

**Stock code: 3577**

## **ICP DAS Co., Ltd. and Subsidiaries**

### **Consolidated Financial Statements and Independent Auditors' Review Report**

**For the Three Months Ended March 31, 2025 and 2024**

Address: No. 111, Guangfu N. Rd., Hsinchu Industrial Park, Hukou  
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Report**

**For the Three Months Ended March 31, 2025 and 2024**

**Table of Contents**

<b>1. Cover .....</b>	<b>1</b>
<b>2. Table of Contents .....</b>	<b>2</b>
<b>3. Independent Auditors' Review Report.....</b>	<b>3</b>
<b>4. Consolidated Balance Sheets .....</b>	<b>5</b>
<b>5. Consolidated Statement of Comprehensive Income .....</b>	<b>6</b>
<b>6. Consolidated Statement of Changes in Equity .....</b>	<b>7</b>
<b>7. Consolidated Statement of Cash Flows .....</b>	<b>8</b>
<b>8. Notes of consolidated financial statements.....</b>	<b>9</b>
<b>1. Company History and Business Scope .....</b>	<b>9</b>
<b>2. Approval Dates and Procedures of the Financial Statements.....</b>	<b>9</b>
<b>3. Application of New and Amended Standards and Interpretations .....</b>	<b>9</b>
<b>4. Summary of Significant Accounting Policies .....</b>	<b>11</b>
<b>5. Significant accounting judgments, assumptions and primary sources of     estimation uncertainty .....</b>	<b>21</b>
<b>6. Explanation of significant accounts .....</b>	<b>21</b>
<b>7. Related party transactions .....</b>	<b>42</b>
<b>8. Assets pledged as security .....</b>	<b>43</b>
<b>9. Significant Commitments and Contingencies.....</b>	<b>44</b>
<b>10. Losses due to major disasters.....</b>	<b>44</b>
<b>11. Significant subsequent events .....</b>	<b>44</b>
<b>12. Others .....</b>	<b>44</b>
<b>13. Notes to the disclosures.....</b>	<b>57</b>
<b>14. Segment information.....</b>	<b>57</b>

# Independent Auditors' Review Report

(2025)Financial Audit Report No. 25000151.

To ICP DAS Co., Ltd.,

## Preface

The consolidated balance sheets of ICP DAS Co., Ltd. and subsidiaries as of March 31, 2025 and 2024, as well as the consolidated statements of comprehensive income, consolidated statements of changes in equity, consolidated statements of cash flows and the notes of the consolidated financial statements for the three months ended March 31, 2025 and 2024, including a summary of significant accounting policies, have been reviewed by us. The accountants are responsible for forming a conclusion on these consolidated financial statements based on the review results in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Accounting Standard 34 "Interim Financial Reporting," as endorsed and made effective by the Financial Supervisory Commission.

## Scope of Review

We conducted this review in accordance with ISRE 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." The procedures performed in a review of the consolidated financial statements involve making inquiries (primarily of individuals responsible for financial and accounting matters) and applying analytical and other review procedures. Since the scope of a review is substantially smaller than that of an audit, the accountants may not detect all significant matters that could be identified through an audit. Therefore, we cannot express audit opinions.

## Conclusion

Based on our reviews, nothing has come to our attention that causes us to believe the consolidated financial statements have not been prepared, in all material respects, in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 "Interim Financial Reporting," as endorsed and put into effect by the Financial Supervisory Commission, in a manner that would present a fair consolidated financial position of ICP DAS Co., Ltd. and its subsidiaries as of March 31, 2025 and 2024, and the consolidated financial performance and the consolidated cash flows for the three months ended March 31, 2025, and 2024.

PWC Taiwan

CPA Li, Yan-Na

Cheng, Ya-Hui

Former Financial Supervisory Commission, Executive  
Yuan, Securities and Futures Bureau, Approval  
Verification No:0950122728

Financial Supervisory Commission Securities No.  
0960072936

May 2, 2025

**ICP DAS Co., Ltd. and Subsidiaries**  
**Consolidated Balance Sheets**  
**March 31, 2025, December 31, 2024, and March 31, 2024**

Unit: NT\$ thousand

Assets	Note	March 31, 2025		December 31, 2024		March 31, 2024		
		Amount	%	Amount	%	Amount	%	
<b>Current Assets</b>								
1100	Cash and Cash Equivalents	6(1)	\$ 202,512	12	\$ 153,434	9	\$ 121,699	7
1150	Net Notes Receivable	6(2)	8,187	-	5,366	-	5,939	-
1170	Net Accounts Receivable	6(2)	124,929	7	130,904	8	101,683	6
1200	Other Receivables		-	-	314	-	94	-
130X	Inventories	6(3)	501,159	30	505,122	31	580,742	35
1410	Prepayments		9,962	1	10,892	1	9,676	1
11XX	<b>Total Current Assets</b>		<u>846,749</u>	<u>50</u>	<u>806,032</u>	<u>49</u>	<u>819,833</u>	<u>49</u>
<b>Non-Current Assets</b>								
1517	Financial assets measured at fair value through other comprehensive income - Non-current	6(4)	7,907	1	8,105	1	16,550	1
1600	Property, Plant, and Equipment	6(5) and 8	706,012	42	713,419	44	723,962	43
1755	Right-of-use Asset	6(6)	31,177	2	31,958	2	32,778	2
1760	Net Investment Property	6(7)(8)	7,257	1	7,217	-	7,430	1
1780	Intangible assets		2,619	-	2,499	-	3,699	-
1840	Deferred Tax Assets	6(24)	55,884	3	53,129	3	46,706	3
1900	Other Non-Current Assets	6(9) and 7	22,812	1	15,276	1	15,470	1
15XX	<b>Total Non-Current Assets</b>		<u>833,668</u>	<u>50</u>	<u>831,603</u>	<u>51</u>	<u>846,595</u>	<u>51</u>
1XXX	<b>Total Assets</b>		<u>\$ 1,680,417</u>	<u>100</u>	<u>\$ 1,637,635</u>	<u>100</u>	<u>\$ 1,666,428</u>	<u>100</u>
<b>Current Liabilities</b>								
2100	Short-Term Debts	6(10)	\$ 20,000	1	\$ 30,000	2	\$ 110,000	7
2130	Contract liability - Current	6(18)	18,040	1	11,601	1	5,637	-
2170	Accounts payable		77,915	5	80,661	5	22,821	2
2200	Other Payables	6(11)	110,201	7	108,476	7	88,611	5
2230	Current Tax Liabilities	6(24)	40,592	2	25,027	1	37,650	2
2280	Lease Liabilities - Current	6(6)	2,549	-	3,088	-	3,612	-
2399	Other current liabilities - others		5,730	-	7,755	-	7,083	1
21XX	<b>Total current liabilities</b>		<u>275,027</u>	<u>16</u>	<u>266,608</u>	<u>16</u>	<u>275,414</u>	<u>17</u>
<b>Non-current liabilities</b>								
2540	Long-Term Debts	6(12)	-	-	10,000	1	70,000	4
2570	Deferred income tax liabilities	6(24)	1,085	-	1,125	-	1,263	-
2580	Lease liabilities - Non-current	6(6)	1,707	-	2,098	-	1,603	-
2640	Net defined benefit liability — Non-current	6(13)	22,138	2	28,591	2	32,218	2
2670	Other non-current liabilities - others		495	-	485	-	530	-
25XX	<b>Total non-current liabilities</b>		<u>25,425</u>	<u>2</u>	<u>42,299</u>	<u>3</u>	<u>105,614</u>	<u>6</u>
2XXX	<b>Total liabilities</b>		<u>300,452</u>	<u>18</u>	<u>308,907</u>	<u>19</u>	<u>381,028</u>	<u>23</u>
<b>Equity attributable to owners of the parent company</b>								
Share capital								
3110	Capital - common stock	6(14))	639,657	38	639,657	39	639,657	39
Capital surplus								
3200	Capital surplus	6(15)	68,630	4	68,630	4	68,630	4
Retained earnings								
3310	Legal surplus reserve	6(16)	198,441	12	198,441	12	189,271	11
3320	Special surplus reserve		4,882	-	4,882	-	4,549	-
3350	Undistributed surplus		468,488	28	418,921	26	386,107	23
Other equity interest								
3400	Other equity interest	6(17)	( 133)	-	( 1,803)	-	( 2,814)	-
31XX	<b>Total equities attributable to owners of parent company</b>		<u>1,379,965</u>	<u>82</u>	<u>1,328,728</u>	<u>81</u>	<u>1,285,400</u>	<u>77</u>
3XXX	<b>Total Equity</b>		<u>1,379,965</u>	<u>82</u>	<u>1,328,728</u>	<u>81</u>	<u>1,285,400</u>	<u>77</u>
Significant Commitments and Contingencies								
3X2X	<b>Total Liabilities and Equity</b>		<u>\$ 1,680,417</u>	<u>100</u>	<u>\$ 1,637,635</u>	<u>100</u>	<u>\$ 1,666,428</u>	<u>100</u>

The attached note of the consolidated financial statements is part of this consolidated financial report. Please refer to them together.

Chairman: Yeh, Nai-Ti

Managerial Officer: Cheng, Shu-Fa

Accounting Manager: Cheng, Pi-Yu

**ICP DAS Co., Ltd. and Subsidiaries**  
**Consolidated Statement of Comprehensive Income**  
**For the Three Months Ended March 31, 2025 and 2024**

Unit: NT\$ thousand

Items	Note	For the Three Months Ended March 31,		(Except for earnings per share in NT\$)		
		2025		2024		
		Amount	%	Amount	%	
4000	Operating revenue	6(18)	\$ 315,715	100	\$ 234,855	100
5000	Operating costs	6(3)(22)(23)	( 147,847)	( 47)	( 121,534)	( 52)
5900	Gross profit		167,868	53	113,321	48
	Operating expenses	6(22)(23) and 7				
6100	Selling expenses		( 30,906)	( 10)	( 30,143)	( 13)
6200	Administrative expenses		( 27,757)	( 9)	( 25,485)	( 11)
6300	Research and development expenses		( 51,841)	( 16)	( 50,638)	( 21)
6450	Expected credit loss		( 6)	-	( 4)	-
6000	Total operating expenses		( 110,510)	( 35)	( 106,270)	( 45)
	Other income and net expenses and losses					
6500	Other income and net expenses and losses	6(8)(19)	563	1	436	-
6900	Operating income		57,921	19	7,487	3
	Non-operating revenue and expenses					
7100	Interest revenue		64	-	97	-
7010	Other Revenue	6(20)	2,861	1	2,914	1
7020	Other Gains and Losses	6(21)	1,187	-	2,602	1
7050	Financial Costs	6(10)(12)	( 114)	-	( 1,005)	-
7000	Total Non-Operating Revenue and Expenses		3,998	1	4,608	2
7900	<b>Net Profit Before Tax</b>		61,919	20	12,095	5
7950	Income Tax Expense	6(24)	( 12,352)	( 4)	( 2,419)	( 1)
8200	<b>Net Profit for the Period</b>		\$ 49,567	16	\$ 9,676	4
	<b>Other comprehensive income (net)</b>					
	<b>Items that will not be reclassified to profit or loss</b>					
8316	Unrealized gains or losses on equity instrument investments measured at fair value through other comprehensive income	6(17)	(\$ 158)	-	\$ 195	-
8310	Total of items that will not be reclassified to profit or loss		( 158)	-	195	-
	<b>Items that may be reclassified subsequently to profit or loss</b>					
8361	Exchange differences on translation of foreign financial statements	6(17)	1,828	-	1,873	1
8360	Total items that may be reclassified subsequently to profit or loss		1,828	-	1,873	1
8300	<b>Other comprehensive income (net)</b>		\$ 1,670	-	\$ 2,068	1
8500	<b>Total comprehensive income for the current period</b>		\$ 51,237	16	\$ 11,744	5
	Net Income Attributable to:					
8610	Owner of the Parent Company		\$ 49,567	16	\$ 9,676	4
	Total comprehensive income attributable to:					
8710	Owner of the Parent Company		\$ 51,237	16	\$ 11,744	5
	Earnings per share	6(25)				
9750	Basic earnings per share attributable to owners of the parent company		\$ 0.77		\$ 0.15	
9850	Net diluted earnings per share attributable to owners of the parent company		\$ 0.77		\$ 0.15	

The attached note of the consolidated financial statements is part of this consolidated financial report. Please refer to them together.

