Stock Code: 3594

ARBOR Technology Co., Ltd. and Subsidiaries

Consolidated Financial Statements for the Years Ended December 31, 2024 and 2023 and Independent Auditors' Report

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ARBOR Technology Co., Ltd.

Declaration of Consolidated Financial Statements of Affiliated Enterprise

The entities of the Company that are required to be included in the combined financial statements for the year of 2024 (from January 1, 2024 to December 31, 2024) under the Criteria Governing the Preparation of Affiliation Reports, Consolidated Business Reports, and Consolidated Financial Statements of Affiliated Enterprises are the same as those included in the consolidated financial statements prepared in conformity with International Financial Reporting Standards No. 10 by the Financial Supervisory Commission, "Consolidated Financial Statements". In addition, the information required to be disclosed in the consolidated financial statements of affiliates is included in the consolidated financial statements. Consequently, we do not prepare a separate set of consolidated financial statements of affiliates.

Hereby certify

Company Name: Arbor Technology Co., Ltd.

Chairman: Lee Min

March 14, 2025

Independent Auditors' Report

The Board of Directors and Shareholders
ARBOR Technology Corporation

Opinion

We have audited the accompanying consolidated financial statements of ARBOR Technology Corporation and its subsidiaries (the Group), which comprise the consolidated balance sheets as of December 31, 2024 and the consolidated statements of comprehensive income, changes in equity and cash flows for the year ended 2024, and notes to the consolidated financial statements, including a summary of significant accounting policies.

Based on our opinions, the accompanying consolidated financial statements present fairly, in all material respects, the accompanying consolidated financial position of the Group as of December 31, 2024, and its consolidated financial performance and its consolidated cash flows for the year ended 2024 then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and 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 of the Republic of China.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Audititng and Attestation of Financial Statements by Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with The Norm of Professional Ethics for Certified Public Accountants of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter for the Group's consolidated financial statements for the year ended 2024 is stated as follows:

Valuation of allowance to reduce inventory to market

The products of the Group are industrial computers. Due to highly competitive market, there are higher risks of inventory valuation loss and obsolescence. The Group measures inventories at the lower of cost and net realizable value. The net realizable value of inventories with age over certain period and inventories individually identified as obsolete is determined based on the past experience of the degree of disposal of excess inventories. Regarding to the accounting policy on inventories that significant accounting estimates and assumptions, please refer to Note 4 and Note5 of consolidated financial statements.

Since the net realizable value used by the Group in obsolete inventory valuation often involves subjective judgment and uncertainty; considering inventories and the allowance to reduce inventory to market are both material to the consolidated financial statements, we considered the valuation of inventory one of the key audit matter for the current year. We performed the following audit procedures on the above key audit matter:

1. Assessed the reasonableness and consistency of policies and procedures on recognizing allowance to reduce inventory to market based on our understanding of the operation and characteristics of the Group's industry.
2. Understood the Group's warehousing control procedures, reviewed the annual physical inventory count plan and participated in the annual inventory count in order to assess the effectiveness of the classification of inventory and internal control over obsolete inventory.
3. Verified the accuracy of inventory aging report used to identify individual obsolete inventory, including ensuring that changes in inventories fell into appropriate age intervals, and obtain supporting documents that management used to evaluate obsolete products in order to ensure that the Group has reasonably recognized the allowance to reduce inventory to market.
4. Checked the adequacy of basis of estimation of net realizable value of each inventory, including testing the accuracy of selling and purchasing prices of products and reassessing to determine the reasonableness of allowance to reduce inventory to market.

Other matter

The Group's consolidated financial statements for the year 2023 were audited by other accountants and the audit report with an unqualified opinion and other matters was issued on 15 March 2024.

We have audited the parent company only financial statements of ARBOR Technology Corporation as of and for the years ended December 31, 2024 and 2023 on which we have issued an unqualified opinion with other matter section and an unqualified opinion, respectively.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial

Reports by Securities Issuers and the IFRS, IAS, IFRIC, and SIC endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance (including members of the Audit Committee) are responsible for overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended 2024 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Independent Accountants

Meng-Chieh Chiu

Jun-yu Wang

Deloitte & Touche, Taiwan

March 14, 2025

ARBOR Technology Corporation and its Subsidiaries
Consolidated Balance Sheets
December 31, 2024 and 2023

Unit: NT $thousands

Code	Assets	December 31, 2024 Amount	%	December 31, 2023 Amount	%
	Current assets				
1100	Cash and cash equivalents (Note IV,VI)	$ 469,359	11	$ 650,519	18
1110	Current financial assets at fair value through profit or loss（Note IV,VII,XXXII）	49,048	1	105,300	3
1136	Current financial assets at amortized cost（Note IV,IX,XXXIII）	154,289	3	292,301	8
1150	Notes receivable, net（Note IV,X,XXIII）	491	-	13,511	1
1160	Notes receivable - related parties（Note IV,X,XXIII,XXXII）	-	-	13,427	-
1170	Accounts receivable, net（Note IV,V,X,XXIII）	684,536	15	364,504	10
1180	Accounts receivable due from related parties, net（Note IV,X,XXIII,XXXII）	9,205	-	201,096	6
1210	Other receivables due from related parties（Note IV,XXXII）	85,216	2	144,154	4
130X	Inventories（Note IV、V,XI）	1,671,375	37	515,105	14
1470	Other current assets（Note XVIII,XXXII）	210,316	5	116,273	3
11XX	**Total current assets**	3,333,835	74	2,416,190	67
	Non-current assets				
1517	Non-current financial assets at fair value through other comprehensive income（Note IV,VIII）	13,919	-	12,660	-
1550	Investments accounted for using equity method（Note IV,XIII）	-	-	432,193	12
1600	Property, plant and equipment（Note IV,XIV,XXXII,XXXIII）	581,874	13	562,753	15
1755	Right-of-use asset（Note IV,XIV）	26,100	1	33,801	1
1760	Investment property, net（Note IV,XVI,XXXIII）	72,735	2	73,538	2
1780	Intangible assets（Note IV,V,XVII）	402,890	9	33,522	1
1840	Deferred tax assets（Note IV,XXV）	25,114	-	23,894	1
1900	Other non-current assets（NoteXVIII,XXXIII）	38,191	1	42,144	1
15XX	**Total non-current assets**	1,160,823	26	1,214,505	33
1XXX	**Total Assets**	$ 4,494,658	100	$ 3,630,695	100
Code	**Liabilities and equity**				
	Current liabilities				
2100	Short-term borrowings（NoteXIX,XXXIII）	$ 894,852	20	$ 646,500	18
2110	Short-term notes and bills payable（NoteXIX）	70,000	2	72,000	2
2130	Liabilities-current（NoteIV,XXIII,XXXII）	29,879	1	14,259	-
2150	Notes payable	1,410	-	-	-
2170	Accounts payable	315,885	7	88,500	2
2180	Accounts payable to related parties（NoteXXXII）	76,586	2	42,463	1
2200	Other payables（NoteXX）	111,047	2	77,052	2
2220	Other payables to related parties（NoteXXXII）	2,320	-	3,325	-
2230	Income tax liabilities for the current period（NoteIV,XXV）	23,348	-	26,954	1
2280	Lease Liabilities-current（NoteIV,XIV）	14,620	-	17,401	1
2320	Long-term liabilities, current portion（NoteXIX,XXXIII）	46,305	1	67,601	2
2399	Other current liabilities, others	1,321	-	3,396	-
21XX	**Total current liabilities**	1,587,573	35	1,059,451	29
	Non-current liabilities				
2540	Long-term borrowings（NoteXIX,XXXIII）	365,574	8	404,336	11
2570	Deferred tax liabilities（NoteIV,XXV）	2,601	-	68	-
2580	Lease Liabilities-Non-current（NoteIV,XV）	12,500	1	17,135	1
2600	Other non-current liabilities（NoteIV,XXI）	2,725	-	2,747	-
25XX	**Total non-current liabilities**	383,400	9	424,286	12
2XXX	**Total Liabilities**	1,970,973	44	1,483,737	41
	Equity attributable to owners of parent				
3110	Ordinary share	956,974	21	954,394	26
3200	Capital surplus	817,907	18	808,946	22
	Retained earnings				
3310	Legal reserve	109,075	3	97,476	3
3320	Special reserve	58,806	1	55,177	2
3350	Unappropriated retained earnings	362,312	8	305,217	8
3300	Total retained earnings	530,193	12	457,870	13
3400	Other equity interest	(17,874)	(1)	(58,806)	(1)
3500	Treasury shares	(14,134)	-	(23,091)	(1)
31XX	**Total Equity Attributable to Owners of Parent**	2,273,066	50	2,139,313	59
36XX	**Non-controlling equity**	250,619	6	7,645	-
3XXX	**Total Equity**	2,523,685	56	2,146,958	59
	Total Liabilities and Equity	$ 4,494,658	100	$ 3,630,695	100

The accompanying notes are an integral part of the consolidated financial statements.

(Please refer to Deloitte & Touche Independent Auditors' Report released on March 14,2025)

Chairman: Lee, Min　　　Manager: Lien, Chi-Ruei　　　Chief Accountant: Kuo, Feng-Ling

ARBOR Technology Corporation and its Subsidiaries
Consolidated Statements of Comprehensive Income
January 1 to December 31, 2024 and 2023

Unit: NT $thousands
(Except for earnings per share in NT $)

Code		2024 Amount	2024 %	2023 Amount	2023 %
4000	Operating revenue (NoteIV,XXIII,XXXII)	$ 1,566,604	100	$ 1,671,427	100
5000	Operating costs (NoteIV,XI,XXIV,XXXII)	(1,071,860)	(68)	(1,125,613)	(67)
5900	Gross profit from operations	494,744	32	545,814	33
5910	Unrealized profit from sales	(1,609)	-	(1,609)	-
5920	Realized profit on from sales	1,609	-	2,902	-
5950	Gross profit from operations	494,744	32	547,107	33
	Operating expenses（NoteIV、XXIV,XXXII）				
6100	Selling expenses	(212,557)	(13)	(216,263)	(13)
6200	Administrative expenses	(90,665)	(6)	(86,420)	(5)
6300	Research and development expenses	(87,298)	(6)	(86,972)	(5)
6450	Expected credit (Impairment loss) and reversal of impairment loss（Note IV, X）	689	-	(5,682)	(1)
6000	Total operating expenses	(389,831)	(25)	(395,337)	(24)
6900	Net operating income	104,913	7	151,770	9
	Non-operating income and expenses（NoteXXIV,XXXII）				
7100	Interest revenue	24,377	1	24,627	1
7140	Gain recognized in bargain purchase transaction	363	-	-	-
7190	Other income	18,363	1	14,369	1
7020	Other gains and losses	52,306	3	18,819	1
7050	Finance costs	(18,737)	(1)	(23,868)	(1)
7060	Share of profits of associates accounted for using equity method, net	(3,919)	-	(25,287)	(1)
7000	Total non-operating income and expenses	72,753	4	8,660	1

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Code		2024 Amount	2024 %	2023 Amount	2023 %
7900	Net income before tax	$ 177,666	11	$ 160,430	10
7950	Income tax expense（NoteIV,XXV）	(25,584)	(2)	(36,092)	(2)
8200	Net profit	152,082	9	124,338	8
	Other comprehensive income				
	Item that will not be reclassified to profit or loss:				
8311	Remeasurement of defined benefit plans（NoteIV, XXI）	565	-	(3,816)	-
8316	Unrealized gain (loss) on investments in equity instruments at fair value through other comprehensive income（Note IV, XXII）	1,259	-	1,392	-
8360	Item that may be reclassified subsequently to profit or loss:				
8361	Exchange differences on translation of foreign financial statements（NoteIV, XXII）	40,836	3	(8,113)	(1)
8300	Other comprehensive income (Net)	42,660	3	(10,537)	(1)
8500	Total comprehensive income for the period	$ 194,742	12	$ 113,801	7
	Net income attributable to:				
8610	Owners of the parent	$ 128,709	8	$ 122,898	7
8620	Non-controlling interest	23,373	2	1,440	-
8600		$ 152,082	10	$ 124,338	7
	Comprehensive income attributable to:				
8710	Owners of the parent	$ 170,206	11	$ 112,361	7
8720	Non-controlling interest	24,536	1	1,440	-
8700		$ 194,742	12	$ 113,801	7
	Earnings per share（NoteXXVI）				
9750	Basic earnings per share	$ 1.36		$ 1.30	
9850	Diluted earnings per share	$ 1.35		$ 1.30	

The accompanying notes are an integral part of the consolidated financial statements.

（Please refer to Deloitte & Touche Independent Auditors' Report released on March 14,2025）

Chairman: Lee, Min　　Manager: Lien, Chi-Ruei　　Chief Accountant: Kuo, Feng-Ling

ARBOR Technology Corporation and its Subsidiaries
Consolidated Statements of Changes in Equity
January 1 to December 31, 2024 and 2023

Unit: NT $thousands

		Equity Attributable to Owners of the Parent													
		Ordinary share（NOTE XXII）		Capital surplus	Retained earnings（NoteIV,XXII）				Other equity interest（NoteIV,XXII）						
Code		Shares (thousand shares)	Amount	(NoteIV,XXII)	Legal reserve	Special reserve	Unappropriated retained earnings	Total	Foreign operations Translation of financial statements Exchange differences on the translation of foreign financial statements	Through other total Fair value through profit or loss Financial assets measured at fair value Assets Unrealized Profit or loss	Other equity Total	Treasury shares（Note XXII）	Total	Non- controlling Interest（Note IV,XXII）	Total Equity
A1	Balance at January 1, 2023	95,439	$ 954,394	$ 805,341	$ 84,049	$ 76,030	$ 257,410	$ 417,489	($ 51,133)	($ 4,044)	($ 55,177)	($ 36,515)	$ 2,085,532	$ 6,205	$ 2,091,737
	Appropriation and distribution of 2022 earnings														
B1	Legal reserve appropriated	-	-	-	13,427	-	(13,427)	-	-	-	-	-	-	-	-
B3	Special reserve	-	-	-	-	(20,853)	20,853	-	-	-	-	-	-	-	-
B5	Cash Dividends	-	-	-	-	-	(75,609)	(75,609)	-	-	-	-	(75,609)	-	(75,609)
D1	2023 Net Profit	-	-	-	-	-	122,898	122,898	-	-	-	-	122,898	1,440	124,338
D3	2023 Other comprehensive income	-	-	-	-	-	(3,816)	(3,816)	(8,113)	1,392	(6,721)	-	(10,537)	-	(10,537)
G1	Exercise of employee share options	-	-	-	-	-	-	-	-	-	-	13,424	13,424	-	13,424
N1	Share-based payments	-	-	3,605	-	-	-	-	-	-	-	-	3,605	-	3,605
Q1	Disposal of investments accounted for under Other comprehensive income Fair value-Equity	-	-	-	-	-	(3,092)	(3,092)	-	3,092	3,092	-	-	-	-
Z1	Balance at December 31, 2023	95,439	954,394	808,946	97,476	55,177	305,217	457,870	(59,246)	440	(58,806)	(23,091)	2,139,313	7,645	2,146,958
	Appropriation and distribution of 2023 earnings														
B1	Legal reserve appropriated	-	-	-	11,599	-	(11,599)	-	-	-	-	-	-	-	-
B3	Special reserve	-	-	-	-	3,629	(3,629)	-	-	-	-	-	-	-	-
B5	Cash Dividends	-	-	-	-	-	(56,861)	(56,861)	-	-	-	-	(56,861)	-	(56,861)
D1	2024 Net Profit	-	-	-	-	-	128,709	128,709	-	-	-	-	128,709	23,373	152,082
D3	2024 Other comprehensive income	-	-	-	-	-	565	565	39,673	1,259	40,932	-	41,497	1,163	42,660
G1	Exercise of employee share options	258	2,580	2,672	-	-	-	-	-	-	-	8,957	14,209	-	14,209
M5	Acquisition of subsidiary interests	-	-	-	-	-	-	-	-	-	-	-	-	196,180	196,180
M7	Changes in affiliates recognized under Equity	-	-	1,620	-	-	(90)	(90)	-	-	-	-	1,530	22,258	23,788
N1	Share-based payments	-	-	4,669	-	-	-	-	-	-	-	-	4,669	-	4,669
Z1	Balance at December 31, 2024	95,697	$ 956,974	$ 817,907	$ 109,075	$ 58,806	$ 362,312	$ 530,193	($ 19,573)	$ 1,699	($ 17,874)	($ 14,134)	$ 2,273,066	$ 250,619	$ 2,523,685

The accompanying notes are an integral part of the consolidated financial statements.
（ Please refer to Deloitte & Touche Independent Auditors’ Report released on March 14,2025）

Chairman: Lee, Min　　Manager: Lien, Chi-Ruei　　Chief Accountant: Kuo, Feng-Ling

ARBOR Technology Corporation and its Subsidiaries
Consolidated Statements of Cash Flows
January 1 to December 31, 2024 and 2023

Unit: NT $thousands

Code		2024	2023
	Cash flows from operating activities		
A10000	Income before income tax	$ 177,666	$ 160,430
A20010	Adjustments to reconcile profit (loss):		
A20100	Depreciation expense	36,332	34,990
A20200	Amortization expense	3,871	5,898
A20300	Expected credit Impairment loss and reversal of impairment loss	(689)	5,682
A20400	Net gain on financial assets or liabilities at fair value through profit or loss	(17,080)	(17,582)
A20900	Finance costs	18,737	23,868
A21200	Interest revenue	(24,377)	(24,627)
A21300	Dividend revenue	(636)	(937)
A21900	Share-based payments	4,669	3,605
A22300	Share of loss (profit) of associates accounted for using equity method	3,919	25,287
A22500	(Gain) Loss on disposal of property, plant and equipment	(20)	76
A23100	Losses on disposals of investments	22,379	81
A23700	Inventories loss on market value decline and obsolete and slow-moving inventories	14,672	20,587
A23900	Unrealized gain on inter-affiliate accounts	1,609	1,609
A24000	Realized gain on inter-affiliate accounts	(1,609)	(2,902)
A29900	Gain recognized in bargain purchase transaction	(363)	-
A30000	Net changes in operating assets and liabilities		
A31115	Fair value Financial Assets and Liabilities	16,374	7,931
A31130	Notes receivable, net	13,020	427
A31140	Notes receivable-related parties	13,427	130
A31150	Accounts receivable	64,453	45,786
A31160	Accounts receivable-related parties	12,504	(90,212)
A31190	Other receivables-related parties	64,168	18,238
A31200	Inventories	35,762	156,135
A31240	Other current assets	100,008	89,231
A31990	Other non-current assets	(7,478)	(37)
A32125	Liabilities-current	(178,157)	(3,424)
A32130	Notes payable	1,410	(231)

Code		2024	2023
A32150	Accounts payable	($ 66,006)	($ 109,117)
A32160	Accounts payable to related parties	(81,191)	16,795
A32180	Other payables	(6,263)	(18,844)
A32190	Other payables-related parties	(1,005)	(2,438)
A32230	Other current liabilities	(14,504)	2,399
A32240	Net defined benefit liability	(337)	(1,703)
A32990	Other non-current liabilities	-	(56)
A33000	Cash inflow generated from operations	205,265	347,075
A33100	Interest received	24,742	24,627
A33200	Dividends received	636	937
A33300	Interest paid	(19,329)	(23,819)
A33500	Income taxes paid	(38,681)	(23,231)
AC0500	Income taxes refund	-	11
AAAA	Net cash flows from operating activities	172,633	325,600
	Cash flows from (used in) investing activities		
B00040	Acquisition of financial assets at amortized cost	(68,451)	(49,882)
B00050	Disposal financial assets at amortized cost	252,476	-
B00100	Acquisition of financial assets at fair value through profit or loss Fair value Financial Assets	(68,606)	(27,650)
B00200	Disposal Fair value Financial Assets	47,860	35,057
B02200	Acquisition of subsidaries' net cash outflow	(168,257)	-
B02700	Acquisition of property, plant and equipment	(3,522)	(3,801)
B02800	Proceeds from disposal of property, plant and equipment price	219	862
B03700	Increase in refundable deposits	-	(806)
B03800	Decrease in refundable deposits	16,880	-
B04500	Acquisition of intangible assets	(1,990)	(2,600)
B05000	Cash inflow generated from the merger	2,271	-
B07100	Increase in prepayments for business facilities	(7,764)	(6,593)
BBBB	Net cash inflow (outflow) from investing activities	1,116	(55,413)
	Cash flows from financing activities		
C00100	Increase (Decrease) in short-term loans	(220,500)	87,418
C00600	Decrease in short-term notes and bills payable	(2,000)	-
C01700	Repayments of long-term debt	(67,558)	(93,541)
C03000	Increase in guarantee deposits received	880	30
C04020	Repayment of lease principal	(18,346)	(17,579)

Code		2024	2023
C04500	Cash dividends paid	($ 56,861)	($ 75,609)
C04800	Exercise of employee share options	14,209	13,424
CCCC	Net cash flows used in from financing activities	(350,176)	(85,857)
DDDD	Effect of foreign exchange translations	(4,733)	(21,113)
EEEE	Net (Decrease) increase in cash and cash equivalents	(181,160)	163,217
E00100	Cash and cash equivalents at beginning of period	650,519	487,302
E00200	Cash and cash equivalents at end of period	$ 469,359	$ 650,519

The accompanying notes are an integral part of the consolidated financial statements.
（Please refer to Deloitte & Touche Independent Auditors' Report released on March 14,2025）

Chairman: Lee, Min Manager: Lien, Chi-Ruei Chief Accountant: Kuo, Feng-Ling

ARBOR Technology Corporation and its Subsidiaries

Notes to Consolidated Financial Statements

2024 and 2023

Unit: NT $thousands

(Unless Stated Otherwise)

I. Company History

ARBOR Technology Corporation (hereinafter referred to as "the Company") was established in September 1993 and went through the reincorporation on January 27, 1995. The Company and its subsidiaries are engaged in the R&D, assembly, combination, processing, manufacturing, and trading of industrial motherboards, computer products, peripheral devices, and electronic parts. The Company's shares were approved for listing on the Main board of Taipei Exchange (TPEx) on May 7, 2013.

