English Translation of a Report and Consolidated Financial Statements Originally Issued in Chinese

FARADAY TECHNOLOGY CORPORATION
AND SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENTS
WITH REPORT OF INDEPENDENT AUDITORS
FOR THE THREE MONTHS ENDED
MARCH 31, 2025 AND 2024

Address: No. 5 Li-Hsin Road III, Hsinchu Science Park, Hsinchu City, Taiwan, R.O.C.
Telephone: 886-3-578-7888

Notice to Readers

The reader is advised that these consolidated financial statements have been prepared originally in Chinese. In the event of a conflict between these financial statements and the original Chinese version or difference in interpretation between the two versions, the Chinese language financial statements shall prevail.

安永聯合會計師事務所

30078 新竹市新竹科學園區力行一路1號E-3
E-3, No. 1, Lixing 1st Rd., Hsinchu Science Park
Hsinchu City, Taiwan, R.O.C.

電話 Tel: 886 3 688 5678
傳真 Fax: 886 3 688 6000
ey.com/zh_tw

Review Report of Independent Auditors

To Faraday Technology Corporation

Introduction

We have reviewed the accompanying consolidated balance sheets of Faraday Technology Corporation and its subsidiaries as of March 31, 2025 and 2024, the related consolidated statements of comprehensive income, changes in equity and cash flows for the three-month periods ended March 31, 2025 and 2024, and notes to the consolidated financial statements, including the summary of significant accounting policies (together "the consolidated financial statements"). Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" as endorsed and became effective by Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on these consolidated financial statements based on our reviews.

Scope of Review

Except as explained in the following paragraph, we conducted our reviews in accordance with the Standard on Review Engagements 2410, "Review of Financial Information Performed by the Independent Auditor of the Entity" of the Republic of China. A review of consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing of the Republic of China and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis for Qualified Conclusion

As explained in Note 4(3), the financial statements of certain insignificant subsidiaries were not reviewed by independent auditors. Those statements reflect total assets of NT$4,589,637 thousand and NT$3,471,440 thousand, constituting 23.58% and 19.14% of the consolidated total assets, and total liabilities of NT$542,631 thousand and NT$555,858 thousand, constituting 9.39% and 13.23% of the consolidated total liabilities as of March 31, 2025 and 2024, respectively; and total comprehensive income of NT$(302,079) thousand and NT$(44,281) thousand, constituting (148.70)% and (13.15)% of the consolidated total comprehensive income for the three-month periods ended March 31, 2025 and 2024, respectively. The information related to above subsidiaries disclosed in Note 13 was also not reviewed by independent auditors.

Qualified Conclusion

Based on our reviews, except for the effect of such adjustments, if any, as might have been determined to be necessary had the financial statements of certain insignificant subsidiaries and the information disclosed in the footnotes been reviewed by independent auditors described in the preceding paragraph, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of Faraday Technology Corporation and its subsidiaries as of March 31, 2025 and 2024, and their consolidated financial performance for the three-month periods ended March 31, 2025 and 2024 and cash flows for the three-month periods ended March 31, 2025 and 2024, in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" as endorsed and became effective by Financial Supervisory Commission of the Republic of China.

/s/ Hu, Shen-Chieh

/s/ Yang, Yu-Ni

Ernst & Young, Taiwan
April 22 , 2025

Notice to Readers

The reader is advised that these financial statements have been prepared originally in Chinese. In the event of a conflict between these financial statements and the original Chinese version or difference in interpretation between the two versions, the Chinese language financial statements shall prevail.

The accompanying consolidated financial statements are intended only to present the financial position, results of operations and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to review such consolidated financial statements are those generally accepted and applied in the Republic of China.

English Translation of Consolidated Financial Statements Originally Issued in Chinese

FARADAY TECHNOLOGY CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

March 31, 2025, December 31, 2024 and March 31, 2024

(Expressed in thousands of New Taiwan Dollars)

Assets	Note	As of March 31, 2025	As of December 31, 2024	As of March 31, 2024
Current assets				
Cash and cash equivalents	6(1)	$ 6,793,943	$ 8,310,879	$ 9,940,324
Financial assets at fair value through profit or loss, current	6(2)	23,292	23,307	25,304
Financial assets measured at amortized cost, current	6(8)	-	-	88,180
Contract assets, current	6(17), 6(18), 7	33,367	1,799	44,038
Notes receivable, net	6(4), 6(18)	18,356	22,395	3,080
Accounts receivable, net	6(5), 6(18)	2,005,954	796,594	760,178
Accounts receivable - related parties, net	6(5), 6(18), 7	130,912	234,760	122,612
Other receivables		365,386	199,617	106,324
Current tax assets		7,115	7,018	-
Inventories, net	6(6)	2,525,571	1,073,517	955,703
Other current assets	6(7)	345,290	277,713	505,475
Costs to fulfil a contract, current	6(17)	92,427	76,544	87,295
Total current assets		12,341,613	11,024,143	12,638,513
Non-current assets				
Financial assets at fair value through profit or loss, non-current	6(2)	980,772	1,024,515	-
Financial assets at fair value through other comprehensive income, non-current	6(3)	2,429,458	2,459,636	2,573,667
Financial assets measured at amortized cost, non-current	6(8), 8	126,000	125,992	75,810
Property, plant and equipment	6(9)	622,172	581,509	543,176
Right-of-use assets	6(19)	727,187	719,480	426,082
Intangible assets	6(10), 6(25), 7	2,006,820	2,114,900	1,596,881
Deferred tax assets	4, 6(23)	80,912	89,898	102,240
Refundable deposits	7	91,546	103,486	111,906
Defined benefit assets, non-current	4, 6(14)	28,427	28,427	16,910
Other non-current assets	6(11)	29,121	58,015	53,178
Total non-current assets		7,122,415	7,305,858	5,499,850
Total assets		$ 19,464,028	$ 18,330,001	$ 18,138,363

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

English Translation of Consolidated Financial Statements Originally Issued in Chinese

FARADAY TECHNOLOGY CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

March 31, 2025, December 31, 2024 and March 31, 2024

(Expressed in thousands of New Taiwan Dollars)

Liabilities and Equity	Note	As of		
		March 31, 2025	December 31, 2024	March 31, 2024
Current liabilities				
Short-term loans	6(12)	$ 25,000	$ 25,000	$ 96,164
Financial liabilities at fair value through profit or loss, current	6(2), 6(25)	94,804	65,497	62,383
Contract liabilities, current	6(17), 7	1,083,925	683,073	935,717
Notes payable		4	4	4
Accounts payable		1,879,301	1,071,241	700,950
Accounts payable - related parties	7	365,871	603,360	392,810
Payables on equipment		45,189	1,934	-
Other payables	6(13)	1,124,715	1,152,437	784,970
Current tax liabilities	4, 6(23)	280,799	213,426	467,231
Lease liabilities, current	6(19)	45,065	36,918	35,025
Other current liabilities		18,509	19,387	31,921
Total current liabilities		4,963,182	3,872,277	3,507,175
Non-current liabilities				
Financial liabilities at fair value through profit or loss, non-current	6(2), 6(25)	-	91,432	83,156
Deferred tax liabilities	4, 6(23)	169,578	153,689	136,367
Lease liabilities, non-current	6(19)	305,354	301,042	205,021
Other non-current liabilities	6(13)	342,130	438,229	269,852
Total non-current liabilities		817,062	984,392	694,396
Total liabilities		5,780,244	4,856,669	4,201,571
Equity attributable to the parent company				
Capital	6(15)			
Common stock		2,605,503	2,605,503	2,605,503
Additional paid-in capital	6(15)	4,325,263	4,325,263	4,325,263
Retained earnings	6(15)			
Legal reserve		2,073,387	2,073,387	1,914,531
Unappropriated earnings		3,480,573	3,134,356	3,641,279
Other components of equity		780,815	936,176	1,120,515
Equity attributable to the parent company		13,265,541	13,074,685	13,607,091
Non-controlling interests	6(15)	418,243	398,647	329,701
Total equity		13,683,784	13,473,332	13,936,792
Total liabilities and equity		$ 19,464,028	$ 18,330,001	$ 18,138,363

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

English Translation of Consolidated Financial Statements Originally Issued in Chinese

FARADAY TECHNOLOGY CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

For the three-month periods ended March 31, 2025 and 2024

(Expressed in thousands of New Taiwan Dollars, except for earnings per share)

	Note	For the three-month periods ended March 31	
		2025	2024
Operating revenues	6(17), 7	$ 7,437,577	$ 2,578,630
Operating costs	6(6), 6(10), 6(20), 7	(5,929,568)	(1,379,006)
Gross profit		1,508,009	1,199,624
Operating expenses	6(10), 6(20), 7		
Selling expenses		(110,085)	(108,710)
Administrative expenses		(156,994)	(126,538)
Research and development expenses		(852,897)	(641,628)
Expected credit losses	6(18)	(19,368)	(6,210)
Total operating expenses		(1,139,344)	(883,086)
Operating income		368,665	316,538
Non-operating income and expenses	6(21)		
Interest income		19,165	16,651
Other income		74,683	1,794
Other gains and losses		(5,299)	23,137
Finance costs		(2,573)	(2,646)
Total non-operating income and expenses		85,976	38,936
Income before income tax		454,641	355,474
Income tax expense	4, 6(23)	(102,985)	(77,228)
Net income		351,656	278,246
Other comprehensive income (loss)	6(22)		
Item that will not be reclassified subsequently to profit or loss:			
Unrealized loss from equity instruments investments measured at fair value through other comprehensive income		(194,128)	(399)
Income tax relating to items that will not be reclassified to profit or loss		1,988	3,965
Item that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign operations		52,829	47,432
Income tax relating to items that may be reclassified to profit or loss		(9,195)	7,405
Other comprehensive income (net of income tax)		(148,506)	58,403
Total comprehensive income		$ 203,150	$ 336,649
Net income (loss) attributable to:			
Stockholders of the parent		$ 346,217	$ 280,269
Non-controlling interests		5,439	(2,023)
		$ 351,656	$ 278,246
Comprehensive income attributable to:			
Stockholders of the parent		$ 190,856	$ 334,137
Non-controlling interests		12,294	2,512
		$ 203,150	$ 336,649
Earnings per share (NT$)	6(24)		
Earnings per share-basic		$ 1.33	$ 1.13
Earnings per share-diluted		$ 1.33	$ 1.12

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

English Translation of Consolidated Financial Statements Originally Issued in Chinese

FARADAY TECHNOLOGY CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For the three-month periods ended March 31, 2025 and 2024

(Expressed in thousands of New Taiwan Dollars)

	Equity Attributable to the Parent Company								
			Retained Earnings		Other Components of Equity				
	Common Stock	Additional Paid-in Capital	Legal Reserve	Unappropriated Earnings	Exchange Differences on Translation of Foreign Operations	Unrealized Gain or Loss on Financial Assets Measured at Fair Value through Other Comprehensive Income	Total	Non-controlling Interests	Total Equity
Balance as of January 1, 2024	$ 2,485,503	$ 705,700	$ 1,914,531	$ 3,361,010	$ (87,977)	$ 1,154,624	$ 9,533,391	$ 321,159	$ 9,854,550
Net income (loss) for the three-month period ended March 31, 2024	-	-	-	280,269	-	-	280,269	(2,023)	278,246
Other comprehensive income for the three-month period ended March 31, 2024	-	-	-	-	50,302	3,566	53,868	4,535	58,403
Total comprehensive income for the three-month period ended March 31, 2024	-	-	-	280,269	50,302	3,566	334,137	2,512	336,649
Issuance of shares	120,000	3,619,563	-	-	-	-	3,739,563	-	3,739,563
Non-controlling interests	-	-	-	-	-	-	-	6,030	6,030
Balance as of March 31, 2024	$ 2,605,503	$ 4,325,263	$ 1,914,531	$ 3,641,279	$ (37,675)	$ 1,158,190	$ 13,607,091	$ 329,701	$ 13,936,792
Balance as of January 1, 2025	$ 2,605,503	$ 4,325,263	$ 2,073,387	$ 3,134,356	$ (13,668)	$ 949,844	$ 13,074,685	$ 398,647	$ 13,473,332
Net income for the three-month period ended March 31, 2025	-	-	-	346,217	-	-	346,217	5,439	351,656
Other comprehensive income (loss) for the three-month period ended March 31, 2025	-	-	-	-	36,779	(192,140)	(155,361)	6,855	(148,506)
Total comprehensive income (loss) for the three-month period ended March 31, 2025	-	-	-	346,217	36,779	(192,140)	190,856	12,294	203,150
Non-controlling interests	-	-	-	-	-	-	-	7,302	7,302
Balance as of March 31, 2025	$ 2,605,503	$ 4,325,263	$ 2,073,387	$ 3,480,573	$ 23,111	$ 757,704	$ 13,265,541	$ 418,243	$ 13,683,784

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

English Translation of Consolidated Financial Statements Originally Issued in Chinese

FARADAY TECHNOLOGY CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

For the three-month periods ended March 31, 2025 and 2024

(Expressed in thousands of New Taiwan Dollars)