Chairman: Yeh, Nai-Ti

Manager: Cheng, Shu-Fa

Accounting manager: Cheng, Pi Yu



**ICP DAS Co., Ltd. and Subsidiaries**  
**Consolidated Statement of Cash Flows**  
**For the Three Months Ended March 31, 2025 and 2024**

	Note	For the Three Months Ended March 31, 2025	For the Three Months Ended March 31, 2024
Unit: NT\$ thousand			
<b>Cash flows from operating activities</b>			
Current net profit before tax		\$ 61,919	\$ 12,095
Adjustment items			
Income and expense items			
Expected credit impairment gains	12(2)	6	4
Depreciation expenses (including right-of-use assets and investment properties)	6(22)	14,845	14,643
Various amortization	6(22)	382	404
Interest revenue		( 64 )	( 97 )
Interest expense		114	1,005
Changes in assets/liabilities relating to operating activities			
Net movement in assets relating to operating activities			
Notes receivable		( 2,827 )	( 657 )
Accounts receivable		5,975	( 10,582 )
Other Receivables		315	( 55 )
Inventories		3,963	51,166
Prepayments		930	( 1,923 )
Net movement in liabilities relating to operating activities			
Contract liability-Current		6,349	( 1,598 )
Accounts payable		( 2,746 )	( 15,078 )
Other Payables		7,346	( 2,777 )
Other current liabilities		( 2,026 )	( 2,305 )
Net defined benefit liability - Non-current		( 6,453 )	110
Cash inflow from operations		88,028	44,355
Interest charged		64	97
Interest paid		( 114 )	( 1,005 )
Net cash inflows from operating activities		87,978	43,447
<b>Cash flows from investing activities</b>			
Acquisition of property, plant, and equipment	6(26)	( 11,379 )	( 2,453 )
Acquisition of intangible assets		( 502 )	( 140 )
Increase in refundable deposits		( 360 )	( 464 )
Increase in other non-current assets		( 7,175 )	( 316 )
Net cash outflow from investing activities		( 19,416 )	( 3,373 )
<b>Cash flows from financing activities</b>			
Repayment of lease liabilities	6(27)	( 1,026 )	( 1,076 )
Repayment of short-term debt		( 30,000 )	( 70,000 )
Raise short-term debt		20,000	60,000
Repayment of long-term loans		( 10,000 )	-
Decrease in deposits received(Increase)	6(27)	10	( 111 )
Net cash outflow from financing activities		( 21,016 )	( 11,187 )
Adjustment in exchange rate		1,532	1,574
Increase in cash and cash equivalents for the current period		49,078	30,461
Beginning balance of cash and cash equivalents		153,434	91,238
Ending balance of cash and cash equivalents		\$ 202,512	\$ 121,699

The attached note of the consolidated financial statements is part of this consolidated financial report. Please refer to them together.

Chairman: Yeh, Nai-Ti

Manager: Cheng, Shu-Fa

Accounting manager: Cheng, Pi-Yu

**ICP DAS Co., Ltd. and Subsidiaries**  
**Notes of consolidated financial statements**  
**For the Three Months Ended March 31, 2025 and 2024**

Unit: NT\$ thousand  
(Unless otherwise specified)

**1. Company History and Business Scope**

ICP DAS Co., Ltd. (hereinafter referred to as "the Company") was established in the Republic of China. The Company and its subsidiaries (hereinafter collectively referred to as "the Group") are primarily engaged in the production and sale of industrial computer hardware, software and related peripheral equipment. The Company's shares have been officially listed and traded on the Taipei Exchange (TPEX) since January 6, 2009.

**2. Approval Dates and Procedures of the Financial Statements**

The Financial Statements have been approved by the Board of Directors on May 2, 2025.

**3. Application of New and Amended Standards and Interpretations**

- (1) The impact of adopting new and amended IFRSs as endorsed and issued into effect by the Financial Supervisory Commission (hereinafter referred to as "FSC")

The following table summarizes the newly issued, amended, and revised standards and interpretations of International Financial Reporting Standards (IFRS) endorsed and issued into effect by the Financial Supervisory Commission (FSC) that are applicable in 2025:

<u>Newly Issued/Revised/Amended Standards and Interpretations</u>	<u>Effective date issued by IASB</u>
Amendments to IAS 21 "Lack of Exchangeability"	January 1, 2025

The Group has assessed the aforementioned criteria and interpretations have had no material impact on its financial position and financial performance.

- (2) The impact of not adopting new and revised IFRSs endorsed by the FSC

The following table summarized the new, amended, and revised standards and interpretations of IFRSs endorsed by the FSC that are applicable in 2025:

<u>Newly Issued/Revised/Amended Standards and Interpretations</u>	<u>Effective date issued by IASB</u>
Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments"	January 1, 2026

The Group has assessed the aforementioned criteria and interpretations have had no material impact on its financial position and financial performance.

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

The following lists the new, amended, and revised standards and interpretations issued by the International Accounting Standards Board (IASB) but not yet incorporated into the International Financial Reporting Standards (IFRSs) as endorsed and issued into effect by the Financial Supervisory Commission (FSC):

<u>Newly Issued/Revised/Amended Standards and Interpretations</u>	<u>Effective date issued by IASB</u>
Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments"	January 1, 2026
Amendments to IFRS 9 and IFRS 7 " Contracts Referencing Nature-dependent Electricity "	January 1, 2026
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and Its Associate or Joint Venture"	To be determined by the IASB
IFRS 17 "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17 "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17 "Initial Application of IFRS 17 and IFRS 9-Comparative Information"	January 1, 2023
IFRS 18 "Presentation and Disclosure in Financial Statements"	January 1, 2027
IFRS 19 "Subsidiaries without Public Accountability: Disclosures"	January 1, 2027
IFRS Annual Improvements - Volume 11	January 1, 2026

Except as described below, the Group assessed that the aforementioned criteria and interpretations had no material impact on its financial position and financial performance.

IFRS 18 "Presentation and Disclosure in Financial Statements" replaces IAS 1 and updates the structure of the statement of comprehensive income. It adds disclosures about management performance measures, and strengthens the principles of aggregation and disaggregation used in the primary financial statements and notes. The relevant impacts will be disclosed upon completion of the assessment.

#### **4. Summary of Significant Accounting Policies**

The primary accounting policies applied in preparing these consolidated financial statements are outlined below. Unless otherwise stated, these policies have been applied to all the reporting periods.

##### **(1) Statement of Compliance**

These consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 “Interim Financial Reporting,” as endorsed and issued into effect by the Financial Supervisory Commission.

##### **(2) Basis of Preparation**

1. Aside from the following significant items, the consolidated financial statements have been prepared on the historical cost basis:

- (1) Financial assets measured at fair value through other comprehensive income.
- (2) The net defined benefit liability recognized as the present value of the defined benefit obligation, deducted from the pension fund assets.

2. The preparation of financial statements in compliance with the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC) and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission (FSC) requires the use of certain critical accounting estimates and the use of management's judgment in the process of applying the Group's accounting policies. For items involving a high degree of judgment or complexity, or involving significant assumptions and estimates in the financial statements, please refer to Note 5 for details.

##### **(3) Basis of Consolidation**

###### **1. Principles of Preparing Consolidated Financial Statements**

- (1) The Group includes all subsidiaries as entities for the preparation of the consolidated financial statements. A subsidiary refers to an entity (including structured entity) that is controlled by the Group while the Group is exposed to or has rights to variable compensation from its involvement with such entity and has the ability to influence such compensation through its power over the entity. Subsidiaries are included in the consolidated financial statements from the date the Group gains control, and the consolidation is terminated on the date control is lost.
- (2) Transactions, balances, and unrealized gains or losses between companies within the Group have been eliminated. The accounting policies of the subsidiaries have been adjusted, as necessary, to ensure consistency with those adopted by the Group.

2.Subsidiaries included in the consolidated financial statements:

<u>Name of investing company</u>	<u>Name of the subsidiary</u>	<u>Nature of business</u>	<u>Ownership percentage</u>			<u>Description</u>
			<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>	
The Company	ADVANCE AHEADLTD.	Reinvestment enterprises	100%	100%	100%	
The Company	ICPDAS INVESTLTD.	Reinvestment enterprises	100%	100%	100%	
ADVANCE AHEADLTD.	Shanghai Golden ICP DAS	International trade, entrepot trade, bonded area trade between enterprises, and International trade agency of industrial Trade Co.,Ltd. (Second-tier Subsidiary - Shanghai Golden ICP DAS)	100%	100%	100%	
ICPDAS INVESTLTD.	ICP DAS (Wuhan) (Second-tier Subsidiary - ICP DAS (Wuhan) Co., Ltd.)	Research, development, production and sales of software, hardware, electronic products, instruments, meters and automatic equipment for the automatic control industry; automation engineering and project reconstruction; related technical services and transfers.	100%	100%	100%	

3. Subsidiaries not included in the consolidated financial statements

None.

4. Adjustments for subsidiaries with different accounting periods and handling methods

None.

5. Significant restrictions

None.

6. Subsidiaries with significant non-controlling interests to the Group

None.

(4) Foreign Currency Translation

The items listed in the financial statements for the Group entities are measured using the currency of the primary economic environment (i.e. the functional currency) in which

each entity operates. These consolidated financial statements are presented in New Taiwan Dollars, which is the Company's presentation currency.

#### 1. Foreign currency transaction and balances

- (1) Foreign currency transactions are translated into the functional currency using the spot exchange rates prevailing on the trade date or measurement date. Exchange differences arising from these transactions are recognized in profit or loss for the current period.
- (2) Foreign currency monetary assets and liabilities are revalued and adjusted using the spot exchange rate at the balance sheet date. Any exchange differences arising from this adjustment are recognized in profit or loss for the current period.
- (3) Non-monetary assets and liabilities denominated in foreign currencies and measured at fair value through profit or loss are retranslated at the spot exchange rates prevailing on the balance sheet date, with exchange differences recognized in profit or loss for the current period. Non-monetary assets and liabilities denominated in foreign currencies and measured at fair value through other comprehensive income are also retranslated at the spot exchange rates prevailing on the balance sheet date, with exchange differences recognized 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.

#### 2. Translation of foreign operations

For all entities within the Group whose functional currency differs from the presentation currency, the operating results and financial positions are translated into the presentation currency as follows:

- (1) The assets and liabilities presented in each balance sheet are translated at the closing rate on the date of that balance sheet.
- (2) The income, expenses and losses presented in each statement of comprehensive income are translated at the average exchange rate for the current period.
- (3) All exchange differences arising from translation are recognized as other comprehensive income.

#### (5) The criteria for classifying assets and liabilities as current and non-current

##### 1. An asset shall be classified as a current asset when it meets any of the following criteria:

- (1) Expected to realize the asset within the normal operating cycle, or intends to sell or consume.
- (2) Held primarily for trading purposes.
- (3) Expected to be realized within twelve months after the reporting period
- (4) Cash or cash equivalents, except those restricted to be exchanged or used to settle a liability for at least twelve months after the reporting period

The Group classifies all assets that do not meet the above conditions as non-current.

2. Liabilities that meet one of the following conditions are classified as current liabilities:

- (1) Expected to be settled within the normal operating cycle.
- (2) Held primarily for trading purposes.
- (3) Due to be settled within twelve months after the reporting period
- (4) Those that do not have the right to defer settlement of the liability for at least twelve months after the reporting period.

The Group classifies all liabilities that do not meet the above conditions as non-current.

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

1. Refers to investment in equity instrument that are not held for trading, for which an irrecoverable option is made at initial recognition to present changes in fair value in other comprehensive income.
2. The Group adopts trade date accounting for regular-way financial assets measured at fair value through other comprehensive income.
3. At initial recognition, the Group measures the fair value plus transaction costs. Subsequently, it is measured at fair value. Changes in fair value of equity instruments are recognized in other comprehensive income. Upon derecognition, the cumulative gain or loss previously recognized in other comprehensive income are not subsequently reclassified to profit or loss. but are transferred to retained earnings. The Group recognizes dividend revenue in profit or loss when the right to receive the dividend is established, it is probable that the economic benefits will flow to the Group, and the amount of the dividend can be measured reliably.

(7) Accounts and Notes Receivable

1. Refer to the accounts and notes with the right to unconditionally receive the consideration in exchange for the transfer of goods or services according to the contract.
2. Short-term accounts and notes receivable without interest paid which are measured by the Group at the original invoice amount as the effect of discounting is insignificant.

(8) Financial Asset Impairment

At each balance sheet date, the Group assesses its financial assets measured at amortized cost, considering all reasonable and supportable information (including forward-looking information), to measure the allowance for losses. For assets where the credit risk has not increased significantly since initial recognition, the allowance is measured at an amount equal to 12-month expected credit losses. For assets where the credit risk has increased significantly, the allowance is measured at lifetime expected credit losses. For accounts receivable that do not contain a significant financing component, the allowance is measured at an amount equal to lifetime expected credit losses.

(9) Derecognition of Financial Assets

The Group derecognizes a financial asset when the contractual rights to receive the cash

flows from the financial asset expire.

(10) Lessor's Lease Transaction - Operating Lease

Operating lease rental income is amortized on a straight-line method over the lease term after deducting any incentives granted to the lessee, and recognized as profit or loss for the current period.

(11) Inventories

Inventories are measured at the lower of cost and net realizable value, with cost determined using the weighted average method. The cost of finished goods and work in progress comprises raw materials, direct labor, other direct costs and related production overheads (allocated based on normal operating capacity), but excludes borrowing costs. When comparing the lower of the cost with net realizable value, the item-by-item comparison method is adopted. The net realizable value refers to the estimated selling price in the ordinary course of business, deducting the estimated cost of completion and the estimated cost necessary to make the sale.

