\$ 9	\$ 223	\$ 2	None	
TopRich Co., Ltd.	AquaLab Inc.	Taiwan	Sewage disposal and wholesale and retail of pollution control equipment	13,258	15,203	1,015	5.04	4,832	48,164	2,481	Note 1	
TopRich Co., Ltd.	Tiga Gaming Inc.	Taiwan	Design, production and process of computer and peripherals, development and manufacturing of computer software and sale of product	4,590	4,590	459	1.74	2,081	19,637	342	None	
Tiga Gaming Inc.	Link Triumph Co., Ltd.	Samoa	Investment holdings of overseas companies	-	4,691	-	-	-	-	-	Note 6	
Firich Korea Co., Ltd.	Mcorporation Co., Ltd.	South Korea	Providing big data and online advertisement platform	289,450	289,450	43	36.75	368,214	1,481 (3,587)	3,587)	Note 1	

Note 1: The information is based on the investees' financial statements audited by the investees' appointed other auditors.

Note 2: Net profit (loss) of the investee for the year ended December 31, 2024 deducted its relevant imputed interest expenses based on the Company's accounting policies.

Investment income (loss) recognised by the Company for the year ended December 31, 2024 was calculated based on the aforementioned adjusted net profit (loss) for the year ended December 31, 2024

and considering amortisation of license for the year ended December 31, 2024. As of December 31, 2024, the carrying amount of the investee company included the accumulated impairment provisioned by the Company amounting to \$450,964.

Note 3: The carrying amount of investment at the end of the year included unrealised profit from sales at the end of the year.

Note 4: As of December 31, 2024, the accumulated impairment had been provided by the Company amounting to \$5,492.

Note 5: Xiang Ting Entertainment Co., Ltd. was dissolved on August 22, 2024. As of December 31, 2024, the liquidation process has not yet been completed.

Note 6: Link Triumph Co., Ltd. applied for dissolution on November 5, 2024, and the liquidation was completed on November 6, 2024.

FIRICH ENTERPRISES CO., LTD.
Information on investments in Mainland China
For the year ended December 31, 2024

Table 7

Expressed in thousands of NTD
(Except as otherwise indicated)

Investee in Mainland China	Main business activities	Paid-in capital (Note 5)	Investment method (Note 5)	Amount remitted from Taiwan										Accumulated amount of investment income remitted back to Taiwan as of December 31, 2024 Footnote	
				Accumulated amount of remittance from Taiwan to Mainland China as of January 1,		Amount remitted back to Taiwan for the year ended December 31, 2024 (Note 5)		Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2024 (Note 5)		Net income (loss) of investee as of December 31, 2024	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended December 31, 2024	Book value of investments in Mainland China as of December 31, 2024 (Note 2)		
				Remitted to Mainland China	Remitted back to Taiwan	31, 2024 (Note 5)	2024	31, 2024 (Note 5)	2024						
Crimson Technology (Shanghai) Inc.	International and entrepot trade	\$ 531,370	Note 1(2)	\$ 508,168	\$ -	\$ -	\$ -	\$ 508,168	(\$ 95,874)	100.00	(\$ 95,874)	\$ 204,398	\$ -	Note 3, 9(1)	
Shanghai Han League Management Consultants Ltd.	Consulting	29,586	Note 1(3)	-	-	-	-	-	-	18.18	-	-	-	Note 4, 10	
Cai Rui Trading Co., Ltd.	Import and export of inventory, entrepot trade, sale of electronic products and business consulting	179,120	Note 1(2)	209,898	-	-	-	209,898	(8,018)	100.00	(8,018)	76,130	-	Note 3, 9(2)	
Beijing Intradak Systems Technology Co., Ltd.	Information software and electronic information supply and wholesale and retail of computer and business machinery equipment	268,680	Note 1(3)	-	-	-	-	-	54,307	20.00	4,390	141,880	-	Note 3, 8, 10	
Shuo Cai Technologies Corp.	Information software and electronic information supply and wholesale and retail of computer and business machinery equipment	40,302	Note 1(3)	-	-	-	-	-	(14,349)	100.00	(14,349)	4,254	-	Note 3, 10	

Note 1: The investment methods are classified as follows:

(1) Direct indirect investment in Mainland China.

(2) Through investing in an existing company in the third area, which then invested in the investee in Mainland China, please refer to Note 9.

(3) Other methods, please refer to Note 10.

Note 2: Book value of investments as of December 31, 2024 is the disclosure of profit or loss of investment amount recognised by investors and balance of long-term equity investment.