Description	For the three-month periods ended March 31	
	2025	2024
Cash flows from operating activities:		
Net income before tax	$ 454,641	$ 355,474
Adjustments for non-cash gain or loss:		
Depreciation	43,773	33,064
Amortization	181,269	140,989
Expected credit loss	19,368	6,210
Loss on financial assets and liabilities at fair value through profit or loss	19,438	7,702
Interest expense	2,573	2,646
Interest income	(19,165)	(16,651)
Dividend income	(72,364)	(10)
Share-based payment expense	7,302	25,593
Others	99	-
Changes in operating assets and liabilities:		
Contract assets	(31,568)	(41,077)
Notes receivable	4,504	(3,080)
Accounts receivable	(1,228,728)	567,211
Accounts receivable - related parties	103,848	154,396
Other receivables	(96,290)	(25,238)
Inventories	(1,452,054)	231,507
Prepayments	(18,400)	(320,531)
Other current assets	(18,168)	28,847
Cost to fulfil a contract	(15,883)	23,463
Other operating assets	2,075	(1,470)
Financial liabilities held for trading	(58)	204
Contract liabilities	400,852	134,181
Accounts payable	808,060	51,205
Accounts payable - related parties	(237,489)	40,590
Other payables	(25,800)	(138,189)
Other current liabilities	(878)	8,709
Cash generated from operations	(1,169,043)	1,265,745
Interest received	22,050	15,710
Dividend received	-	10
Interest paid	(2,573)	(2,646)
Income tax paid	(18,041)	(30,814)
Net cash (used in) provided by operating activities	(1,167,607)	1,248,005

Description	For the three-month periods ended March 31	
	2025	2024
Cash flows from investing activities:		
Acquisition of financial assets at fair value through other comprehensive income	$ (163,950)	$ -
Acquisition of financial assets measured at amortized cost	-	(44,090)
Acquisition of subsidiaries (net of cash received)	(37,747)	(474,246)
Acquisition of property, plant and equipment	(22,737)	(39,472)
Increase in refundable deposits	(445)	(2,180)
Decrease in refundable deposits	8,195	17,030
Acquisition of intangible assets	(172,376)	(137,230)
Net cash used in investing activities	(389,060)	(680,188)
Cash flows from financing activities:		
Increase in deposits for guarantees	180	-
Cash payments for the principal portion of the lease liabilities	(13,235)	(112,972)
Proceeds from issuing shares	-	3,720,000
Net cash (used in) provided by financing activities	(13,055)	3,607,028
Effect of exchange rate changes on cash and cash equivalents	52,786	50,673
Net (decrease) increase in cash and cash equivalents	(1,516,936)	4,225,518
Cash and cash equivalents at beginning of period	8,310,879	5,714,806
Cash and cash equivalents at end of period	$ 6,793,943	$ 9,940,324

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

English Translation of Consolidated Financial Statements Originally Issued in Chinese

FARADAY TECHNOLOGY CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIODS ENDED MARCH 31, 2025 AND 2024
(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

1. History and Organization

Faraday Technology Corporation (the "Company") was incorporated on June 10, 1993. The Company is a leading fabless ASIC vendor and silicon intellectual property and system platform provider, with products and services of ASIC/SoC Design Services, ASIC/SoC Production Turnkey Services, and ASIC EDA tools.

The Company's shares are listed on the Taiwan Stock Exchange ("TWSE"). The address of its registered office and principal place of business is No. 5, Li-Hsin III Road, Hsinchu Science Park, Taiwan.

2. Date and Procedures of Authorization of Financial Statements for Issue

The consolidated financial statements of the Company and subsidiaries (the "Group") for the three-month periods ended March 31, 2025 and 2024 were authorized for issue in accordance with a resolution of the Board of Directors' meeting on April 22, 2025.

3. Newly Issued or Revised Standards and Interpretations

(1) Changes in accounting policies resulting from applying for the first time certain standards and amendments

The Group applied for the first time International Financial Reporting Standards, International Accounting Standards, and Interpretations issued, revised or amended which are endorsed by Financial Supervisory Commission ("FSC") and become effective for annual periods beginning on or after January 1, 2025. The adoption of these new standards and amendments had no material impact on the Group.

(2) Standards or interpretations issued, revised or amended, by International Accounting Standards Board ("IASB") which are not endorsed by FSC, and not yet adopted by the Group as at the end of the reporting period are listed below.

Items	New, Revised or Amended Standards and Interpretations	Effective Date issued by IASB
a	IFRS 10 "Consolidated Financial Statements" and IAS 28 "Investments in Associates and Joint Ventures" — Sale or Contribution of Assets between an Investor and its Associate or Joint Ventures	To be determined by IASB

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

Items	New, Revised or Amended Standards and Interpretations	Effective Date issued by IASB
b	IFRS 17 "Insurance Contracts"	January 1, 2023
c	IFRS 18 "Presentation and Disclosure in Financial Statements"	January 1, 2027
d	Disclosure Initiative – Subsidiaries without Public Accountability: Disclosures (IFRS 19)	January 1, 2027
e	Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7	January 1, 2026
f	Annual Improvements to IFRS Accounting Standards – Volume 11	January 1, 2026
g	Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7	January 1, 2026

The abovementioned standards and interpretations issued by IASB have not yet endorsed by FSC at the date when the Group's financial statements were authorized for issue, the local effective dates are to be determined by FSC. As the Group is still currently determining the potential impact of the new or amended standards and interpretations listed under (c) and (g), it is not practicable to estimate their impact on the Group at this point in time. The remaining new or amended standards and interpretations have no material impact on the Group.

4. Summary of Significant Accounting Policies

(1) Statement of Compliance

The consolidated financial statements of the Group for the three-month periods ended March 31, 2025 and 2024 have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers ("the Regulations") and IAS 34 Interim Financial Reporting as endorsed and became effective by the FSC.

(2) Basis of Preparation

The consolidated financial statements have been prepared on a historical cost basis, except for financial instruments that have been measured at fair value.

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

(3) Basis of consolidation

a. Preparation principle of consolidated financial statements

The same principles of consolidation have been applied in the Company's consolidated financial statements as those applied in the Company's consolidated financial statements for the year ended December 31, 2024. For the principles of consolidation, please refer to Note 4(3) of the Company's consolidated financial statements for the year ended December 31, 2024.

b. The consolidated entities are listed as follows:

			Percentage of ownership (%) As of		
Investor	Subsidiary	Main businesses	March 31, 2025	December 31, 2024	March 31, 2024
The Company	Faraday Technology Corporation (USA)	Sales representative in America	100.00%	100.00%	100.00%
The Company	Faraday Technology Japan Corporation	Sales representative in Japan	99.95%	99.95%	99.95%
The Company	Faraday Technology Corp. (B.V.I.)	General investing	100.00%	100.00%	100.00%
The Company	Faraday Technology Vietnam Company Limited	IC designing service	100.00%	100.00%	100.00%
The Company	Sinble Technology Pte. Ltd. (Sinble)	IC designing service	100.00%	100.00%	100.00%
The Company	Chih-Hung Investment Corporation (Chih-Hung)	General investing	100.00%	100.00%	100.00%
The Company	Sheng Bang Investment Corporation (Sheng Bang)	General investing	100.00%	100.00%	100.00%
Sinble	Sinble Technology Vietnam Company Limited	IC designing service	100.00%	100.00%	100.00%
Chih-Hung	Grain Media Inc.	IC designing, marketing and customer service	19.42%	19.42%	19.42%
Chih-Hung	Innopower Technology Corporation (Innopower)	Silicon Intellectual Property designing service	100.00%	100.00%	100.00%

(To be continued)

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

(Continued)

			Percentage of ownership (%) As of		
Investor	Subsidiary	Main businesses	March 31, 2025	December 31, 2024	March 31, 2024
Chih-Hung	FaradayTek Solutions India Private Limited	IC designing service	1.00%	1.00%	1.00%
Sheng Bang	Grain Media Inc.	IC designing, marketing and customer service	80.58%	80.58%	80.58%
Sheng Bang	FaradayTek Solutions India Private Limited	IC designing service	99.00%	99.00%	99.00%
Sheng Bang	Solid Silicon Technology Corporation	Silicon Intellectual Property designing service	100.00%	100.00%	100.00%
Innopower	Bright Capital Group Limited (BCGL)	General investing	100.00%	100.00%	100.00%
BCGL	Faraday Technology Corporation (Suzhou)	IC designing, marketing and customer service	100.00%	100.00%	100.00%
B.V.I.	Faraday Technology (Mauritius) Corp. (Mauritius)	General investing	100.00%	100.00%	100.00%
B.V.I.	GrainTech Electronics Limited	IC designing, marketing and customer service	100.00%	100.00%	100.00%
B.V.I.	Faraday Technology (Samoa) Corp. (Samoa)	General investing	100.00%	100.00%	100.00%
B.V.I.	Artery Technology Corporation (Artery)	General investing	60.87%	60.87%	60.87%
Samoa	United Business Service Corporation (UBS)	IC designing, marketing and customer service	100.00%	100.00%	100.00%
Artery	Artery Technology Co., Ltd.	IC designing, marketing and customer service	100.00%	100.00%	100.00%
Artery	Artery Technology Company	IC designing, marketing and customer service	100.00%	100.00%	100.00%
UBS	United Creative Solution Corporation	IC designing, marketing and customer service	100.00%	100.00%	100.00%
UBS	Innopower Technology Corporation (Chongqing)	IC designing, marketing and customer service	100.00%	100.00%	100.00%
Mauritius	Faraday Technology China Corporation	IC designing, marketing and customer service	100.00%	100.00%	100.00%

The financial statements of some of the consolidated subsidiaries listed above had not been reviewed by auditors. As of March 31, 2025 and March 31, 2024, the related assets of the subsidiaries which were unreviewed by auditors amount to NT$4,589,637 thousand and NT$3,471,440 thousand, respectively, and the related liabilities amount to NT$542,631 thousand and NT$555,858 thousand, respectively. The comprehensive income of these subsidiaries amounts to NT$(302,079) thousand and NT$(44,281) thousand for the three-month periods ended March 31, 2025 and 2024, respectively.

(4) Except for the accounting policies listed under Note 4(5) - (6), the same accounting policies have been followed in the consolidated financial statements for the three-month period ended March 31, 2025 as were applied in the preparation of the Company's consolidated financial statements for the year ended December 31, 2024. For the summary of other significant accounting policies, please refer to the consolidated financial statements for the year ended December 31, 2024.

(5) Post-employment benefits

Pension cost for an interim period is calculated on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior financial year, adjusted and disclosed for significant market fluctuations since that time and for significant curtailments, settlements, or other significant one-off events.

(6) Income taxes

Interim period income tax expense is accrued using the tax rate that would be applicable to expected total annual earnings, that is, the estimated average annual effective income tax rate applied to the pre-tax income of the interim period. The estimated average annual effective income tax rate only includes current income tax. The recognition and measurement of deferred tax follows annual financial reporting requirements in accordance with IAS 12. The Group recognizes the effect of change in tax rate for deferred taxes in full if the new tax rate is enacted by the end of the interim reporting period, by charging to profit or loss, other comprehensive income, or directly to equity.

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

5. Significant Accounting Judgments, Estimates and Assumptions

The same significant accounting judgments, estimates and assumptions have been followed in the consolidated financial statements for the three-month periods ended March 31, 2025 and 2024 as were applied in the preparation of the Company’s consolidated financial statements for the year ended December 31, 2024. Please refer to the consolidated financial statements for the year ended December 31, 2024.

6. Contents of Significant Accounts

(1) Cash and cash equivalents

	As of		
	March 31, 2025	December 31, 2024	March 31, 2024
Cash on hand	$741	$717	$630
Checking and savings	3,685,705	2,829,068	6,390,712
Time deposits	3,037,497	5,411,094	3,478,982
Cash equivalents-commercial paper with repurchase agreements	70,000	70,000	70,000
Total	$6,793,943	$8,310,879	$9,940,324

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

	As of		
	March 31, 2025	December 31, 2024	March 31, 2024
Financial assets mandatorily measured at fair value through profit or loss:			
Funds	$23,292	$23,307	$25,304
Stocks	980,772	1,024,515	-
Total	$1,004,064	$1,047,822	$25,304

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

	As of		
	March 31, 2025	December 31, 2024	March 31, 2024
Current	$23,292	$23,307	$25,304
Non-current	980,772	1,024,515	-
Total	$1,004,064	$1,047,822	$25,304

	As of		
	March 31, 2025	December 31, 2024	March 31, 2024
Financial liabilities at fair value through profit of loss:			
Derivatives not designated as hedging instruments-forward currency	$899	$885	$3,620
Contingent consideration in business combination	93,905	156,044	141,919
Total	$94,804	$156,929	$145,539
Current	$94,804	$65,497	$62,383
Non-current	-	91,432	83,156
Total	$94,804	$156,929	$145,539

Financial assets at fair value through profit or loss were not pledged.

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

	As of		
	March 31, 2025	December 31, 2024	March 31, 2024
Equity instrument investments measured at fair value through other comprehensive income – non-current:			
Unlisted companies’ stocks	$2,429,458	$2,459,636	$2,573,667

The Group classified certain of its financial assets as financial assets at fair value through other comprehensive income which were not pledged.