(12) Property, Plant, and Equipment

1. Property, plant and equipment are recorded on the basis of acquisition cost, and the relevant interest during the period of acquisition and construction is capitalized.
2. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part shall be derecognized. All other maintenance costs shall be recognized as current profit or loss when incurred.
3. Property, plant and equipment shall be subsequently measured by the cost model, and shall be depreciated by the straight-line method based on the estimated useful lives, except for land. The depreciation shall be provided separately if each component of property, plant and equipment is significant.
4. At the end of each fiscal year, the Group reviews the residual value, useful life, and depreciation method of its assets. If the expected value of residual value and useful life differs from previous estimates, or if there has been a significant change in the expected consumption pattern of future economic benefits embodied in the asset, the changes are accounted for as change in accounting estimates in accordance with IAS 8, "Accounting Policies, Changes in Accounting Estimates and Errors," effective from the date the changes occur. The useful life of each asset is as follows:

Buildings	3 to 50 years
Machinery and equipment	3 to 10 years
Mold equipment	2 years
Transportation equipment	3 to 5 years
Office equipment	3 to 5 years
Other equipment	3 to 10 years

(13) Lessee's Lease Transaction - Right-of-Use Asset/Lease Liabilities

1. Lease assets are recognized as right-of-use assets and lease liabilities when they become available for use by the Group. When the lease contract is for a short-term lease or a lease of a low-value underlying asset, lease payments are recognized as an expense using the straight-line method over the lease term.
2. The lease liabilities are recognized at the present value of unpaid lease payments, discounted using the Group's incremental borrowing rate, as of the lease commencement date. The lease payments include:
  - (1) Fixed payments, less any lease incentives receivable;
  - (2) Variable lease payments that depend on certain index or rates;
  - (3) The amount expected to be paid by the Group under residual value guarantees;
  - (4) The exercise price of a purchase option if the lessee is reasonably certain to exercise that option;
  - (5) Penalties payable for terminating the lease, if the lessee is exercising an option to terminate the lease during the lease term.

Subsequently, the interest method is used to measure at amortized cost, with interest expense recorded over the lease term. When there is a change in the lease term or lease payments that does not result from a contract revision, the lease liability is reassessed, and the remeasurement amount is adjusted against the right-of-use asset.

3. Right-of-use assets are recognized at cost on the lease commencement date, with the cost including:
  - (1) The initial measurement amount of the lease liability;
  - (2) Any lease payments made on or before the commencement date;
  - (3) Any initial direct costs incurred; and
  - (4) The estimated costs of dismantling, removing the underlying asset, and restoring the site where it is located, or restoring the underlying asset to the condition required by the lease terms and conditions.

Subsequently measured using the cost model, with depreciation expense recognized over the shorter of the useful life of the right-of-use asset or the lease term. When the lease liabilities are reassessed, the right-of-use asset will be adjusted for any remeasurement amount of the lease liability.

4. Except for lease modifications that decrease the scope of a lease, where the lessee reduces the carrying amount of the right-of-use asset to reflect the partial or full termination of the lease and recognizes the difference between the revised lease liability and the reduced right-of-use asset in profit or loss, all other lease modifications are accounted for by remeasuring the lease liability and making a corresponding adjustment to the right-of-use asset.

(14) Investment property

Investment properties are initially recognized at cost and subsequently measured using the cost model. Depreciation is recorded using the straight-line method over an estimated useful life of 30 years.

(15) Intangible assets

1. Computer software

Computer software is recognized at cost of acquisition and amortized using the straight-line method over an estimated useful life of 1 to 3 years.

2. Technology licensing

The medical technology licenses are recognized at cost of acquisition and amortized using the straight-line method over an amortization period of 10 years.

(16) Impairment of non-financial assets

The Group estimates the recoverable amount of assets with impairment indications on the balance sheet date. When the recoverable amount is lower than its carrying amount, an impairment loss is recognized. The recoverable amount is the higher of an asset's fair value less costs of disposal or its value in use. When an asset's previously recognized impairment no longer exists or decreases, the impairment loss should be reversed. However, the resulting increase in the asset's carrying amount from the reversal should not exceed the amount it would have been after deducting depreciation or amortization if the impairment loss had not been recognized.

(17) Loans

Referring to the long-term and short-term loans from banks. The Group measures them at fair value, less transaction costs at initial recognition, and subsequently recognizes interest expense in profit or loss over the circulation period. The difference between the transaction costs deducted and the redemption value is accounted for by using the effective interest method.

(18) Accounts and notes payable

1. Refers to loans arising from the purchase of raw materials, goods, or services, as well as notes payable from business and non-business operations.
2. For short-term accounts and notes payable without interest accrued, the Group measures them at the original invoice amount, as the effect of discounting is immaterial.

(19) Derecognition of financial liabilities

The Group derecognizes a financial liability when its contractual obligations are cancelled or expired.

(20) Employee benefits

1. Short-term employee benefits

Short-term employee benefits are measured at the undiscounted amount expected to

be paid and recognized as an expense when the related service is provided.

## 2. Pension

### (1) Defined contribution plans

For defined contribution plans, the amount of pension fund contributions to be made is recognized as pension fund costs for the current period on an accrual basis. Prepaid contributions are recognized as assets to the extent that a cash refund or a reduction in future payments is available.

### (2) Defined benefit plans

- A. The net obligation under the defined benefit plan is calculated by discounting the future benefits earned by the employee's current or past service, and the present value of the defined benefit obligation on the balance sheet date, minus the fair value of the plan assets. The net defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The discount rate is determined based on market yields of high-quality corporate bonds with terms and currencies that are consistent with the defined benefit obligation. In countries where there is no deep market for such bonds, the market yields of government bonds are used (as of the balance sheet date).
- B. Remeasurements arising from defined benefit plans are recognized in other comprehensive income in the period they occur and are presented in retained earnings.
- C. The expense related to past service costs is recognized immediately in profit or loss.
- D. The interim pension cost is calculated based on the pension cost rate determined by actuarial valuation at the end of the previous fiscal year, for the period from the beginning of the year to the current end date. If there are significant market changes, major curtailment, settlements, or other major one-time events after the end date, adjustments will be made accordingly, and relevant information will be disclosed in accordance with the aforementioned policy.

## 3. Compensation of employees, directors, and supervisors

Compensation of employees, directors, and supervisors is recognized as expenses and liabilities when there is a legal or constructive obligation and the amount can be reasonably estimated. If there is a discrepancy between the actual distribution amount and the estimated amount in subsequent resolutions, it should be treated as a change in accounting estimate. For employee compensation paid in shares, the number of shares is calculated based on the closing market price on the day preceding the Board of Directors' resolution date.

## (21) Income tax

1. Income tax expense includes current and deferred tax. Except for income tax related to items recognized in other comprehensive income or directly in equity, which are recorded in other comprehensive income or directly in equity, income tax is recognized in profit or loss.
2. The Group calculates the current income tax based on the tax rates enacted or substantively enacted as of the balance sheet date in the countries in which it operates and generates taxable income. Management periodically evaluates status of income tax filings in accordance with applicable tax regulations and, where applicable, estimates income tax liabilities based on the expected payments to the tax authorities. The income tax imposed on undistributed earnings under the Income Tax Act should not be recognized for the distribution of undistributed earnings until after the shareholders' meeting has approved the distribution of surplus in the year after the year in which the surplus is generated.
3. Deferred income tax is recognized using the balance sheet method, based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated balance sheets. If temporary differences arise from investments in subsidiaries and the Group is able to control the timing of the reversal of those differences, and it is unlikely that the temporary differences will reverse in the foreseeable future, they are not recognized. Deferred income tax is measured based on the tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred tax assets are realized or the deferred tax liabilities are settled.
4. Deferred income tax assets are recognized for temporary differences to the extent that it is probable that these assets can be utilized to offset future taxable income. Both unrecognized and recognized deferred income tax assets are reassessed at each balance sheet date.
5. Current tax assets and liabilities are offset only when there is a legal right to offset and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. Deferred tax assets and liabilities are offset only when there is a legal right to offset and they are levied by the same tax authority for the same taxpayer or different taxpayers who intend to settle on a net basis or realize the asset and settle the liability simultaneously.
6. The unused tax deductions arising from the purchase of equipment and research and development expenditures are recognized as deferred tax assets to the extent that it is probable that future taxable income will be available against which these unused tax credits can be utilized.
7. Income tax expense for interim periods is calculated by applying an estimated annual effective tax rate to the pre-tax income for the interim period. This calculation is in accordance with the aforementioned policy, and related information is disclosed accordingly.
8. When the tax rate changes occur during the interim period, the Group recognizes the

effects of such changes in the period in which the changes occur. For income taxes related to items recognized outside of profit or loss, the effects of the changes are recognized in other comprehensive income or equity items. For income taxes related to items recognized in profit or loss, the effects of the changes are recognized in profit or loss.

(22) Share capital

Common shares are classified as equity. Incremental costs directly attributable to the issuance of new shares or stock options, after deducting income taxes, are recognized as a reduction in equity.

(23) Dividend distribution

Dividends distributed to the Company's shareholders are recognized in the financial statements when approved by the shareholders at the shareholders' meeting. Cash dividends are recognized as a liability, while stock dividends are recorded as stock dividends to be distributed and are subsequently reclassified to ordinary shares on the base date of new shares issuance.

(24) Revenue recognition

The Group manufactures and sells industrial computer hardware, software, and related peripheral products. Sales revenue is recognized when control of the product is transferred to the customer. This occurs when the product is delivered to the customer, the customer has discretion over the sales channel and price of the product, and there are no unfulfilled obligations that could affect the customer's acceptance of the product. Delivery occurs when the products have been shipped to the designated location, the risks of obsolescence and loss have been transferred to the customer, and the customer has accepted the products according to the sales contract, or there is objective evidence that all acceptance criteria have been met.

(25) Government grants

Government grants are recognized at fair value when it is reasonably assured that the enterprise will comply with the conditions attached to the grants and that the grants will be received. Government grants are recognized as income on a systematic basis during the period in which the related expenses are incurred, when the nature of the government grants is to compensate for expenses incurred by the Group.

(26) Operating segments

The operating segment information of the Group is reported in a manner consistent with the internal management reports provided to the chief operating decision maker. The Group's chief operating decision maker, responsible for allocating resources and assessing performance of the operating segments, is identified as the Board of Directors.

**5. Significant accounting judgments, assumptions and primary sources of estimation uncertainty**

During the preparation of the Group's consolidated financial statements, the management exercised judgment to determine the accounting policies to be adopted and made accounting estimates and assumptions about future events based on the conditions prevailing at the balance sheet date. Significant accounting estimates and assumptions may differ from actual results. These estimates will be continuously evaluated and adjusted based on historical experience and other factors. These estimates and assumptions carry a risk of leading to material adjustments in the carrying amounts of assets and liabilities within the next financial year. Please refer to the following descriptions of significant accounting judgments, estimates and assumptions of uncertainty:

(1) Significant judgments in applying accounting Policies

None.

(2) Significant accounting estimates and assumptions

Since inventories must be calculated at the lower of cost or net realizable value, the Group needs to assess and estimate the net realizable value of inventories as of the balance sheet date. Due to the rapid technological changes, the Group assesses the value of inventories on the balance sheet date for normal deterioration, obsolescence, or lack of market value, and adjusts the inventory cost to net realizable value. This inventory valuation is primarily based on estimates of product demand within a specific future period and may be subjected to significant fluctuations.

As of March 31, 2025, the carrying amount of the Group's inventories was NT\$501,159.

**6. Explanation of significant accounts**

(1) Cash

	<u>March 31,</u> <u>2025</u>	<u>December 31,</u> <u>2024</u>	<u>March 31,</u> <u>2024</u>
Cash on hand and working capital	\$ 875	\$ 1,202	\$ 857
Checking accounts and demand deposits	<u>201,637</u>	<u>152,232</u>	<u>120,842</u>
Total	<u>\$ 202,512</u>	<u>\$ 153,434</u>	<u>\$ 121,699</u>

1. The Group's counterparties have good credit quality, and the Group diversifies its credit risk by maintaining relationships with multiple financial institutions. Thus, the likelihood of default is considered extremely low.

2. The Group has not pledged any cash and cash equivalents as collateral.

(2) Notes and accounts receivable

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Notes receivable	\$ 8,220	\$ 5,394	\$ 5,980
Less: Allowance for losses	(33)	(28)	(41)
	<u>\$ 8,187</u>	<u>\$ 5,366</u>	<u>\$ 5,939</u>
Accounts receivable	\$ 124,939	\$ 130,913	\$ 101,684
Less: Allowance for losses	(10)	(9)	(1)
	<u>\$ 124,929</u>	<u>\$ 130,904</u>	<u>\$ 101,683</u>

1. The aging analysis of accounts receivable and notes receivable is as follows:

	<u>March 31, 2025</u>		<u>December 31, 2024</u>		<u>March 31, 2024</u>	
	<u>Accounts receivable</u>	<u>Notes receivable</u>	<u>Accounts receivable</u>	<u>Notes receivable</u>	<u>Accounts receivable</u>	<u>Notes receivable</u>
Not overdue	\$ 119,083	\$ 8,220	\$ 128,961	\$ 5,394	\$ 94,872	\$ 5,980
1-30 days	3,298	-	1,702	-	6,388	-
31-90 days	2,529	-	241	-	424	-
91 to 180 days	20	-	-	-	-	-
More than 181 days	9	-	9	-	-	-
	<u>\$ 124,939</u>	<u>\$ 8,220</u>	<u>\$ 130,913</u>	<u>\$ 5,394</u>	<u>\$ 101,684</u>	<u>\$ 5,980</u>

The above aging analysis is based on the number of days passed due.