The consolidated financial statements are presented in New Taiwan dollars, which is the Company's functional and presentation currency.

II. Approval date and procedures of the consolidated financial statements

The accompanying consolidated financial statements were approved by the Board of Directors on March 14, 2025.

III. Application of new and revised standards and interpretations

(I) Initial application of the amendments to the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) (collectively, the "IFRSs") endorsed and issued into effect by the FSC (the "Financial Supervisory Commission")

The initial application of the revised IFRSs approved by the FSC and published as effective did not have a material impact on the Consolidated company's accounting policies.

(II) The IFRS endorsed by the Financial Supervisory Commission for application starting from 2025

New, Amended and Revised Standards and Interpretations	Effective Date Issued by IASB
Amendments to IAS 21 Lack of Compatibility"	January 1, 2025（NOTE1）
Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments"	January 1, 2026（NOTE2）

Note1: An entity shall apply those amendments for annual reporting periods beginning on or after January 1, 2025. Upon initial application of the amendments to IAS 21, the Group shall not restate the comparative information and shall recognize any effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or, if applicable, to the cumulative amount of translation differences in equity as well as affected assets or liabilities.

Note2: It will be applied to annual reporting periods beginning after 1 January 2026, and companies may choose to apply them early from 1 January 2025. When initially applying the amendment, it shall be applied retrospectively but without the need to restate comparative periods, and the impact of the initial application should be recognized on the date of initial application. However, if the company does not use hindsight when it can restate, it may choose to restate the comparative period.

The Group assessed that there is no significant effect of the standards and interpretations above on the Company's financial position and financial performance.

(III) The IFRS Accounting Standards issued by International Accounting Standards Board (IASB), but not yet endorsed and issued into effect by the FSC

New, Amended and Revised Standards and Interpretations	Effective Date Issued by IASB（Note1）
"Annual Improvement of IFRS Accounting Standards - Volume 11"	January 1, 2026
Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments" Amendments to the application guidance on the declassification of financial liabilities	January 1, 2026
Amendments to IFRS 9 and IFRS 7 "Contracts Involving Energy-Dependent Electricity"	January 1, 2026
Amendments to IFRS 10 and IAS 28 "Sales or Contributions of Assets between an Investor and its Associate or Joint Venture"	Undetermined
IFRS 17 Insurance Contracts	January 1, 2023
Amendments to IFRS 17	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

Note1: Unless otherwise specified, the above New, Amended and Revised Standards and Interpretations shall take effect for the reporting periods of the years commencing after each respective date.

IFRS 18 "Presentation and Disclosure in Financial Statements"

IFRS 18 will supersede IAS 1 "Presentation of Financial Statements". The main changes comprise:

- Items of income and expenses included in the statement of profit or loss shall be classified into the operating, investing, financing, income taxes and discontinued operations categories.

- The statement of profit or loss shall present totals and subtotals for operating profit or loss, profit or loss before financing and income taxes and profit or loss.
- Provides guidance to enhance the requirements of aggregation and disaggregation: The Company shall identify the assets, liabilities, equity, income, expenses and cash flows that arise from individual transactions or other events and shall classify and aggregate them into groups based on shared characteristics, so as to result in the presentation in the primary financial statements of line items that have at least one similar characteristic. The Company shall disaggregate items with dissimilar characteristics in the primary financial statements and in the notes. The Company labels items as "other" only if it cannot find a more informative label.
- Enhancing the disclosure of performance measures defined by management: When the company engages in public communication outside of financial statements, as well as when communicating management's perspective on a certain aspect of the company's overall financial performance to users of financial statements, it should disclose relevant information regarding the performance measures defined by management in a single note to the financial statements. This includes a description of the measure, how it is calculated, adjustments to subtotals or totals as specified by IFRS accounting standards, and the effects of related adjustments on Item and non-controlling interests' income tax.

Except for the above impact, as of the date the accompanying parent company only financial statements were issued, the Company continues in evaluating other impacts of the above amended standards and interpretations on its financial position and financial performance from the initial adoption of the aforementioned standards or interpretations and related applicable period. The related impact will be disclosed when the Company completes its evaluation.

IV. Summary of significant accounting policies

(I) Statement of compliance

The Consolidated Financial Statement was prepared in accordance with Regulations Governing the Preparation of Financial Reports by Securities Issuers.

(II) Basis of preparation

The financial instruments of the Consolidated Financial Statement have been prepared under the historical cost basis, except for financial instruments that are measured at fair value.

Fair value measurements are categorized into Levels 1 through Level 3 based on the observability and importance of the relevant input values:

1. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
2. Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices), assets or liabilities.
3. Level 3 inputs are unobservable inputs of assets or liabilities.

(III) **Assets and liabilities classification of current and non-current**

Current assets include:

1. Assets that are held primarily for trading;
2. Assets expected to be realized within 12 months after the reporting period of the date of balance sheet; and
3. Cash and cash equivalents (except for those who are restricted from being exchanged or used to settle Liabilities for more than 12 months after the date of the Assets Liabilities balance sheet).

Current liabilities include:

1. Liabilities arising mainly from trading activities;
2. Liabilities that are due for settlement within 12 months after the reporting period; and
3. Liabilities for which the repayment date cannot be extended unconditionally to more than twelve months after the balance sheet date.

All the other liabilities that do not meet the criteria above are classified as noncurrent liabilities.

(IV) Basis of Consolidation

Consolidated financial statements incorporate the financial statements of the Group and entities controlled by the parent company. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Company. All transactions, account balances, income and expenses between parent company only have been eliminated upon consolidation. The total profit and loss of the subsidiary is attributed to owners of the parent company and non-controlling interests, even if non-controlling interests become a loss balance as a result.

Changes in the Group’s ownership interest in a subsidiary that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group and non-controlling interests have been adjusted to reflect the changes in their relative interests in subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to shareholders of the parent company.

See Note XII, Table 8 and Table 9 for detailed information on subsidiaries (including percentages of ownership and main business items).

(V) Business combinations

Acquisitions of businesses are accounted for using the acquisition method. Acquisition-related costs are generally recognized in profit or loss as they are incurred.

Goodwill is measured as the excess of the sum of the consideration transferred , the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interests in the acquiree over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after re-assessment, the net of the acquisition date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held interests in the acquiree, the excess is recognized immediately in profit or loss as a bargain purchase gain.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognized amounts of the acquiree's identifiable net assets. The choice of measurement is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at fair value.

When a business combination is achieved in stages, the Group has previously held equity interest in an acquiree is remeasured to fair value at the acquisition date, and the resulting gain or loss is recognized in [profit or loss/other comprehensive income]. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognized in other comprehensive income are recognized on the same basis as would be required had those interests been directly disposed of by the Group.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted retrospectively during the measurement period, or additional assets or liabilities are recognized, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognized as of that date.

(VI) Foreign currencies

In preparing the financial statements of each individual entity, transactions in currencies other than the entity's functional currency (i.e., foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Exchange differences on monetary items arising from settlement or translation are recognized in profit or loss in the period in which they arise.

Non-monetary items denominated in foreign currencies that are measured at fair value are retranslated at the rates prevailing at the date when the fair value is determined. Exchange differences arising from the retranslation of non-monetary items are included in profit or loss for the period except for exchange differences arising from the retranslation of non-monetary items in respect of which gains and losses are recognized directly in other comprehensive income; in which cases, the exchange differences are also recognized directly in other comprehensive income.

Non-monetary item denominated in a foreign currency and measured at historical cost is stated at the reporting currency as originally translated from the foreign currency.

For the purpose of presenting consolidated financial statements, the financial statements of the Company's foreign operations (including subsidiaries, and associates in other countries) that are prepared using functional currencies which are different from the currency of the Company are translated into the presentation currency, the New Taiwan dollar, as follows: Assets and liabilities are translated at the exchange rates prevailing at the end of the reporting period; and income and expense items are translated at the average exchange rates for the period. The resulting currency translation differences are recognized in other comprehensive income (attributed to the owners of the Company and non-controlling interests as appropriate).

On the disposal of a foreign operation, i.e., a disposal of the Company's entire interest in a foreign operation, or a disposal involving the loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest becomes a financial asset, all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

In a partial disposal of a subsidiary that does not result in the Company losing control over the subsidiary, the proportionate share of accumulated exchange differences is re-attributed to the non-controlling interests of the subsidiary and/is included in the calculation of equity transactions but is not recognized in profit or loss. For all other partial disposals, the proportionate share of the accumulated exchange differences recognized in other comprehensive income is reclassified to profit or loss.

Goodwill and fair value adjustments recognized on identifiable assets and liabilities of acquired foreign operation are treated as assets and liabilities of the foreign operation and translated at the rates of exchange prevailing at the end of each reporting period. Exchange differences are recognized in other comprehensive income.

(VII) Inventories

Inventories consist of raw materials, supplies, finished goods and work in progress and are stated at the lower of cost or net realizable value. Inventory write-downs are made by item, except where it may be appropriate to group similar or related items. The net realizable value is the estimated selling price of inventories less all estimated costs of completion and costs necessary to make the sale. Inventories are recorded at the weighted-average cost on the balance sheet date.

(VIII) Investments in associates

An associate is an entity over which the Group has significant influence and which is neither a subsidiary nor an interest in a joint venture.

The Group uses the equity method to account for its investments in associates.

Under the equity method, investment in an associate is initially recognized at cost and adjusted thereafter to recognize the Group's share of the profit or loss and other comprehensive income of the associate. The Group also recognizes the changes in the Group's share of the equity of associates.

Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets and liabilities of an associate at the date of acquisition is recognized as goodwill, which is included within the carrying amount of the investment and is not amortized. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of acquisition, after reassessment, is recognized immediately in profit or loss.

When the Company subscribes for additional new shares of an associate at a percentage different from its existing ownership percentage, the resulting carrying amount of the investment differs from the amount of the Group's proportionate interest in the associate. The Group records such a difference as an adjustment to investments with the corresponding amount charged or credited to capital surplus - changes in capital surplus from investments in associates accounted for using the equity method. If the Group's ownership interest is reduced due to its additional subscription of the new shares of the associate, the proportionate amount of the gains or losses previously recognized in other comprehensive income in relation to that associate is reclassified to profit or loss on the same basis as would be required had the investee directly disposed of the related assets or liabilities. When the adjustment should be debited to capital surplus, but the capital surplus recognized from investments accounted for using the equity method is insufficient, the shortage is debited to retained earnings.

When the Group's share of losses of an associate equals or exceeds its interest in that associate (which includes any carrying amount of the investment accounted for using the equity method and long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognizing its share of further loss, if any. Additional losses and liabilities are recognized only to the extent that the Group has incurred legal obligations, or constructive obligations, or made payments on behalf of that associate.

The entire carrying amount of an investment (including goodwill) is tested for impairment as a single asset by comparing its recoverable amount with its carrying amount. Any impairment loss recognized is not allocated to any asset, including goodwill that forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognized to the extent that the recoverable amount of the investment subsequently increases.

The Group discontinues the use of the equity method from the date on which its investment ceases to be an associate. Any retained investment is measured at fair value at that date, and the fair value is regarded as the investment's fair value on initial recognition as a financial asset. The difference between the previous carrying amount of the associate attributable to the retained interest and its fair value is included in the determination of the gain or loss on disposal of the associate. The Group accounts for all amounts previously recognized in other comprehensive income in relation to that associate and joint venture on the same basis as would be required had that associate directly disposed of the related assets or liabilities. If an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate, the Group continues to apply the equity method and does not remeasure the retained interest.

When the Group transacts with its associate, profits and losses resulting from the transactions with the associate are recognized in the Group's consolidated financial statements only to the extent of interests in the associate that are not related to the Group.

(IX) Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost less accumulated depreciation and accumulated impairment loss.

Property, plant and equipment in the course of construction are measured at cost less any recognized impairment loss. Cost includes professional fees and borrowing costs eligible for capitalization. Such assets are depreciated and classified to the appropriate categories of property, plant and equipment when completed and ready for their intended use.

Except for freehold land which is not depreciated, the depreciation of property, plant and equipment is recognized using the straight-line method. Each significant part is depreciated separately. The estimated useful lives, residual values and depreciation methods are reviewed at the end of each reporting period, with the effects of any changes in the estimates accounted for on a prospective basis.

On derecognition of an item of property, plant and equipment, the difference between the sales proceeds and the carrying amount of the asset is recognized in profit or loss.

(X) Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation, (including real estate and usage rights assets that meet the definition of investment properties and are under construction.) Investment properties also include land that is currently held without a decision on its future use.

Investment properties held by the entity are initially measured at cost (including transaction costs) and subsequently measured at cost less accumulated depreciation and accumulated impairment losses.

Investment properties are depreciated on a straight-line basis.

On derecognition of an investment property, the difference between the net disposal proceeds and the carrying amount of assets is included in profit or loss.

(XI) Goodwill

Goodwill arising from the acquisition of a business is measured at cost as established at the date of acquisition of the business less accumulated impairment loss.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units or groups of cash-generating units (referred to as "cash-generating units") that are expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually or more frequently whenever there is an indication that the unit may be impaired, by comparing its carrying amount, including the attributed goodwill, with its recoverable amount. However, if the goodwill allocated to a cash-generating unit was acquired in a business combination during the current annual period, that unit shall be tested for impairment before the end of the current annual period. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then pro rata to the other assets of the unit based on the carrying amount of each asset in the unit. Any impairment loss is recognized directly in profit or loss. Any impairment loss recognized for goodwill is not reversed in subsequent periods.

If goodwill has been allocated to a cash-generating unit and the Group disposes of an operation within that unit, the goodwill associated with the operation which is disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal and is measured on the basis of the relative values of the operation disposed of and the portion of the cash-generating unit retained.

(XII) Intangible assets

1. Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are initially measured at cost and subsequently measured at cost less accumulated amortization and accumulated impairment loss. Amortization is recognized on a straight-line basis. The estimated useful lives, residual values, and amortization methods are reviewed at the end of each reporting period, with the effect of any changes in the estimates accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are measured at cost less accumulated impairment loss.

2. Internally-generated intangible assets - research and development expenditures

Expenditures on research activities are recognized as expenses in the period in which they are incurred.

An internally-generated intangible asset arising from the development phase of an internal project is recognized if, and only if, all of the following have been demonstrated:

(1) The technical feasibility of completing the intangible asset so that it will be available for use or sale;
(2) The intention to complete the intangible asset and use or sell it;
(3) The ability to use or sell the intangible asset;
(4) How the intangible asset will generate probable future economic benefits;
(5) The availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset;
(6) The ability to measure reliably the expenditures attributable to the intangible asset during its development.

The amount initially recognized for internally-generated intangible asset is the sum of the expenditures incurred from the date when such an intangible asset firstly meets the recognition criteria listed above. Subsequent to initial recognition, such intangible asset is measured on the same basis as an intangible asset that is acquired separately.

3. Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognized separately from goodwill are initially recognized at their fair value at the acquisition date (which is regarded as their cost). Subsequent to initial recognition, they are measured on the same basis as intangible assets that are acquired separately.

4. Derecognition of intangible assets

On derecognition of an intangible asset, the difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss.

(XIII) Impairment of property, plant and equipment, right-of-use asset, investment properties, intangible assets other than goodwill

At the end of each reporting period, the Group reviews the carrying amounts of its property, plant and equipment, right-of-use asset, investment properties and intangible assets, excluding goodwill, to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Corporate assets are allocated to the individual cash-generating units on a reasonable and consistent basis of allocation.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually and whenever there is an indication that the assets may be impaired.

The recoverable amount is the higher of fair value less costs to sell and value in use. If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount, with the resulting impairment loss recognized in profit or loss.

When an impairment loss is subsequently reversed, the carrying amount of the corresponding asset, cash-generating unit or assets related to contract costs is increased to the revised estimate of its recoverable amount, but only to the extent of the carrying amount that would have been determined had no impairment loss been recognized on the asset, cash-generating unit or assets related to contract costs in prior years. A reversal of an impairment loss is recognized in profit or loss.

(XIV) Financial instruments

Financial assets and financial liabilities are recognized in Consolidated Balance Sheets when the Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets at assets and liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss, are also included in the amount of financial assets and financial liabilities initially recognised.

1. Financial assets

All regular way purchases or sales of financial instruments are recognized and derecognized on a trade date basis.

(1) Measurement categories

The types of financial assets held by the Group are financial assets measured at fair value through profit or loss Fair value, financial assets measured at amortized cost, and investments in equity instruments measured at fair value through other comprehensive income total Fair value.

A. Financial assets at fair value through profit or loss

The financial assets measured at fair value through profit or loss include financial assets measured at fair value through profit or loss. The financial assets measured at fair value through profit or loss include investments in equity instruments not designated as measured at fair value through other comprehensive income, and investments in debt instruments that do not meet the classification for measurement at amortized cost or measured at fair value through other comprehensive income.

The financial assets measured at fair value through profit or loss are recognized in profit or loss for the dividends, interest income, and gains or losses arising from remeasurement. For the determination of fair value, please refer to Note XXXI.