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

The Group recognized dividend income related to equity instrument investments measured at fair value through other comprehensive income in the amount of NT$72,364 thousand and NT$0 for the three-month periods ended March 31, 2025 and 2024, respectively, which were all related to investments held at the end of the reporting period.

(4) Notes Receivable

	As of		
	March 31, 2025	December 31, 2024	March 31, 2024
Notes Receivable - Arising from operations	$18,356	$22,395	$3,080
Less：loss allowance	-	-	-
Total	$18,356	$22,395	$3,080

Notes receivables were not pledged.

The Group follows the requirement of IFRS 9 to assess the impairment. Please refer to Note 6(18) for more details on loss allowance and Note 12 for details on credit risk.

(5) Accounts receivable, net and accounts receivable - related parties, net

	As of		
	March 31, 2025	December 31, 2024	March 31, 2024
Accounts receivable (gross carrying amount)	$2,094,306	$865,578	$800,854
Less：loss allowance	(88,352)	(68,984)	(40,676)
Subtotal	2,005,954	796,594	760,178
Accounts receivable - related parties (gross carrying amount)	130,912	234,760	122,612
Total	$2,136,866	$1,031,354	$882,790

Accounts receivable were not pledged.

Accounts receivable are generally from immediate 7 days to month-end 60 days. The gross carrying amount of accounts receivable were NT$2,225,218 thousand, NT$1,100,338 thousand, and NT$923,466 thousand as of March 31, 2025, December 31, 2024, and March 31, 2024, respectively. Please refer to Note 6(18) for more details on impairment of accounts receivable, and Note 12 for credit risk disclosure.

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

(6) Inventories

	As of		
	March 31, 2025	December 31, 2024	March 31, 2024
Work in process	$2,283,024	$665,290	$674,018
Finished goods	242,547	408,227	281,685
Total	$2,525,571	$1,073,517	$955,703

The cost of inventories recognized in expenses amounted to NT$5,929,568 thousand and NT$1,379,006 thousand for the three-month periods ended March 31, 2025 and 2024, respectively, including the inventory valuation gain of NT$13,850 thousand and NT$12,375 thousand for the three-month periods ended March 31, 2025 and 2024, respectively. The reversal gain of inventory loss allowance resulted from the sales of previous inventory write-downs during the three-month periods ended March 31, 2025 and 2024.

No inventories were pledged.

(7) Other current assets

	As of		
	March 31, 2025	December 31, 2024	March 31, 2024
Prepaid royalty fee	$276,052	$230,833	$446,883
Others	69,238	46,880	58,592
Total	$345,290	$277,713	$505,475

The prepaid royalty fee was primarily attributable to several agreements which the Group entered into for certain software license and silicon intellectual property license.

(8) Financial assets measured at amortized cost

	As of		
	March 31, 2025	December 31, 2024	March 31, 2024
Corporate bond	$100,000	$100,000	$50,000
Time deposit	25,362	25,362	113,375
Others	638	630	615
Total	$126,000	$125,992	$163,990

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

	As of		
	March 31, 2025	December 31, 2024	March 31, 2024
Current	$-	$-	$88,180
Non-current	126,000	125,992	75,810
Total	$126,000	$125,992	$163,990

Financial assets measured at amortized cost include corporate bonds and time deposits with original maturities more than one year or security deposit. Please refer to Note 8 for more details on financial assets measured at amortized cost under pledge and Note 12 for details on credit risk management.

(9) Property, plant and equipment

	As of		
	March 31, 2025	December 31, 2024	March 31, 2024
Property, plant and equipment for its own use	$622,172	$581,509	$543,176

	Land	Buildings and facilities	Machinery and equipment	Computer equipment	Office furniture and fixtures	Miscellaneous equipment	Total
Cost:							
As of January 1, 2025	$33,576	$624,624	$70,880	$227,692	$24,888	$6,716	$988,376
Additions	-	4,170	49,237	12,451	134	-	65,992
Disposal	-	(8,538)	(139)	(972)	(2,237)	-	(11,886)
Exchange effect	-	602	140	1,047	287	11	2,087
As of March 31, 2025	$33,576	$620,858	$120,118	$240,218	$23,072	$6,727	$1,044,569
As of January 1, 2024	$33,576	$602,614	$93,346	$152,736	$22,831	$1,169	$906,272
Additions	-	-	-	2,755	1,346	-	4,101
Additions through business combinations	-	-	114	6,072	54	-	6,240
Exchange effect	-	428	200	1,313	29	36	2,006
As of March 31, 2024	$33,576	$603,042	$93,660	$162,876	$24,260	$1,205	$918,619

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

	Land	Buildings and facilities	Machinery and equipment	Computer equipment	Office furniture and fixtures	Miscellaneous equipment	Total
Depreciation and impairment:							
As of January 1, 2025	$-	$248,089	$34,652	$101,153	$20,687	$2,286	$406,867
Depreciation	-	4,702	3,428	16,202	1,111	457	25,900
Disposal	-	(8,538)	(139)	(972)	(2,237)	-	(11,886)
Exchange effect	-	302	140	771	291	12	1,516
As of March 31, 2025	$-	$244,555	$38,081	$117,154	$19,852	$2,755	$422,397
As of January 1, 2024	$-	$231,686	$40,849	$64,829	$15,274	$1,065	$353,703
Additions	-	4,396	4,400	10,030	1,256	25	20,107
Exchange effect	-	370	197	992	38	36	1,633
As of March 31, 2024	$-	$236,452	$45,446	$75,851	$16,568	$1,126	$375,443
Net carrying amount as of:							
March 31, 2025	$33,576	$376,303	$82,037	$123,064	$3,220	$3,972	$622,172
December 31, 2024	$33,576	$376,535	$36,228	$126,539	$4,201	$4,430	$581,509
March 31, 2024	$33,576	$366,590	$48,214	$87,025	$7,692	$79	$543,176

Note:

a. Significant components of buildings are main building structure, air conditioning units and elevators, which are depreciated based on their useful lives over 51 years, 8 years, and 6-16 years, respectively.

b. Property, plant and equipment were not pledged.

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

(10) Intangible assets

	Software	Goodwill	Technologies IP	Total
Cost				
As of January 1, 2025	$2,523,863	$275,824	$371,053	$3,170,740
Addition－acquired separately	73,710	-	-	73,710
Decrease－derecognition	-	-	-	-
Exchange effect	4,528	-	-	4,528
As of March 31, 2025	$2,602,101	$275,824	$371,053	$3,248,978
As of January 1, 2024	$1,608,855	$-	$-	$1,608,855
Addition－acquired separately	396,046	-	-	396,046
Acquired through business combination	-	196,367	461,590	657,957
Decrease－derecognition	(131,236)	-	-	(131,236)
Exchange effect	6,162	-	-	6,162
As of March 31, 2024	$1,879,827	$196,367	$461,590	$2,537,784
Accumulated Amortization				
As of January 1, 2025	$1,038,833	$-	$17,007	$1,055,840
Amortization	176,631	-	4,638	181,269
Decrease－derecognition	-	-	-	-
Exchange effect	5,049	-	-	5,049
As of March 31, 2025	$1,220,513	$-	$21,645	$1,242,158
As of January 1, 2024	$925,575	$-	$-	$925,575
Amortization	137,142	-	3,847	140,989
Decrease－derecognition	(131,236)	-	-	(131,236)
Exchange effect	5,575	-	-	5,575
As of March 31, 2024	$937,056	$-	$3,847	$940,903

(To be continued)

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

(Continued)

	Software	Goodwill	Technologies IP	Total
Net carrying amount as of:				
March 31, 2025	$1,381,588	$275,824	$349,408	$2,006,820
December 31, 2024	$1,485,030	$275,824	$354,046	$2,114,900
March 31, 2024	$942,771	$196,367	$457,743	$1,596,881

The amortization expenses of intangible assets are as follows:

	Three-month periods ended March 31	
	2025	2024
Operating costs	$6,529	$6,529
Operating expenses		
Selling expenses	1	46
Administrative expenses	364	2,260
Research and development expenses	174,375	132,154
Total	$181,269	$140,989

(11) Other non-current assets

	As of		
	March 31, 2025	December 31, 2024	March 31, 2024
Long-term prepayments	$23,370	$50,189	$51,581
Others	5,751	7,826	1,597
Total	$29,121	$58,015	$53,178

The long-term prepayments were primarily attributable to several agreements which the Group entered into for certain silicon intellectual property license.

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

(12) Short-term loans

	As of		
	March 31, 2025	December 31, 2024	March 31, 2024
Unsecured bank loans	$25,000	$25,000	$96,164
Interest rates applied	2.23%	2.23%	1.95-3.8%

The Group’s unused credit limit from short-term loans were NT$1,635,240 thousand, NT$1,221,055 thousand and NT$1,526,991 thousand as of March 31, 2025, December 31, 2024, and March 31, 2024, respectively.

(13) Other non-current liabilities

	As of		
	March 31, 2025	December 31, 2024	March 31, 2024
Deposits for Guarantees	$23,040	$22,395	$-
Long-term payables	319,090	415,834	269,852
Total	$342,130	$438,229	$269,852

The long-term payables were primarily attributable to several agreements which the Group entered into for certain software license. As of March 31, 2025, December 31, 2024, and March 31, 2024, payments for future years are as follows:

	As of		
Year of payment	March 31, 2025	December 31, 2024	March 31, 2024
2024	$-	$-	$214,348
2025	377,155	422,715	163,810
2026	236,048	259,346	142,033
2027	134,383	144,640	5,747
2028	8,647	11,848	-
Subtotal	756,233	838,549	525,938
Less: Current portion (recognized as other payables)	(437,143)	(422,715)	(256,086)
Total	$319,090	$415,834	$269,852

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

(14) Post-employment benefits

Defined contribution plan

Expenses under the defined contribution plan for the three-month periods ended March 31, 2025 and 2024 are NT$14,869 thousand and NT$13,730 thousand, respectively.

Defined benefit plan

Expenses under the undefined benefit plan for the three-month periods ended March 31, 2025 and 2024 were nil.

(15) Equity

A. Capital stock

The Company's authorized capital were NT$6,000,000 thousand, divided into 600,000 thousand shares (including 55,000 thousand shares reserved for exercise of employee stock options), as of March 31, 2025, December 31, 2024, and March 31, 2024, each at a par value of NT$10.

The Company's issued capital were NT$2,605,503 thousand, divided into 260,550 thousand shares, as of March 31, 2025, December 31, 2024, and March 31, 2024. Each share has one voting right and a right to receive dividends.

The company resolved through the board of directors meeting on December 12, 2023, to increase capital by cash in a total of 12,000 thousand shares, with a par value of NT$10 and an issuance price of NT$310, in the total of NT$3,720,000 thousand. The application of cash capital increase has been effectively registered with FSC and the record date was set on March 29, 2024. The registration has already been completed.

B. Additional paid-in capital

	As of		
	March 31, 2025	December 31, 2024	March 31, 2024
Premiums in excess of par	$4,214,345	$4,214,345	$4,214,345
Change in subsidiaries' ownership	108,352	108,352	108,352
Employee stock option and others	2,566	2,566	2,566
Total	$4,325,263	$4,325,263	$4,325,263

According to the Company Act, the additional paid-in capital shall not be used except for offsetting deficit of the company. When a company does not have deficit, it may distribute the additional paid-in capital derived from the issuance of new shares at premiums in excess of par or income from endowments received by the Company. The distribution could be made in cash or in the form of dividend shares to its shareholders in proportion to the number of shares being held by each of them.

C. Retained earnings and dividend policies

According to the Company's Articles of Incorporation, current year's earnings, if any, shall be distributed in the following order:

a. Reserve for tax payments;
b. Offset accumulated losses in previous years, if any;
c. Legal reserve, which is 10% of leftover profits;
d. Allocation or reverse of special reserves as required by law or government authorities;
e. The remaining net profits and the retained earnings from previous years will be allocated as shareholders' dividend. Except partial retained earnings will be distributed in future years, the distribution proposal is resolved by shareholder's meeting.

The policy of dividend distribution should reflect factors such as the current and future investment environment, fund requirements, domestic and international competition and capital budgets; as well as the interest of the shareholders, share bonus equilibrium and long-term financial planning etc. The Board of Directors shall make the distribution proposal annually and present it at the shareholders' meeting. The Company is in the growth stage, in order to plan for future funding requirement and long-term financial planning, and to satisfy shareholders' need for cash dividend, cash dividends shall not be less than 10% of total dividends for distribution.

According to the Company Act, the Company needs to set aside amount to legal reserve unless where such legal reserve amounts to the total paid in capital. The legal reserve can be used to offset the deficit of the Company. When the Company does not have deficit, it may distribute the portion of legal reserve which exceeds 25% of the paid-in capital by issuing new shares or by cash in proportion to the number of shares being held by each of the shareholders.

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

When the Company distributing distributable earnings, it shall set aside to special reserve, an amount equal to "other net deductions from shareholders" equity for the current fiscal year, provided that if the company has already set aside special reserve according to the requirements for the adoption of IFRS, it shall set aside supplemental special reserve based on the difference between the amount already set aside and other net deductions from shareholders' equity. For any subsequent reversal of other net deductions from shareholders' equity, the amount reversed may be distributed from the special reserve.