- As of March 31, 2025, December 31, 2024, and March 31, 2024, the balances of accounts receivable and notes receivable were all derived from customer contracts. Additionally, the balance of accounts receivable from customer contracts as of January 1, 2024, was \$96,426.
- The Group has not pledged any notes receivable or accounts receivable as collateral.
- The maximum exposure to credit risk for the Group's notes receivable as of March 31, 2025, December 31, 2024, and March 31, 2024 was NT\$8,187, NT\$5,366, and NT\$5,939, respectively. The maximum exposure to credit risk for the Group's accounts receivable as of March 31, 2025, December 31, 2024, and March 31, 2024 was NT\$124,929, NT\$130,904, and NT\$101,683 without considering any collateral held or other credit enhancements.
- Please refer to Note 12(2) for credit risk information of the related accounts receivable and notes receivable.

(3) Inventories

	<u>March 31, 2025</u>		
	<u>Cost</u>	<u>Allowance for impairment losses</u>	<u>Carrying amounts</u>
Raw materials	\$ 359,045	(\$ 146,223)	\$ 212,822
Work in progress	168,767	(19,233)	149,534
Finished good	<u>189,588</u>	<u>(50,785)</u>	<u>138,803</u>
Total	<u>\$ 717,400</u>	<u>(\$ 216,241)</u>	<u>\$ 501,159</u>

	<u>December 31, 2024</u>		
	<u>Cost</u>	<u>Allowance for impairment losses</u>	<u>Carrying amounts</u>
Raw materials	\$ 357,499	(\$ 134,231)	\$ 223,268
Work in progress	154,832	(19,523)	135,309
Finished good	<u>192,735</u>	<u>(46,190)</u>	<u>146,545</u>
Total	<u>\$ 705,066</u>	<u>(\$ 199,944)</u>	<u>\$ 505,122</u>

	<u>March 31, 2024</u>		
	<u>Cost</u>	<u>Allowance for impairment losses</u>	<u>Carrying amounts</u>
Raw materials	\$428,040	(\$ 115,144)	\$ 312,896
Work in progress	135,394	(18,522)	116,872
Finished good	<u>185,907</u>	<u>(34,933)</u>	<u>150,974</u>
Total	<u>\$ 749,341</u>	<u>(\$ 168,599)</u>	<u>\$ 580,742</u>

Current cost of inventories recognized by the Group as expense or loss:

	<u>For the Three Months Ended March 31, 2025</u>	<u>For the Three Months Ended March 31, 2024</u>
Cost of inventories sold	\$ 124,903	\$ 98,428
Inventory loss from price decline	15,861	15,132
Unallocated fixed manufacturing overhead	<u>7,083</u>	<u>7,974</u>
	<u>\$ 147,847</u>	<u>\$ 121,534</u>

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

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Unlisted/OTC stocks	\$ 2,481	\$ 2,481	\$ 10,236
Valuation adjustment	<u>5,426</u>	<u>5,624</u>	<u>6,314</u>
Total	<u>\$ 7,907</u>	<u>\$ 8,105</u>	<u>\$ 16,550</u>

1. The Group opted to categorize its strategic investments in ICPDAS USA INC as financial assets measured at fair value through other comprehensive income. The fair values of these investments as of March 31, 2025, December 31, 2024, and March 31, 2024, were \$7,907, \$8,105 and \$16,550, respectively.
2. The Group, in 2024, sold equity instruments valued at \$17,853 due to a change in investment strategy, resulting in a cumulative disposal gain of \$10,099, which was transferred from other equity to unappropriated earnings.
3. The Group has not pledged financial asset measured at fair value through other comprehensive income as collateral.
4. For the information of financial assets measured at fair value through other comprehensive income, please refer to Note 12.(3).

(5) Property, Plant, and Equipment

2025

	<u>Land</u>	<u>Buildings</u>	<u>Machinery and equipment</u>	<u>Mold equipment</u>	<u>Transportati on equipment</u>	<u>Office equipment</u>	<u>Other equipment</u>	<u>Unfinished construction and equipments pending acceptance</u>	<u>Total</u>
January 1									
Cost	\$ 341,780	\$ 517,905	\$ 110,728	\$ 1,209	\$ 11,415	\$ 4,726	\$ 25,265	\$ 690	\$ 1,013,718
Accumulated depreciation and impairment	-	(225,914)	(53,587)	(444)	(4,957)	(3,611)	(11,786)	-	(300,299)
	<u>\$ 341,780</u>	<u>\$ 291,991</u>	<u>\$ 57,141</u>	<u>\$ 765</u>	<u>\$ 6,458</u>	<u>\$ 1,115</u>	<u>\$ 13,479</u>	<u>\$ 690</u>	<u>\$ 713,419</u>
January 1	\$ 341,780	\$ 291,991	\$ 57,141	\$ 765	\$ 6,458	\$ 1,115	\$ 13,479	\$ 690	\$ 713,419
Addition	-	-	270	376	1,181	37	2,664	1,231	5,759
Depreciation expense	-	(6,840)	(4,375)	(198)	(520)	(113)	(1,248)	-	(13,294)
Net exchange differences	-	113	7	-	-	8	-	-	128
March 31	<u>\$ 341,780</u>	<u>\$ 285,264</u>	<u>\$ 53,043</u>	<u>\$ 943</u>	<u>\$ 7,119</u>	<u>\$ 1,047</u>	<u>\$ 14,895</u>	<u>\$ 1,921</u>	<u>\$ 706,012</u>
March 31									
Cost	\$ 341,780	\$ 518,397	\$ 110,960	\$ 1,585	\$ 12,634	\$ 4,806	\$ 27,929	\$ 1,921	\$ 1,020,012
Accumulated depreciation and impairment	-	(233,133)	(57,917)	(642)	(5,515)	(3,759)	(13,034)	-	(314,000)
	<u>\$ 341,780</u>	<u>\$ 285,264</u>	<u>\$ 53,043</u>	<u>\$ 943</u>	<u>\$ 7,119</u>	<u>\$ 1,047</u>	<u>\$ 14,895</u>	<u>\$ 1,921</u>	<u>\$ 706,012</u>

2024

	Land	Buildings	Machinery and equipment	Mold equipment	Transportatio n equipment	Office equipment	Other equipment	Unfinished construction and equipments pending acceptance	Total
January 1									
Cost	\$ 341,780	\$ 471,111	\$ 103,064	\$ 1,019	\$ 9,692	\$ 6,405	\$ 23,123	\$ 29,731	\$ 985,925
Accumulated depreciation and impairment	-	(199,124)	(36,236)	(724)	(4,083)	(4,824)	(9,840)	-	(254,831)
	<u>\$ 341,780</u>	<u>\$271,987</u>	<u>\$66,828</u>	<u>\$ 295</u>	<u>\$ 5,609</u>	<u>\$ 1,581</u>	<u>\$ 13,283</u>	<u>\$ 29,731</u>	<u>\$ 731,094</u>
January 1	\$341,780	\$ 271,987	\$ 66,828	\$ 295	\$ 5,609	\$ 1,581	\$ 13,283	\$ 29,731	\$ 731,094
Addition	-	2,037	993	119	-	-	213	2,315	5,677
Reclassification (Note)	-	5,040	100	29	-	-	-	(5,040)	129
Depreciation expense	-	(6,910)	(4,458)	(130)	(363)	(196)	(1,003)	-	(13,060)
Net exchange differences	-	106	9	-	-	7	-	-	122
March 31	<u>\$ 341,780</u>	<u>\$ 272,260</u>	<u>\$ 63,472</u>	<u>\$ 313</u>	<u>\$ 5,246</u>	<u>\$ 1,392</u>	<u>\$ 12,493</u>	<u>\$ 27,006</u>	<u>\$ 723,962</u>
March 31									
Cost	\$ 341,780	\$ 478,608	\$ 104,131	\$ 972	\$ 9,032	\$ 5,659	\$ 22,568	\$ 27,006	\$ 989,756
Accumulated depreciation and impairment	-	(206,348)	(40,659)	(659)	(3,786)	(4,267)	(10,075)	-	(265,794)
	<u>\$ 341,780</u>	<u>\$ 272,260</u>	<u>\$63,472</u>	<u>\$313</u>	<u>\$ 5,246</u>	<u>\$ 1,392</u>	<u>\$ 12,493</u>	<u>\$ 27,006</u>	<u>\$ 723,962</u>

Note: This period's transfer is from other non-current assets.

1. The capitalization of interest amount for the three months ended March 31, 2025 and 2024 were 0.
2. The material components of the Group's buildings include construction and high-voltage electrical facilities, which are depreciated over 10 to 50 years and 20 years, respectively.
3. There is no impairment of property, plant and equipment.
4. Please refer to Note 8 for information on collateral or pledge provided with property, plant and equipment.

(6) Lease Transactions- Lessee

1. The Group's leased underlying assets include land use rights and buildings. The signed land use rights contracts have a lease term of 40 years, while building lease contracts typically have a lease term of 1 to 3 years. Lease contracts are negotiated separately and include various terms and conditions. Except for land use rights, leased assets cannot be used as collateral or pledged, and no other restrictions apply.
2. The lease term for the Group's leased office premises and parking spaces is less than 12 months. Leases for low-value underlying assets, such as water dispensers and office equipment, are also accounted for.
3. The carrying amounts of right-of-use assets and the depreciation expenses recognized are as follows:

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
	<u>Carrying amounts</u>	<u>Carrying amounts</u>	<u>Carrying amounts</u>
Land use rights	\$ 26,921	\$ 26,772	\$ 27,563
Building	4,256	5,186	5,215
	<u>\$ 31,177</u>	<u>\$ 31,958</u>	<u>\$ 32,778</u>

	<u>For the Three Months Ended</u> <u>March 31, 2025</u>	<u>For the Three Months Ended</u> <u>March 31, 2024</u>
	<u>Depreciation expense</u>	<u>Depreciation expense</u>
Land use rights	\$ 413	\$ 400
Building	1,026	1,076
	<u>\$ 1,439</u>	<u>\$ 1,476</u>

4. The additions to right-of-use assets for the three months ended March 31, 2025 and 2024 were NT\$0 and NT\$314, respectively.

Information on profit or loss items related to lease contracts is as follows:

	<u>For the Three Months</u> <u>Ended March 31, 2025</u>	<u>For the Three Months</u> <u>Ended March 31, 2024</u>
<u>Items affecting current profit or loss</u>		
Expense attributable to short-term leases	\$ 1,280	\$ 1,482
The expense of leases of low-value assets	403	394

6. The total leases cash outflows for the three months ended March 31, 2025 and 2024 were NT\$2,709 and NT\$2,952, respectively.

7. Options to extend and terminate a lease

In determining the lease term, the Group assesses all facts and circumstances that create economic incentives either to exercise an extension option or to not exercising a termination option. The lease term is reassessed if a significant event occurs that affects this assessment.

(7) Lease Transactions- Lessor

1. The Group's underlying assets include buildings, with lease terms typically range from 1 and 3 years. Lease contracts are negotiated separately and include various terms and conditions. To protect the situation of leased assets, lessees are generally required not to use them as debt collateral or to provide residual value guarantees.

2. The Group recognized rental income based on operating lease contracts amounting to NT\$675 and NT\$543 for the three months ended March 31 2025 and 2024, respectively. None of this income was from variable lease payments.

3. The analysis of the lease payments due for the Group's operating leases is as follows:

	<u>March 31, 2025</u>		<u>December 31, 2024</u>		<u>March 31, 2024</u>
Within 1 year	\$ 2,554	\$	2,621	\$	2,095
1 to 2 years	1,240		1,533		1,519
2 to 3 years	<u>211</u>		<u>257</u>		<u>383</u>
Total	<u>\$ 4,005</u>	\$	<u>4,411</u>	\$	<u>3,997</u>

(8) Investment property

	<u>Buildings</u>	
	<u>2025</u>	<u>2024</u>
January 1		
Cost	\$ 13,256	\$ 12,808
Accumulated depreciation and impairment	<u>(6,039)</u>	<u>(5,408)</u>
	<u>\$ 7,217</u>	<u>\$ 7,400</u>
January 1	\$ 7,217	\$ 7,400
Depreciation expense	(112)	(107)
Net exchange differences	<u>152</u>	<u>137</u>
March 31	<u>\$ 7,257</u>	<u>\$ 7,430</u>
March 31		
Cost	\$ 13,536	\$ 13,048
Accumulated depreciation and impairment	<u>(6,279)</u>	<u>(5,618)</u>
	<u>\$ 7,257</u>	<u>\$ 7,430</u>

1. Rent revenue and direct operating expenses from investment properties:

	<u>For the Three Months</u> <u>Ended March 31, 2025</u>	<u>For the Three Months</u> <u>Ended March 31, 2024</u>
Rental revenue from investment properties	<u>\$ 675</u>	<u>\$ 543</u>
Direct operating expenses incurred for investment properties that generates rental income during the period	<u>\$ 112</u>	<u>\$ 107</u>

2. The fair values of the investment properties held by the Group as of March 31, 2025, December 31, 2024, and March 31, 2024, were \$17,854, \$17,483, and \$17,454, respectively. These fair values were based on the valuations by independent appraisers. The valuations used the income method, and since the parameters used were unobservable inputs, they were classified as Level 3 fair values. The key assumptions were as follows:

	<u>March 31,</u> <u>2025</u>	<u>December 31,</u> <u>2024</u>	<u>March 31,</u> <u>2024</u>
Annual depreciation rate	1.80%	1.80%	1.80%
One-year fixed deposit interest rate	1.10%	1.10%	1.45%
Capitalization rate of real estate income	3.10%	3.10%	3.18%

3. Please refer to Note 6(7) for details of lease transactions for investment properties.

4. No impairment losses were incurred, and no collateral or pledge was provided for investment properties.

(9) Other Non-Current Assets

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Refundable deposits	\$ 12,846	\$ 12,486	\$ 12,365
Prepayments for business facilities	<u>9,966</u>	<u>2,790</u>	<u>3,105</u>
	<u>\$ 22,812</u>	<u>\$ 15,276</u>	<u>\$ 15,470</u>

(10) Short-Term Loans

<u>Nature of loan</u>	<u>March 31, 2025</u>	<u>Interest rate range</u>	<u>Collateral</u>
Bank loans			
Credit loans	<u>\$ 20,000</u>	1.9%-2.18%	None

<u>Nature of loan</u>	<u>December 31, 2024</u>	<u>Interest rate range</u>	<u>Collateral</u>
Bank loans			
Credit loans	<u>\$ 30,000</u>	1.93%	None

<u>Nature of loan</u>	<u>March 31, 2024</u>	<u>Interest rate range</u>	<u>Collateral</u>
Bank loans			
Credit loans	<u>\$ 110,000</u>	1.82%-2.03%	None

Interest expense recognized in profit or loss for the three months ended March 31, 2025 and 2024 were NT\$63 and NT\$580, respectively.