Note 3: Investment income (loss) recognised by the Company for the year ended December 31, 2024 is based on the financial statements audited by the Taiwan parent company's appointed independent accountants.

Note 4: Recorded as Financial assets at fair value through other comprehensive income - non - current. As of December 31, 2024, the recorded accumulated impairment was (\$5,623).

Note 5: Amounts denominated in foreign currencies are translated into New Taiwan dollars at the exchange rate of US\$1: NTDS32,785 and RMB1: NTDS4,478 prevailing on December 31, 2024.

Note 6: The registration for the retirement of Beijing Bestinfo Technology Co., Ltd. was completed, and the investment amount had been returned to Firich International Co., Ltd.

However, the Company has not received the returned investment as of December 31, 2024, the accumulated amount remitted from Taiwan amounted to \$43,473.

Note 7: (1) The Group reinvested in the China companies: Suzhou Licang Win-Power Equipment Co., Ltd, Red Blades Wind Power Equipment (Ying Kou) Limited and Red Blades Wind Power Equipment (China) Co., Ltd., through financial assets at fair value through other comprehensive income-non-current-investee, Darwish Investments Ltd. As of December 31, 2024, the balance of the accumulated amount of remittance from Taiwan was \$65,570.

(2) Financial assets at fair value through other comprehensive income-non-current-investee, Darwish Investments Ltd. reorganised in 2018 and acquired 0.81% of shares in Red Windtek (Cayman) Holdings Company Limited through a share swap. In addition, the company acquired 0.81% of shares in TIEN LI OFFSHORE WIND TECHNOLOGY CO., LTD. due to Redblades Windtek (Cayman) Holdings Company Limited had a recognition in 2019.

As of December 31, 2024, the company own 0.28% of share in TIEN LI OFFSHORE WIND TECHNOLOGY CO., LTD.

Note 8: As of December 31, 2024, accumulated impairment amounted to \$66,794. The losses recognised for the year ended December 31, 2024 included the Group's impairment loss amounting to (\$6,471).

Note 9: Through investing in an existing company in the third area, which then invested in the investee in Mainland China.

(1) Through reinvesting in Firich International Co., Ltd. in a third area to invest in Firich (Hong Kong) International Co., Ltd., then invested in Mainland China through Firich (Hong Kong) International Co., Ltd.

(2) Through reinvesting in Firich International Co., Ltd. in a third area to invest in Mainland China.

Note 10: The investment amount was remitted from the own funds of Crimson Technology (Shanghai) Inc..

FIRICH ENTERPRISES CO., LTD.
 Information on investments in Mainland China
 For the year ended December 31, 2024

Table 7

Expressed in thousands of NTD
 (Except as otherwise indicated)

Company name	Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2024	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (MOEA) (Note 2)		Ceiling on investments in Mainland China imposed by the Investment Commission of MOEA (Note 1)			
		\$	827,109	\$	996,172	\$	2,744,146
Firich Enterprises Co., Ltd.							

Note 1: In accordance with 'Regulations Governing the Approval of Investment or Technical Cooperation in Mainland China' and 'Rules on Review of 2008, Investment and Technology Cooperation in Mainland China' amended by Investment Commission, Ministry of Economic Affairs effective on August 29, the ceiling of investment of investors (not as personal and small and medium enterprise) in Mainland China is the net assets of the investors or 60% of consolidated net assets, whichever is higher.

Note 2: Amounts denominated in foreign currencies are translated into New Taiwan dollars at the exchange rate of USD\$1: NTD\$32.785 and RMB\$1: NTD\$4.478 prevailing on December 31, 2024.

FIRICH ENTERPRISES CO., LTD.

Significant transactions , either directly or indirectly through a third area, with investee companies in the Mainland Area
For the year ended December 31, 2024

Table 8

Expressed in thousands of NTD
(Except as otherwise indicated)

	Accounts receivable (payable)				Provision of endorsements/guarantees or collaterals				Financing					
	Sale (purchase)	Property transaction			(Note 1)									
Investee in Mainland China	Amount	%	Amount	%	2024	%	2024	%	Purpose	31, 2024	2024	Interest rate	2024	Others
Crimson Technology (Shanghai) Inc.	\$ 10,659	0.64	\$ -	-	\$ 9,036	1.92	\$ -	-	None	\$ 170,671	\$ 167,742	-	\$ -	None

FIRICH ENTERPRISES CO., LTD.

Major shareholders information

December 31, 2024

Table 9

Name of major shareholders	Shares	
	Number of shares held	Ownership (%)
Hsu, Ming-Jer	27,041,065	8.97%