B. Financial assets at amortized cost

Financial assets are classified as measured at amortized cost if both of the following conditions are met:

a. The financial assets are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
b. The contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Subsequent to initial recognition, financial assets at amortized cost, including cash and cash equivalents, trade receivables at amortized cost and other receivables, are measured at amortized cost, which equals the gross carrying amount determined using the effective interest method less any impairment loss. Exchange differences are recognized in profit or loss.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of such a financial asset, except for in the following two cases:

a. Purchased or originated credit-impaired financial asset, for which interest income is calculated by applying the credit-adjusted effective interest rate to the amortized cost of such financial assets; and
b. Financial asset that is not credit impaired on purchase or origination but has subsequently become credit impaired, for which interest income is calculated by applying the effective interest rate to the amortized cost of such financial assets in subsequent reporting periods.

Credit-impaired financial assets refer to financial assets for which the issuer or debtor has encountered significant financial difficulties, defaulted, is likely to file for bankruptcy or undergo other financial restructuring, or has caused the active market for the financial assets to disappear due to financial difficulties.

Cash equivalents include time deposits with original maturities within 3 months from the date of acquisition, which are highly liquid, readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These cash equivalents are held for the purpose of meeting short-term cash commitments.

C. Investments in equity instruments at FVTOCI

On initial recognition, the Group may make an irrevocable election to designate investments in equity instruments as at FVTOCI. Designation as at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognized by an acquirer in a business combination.

Investments in equity instruments at FVTOCI are subsequently measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in other equity. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments; instead, it will be transferred to retained earnings.

Dividends on these investments in equity instruments are recognized in profit or loss when the Group's right to receive the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment.

(2) Impairment of financial assets

The Group recognizes a loss allowance for expected credit losses on financial assets at amortized cost (including trade receivables).

The Group always recognizes lifetime expected credit losses (ECLs) for trade receivable. When initially recognizing other financial assets, if there is no significant increase in credit risk since the original recognition, they are measured by recognizing an allowance for expected credit losses (ECLs) over 12 months. However, if there has been a significant increase in credit risk, they are measured by recognizing an allowance for expected credit losses over the remaining lifetime of the asset.

Expected credit losses reflect the weighted average of credit losses with the respective risks of default occurring as the weights. Lifetime ECLs represent the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECLs represent the portion of lifetime ECLs that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

For internal credit risk management purposes, the Group considers the following situations as indication that a financial asset is in default, without taking into account any collateral held by the Group:

A. Internal or external information shows that the debtor is unlikely to pay its creditors.

B. Financial asset is more than 180 days past due unless the Group has reasonable and corroborative information to support a more lagged default criterion.

The impairment loss of all financial assets is recognized in profit or loss by a reduction in their carrying amounts through a loss allowance account.

(3) Derecognition of financial assets

The Group derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset at amortized cost in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss. However, on derecognition of an investment in its entirety in accordance with other comprehensive income and in accordance with fair value's equity, the cumulative gain or loss that had been recognized in other comprehensive income is transferred directly to retained earnings and is not reclassified to profit or loss.

2. Equity instruments

Debt and equity instruments issued by the Group are classified as either liabilities or equity in accordance with the substance of the contractual arrangements and the definitions of financial liabilities and equity instruments.

The equity instrument issued by the Group is recognized at the proceeds received, net of direct issue costs.

Repurchase of the Group's own equity instruments is recognized and deducted directly from equity. No gain or loss is recognized in profit or loss on the purchase, sale, issue or cancelation of the Group's own equity instruments.

3. Financial Liabilities

(1) Subsequent measurement

Except for the following, liabilities are measured at amortized cost using the effective interest method:

<u>Financial liabilities at fair value through profit or loss</u>

The financial liabilities measured at fair value through profit or loss are held for trading.

Financial liabilities held for trading are measured at fair value, with interest recognized in finance costs, while other gains or losses arising from remeasurement are recognized in other gains and losses.

For the determination of fair value, please refer to Note XXXI.

(2) Derecognition of financial liabilities

The difference between the carrying amount of a financial liability derecognized and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

4. Derivative financial instruments

The Group enters into a variety of derivative financial instruments to manage its exposure to foreign exchange rate risks, including foreign exchange forward contracts and cross currency swaps.

Derivatives are initially recognized at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship. When the fair value of derivative financial instruments is positive, the derivative is recognized as a financial asset; when the fair value of derivative financial instruments is negative, the derivative is recognized as a financial liability.

If a derivative instrument is embedded in a host contract that falls within the scope of IFRS 9 "Financial Instruments", the classification of the financial asset is determined based on the entire contract. If a derivative instrument is embedded in a host contract that is outside the scope of IFRS 9 (such as embedded in a host contract for financial liabilities), and if the embedded derivative meets the definition of a derivative instrument, its risks and characteristics are not closely related to the risks and characteristics of the host contract, and if the mixed contract is not measured at fair value through profit or loss Fair value, then the derivative instrument is treated as a separate derivative instrument.

(XV) Revenue recognition

The Group identifies contracts with customers, allocates the transaction price to the performance obligations and recognizes revenue when performance obligations are satisfied.

The Group manufactures and sells industrial motherboards, computer products, peripheral devices, electronic parts, and related products. Sales revenue is recognized when control of the products has been transferred to the customer, being when the products are delivered to the customer, and there are unfulfilled performance obligations that could affect the customer's acceptance of the products. Delivery of goods occurs only when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, or the Group has objective evidence that all criteria for acceptance have been satisfied.

The Group does not recognize revenue on materials delivered to subcontractors because this delivery does not involve a transfer of control.

(XVI) Leases

At the inception of a contract, the Group assesses whether the contract is, or contains, a lease.

1. The Group as lessor

Leases are classified as finance leases whenever the terms of a lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Lease payments (less any lease incentives payable) from operating leases are recognized as income on a straight-line basis over the terms of the relevant leases. Initial direct costs incurred in obtaining operating leases are added to the carrying amounts of the underlying assets of assets and recognized as expenses on a straight-line basis over the lease terms.

2. The Group as lessee

The Group recognizes right-of-use assets and lease liabilities for all leases at the commencement date of a lease, except for short-term leases and low-value asset leases accounted for by applying a recognition exemption where lease payments are recognized as expenses on a straight-line basis over the lease terms.

Right-of-use assets are initially measured at cost, which comprises the initial measurement of lease liabilities adjusted for lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs needed to restore the underlying assets, and less any lease incentives received. Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses and adjusted for any remeasurement of the lease liabilities. Right-of-use assets are presented on a separate line in the consolidated balance sheets.

Right-of-use assets are depreciated using the straight-line method from the commencement dates to the earlier of the end of the useful lives of the right-of-use assets or the end of the lease terms. However, if leases transfer ownership of the underlying assets to the Group by the end of the lease terms or if the costs of right-of-use assets reflect that the Group will exercise a purchase option, the Group depreciates the right-of-use assets from the commencement dates to the end of the useful lives of the underlying assets.

Lease liabilities are initially measured at the present value of the lease payments. The lease payments are discounted using the interest rate implicit in a lease, if that rate can be readily determined. If that rate cannot be readily determined, the lessee's incremental borrowing rate will be used.

Subsequently, lease liabilities are measured at amortized cost using the effective interest method, with interest expense recognized over the lease terms. When there is a change in a lease term, a change in the amounts expected to be payable under a residual value guarantee, a change in the assessment of an option to purchase an underlying asset, or a change in future lease payments resulting from a change in an index or a rate used to determine those payments, the Group remeasures the lease liabilities with a corresponding adjustment to the right-of-use-assets. However, if the carrying amount of the right-of-use assets is reduced to zero, any remaining amount of the remeasurement is recognized in profit or loss. Lease liabilities are presented on a separate line in the consolidated balance sheets.

Variable lease payments that do not depend on an index or a rate are recognized as expenses in the periods in which they are incurred.

(XVII) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale.

Specific borrowings, such as investment revenue, earned by temporary investment before the occurrence of capital expenditures that meet the requirements, are deducted from the borrowing costs eligible for capitalization.

Other than those stated above, all other borrowing costs are recognized in profit or loss in the period in which they are incurred.

(XVIII) Employee Benefits

1. Short-term Employee Benefits

Liabilities related to short-term employee benefits are measured by the undiscounted amount expected to be paid in exchange for employee services.

2. Retirement Benefits

Payments to defined contribution retirement benefit plans are recognized as expenses when employees have rendered services entitling them to the contributions.

Defined benefit costs (including service cost, net interest and remeasurement) under the defined benefit retirement benefit plans are determined using the projected unit credit method. Service cost (including current service cost) and net interest on the net defined benefit liabilities (assets) are recognized as employee benefits expense in the period in which they occur. Remeasurement, comprising actuarial gains and losses and the return on plan assets (excluding interest), is recognized in other comprehensive income and other equity interest in the period in which they occur. Remeasurement recognized in other comprehensive income is reflected immediately in other comprehensive income and will not be reclassified to profit or loss.

The net defined benefit liabilities (assets) are the deficit (remain) in the contribution to the defined benefit retirement plan. The net defined benefit assets may not exceed the present value of refunds of contributions from the plan or reductions in future contributions.

(XIX) Share-based payments agreement

Employee share options granted to employees and others providing similar services

The fair value at the grant date of the employee share options is expensed on a straight-line basis over the vesting period, based on the Group's best estimates of the number of shares or options that are expected to ultimately vest, with a corresponding increase in capital surplus - employee share options. The expense is recognized in full at the grant date if the grants are vested immediately. The grant date that are reserved for treasury shares transferred to employees is the date on which the board of directors approves.

At the end of each reporting period, the Group revises its estimate of the number of employee share options that are expected to vest. The impact of the revision of the original estimates is recognized in profit or loss such that the cumulative expenses reflect the revised estimate, with a corresponding adjustment to capital surplus - employee share options.

(XX) Income tax

Tax expense is the sum of the current income tax and deferred income tax.

1. Income tax

   The Group determines the current income (loss) in accordance with the laws and regulations of each income tax reporting jurisdiction and calculates the payable (recoverable) of income tax.

   According to the Income Tax Act in the ROC, an additional tax on unappropriated earnings is provided for in the year the shareholders approve to retain earnings.

   Adjustments of prior years' tax liabilities are added to or deducted from the current year's tax provision.

2. Deferred income tax

   Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities and the corresponding tax bases used in the computation of taxable profit.

   Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences, net operating loss carryforwards or acquisition of machinery and equipment, and tax credits for research development and talent training expenses to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

   Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred income tax assets is reviewed at each assets liabilities date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be recovered. Previously unrecognized deferred income tax assets are also reviewed at each assets liabilities date and recognized to the extent that it has become probable that future taxable profit will allow the assets to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which liabilities is settled or assets is realized, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the balance sheet date of assets liabilities. The measurement of deferred income tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the assets liabilities, to recover or settle the carrying amount of its assets and liabilities.

3．Current and deferred taxes

Current and deferred income tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity in which case, the current and deferred income tax are also recognized in other comprehensive income or directly in equity, respectively.

Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

V. Major Accounting Judgments, Estimates, and Sources of Assumption Uncertainty

In the application of the Group's accounting policies, management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and factors that are considered relevant to other. Actual results may differ from these estimates.

When developing significant accounting estimates, management will continuously review the estimates and underlying assumptions.

Estimates and Sources of Assumption Uncertainty

(I) Estimation of impairment of financial asset

The estimated impairment of accounts receivable is based on the assumptions regarding the probability of default and the loss given default. The Group consider historical experience, current market conditions, and forward-looking information to formulate assumptions and select input values for impairment assessment. For the important assumptions and input values adopted, please refer to Note X. If the actual cash flows in the future are less than those expected by the Group, significant impairment losses may occur.

(II) Impairment of Inventory

The net realizable value of inventory is estimated as the selling price in the ordinary course of business, less the estimated costs to complete and sell the inventory. Such estimates are based on current market conditions and historical sales experience of similar products. Changes in market conditions may significantly affect these estimates.

(III) Goodwill impairment estimation

When determining whether goodwill is impaired, it is necessary to estimate the value in use of the cash-generating units allocated to goodwill. To calculate the value in use, management should estimate the expected future cash flows generated by the cash-generating unit and determine the appropriate discount rate to be used in calculating the present value. If the actual cash flow is less than expected or if the facts and circumstances change resulting in a downward revision of future cash flows or an upward revision of the discount rate, significant impairment losses may occur.

VI. Cash and cash equivalents

	December 31, 2024	December 31, 2023
Cash on hand and working capital	$ 630	$ 904
Checking accounts and demand deposits	419,768	386,729
Cash equivalents (Investments with original maturities of less than 3 months)		
Time deposits	48,961	262,886
	$ 469,359	$ 650,519

VII. Financial assets at fair value through profit or loss

	December 31, 2024	December 31, 2023
Current item:		
Financial assets mandatorily measured at fair value		
Combined financial assets		
—Convertible bonds	$ -	$ 78,459
Non-derivative financial assets		
—Domestic listed and OTC shares	5,822	-
—Beneficiary certificate	43,226	26,841
	$ 49,048	$ 105,300

VIII. Financial assets at fair value through other comprehensive income

Equity Instruments at FVTOCI

	December 31, 2024	December 31, 2023
Non-current		
Domestic unlisted shares	$ 13,919	$ 12,660

These investments in equity instruments are held for medium to long-term strategic purposes. Accordingly, the management elected to designate these investments in equity instruments as at FVTOCI as they believe that recognizing short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Group's strategy of holding these investments for long-term purposes.

In July 2023, the Group obtained the Arbor Australia Pty Liquidation Completion Certificate and derecognized the original investment cost and accumulated impairment of NTD 3,092 thousand.

IX. Financial assets at amortized cost

	December 31, 2024	December 31, 2023
Current items		
Repurchase agreement of commercial papers	$ -	$ 87,524
Restricted bank deposits	108,980	185,202
Time deposits with original maturities of excessing than 3 months	45,309	19,575
	$ 154,289	$ 292,301

For information on the Group's financial assets at amortized cost pledged to others as collateral, please refer to Note XXXIII.

X. Notes and accounts receivable

	December 31, 2024	December 31, 2023
Notes receivable－from operating		
Measured at amortized cost		
Gross carrying amount	$ 491	$ 13,511
Notes receivable-related parties－from operating（NoteXXXII）		
Measured at amortized cost		
Gross carrying amount	$ -	$ 13,427

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	December 31, 2024	December 31, 2023
Accounts receivable		
Measured at amortized cost		
Gross carrying amount	$ 698,570	$ 374,038
Less: Allowance for impairment loss	(14,034)	(9,534)
	$ 684,536	$ 364,504
Accounts receivable -related parties（NoteXXXII）		
Measured at amortized cost		
Gross carrying amount	$ 9,205	$ 201,096

Accounts receivable

The average credit period of sales of goods was 30~180 days, No interest was charged on accounts receivable. The credit policy adopted by the Group requires that each operating entity within the group conduct management and credit risk analysis on every new customer before establishing payment and delivery terms and conditions. Internal risk management involves assessing the credit quality of clients by considering their financial condition, past experiences, and other factors. The limit for individual risks is established by the board of directors based on internal or external ratings, and the usage of credit limits is monitored regularly. The company continuously monitors credit risk and the credit ratings of counterparties, and diversifies the total transaction amount among different clients with qualified credit ratings. Additionally, it manages credit risk through annual reviews and approvals of counterparty credit limits.

To mitigate credit risk, the management of the company has assigned a dedicated team responsible for the determination of credit limits, credit approvals, and other monitoring procedures to ensure that appropriate actions have been taken for the recovery of overdue accounts receivable. In addition, the Group will review the recoverable amounts of accounts receivable individually as of the balance sheet date to ensure that any uncollectible accounts receivable have been appropriately provided for impairment losses. Accordingly, the management of the Group believes that the Group's credit risk has significantly decreased.

The Group recognizes the allowance for doubtful accounts based on the expected credit loss over the duration of its existence. The expected credit loss over the duration is calculated using a provisioning matrix, which takes into account the customer's past default records, current financial condition, industry economic situation, as well as GDP forecasts and industry outlook. Due to the varying loss patterns of the company's customer base in different regions, the company adopts different provisioning matrices based on regional customer groups and establishes expected credit loss rates considering the overdue days of accounts receivable and the economic conditions of each region.

If there is evidence showing that the counterparty is facing serious financial difficulties and the Group cannot reasonably expect to recover the amount, the company will directly write off the relevant accounts receivable; however, it will continue its collection activities, as the amounts recovered from these activities will be recognized in profit or loss.

The following is the notes and accounts receivable (including related parties) aging report:

	December 31, 2024	December 31, 2023
Current	$ 656,504	$ 437,542
Overdue		
Within 30 days	16,608	47,628
31-90 days	9,153	31,024
91-180 days	457	33,266
Over 181 days	25,544	52,612
Total	$ 708,266	$ 602,072

The above is an aging analysis conducted based on the number of overdue days.

The information regarding the changes in the allowance for doubtful accounts is as follows:

	2024	2023
Opening balance	$ 9,534	$ 5,799
Corporate Merger Acquisition	9,848	-
Add: Impairment loss	-	5,682
Less: Reversal of impairment loss	(689)	-
Less: Amounts written off	(4,813)	(1,950)
Effect of foreign exchange translations	154	3
Ending balance	$ 14,034	$ 9,534

XI. Inventories

	December 31, 2024	December 31, 2023
Raw materials	$ 337,291	$ 217,041
Work-in-process	694,697	126,604
Finished goods	573,758	161,160
Merchandise	65,629	10,300
	$ 1,671,375	$ 515,105

The following is the nature of Cost of goods sold:

	2024	2023
Cost of goods sold	$ 1,057,188	$ 1,105,026
Gain (loss) on inventory valuation and Loss from obsolescence	14,672	20,587
	$ 1,071,860	$ 1,125,613

XII. Subsidiaries

(I) Subsidiaries included in the consolidated financial statements

The entities preparing this consolidated financial report are as follows:

Investor	Subsidiary name	Business nature	Proportion of Ownership December 31,2024	Proportion of Ownership December 31,2023	Remark
ARBOR Technology Co., Ltd.	Arbor Solution Inc.	Trading of industrial computers and peripherals	100%	100%	-
	Guiding Technology Ltd.	Trading	100%	100%	-
	Allied Info Investments Ltd.	Investing	100%	100%	-
	Excellent Top International Development Ltd.	Investing	100%	100%	-
	Arbor France S.A.S.	Trading of industrial computers and peripherals	100%	100%	-
	Flourish Technology Co., Ltd.	Investing and Trading	100%	100%	-
	Arbor Korea Co.,Ltd.	Trading of industrial computers and peripherals	100%	100%	-
ARBOR Technology Co., Ltd.	Best Vintage Global LTD.	Investing	100%	100%	-
	Acloud Intelligence Services Corp. Ltd.	Trading of industrial computers and peripherals	67.08%	67.08%	-
	Anasis Tech Ltd.	Energy Technology Services	68.97%	-	Note 1
	Amobile Intelligent Corp. Limited （AMobile HK）	Investing and Trading	61.77%	-	Note 2
Allied Info Investments Ltd.	Arbor Beijing Technology Co., Ltd.	Trading of industrial computers and peripherals	90.91%	90.91%	-
Excellent Top International Development Ltd.	Arbor Technology (Shenzhen)Co., Ltd.	Manufacture and trading of industrial computers	100%	100%	-
Flourish Technology Co., Ltd.	Arbor China Technology Co.,Ltd.	Trading of industrial computers and peripherals	100%	100%	-
Arbor China Technology Co.,Ltd.	Arbor Beijing Technology Co., Ltd.	Trading of industrial computers and peripherals	9.09%	9.09%	-
Best Vintage Global LTD.	Perfect Stream LTD.	Investing	100%	100%	-
Perfect Stream LTD.	Arbor Technology UK LTD.	Trading of industrial computers and peripherals	100%	100%	-
Amobile Intelligent Corp. Limited （AMobile HK）	Amobile (HK) Limited	Communication equipment and peripherals	100%	-	Note 2
	AMobile Solutions (Xiamen) Co., Ltd.	Communication equipment and peripherals	100%	-	Note 2
	AMobile Solutions Corp.	Communication equipment and peripherals	100%	-	Note 2
AMobile Solutions Corp.	AMobile Solutions (Shenzhen) Co., Ltd.	Communication equipment and peripherals	100%	-	Note 2

Note：

1. ARBOR Technology Co., Ltd. acquired Anasis Tech Ltd. for cash NTD 8,000 thousand on 15 August 2024. 93.02% equity (Note XXVIII); on 26 August 2024, a capital increase was carried out by valuing the patented technology, and ARBOR Technology Co., Ltd. did not subscribe according to the shareholding ratio, resulting in the shareholding ratio decreasing from 93.02% to 68.97%(Note XXIX).