(11) Other Payables

	<u>March 31,</u> <u>2025</u>	<u>December</u> <u>31, 2024</u>	<u>March 31,</u> <u>2024</u>
Salaries and Bonuses payable	\$ 49,028	\$ 50,700	\$ 46,670
Compensation payable to directors, supervisors, and employees	27,960	19,386	10,898
Payables on equipment	2,975	8,595	5,584
Others	<u>30,238</u>	<u>29,795</u>	<u>25,459</u>
	<u>\$ 110,201</u>	<u>\$ 108,476</u>	<u>\$ 88,611</u>

(12) Long-Term Loans

<u>Nature of</u>	<u>Loan period and repayment method</u>	<u>Interest rate range</u>	<u>Collateral</u>	<u>March 31, 2025</u>
Secured loan	From September 27, 2023, to May 25, 2026, with interest payable monthly and the principal repayable in full upon maturity.	2.508%	Land and buildings (Note 2)	<u>\$ -</u>

<u>Nature of</u>	<u>Loan period and repayment method</u>	<u>Interest rate range</u>	<u>Collateral</u>	<u>December 31, 2024</u>
Secured loan	From September 27, 2023, to May 25, 2026, with interest payable monthly and the principal repayable in full upon maturity.	2.508%	Land and buildings (Note 1)	<u>\$ 10,000</u>

<u>Nature of</u>	<u>Loan period and repayment method</u>	<u>Interest rate range</u>	<u>Collateral</u>	<u>March 31, 2024</u>
Secured loan	From September 27, 2023, to May 25, 2026, with interest payable monthly and the principal repayable in full upon maturity.	2.460%	Land and buildings	<u>\$ 70,000</u>

Interest expense recognized in profit or loss for the three months ended March 31, 2025 and 2024 were NT\$51 and NT\$425, respectively.

Note 1: This loan was repaid in installments in advance during 2024.

Note 1: This loan was repaid in advance during March 2025.

### (13) Pension

1. (1) The Company has established a defined benefit plan under the Labor Standards Law, which applies to the service years of all permanent employees prior to the implementation of the Labor Pension Act on July 1, 2005, as well as the subsequent service years of employees who choose to continue to apply the Labor Standards Law after the implementation of the Labor Pension Act. For employees who qualify for retirement, the pension is calculated based on years of service and the average salary for the six months prior to retirement. For up to 15 years of service, two base units are given for each year of service. For service years exceeding 15 years, one base unit is given for each year of service, with a maximum of 45 base units. The Company contributes 2% of the total salary to a retirement fund on a monthly basis, which is deposited in a dedicated bank account at the Bank of Taiwan under the name of the Labor Retirement Reserve Fund Supervisory Committee. Furthermore, before the end of each year, the Company will estimate the balance of the aforementioned dedicated bank account. If the balance is insufficient to cover the estimated pensions calculated for employees who will meet the retirement conditions in the following year, the Company will make a one-time contribution to cover the shortfall by the end of March of the following year.
- (2) The Group recognized pension costs for the three months ended March 31, 2025 and 2024 were \$334 and \$328 respectively, in accordance with the aforementioned pension plan.
- (3) The Group anticipates a pension contribution of \$1,335 for 2025.
2. (1) Since July 1, 2005, in accordance with the "Labor Pension Act," the Company has established a defined plan of pension contribution applicable to employees with Taiwanese nationality. For employees who have chosen to adopt the pension system defined by the "Labor Pension Act," the Company contributes 6% of the employee's monthly salary to their individual accounts at the Bureau of Labor Insurance. Upon retirement, employees can choose to receive their pensions either as monthly payments or as a lump sum, based on the balance and accumulated returns in their dedicated pension account.
- (2) Shanghai Golden ICP DAS and ICP DAS (Wuhan) contribute pension insurance based on a certain percentage of the total salaries of local employees in accordance with the pension insurance system stipulated by the Chinese government, with a contribution rate of 14%~16% for the three months ended March 31, 2025 and 2024. Employees' pensions are arranged by the government, and the Group has no further obligations other than making the monthly contributions.
- (3) The Group recognized pension costs for the three months ended March 31, 2025

and 2024 were \$4,681 and \$4,686 respectively, in accordance with the aforementioned pension plan.

(14) Share capital

As of March 31, 2025 and 2024, the authorized share capital of the Company was both NT\$800,000 (of which NT\$75,000 was reserved for employee share warrants), and the paid-in capital was NT\$639,657 and NT\$639,657, respectively, with a par value of NT\$10 per share. The payment for all issued shares of the Company has been fully received.

(15) Capital surplus

Under the Company Act, any surplus from issuing stock above its par value and capital surplus received from donations, apart from being used to offset losses, may be distributed to shareholders in the form of new shares or cash in proportion to their existing shares, when the Company has no accumulated deficit. Additionally, according to the relevant regulations under the Securities and Exchange Act, when the aforementioned additional capital surplus is used to increase capital, the total amount allocated each year must not exceed 10% of the paid-in capital. Capital surplus may not be used to cover capital deficits unless the Company has first used its retained earnings to cover any such deficits.

(16) Retained earnings

1. According to the Company's articles of incorporation, if there is a surplus in the annual total budget, taxes must be paid first, following by the covering of any previous deficits. Then, 10% of the surplus should be allocated as a legal reserve surplus. After that, a special surplus reserve should be set aside as required by the laws or regulations of the competent authority. Any remaining surplus should be combined with the undistributed surplus from previous years to form the accumulated distributable surplus, for which the Board of Directors shall propose a distribution plan to be resolved at the shareholders' meeting.
2. As the Company's business is currently in the growth stage, the dividend distribution policy should consider current and future operational plans, investment plans, capital budgets, changes in both internal and external environments, as well as shareholders' interests and the balance of dividends. Each year, the Board of Directors should propose a distribution proposal in accordance with the law and submit it to the shareholders' meeting for approval. The Company's shareholder dividend distribution may be made in the form of stock dividends, and the proportion of cash dividends distributed to shareholders should not be less than 10% of the total shareholder dividends.
3. Legal surplus reserve may only be used to offset the Company's losses, or to distribute new shares or cash in proportion to the existing shares of shareholders. Issuance of new shares or cash dividends is allowed only if the reserve exceeds 25% of the Company's paid-in capital.
4. On June 13, 2024, the shareholders' meeting resolved to distribute cash dividends of NT\$63,966 (NT\$1.0 per share) on common shares from the 2023 earnings.

5. On March 6, 2025, the Board of Directors proposed to distribute a cash dividend of \$95,948 (NT\$1.5 per share) on common shares from the retained earnings of 2024.

(17) Other equity items

	2025		
	<u>Unrealized</u> <u>valuation profit or</u> <u>loss</u>	<u>Foreign Currency</u> <u>Translation</u>	<u>Total</u>
January 1, 2025	\$ 4,499	(\$ 6,302)	(\$ 1,803)
Valuation adjustment	(198)	-	(198)
Tax amount of valuation adjustment	40	-	40
Foreign currency translation difference:			
- The Group	-	2,285	2,285
- The Group's tax amount	-	(457)	(457)
March 31, 2025	<u>\$ 4,341</u>	<u>(\$ 4,474)</u>	<u>(\$ 133)</u>

	2024		
	<u>Unrealized</u> <u>valuation profit or</u> <u>loss</u>	<u>Foreign Currency</u> <u>Translation</u>	<u>Total</u>
January 1, 2024	\$ 4,857	(\$ 9,739)	(\$ 4,882)
Valuation adjustment	244	-	244
Tax amount of valuation adjustment	(49)	-	(49)
Foreign currency translation difference:			
- The Group	-	2,341	2,341
- The Group's tax amount	-	(468)	(468)
March 31, 2024	<u>\$ 5,052</u>	<u>(\$ 7,866)</u>	<u>(\$ 2,814)</u>

(18) Operating revenue

	<u>For the Three Months Ended</u> <u>March 31, 2025</u>	<u>For the Three Months Ended</u> <u>March 31, 2024</u>
Revenue from contracts with customers	\$ <u>315,715</u>	\$ <u>234,855</u>

1. Breakdown of revenue contracts with customers

The Company's revenue is derived from the transfer of goods at a specific point in time and can be broken down into the following major products and divisions:

<u>For the Three Months Ended March</u> <u>31, 2025</u>	<u>The</u> <u>Company</u>	<u>Second-tier</u> <u>Subsidiary</u>		<u>Total</u>
		<u>Shanghai</u> <u>Golden ICP</u> <u>DAS</u>	<u>ICP DAS</u> <u>(Wuhan)</u>	
Remote controllers, industrial control interface cards	\$ 252,446	\$ 23,140	\$ -	\$ 275,586
Others	39,363	764	2	40,129
Total	<u>\$ 291,809</u>	<u>\$ 23,904</u>	<u>\$ 2</u>	<u>\$ 315,715</u>

<u>For the Three Months Ended March</u> <u>31, 2024</u>	<u>The</u> <u>Company</u>	<u>Second-tier</u> <u>Subsidiary</u>		<u>Total</u>
		<u>Shanghai</u> <u>Golden ICP</u> <u>DAS</u>	<u>ICP DAS</u> <u>(Wuhan)</u>	
Remote controllers, industrial control interface cards	\$ 176,191	\$ 30,876	\$ -	\$ 207,067
Others	27,000	507	281	27,788
Total	<u>\$ 203,191</u>	<u>\$ 31,383</u>	<u>\$ 281</u>	<u>\$ 234,855</u>

2. Contract Liability

The contract liabilities in relation to revenue from contracts with customers recognized by the Group are as follows:

	<u>December 31,</u>		<u>January 1,</u>	
	March 31, 2025	2024	March 31, 2024	2024
Contract liability	\$ 18,040	\$ 11,601	\$ 5,637	\$ 7,236

Revenue recognized in the current period for contract liabilities at the beginning of the period

	<u>For the Three Months</u>	<u>For the Three Months</u>
	Ended March 31, 2025	Ended March 31, 2024
Merchandise sales contract	\$ 5,523	\$ 5,222

(19) Other income and net expenses and losses

	<u>For the Three Months</u>	<u>For the Three Months</u>
	Ended March 31, 2025	Ended March 31, 2024
Other income		
Rent income	\$ 675	\$ 543
Other losses		
Depreciation expense	(112)	(107)
Total	<u>\$ 563</u>	<u>\$ 436</u>

(20) Other Revenue

	<u>For the Three Months</u>	<u>For the Three Months</u>
	Ended March 31, 2025	Ended March 31, 2024
Subsidy revenue	\$ 2,575	\$ 2,694
Miscellaneous revenue	286	220
Total	<u>\$ 2,861</u>	<u>\$ 2,914</u>

(21) Other Gains and Losses

	<u>For the Three Months</u> <u>Ended March 31, 2025</u>	<u>For the Three Months</u> <u>Ended March 31, 2024</u>
Net foreign exchange gains	\$ 1,202	\$ 2,604
Miscellaneous expenditure	(15)	(2)
	<u>\$ 1,187</u>	<u>\$ 2,602</u>

(22) Additional information on the nature of expenses:

	<u>For the Three Months Ended March 31, 2025</u>		
	<u>Operating costs</u>	<u>Operating expenses</u>	<u>Total</u>
Employee benefits expenses	\$ 28,848	\$ 77,107	\$ 105,955
Depreciation expenses (note)	3,759	11,086	14,845
Amortization expenses	84	298	382

	<u>For the Three Months Ended March 31, 2024</u>		
	<u>Operating costs</u>	<u>Operating expenses</u>	<u>Total</u>
Employee benefits expenses	\$ 25,910	\$ 70,374	\$ 96,284
Depreciation expenses (note)	3,753	10,890	14,643
Amortization expenses	138	266	404

Note: This includes depreciation expenses on right-of-use assets for the three months ended March 31, 2025, and 2024, which are \$1,439, and \$1,476, respectively. The depreciation expenses for investment properties are \$112, and \$107, respectively.