Details of the 2024 and 2023 earnings distribution and dividends per share as approved and resolved by the board meeting and shareholders' meeting on February 21, 2025, and May 29, 2024, respectively, are as follows:

	Appropriation of earnings		Dividend per share (NT$)	
	2024	2023	2024	2023
Legal reserve	$105,068	$158,856	$-	$-
Common stock-cash dividend	781,651	1,118,476	3	4.3(Note)

Note: adjusted dividend per share

Please refer to Note 6(20) for more details on employees' compensations and the remunerations to directors.

D. Non-controlling interests

	Three-month periods ended March 31	
	2025	2024
Beginning balance	$398,647	$321,159
Income (losses) attributable to non-controlling interests	5,439	(2,023)
Other comprehensive income, attributable to non-controlling interests, net of tax:		
Exchange differences on translation of foreign operations	6,855	4,535
Issuance of employee stock options by the subsidiaries	7,302	6,030
Ending balance	$418,243	$329,701

(16) Share-based payment plans

A. Cash capital increase with employee subscription rights reserved

The company resolved through the board of directors meeting on December 12, 2023, to increase capital by cash in a total of 12,000 thousand shares, with 1,200 thousand shares reserved for employee subscription in accordance with regulations. The actual number of shares subscribed by employees was 663 thousand, with an exercise price of NT$310. The grant date was March 26, 2024, and the average share price on that day was NT$339.5. Total compensation expenses were recognized for the three-month periods ended March 31, 2024 in the amount of NT$19,563 thousand.

B. Share-based payment plans of the subsidiary, Artery Technology Corporation

On December 27, 2021, and December 15, 2023, the board of directors issued and granted 2,442 thousand units and 3,000 thousand units of stock options to those who meet certain conditions, respectively, and each option unit could subscribe one common share of Artery Technology Corporation. The option holders may exercise the option rights upon two-year to four-year maturity from the grant of the options and from the date the shares of Artery Technology Corporation are primary listed on the Taiwan Stock Exchange or on the Taipei Exchange. When an employee exercises a stock option, a new share will be issued. On December 15, 2023, a resolution was passed by the Board of Directors to extend the duration of the stock options from six years to ten years in response to the needs of long-term plan.

Artery Technology Corporation estimates compensation cost with the fair value method and uses the Black-Scholes option pricing model to estimate the fair value of the stock options on the grant date, with parameters and assumptions in consideration of the terms and conditions of the stock option plans.

The contract term of the aforementioned stock option plans is eight to ten years and no cash settlement option is available. Artery Technology Corporation did not have a prior practice of cash settlement of the stock options under these plans.

The information related to the aforementioned share-based payment plan is as follows:

Grant date of stock options	Total number of units issued (units in thousands)	Exercise price per unit (dollar)
December 27, 2021	2,442	NT$10
January 2, 2024	2,579	NT$60
August 1, 2024	232	NT$60

In view of the aforementioned share-based payment plans, the valuation model and assumptions applied are as follows:

	August 1, 2024	January 2, 2024	December 27, 2021
Dividend yield (%)	0%	0%	0%
Expected volatility (%)	42.09 - 43.37%	41.48 - 42.39%	50.63%
Risk-free interest rates (%)	1.5040 - 1.5191%	1.1971 - 1.2%	0.4082%
Expected life of stock options (year)	5 - 6 years	5 - 6 years	2 years
Fair value of stock option (NT$)	NT$39.8	NT$41.99	NT$44.74
Option pricing model	Black-Scholes option pricing model	Black-Scholes option pricing model	Black-Scholes option pricing model

The expected life of the stock options is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may also not necessarily be the actual outcome.

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

Details of Artery Technology Corporation's stock option plans are as follows:

	Three-month period ended March 31, 2025		Three-month period ended March 31, 2024	
Options outstanding	Number of stock options (in thousand units)	Weighted average exercise price (NT$)	Number of stock options (in thousand units)	Weighted average exercise price (NT$)
Beginning of the period	4,650	$38	2,301	$10
Granted in the current period	-	-	2,579	60
Forfeited in the current period	(8)	60	-	-
Ending of the period	4,642	38	4,880	36
Exercisable as ending of the period	-		-	
Weighted-average fair value of granted in the current period (NT$)	$-		$12.178	

The information on the abovementioned share-based payment plans as of March 31, 2025 and 2024 is as follows:

	Range of execution price/per unit	Weighted average remaining life (years)
As of March 31, 2025		
Options outstanding	NT$10 - $60	1.93
As of December 31, 2024		
Options outstanding	NT$10 - $60	2.13
As of March 31, 2024		
Options outstanding	NT$10 - $60	3.75

The expenses related to the share-based payment plans are as follows:

	Three-month periods ended March 31	
	2025	2024
Stock options	$7,302	$6,030

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

(17) Operating revenue

Analysis of revenue from contracts with customers for the three-month periods ended March 31, 2025 and 2024 is as follows:

(1) Disaggregation of revenue

	Three-month periods ended March 31	
	2025	2024
Sale of goods	$6,580,750	$1,622,613
Rendering of services	403,246	626,985
Silicon intellectual property license	453,581	329,032
Total	$7,437,577	$2,578,630
Timing of revenue recognition:		
At a point in time	$6,738,713	$1,859,607
Over time	698,864	719,023
Total	$7,437,577	$2,578,630

(2) Contract balances

A. Contract assets – current

	As of			
	March 31, 2025	December 31, 2024	March 31, 2024	January 1, 2024
Rendering of services	$33,367	$1,799	$44,038	$2,961

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

The significant changes in the Group's balances of contract assets for the three-month periods ended March 31, 2025 and 2024 are as follows:

	Three-month periods ended March 31	
	2025	2024
The opening balance transferred to accounts receivable	$1,799	$-
Change in the progress of completion	31,612	38,473
Exchange rate changes	1,755	2,604

B. Contract liabilities – current

	As of			
	March 31, 2025	December 31, 2024	March 31, 2024	January 1, 2024
Sales of goods	$973,476	$560,431	$578,106	$428,138
Rendering of services	83,513	110,683	299,375	332,592
Silicon intellectual property license	26,936	11,959	58,236	26,380
Total	$1,083,925	$683,073	$935,717	$787,110

The significant changes in the Group's balances of contract liabilities for the three-month periods ended March 31, 2025 and 2024 are as follows:

	Three-month periods ended March 31	
	2025	2024
The opening balance transferred to revenue	$424,751	$402,490
Increase in receipts in advance during the period (netting the amount incurred and transferred to revenue during the same period)	825,603	551,097

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

C. Transaction price allocated to unsatisfied performance obligations

As of March 31, 2025, December 31, 2024 and March 31, 2024, there is no need to provide relevant information of the unsatisfied performance obligations as the contract terms with customers about the sales of goods are all shorter than one year. Besides, the summarized amount of transaction price allocated to unsatisfied performance obligations about rendering of services and silicon intellectual property license were NT$2,866,295 thousand, NT$3,078,403 thousand and NT$$2,984,395 thousand, respectively. The Group will recognize revenue based on the stage of completion of the contracts. Those contracts are expected to complete within the next 1 to 1.5 years.

D. Assets recognized from costs to fulfil a contract

	As of		
	March 31, 2025	December 31, 2024	March 31, 2024
Costs to fulfil a contract, current	$92,427	$76,544	$87,295

The costs to fulfil a contract are the costs incurred by the Group for non-recurring engineering projects, and will be recognized as operating costs when the performance obligations are satisfied.

For the three-month periods ended March 31, 2025 and 2024, amortization expenses amounted to NT$1,281 thousand and NT$66,796 thousand are recognized as operating costs, respectively.

(18) Expected credit losses

	Three-month periods ended March 31	
	2025	2024
Operating expenses – Expected credit losses Accounts receivable	$19,368	$6,210

Please refer to Note 12 for more details on credit risk.

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

The Group measures the loss allowance of its contract assets and accounts receivables (including notes receivable and accounts receivable) at an amount equal to lifetime expected credit losses. The assessments of the Group's loss allowance as of March 31, 2025, December 31, 2024 and March 31, 2024 are as follows:

i. the loss allowance of contract assets is measured at an amount equal to lifetime expected credit losses, details are as follows:

	As of		
	March 31, 2025	December 31, 2024	March 31, 2024
Gross carrying amount	$36,410	$4,842	$47,081
Expected credit loss rates	0% - 100%	0% - 100%	0% - 100%
Loss allowance	(3,043)	(3,043)	(3,043)
Carry amount	$33,367	$1,799	$44,038

ii. the Group considers the grouping of accounts receivables by counterparties' credit rating, by geographical region and by industry sector, and its loss allowance is measured by using a provision matrix, details are as follows:

2025.03.31

Group 1		Overdue					
	Not yet due (note)	<=30 days	31-60 days	61-90 days	91-120 days	>=121 days	Total
Gross carrying amount	$1,921,455	$127,026	$23,845	$10,235	$-	$47,879	$2,130,440
Expected credit loss rates	-%	-%	2%	10%	50%	100%	
Lifetime expected credit losses	-	-	477	1,024	-	47,879	49,380
Subtotal	$1,921,455	$127,026	$23,368	$9,211	$-	$-	$2,081,060

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

Group 2

		Overdue							
	Not yet due	<=120 days	121-150 days	151-180 days	181-210 days	211-270 days	271-300 days	>=301 days	Total
Gross carrying amount	$27,676	$38,832	$-	$-	$1,929	$-	$29,591	$15,106	$113,134
Expected credit loss rates	-%	-%	-%	2%	10%	50%	80%	100%	
Lifetime expected credit losses	-	-	-	-	193	-	23,673	15,106	38,972
Subtotal	$27,676	$38,832	$-	$-	$1,736	$-	$5,918	$-	$74,162
Carrying amount									$2,155,222

2024.12.31

Group 1

		Overdue					
	Not yet due	<=30 days	31-60 days	61-90 days	91-120 days	>=121 days	Total
Gross carrying amount	$832,283	$85,593	$47,636	$30,711	$26	$47,742	$1,043,991
Expected credit loss rates	-%	-%	2%	10%	50%	100%	
Lifetime expected credit losses	-	-	953	3,071	13	47,742	51,779
Subtotal	$832,283	$85,593	$46,683	$27,640	$13	$-	$992,212

Group 2

		Overdue							
	Not yet due	<=120 days	121-150 days	151-180 days	181-210 days	211-270 days	271-300 days	>=301 days	Total
Gross carrying amount	$25,908	$8,136	$-	$-	$29,592	$-	$4,303	$10,803	$78,742
Expected credit loss rates	-%	-%	-%	2%	10%	50%	80%	100%	
Lifetime expected credit losses	-	-	-	-	2,959	-	3,443	10,803	17,205
Subtotal	$25,908	$8,136	$-	$-	$26,633	$-	$860	$-	$61,537
Carrying amount									$1,053,749

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

2024.03.31

Group 1		Overdue					
	Not yet due	<=30 days	31-60 days	61-90 days	91-120 days	>=121 days	Total
Gross carrying amount	$639,187	$140,942	$10,240	$3,772	$32,092	$23,530	$849,763
Expected credit loss rates	-%	-%	2%	10%	50%	100%	
Lifetime expected credit losses	-	-	205	377	16,046	23,530	40,158
Subtotal	$639,187	$140,942	$10,035	$3,395	$16,046	$-	$809,605

Group 2		Overdue							
	Not yet due	<=120 days	121-150 days	151-180 days	181-210 days	211-270 days	271-300 days	>=301 days	Total
Gross carrying amount	$20,820	$30,083	$-	$25,880	$-	$-	$-	$-	$76,783
Expected credit loss rates	-%	-%	-%	2%	10%	50%	80%	100%	
Lifetime expected credit losses	-	-	-	518	-	-	-	-	518
Subtotal	$20,820	$30,083	$-	$25,362	$-	$-	$-	$-	$76,265
Carrying amount									$885,870

Note: Notes receivable were not yet due.

The movements in the provision for impairment of contract assets and accounts receivable for the three-month periods ended March 31, 2025 and 2024 are as follows:

	Contract assets	Accounts receivable
As of January 1, 2025	$3,043	$68,984
Increase for the current period	-	19,368
As of March 31, 2025	$3,043	$88,352
As of January 1, 2024	$3,043	$34,466
Increase for the current period	-	6,210
As of March 31, 2024	$3,043	$40,676

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

(19) Leases

The Group as lessee

The Group leases various properties, including real estate such as land and buildings, transportation equipment and office equipment. These leases have terms between 2 and 38 years.

The effect that leases have on the financial position, financial performance and cash flows of the Group are as follows:

A. Amounts recognized in the balance sheet

(a) Right-of-use asset

The carrying amount of right-of-use assets

	As of		
	March 31, 2025	December 31, 2024	March 31, 2024
Land	$150,718	$158,428	$162,142
Buildings and facilities	572,484	556,651	263,548
Transportation equipment	3,334	3,718	190
Office equipment	651	683	202
Total	$727,187	$719,480	$426,082

During the three-month periods ended March 31, 2025 and 2024, the additions to right-of-use assets of the Group amounted to NT$24,942 thousand and NT$122,238 thousand, respectively.