2. ARBOR Technology Co., Ltd. acquired a cash for NTD 207,411 thousand stake of AMobile HK 19.26% on 16 December 2024 (Note XXVIII), and together with the previously held shares, cumulatively held 58.57% to gain control; furthermore, ARBOR Technology Co., Ltd. executed the conversion rights of convertible bonds on 31 December 2024, resulting in an increase in shareholding ratio from 58.57% to 61.77%. (Note XXIX).
3. Significant restrictions: As of December 31, 2024, cash and bank deposit of NTD 35,181 thousand was in China and restricted by the local foreign exchange controls. Such foreign exchange controls restrict the export of funds out of China (except by means of normal dividend distribution).

(II) Subsidiaries with non-controlling interests that are material to the Group:

		Non-controlling interests Proportion of Ownership	
Subsidiary name	Principle place of business	December 31,2024	December 31,2023
AMobile HK	Taiwan	61.77%	-

The following summary financial information is prepared based on amounts before intercompany transactions are eliminated:

AMobile HK and its subsidiaries

	December 31,2024
Current assets	$ 2,009,582
Noncurrent assets	58,863
Current liabilities	(1,086,202)
Noncurrent liabilities	(1,919)
Equity	$ 980,324
Equity attributable to:	
Owners of the parent	$ 740,678
Non-controlling interest	239,646
	$ 980,324

	2024
Revenue	$ 84,427
Net Income	57,348
Other comprehensive (loss) income	(931)
Total comprehensive (loss) income	$ 56,417
Net income attributable to:	
Owners of the parent	$ 33,586
Non-controlling interest	23,762
	$ 57,348
Comprehensive income attributable to:	
Owners of the parent	$ 31,492
Non-controlling interest	24,925
	$ 56,417

XIII. Investments accounted for using equity method

Investments in associates

	December 31,2024	December 31,2023
Associates that are material to the Group		
AMobile HK	$ -	$ 432,193

Associates that are material to the Group as follows:

			Proportion of Ownership	
Company name	Business nature	Principle place of business	December 31,2024	December 31,2023
AMobile HK	Communication equipment and peripherals,Investing and Trading	Taiwan	- (Note 2)	39.31%

Note：

1. For the year of 2023, The Group holds 39.31% of shares of AMobile HK and is the single biggest shareholder. Because the other three shareholders (unrelated parties) hold their total shares of AMobile HK more than the Company; and based on the investment agreement, significant policies should not be only executed without written agreements of both AMobile HK and investors; in addition, since the Group and other two listed corporate shareholders are responsible for significant relevant activities, such as sales, development of products, and technical support, respectively, under the framework of three-party joint venture, no single party of the three can decide significant operating activities alone to establish the business model and product value of AMobile HK, which means that the value-added activities are under mutual management and support by the three listed companies; therefore, it is judged that the Group has only significant influence but not control over AMobile HK since it is shown that the Group does not take the lead on relevant activities, therefore it was accounted for using equity method.
2. Reference to Note XII, regarding to the Group acquired the control over Amobile HK, the investment previously accounted for using the equity method has been derecognized. The fair value of the Group is remeasured as of the acquisition date for the equity previously held in the invested company, resulting in the recognition of a loss on the disposal of investments NTD 15,928 thousand. In addition, the accumulated amounts of other comprehensive income recognized from invested companies in previous years will be reclassified as disposal investment losses NTD 6,451 thousand.
3. The Group measures above associates using the equity method.In the Investments accounted for using equity method for the year 2023, AMobile HK was evaluated according to the financial statements audited and certified by other accountant.

The summarized financial information of AMobile HK, which prepared its consolidation financial report by following the IFRS as follows.

	December 31,2023
Current assets	$ 1,281,435
Noncurrent assets	54,768
Current liabilities	(845,684)
Noncurrent liabilities	(11,557)
Equity	$ 478,962
The Group ownership percentage	39.31%
The Group's share of equity	$ 188,280
Unrealized Gains and Losses from Counter-Trend Trading	(1,609)
Goodwill	245,522
Investment carrying amount	$ 432,193

	2023
Revenue	$ 457,287
Net Loss	(64,329)
Other comprehensive (loss) income	(4,323)
Total comprehensive (loss) income	($ 68,652)

XIV. Property, plant, and equipment

	Land	Buildings	Machinery and equipment	Office equipment	Other	Total
Cost						
January 1, 2024 Bal.	$ 397,131	$ 168,110	$ 39,717	$ 19,538	$ 48,138	$ 672,634
Additions	-	-	849	622	2,051	3,522
Acquired through merger (Note XXVIII)	-	-	7,512	6,727	70,564	84,803
Disposals	-	-	(517)	(501)	(4,543)	(5,561)
Reclassifications	-	686	-	4,385	2,317	7,388
Net exchange differences	-	-	1,277	486	245	2,008
December 31,2024 Bal.	$ 397,131	$ 168,796	$ 48,838	$ 31,257	$ 118,772	$ 764,794
Accumulated depreciation						
January 1, 2024 Bal.	$ -	$ 38,080	$ 28,959	$ 13,353	$ 29,489	$ 109,881
Depreciation expense	-	6,809	2,297	2,131	5,258	16,495
Acquired through merger (Note XXVIII)	-	-	4,217	2,452	53,601	60,270
Disposals	-	-	(509)	(474)	(4,379)	(5,362)
Reclassifications	-	-	-	32	(32)	-
Net exchange differences	-	-	970	433	233	1,636
December 31,2024 Bal.	$ -	$ 44,889	$ 35,934	$ 17,927	$ 84,170	$ 182,920
December 31,2024 Net	$ 397,131	$ 123,907	$ 12,904	$ 13,330	$ 34,602	$ 581,874
Cost						
January 1, 2023 Bal.	$ 397,131	$ 168,110	$ 41,700	$ 15,145	$ 42,872	$ 664,958
Additions	-	-	113	1,877	1,811	3,801
Disposals	-	-	(1,341)	(508)	(5,948)	(7,797)
Reclassifications	-	-	-	1,505	9,612	11,117
Net exchange differences	-	-	(755)	1,519	(209)	555
December 31,2023 Bal.	$ 397,131	$ 168,110	$ 39,717	$ 19,538	$ 48,138	$ 672,634

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	Land	Buildings	Machinery and equipment	Office equipment	Other	Total
Accumulated depreciation						
January 1, 2023 Bal.	$ -	$ 31,297	$ 27,813	$ 10,571	$ 30,250	$ 99,931
Depreciation expense	-	6,783	2,626	1,764	4,868	16,041
Disposals	-	-	(933)	(501)	(5,424)	(6,859)
Net exchange differences		-	(547)	1,519	(204)	768
December 31,2023 Bal.	$ -	$ 38,080	$ 28,959	$ 13,353	$ 29,489	$ 109,881
December 31,2023 Net	$ 397,131	$ 130,030	$ 10,758	$ 6,185	$ 18,649	$ 562,753

Depreciations on a straight-line basis over the following estimated useful lives:

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

For information on the property, plant and equipment that were pledged to others as collateral, please refer to Note XXXIII.

XV. Lease Arrangements

(1) Assets

	December 31, 2024	December 31, 2023
Carrying amount of Assets		
Building	$ 21,441	$ 27,786
Shipping equipment	3,832	3,204
Office equipment	827	2,811
	$ 26,100	$ 33,801

	December 31, 2024	December 31, 2023
Additions to Assets	$ 9,834	$ 19,872
Assets-Depreciation expense		
Building	$ 15,504	$ 14,898
Shipping equipment	1,546	1,378
Office equipment	1,984	1,870
	$ 19,034	$ 18,146

Except for the above-mentioned acquired through merger, addition and recognition of depreciation expense, the Group's right-of-use assets has not undergone significant subleasing and impairment in 2024 and 2023.

(2) Leases liabilities

	December 31, 2024	December 31, 2023
Carrying amount under liabilities		
Current	$ 14,620	$ 17,401
Non-current	$ 12,500	$ 17,135

Range of discount rate for lease Liabilities was as follows:

	December 31, 2024	December 31, 2023
Building	1.51%~4.65%	1.50%~3.04%
Shipping equipment	2.05%~4.76%	1.50%~3.50%
Office equipment	2.05%	2.05%

(3) Other lease information

	2024	2023
Expenses relating to short-term leases	$ 8,149	$ 7,220
Expense relating to low value assets leases	$ 357	$ 92
Total cash outflow for leases	$ 27,615	$ 25,911

XVI. Investment properties

	Land	Buildings	Total
Cost			
Balance at January 1, 2024 and Balance at December 31, 2024	$ 51,389	$ 26,517	$ 77,906
Accumulated depreciation			
Balance at January 1, 2024	$ -	$ 4,368	$ 4,368
Depreciation expense	-	803	803
Balance at December 31, 2024	$ -	$ 5,171	$ 5,171
Carrying amount at December 31, 2024	$ 51,389	$ 21,346	$ 72,735
Cost			
Balance at January 1, 2023 and Balance at December 31, 2023	$ 51,389	$ 26,517	$ 77,906
Accumulated depreciation			
Balance at January 1, 2023	$ -	$ 3,565	$ 3,565
Depreciation expense	-	803	803
Balance at December 31, 2023	$ -	$ 4,368	$ 4,368
Carrying amount at December 31, 2023	$ 51,389	$ 22,149	$ 73,538

Except for the above-mentioned recognition of depreciation expense, the Group's investment properties have not undergone significant addition, disposal and impairment in 2024 and 2023.

Investment properties' depreciations on a straight-line basis over the following estimated useful lives:

Buildings	30 to 43 years

The fair value of the investment property has not been evaluated by an independent appraiser and is only determined by the management of the Company with reference to the level 2 fair value measurement. The aforementioned fair value was estimated based on the market prices of similar properties in the neighborhood of related properties. The relevant fair values are as follows:

	December 31, 2024	December 31, 2023
Fair value	$ 100,298	$ 89,047

For information on the investment properties pledged as collaterals, please refer to Note XXXIII.

Total amount of lease payments of operating to be received in the future for investment properties leased under operating leases is as follows:

	December 31, 2024	December 31, 2023
Less than 1 year	$ 2,723	$ 2,256
Over 1 year but less than 5 years	39	2,141
	$ 2,762	$ 4,397

XVII. Intangible assets

	Goodwill	Computer software	Patent	Franchise	Total
Cost					
January 1, 2024 Bal.	$ 26,438	$ 32,538	$ 9,762	$ -	$ 68,738
Additions	-	1,990	3,000	-	4,990
Acquired through merger (Note XXVIII)	353,448	32,421	1,308	5,314	392,491
Net exchange differences	1,640	9	-	14	1,663
December 31,2024 Bal.	$381,526	$ 66,958	$ 14,070	$ 5,328	$467,882
Accumulated amortization					
January 1, 2024 Bal.	$ -	$ 25,454	$ 9,762	$ -	$ 35,216
Acquired through merger (Note XXVIII)	-	23,709	1,152	1,033	25,894

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	Goodwill	Computer software	Patent	Franchise	Total
Amortization expense	$ -	$ 3,546	$ 204	$ 121	$ 3,871
Net exchange differences	-	7	-	4	11
December 31,2024 Bal.	$ -	$ 52,716	$ 11,118	$ 1,158	$ 64,992
Carrying amount at December 31, 2024	$381,526	$ 14,242	$ 2,952	$ 4,170	$402,890
Cost					
January 1, 2023 Bal.	$ 26,349	$ 29,806	$ 9,762	$ -	$ 65,917
Additions	-	2,600	-	-	2,600
Reclassification	-	132	-	-	132
Net exchange differences	89	-	-	-	89
December 31,2023 Bal.	$ 26,438	$ 32,538	$ 9,762	$ -	$ 68,738
Accumulated amortization					
January 1, 2023 Bal.	$ -	$ 20,389	$ 8,929	$ -	$ 29,318
Amortization expense	-	5,065	833	-	5,898
December 31,2023 Bal.	$ -	$ 25,454	$ 9,762	$ -	$ 35,216
Carrying amount at December 31, 2023	$ 26,438	$ 7,084	$ -	$ -	$ 33,522

The determination of the recoverable amount of goodwill is based on its value in use, and the management of the Group assesses its recoverable amount based on the value in use of cash-generating unit operating assets, taking into account their expected useful life as a basis for cash flow assessment. The discount rates used as of 31 December 2024 and 31 December 2023 are 15.2%~17.44% and 15.86%, respectively. Other key assumptions include the projected growth rate of operating revenue and profitability. The estimate of operating revenue is based on past experience and takes into account future industry developments and analyzes of expected product growth trends, as well as factors such as anticipated sales conditions and corporate operational strategies and objectives. The management of the Group believes that any reasonable changes to the key assumptions underlying the recoverable amount will not cause its carrying amount to exceed the recoverable amount. The recoverable amount calculated based on the above key assumptions, compared to the carrying values of operating assets and goodwill as of the assessment date, indicates that there is no impairment of goodwill for the years 2024 and 2023.

Amortization expense is on a straight-line basis over the following estimated useful lives:

Computer software	2 to 5 years
Patent	2 to 5 years
Franchise	2 to 3 years

XVIII. Other assets

	December 31, 2024	December 31, 2023
Current		
Prepayment for purchases	$ 9,053	$ 39,341
Overpaid sales tax	145,433	55,445
Prepaid expense	45,397	11,435
Income tax refund receivable	5,188	2,571
Other receivables	5,245	7,481
	$ 210,316	$ 116,273
Noncurrnet		
Refundable deposits (2)	$ 20,804	$ 32,990
Prepayment for equipment	13,260	5,506
Other assets	4,127	3,648
Overdue receivables (1)	39,623	38,287
Allowance for impairment loss on overdue receivables (1)	(39,623)	(38,287)
	$ 38,191	$ 42,144

(1) In 2021, the Group sold goods to Jiangsu Tianyu Jiyuan Intelligent Technology Development Co., Ltd. (hereinafter referred to as "Jiangsu Tianyu"), and the outstanding receivables totaled NTD 39,065 thousand. After assessing the possibility of bad debts, the Group has fully recognized impairment losses in 2022. On 25 August 2022, the Group applied to the People's Court of New North District, Changzhou City, Jiangsu Province for property preservation, requesting that the property of RMB 9,614,562 in the value of Jiangsu Tianyu be seized or frozen in accordance with the law. After the trial of the court, the case may be executed immediately. Jiangsu Tianyu refused to accept the judgment and filed an appeal to the Intermediate People's Court of Changzhou City, Jiangsu Province on 9 January 2023, and subsequently withdrew the appeal on 1 April 2023. The Group started to transfer the receivables from Jiangsu Tianyu to the overdue amount on 30 September 2023, and discussed with the appointed lawyer for subsequent collection actions. As of 31 December 2024, the court has carried out compulsory enforcement against Jiangsu Tianyu; however, due to the absence of any assets available for execution, this enforcement has been legally concluded. After that, the management of the Group is continuously going to discuss with lawyers about applying to the court to add Jiangsu Tianyu shareholders as defendants or to sue its shareholders.

(2) For information on the Refundable deposits pledged as collaterals, please refer to Note XXXIII.

XIX. Borrowings

(1) Short-term borrowings

	December 31, 2024	December 31, 2023
Secured loans（Note XXXIII）		
Bank loans	$ 314,000	$ 236,500
Purchase order financing	34,950	-
Non-Secured loans		
Credit loans	388,738	410,000
Purchase order financing	157,164	-
	$ 894,852	$ 646,500

The interest rates for bank loans on 31 December 2024 and 31 December 2023 are respectively 1.90%~3.51% and 0.50%~2.22%.

(2) Short-term notes and bills payable

	December 31, 2024	December 31, 2023
Commercial paper payable	$ 70,000	$ 72,000

The Short-term notes and bills payable that have not yet matured are as follows:

December 31, 2024

Guaranteeing or accepting institutions	Amount issued	Discount Amount	Book value	Interest rate	Collateral	Collatera Book value
Commercial paper payable						
International Bills Finance Corporation	$ 40,000	$ -	$ 40,000	1.80%	—	$ -
Mega Bills Finance Co., Ltd.	30,000	-	30,000	1.99%	—	-
	$ 70,000	$ -	$ 70,000			$ -

December 31, 2023

Guaranteeing or accepting institutions	Amount issued	Discount Amount	Book value	Interest rate	Collateral	Collatera Book value
Commercial paper payable						
International Bills Finance Corporation	$ 26,000	$ -	$ 26,000	1.94%	Repurchase agreement of commercial papers	USD 1,000
Mega Bills Finance Co., Ltd.	24,000	-	24,000	1,97%	(Same as above)	USD 1,000
International Bills Finance Corporation	22,000	-	22,000	1.94%	(Same as above)	USD 850
	$ 72,000	$ -	$ 72,000			USD 2,850

(3) Long-term borrowings

Types of borrowings	December 31, 2024	Interest rate range	Collateral
Bank mortgage loan（Note XXXIII）	$ 411,879	2.08%～2.83%	Restricted bank deposits, Land and buildings
Less: Current portion	(46,305)		
	$ 365,574		

Types of borrowings	December 31, 2023	Interest rate range	Collateral
Bank mortgage loan（Note XXXIII）	$ 471,937	1.90%～2.10%	Restricted bank deposits, Land and buildings
Less: Current portion	(67,601)		
	$ 404,336		

XX. Other payables

	December 31, 2024	December 31, 2023
Salary and Bonus payable	$ 42,535	$ 35,771
Insurance premium payable	5,745	8,473
Compensation payable to employees and directors	5,315	9,000
Equipment payable	8,122	-
Service fees payable	7,725	-
Other expenses payable	41,605	23,808
	$ 111,047	$ 77,052

XXI. Retirement benefit plans

(1) Defined contribution plan

1. Belonging to the Group, Arbor Technology Co., Ltd. and its subsidiaries, which have established in Taiwan, ROC adopted a pension, plan under the Labor Pension Act (LPA), which is a state-managed defined contribution plan. Under the LPA, an entity makes monthly contributions to employees' individual pension accounts at 6% of monthly salaries and wages.
2. The retirement benefits for employees of other subsidiaries of the Group is based on a defined contribution retirement benefit plan, calculated at a certain percentage of wages in accordance with local laws.