(23) Employee benefits expenses

For the Three Months Ended March 31, 2025

	<u>Operating costs</u>	<u>Operating expenses</u>	<u>Total</u>
Salary expenses	\$ 23,663	\$ 64,870	\$ 88,533
Labor and health insurance	2,441	4,790	7,231
Pension	1,117	3,898	5,015
Other employee benefits	<u>1,627</u>	<u>3,549</u>	<u>5,176</u>
	<u>\$ 28,848</u>	<u>\$ 77,107</u>	<u>\$ 105,955</u>

For the Three Months Ended March 31, 2024

	<u>Operating costs</u>	<u>Operating expenses</u>	<u>Total</u>
Salary expenses	\$ 20,656	\$ 57,787	\$ 78,443
Labor and health insurance	2,422	4,794	7,216
Pension	1,146	3,868	5,014
Other employee benefits	<u>1,686</u>	<u>3,925</u>	<u>5,611</u>
	<u>\$ 25,910</u>	<u>\$ 70,374</u>	<u>\$ 96,284</u>

1. According to the Company's Articles of Incorporation, after deducting accumulated losses from the annual profit, if a balance remains, the Company should allocate 3%~12% for employee compensation and no more than 3% for directors' remuneration.
2. For the three months ended March 31, 2025, and 2024, the estimated amounts of the employee compensation were \$7,145 and \$585, respectively. The estimated amounts of the directors' remuneration were \$1,549, and \$73, respectively. The aforementioned amounts were recorded under salary expense.

The aforementioned amount for the three months ended March 31, 2025 is estimated at 10% and 2%, respectively, based on the profit situation up to the current period.

The employee compensation and directors' remuneration for 2024, as approved by the Board of Directors, are consistent with the amounts recognized in the 2024 financial statements.

Information on employee compensation and directors' remuneration approved by the

Company's Board of Directors is available on the Market Observation Post System (MOPS).

(24) Income tax

1. Income tax expense

(1) The components of income tax expense:

	<u>For the Three Months</u> <u>Ended March 31, 2025</u>	<u>For the Three Months</u> <u>Ended March 31, 2024</u>
Current income tax:		
Income tax incurred in the current period	\$ 15,564	\$ 6,215
Deferred income tax:		
Origination and reversal of temporary differences	(3,212)	(3,796)
Income Tax Expense	<u>\$ 12,352</u>	<u>\$ 2,419</u>

(2) Income tax related to other comprehensive income:

	<u>For the Three Months</u> <u>Ended March 31, 2025</u>	<u>For the Three Months</u> <u>Ended March 31, 2024</u>
Changes in financial assets measured at fair value through other comprehensive income	(\$ 40)	\$ 49
Exchange differences of foreign operations	457	468

(3) Income tax amounts directly debited or credited to equity: None.

2. The Company's profit-seeking enterprise income tax has been assessed and approved by the tax authorities up to the year 2023.

(25) Earnings per share

Earnings per common share

	<u>For the Three Months Ended March 31, 2025</u>		
		<u>Weighted average</u>	<u>Earnings per share</u>
	<u>After-tax amount</u>	<u>(Thousand shares)</u>	<u>(NT\$)</u>
<u>Basic earnings per share</u>			
Current net profit attributable to common shareholders of the parent company	\$ <u>49,567</u>	<u>63,966</u>	\$ <u>0.77</u>
<u>Diluted earnings per share</u>			
Current net profit attributable to common shareholders of the parent company	\$ 49,567	63,966	
Effect of potentially dilutive ordinary shares	=	<u>271</u>	
Current net profit attributable to common shareholders of the parent plus effect of potential common shares	\$ <u>49,567</u>	<u>64,237</u>	\$ <u>0.77</u>

	<u>For the Three Months Ended March 31, 2024</u>		
		<u>Weighted average</u>	<u>Earnings per share</u>
	<u>After-tax amount</u>	<u>(Thousand shares)</u>	<u>(NT\$)</u>
<u>Basic earnings per share</u>			
Current net profit attributable to common shareholders of the parent company	\$ <u>9,676</u>	<u>63,966</u>	\$ <u>0.15</u>
<u>Diluted earnings per share</u>			
Current net profit attributable to common shareholders of the parent company	\$ 9,676	63,966	
Effect of potentially dilutive ordinary shares	=	<u>128</u>	
Current net profit attributable to common shareholders of the parent plus effect of potential common shares	\$ <u>9,676</u>	<u>64,094</u>	\$ <u>0.15</u>

(26) Additional information on cash flows

Investing activities with only partial cash payments:

	<u>For the Three Months Ended</u>		<u>For the Three Months Ended</u>	
	<u>March 31, 2025</u>		<u>March 31, 2024</u>	
Acquisition of property, plant and equipment	\$	5,759	\$	5,677
Plus: Beginning payables on equipment		8,595		2,360
Less: Ending payables on equipment		<u>(2,975)</u>		<u>(5,584)</u>
Cash paid during the current period	\$	<u>11,379</u>	\$	<u>2,453</u>

(27) Changes in liabilities from financing activities

	<u>2025</u>				
	<u>Short-Term</u>	<u>Long-Term</u>	<u>Lease</u>	<u>Deposits</u>	<u>From</u>
	<u>Loans</u>	<u>Loans</u>	<u>liabilities</u>	<u>received</u>	<u>financing</u>
					<u>activities</u>
					<u>Total</u>
					<u>Liabilities</u>
January 1	\$ 30,000	\$ 10,000	\$ 5,186	\$ 485	\$ 45,671
Changes in cash flows from financing activities	(10,000)	(10,000)	(1,026)	10	(21,016)
The effects of changes in foreign exchange rates	=	=	96	=	96
March 31	<u>\$ 20,000</u>	<u>\$ -</u>	<u>\$ 4,256</u>	<u>\$ 495</u>	<u>\$ 24,751</u>

2024

	<u>Short-Term</u> <u>Loans</u>	<u>Long-Term</u> <u>Loans</u>	<u>Lease</u> <u>liabilities</u>	<u>Deposits</u> <u>received</u>	<u>Total</u> <u>Liabilities</u> From financing activities
January 1	\$ 120,000	\$ 70,000	\$ 5,874	\$ 641	\$ 196,515
Changes in cash flows from financing activities	(10,000)	-	(1,076)	(111)	(11,187)
The effects of changes in foreign exchange rates	-	-	103	-	103
Other non-cash changes	-	-	314	-	314
March 31	<u>\$ 110,000</u>	<u>\$ 70,000</u>	<u>\$ 5,215</u>	<u>\$ 530</u>	<u>\$ 185,745</u>

## 7. Related party transactions

### (1) Names and relationships of the related parties

<u>Name of the related party</u>	<u>Relationship with the Group</u>
Yeh, Nai-Ti	The Company's Chairman
Chen, Ruei-Yu	The Company's Chief Executive Officer(Note)
Hsiao, Po-Ling	The spouse of the Company's Vice President
Chen, Jui-Hsiang	The Company's Vice President
Chen, Ching-Hua	First degree relative of the Company's Vice President
Chairman, President, and Vice President	Key management of the Group

Note: Previously served as a director and president of the Company, and resigned in May 2024 and was appointed as a Chief Executive Officer in January 2025.

(2) Significant transactions with related parties

Rent Expenses

	<u>For the Three Months</u> <u>Ended March 31, 2025</u>	<u>For the Three Months</u> <u>Ended March 31, 2024</u>
Rent expenses		
Chen, Ruei-Yu	\$ 239	\$ 347
Yeh, Nai-Ti	335	361
Chen, Jui-Hsiang	117	170
Close family members of key management personnels	<u>230</u>	<u>334</u>
	<u>\$ 921</u>	<u>\$ 1,212</u>

(1) The aforementioned rent is the general rent paid for renting an office, determined with reference to the general market price and payable on a monthly basis.

(2) The Group leases dormitories in Korea from the Company's Chairman, Yeh, Nai-Ti, with a refundable deposit of US\$350,000, recorded under other non-current assets.

(3) Compensation for the main management

	<u>For the Three Months Ended</u> <u>March 31, 2025</u>	<u>For the Three Months Ended</u> <u>March 31, 2024</u>
Short-term employee benefits	\$ 7,931	\$ 5,618
Post-employment benefits	<u>197</u>	<u>225</u>
Total	<u>\$ 8,128</u>	<u>\$ 5,843</u>

**8. Assets pledged as security**

Details of the Company's collateral or pledge provided are as follows:

<u>Name of assets</u>	<u>December 31,</u>		<u>Purpose of</u> <u>collateral</u>	
	<u>March 31, 2025</u>	<u>2024</u>		<u>March 31, 2024</u>
Land	\$ 125,500	\$ 125,500	\$ 125,500	Long-Term Loans
Buildings	171,342	176,372	156,998	Long-Term Loans

## 9. **Significant Commitments and Contingencies**

### (1) Contingency

None.

### (2) Commitment

1. On March 31, 2025, December 31, 2024, and March 31, 2024, the Company provided performance guarantees totaling NT\$8,600, NT\$8,600, and NT\$11,600, respectively, providing to the Customs Administration of the Ministry of Finance and the Taiwan Small and Medium Enterprise Counseling Foundation, respectively, which were guaranteed by banks.

2. As of March 31, 2025, December 31, 2024, and March 31, 2024, the Company had outstanding unpaid amounts of \$28,234, \$8,421, and \$16,046, respectively, for equipment and plant construction under signed contracts.

## 10. **Losses due to major disasters**

None.

## 11. **Significant subsequent events**

None.

## 12. **Others**

### (1) Capital management

The Group's capital management objectives are to ensure the Group maintains an optimal capital structure to reduce the cost of capital and provide returns for shareholders. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt. The Group monitors its capital using a debt-to-equity ratio, which is calculated by dividing total liabilities by total net value.

The Group's strategy for 2025 remains the same as 2024, aiming to maintain a reasonable and safe level for its debt-to-equity ratio. As of March 31, 2025, December 31, 2024, and March 31, 2024, the debt-to-equity ratio of the Group was as follows:

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Total liabilities	\$ 300,452	\$ 308,907	\$ 381,028
Total net value	1,379,965	1,328,728	1,285,400
Debt to equity ratio	22%	23%	30%

(2) Financial instruments

1. Category of financial instruments

	<u>March 31,</u> <u>2025</u>	<u>December</u> <u>31, 2024</u>	<u>March 31,</u> <u>2024</u>
<u>Financial assets</u>			
Financial assets measured at fair value through other comprehensive income			
Equity instrument investments elected to be designated	<u>\$ 7,907</u>	<u>\$ 8,105</u>	<u>\$ 16,550</u>
Financial assets at amortized cost/loans and receivables			
Cash and Cash Equivalents	\$ 202,512	\$ 153,434	\$ 121,699
Notes receivable	8,187	5,366	5,939
Accounts receivable	124,929	130,904	101,683
Other Receivables	-	314	94
Refundable deposits	<u>12,846</u>	<u>12,486</u>	<u>12,365</u>
	<u>\$ 348,474</u>	<u>\$ 302,504</u>	<u>\$ 241,780</u>

	<u>March 31,</u> <u>2025</u>	<u>December</u> <u>31, 2024</u>	<u>March 31,</u> <u>2024</u>
<u>Financial liabilities</u>			
Financial liabilities at amortized cost			
Short-Term Loans	\$ 20,000	\$ 30,000	\$ 110,000
Accounts payable	77,915	80,661	22,821
Other Payables	110,201	108,476	88,611
Long-term loans (including portions maturing within one year or one operating cycle)	-	10,000	70,000
Deposits received	<u>495</u>	<u>485</u>	<u>530</u>
	<u>\$ 208,611</u>	<u>\$ 229,622</u>	<u>\$ 291,962</u>
Lease liabilities (including portions maturing within one year or one operating cycle)	<u>\$ 4,256</u>	<u>\$ 5,186</u>	<u>\$ 5,215</u>

## 2. Risk management policies

- (1) The Group's daily operations are affected by a variety of financial risks, including market risk (such as exchange rate risk, interest rate risk and price risk), credit risk, and liquidity risk.
- (2) Risk management is carried out by the Group's Finance Department in accordance with the policies approved by the Board of Directors. The Group's Finance Department is responsible for identifying, assessing and avoiding financial risks through close cooperation with operating units. The Board of Directors has established written principles for overall risk management and policies on specific areas and issues, such as exchange rate risk, interest rate risk, credit risk, the use of both derivative and non-derivative financial instruments, and the investment of residual current capital.