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

(b)Lease liabilities

	As of		
	March 31, 2025	December 31, 2024	March 31, 2024
Lease liabilities	$350,419	$337,960	$240,046
Lease liabilities-current	$45,065	$36,918	$35,025
Lease liabilities-noncurrent	305,354	301,042	205,021
Total	$350,419	$337,960	$240,046

Please refer to Note 6 (21) for the interest on lease liabilities recognized during the three-month periods ended March 31, 2025 and 2024, and refer to Note 12 (5) for the maturity analysis for lease liabilities as of March 31, 2025, December 31, 2024 and March 31, 2024.

B. Amounts recognized in the statement of comprehensive income

Depreciation charge for right-of-use assets

	Three-month periods ended March 31	
	2025	2024
Land	$1,187	$1,238
Buildings and facilities	16,270	11,402
Transportation equipment	384	285
Office equipment	32	32
Total	$17,873	$12,957

C. Income and costs relating to leasing activities

	Three-month periods ended March 31	
	2025	2024
The expense relating to short-term leases	$3,492	$2,908

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

D. Cash outflow relating to leasing activities

During the three-month periods ended March 31, 2025 and 2024, the Group's total cash outflow for leases amounted to NT$19,162 thousand and NT$117,418 thousand, respectively.

E. Other information relating to leasing activities

Extension option

Some of the Group's property rental agreement contain extension options. In determining the lease terms, the non-cancellable period for which the Group has the right to use an underlying asset, together with period covered by an option to extend the lease if the Group is reasonably certain to exercise that option. The options are used to maximize operational flexibility in terms of managing contracts. The majority of extension options held are exercisable only by the Group. After the commencement date, the Group reassesses the lease term upon the occurrence of a significant event or a significant change in circumstances that is within the control of the lessee and affects whether the Group is reasonably certain to exercise an option not previously included in its determination of the lease term, or not to exercise an option previously included in its determination of the lease term.

(20) Summary statement of employee benefits, depreciation and amortization expenses by function:

	Three-month periods ended March 31					
	2025			2024		
	Operating costs	Operating expenses	Total	Operating costs	Operating expenses	Total
Employee benefits expense						
Salaries	$20,881	$609,390	$630,271	$20,519	$524,567	$545,086
Labor and health insurance	2,087	48,858	50,945	2,203	42,490	44,693
Pension	782	14,087	14,869	764	12,966	13,730
Others	506	12,032	12,538	419	9,605	10,024
Depreciation	305	43,468	43,773	307	32,757	33,064
Amortization	6,529	174,740	181,269	6,529	134,460	140,989

According to the Articles of Incorporation, no less than 1% of profit of the current year is distributable as employees' compensation and no more than 2% of profit of the current year is distributable as remuneration to directors. However, before distributing employees' compensation and remuneration to directors, the Company's profit should offset its accumulated losses, if any. The Company may, by a resolution adopted by a majority vote at a meeting of Board of Directors attended by two-thirds of the total number of directors, have the profit distributable as employees' compensation in the form of shares or in cash; and in addition, thereto a report of such distribution is submitted to the shareholders' meeting. Information on the Board of Directors' resolution regarding the employees' compensation and remuneration to directors can be obtained from the "Market Observation Post System" on the website of the TWSE.

Based on profit of the three-month period ended March 31, 2025, the Company estimated the amounts of the employees' compensation and remuneration to directors to be NT$25,850 thousand and NT$535 thousand, respectively. The Company recognized the amounts of the employees' compensation and remuneration to directors to be NT$25,850 thousand and NT$535 thousand, respectively, which were recognized as payroll expenses. Based on profit of the three-month period ended March 31, 2024, the Company recognized the amounts of the employees' compensation and remuneration to directors to be NT$13,951 thousand and NT$0, respectively. The Company recognized the amounts of the employees' compensation and remuneration to directors to be NT$13,951 thousand and NT$0, respectively, which were recognized as payroll expenses.

A resolution was approved in a meeting of the Board of Directors held on February 21, 2025 to distribute NT$51,926 thousand and NT$1,736 thousand in cash as employees' compensation and remuneration to directors, respectively. There were no differences between the aforementioned approved amounts and the amounts charged against earnings in 2024.

A resolution was approved in a meeting of the Board of Directors held on February 20, 2024 to distribute NT$237,433 thousand and NT$2,681 thousand in cash as employees' compensation and remuneration to directors, respectively. There were no differences between the aforementioned approved amounts and the amounts charged against earnings in 2023.

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

(21) Non-operating income and expenses

A. Interest income

	Three-month periods ended March 31	
	2025	2024
Interest income		
Financial assets measured at amortized cost	$19,165	$16,651

B. Other income

	Three-month periods ended March 31	
	2025	2024
Dividend income	$72,364	$10
Other income-others	2,319	1,784
Total	$74,683	$1,794

C. Other gains and losses

	Three-month periods ended March 31	
	2025	2024
Foreign exchange gains	$17,415	$37,541
Losses on financial assets and liabilities at fair value through profit or loss	(19,438)	(7,702)
Others	(3,276)	(6,702)
Total	$(5,299)	$23,137

D. Finance costs

	Three-month periods ended March 31	
	2025	2024
Interest expenses on bank loans	$138	$1,108
Interest expenses on lease liabilities	2,435	1,538
Total	$2,573	$2,646

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

(22) Components of other comprehensive income

For the three-month period ended March 31, 2025

	Arising during the period	Reclassification adjustments during the period	Other comprehensive income, before tax	Income tax relating to components of other comprehensive income	Other comprehensive income, net of tax
Items that will not be reclassified subsequently to profit or loss:					
Unrealized gains or losses from equity instruments investments measured at fair value through other comprehensive income	$(194,128)	$-	$(194,128)	$1,988	$(192,140)
Items that may be reclassified subsequently to profit or loss:					
Exchange differences on translation of foreign operations	52,829	-	52,829	(9,195)	43,634
Total other comprehensive income	$(141,299)	$-	$(141,299)	$(7,207)	$(148,506)

For the three -month period ended March 31, 2024

	Arising during the period	Reclassification adjustments during the period	Other comprehensive income, before tax	Income tax relating to components of other comprehensive income	Other comprehensive income, net of tax
Items that will not be reclassified subsequently to profit or loss:					
Unrealized gains or losses from equity instruments investments measured at fair value through other comprehensive income	$(399)	$-	$(399)	$3,965	$3,566
Items that may be reclassified subsequently to profit or loss:					
Exchange differences on translation of foreign operations	47,432	-	47,432	7,405	54,837
Total other comprehensive income	$47,033	$-	$47,033	$11,370	$58,403

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

(23) Income tax

The major components of income tax expense are as follows:

Income tax expense (income) recognized in profit or loss

	Three-month periods ended March 31	
	2025	2024
Current income tax expense:		
Current income tax payable	$76,122	$66,708
Deferred tax expense:		
Deferred tax expense relating to origination and reversal of temporary differences	26,863	10,520
Total income tax expense	$102,985	$77,228

The assessment of income tax returns

As of March 31, 2025, the assessment of the income tax returns of the Company and its subsidiaries is as follows:

	The assessment of income tax returns
The Company	Assessed and approved up to 2022
Chih-Hung Investment Corporation	Assessed and approved up to 2022
Sheng Bang Investment Corporation	Assessed and approved up to 2022
Grain Media Inc.	Assessed and approved up to 2022
Innopower Technology Corporation	Assessed and approved up to 2022
Artery Technology Company	Assessed and approved up to 2022

(24) Earnings per share

Basic earnings per share amounts are calculated by dividing net profit for the period attributable to ordinary equity holders of the parent entity by the weighted-average number of ordinary shares outstanding during the period.

Diluted earnings per share amounts are calculated by dividing the net profit attributable to ordinary equity holders of the parent entity by the weighted-average number of ordinary shares outstanding during the period plus the weighted-average number of ordinary shares that would be issued assuming all the dilutive potential ordinary shares were converted into ordinary shares.

	Three-month periods ended March 31	
	2025	2024
(a) Basic earnings per share		
Profit attributable to ordinary equity owners of the parent	$346,217	$280,269
Weighted-average number of ordinary shares outstanding for basic earnings per share (in thousands)	260,550	248,946
Basic earnings per share (NT$)	$1.33	$1.13
(b) Diluted earnings per share		
Profit attributable to ordinary equity owners of the parent	$346,217	$280,269
Weighted-average number of ordinary shares outstanding for basic earnings per share (in thousands)	260,550	248,946
Effect of dilution:		
Employee compensation (in thousands)	245	361
Weighted-average number of ordinary shares outstanding after dilution (in thousands)	260,795	249,307
Diluted earnings per share (NT$)	$1.33	$1.12

There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date the financial statements were authorized for issue.

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

(25) Business combinations

Acquisition of Solid Silicon Technology Corporation (Aragio)

To achieve strategic investment and synergy, the Group acquired 100% equity interest in Aragio on February 7, 2024. Aragio is based in the United States and specializes in silicon intellectual property design services.

Fair value of Identifiable Assets and Liabilities at Acquisition Date:

	Fair Value at Acquisition date
Assets	
Cash and cash equivalent	$29,853
Accounts receivable	51,206
Other current assets	23,278
Property, plant and equipment	6,240
Intangible assets－Technology IP	371,053
Total	481,630
Liabilities	
Accounts payable	$3,177
Contract liabilities	14,426
Other payables	7,979
Deferred tax liabilities	77,921
Total	103,503
Fair value of identifiable net assets	$378,127

Goodwill arising from acquisition:

	Amount
Purchase consideration	$653,951
Less: Net identifiable assets	(378,127)
Goodwill	$275,824

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

During the measurement period, the aforementioned matters were continuously reviewed, and adjustments were made in the second quarter of 2024, resulting in an increase of NT$7,933 thousand in the acquisition consideration, a decrease of NT$90,537 thousand in intangible assets – Technologies IP, and a decrease of NT$19,013 thousand in deferred tax liabilities, leading to an increase in goodwill of NT$79,457 thousand.

The goodwill of Aragio comprises the value of expected synergies arising from the acquisition and a customer list. According to the contractual terms imposed on acquisition, the customer list is not separable and therefore does not meet the criteria for recognition as an intangible asset under IAS 38 Intangible Assets.

From the date of acquisition until March 31, 2024, Aragio has contributed NT6,375 thousand of revenue and NT$27,345 thousand to the net loss of the Group. If the combination had taken place at the beginning of 2024, revenue from the continuing operations would have been NT$2,610,520 thousand and the profit from continuing operations for the Group would have been NT$297,051 thousand.

Acquisition consideration

	Amount
Cash	$512,032
Contingent consideration liability (Acquisition Date)	141,919
Total consideration	$653,951
Analysis of cash flows on acquisition:	
Transaction cost of the acquisition	$512,032
Less: Net cash acquired with the subsidiary	(29,853)
Net cash flows on acquisition	$482,179

Contingent consideration

In accordance with the purchase agreement with the previous shareholders of Aragio, a contingent consideration has been agreed. There will be additional cash payments to the previous shareholders of Aragio, if a certain profit base is achieved within 1 to 2 years after the acquisition date. The Group shall pay an additional US$5,000 thousand to the previous shareholders of Aragio. At the acquisition date, the fair value of the contingent consideration was estimated at NT$141,919 thousand. The fair value is determined using the DCF method.

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

Significant unobservable valuation inputs are listed below:

Discount rate	6%
Discount for non-performance risk	-%

Significant increase (decrease) in the profit after tax of Aragio would result in higher (lower) fair value of the contingent consideration liability, while significant increase (decrease) in the discount rate and non-performance risk would result in lower (higher) fair value of the liability. During the three-month periods ended March 31, 2025 and 2024, when the discount rate increases (decreases) by 1%, the profit after tax of the Group would increase/decrease by NT$894 thousand and NT$2,315 thousand, respectively.

A reconciliation of fair value measurement of the contingent consideration liability is listed below:

	Three-month periods ended March 31, 2025	Three-month periods ended March 31, 2024
Beginning balance	$156,044	$-
Liability arising on business combinations (February 7, 2024)	-	141,919
Unrealized fair value changes recognized in profit or loss	(24,392)	-
Payment	(37,747)	-
Ending balance	$93,905	$141,919

The fair value of contingent consideration liability increased due to a significantly improved performance of Aragio compared to the budget. The contingent consideration liability will be due for final measurement and payment to the previous shareholders on March 31, 2026.

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

7. Related Party Transactions

Information of the related parties that had transactions with the Group during the financial reporting period is as follows:

Name and nature of relationship of the related parties

Name of the related parties	Nature of relationship of the related parties
United Microelectronics Corporation	Entity with joint control or significant influence over the Company
United Semiconductor Japan Co., Ltd.	Other related parties
HeJian Technology (Suzhou) Co., Ltd.	Other related parties
Wavetek Microelectronics Corporation	Other related parties
United Semiconductor (Xiamen) Co., Ltd.	Other related parties
Unitedds Semiconductor (Shandong) Co., Ltd.	Other related parties

Significant transactions with the related parties

(1) Operating revenues

	Three-month periods ended March 31	
	2025	2024
Entity with joint control or significant influence over the Company	$175,871	$161,390
Other related parties	17,837	13,628
Total	$193,708	$175,018

The Group’s sales terms were from immediate 7 days to month-end 60 days. for non-related parties, while month-end 60 days for related parties. Selling prices for related parties were different from each other and a direct comparison was impractical since the products or services were customized based on each order.