(2) Defined benefit plan

The defined benefit plan has adopted by the Company in accordance with the Taiwan Labor Standards Law is operated by the government in Taiwan, ROC. Pension benefits are calculated based on the length of service and average monthly salaries of the 6 months before retirement. The Company contributes a certain percentage of total monthly salaries and wages to a pension fund administered by the pension fund monitoring committee of the Company. Pension contributions are deposited in the Bank of Taiwan in the committee's name. Before the end of each year, the Company assesses the balance in the pension fund. If the amount of the balance in the pension fund is inadequate to pay retirement benefits for employees who conform to retirement requirements in the next year, the Company is required to fund the difference in one appropriation that should be made before the end of March of the next year. The pension fund is managed by the Bureau of Labor Funds, Ministry of Labor (the "Bureau"); the Company has no right to influence the investment policy and strategy.

The amount included in the balance sheet in respect of the Group's obligation to its defined benefit plan is as follows:

	December 31, 2024	December 31, 2023
Present value of defined benefit obligations	$ 5,865	$ 6,111
Fair value of plan assets	(4,709)	(4,053)
Net defined benefit liability (Stated as "other noncurrent liabilities")	$ 1,156	$ 2,058

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

	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liability (asset)
Balance at January 1, 2024	$ 6,111	($ 4,053)	$ 2,058
Recognized in profit or loss — Interest expense (income)	72	(57)	15
Remeasurements			
Return on plan assets (Excluding amounts included in interest revenue or expense)	-	(304)	(304)
Actuarial (gain) loss			
—Effects of change in financial assumptions	(251)	-	(251)
—Experience adjustments	(10)	-	(10)
Recognized in other comprehensive income	(261)	(304)	(565)
Contributions from the employer	-	(352)	(352)
Benefits paid	(57)	57	-
Balance at December 31, 2024	$ 5,865	($ 4,709)	$ 1,156
Balance at January 1, 2023	$ 2,581	($ 2,638)	($ 57)
Recognized in profit or loss — Interest expense (income)	34	(47)	(13)
Remeasurements			
Return on plan assets (Excluding amounts included in interest revenue or expense)	-	(9)	(9)
Actuarial (gain) loss			
—Effects of change in financial assumptions	622	-	622
—Experience adjustments	3,203	-	3,203
Recognized in other comprehensive income	3,825	(9)	3,816
Contributions from the employer	-	(1,688)	(1,688)
Benefits paid	(329)	329	-
Balance at December 31, 2023	$ 6,111	($ 4,053)	$ 2,058

Through the defined benefit plans under the Taiwan's Labor Standards Law, the Company is exposed to the following risks:

1. Investment risk: The plan assets are invested in domestic/and foreign/equity and debt securities, bank deposits, etc. The investment is conducted at the

discretion of the Bureau or under the mandated management. However, in accordance with relevant regulations, the return generated by plan assets should not be below the interest rate for a 2-year time deposit with local banks.

2. Interest risk: A decrease in the government bond interest rate will increase the present value of the defined benefit obligation; however, this will be partially offset by an increase in the return on the plan's debt investments.
3. Salary risk: The present value of the defined benefit obligation is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the present value of the defined benefit obligation.

The actuarial valuations of the present value of the defined benefit obligation were carried out by qualified actuaries. The principal assumptions used for the purposes of the actuarial valuations were as follows:

	December 31, 2024	December 31, 2023
Discount rate	1.65%	1.20%
Expected rates of salary increase	3.00%	3.00%

If the possible reasonable changes in each of the significant actuarial assumptions occur and all other assumptions remain constant, the present value of the defined benefit obligation would increase (decrease) as follows:

	December 31, 2024	December 31, 2023
Discount rate		
Increase 0.25%	($ 134)	($ 144)
Decrease 0.25%	$ 138	$ 149
Expected rates of salary increase		
Increase 0.25%	$ 136	$ 146
Decrease 0.25%	($ 132)	($ 142)

The sensitivity analysis presented above may not be representative of the actual change in the present value of the defined benefit obligation as it is unlikely that the changes in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

	December 31, 2024	December 31, 2023
The expected contribution to the plan for the next year	$ -	$ 1,424
The average duration of defined benefit obligation	9 years	9 years

XXII. Equity

(1) Share capital

Ordinary shares

	December 31, 2024	December 31, 2023
Number of shares authorized (in thousand)	150,000	150,000
Shares authorized	$ 1,500,000	$ 1,500,000
Number of shares issued and fully paid (in thousand)	95,697	95,439
Shares issued	$ 956,974	$ 954,394

Fully paid ordinary shares, which have a par value of $10, carry one vote per share and carry a right to dividends.

In order to align with the future development and introduce strategic investors, the Company planned a seasoned equity offering through a private placement pursuant to the shareholder resolutions on July 5, 2021. The number of shares shall not exceed 16,000 thousand shares with par value of $10 per share through the private placement. In 2022 the Company arranged specific places to purchase 16,000 thousand shares at $18.5 per share in the private placement. The capital increase was amounted to NTD 296,000 thousand. The record date of capital increase was March 11, 2022, and the amendment registration was completed on April 25, 2022. Those common shares issued in the private placement were subject to transfer restriction of counterparty and quantity in accordance with relevant laws. A public offering shall not be conducted until three years after the grant date.

(2) Capital surplus

	December 31, 2024	December 31, 2023
May be used to offset a deficit, distributed as cash dividends, or transferred to share capital (1)		
Arising from issuance of share capital	$ 648,387	$ 644,632
Arising from conversion of bonds	151,621	151,621
Arising from treasury share transactions	8,331	4,461
The difference between the actual acquisition or disposal price of subsidiary equity and its book value.	5,170	3,550
Expired stock options	1,082	-
Don't be used for any purpose		
Employee Stock Options	3,316	4,682
	$ 817,907	$ 808,946

1. Such capital reserves may be used to offset losses, and may also be used to distribute cash or to increase share capital when the company has no losses; however, the increase in share capital shall be limited to a certain percentage of the paid-up capital each year.

(3) Retained earnings and dividend policy

When it is determined that the Company has net income for a fiscal year, the earnings shall firstly be appropriated to pay the tax, make up the losses of previous years and then provide 10% of the remaining earnings as the legal reserve, unless such legal reserve has amounted to the paid-in capital, and then set aside or reserve special reserve in accordance with the laws and regulations with accordance to the operational needs or regulations.In case of surplus remained, no less than 10% of the remained surplus and prior to the accumulated undistributed earnings shall be allocated as the shareholder dividend and bonus. The distribution proposal shall be proposed by the Board of Directors and submitted to the shareholders' meeting for resolution. Only the situation that the total of the distributable earnings does not reach NT$2 per share can be exempt from the restriction of percentage in the preceding paragraph.

The dividend policy of the Company adopts a residual dividend approach. The Board of Directors shall propose the distribution proposal which not only considers the factors such as current and future investment circumstances, financing requirements, domestic and overseas competitive situation, budget, and so on but also takes the shareholders' interests, dividend balance, and the long term business plan according to the laws every year and submit it to the shareholders' meeting for resolution. The proportion of distributed cash dividend of each year shall not be less than 10% of the sum of cash and stock dividend of the current year.

The Company may authorize the distributable dividends and bonuses, additional paid-in capital or legal reserve in whole or in part may be paid in cash after a resolution has been adopted by a majority vote at a meeting of the board of directors attended by two-thirds of the total number of directors; and in addition thereto a report of such distribution shall be submitted to the shareholders' meeting. The regulation of the preceding paragraph that it shall be resolved by the shareholders' meeting shall not apply, please refer to Note XXIV-(7).

Appropriation of earnings to legal reserve shall be made until the legal reserve equals the Company's paid-in capital. The legal reserve may be used to offset deficits. If the Company has no deficit and the legal reserve has exceeded 25% of the Company's paid-in capital, the excess may be transferred to capital or distributed in cash.

In the previous period, the net amount of other accumulated equity reductions and the net increase in the fair value of investment properties should be allocated from the retained earnings of the previous period as a special surplus reserve of the same amount. If there is a shortfall, the amount should then be included in the retained earnings of the current period after tax net profit, along with the after-tax net profit outside of Item.

The appropriations of earnings for 2023 and 2022 were as follows:

	2023	2022
Legal reserve	$ 11,599	$ 13,427
Special reserve	$ 3,629	($ 20,853)
Cash dividends	$ 56,861	$ 75,609
Cash dividends per share (NT $)	$ 0.60	$ 0.80

The above cash dividends for 2023 were distributed by the Board of Directors of Resolution on March 15, 2024, and the remaining earnings were distributed by the annual shareholders' meeting on June 27, 2024. The earnings distribution for 2022 was made by the shareholders' meeting on June 27, 2023.

The appropriation of earnings for 2024 had been proposed by the Company's Board of Directors on March 14, 2025. The appropriation and dividends per share were as follows:

	2024
Legal reserve	$ 12,918
Special reserve	($ 40,932)
Cash dividends	$ 76,219
Cash dividends per share (NT $)	$ 0.8

The above-mentioned cash dividends have been distributed by the Board of Directors, and the rest of the earnings distribution Item is yet to be held at the shareholders' meeting, which is expected to be held on June 26, 2025.

(4) Special reserve

	2024	2023
Balance at January 1	$ 55,177	$ 76,030
Provision (Reversal) Special reserve	3,629	(20,853)
Balance at December 31	$ 58,806	$ 55,177

(5) Other equity items

1. Exchange differences on translation of foreign financial statements

	2024	2023
Balance at January 1	($ 59,246)	($ 51,133)
Arised in the year		
Exchange differences on translation of foreign financial statements from foreign operating entities	24,725	(6,795)
Shares of associates accounted for using the equity method	8,497	(1,318)
Reclassified adjustment		
Disposal of equity method interests in associated enterprises.	6,451	-
Balance at December 31	($ 19,573)	($ 59,246)

2. Unrealized gains (losses) on financial assets at FVTOCI

	2024	2023
Balance at January 1	$ 440	($ 4,044)
Arised in the year		
Unrealized Gain (Loss)		
Equity instruments	1,259	1,392
Disposal of investments in equity instruments designated at FVTOCI	-	3,092
Balance at December 31	$ 1,699	$ 440

(6) Non- controlling Interest

	2024	2023
Balance at January 1	$ 7,645	$ 6,205
Net Profit	23,373	1,440
Other comprehensive income		
Exchange differences on translation of foreign financial statements from foreign operating entities	1,163	-
Acquisition of additional non-controlling interests in subsidiaries（Note XXVIII）	196,180	-
Changes in affiliates recognized under Equity（Note XXIX）	22,258	-
Balance at December 31	$ 250,619	$ 7,645

(7) Treasury stocks

Reasons for repurchase	Transferring to employees (Share in thousand)
Shares at January 1, 2023	1,544
Decreased in the year - transferring to employees	(616)
Shares at December 31, 2023	928
Shares at January 1, 2024	928
Decreased in the year - transferring to employees	(360)
Shares at December 31, 2024	568

The company resolved on May 14, 2021 by the board of directors to repurchase treasury shares for transfer to the company's employees, with an estimated repurchase of 1,000 thousand shares. As of July 16, 2021, the repurchase period ended, and a total of 928 thousand shares were actually repurchased, amounting to NTD 23,091 thousand. The company also resolved on August14, 2024 by the Board of Directors to transfer the aforementioned 360 thousand treasury shares to employees at a price of NTD 24.88 per share, with the transfer amount calculated at NTD 8,957 thousand, and to recognize the labor cost at NTD 3,870 thousand.

The company, on November 15, 2021, approved the repurchase of treasury shares for transfer to employees by the board of directors. The expected number of shares to be repurchased was 1,000 thousand shares. As of January 14, 2022, the repurchase period ended with an actual repurchase of 616 thousand shares, with a total repurchase amount of NTD 13,424 thousand. In addition, the company resolved on January 16, 2023 by board resolution to transfer all of the aforementioned 616 thousand treasury shares to employees at a price of NTD 21.79, with the transfer amount calculated at NTD 13,424 thousand, and to recognize the compensation cost at NTD 1,448 thousand.

Based on the Securities and Exchange Act, treasury stocks held by the Company shall not be pledged. Before transfer, the shareholder's rights shall not be enjoyed, either.

XXIII. Operating revenue

	2024	2023
Revenue from contracts with customers		
Sales revenue	$ 1,566,604	$ 1,671,427

(1) Contract balances

	December 31, 2024	December 31, 2023	January 1, 2023
Notes Receivable and Accounts Receivable （Note X）	$ 694,232	$ 592,538	$ 541,388
Liabilities－current			
Sale of goods	$ 29,879	$ 14,259	$ 17,323

(2) Classification of revenue from contracts with customers

The revenue detail information, please refer NoteXXXVII.

XXIV. Net Profit

(1) Interest revenue

	2024	2023
Interest from bank deposit	$ 15,465	$ 12,079
Interest from financial assets at amortized cost	8,912	12,523
Other interest revenue	-	25
	$ 24,377	$ 24,627

(2) Other revenue

	2024	2023
Rent revenue	$ 3,320	$ 3,396
Dividends revenue	636	937
Other revenue	14,407	10,036
	$ 18,363	$ 14,369

(3) Other gains and losses

	2024	2023
Net gain on financial assets or liabilities at fair value through profit or loss	$ 17,080	$ 17,582
Net exchange gain	56,575	1,992
Gain (Loss) on disposal of property, plant, and equipment	20	(76)
Loss on disposal of investment	(22,379)	(81)
Other	1,010	(598)
	$ 52,306	$ 18,819

(4) Financial costs

	2024	2023
Bank loans	$ 17,204	$ 21,707
Lease liabilities	763	1,020
Short-term notes and bills payable	759	1,132
Other	11	9
	$ 18,737	$ 23,868

(5) Depreciation and amortization

	2024	2023
Depreciation expenses by function		
Operating costs	$ 20,766	$ 20,363
Operating expenses	15,566	14,627
	$ 36,332	$ 34,990
Amortization expenses by function		
Operating costs	$ 1,050	$ 869
Operating expenses	2,821	5,029
	$ 3,871	$ 5,898

(6) Employee benefits expense

	2024	2023
Short-term employee benefits	$ 298,540	$ 308,075
Post-employment benefits		
Defined contribution plan	16,511	14,469
Defined benefit plans (Note XXI)	15	(13)
Share-based payment - equity delivery	4,669	3,605
Other Employee benefits	11,353	10,323
Employee benefits total	$ 331,088	$ 336,459
Summary by function		
Operating costs	$ 67,067	$ 74,160
Operating expenses	264,021	262,299
	$ 331,088	$ 336,459

(7) Employees' compensation and remuneration of directors

The Company follow its Articles of Incorporation that has profit for a fiscal year; the Company shall appropriate 2% to 10% as the remuneration of employees and at most 5% as remuneration of directors. The employees' compensation and remuneration of directors for the year 2024 and the year 2023, which were approved by the Company's board of directors on March 14, 2025, and March 15, 2024, respectively, were as follows:

Estimated ratio

	2024	2023
Employees' compensation	2.69%	2.57%
Remuneration of directors	0.67%	0.64%

Amount

	2024	2023
Employees' compensation	$ 4,000	$ 4,000
Remuneration of directors	1,000	1,000

If there are changes in the amounts after Consoilded Financial Statement are authorized for issue, the differences are recorded as a change in the accounting estimate.

There were no discrepancies between the actual amounts of employee's compensation and remuneration of directors paid, and the amounts recognized in Consoilded Financial Statement for the years 2023, and the year 2022.

The related information on compensation of employees and remuneration of directors resolved by the board of directors and the shareholders' meeting is at "Market Observation Post System."

XXV. Income Tax

(1) Income tax recognized in profit or loss

Components of income tax expense (benefit) as follows:

	2024	2023
Current income tax		
In respect of the current year	$ 32,286	$ 40,226
Surtax on undistributed retained earnings	1,724	2,502
Adjustments for prior years	(9,281)	(1,805)
	24,729	40,923
Deferred income tax		
In respect of the current year	855	(4,831)
Tax expense recognized in profit or loss	$ 25,584	$ 36,092

A reconciliation of accounting profit and income tax expense is as follows:

	2024	2023
Profit from continuing operations before tax	$ 177,666	$ 160,430
Tax expense calculated based on profit before tax and statutory tax rate	$ 35,533	$ 32,086
Tax-exempt income	(11,807)	(1,400)
Nondeductible expenses in determining taxable income	5,687	10
Surtax on undistributed retained earnings	1,724	2,502
Unrecognized deductible temporary differences	-	(451)
Influence by entities of the Group that applying different tax rates	3,728	9,424
Adjustment of Current tax expense and Deferred tax expense in the current year	(9,281)	(1,805)
Changes in the realizability assessment of deferred tax assets	-	(4,274)
Tax expense recognized in profit or loss	$ 25,584	$ 36,092

(2) Income tax liabilities for the current period

	December 31, 2024	Decemeber 31, 2023
Current income taxliabilites		
Due to income tax	$ 23,348	$ 26,954

(3) Deferred tax assets and Liabilities

The movements of deferred tax assets and liabilities were as follows:

2024

Deferred tax assets	Opening balance	Recognized in profit or loss	Acquired through merger	Ending balance
Temporary differences				
Allowance for doubtful accounts	$ 1,572	$ 1,151	$ -	$ 2,723
Allowance to reduce inventory to market	11,356	380	321	12,057
Unrealized exchange losses	1,496	(807)	-	689
Intragroup unrealized sales gross profits	3,130	(80)	-	3,050
Payment in lieu of untaken annual leave	611	55	-	666
	18,165	699	321	19,185
Loss carryforwards	5,729	200	-	5,929
	$ 23,894	$ 899	$ 321	$ 25,114

Deferred tax liabilities	Opening balance	Recognized in profit or loss	Acquired through merger	Ending balance
Temporary differences				
Unrealized exchange gains	$ -	($ 1,687)	($ 779)	($ 2,466)
Other	(68)	(67)	-	(135)
	($ 68)	($ 1,754)	($ 779)	($ 2,601)

2023

Deferred tax assets	Opening balance	Recognized in profit or loss	Net exchange differences	Ending balance
Temporary differences				
Allowance for doubtful accounts	$ 3,767	($ 2,171)	($ 24)	$ 1,572
Allowance to reduce inventory to market	10,427	929	-	11,356
Unrealized exchange losses	-	1,496	-	1,496
Intragroup unrealized sales gross profits	2,735	395	-	3,130
Payment in lieu of untaken annual leave	590	21	-	611
Other	272	(272)	-	-
	17,791	398	(24)	18,165
Loss carryforwards	2,491	3,324	(86)	5,729
	$ 20,282	$ 3,722	($ 110)	$ 23,894

Deferred tax liabilities	Opening balance	Recognized in profit or loss	Net exchange differences	Ending balance
Temporary differences				
Unrealized exchange gains	($ 1,177)	$ 1,177	$ -	$ -
Other	-	(68)	-	(68)
	($ 1,177)	$ 1,109	$ -	($ 68)

(4) The balance for unusage losses carryforwards on the deferred tax assets that have not recognized in the Consolidated Balance Sheets.

	December 31, 2024	Decemeber 31, 2023
Losses carryforwards		
FY 2025 due	$ 1,762	$ 1,762
FY 2026 due	1,927	1,927
FY 2027 due	6,206	6,206
FY 2028 due	13,355	13,355
FY 2029 due	-	-
	$ 23,250	$ 23,250

Note: According to the Enterprise Income Tax Law of the People's Republic of China, the useful life for Losses carryforwards of the subsidiary Arbor China Technology Co., Ltd. is 5 years.

(5) Approval of income tax

The Company's income tax has declared that the reported cases as of before 2022 have been approved by the tax authorities.