## 3. The nature and extent of significant financial risks

### (1) Market risk

#### Exchange rate risk

- A. The Group operates internationally and is exposed to exchange rate risk arising from transactions in currencies other than the functional currency of the Company and its subsidiaries, primarily the USD and RMB. The exchange rate risk arises from future commercial trading and recognized assets and liabilities.
- B. The Group's management has set policies requiring companies within the Group to manage their exchange rate risk against their functional currencies. The companies shall hedge their overall exchange rate risk through the Group's Finance Department.
- C. The Group operates businesses involving certain non-functional currencies (with the functional currencies of the Company and certain subsidiaries being NTD, while the functional currencies of other subsidiaries being RMB), and is therefore affected by fluctuations in exchange rates. Information on foreign currency assets and liabilities significantly impacted by these fluctuations is as follows:

March 31, 2025

	<u>Foreign currency</u> <u>(NT\$ thousand)</u>	<u>Exchange rate</u>	<u>Carrying</u> <u>amounts (NT\$)</u>
<b>(Foreign currency: Functional currency)</b>			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD: NT\$	\$ 1,753	33.21	\$ 58,208

December 31, 2024

	<u>Foreign currency</u> <u>(NT\$ thousand)</u>	<u>Exchange rate</u>	<u>Carrying</u> <u>amounts (NT\$)</u>
<b>(Foreign currency: Functional currency)</b>			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD: NT\$	\$ 1,017	32.79	\$ 33,342

March 31, 2024

	<u>Foreign currency</u> <u>(NT\$ thousand)</u>	<u>Exchange rate</u>	<u>Carrying</u> <u>amounts (NT\$)</u>
<b>(Foreign currency: Functional currency)</b>			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD: NT\$	\$ 1,535	32.00	\$ 49,120

D. An explanation of the significant unrealized foreign exchange gains or losses arising from exchange rate fluctuations on the monetary items of the Group is as follows:

<u>For the Three Months Ended March 31, 2025</u>			
<u>Foreign exchange net gain or loss</u>			
	<u>Foreign currency</u>	<u>Exchange rate</u>	<u>Carrying</u>
	<u>(NT\$ thousand)</u>		<u>amounts</u>
<b>(Foreign currency: Functional currency)</b>			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD: NT\$	\$ -	33.21	\$ 619

<u>For the Three Months Ended March 31, 2024</u>			
<u>Foreign exchange net gain or loss</u>			
	<u>Foreign currency</u>	<u>Exchange rate</u>	<u>Carrying</u>
	<u>(NT\$ thousand)</u>		<u>amounts</u>
<b>(Foreign currency: Functional currency)</b>			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD: NT\$	\$ -	32.00	\$ 790

E. The analysis of the Group's foreign currency market risk arising from significant fluctuations in exchange rates is as follows:

For the Three Months Ended March 31, 2025

Sensitivity analysis

	<u>Range in change</u>	<u>Impact on profit or loss</u>	<u>Impact other comprehensive income</u>
<b>(Foreign currency: Functional currency)</b>			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD: NT\$	1%	\$ 582	\$ -

For the Three Months Ended March 31, 2024

Sensitivity analysis

	<u>Range in change</u>	<u>Impact on profit or loss</u>	<u>Impact other comprehensive income</u>
<b>(Foreign currency: Functional currency)</b>			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD: NT\$	1%	\$ 491	\$ -

Price risk

The Group's equity instruments exposed to price risk are financial assets measured at fair value through other comprehensive income.

Cash flow and fair value interest rate risk

A. The Group's interest rate risk primarily arises from long-term and short-term debts issued at floating interest rates, exposing the Group to cash flow interest rate risk. The Group's debts issued at floating interest rates for the three months ended March 31, 2025 and 2024 were primarily denominated in New Taiwan dollars.

B. The Group's debts are measured at amortized cost, and the interest rates are

repriced annually according to the contract terms, exposing the Group to the risk of future fluctuations in market interest rates.

- C. When the NT\$ borrowing interest rate rises or falls by 1%, while all other factors remain unchanged, the net profit after tax for the Three Months Ended March 31, 2025 and 2024 will decrease or increase by NT\$40 and NT\$360, respectively, mainly due to changes in interest expenses caused by floating-rate borrowings.

## (2) Credit risk

- A. The Group's credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The risk primarily arises from the inability of the counterparty to settle accounts receivable, notes receivable, and contractual cash flows from financial assets measured at amortized cost in accordance with the agreed payment terms.
- B. The Group has established credit risk management from a corporation perspective. For banks and financial institutions, only those with good credit ratings and no significant violations in recent times are accepted as trading partners. According to the Group's internal credit policies, each operating entity within the Group must manage and conduct credit risk analysis for new customers before establishing payment and delivery terms and conditions. Internal risk control is conducted by assessing the credit quality of customers, taking into account their financial position, past experience, and other relevant factors. Individual risk limits are set by the Board of Directors based on internal or external ratings, and the usage of credit facilities is regularly monitored.
- C. The Company applies the IFRS9 presumption that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due.
- D. After the Group's recovery procedures, the amounts related to financial assets that cannot be reasonably expected to be recovered are written off. However, the Group will continue to engage in enforcement activity to safeguard its claim rights. The Group has written off overdue receivables that were still subject to ongoing recovery activities as of March 31, 2025, December 31, 2024, and March 31, 2024, amounting to \$0, \$0, and \$0, respectively.
- E. The Group's indicators for determining whether debt instrument investments are credit-impaired are as follows:
  - (A) The issuer is experiencing significant financial difficulties or is increasingly likely to enter bankruptcy or other financial reorganization.
  - (B) The disappearance of an active market for that financial asset due to the issuer's financial difficulties.

(C) Failure of the issuer to pay interest or principal.

(D) Adverse changes in national or regional economic conditions that lead to the issuer's default.

F. The Group categorizes accounts receivable and notes receivable based on customer ratings and characteristics, using the simplified approach to estimate expected credit losses based on provisioning matrices.

G. The Group considers forward-looking adjustments and estimates the loss allowance for accounts receivable and notes receivable based on the loss rates established by historical and current information for specific periods. The provisioning matrices as of March 31, 2025, December 31, 2024, and March 31, 2024, are as follows:

	<u>Not overdue</u>	<u>1-30 days</u>	<u>31-90 days</u>	<u>90-180 days</u>	<u>More than 181 days</u>	<u>Total</u>
<u>March 31, 2025</u>						
Expected loss rate	0.0001% ~0.0393%	0.0023% ~0.1823%	0.0834% ~0.9571%	0.0001% ~6.4374%		100%
Total book value	\$ 127,303	\$ 3,298	\$ 2,529	\$ 20	\$ 9	\$ 133,159
Allowance for losses	33	0	1	-	9	43

	<u>Not overdue</u>	<u>1-30 days</u>	<u>31-90 days</u>	<u>90-180 days</u>	<u>More than 181 days</u>	<u>Total</u>
<u>December 31, 2024</u>						
Expected loss rate	0.0001% ~1.5394%	0.0009% ~6.3342%	0.0779% ~9.9374%	0%		100%
Total book value	\$ 134,355	\$ 1,702	\$ 241	\$ -	\$ 9	\$ 136,307
Allowance for losses	28	-	-	-	9	37

	<u>Not overdue</u>	<u>1-30 days</u>	<u>31-90 days</u>	<u>90-180 days</u>	<u>More than 181 days</u>	<u>Total</u>
<u>March 31, 2024</u>						
Expected loss rate	0.0002% ~0.3234%	0.0094% ~1.3505%	4.5139% ~8.3333%	0%	0%	
Total book value	\$ 100,852	\$ 6,388	\$ 424	\$ -	\$ -	\$ 107,664
Allowance for losses	42	-	-	-	-	42

H. The changes in the Group's allowance for accounts receivable using the

simplified approach are as follows:

	<u>2025</u>			
	<u>Accounts</u> <u>receivable</u>	<u>Notes receivable</u>	<u>Total</u>	
January 1	\$	9 \$	28 \$	37
Impairment loss		1	5	6
Effects of exchange rate	-	-	-	
March 31	<u>\$</u>	<u>10 \$</u>	<u>33 \$</u>	<u>43</u>

	<u>2024</u>			
	<u>Accounts</u> <u>receivable</u>	<u>Notes receivable</u>	<u>Total</u>	
January 1	\$	1 \$	37 \$	38
Impairment loss	-		4	4
Effects of exchange rate	-	-	-	
March 31	<u>\$</u>	<u>1 \$</u>	<u>41 \$</u>	<u>42</u>

### (3) Liquidity risk

- A. Cash flow forecasts are performed by the operating entities within the Group and then consolidated by the Group's Finance Department. The Group's finance department monitors forecasts of the Group's liquidity requirements to ensure there are sufficient funds to support operational needs and maintain adequate undrawn borrowing facilities at all times. This helped prevent breaches of relevant borrowing limits or terms. The forecasts consider the Group's debt financing plans, compliance with debt terms, adherence to financial ratio targets on the internal balance sheet, and external regulatory requirements, such as foreign exchange controls.
- B. Any excess cash held by the operating entities beyond what is needed for working capital management will be remitted to the Group's finance department. The Group's finance department will invest the remaining funds in interest-bearing demand deposits, time deposits, money market deposits, and securities. The instruments selected will have appropriate maturities or sufficient liquidity to meet the aforementioned forecasts and ensure adequate liquidity management.

C. The following table categorizes the Group's non-derivative financial liabilities by their respective maturity dates. The non-derivative financial liabilities are analyzed based on the remaining period from the balance sheet date to the contractual maturity date. The contractual cash flow amounts disclosed in the table below are undiscounted amounts.

Non-derivative financial liabilities:

March 31, 2025	<u>Less than 1 year</u>	<u>1-2 years</u>	<u>2-5 years</u>	<u>Over 5 Years</u>
Short-Term Loans	\$ 20,000	\$ -	\$ -	\$ -
Accounts payable	77,915	-	-	-
Other Payables	110,201	-	-	-
Lease liabilities (due within 1 year)	2,549	1,707	-	-

Non-derivative financial liabilities:

December 31, 2024	<u>Less than 1 year</u>	<u>1-2 years</u>	<u>2-5 years</u>	<u>Over 5 Years</u>
Short-Term Loans	\$ 30,000	\$ -	\$ -	\$ -
Accounts payable	80,661	-	-	-
Other Payables	108,476	-	-	-
Lease liabilities (due within 1 year)	3,088	2,098	-	-
Long-Term Loans	251	10,188	-	-

Non-derivative financial liabilities:

March 31, 2024	<u>Less than 1 year</u>	<u>1-2 years</u>	<u>2-5 years</u>	<u>Over 5 Years</u>
Short-Term Loans	\$ 110,000	\$ -	\$ -	\$ -
Accounts payable	22,821	-	-	-
Other Payables	88,611	-	-	-
Lease liabilities (due within 1 year)	3,612	1,603	-	-
Long-Term Loans	70,000	-	-	-

(3) Fair value information

1. The definitions of the different levels of valuation techniques adopted for measuring fair value of financial and non-financial instruments are as follows:

Level 1: The quoted prices (unadjusted) in active markets for identical assets or liabilities to the entity at the measurement date. An active market refers to a market in which transactions of assets or liabilities occur with sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2: Observable inputs for assets or liabilities, either directly or indirectly, excluding quoted prices included in Level 1.

Level 3: Unobservable inputs for the assets or liabilities. The equity instruments invested by the Group that have no active market fall under this level.

2. Please refer to Note 6(8) for information on the fair value of investment properties measured at cost.

3. Financial instruments not measured at fair value

Include cash and cash equivalents, notes receivable, accounts receivable, other receivables, short-term loans, accounts payable, other payables, lease liabilities, long-term debts, and carrying amounts of deposits received are reasonable approximations of their fair values.

4. For financial instruments measured at fair value, the Group categorizes based on the nature, characteristics, and risks of the assets and liabilities, with relevant information provided as follows:

(1) The Group categorizes assets and liabilities according to their nature, with the relevant information provided as follows:

March 31, 2025	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<b>Assets</b>				
<u>Recurring fair value</u>				
Financial assets measured at fair value through other comprehensive income				
Equity securities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,907</u>	<u>\$ 7,907</u>
December 31, 2024	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<b>Assets</b>				
<u>Recurring fair value</u>				
Financial assets measured at fair value through other comprehensive income				
Equity securities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,105</u>	<u>\$ 8,105</u>
March 31, 2024	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<b>Assets</b>				
<u>Recurring fair value</u>				
Financial assets measured at fair value through other comprehensive income				
Equity securities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 16,550</u>	<u>\$ 16,550</u>

(2) The methods and assumptions used by the Group to measure fair value are as follows:

- A. The Group's valuation assessment covers the total value of individual assets and individual liabilities, reflecting the overall value of the enterprise or business. It estimates the consideration required to reorganize or acquire the valuation target under the going concern premise.
- B. The outputs of the valuation models are estimated approximate values, and the valuation techniques may not reflect all relevant factors of the financial instruments and non-financial instruments held by the Group. Therefore, the estimated values of the valuation models will be appropriately adjusted based on additional parameters, such as model risk or liquidity risk.