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

(2) Purchases

	Three-month periods ended March 31	
	2025	2024
United Microelectronics Corporation	$573,823	$485,644
United Semiconductor (Xiamen) Co., Ltd.	89,904	237,785
Other related parties	3,250	660
Total	$666,977	$724,089

The purchase price to the related parties above was determined through mutual agreement based on the market rates. The payment terms from the related party suppliers are month-end 45-60 days.

(3) Rental expenses

	Three-month periods ended March 31	
	2025	2024
Entity with joint control or significant influence over the Company	$1,178	$1,180

The Group leases offices from related parties, the transaction terms are negotiated by both parties, and the rent is paid on a monthly basis.

(4) Research expenses

	Three-month periods ended March 31	
	2025	2024
Entity with joint control or significant influence over the Company	$7,929	$567

The payment terms from the related party suppliers are month-end 45-60 days.

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

(5) Contract assets

	As of		
	March 31, 2025	December 31, 2024	March 31, 2024
United Microelectronics Corporation	$33,305	$-	$32,009

(6) Accounts receivable – related parties, net

	As of		
	March 31, 2025	December 31, 2024	March 31, 2024
United Microelectronics Corporation	$130,912	$234,760	$122,612

(7) Acquisition of intangible assets

	Three-month periods ended March 31	
	2025	2024
Other related parties	$-	$1,442

(8) Refundable deposits

	As of		
	March 31, 2025	December 31, 2024	March 31, 2024
Entity with joint control or significant influence over the Company	$778	$778	$778

(9) Contract liabilities

	As of		
	March 31, 2025	December 31, 2024	March 31, 2024
United Microelectronics Corporation	$14,844	$-	$14,141

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

(10) Accounts payable – related parties

	As of		
	March 31, 2025	December 31, 2024	March 31, 2024
United Microelectronics Corporation	$332,067	$297,871	$239,189
United Semiconductor (Xiamen) Co., Ltd.	32,611	302,760	152,952
Other related parties	1,193	2,729	669
Total	$365,871	$603,360	$392,810

(11) Key management personnel compensation

	Three-month periods ended March 31	
	2025	2024
Short-term employee benefits	$48,164	$55,184
Post-employment benefits	243	243
Total	$48,407	$55,427

8. Assets Pledged as Collateral

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

	Carrying amount as of			
Assets pledged for security	March 31, 2025	December 31, 2024	March 31, 2024	Secured liabilities
Financial assets measured at amortized cost, non-current	$15,230	$15,230	$15,135	Customs Import Guarantee
Financial assets measured at amortized cost, non-current	10,132	10,132	10,060	Science Park Administration land rental deposits
Financial assets measured at amortized cost, non-current	638	630	615	Office rental deposit
Total	$26,000	$25,992	$25,810	

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

9. Significant Contingencies and Unrecognized Contractual Commitments

None.

10. Losses Due to Major Disasters

None.

11. Significant Subsequent Events

None.

12. Others

(1) Categories of financial instruments

Financial assets

	As of		
	March 31, 2025	December 31, 2024	March 31, 2024
Financial assets at fair value through profit or loss:			
Mandatorily measured at fair value through profit or loss	$1,004,064	$1,047,822	$25,304
Financial assets at fair value through other comprehensive income	2,429,458	2,459,636	2,573,667
Financial assets measured at amortized cost (Note)	9,531,356	9,793,006	11,207,784
Total	$12,964,878	$13,300,464	$13,806,755

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

Financial liabilities

	As of		
	March 31, 2025	December 31, 2024	March 31, 2024
Financial liabilities at fair value through profit or loss:			
Held for trading	$899	$885	$3,620
Contingent consideration arising from business combination	93,905	156,044	141,919
Financial liabilities measured at amortized cost:			
Short-term loans	25,000	25,000	96,164
Accounts payable (including related parties)	2,245,176	1,674,605	1,093,764
Other payables	1,169,904	1,154,371	784,970
Long-term payables	319,090	415,834	269,852
Deposits for Guarantees	23,040	22,395	-
Lease liabilities	350,419	337,960	240,046
Total	$4,227,433	$3,787,094	$2,630,335

Note: Including cash and cash equivalents (exclude cash on hand), notes receivable, accounts receivable, other receivables, refundable deposits and financial assets measured at amortized cost.

(2) Financial risk management objectives and policies

The Group's principal financial risk management objective is to manage the market risk, credit risk and liquidity risk related to its operating activities. The Group identifies measures and manages the aforementioned risks based on the Group's policy and risk exposures.

The Group has established appropriate policies, procedures and internal controls for financial risk management. Before entering into significant transactions, due approval process by the Board of Directors and Audit Committee must be carried out based on related protocols and internal control procedures. The Group complies with its financial risk management policies at all times.

(3) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of the changes in market prices. Market prices comprise currency risk, interest rate risk and other price risk (such as equity instruments).

In practice, it is rarely the case that a single risk variable will change independently from other risk variables; there are usually interdependencies between risk variables. However, the sensitivity analysis disclosed below does not take into account the interdependencies between risk variables.

Foreign currency risk

The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense are denominated in a different currency from the Group's functional currency) and the Group's net investments in foreign subsidiaries.

The Group has certain foreign currency receivables denominated in the same foreign currency with certain foreign currency payables, therefore natural hedge is achieved. The Group also uses forward contracts to hedge the foreign currency risk on certain items denominated in foreign currencies. Hedge accounting is not applied as they did not qualify for hedge accounting criteria. Furthermore, as net investments in foreign subsidiaries are for strategic purposes, they are not hedged by the Group.

The foreign currency sensitivity analysis of the possible change in foreign exchange rates on the Group's profit is performed on significant monetary items denominated in foreign currencies as of the end of the reporting period. The Group's foreign currency risk is mainly related to the volatility in the exchange rates for USD and RMB. The information of the sensitivity analysis is as follows:

When NTD strengthens/weakens against USD by 10%, the profit for the three-month periods ended March 31, 2025 and 2024 would decrease/increase by NT$134,192 thousand and NT$58,484 thousand, respectively.

When NTD strengthens/weakens against RMB by 10%, the profit for the three-month periods ended March 31, 2025 and 2024 would decrease/increase by NT$205,831 thousand and NT$177,765 thousand, respectively.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates primarily related to the Group's debt instrument investments at variable and fixed interest rates and bank loans with variable interest rates.

The interest rate sensitivity analysis is performed on items exposed to interest rate risk as at the end of the reporting period, including investments and loans with variable interest rates. At the reporting date, a rise/fall of 0.1% of interest rate in a reporting period could cause the profit for the three-month periods ended March 31, 2025 and 2024 would increase/ decrease by NT$6,894 thousand and NT$9,919 thousand, respectively.

Equity price risk

The Group's unlisted equity securities and other investments are susceptible to market price risk arising from uncertainties about future values of the investment objectives. The Group's unlisted equity securities and other investment are classified under financial assets measured at fair value through profit or loss and financial assets measured at fair value through other comprehensive income. The Group manages the equity price risk through diversification. Reports on the equity portfolio are submitted to the Group's top management for reviews and approvals on a regular basis.

Please refer to Note 12(9) for sensitivity analysis information of equity instruments whose fair value measurement is categorized under Level 3.

(4) Credit risk management

Credit risk is the risk that counterparty will not meet its obligations under a contract, leading to a financial loss. The Group is exposed to credit risk from operating activities (primarily for contract assets, accounts receivable and notes receivable) and from its financing activities, including bank deposits and other financial instruments.

Credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to credit risk management. Credit limits are established for all trading partners based on their financial position, rating from credit rating agencies, historical experience, prevailing economic condition and the Group's internal rating criteria etc. Certain trading partners' credit risk will also be managed by taking credit enhancing procedures, such as requesting for prepayment.

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

As of March 31, 2025, December 31, 2024 and March 31, 2024, top ten customers represented 54%, 40% and 53% of the total contract assets and accounts receivable of the Group, respectively. The credit concentration risk of other contract assets and accounts receivable is insignificant.

Credit risk from balances with banks, fixed income securities and other financial instruments is managed by the Group's treasury in accordance with the Group's policy. The Group only transacts with counterparties approved by the internal control procedures, which are banks and financial institutions, companies and government entities with good credit rating and with no significant default risk. Consequently, there is no significant credit risk for these counter parties.

The Group adopted IFRS 9 to assess the expected credit losses. Except for contract assets and the trade receivables, the remaining debt instrument investments which are not measured at fair value through profit or loss, low credit risk for these investments is a prerequisite upon acquisition and by using their credit risk as a basis for the distinction of categories. An assessment is made at each reporting date as to whether the credit risk has substantially increased in order to determine the method of measuring the loss allowance and the loss ratio. The measurement indicators of the Group are described as follows:

				Gross carrying amount		
				As of		
Level of credit risk	Indicator	Measurement method for expected credit losses	Loss rate	March 31, 2025	December 31, 2024	March 31, 2024
Low credit risk	Rated as twAA	12-month expected credit losses	0%	$100,000	$100,000	$50,000
Simplified approach (Note)	Not applicable	Lifetime expected credit losses	0%-100%	$2,279,984	$1,127,575	$973,627

Note: By using simplified approach loss allowance (lifetime expected credit losses) is measured at contract assets, notes receivable and accounts receivable.

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

(5) Liquidity risk management

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of cash and cash equivalents, highly liquid equity investments, and bank borrowings. The table below summarizes the maturity profile of the Group's financial liabilities based on the contractual undiscounted payments and contractual maturity. The payment amounts include the contractual interest.

Non-derivative financial liabilities

	Less than 1 year	2 to 3 years	4 to 5 years	> 5 years	Total
As of March 31, 2025					
Short-term loans	$25,558	$-	$-	$-	$25,558
Accounts payable (including related parties)	2,245,176	-	-	-	2,245,176
Other payables	1,169,904	-	-	-	1,169,904
Long-term payables	-	319,090	-	-	319,090
Lease liabilities	58,387	73,800	44,289	286,962	463,438
As of December 31, 2024					
Short-term loans	$25,279	$-	$-	$-	$25,279
Accounts payable (including related parties)	1,674,605	-	-	-	1,674,605
Other payables	1,154,371	-	-	-	1,154,371
Long-term payables	-	403,986	11,848	-	415,834
Lease liabilities	48,783	59,174	47,588	298,016	453,561
As of March 31, 2024					
Short-term loans	$97,332	$-	$-	$-	$97,332
Accounts payables (including related parties)	1,093,764	-	-	-	1,093,764
Other payables	784,970	-	-	-	784,970
Long-term payables	-	269,852	-	-	269,852
Lease liabilities	40,880	33,776	17,759	228,364	320,779

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

Derivative financial assets (liabilities)

	Less than 1 year	2 to 3 years	4 to 5 years	> 5 years	Total
As of March 31, 2025					
Inflows	$131,614	$-	$-	$-	$131,614
Outflows	(132,513)	-	-	-	(132,513)
Net	$(899)	$-	$-	$-	$(899)
As of December 31, 2024					
Inflows	$193,162	$-	$-	$-	$193,162
Outflows	(194,047)	-	-	-	(194,047)
Net	$(885)	$-	$-	$-	$(885)
As of March 31, 2024					
Inflows	$448,513	$-	$-	$-	$448,513
Outflows	(452,133)	-	-	-	(452,133)
Net	$(3,620)	$-	$-	$-	$(3,620)

The table above contains the undiscounted net cash flows of derivative financial instruments.

(6) Reconciliation of liabilities arising from financing activities

Reconciliation of liabilities for three-month period ended March 31, 2025:

	Short-term loans	Lease liabilities
As of January 1, 2025	$25,000	$337,960
Cash flows	-	(13,235)
Non-cash flows		
Additions	-	24,942
Lease modification	-	(730)
Exchange rate changes	-	1,482
As of March 31, 2025	$25,000	$350,419

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

Reconciliation of liabilities for three-month period ended March 31, 2024:

	Short-term loans	Lease liabilities
As of January 1, 2024	$94,872	$228,919
Cash flows	-	(112,972)
Non-cash flows		
Additions	-	122,238
Exchange rate changes	1,292	1,861
As of March 31, 2024	$96,164	$240,046

(7) Fair values of financial instruments

a. The methods and assumptions applied in determining the fair value of financial instruments:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following methods and assumptions were used by the Group to measure or disclose the fair values of financial assets and financial liabilities:

i. The carrying amount of cash and cash equivalents, notes receivable and accounts receivable, other receivables, short-term loans, accounts payable and other payables approximate their fair value due to their short maturities.

ii. For financial assets traded in an active market with standard terms and conditions, their fair value is determined based on market quotation price (including listed equity securities and bonds etc.) at the reporting date.

iii. Fair value of equity instruments (including unlisted equity securities) without active market and market quotations cannot be reliably measured. Its amount is estimated using the market approach or asset approach based on parameters such as prices based on market transactions of equity instruments of identical or comparable entities and other relevant information.

iv. The financial assets measured at amortized cost, long-term payables and lease liabilities are determined by discounted cash flow analysis. The Group estimates the fair value based on book value due to the insignificant difference between the fair value from discounted cash flow analysis and carrying amount.