XXVI. Earnings per share

Unit : NT$ Per share

	2024	2023
Basic earnings per share	$ 1.36	$ 1.30
Diluted earnings per share	$ 1.35	$ 1.30

The earnings and weighted average number of ordinary shares outstanding used in the computation of earnings per share were as follows:

Net income

	2024	2023
Profit attributable to ordinary shareholders	$ 128,709	$ 122,898

Share

Unit: thousand shares

	2024	2023
Weighted average number of ordinary shares used in the computation of Basic earnings per share	94,795	94,400
Effect of potentially dilutive ordinary shares:		
Employee Stock Options	572	-
Employees' compensation	95	458
Weighted average number of ordinary shares used in the computation of Diluted earnings per share	95,462	94,858

If the Group choose to compensate employees with either cash or shares, when calculating diluted earnings per share, the Group assumed the entire amount of the compensation will be settled in shares. The resulting potential shares were included in the weighted average number of shares outstanding used for the computation of diluted earnings per share, as the effect is dilutive. This dilutive effect of the potential shares is also taken into account when calculating diluted earnings per share before the board of directors resolves the distribution of shares to employees in the following year.

XXVII. Share-based payment agreement

The company's Employee Stock Option Plan

The Company granted employees share options of 360 thousand units, 616 thousand units, and 1,350 thousand units in August 2024, January 2023, and November 2021 respectively, with each unit entitling the holder to purchase 1,000 ordinary shares. The recipients include employees of the company who meet specific criteria. The company's share-based compensation agreement is as follows:

Types of arrangements	Grant date	Amount granted	Vesting condition
Employee stock option plan	2021.11.26	675 thousand shares	2-year services
Employee stock option plan	2021.11.26	675 thousand shares	3-year services
Transferring treasury stocks to employees	2023.01.16	616 thousand shares	Vesting immediately
Transferring treasury stocks to employees	2024.08.14	360 thousand shares	Vesting immediately

The stocks that were repurchased by the Group and that were then transferred to employees are restricted from transferring within the first year that employees receive the stocks.

The duration of the warrants issued by the Group is five years and they may not be transferred, pledged, gifted to others, or disposed of in any other way, except in the case of inheritance. After the expiration of the duration, any unexercised employee stock options shall be deemed to be waived, and the option holders shall no longer be entitled to assert their rights to exercise the options.

All the share-based payment arrangements above are settled by equity.

The details on the share-based payment arrangements above are as follows:

	2024		2023	
Employee stock option	Unit	Weighted average exercise price (NT$)	Unit	Weighted average exercise price (NT$)
Outstanding stock options, January 1	1,350	$ 21.55	1,350	$ 21.55
Options granted	360	24.88	616	21.79
Options invalidated	(338)	21.55	-	-
Options exercised	(618)	22.99	(616)	21,79
Outstanding stock options, December 31	754	20.07	1,350	21.55
Exercisable stock options, December 31	754	20.07	-	-

For employee stock options exercised in 2024 and 2023, the weighted average share prices on the exercise dates are NT$22.99 and NT$21.79, respectively.

The following is the relevant information on outstanding employee stock options:

	December 31, 2024	December 31, 2023
Range of exercise price (NT$)	$20.07	$ 21.55
The weighted average remaining contractual life (Year)	1.92 years	2.92 years

The Group granted stock options to its employees in August 2024, January 2023, and November 2021, using binomial tree pricing model and Black-Scholes option pricing model. The input values used in the pricing models are as follows:

	August 2024	January 2023	November 2021	November 2021
Granted date stock price	NT$35.34	NT$23.46	NT$21.55	NT$21.55
Excerice price	NT$24.88	NT$21.79	NT$21.55	NT$21.55
Expected Volatility	59.17%	39.70%	34.70%	35.31%
Duration	0.17 year	0.14 year	4 years	3.5 years
Non Risk Rate	1.2782%	0.7902%	0.4151%	0.4003%

The expenses incurred from share-based payment transactions in 2024 and 2023 were NTD 4,669 thousand and NTD 3,605 thousand, respectively.

XXVIII. Business mergers

(1) Acquisition of subsidiary

	Main operating activities	Acquisition date	Ownership/ Acquisition ratio (%)	Transfer price
Anasis Tech Ltd.	Power System Analysis and Design	August 15, 2024	93.02	$ 8,000
Amobile HK	Communication equipment and peripherals, investing and trading	December 16, 2024	19.26	$ 207,411

The Group acquired Anasis Tech Ltd. (hereinafter referred to as "Anasis Tech") in August 2024 to expand its smart grid-related businesses.

The Group acquired Amobile HK in December 2024 to continue expanding the Group's operating scale and product portfolio.

(2) Transfer price

	Anasis Tech	Amobile HK	Total
Cash	$ 8,000	$ 207,411	$ 215,411

(3) Assets acquired on the date of acquisition and the liabilities assumed

	Anasis Tech	Amobile HK	Total
Current assets			
Cash and cash equivalents	$ 10,271	$ 39,154	$ 49,425
Financial assets at amortized cost	-	51,471	51,471
Accounts receivable and other receivables	1,103	468,800	469,903
Inventories	-	1,182,768	1,182,768
Other current assets	34	192,501	192,535
Non-current assets			
Property, plant and equipment	-	24,533	24,533
Intangible assets	-	13,149	13,149
Other non-current assets	360	12,750	13,110
Current liabilities			
Short-term borrowings	-	(469,589)	(469,589)
Financial assets at fair value through profit or loss	-	(10,805)	(10,805)
Accounts payable and other payables	(2,116)	(712,280)	(714,396)
Liabilities-current	(662)	(193,115)	(193,777)
Other current liabilities	-	(114,911)	(114,911)
Non-current liabilities			
Long-term borrowings	-	(7,522)	(7,522)
Other non-current liabilities	-	(4,936)	(4,936)
	$ 8,990	$ 471,968	$ 480,958

The initial accounting treatment for the acquisition of Anasis Tech and Amobile HK as of the balance sheet date is only provisional. At the time of the publication of this consolidated financial report, the required market valuations and other calculations have not been completed; therefore, only the Group's management's best estimate of the provisional possible taxable value is relied upon.

(4) Non-controlling interests

The non-controlling interests of Anasis Tech (6.98% ownership interest) and Amobile HK (41.43% ownership interest) are measured based on their proportionate share of the amounts recognised in the acquiree's identifiable net assets at the acquisition date.

(5) Goodwill arising from acquisitions (bargain purchase benefits)

	Anasis Tech	Amobile HK	Total
Transfer price	$ 8,000	$ 207,411	$ 215,411
Add：The fair value of the interests held by the Group on the acquisition date.	-	422,452	422,452
Add：Non-controlling interests	627	195,553	196,180
Subtract：Fair value of identifiable net assets acquired	(8,990)	(471,968)	(480,958)
Goodwill arising from acquisitions (bargain purchase benefits)	($ 363)	$ 353,448	$ 353,085

The goodwill generated from the acquisition of Amobile HK mainly comes from the control premium. In addition, the consideration paid for the merger includes the expected synergies from the merger, revenue growth, future market development, and the value of Amobile HK's employees. However, such benefits do not meet the recognition criteria for identifiable intangible assets, and therefore are not recognized separately.

(6) Net cash outflow (inflow) from acquisition of subsidiaries

	Anasis Tech	Amobile HK	Total
Transfer price from cash payment	$ 8,000	$ 207,411	$ 215,411
Subtract：Cash and cash equivalents acquired	(10,271)	(39,154)	(49,425)
	($ 2,271)	$ 168,257	$ 165,986

(7) The impact of business mergers on operating results

Since the acquisition date, the operating results from the acquired company are as follows:

	Anasis Tech	Amobile HK
Operating revenue	$ 8,034	$ 84,427
Net profit	$ 5,222	$ 57,348

If the acquisition of Anasis Tech in August 2024 and the acquisition of Amobile HK in December 2024 occur on 1 January 2024, the Group's projected operating revenue and net profit for the year 2024 are NTD 2,126,498 thousand and NTD 142,489 thousand, respectively. The amounts cannot reflect the actual revenue and operating results that the Group could generate if the merger or acquisition were completed at the beginning of the fiscal year, nor should they be used to forecast future operating results.

XXIX. Transaction of Non-controlling Interests

The Group's subsidiary Anasis Tech conducted a technical valuation investment on 26 August 2024. Due to the Group not subscribing according to its shareholding ratio, the shareholding ratio decreased from 93.02% to 68.97%.

The Group executed the conversion of the convertible bonds originally held in subsidiary Amobile HK on 31 December 2024, resulting in an increase in shareholding ratio from 58.57% to 61.77%.

As the aforementioned transactions did not change the Group's control over the subsidiaries, the Group is regarded as handling it as an equity transaction.

	Anasis Tech	Amobile HK
Consideration Received - Patent Technology / Convertible Bonds	$ 3,000	$ 20,788
The amount of the subsidiary's net assets that should be transferred to non-controlling interests based on the relative change in equity	(3,090)	(19,168)
Equity transaction difference	($ 90)	$ 1,620
Equity transaction difference adjustment account		
Capital surplus	$ -	$ 1,620
Unappropriated retained earnings	($ 90)	$ -

XXX. Capital Management

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximizing the return to stakeholders through the optimization of the debt and Equity balance. There is no change in the Group’s overall strategy.

The capital structure of the Group consists of the Group's net debt (i.e. borrowings less cash and cash equivalents) and equity (i.e. common stock, capital reserves, retained earnings, other equity items and noncontrolling Interests).

The Group's key management reviews the Group's capital structure quarterly, including consideration of the cost and associated risks of each type of capital. The Group will balance its overall capital structure by paying dividends, issuing new shares, repurchasing shares and issuing new debt or repaying old debt, based on the recommendations of key management.

XXXI. Financial Instruments

(1) Fair value information - financial instruments that are not measured at fair value

Management believes the carrying amounts of financial assets and financial liabilities that are not measured at fair value approximate their fair values or their fair values cannot be reliably measured.

(2) Fair value information - Fair value of financial instruments that are measured at fair value on a recurring basis

1. Fair value hierarchy

December 31, 2024

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Beneficiary certificate	$ 43,226	$ -	$ -	$ 43,226
Domestic listed and OTC shares	5,822	-	-	5,822
Total	$ 49,048	$ -	$ -	$ 49,048
Financial assets at FVTOCI				
Equity Instruments at FVTOCI				
Domestic unlisted shares	$ -	$ -	$ 13,919	$ 13,919

December 31, 2023

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Beneficiary certificate	$ 26,841	$ -	$ -	$ 26,841
Convertible bonds	-	78,459	-	78,459
Total	$ 26,841	$ 78,459	$ -	$ 105,300
Financial assets at FVTOCI				
Equity Instruments at FVTOCI				
Domestic unlisted shares	$ -	$ -	$ 12,660	$ 12,660

There were no transfers between Level 1 and Level 2 fair value measurements for the years 2024 and 2023.

2. Reconciliation of financial instruments in Level 3 of Fair value

2024

Financial assets	Financial assets at FVTOCI Invested in Equity Instruments
Balance at January 1	$ 12,660
Recognized in OCI（Unrealized valuation gains and losses of Financial assets at FVTOCI）	1,259
Balance at December 31	$ 13,919

2023

Financial assets	Financial assets at FVTOCI Invested in Equity Instruments
Balance at January 1	$ 11,268
Recognized in OCI（Unrealized valuation gains and losses of Financial assets at FVTOCI）	1,392
Balance at December 31	$ 12,660

3. Valuation techniques and inputs applied for Level 2 fair value

Type of financial instruments	Valuation techniques and inputs
Convertible bonds	This is obtained by evaluating the technology or referencing the quotes from trading counterparts.

4. Valuation techniques and inputs applied for Level 3 fair value

The domestic unlisted (over-the-counter) equity investments adopt a comparable market approach, with significant unobservable input values based on the price-to-book ratio multiplier, the enterprise value to operating profit ratio multiplier, and the illiquidity discount.

(3) Categories of financial instruments

	December 31, 2024	December 31, 2023
Financial Assets		
Financial assets at FVTPL		
Financial assets mandatorily measured at fair value through profit or loss	$ 49,048	$ 105,300
Financial assets measured at amortized cost（Note1）	1,429,145	1,719,983
Financial assets at FVTOCI	13,919	12,660
Financial Liabilities		
Financial assets measured at amortized cost（Note2）	1,885,548	1,402,467

Note1：The balances include financial assets measured at amortized cost, comprising cash and cash equivalents, debt instrument investments, notes receivable (including related parties), accounts receivable (including related parties), other receivables-related parties (including related parties), and refundable depositss, etc.

Note2：The balances include financial liabilities measured at amortized cost, which consists of short-term borrowings, short-term notes and bills payable, notes payable, accounts payable (including related parties), other payables (including related parties), current portion of long-term liabilities, long-term borrowings, and deposit a guarantee.

(4) Financial risk management objectives and policies

The Group's major financial instruments include equity and debt instrument investments, accounts receivable, accounts payable, other payable and borrowings, etc. The Group's Corporate Treasury function provides services to the business, coordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Group through internal risk reports that analyze exposures by degree and magnitude of risks. These risks include market risk (including foreign currency risk, Interest rate risk, other price risk), credit risk and liquidity risk.

The Group mitigates risks through derivative financial instruments to reduce the impact of such risks. The use of derivative financial instruments is governed by the policies approved by the Board of Directors of the Group, which are written principles regarding the management of foreign currency risk, interest rate risk, credit risk, the use of derivative and non-derivative financial instruments, and the investment of remaining liquid funds. The internal auditors on a continuous basis reviewed compliance with policies and exposure limits. The company does not engage in trading financial instruments (including derivatives) for speculative purposes.

The Group's significant financial activities are reviewed by the Board of Directors in accordance with relevant regulations and internal control systems. During the execution of the financial plan, the company must strictly adhere to the relevant financial operating procedures regarding overall financial risk management and the allocation of responsibilities.

1. Market risk

The Group’s activities exposed it primarily to the financial risks of changes in foreign currency risk（refer to below (1)） and interest rates (refer to below(2)）.

There has been no change in the Group's exposure to market risks related to financial instruments and the management and measurement of such exposures.

(1) Foreign currency risk

The Group engages in sales and purchases denominated in foreign currencies, which exposes the consolidated company to foreign currency fluctuations.

The Group’s monetary assets and monetary liabilities measured in non-functional currency at the balance sheet date (including non-functional currency monetary Item that have been offset in the consolidated financial statements) and the carrying amount of derivative instruments with foreign currency risk exposure are detailed in Note XXXV.

Sensitivity Analysis

The Group is primarily affected by fluctuations in the exchange rates of the US dollar, Euro, RMB, and British pound.

The table below details the sensitivity analysis of the company when the exchange rate of the New Taiwan Dollar (functional currency) increases and decreases against the US Dollar, Euro, RMB, and British Pound 1%. “1%” is the sensitivity ratio used by the company to report exchange rate risks to senior management, and it represents management's assessment of the reasonable range of possible fluctuations in foreign currency exchange rates. Sensitivity analysis only includes foreign currency monetary Item in circulation, and adjusts its year-end conversion based on exchange rate fluctuations 1%. The negative figures in the table indicate the amount by which pre-tax net profit will decrease when the New Taiwan Dollar appreciates relative to each relevant currency 1%; conversely, when the New Taiwan Dollar depreciates against each relevant foreign currency 1%, the impact on pre-tax net profit will be the same amount in positive terms.

	2024	2023
Changes in P&L 1%		
US Dollar	($ 4,212)	($ 8,291)
Euro	(481)	(460)
British pound	(519)	(226)
	($ 5,212)	($ 8,977)

The analysis of the changes in the profit and loss statement in the above table primarily stems from the amounts in accounts receivable and accpunts payable denominated in US dollars, Euros, RMB, and British pounds that were still outstanding on the balance sheet date and had not undergone cash flow hedging.

The Group has not experienced any significant changes in exchange rate sensitivity during this year.

(2) Interest rate risk

The Group borrows funds at both fixed and floating rates, which exposed in interest rate risk. The Group manages interest rate risk by maintaining an appropriate mix of fixed and floating interest rates.

The carrying amounts of the Group's financial assets and financial liabilities with exposure to interest rates at the date of balance sheet were as follows:

	December 31, 2024	December 31, 2023
Fair value interest rate risk		
－Finance assets	$ 203,250	$ 555,187
－Finance liabilities	162,694	312,251
Cash flow interest rate risk		
－Finance assets	419,056	386,614
－Finance liabilities	1,214,037	799,040

The Group is exposed to fair value risk due to interest rate fluctuations related to fixed-rate bank time deposits, bank borrowings, and short-term notes payable; however, the expected fair value changes arising from interest rates on bank time deposits, bank borrowings, and short-term notes payable do not have a significant impact on the Group.

Sensitivity Analysis

The following sensitivity analysis is determined by the interest rate risk of derivative and non-derivative instruments as of the balance sheet date. For floating rate liabilities, the analysis assumes that the amount of liabilities outstanding on the balance sheet date remains outstanding throughout the reporting period. The variable rate used by the company to report interest rates to senior management is an increase or decrease of 1%, which also represents the management's assessment of the reasonable possible range of interest rate fluctuations.

If the market interest rate rises by 1%, while all other variables remain unchanged, the Group 's floating rate financial assets for the years 2024 and 2023 will have cash outflows of NTD 7,950 thousand and NTD 4,124 thousand, respectively. When the market interest rate decreases 1%, its effect will be a negative of the same amount.

The Group has not experienced any significant changes in interest rate sensitivity during this year.

(3) Other price risk

The Group incurs equity price risk due to its investment in equity securities.

Sensitivity Analysis

The following sensitivity analysis is conducted based on the equity price risk as of the balance sheet date. If the domestic equity investment position price declines by 1%, the profit and loss for the years 2024 and 2023 will decrease by NTD 490 thousand and NTD 1,053 thousand, respectively, due to the decline in the fair value of financial assets measured at fair value through profit or loss. If the domestic equity investment position price declines 1%, the other total gains and losses for the years 2024 and 2023 will decrease by NTD 139 thousand and NTD 127 thousand respectively due to the decline in the fair value of financial assets recognized through other total gains and losses.

The Group has not experienced any significant changes in its sensitivity to equity securities investments.

2. Credit risk

Credit risk refers to the risk that the Group will incur a financial loss due to default on contractual obligations by the counterparties. As of the date of balance sheet, the Group’s maximum exposure to credit risk which will cause a financial loss to the Group due to default on contractual obligations by the counterparties could arise from (The maximum amount of exposure that cannot be reversed without taking into account collateral or other credit enhancement instruments):

(1) The carrying amount of the respective recognized financial assets as stated in the balance assets.

(2) The amount of contingent liabilities arising from financial guarantees provided by the Group.

The Group’s policy is to enter into transactions only with creditworthy counter-parties and to obtain adequate guarantees, where appropriate, as a means of mitigating the risk of financial loss from defaults. The company only conducts transactions with enterprises rated at investment grade or above. The information is provided by an independent rating agency; if such information cannot be obtained, the Group will use other publicly available financial information and transaction records with major clients for evaluation. The company continuously monitors credit risks and the credit ratings of counterparties, diversifying the total transaction amount among customers with qualified credit ratings, and controlling credit risks through counterparty credit limit ceilings reviewed and approved annually by the Risk Management Committee.

To mitigate credit risk, the management of the Group has assigned a dedicated team responsible for determining credit limits, approving credit, and other monitoring procedures to ensure that appropriate actions have been taken for the recovery of overdue receivables. In addition, the Company will individually review the recoverable amounts of receivables as of the balance sheet date to ensure that appropriate impairment losses have been recognized for receivables that are not recoverable. Accordingly, the management of the company believes that the Group's credit risk has significantly decreased.