5. There were no transfers between the levels 1 and 2 for the three months ended March 31, 2025 and 2024.
6. There were no level 3 transfers for the three months ended March 31, 2025 and 2024.
7. The Group's valuation process for fair value categorized under Level 3 is managed by the management segment, which is responsible for independently verifying the fair value of financial instruments. This involves using independent source data to ensure that the valuation results align closely with market conditions. The process includes confirming that the data sources are independent, reliable, and consistent with other resources, as well as making any necessary adjustments in fair value to ensure that the valuation results are reasonable.
8. The quantitative information on significant unobservable inputs used in the valuation models for items measured at fair value categorized under Level 3, as well as sensitivity analysis of changes in these significant unobservable inputs, is provided as follows:

	<u>March 31, 2025</u> <u>Fair value</u>	<u>Valuation</u> <u>technique</u>	<u>Significant</u> <u>unobservable</u> <u>inputs</u>	<u>Interval</u> <u>(Weighted</u> <u>average)</u>	<u>Relationship of</u> <u>Inputs and fair</u> <u>value</u>
Non-derivative equity instruments:					
None-listed company stock		Net asset value method	N/A.	N/A.	The higher the net asset value, the higher the fair value
	<u>\$ 7,907</u>				
	<u>December 31,</u> <u>2024</u> <u>Fair value</u>	<u>Valuation</u> <u>technique</u>	<u>Significant</u> <u>unobservable</u> <u>inputs</u>	<u>Interval</u> <u>(Weighted</u> <u>average)</u>	<u>Relationship</u> <u>between</u> <u>unobservable</u> <u>inputs and fair</u> <u>value</u>
Non-derivative equity instruments:					
None-listed company stock		Net asset value method	N/A.	N/A.	The higher the net asset value, the higher the fair value
	<u>\$ 8,105</u>				
	<u>March 31, 2024</u> <u>Fair value</u>	<u>Valuation</u> <u>technique</u>	<u>Significant</u> <u>unobservable</u> <u>inputs</u>	<u>Interval</u> <u>(Weighted</u> <u>average)</u>	<u>Relationship</u> <u>between</u> <u>unobservable</u> <u>inputs and fair</u> <u>value</u>
Non-derivative equity instruments:					
None-listed company stock		Net asset value method	N/A.	N/A.	The higher the net asset value, the higher the fair value
	<u>\$ 16,550</u>				

9. The Group has carefully assessed and selected the valuation model and parameters used, therefore ensuring that the fair value measurements are reasonable. However, using different valuation models or parameters may result in different valuation outcome.

### **13. Notes to the disclosures**

#### (1) Information on significant transactions

1. Loans to others: None.
2. Endorsements or guarantees provided: None.
3. Significant securities held at the end of the period (excluding investments in subsidiaries, associates, and joint ventures): Please refer to Table 1.
4. The amount of transactions with related parties reaches NT\$100 million or exceeds 20% of the paid-in capital: None.
5. Receivables from related parties reaching NT\$100 million or 20% of paid-in capital or more: None.
6. Business relationships and significant intercompany transactions between parent and subsidiary companies: Please refer to Table 2

#### (2) Information on Investees

Details of investee companies names, locations, and other relevant information (excluding those in mainland China): Please refer to Table 3.

#### (3) Information on Investment in Mainland China

1. Basic information: Please refer to Table 4.
2. Significant transactions occurring directly or indirectly through third parties, with investee companies in mainland China: Please refer to Table 2.

### **14. Segment information**

#### (1) General information

The Group's management has identified the reportable segment based on the information used by the chief operating decision maker to make strategic decisions. The Group operates its business from the perspective of individual entities. Currently, the Group focuses on sales and profitability of the Company's separate financial statements, and the separate financial statements of its subsidiaries, Shanghai Golden ICPDAS and ICP DAS (Wuhan). The primary revenue sources of the Group's operating segments are from the manufacturing and sale of industrial computer controllers and related products.

(2) Segment information

The reportable segment information provided to the chief operating decision-maker is as follows:

For the Three Months Ended March 31, 2025	Second-tier Subsidiary Shanghai		Second-tier Subsidiary	Others	Adjustments (Note)	Total
	The Company	Golden ICP DAS	ICP DAS (Wuhan)			
Revenue from external customers	\$ 290,176	\$ 23,904	\$ 2	\$ 1,633	\$ -	\$ 315,715
Revenue from internal customers	11,577	-	1,900	-	(\$ 13,477)	-
Segment revenue	<u>\$ 301,753</u>	<u>\$ 23,904</u>	<u>\$ 1,902</u>	<u>\$ 1,633</u>	<u>(\$ 13,477)</u>	<u>\$ 315,715</u>
Segment gross margin	<u>\$ 170,344</u>	<u>\$ 7,898</u>	<u>(\$ 1,377)</u>	<u>(\$ 10,424)</u>	<u>\$ 1,427</u>	<u>\$ 167,868</u>
Segment profit or loss	<u>\$ 88,294</u>	<u>(\$ 4,032)</u>	<u>(\$ 2,706)</u>	<u>(\$ 26,375)</u>	<u>\$ 6,738</u>	<u>\$ 61,919</u>
Depreciation and amortization expenses	<u>(\$ 3,644)</u>	<u>(\$ 1,077)</u>	<u>(\$ 639)</u>	<u>(\$ 9,867)</u>	<u>\$ -</u>	<u>(\$ 15,227)</u>
Income Tax Expense	<u>(\$ 12,352)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(\$ 12,352)</u>
Segment assets	<u>\$ 1,669,848</u>	<u>\$ 63,022</u>	<u>\$ 62,151</u>	<u>\$ -</u>	<u>(\$ 114,604)</u>	<u>\$ 1,680,417</u>

For the Three Months Ended March 31, 2024	Second-tier Subsidiary Shanghai		Second-tier Subsidiary	Others	Adjustments (Note)	Total
	The Company	Golden ICP DAS	ICP DAS (Wuhan)			
Revenue from external customers	\$ 202,149	\$ 31,383	\$ 282	\$ 1,041	\$ -	\$ 234,855
Revenue from internal customers	23,513	-	3,514	-	(27,027)	-
Segment revenue	<u>\$ 225,662</u>	<u>\$ 31,383</u>	<u>\$ 3,795</u>	<u>\$ 1,041</u>	<u>(\$27,027)</u>	<u>\$ 234,855</u>
Segment gross margin	<u>\$ 112,633</u>	<u>\$ 11,927</u>	<u>\$54</u>	<u>(\$ 7,945)</u>	<u>(\$3,348)</u>	<u>\$ 113,321</u>
Segment profit or loss	<u>\$ 37,193</u>	<u>(\$8)</u>	<u>(\$ 1,501)</u>	<u>(\$ 25,098)</u>	<u>\$1,509</u>	<u>\$ 12,095</u>
Depreciation and amortization expenses	<u>(\$ 3,444)</u>	<u>(\$ 1,124)</u>	<u>(\$ 731)</u>	<u>(\$ 9,748)</u>	<u>\$ -</u>	<u>(\$ 15,047)</u>
Income Tax Expense	<u>(\$ 2,419)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(\$2,419)</u>
Segment assets	<u>\$ 1,656,550</u>	<u>\$ 76,782</u>	<u>\$ 72,648</u>	<u>\$ -</u>	<u>(\$ 139,552)</u>	<u>\$ 1,666,428</u>

Note: The segment information reported to the chief operating decision-maker has not yet eliminated inter-segment revenue, segment profit or loss, and segment assets.

(3) Reconciliation of information for segment profit or loss, assets and liabilities

Sales between segments are conducted in accordance with the principle of fair value transactions. The external revenue reported to the chief operating decision-maker is measured in a manner consistent with the revenue in the income statement. The profit and loss of the reportable segments reviewed by the chief operating decision maker are consistent with those of the continuing operations of the enterprise. The segment assets match those reported in the individual financial statements, thereby no reconciliation is necessary.

**ICP DAS Co., Ltd. and Subsidiaries**

**Status of significant securities held at period-end (excluding investments in subsidiaries, associates and jointly controlled entities)**

**March 31, 2025**

Table 1

Unit: NT\$ thousand

(Unless otherwise specified)

<u>Company with securities holdings</u>	<u>Types and names of securities</u>	<u>Relationship with securities issuers</u>	<u>Account item</u>	<u>At the end of the period</u>			
				<u>Number of shares</u>	<u>Carrying amounts</u>	<u>Shareholding ratio</u>	<u>Fair value</u> <u>Note</u>
The Company	ICPDASUSAINC	None	Financial assets measured at fair value through other comprehensive income	1,800	\$7,907	18	\$7,907 Unencumbered

## ICP DAS Co., Ltd. and Subsidiaries

### Business relationships and significant intercompany transactions between parent and subsidiary companies

For the three months ended March 31, 2025

Unit: NT\$ thousand (Unless otherwise specified)

Table 2

<u>No.(Note 1)</u>	<u>Name of transaction party</u>		<u>Transaction counterparty</u>	<u>Relationship with issuer (Note 2)</u>	<u>Account item</u>	<u>Transaction details</u>		<u>Ratio of consolidated total operating income or total assets (Note 3)</u>
						<u>Amount (Note 5)</u>	<u>Transaction terms</u>	
0	The Company		Shanghai Golden ICP DAS	1	Sales revenue	\$11,577	(Note 4)	4%
0	The Company		Shanghai Golden ICP DAS	1	Accounts receivable	5,992	(Note 4)	0%
1	ICP DAS (Wuhan)		Shanghai Golden ICP DAS	3	Accounts receivable	1,041	(Note 4)	0%
1	ICP DAS (Wuhan)		Shanghai Golden ICP DAS	3	Sales revenue	1,685	(Note 4)	1%

Note 1: The information on business dealings between the parent company and its subsidiaries should be noted separately in the number column. The numbering method is as follows:

(1). Fill in 0 for parent company.

(2). The subsidiaries shall be numbered sequentially starting from 1 using Arabic numerals, according to their respective companies.

Note 2: Relationship between transaction company and counterparties are classified into the following three

categories:

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

Note 3: The calculation of transaction amounts as a percentage of consolidated total revenue or total assets is as follows: For asset or liability items, it is based on the ending balance as a percentage of consolidated total assets. For profit or loss items, it is based on the cumulative amount for the period as a percentage of consolidated total revenue.

Note 4: The sales price is based on the standard price for general customers but is slightly lower. The payment terms are 30 to 120 days, which is comparable to those for general customers.

Note 5: Business relationships and significant intercompany transactions between parent and subsidiary companies for the three months ended March 31, 2025, are disclosed based on a threshold of NT\$1 million.

## ICP DAS Co., Ltd. and Subsidiaries

### Relevant information including name and location of the company invested (excluding those in mainland China)

March 31, 2025

Unit: NT\$ thousand (Unless otherwise specified)

Table 3

<u>Name of investing company</u>	<u>Name of invested company</u>	<u>Location</u>	<u>Main business activities</u>	<u>Initial investment</u>		<u>Shareholding at the end of the period</u>		<u>Carrying amounts</u>	<u>Income for the current period of recognize the entity</u>	<u>Investment profit or loss in the current period</u>	<u>Note</u>
				<u>End of the current period</u>	<u>End of last year</u>	<u>Number of shares</u>	<u>Ratio</u>				
The ADVANCEAHEAD Company LTD.	British Virgin Islands	Reinvestment enterprises	\$ 33,161	\$ 33,161	1,000,000	100	\$36,620	(\$4,032)	(\$4,032)	Subsidiary	
The ICPDASINVESTLT Company D.	British Virgin Islands	Reinvestment enterprises	100,682	100,682	3,200	100	51,428	(2,706)	(1,731)	Subsidiary	

**ICP DAS Co., Ltd. and Subsidiaries**  
**Information on investment in mainland China - basic information**  
**March 31, 2025**

Table 4

Unit: NT\$ thousand  
(Unless otherwise specified)

Name of invested companies in Mainland China	Main business activities	Paid-in capital (Note 1)	Method of investment (Note 2)	The cumulative amount of outward investment from Taiwan at the beginning of the current period	Amount of investment remitted or repatriated for the current period		The cumulative amount of outward investment from Taiwan at the end of the current period	Income for the current period of the invested entity	The shareholding ratio invested directly or indirectly by the Company	Investment profit or loss recognized for the current period (Note 3)	Period-end investment amount carrying over	Investment income repatriated as of the end of the current period	Note
				Remittance	Repatriation	Investment income	Investment amount	Investment income					
Shanghai Golden ICP DAS International Trade Co.,Ltd.	International trade of industrial computer controllers and interface cards, entrepot trade, trade among bonded zone enterprises, and trade agencies.	\$ 33,161	2(ADVANCEAHEADLTD)	\$ 33,161	\$-	\$-	\$33,161	(\$4,032)	100	(\$4,032)	\$36,620	\$-	
ICP DAS (Wuhan)	Research, development, production and sales of software, hardware, electronic products, instruments, meters and automatic equipment for the automatic control industry; automation engineering and project reconstruction; related technical services and transfers.	\$ 100,682	2(ICPDASINVESTLTD.)	\$ 100,682	\$-	\$-	\$100,682	(\$2,706)	100	(\$1,731)	\$51,428	\$-	
<u>Name of company</u>	<u>Accumulated amount of remittance from Taiwan to mainland China as of the end of the current period (Note 4)</u>		<u>Approved investment amount by the Investment Commission of the Ministry of Economic Affairs (Note 5)</u>										
ICP DAS Co., Ltd.	\$ 133,843	\$ 139,461	\$ 827,979										

Note 1: The original currencies of paid-in capital are as follows: Shanghai Golden ICP DAS International Trade Co., Ltd.: US\$1,000,000, ICP DAS (Wuhan) Co.Ltd:US\$3,200,000

Note 2: The investment methods are categorized as the following three types, indicate the type accordingly:

- (1) Direct investment in mainland China
- (2) Reinvestment in mainland China through third-region companies
- (3). Others

Note 3: Audited by the CPAs of the parent company in Taiwan.

Note 4: The original amount is US\$4,200,000; the amount in New Taiwan Dollars is calculated using the historical exchange rate.

Note 5: The original amount is US\$4,200,000; the amount in New Taiwan Dollars is calculated using the rate of balance sheets.