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

v. Fair value of financial liabilities without market quotations, bank loans and other non-current liabilities are determined based on the counterparty prices or valuation method. The valuation method uses DCF method as a basis, and the assumptions such as the interest rate and discount rate are primarily based on relevant information of similar instrument (such as yield curves published by the GreTai Securities Market, average prices for Fixed Rate Commercial Paper published by Reuters and credit risk, etc.)

vi. The fair value of derivative financial instruments is measured using publicly available quotations. When public quotations are not available, the fair value of non-option derivative financial instruments is determined using discounted cash flow analysis based on the applicable yield curve over their duration, while the fair value of option derivative financial instruments is calculated using an option pricing model.

b. Fair value of financial instruments measured at amortized cost

The carrying amount of the Group’s financial instruments measured at amortized cost, except for cash and cash equivalents, accounts receivable, short-term borrowings, accounts payable and other current liabilities approximate their fair value. The table below lists the fair value of other financial assets measured at amortized cost:

	Carrying amount		
	March 31, 2025	December 31, 2024	March 31, 2024
Financial assets:			
Financial assets measured at amortized cost			
Corporate Bond	$100,000	$100,000	$50,000

	Fair value		
	March 31, 2025	December 31, 2024	March 31, 2024
Financial assets:			
Financial assets measured at amortized cost			
Corporate Bond	$99,416	$99,399	$49,839

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

c. Fair value measurement hierarchy for financial instruments

Please refer to Note 12(9) for fair value measurement hierarchy for financial instruments of the Group.

(8) Derivative financial instruments

The related information for derivative financial instruments not qualified for hedge accounting and not yet settled as of March 31, 2025, December 31, 2024, and March 31, 2024 is as follows:

Forward exchange contracts

The Group entered into forward exchange contracts to manage its exposure to financial risk, but these contracts are not designated as hedging instruments. The table below lists the information related to forward exchange contracts:

Items (by contract)	Notional Amount	Contract Period
As of March 31, 2025		
Forward exchange contract	Sell USD 4,000 thousand	From March 17, 2025 to April 24, 2025
As of December 31, 2024		
Forward exchange contract	Sell USD 4,000 thousand	From November 29, 2024 to January 24, 2025
Forward exchange contract	Sell RMB 14,129 thousand	From December 20, 2024 to February 5, 2025
As of March 31, 2024		
Forward exchange contract	Sell USD 12,000 thousand	From March 5, 2024 to April 30, 2024
Forward exchange contract	Sell RMB 15,758 thousand	From March 15, 2024 to May 31, 2024

(9) Fair value measurement hierarchy

(a) Fair value measurement hierarchy

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, based on the lowest level input that is significant to the fair value measurement as a whole. Level 1, 2 and 3 inputs are described as follows:

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities that the entity can access at the measurement date

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3 – Unobservable inputs for the asset or liability

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Group determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorization at the end of each reporting period.

(b) Fair value measurement hierarchy of the Group’s assets and liabilities

The Group does not have assets that are measured at fair value on a non-recurring basis. Fair value measurement hierarchy of the Group’s assets and liabilities measured at fair value on a recurring basis is as follows:

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

As of March 31, 2025:

	Level 1	Level 2	Level 3	Total
Financial assets at fair value:				
Financial assets at fair value through profit or loss				
Funds	$-	$-	$23,292	$23,292
Stocks	-	-	980,772	980,772
Financial assets at fair value through other comprehensive income				
Stocks	-	-	2,429,458	2,429,458
Financial liabilities at fair value:				
Financial liabilities at fair value through profit or loss				
Forward currency contract	$-	$899	$-	$899
Contingent consideration arising in business combination (refer to note 6(25))	-	-	93,905	93,905

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

As of December 31, 2024:

	Level 1	Level 2	Level 3	Total
Financial assets at fair value:				
Financial assets at fair value through profit or loss				
Funds	$-	$-	$23,307	$23,307
Stocks	-	-	1,024,515	1,024,515
Financial assets at fair value through other comprehensive income				
Stocks	-	-	2,459,636	2,459,636
Financial liabilities at fair value:				
Financial liabilities at fair value through profit or loss				
Forward currency contract	$-	$885	$-	$885
Contingent consideration arising in business combination (refer to note 6(25))	-	-	156,044	156,044

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

As of March 31, 2024:

	Level 1	Level 2	Level 3	Total
Financial assets at fair value:				
Financial assets at fair value through profit or loss				
Funds	$-	$-	$25,304	$25,304
Financial assets at fair value through other comprehensive income				
Stocks	-	-	2,573,667	2,573,667
Financial liabilities at fair value:				
Financial liabilities at fair value through profit or loss				
Forward currency contract	$-	$3,620	$-	$3,620
Contingent consideration arising in business combination (refer to note 6(25))	-	-	141,919	141,919

Transfers between Level 1 and Level 2 during the period

During the three-month periods ended March 31, 2025 and 2024, there were no transfers between Level 1 and Level 2 fair value measurements.

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

Movements of fair value measurement in Level 3 on recurring basis

Reconciliation for fair value measurements in Level 3 of the fair value hierarchy for movements during the period is as follows:

	Assets			
	At fair value through profit or loss		At fair value through other comprehensive income	
	Stocks	Funds	Stocks	Total
As of January 1, 2025	$1,024,515	$23,307	$2,459,636	$3,507,458
Total gains and losses recognized for the three-month period ended March 31, 2025:				
Amount recognized in profit or loss ("other gains and losses")	(43,743)	(15)	-	(43,758)
Amount recognized in other comprehensive income ("Unrealized gains (losses) from equity instruments investments measured at fair value through other comprehensive income")	-	-	(194,128)	(194,128)
Acquisition in the three-month period ended March 31, 2025	-	-	163,950	163,950
As of March 31, 2025	$980,772	$23,292	$2,429,458	3,433,522

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

	Assets		
	At fair value through profit or loss	At fair value through other comprehensive income	
	Funds	Stocks	Total
As of January 1, 2024	$22,296	$2,574,066	$2,596,362
Total gains and losses recognized for the three-month period ended March 31, 2024:			
Amount recognized in profit or loss ("other gains and losses")	3,008	-	3,008
Amount recognized in other comprehensive income ("Unrealized gains (losses) from equity instruments investments measured at fair value through other comprehensive income")	-	(399)	(399)
As of March 31, 2024	$25,304	$2,573,667	$2,598,971

Recognized as (loss) gain above, the gain (loss) from financial assets still held by the Group as of March 31, 2025 and 2024 was NT$(43,758) thousand and NT$3,008 thousand, respectively.

Please refer to Note 6(25) for reconciliations information of contingent consideration arising from business combination.

Information on significant unobservable inputs to valuation

Description of significant unobservable inputs to valuation of recurring fair value measurements categorized within Level 3 of the fair value hierarchy is as follows:

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

As of March 31, 2025

	Valuation techniques	Significant unobservable inputs	Quantitative information	Relationship between inputs and fair value	Sensitivity of the input to fair value
Financial assets:					
At fair value through profit or loss					
Fund	Net asset approach	Net asset approach	-	Not applicable	Not applicable
Stocks	Market Approach	Expected Price Ratio	38.77%	The higher the expected price ratio, the higher the fair value of the stocks.	When the expected price ratio increases (decreases) by 1%, the equity of the Group will increase by NT$1,890 thousand (decrease by NT$1,816 thousand).
		Expected Volatility of Equity Value	67.07%	The higher the expected volatility of equity value, the lower the fair value of the stocks.	When the expected volatility of equity value increases (decreases) by 1%, the equity of the Group will decrease by NT$4,883 thousand (increase by NT$4,832 thousand).
At fair value through other comprehensive income					
Stocks and others	Asset approach	Discount for lack of marketability and non-controlling interest	10%	The higher the discount for lack of marketability, the lower the fair value of the stocks	10% increase (decrease) in the discount for lack of marketability and non-controlling interest would result in decrease/increase in the Group’s equity by NT$249,288 thousand
	Market Approach	Discount for lack of marketability	25%	The higher the discount for lack of marketability, the lower the fair value of the stocks	10% increase (decrease) in the discount for lack of marketability would result in decrease/increase in the Group’s equity by NT$19,317 thousand

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

As of December 31, 2024

	Valuation techniques	Significant unobservable inputs	Quantitative information	Relationship between inputs and fair value	Sensitivity of the input to fair value
Financial assets:					
At fair value through profit or loss					
Fund	Net asset approach	Net asset approach	-	Not applicable	Not applicable
Stocks	Market Approach	Expected Price Ratio	39.19%	The higher the expected price ratio, the higher the fair value of the stocks.	When the expected price ratio increases (decreases) by 1%, the equity of the Group will increase by NT$1,667 thousand (decrease by NT$1,592 thousand).
		Expected Volatility of Equity Value	67.91%	The higher the expected volatility of equity value, the lower the fair value of the stocks.	When the expected volatility of equity value increases (decreases) by 1%, the equity of the Group will decrease by NT$4,768 thousand (increase by NT$4,707 thousand).
At fair value through other comprehensive income					
Stocks and others	Asset approach	Discount for lack of marketability and non-controlling interest	10%	The higher the discount for lack of marketability, the lower the fair value of the stocks	10% increase (decrease) in the discount for lack of marketability and non-controlling interest would result in decrease/increase in the Group’s equity by NT$272,182 thousand

As of March 31, 2024

	Valuation techniques	Significant unobservable inputs	Quantitative information	Relationship between inputs and fair value	Sensitivity of the input to fair value
Financial assets:					
At fair value through profit or loss					
Fund	Net asset approach	Net asset approach	-	Not applicable	Not applicable
At fair value through other comprehensive income					
Stocks and others	Asset approach	Discount for lack of marketability and non-controlling interest	10%	The higher the discount for lack of marketability, the lower the fair value of the stocks	10% increase (decrease) in the discount for lack of marketability and non-controlling interest would result in decrease/increase in the Group’s equity by NT$285,963 thousand

Please refer to Note 6(25) for significant unobservable inputs information of contingent consideration arising from business combination.

Valuation process used for fair value measurements categorized within Level 3 of the fair value hierarchy

The Group’s Financial Department is responsible for validating the fair value measurements and ensuring that the results of the valuation are in line with market conditions, based on independent and reliable inputs which are consistent with other information, and represent exercisable prices. The Group analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Group’s accounting policies at each reporting date.

(c) Fair value measurement hierarchy of the Group’s assets and liabilities not measured at fair value but for which the fair value is disclosed

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

As of March 31, 2025

	Level 1	Level 2	Level 3	Total
Financial assets not measured at fair value but for which the fair value is disclosed:				
Financial assets measured at amortized cost				
Corporate Bond	$99,416	$-	$-	$99,416

As of December 31, 2024

	Level 1	Level 2	Level 3	Total
Financial assets not measured at fair value but for which the fair value is disclosed:				
Financial assets measured at amortized cost				
Corporate Bond	$99,399	$-	$-	$99,399

As of March 31, 2024

	Level 1	Level 2	Level 3	Total
Financial assets not measured at fair value but for which the fair value is disclosed:				
Financial assets measured at amortized cost				
Corporate Bond	$49,839	$-	$-	$49,839

(10) Information regarding the significant assets and liabilities denominated in foreign currencies is listed below:

Unit: in thousands

	As of March 31, 2025			As of December 31, 2024		
	Foreign currencies	Foreign exchange rate	NTD	Foreign currencies	Foreign exchange rate	NTD
Financial assets						
Monetary items:						
USD	$76,888	33.18	$2,551,153	$38,752	32.78	$1,270,295
RMB	484,265	4.572	2,214,059	431,075	4.479	1,930,785
Financial liabilities						
Monetary items:						
USD	$36,445	33.18	$1,209,233	$25,742	32.78	$843,828
RMB	34,066	4.572	155,751	36,946	4.479	165,480

	As of March 31, 2024		
	Foreign currencies	Foreign exchange rate	NTD
Financial assets			
Monetary items:			
USD	$40,953	31.99	$1,310,087
RMB	425,486	4.409	1,875,966
Financial liabilities			
Monetary items:			
USD	$22,671	31.99	$725,251
RMB	22,299	4.409	98,314

The above information is disclosed based on the carrying amount of foreign currency (after conversion to functional currency).

Because there are several types of functional currencies within the Group, it is not practical to disclose the exchange gains and losses of monetary financial assets and liabilities by each significant asset and liability denominated in foreign currencies. The foreign exchange gain were NT$17,415 thousand and NT$37,541 thousand for the three-month periods ended March 31, 2025 and 2024, respectively.

(11) Capital management

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize shareholder value. The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust dividend payment to shareholders, return capital to shareholders or issue new shares.