Additionally, because the counterparties for the transactions involving working capital and derivative financial instruments are banks that have been given high credit ratings by international credit rating agencies, the credit risk is therefore low.

The Group continuously evaluates the financial status of its accounts receivable customers. The company's customer base is large and unrelated, thus the concentration of credit risk is not high.

3. Liquidity risk

The Group manages liquidity risk by monitoring and maintaining a level of cash deemed adequate to finance the Group’s operations and mitigate the effects of fluctuations in cash flows. In addition, management monitors the utilization of bank borrowings and ensures compliance with borrowings covenants.

Bank borrowings are an important source of liquidity for the company. The financing limit not utilized by the company is detailed in the following (2) explanation of the financing limits.

(1) Liquidity and Interest Rate Risk Tables for Non-Derivative Financial Instruments of Liabilities

The table below shows the contract maturity dates of financial liabilities, including estimated interest, excluding the carrying amounts approaching the contractual cash flows of financial liabilities:

	Within 1 Year	1-5 Years	Over 5 Years	Total
Dec 31, 2024				
Non-interest bearing	$ 507,248	$ -	$ -	$ 507,248
Lease liabilities	15,129	13,657	-	28,786
Fixed interest rate instrument	163,097	-	-	163,097
Variable interest rate instrument	862,902	143,559	264,657	1,271,118
	$ 1,548,376	$ 157,216	$ 264,657	$ 1,970,249
Dec 31, 2023				
Non-interest bearing	$ 211,340	$ -	$ -	$ 211,340
Lease liabilities	18,063	17,796	-	35,859
Fixed interest rate instrument	207,470	105,244	-	312,714
Variable interest rate instrument	588,485	67,127	296,882	952,494
	$ 1,025,358	$ 190,167	$ 296,882	$ 1,512,407

(2) Financing limit

	December 31, 2024	December 31, 2023
Bank overdraft limit		
－Amount used	$ 1,376,731	$ 1,190,437
－Unused amount	1,204,149	762,500
	$ 2,580,880	$ 1,952,937

XXXII. Related party transactions

Transactions, account balances, income, and expenses between the Company and its subsidiaries (which are related parties of the Company) are fully eliminated upon consolidation; therefore, they are not disclosed in this note. Except for those disclosed in other notes, the transactions between the Group and related parties are as follows.

(1) Names and relationship with related parties

Name of related parties	Relationship with the Group
Amobile Intelligent Corp. Limited (Amobile HK)	Subsidiary (Transfer of associate to a subsidiary in Dec 2024)
AMobile Solutions Corp. (AMobile Taiwan)	Subsidiary (Transfer of associate to a subsidiary in Dec 2024)
AMobile Solutions (Xiamen) CO., Ltd. (AMobile Xiamen)	Subsidiary (Transfer of associate to a subsidiary in Dec 2024)
AMobile Solutions (Shenzhen) Co., Ltd.	Subsidiary (Transfer of associate to a subsidiary in Dec 2024)

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Name of related parties	Relationship with the Group
AMobile (HK) Limited	Subsidiary (Transfer of associate to a subsidiary in Dec 2024)
Ennoconn Technology Co., Ltd. (Ennoconn)	Other related party
AMERICAN INDUSTRIAL SYSTEMS INC. （AIS INC）	Other related party
Ennoconn (Suzhou) Technology Co., Ltd (Ennoconn Suzhou)	Other related party
Victor Plus Holdings Ltd. (Victor Plus)	Other related party
Vecow Co., Ltd. (Vecow)	Other related party
Satem Technology Co., Ltd. (Satem)	Other related party
GOLDTek Technology (Shenzhen) Co., Ltd.（GOLDTek Shenzhen）	Other related party
MEDIATEK INC.（MEDIATEK）	Other related party
EnnoRise Corporation	Other related party
Caswell, Inc.	Other related party

(2) Operating revenue

Account item	Relationship/Name	2024	2023
Sales revenue	Associates		
	AMobile Taiwan	$ 111,984	$ 33,766
	Others	55,880	123,397
	Other related parties	17,979	70,724
		$ 185,843	$ 227,887

Prices of goods sold to the aforementioned related parties were determined based on the economic environment and market competition of each sales territory, respectively. The payment terms of related parties are slightly longer than those of normal customers, with an average of 2 to 4 months.

(3) Purchases

Relationship/Name	2024	2023
Associate		
AMobile Taiwan	$ 241,102	$ 3,741
AMobile Xiamen	112,334	-
Amobile HK	-	192,107
Others	131	37,325
Other related party		
Victor Plus	147,372	76,784
Others	23,813	279
	$ 524,752	$ 310,236

In addition to purchases of goods and materials, the Group also purchased molds, shipping service, repair service, and processing service from the aforementioned related parties. For the years 2024 and 2023, the purchase expenses were NTD 12,923 thousand and NTD 8,704 thousand, respectively.

The purchasing prices from the related parties were determined after referring to the actual price. The payment terms are the same as those of normal suppliers, which are both net 30 days.

(4) Accounts receivable due from related parties

Account item	Relationship/Name	December 31, 2024	December 31, 2023
Notes receivable	Associates		
	AMobile Xiamen	$ -	$ 13,427
Accounts receivable	Associates		
	AMobile Xiamen	$ -	$ 121,758
	AMobile Taiwan	-	56,873
	Others	-	1,606
	Other related parties	9,205	20,859
		$ 9,205	$ 201,096
Other receivables	Associates		
	AMobile Xiamen	$ -	$ 111,807
	Others	-	4,884
	Other related parties		
	GOLDTek Shenzhen	68,826	-
	Ennoconn Suzhou	16,390	27,463
		$ 85,216	$ 144,154

The outstanding accounts receivable from related parties are not guaranteed. The accounts receivable from related parties for the years 2024 and 2023 have not been provisioned for impairment losses.

(5) Accounts payable due to related parties

Account item	Relationship/Name	December 31, 2024	December 31, 2023
Accounts payable	Associates		
	AMobile Taiwan	$ -	$ 13,524
	Others	-	9,170
	Other related parties		
	Victor Plus	41,793	15,455
	Others	34,793	4,314
		$ 76,586	$ 42,463
Other payable	Associates	$ -	$ 187
	Other related parties	2,320	3,138
		$ 2,320	$ 3,325

The outstanding accounts payable from related parties are not guaranteed.

(6) Contract liabilities

Account item	Relationship/Name	December 31, 2024	December 31, 2023
Liabilities-current	Other related parties		
	AIS INC	$ 48	$ -

(7) Prepayments (recognized as "other current assets")

Account item	Relationship/Name	December 31, 2024	December 31, 2023
Prepayments	Associates		
	Amobile HK	$ -	$ 32,990
	Other related parties	-	613
		$ -	$ 33,603

(8) Acquisition of property, plant and equipment

	Acquired price	
Relationship/Name	2024	2023
Associates／Amobile HK	$ -	$ 757
Other related parties	267	2,947
	$ 267	$ 3,704

(9) Lease agreement

The Group leases buildings to Amobile HK. The lease contract period is from January 1, 2019 and does not end until both parties agree to terminate. Lease contracts were individually negotiated and consisted of various terms and conditions. Leased assets cannot be pledged as collaterals; in addition, the rights of leased assets cannot be transferred to others in the form of neither business transfer nor business combination.

Sumary of Rent income as follow:

Relationship/Name	2024	2023
Associates		
AMobile Taiwan	$ 626	$ 822

The Group's lease agreements with related parties are based on market conditions to determine the rent, and payments are made according to general terms.

(10) Endorsements and guarantees

Endorsements and guarantees provided by the Group

Relationship/Name	2024	2023
Associates／Amobile HK		
Ending balance of endorsement	$ -	$ 156,420
Actual amount used	-	(155,715)
	$ -	$ 705

Acquisition of Endorsements and guarantees

Some of the Group's long-term and short-term borrowings are jointly guaranteed by the key management level.

(11) Other transactions from related parties

Account item	Relationship/Name	December 31, 2024	December 31, 2023
Financial assets at FVTPL	Associates／Amobile HK	$ -	$ 78,459

Account item	Relationship/Name	2024	2023
Other income	Associates		
	Amobile HK	$ -	$ 400
	Amobile Taiwan	2	-
	Other related parties		
	Ennoconn Suzhou	-	3,634
		$ 2	$ 4,034

(12) Information on key management personnel compensation

	2024	2023
Salaries and other short-term employee benefits	$ 25,273	$ 26,153
Post-retirement benefits	178	216
	$ 25,451	$ 26,369

XXXIII. Pledged assets

The Group provides the following assets as collateral for long-term and short-term bank borrowings, payable short-term notes, as well as lease and project deposits:

	December 31, 2024	December 31, 2023
Restricted bank deposits（Classified as "financial assets at amortized cost"）	$ 108,980	$ 185,202
Repurchase agreement of commercial papers（Classified as "financial assets at amortized cost"）	-	87,524
Refundable deposit（Classified as "other noncurrent assets cost"）	20,804	32,990
Property, plant, and equipment	491,324	494,894
Investment properties	72,735	73,538
	$ 693,843	$ 874,148

XXXIV. Significant contingent liabilities and unrecognized commitments

In order to align with the future development and introduce strategic investors, the Group planned a seasoned equity offering through a private placement pursuant to the board of directors meeting resolutions on March 14, 2025. The number of shares shall not exceed 20,000 thousand shares with par value of $10 per share through the private placement.

XXXV. Significant assets and liabilities denominated in foreign currencies

The following information was aggregated by the foreign currencies other than functional currencies of each entity of the Group and the exchange rates between foreign currencies and respective functional currencies were disclosed. The significant assets and liabilities denominated in foreign currencies were as follows:

December 31, 2024

	Foreign Currencies	Exchange Rate	Carrying amount
Financial assets			
Monetary items			
USD	$ 24,043	32.79 （USD to NTD）	$ 788,370
USD	5,790	7.3225 （USD to RMB）	189,854
USD	696	0.7962 （USD to GBP）	22,822
EUR	1,409	34.14 （EUR to NTD）	48,103
GBP	1,261	41.19 （GBP to NTD）	51,941
			$ 1,101,090
Financial liabilities			
Monetary items			
USD	9,703	32.79 （USD to NTD）	$ 318,161
USD	6,542	7.3225 （USD to RMB）	214,512
USD	1,441	1,639.50 （USD to KRW）	47,250
			$ 579,923

December 31, 2023

	Foreign Currencies	Exchange Rate		Carrying amount
Financial assets				
Monetary items				
USD	$ 30,016	30.71	(USD to NTD)	$ 921,791
USD	5,577	7.0973	(USD to RMB)	171,270
EUR	1,354	33.98	(EUR to NTD)	46,009
GBP	577	39.15	(GBP to NTD)	22,590
USD	417	0.9038	(USD to EUR)	12,806
				$ 1,174,466
Financial liabilities				
Monetary items				
USD	2,326	30.71	(USD to NTD)	$ 71,431
USD	5,079	7.0973	(USD to RMB)	155,976
USD	1,608	1,535.50	(USD to KRW)	49,382
				$ 276,789

The foreign exchange gains (including realized and unrealized) of the Group for the years 2024 and 2023 were NTD 56,575 thousand and NTD 1,992 thousand, respectively. Due to the variety of foreign currency transactions and the functional currencies of each entity in the Group, it is not possible to disclose the exchange gains and losses by each significant foreign currency.

XXXVI. Supplementary disclosures

(1) Significant transactions information:

1. Lending funds to others: See Table 1 attached.
2. Endorsements/Guarantees for Others: See Table 2 attached.
3. Marketable Securities Held (Excluding Subsidiaries, associates and Joint venture): See Table 3 attached.
4. Marketable securities acquired and disposed of at costs or prices of at least NT$300 million or 20% of the paid-in capital: See Table 4 attached.
5. Acquisition of individual real estate properties at costs of at least NT$300 million or 20% of the paid-in capital: None.
6. Disposal of individual real estate properties at prices of at least NT$300 million or 20% of the paid-in capital: None.
7. Total purchases from or sales to related parties of at least NT$100 million or 20% of the paid-in capital: See Table 5 attached.
8. Receivables from related parties amounting to at least NT$100 million or 20% of the paid-in capital: See Table 6 attached.
9. Information about the derivative financial instruments transaction: None.

10. Other: Business relationships and significant inter-company transactions: See Table 7 attached.

(2) Information on investees: See Table 8 attached.

(3) Information on investees in Mainland China

1. The name of the investee in mainland China, the main businesses and products, its issued capital, method of investment, information on inflow or outflow of capital, percentage of ownership, income (losses) of the investee, share of profits (losses) of investee, ending balance, amount received as dividends from the investee, and the limitation on investee: See Table 9 attached.

2. Significant direct or indirect transactions with the investee, its prices and terms of payment, unrealized gain or loss, and other related information, which is helpful to understand the impact of investment in mainland China on financial reports:

(1) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period: See Table 5 attached.

(2) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period: See Table 5 attached.

(3) The amount of property transactions and the amount of the resultant gains or losses: Be eliminated in the consolidated financial statements.

(4) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes: See Table 2 attached.

(5) The highest balance, the ending balance, the interest rate range, and total current period interest with respect to the financing of funds: See Table 1 attached.

(6) Other transactions that have a material effect on the profit or loss for the year or on the financial position, such as the rendering or receipt of services: None.

(4) Major shareholders information：Name, amount and proportion of shareholders holding 5% above of the shares: See Table 10 attached.

XXXVII. Segment Information

(1) Operations Segment Information

The operational decision-makers of the Group focus on resource allocation and segment performance evaluation from a regional perspective; regionally, the Group is currently focusing on the business operation in Taiwan, Mainland China, South Korea, Americas, and Europe. The reportable segments provided to the main operational decision makers are as follows:

Fiscal Year 2024

	Asia						
	Taiwan	Mainland China	South Korea	Americas	Europe	Adjustments and eliminations	Total
Revenue from external clients	$ 649,634	$ 330,316	$ 69,063	$ 307,759	$ 209,832	$ -	$ 1,566,604
Internal segment revenue	500,475	151,608	-	2,808	3,224	(658,115)	-
Segment Revenue	$ 1,150,109	$ 481,924	$ 69,063	$ 310,567	$ 213,056	($ 658,115)	$ 1,566,604
Interest income	$ 22,498	$ 1,126	$ 339	$ 1,028	$ 2,242	($ 2,856)	$ 24,377
Depreciation, depletion, and amortization	$ 21,754	$ 11,348	$ 572	$ 4,610	$ 1,919	$ -	$ 40,203
Income tax expense	($ 13,874)	($ 138)	($ 54)	($ 4,844)	($ 6,674)	$ -	($ 25,584)
Segment pre-tax net profit (loss)	$ 162,504	$ 8,742	($ 599)	$ 20,029	$ 26,990	($ 40,000)	$ 177,666

Fiscal Year 2023

	Asia						
	Taiwan	Mainland China	South Korea	Americas	Europe	Adjustments and eliminations	Total
Revenue from external clients	$ 672,013	$ 309,280	$ 91,678	$ 360,784	$ 237,672	$ -	$ 1,671,427
Internal segment revenue	520,621	274,852	-	1,691	1,508	(798,672)	-
Segment Revenue	$ 1,192,634	$ 584,132	$ 91,678	$ 362,475	$ 239,180	($ 798,672)	$ 1,671,427
Interest income	$ 22,271	$ 981	$ 291	$ -	$ 1,741	($ 657)	$ 24,627
Depreciation, depletion, and amortization	$ 22,944	$ 11,238	$ 426	$ 4,565	$ 1,715	$ -	$ 40,888
Income tax expense	($ 27,827)	$ 754	($ 627)	($ 3,143)	($ 5,249)	$ -	($ 36,092)
Segment pre-tax net profit (loss)	$ 155,095	($ 11,185)	$ 4,940	$ 12,150	$ 29,904	($ 30,474)	$ 160,430

(2) Main product revenue

The analysis of the main product revenue of the Group is as follows:

	2024	2023
PCBs	$ 553,879	$ 606,535
Systems	777,610	777,145
Other	235,115	287,747
	$ 1,566,604	$ 1,671,427

(3) Regional Information

The revenue of the Group from external clients is classified according to the geographical region of the clients and the non-current assets are presented according to the location of the assets as follows:

	Revenue from external clients		Non-current assets	
	2024	2023	December 31, 2024	December 31, 2023
Taiwan	$ 67,868	$ 181,242	$ 1,010,323	$ 637,490
China	333,993	396,853	49,347	30,986
South Korea	76,868	129,426	1,935	2,199
America	386,480	407,654	12,239	15,939
Europe	483,792	500,793	27,142	26,154
Other regions	217,603	55,459	-	-
	$ 1,566,604	$ 1,671,427	$ 1,100,986	$ 712,768

Non-current assets do not include investments accounted for using the equity method, financial instruments, deferred tax assets, and deposits.

(4) Information on major customers

The Group did not have any from a single customer that exceeded 10% of the total revenue for the fiscal years 2024 and 2023.

ARBOR Technology Co., Ltd. and Subsidiaries

Lending funds to others

January 1, 2024 to December 31, 2024

Table1

Unit: NT $thousands

NO.	Creditor	Borrower	Account item	Related Party (Y/N)	Maximum outstanding balance for period	Ending Balance	Actual amount used	Interest rate	Nature of financing (Note1)	Amount of Transaction	Reason for short-term financing	Allowance for bad debts recognized	Collateral		Limit on Loans Granted to a Single Entity (Note 2)	Total Loan Limit (Note 2)
													Name	Value		
1	Guiding Technology Ltd.	Arbor China Technology Co., Ltd.	Other receivables - related parties	Y	$ 20,942	$ 20,910	$ 20,910	2.3%	2	$ -	Working capital	$ -	None	$ -	$ 227,307	$ 909,226
2	Arbor Technology (Shenzhen)co., Ltd.	Arbor China Technology Co., Ltd.	Other receivables - related parties	Y	31,815	31,346	31,346	2.3%	1	50,125	None	-	None	-	85,778	85,778

Note1: The nature of the loans are as follows:

1. Fill in 1 for business transactions.
2. Fill in 2 for short-term financing.

Note2: (1) Inter-company loans of funds between overseas companies in which Arbor holds, directly or indirectly, 100% of the voting shares, nor to loans of fund to Arbor by any overseas company in which Arbor holds, directly or indirectly, 100% of the voting shares. Arbor prescribed the single entity and totals' limits on loans of funds must less than or equal to 40% of Creditor's net value in the lastest audited or reviewed financial statements. (2) Each entity does business transactions with Arbor, its individual limits on loans of funds is less than or equal to both business transaction amounts. The business transaction is maxium amounts between purchasing or sales under 12 months in recent year or incoming year. (3) If each entity has short-term financing needs, the single limits on loan is less than or equal to 10% of Arbor's net value in the lastest audited or reviewed financial statements.

ARBOR Technology Co., Ltd. and Subsidiaries

Endorsements/Guarantees for Others

January 1, 2024 to December 31, 2024

Table 2

Unit: NT $thousands

NO.	Endorser/ Guarantor	Endorsee/Guarantee		Endorsement limit for a single enterprise (Note 2)	Maximum endorsement balance for period	Ending balance of endorsement	Actual amount used	Amount of endorsements secured by the property	The ratio of accumulated endorsement amount to the net worth of the latest financial statements	Maximum amount of endorsement (Note 2)	Endorsement/ guarantee of parent company to subsidiary	Endorsement/ guarantee of a subsidiary to the parent company	Endorsement/ guarantee for mainland China
		Company Name	Relationship (Note 1)										
0	ARBOR Technology Co., Ltd.	AMobile Intelligent Corp. Ltd. and its subsidiary AMobile Solutions Corp.	2	$ 681,920	$ 160,680	$ 160,580	$ 160,580	$ -	7.06%	$ 1,136,533	Y	N	N
		Guiding Technology Ltd.	2	681,920	74,547	74,433	-	-	3.27%	1,136,533	Y	N	N

Note 1: The relationship between the endorsement and the endorsed object is as follows:

1. A company with which it does business.

2. A company in which the Company directly and indirectly holds more than 50% of the voting shares.

Note 2: (1) The total endorsement and guarantee to a single company shall not exceed 30% of the Company's net worth in recent financial statements. (2) The total external endorsement and guarantee shall not exceed 50% of the Company's net worth in recent financial statements. (3) Due to business transaction needs the endorsement, the endorsement / guarantee for single entity is less than the latest one year’s total amount among the Endorsee / Guarantee and Arbor and subsidiaries.

Note 3: The endorsement balance to AMobile Intelligent Corp. Ltd. and its subsidiary AMobile Solutions Corp. are NT160,580 thousand, and the exchange rate is US$1 to NT$32.79. This endorsement balance is shared between AMobile Intelligent Corp. Ltd. and its subsidiary, AMobile Solutions Corp.

Note 4: The limits of endorsement / guarantee to AMobile Solutions Corp. is approved by Director Board meeting which agreed the total business transactions between both in latest year.

ARBOR Technology Co., Ltd. and Subsidiaries

Marketable Securities Held

December 31, 2024

Table 3

Unit: NT $thousands
(Except as otherwise indicated)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Account item	December 31, 2024				Remark
				Shares/Units	Carrying Amount	Percentage of Ownership (%)	Fair Value	
ARBOR Technology Co., Ltd.	Shares							
	Fubon Taiwan Technology Tracker Fund	—	Current financial assets at FVTPL	7	$ 1,362	-	$ 1,362	Note1
	HON HAI PRECISION INDUSTRY CO., LTD.	—	Current financial assets at FVTPL	6	1,104	-	1,104	Note1
	Taiwan Semiconductor Manufacturing Company Limited	—	Current financial assets at FVTPL	1	1,075	-	1,075	Note1
	Elite Advanced Laser Corporation	—	Current financial assets at FVTPL	4	1,148	-	1,148	Note1
	CHANNEL WELL TECHNOLOGY CO., LTD.	—	Current financial assets at FVTPL	10	708	-	708	Note1
	CHENMING ELECTRONIC TECHNOLOGY CORPORATION	—	Current financial assets at FVTPL	3	425	-	425	Note1
	SATEM TECHNOLOGY CO., LTD.	Other related party	Non-current financial assets at FVTOCI	422	6,438	8.79	6,438	Note1
	JRSYS INTERNATIONAL CORP.	—	Non-current financial assets at FVTOCI	100	2,051	1.67	2,051	Note1
	DOUNG DING TECHNOLOGY CO., LTD.	—	Non-current financial assets at FVTOCI	450	5,430	19.57	5,430	Note1
	Beneficiary certificates							
	NNL US Credit Bond Fund	—	Current financial assets at FVTPL	-	4,876	-	4,876	Note1
	KGI Global Multi-Asset Income Fund	—	Current financial assets at FVTPL	-	2,413	-	2,413	Note1
	Fidelity Funds - US Dollar Bond Fund B-ACC-USD	—	Current financial assets at FVTPL	-	1,560	-	1,560	Note1
	Eastspring Investments-US Corporate Bond Fund A-USD	—	Current financial assets at FVTPL	-	1,587	-	1,587	Note1
	SKBank Structured Investment	—	Current financial assets at FVTPL	-	32,790	-	32,790	Note1

Note1: The common stock of listed and over-the-counter companies is based on the closing price at the end of December 2024; the common stock of unlisted companies is calculated using a method comparable to that of listed and over-the-counter companies; investments in debt instruments without an active market are based on the valuation information provided by the issuing company; funds are calculated at market value as of 31 December 2024.

ARBOR Technology Co., Ltd. and Subsidiaries

Marketaboe securities acquired or disposed of at costs or prices of at least NT$300 million or 20% of the paid-in capital

January 1, 2024 to December 31, 2024

Table 4

Unit: NT $thousands
(Except as otherwise indicated)

Company Name	Type and Name of Marketable Securities	Financial Statement Account	Counterparty	Relationship	Beginning Balance		Acquisition		Disposal				Ending Balance	
					Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Market Price	Carrying Amount	Gain (Loss) on Disposal	Number of Shares	Amount
Arbor Technology Corp.	Amobile Intelligent Corp. Limited (Amobile HK)	Investments accounted for using equity method	Hongdin Invest Development Limited	—	3,849,206	$ 432,193	3,500,090	$ 307,501 (Note 1)	-	$ -	$ -	$ -	7,349,296	$ 739,694

Note1:The company has acquired a 10% equity stake in Amobile for cash NTD 207,411 thousand (1,884,921 shares) during this period, and will convert the convertible bonds held by the company in its subsidiary Amobile HK into shares NTD 77,704 thousand (1,615,169 shares) during this period; as well as recognize the share of profits and losses from associated enterprises using the equity method NTD 29,667 thousand and others (NTD 7,281thousand).

ARBOR Technology Co., Ltd. and Subsidiaries

Purchases or sales of goods from or to related parties reaching NT$100 million or 20% of paid-in capital or more

January 1, 2024 to December 31, 2024

Table 5

Unit: NT $thousands

Purchaser/Seller	Related Party	Relationship	Transaction				Differences in transaction terms compared with third party transactions		Note and trade receivables/payables		Remark
			Purchases/ Sales	Amount	Percentage of total purchases/ sales	Credit term	Unit price	payment terms	Balance	Percentage of total note and trade receivables(payables)	
Arbor Technology Corp.	Arbor Solution Inc.	Subsidiary	Sales	($ 226,309)	22%	approx.3-6 months	comparable to normal prices	approx.3-6 months	$ 133,455	34%	—
Arbor Technology Corp.	Arbor Technology UK LTD.	Subsidiary	Sales	(102,835)	10%	approx.3-6 months	comparable to normal prices	approx.3-6 months	41,262	11%	—
Arbor Technology Corp.	AMobile Solutions Corp. （Note 1）	Subsidiary	Purchases	243,320	31%	approx.3-6 months	comparable to normal prices	approx.3-6 months	(8,861)	7%	—
Arbor Technology Corp.	Victor Plus Holdings Ltd.	Others	Purchases	139,819	18%	approx.3-6 months	comparable to normal prices	approx.3-6 months	(24)	-	—
Arbor Technology (Shenzhen)co., Ltd.	AMobile Solutions Corp. （Note 1）	Related parties	Sales	(106,769)	46%	approx.3-6 months	comparable to normal prices	approx.3-6 months	83,315	25%	—
Arbor Technology (Shenzhen)co., Ltd.	AMobile Solutions (Xiamen) CO., LTD.（Note 1）	Related parties	Purchases	115,948	50%	approx.3-6 months	comparable to normal prices	approx.3-6 months	(2,545)	3%	—

Note 1: Since December 2024 the associate has become a subsidiary of Arbor Technology Co., Ltd.

Note 2: The above subsidiaries have been incorporated into the consolidated financial statements and the related gains and losses have been fully offset.

ARBOR Technology Co., Ltd. and Subsidiaries

Receivables from related parties with amount exceeding the lower of NT$100 million or 20% of share capital

December 31, 2024

Table 6

Unit: NT $thousands

Company Name	Related party	Relationship	Balance due from related parties	Turnover rate	Overdue receivables from related parties		Collection subsequent to the balance sheet date	Allowance for doubtful accounts	Remark
					Amount	Action taken			
Arbor Technology Corp.	Arbor Solution Inc.	Subsidiary	$ 137,540	Note1	$ 1,551	Collecting	$ 34,441	$ -	
Arbor Technology (Shenzhen)co., Ltd.	AMobile Solutions (Xiamen) CO., LTD. （Note 2）	Related parties	199,792	Note1	169,417	Collecting	69,740	-	
	AMobile Solutions Corp. （Note 2）	Related parties	100,672	Note1	35,613	Collecting	17,183	-	

Note 1: It included other receivables, so it is not applicable for Turnover rate.

Note 2: Since December 2024, the associate has become a subsidiary of Arbor Technology Co., Ltd.

ARBOR Technology Co., Ltd. and Subsidiaries

Business relationships and significant inter-company transactions

December 31, 2024

Table 7

Unit: NT $thousands
(Except as otherwise indicated)

NO. (Note 1)	Company name	Related Party	Relationship (note 2)	Account item	Amount	Credit term	Percentage of consolidated sales revenue and total assets (Note 3)
0	Arbor Technology Corp.	ARBOR KOREA CO., LTD.	1	Sales	$ 43,266	Normal trading term	2%
		ARBOR KOREA CO., LTD.	1	Accounts receivable due from related parties	47,253	Normal trading term	1%
		Arbor Solution Inc.	1	Sales	226,309	Normal trading term	13%
		Arbor Solution Inc.	1	Accounts receivable due from related parties	133,455	Normal trading term	3%
		Flourish Technology Co., Ltd.	1	Sales	20,361	Normal trading term	1%
		Flourish Technology Co., Ltd.	1	Accounts receivable due from related parties	29,833	Normal trading term	1%
		Arbor France Co., Ltd.	1	Sales	65,099	Normal trading term	4%
		Arbor France Co., Ltd.	1	Accounts receivable due from related parties	17,007	Normal trading term	-
		Arbor Technology UK LTD.	1	Sales	102,835	Normal trading term	6%
		Arbor Technology UK LTD.	1	Accounts receivable due from related parties	41,262	Normal trading term	1%
		Arbor Technology (Shenzhen) Co., Ltd.	1	Other receivables due from related parties	85,471	Normal trading term	-
		Arbor Technology (Shenzhen) Co., Ltd.	1	Prepayment for purchases	175,287	Normal trading term	-
		Acloud Intelligence Services Corp. Ltd.	1	Prepayment for purchases	20,128	Normal trading term	2%
		AMobile Solutions Corp.	1	Prepayment for purchases	16,032	Normal trading term	4%
1	Guiding Technology Ltd.	Arbor China Technology Co.,Ltd.	3	Other receivables due from related parties	22,798	Short-term financing	1%
2	Arbor Technology (Shenzhen) Co., Ltd.	Arbor Technology Corp.	2	Sales	19,841	Normal trading term	1%
		Arbor China Technology Co.,Ltd.	3	Sales	35,999	Normal trading term	2%
		Arbor China Technology Co.,Ltd.	3	Accounts receivable due from related parties	27,211	Normal trading term	1%
		Arbor China Technology Co.,Ltd.	3	Other receivables due from related parties	39,084	Short-term financing	1%
		AMobile Solutions Corp.	3	Accounts receivable due from related parties	83,315	Normal trading term	2%
		AMobile Solutions Corp.	3	Other receivables due from related parties	17,357	Normal trading term	-
		AMobile Solutions (Xiamen) CO., LTD.	3	Sales	10,566	Normal trading term	1%
		AMobile Solutions (Xiamen) CO., LTD.	3	Accounts receivable due from related parties	167,182	Normal trading term	4%
		AMobile Solutions (Xiamen) CO., LTD.	3	Other receivables due from related parties	27,789	Normal trading term	1%
3	AMobile Solutions Corp.	Arbor Technology Corp.	2	Sales	31,136	Normal trading term	2%

Note 1: Business relationship between Parent Company and subsidiaries should be mentioned as following:

(1) 0 for Parent Company.

(2) Consequent numbers after number 1 according to each subsidiary.

Note 2: Relationship of the counterparties should be specified as following:

1. Transactions are between the parent company and its subsidiary.

2.Transactions are between the subsidiary and the parent company.

3.Transactions are between subsidiaries.

Note 3：Percentage of consolidated sales revenue and total assets: The ratio is calculated by using the transaction amount divided by either the consolidated net revenues for Profit/Loss accounts or total assets for asset accounts.

Note 4：If the transaction amount less than NTD10,000 thousand of consolidated assets or total revenue doesn't disclose.

Note 5：All transactions among entities under the consolidation group have been fully offset.

ARBOR Technology Co., Ltd. and Subsidiaries

Names, Locations, and Related Information of Investees over which the Company Exercises Significant Influence (Excluding Information on Investment in Mainland China)

January 1, 2024 to December 31, 2024

Table 8

Unit: NT $thousands

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of December 31, 2024			Net Income (Loss) of the Investee	Share of Profit (Loss)	Remark
				31 Dec, 2024	31 Dec, 2023	Shares/Units	%	Carrying Amount			
ARBOR Technology Co., Ltd.	Arbor Solution, Inc.	USA	Trading of industrial computers and peripherals	$ 27,580	$ 27,580	$ 9,000,000	100	$ 117,988	$ 15,184	$ 15,184	Subsidiary
ARBOR Technology Co., Ltd.	Guiding Technology Ltd.	British Virgin Islands	Trading	15,234	15,234	500,000	100	10,954	668	668	Subsidiary
ARBOR Technology Co., Ltd.	Allied Info Investments Ltd.	Samoa	Investing	27,281	27,281	850,000	100	(246)	(46)	(46)	Subsidiary
ARBOR Technology Co., Ltd.	Excellent Top International Development Ltd.	Hong Kong	Investing	163,956	163,956	40,562,150	100	215,444	(6,275)	(6,275)	Subsidiary
ARBOR Technology Co., Ltd.	Arbor France S. A. S	France	Trading of industrial computers and peripherals	24,194	24,194	-	100	42,596	(883)	(883)	Subsidiary
ARBOR Technology Co., Ltd.	Flourish Technology Co., Ltd.	Hong Kong	Investing and Trading	139,856	139,856	35,195,000	100	57,488	344	344	Subsidiary
ARBOR Technology Co., Ltd.	Arbor Korea Co., Ltd.	South Korea	Trading of industrial computers and peripherals	14,929	14,929	101,480	100	25,252	(653)	(653)	Subsidiary
ARBOR Technology Co., Ltd.	Acloud Intelligence Services Corp. Ltd.	Taiwan	Trading of industrial computers and peripherals	40,250	40,250	4,025,000	67.08	11,477	(6,110)	(4,098)	Subsidiary
ARBOR Technology Co., Ltd.	Best Vintage Global LTD.	Samoa	Investing	74,637	74,637	-	100	126,847	20,532	20,532	Subsidiary
ARBOR Technology Co., Ltd.	Anasis Tech Ltd.	Taiwan	Energy Technology Services	8,000	-	800,000	68.97	11,871	5,597	3,598	Subsidiary
ARBOR Technology Co., Ltd.	AMobile HK	Hong Kong	Investing and Trading	399,703	120,230	7,349,296	61.77	739,694	47,378	29,667	Subsidiary
Best Vintage Global LTD	Perfect Stream LTD.	Samoa	Investing	74,637	74,637	-	100	126,847	20,532	20,532	Subsidiary
Perfect Stream LTD.	Arbor Technology UK LTD.	UK	Trading of industrial computers and peripherals	74,637	74,637	-	100	126,847	20,532	20,532	Subsidiary
AMobile HK	AMobile Solutions Corp.	Taiwan	Communication equipment and peripherals	333,197	-	20,000,000	100	348,770	17,478	17,478	Subsidiary
AMobile HK	Amobile (HK) Limited	Hong Kong	Communication equipment and peripherals	14,880	-	500,000	100	(52)	(2)	(2)	Subsidiary

ARBOR Technology Co., Ltd. and Subsidiaries

Information on investments in Mainland China

January 1, 2024 to December 31, 2024

Table 9

Unit: NT $thousands

(Except as otherwise indicated)

Investee Company	Main Businesses and Products	Paid-in Capital	Method of Investment (Note1)	Beginning balance remitted from Taiwan accumulated investment amount	Investment Flows		Year-end remitted from Taiwan accumulated investment amount	Net Income (Losses) of the Investee Company	% Ownership of Direct or Indirect Investment	Investment Gain (Loss)	Year-end investment Carrying Amount	Year ended investment income repatriated	Remark
					Outflow	Inflow							
Arbor Beijing Technology Co., Ltd.	Trading of industrial computers and peripherals	$ 30,009	2	$ 27,281	$ -	$ -	$ 27,181	($ 51)	100	($ 51)	($ 270)	$ -	Note 4、Note 2(2)B
Arbor Technology (Shenzhen)Co., Ltd.	Trading of industrial computers and peripherals	158,686	2	164,737	-	-	164,737	(6,275)	100	(6,275)	214,445	-	Note 5、Note 2(2)B
Arbor China Technology Co.,Ltd.	Trading of industrial computers and peripherals	139,856	2	139,815	-	-	139,815	348	100	348	58,670	-	Note 6、Note 2(2)B
AMobile Solutions (Xiamen) CO., LTD.	Communication equipment and peripherals.	220,907	2	95,189	48,527	-	143,716	34,672	61.77	12,935	174,740	-	Note 7、Note 2(2)B
AMobile Solutions (Shenzhen) Co., Ltd.	Communication equipment and peripherals.	8,903	2	-	5,499	-	5,499	(14,196)	61.77	764	(5,520)	-	Note 8、Note 2(2)B

Company name	Accumulated outflow from Taiwan at the end of the year Amount of investment in Mainland China	Ministry of Economic Affairs Investment Commission, MOEA. Approved investment amount	According to Ministry of Economic Affairs Investment Commission, MOEA Upper Limit on Investment	The disposed mainland companies at the end of the year which accumulated investment amount from Taiwan	The disposed mainland companies at the end of the year which accumulated Inward Remittance of Earnings to Taiwan
ARBOR Technology Co., Ltd.	$ 481,048	$ 500,341	$ 1,514,211	$ -	$ -

Note 1: The method of investments was as follows:
(1) Direct investment in mainland companies.
(2) Investments in mainland China companies were through a company invested and established in a third region.
(3) Others.

Note 2: Recognization the share of profits of subsidiaries and associates accounted for using equity method:
(1) If the investee company is start-up and preparing, please note the states which don't have investment gain (loss).
(2) The financial statement type to recognize share of associates and joint ventures accounted for equity method
A. The financial statements of the investee company were reviewed by the international accounting firms which cooperated with R.O.C. accounting firms.
B. The financial statements of the investee company were reviewed by the Group's auditor.
C. Others.

Note 3: This statement expressed in thousands of NTD.

Note 4: It is through via Allied Info Investments Ltd.

Note 5: It is through via Excellent Top International Development Ltd.

Note 6: It is through via Flourish Technology Co., Ltd.

Note 7: It is through via Amobile HK, due to December 16, 2024 Amobile HK has been a subsidiary of Arbor Technology Co., Ltd. and the companydisclouse by ownership.

Note 8: It is through via Amobile HK’ subsidiary Amobile Solution Co., due to December 16, 2024 Amobile HK has been a subsidiary of Arbor Technology Co., Ltd. and the company disclouse by ownership.

ARBOR Technology Co., Ltd. and Subsidiaries

Major shareholder's information

December 31, 2024

Table 10

Name of major shareholders	Shares	
	Number of shares hold	Ownership
Ennoconn International Investment Co., Ltd.	16,000,000	16.71%

Note1：The information of major shareholders presented in this table is provided by Taiwan Depository & Clearing Corporation based on the number of ordinary shares and preferred shares of total held by shareholders with ownership of 5% or greater, that have been issued without physical registration by the Company as of the last business day for the current quarter. The number of shares of Share capital recorded in the Company's financial report and the actual number of shares delivered without physical registration may be different due to different calculation bases.