13. Other disclosure

(1) Information related to significant transactions

Additional disclosures for information of the Group for the three-month period ended March 31, 2025:

(a) Financing provided to others for the three-month period ended March 31, 2025: None.

(b) Endorsement/Guarantee provided to others for the three-month period ended March 31, 2025: Please refer to Attachment 1.

(c) Significant securities held as of March 31, 2025: Please refer to Attachment 2.

(d) Related party transactions for purchases and sales amounts exceeding the lower of NT$100 million or 20 percent of the capital stock for the three-month period ended March 31, 2025: Please refer to Attachment 3.

(e) Receivables from related parties with amount exceeding the lower of NT$100 million or 20 percent of the capital stock for the three-month period ended March 31, 2025: Please refer to Attachment 4.

(f) Other: Significant intercompany transactions between consolidated entities: Please refer to Attachment 5.

(2) Information on investees

Information on investees which significant influenced or controlled by the Group: Please refer to Attachment 6.

(3) Information on investments in Mainland China

(a) Investee company name, main business and products, total amount of capital, method of investment, accumulated inflow and outflow of investments from Taiwan, percentage of ownership, investment income (loss), carrying amount of investments, cumulated inward remittance of earnings and limits on investment in Mainland China: Please refer to Attachment 7.

(b) Significant transaction to investee company in Mainland China for the three-month period ended March 31, 2025:

i. Purchases amount and percentage, and related ending balance and percentage of payables: None.

ii. Sales amount and percentage, and related ending balance and related ending balance and percentage of receivables: Please refer to Attachment 5.

iii. Property transaction amount and occurred gain (loss): None.

iv. Ending balance and purpose of endorsement/guarantee provided for notes or collateral: None.

v. Highest balance, ending balance, interest rate interval and total interest amount in current period of financing: None.

vi. Other transactions with significant influence on current period income or financial position: Please refer to Attachment 5.

14. Segment information

The products of the Company and its subsidiaries are all related to integrated circuit design products and the chief operating decision maker reviews the Group’s operating results as a whole to make decisions about resources to be allocated and assess its performance; therefore, the Group is considered a single segment. The preparation basis of the segment is the same with the preparation of this financial statements, and the policies are the same with those mentioned in Note 4, Summary of Significant Accounting Policies.

ATTACHMENT 1 (Endorsement/Guarantee provided to others for the three-month period ended March 31, 2025)

Unit: New Taiwan Dollars in thousands, and RMB in dollars

No. (Note 1)	Endorsor/Guarantor	Receiving party: Company name	Receiving party: Relationship (Note 2)	Limit of guarantee/endorsement amount for receiving party (Note 3)	Maximum balance for the period	Ending balance (Note 4)	Actual amount provided	Amount of collateral guarantee/endorsement	Percentage of accumulated guarantee amount to net assets value from the latest financial statement	Limit of total guarantee/endorsement amount (Note 3)	Endorsement guarantee from parent company to subsidiary	Endorsement guarantee from the subsidiary to the parent company	Endorsement guarantee for mainland areas
1	Artery Technology Corporation	Artery Technology Co., Ltd.	4	$429,503	$204,930 (RMB 45,000,000)	$204,930 (RMB 45,000,000)	$-	$-	21.47%	$429,503	N	N	Y
2	Artery Technology Corporation	Artery Technology Company	4	429,503	25,000	25,000	25,000	-	2.62%	429,503	N	N	N

Note 1: Faraday Technology Corporation and its subsidiaries are coded as follows:

1. Faraday Technology Corporation is coded "0".
2. The subsidiaries are coded consecutively beginning from "1" in the order presented in the table above.

Note 2: There are the following 7 types of relationships between the endorsement guarantor and the object of the endorsement, and the type can be indicated:

1. A company with which it does business.
2. A company in which the public company directly and indirectly holds more than 50% of the voting shares.
3. A company that directly and indirectly holds more than 50 % of the voting shares in the public company.
4. A company in which the public company holds, directly or indirectly, 90% or more of the voting shares.
5. A company that fulfills its contractual obligations by providing mutual endorsements/guarantees for another company in the same industry or for joint builders for purposes of undertaking a construction project.
6. A company that all capital contributing shareholders make endorsements/ guarantees for their jointly invested company in proportion to their shareholding percentages.
7. Companies in the same industry provide among themselves joint and several security for a performance guarantee of a sales contract for pre-construction homes pursuant to the Consumer Protection Act for each other.

Note 3: According to the regulations of Artery Technology Corporation’s endorsement guarantee operation method：

1. Limit of total guarantee/endorsement amount shall not exceed 45% of Artery Technology Corporation’s net worth as stated in the latest financial statements.
2. The amount of endorsements/guarantees for any single entity shall not exceed 45% of Artery Technology Corporation’s net worth as stated in the latest financial statementst.
3. Artery Technology Corporation and its subsidiaries endorsements/guarantees to others shall not exceed 45% of Artery Technology Corporation’s net worth as stated in the latest financial statements.
4. Artery Technology Corporation and its subsidiaries endorsements/guarantees for any single entity shall not exceed 45% of Artery Technology Corporation’s net worth as stated in the latest financial statements.
5. The amount of endorsements/guarantees for a company which endorsor/guarantor does business with, except the ceiling rules abovementioned shall not exceed the needed amounts arising from business dealings which is the higher amount of total sales or purchase transactions between endorsor/guarantor and the receiving party.

Note 4: Amounts denominated in foreign currency is translated into New Taiwan Dollars by using customs adminstration’s average exchange rate in March 2025.

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

ATTACHMENT 2 (Significant securities held as of March 31, 2025) (Excluding subsidiaries and associates)

Faraday Technology Corporation

Type of securities	Name of securities	Relationship	Financial statement account	As of March 31, 2025				Note
				Units/shares	Carrying amount	Percentage of ownership (%)	Fair value	
Common Stock	SHIEH YONG Investment Co., Ltd.	-	Financial assets at fair value through other comprehensive income, non-current	252,818,151	$2,078,827	12.12%	$2,078,827	-
Common Stock	Unitech Capital Inc.	-	Financial assets at fair value through other comprehensive income, non-current	2,500,000	49,809	5.00%	49,809	-
Corporate Bond	United Microelectronics Corporation	-	Financial assets measured at amortized cost, non-current	50 bonds	50,000	-	49,565	(Note)
Corporate Bond	China Steel Corporation	-	Financial assets measured at amortized cost, non-current	50 bonds	50,000	-	49,851	(Note)

Chih-Hung Investment Corporation

Type of securities	Name of securities	Relationship	Financial statement account	As of March 31, 2025				Note
				Units/shares	Carrying amount	Percentage of ownership (%)	Fair value	
Common Stock	SanJet Technology Corporation	-	Financial assets at fair value through other comprehensive income, non-current	3,000,000	$-	9.53%	$-	-
Preferred stock	Gear Radio Limited	-	Financial assets at fair value through other comprehensive income, non-current	1,200,000	-	2.79%	-	-
Preferred stock	NeuroSky	-	Financial assets at fair value through other comprehensive income, non-current	44,312,575	-	6.15%	-	-
Preferred stock	Floadia	-	Financial assets at fair value through other comprehensive income, non-current	1,818	-	7.91%	-	-
Common Stock	Hsun Chieh Capital Corp.	-	Financial assets at fair value through other comprehensive income, non-current	3,000,000	80,284	15.00%	80,284	-

ATTACHMENT 2 (Significant securities held as of March 31, 2025) (Excluding subsidiaries and associates)

Sheng Bang Investment Corporation

				As of March 31, 2025				
Type of securities	Name of securities	Relationship	Financial statement account	Units/shares	Carrying amount	Percentage of ownership (%)	Fair value	Note
Fund	IB FUND SPC -RCM Auto Parts Industry Fund Segregated Portfolio	-	Financial assets at fair value through profit or loss, current	10,000	$23,292	-	$23,292	-
Preferred stock	CoAsia SEMI Korea Corporation	-	Financial assets at fair value through profit or loss, non-current	450,000	980,772	13.08%	980,772	-
Common Stock	Sifotonics Technology Co., Ltd.	-	Financial assets at fair value through other comprehensive income, non-current	800,000	-	1.33%	-	-
Common Stock	Ascent Venture Capital	-	Financial assets at fair value through other comprehensive income, non-current	2,868,720	29,625	19.67%	29,625	-
Capital	Jian Rui Venture Capital (translated from Chinese)	-	Financial assets at fair value through other comprehensive income, non-current	-	5,049	8.50%	5,049	-
Common Stock	Qbit Semicinductor Ltd.	-	Financial assets at fair value through other comprehensive income, non-current	1,250,000	21,914	3.15%	21,914	-
Preferred stock	GS Microelectronics US Inc.	-	Financial assets at fair value through other comprehensive income, non-current	1,424,501	163,950	7.70%	163,950	-

Note : Each at a bond value of NT$1,000 thousand.

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

ATTACHMENT 3 (Related party transactions for purchases and sales amounts exceeding the lower of NT$100 million or 20 percent of capital stock)

Faraday Technology Corporation

		Transactions					Notes and accounts receivable (payables)		
Counter-party	Relationship	Purchases (Sales)	Amount	Percentage of total purchases (sales)	Term	Details of non-arm's length transaction	Balance	Percentage of total receivables (payables)	Note
United Microelectronics Corporation	Entity with joint control or significant influence over the Company	Purchases	$443,147	6.42%	Month-end 60 days	-	$(224,336)	10.83%	-
United Microelectronics Corporation	Entity with joint control or significant influence over the Company	Sales	175,773	2.56%	Month-end 60 days	-	130,813	6.03%	-

Artery Technology Co., Ltd.

		Transactions					Notes and accounts receivable (payables)		
Counter-party	Relationship	Purchases (Sales)	Amount	Percentage of total purchases (sales)	Term	Details of non-arm's length transaction	Balance	Percentage of total receivables (payables)	Note
United Microelectronics Corporation	Entity with joint control or significant influence over the Company	Purchases	$125,191	56.69%	Month-end 60 days	-	$(107,731)	70.53%	-

ATTACHMENT 4 (Receivables from related parties with amount exceeding the lower of NT$100 million or 20 percent of the capital stock)

Faraday Technology Corporation

				Overdue			
Counter-party	Relationship	Ending Balance of Notes/Accounts Receivables from Related Party	Turnover Rate	Amount	Action Taken	Amount Received in Subsequent Period	Allowance for doubtful accounts
United Microelectronics Corporation	Entity with joint control or significant influence over the Company	$130,813	3.85	$-	-	$-	$-

English Translation of Consolidated Financial Statements Originally Issued in Chinese

FARADAY TECHNOLOGY CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

ATTACHMENT 5 (Significant intercompany transactions between consolidated entities)

No. (Note 1)	Related Party	Counterparty	Relationship with the Company (Note 2)	Transactions			
				Account	Amount	Term	Percentage of consolidated operating revenues or consolidated total assets (Note 3)
0	Faraday Technology Corporation	Faraday Technology Corporation (USA)	1	Operating revenue	$277,271	Note 4	3.73%
0	Faraday Technology Corporation	Faraday Technology Corporation (USA)	1	Research expenses	12,850	According to the contract	0.17%
0	Faraday Technology Corporation	Faraday Technology Corporation (USA)	1	Accounts receivable	172,751	Month-end 60 days	0.89%
0	Faraday Technology Corporation	Faraday Technology Corporation (USA)	1	Other payables	3,563	Month-end 60 days	0.02%
0	Faraday Technology Corporation	Faraday Technology Japan Corporation	1	Operating revenue	49,768	Note 4	0.67%
0	Faraday Technology Corporation	Faraday Technology Japan Corporation	1	Accounts receivable	33,761	Month-end 60 days	0.17%
0	Faraday Technology Corporation	FaradayTek Solutions India Private Limited	1	Research expenses	8,696	According to the contract	0.12%
0	Faraday Technology Corporation	Faraday Technology Vietnam Company Limited	1	Research expenses	91,525	According to the contract	1.23%
0	Faraday Technology Corporation	Faraday Technology Vietnam Company Limited	1	Other payables	91,525	Month-end 60 days	0.47%
0	Faraday Technology Corporation	Sinble Technology Pte. Ltd.	1	Operating revenue	35,484	Note 5	0.48%
0	Faraday Technology Corporation	Sinble Technology Pte. Ltd.	1	Accounts receivable	3,185	Month-end 60 days	0.02%
0	Faraday Technology Corporation	Innopower Technology Corporation	1	Operating revenue	132,300	Note 5	1.78%
0	Faraday Technology Corporation	Innopower Technology Corporation	1	Accounts receivable	210,649	Month-end 60 days	1.08%
0	Faraday Technology Corporation	Innopower Technology Corporation	1	Other receivable	118,760	Month-end 60 days	0.61%
0	Faraday Technology Corporation	Faraday Technology Corporation (Suzhou)	1	Operating revenue	4,412	Note 5	0.06%
0	Faraday Technology Corporation	Faraday Technology Corporation (Suzhou)	1	Contract Assets	11,760	According to the contract	0.06%
0	Faraday Technology Corporation	United Creative Solution Corporation	1	Operating revenue	180,187	Note 5	2.42%
0	Faraday Technology Corporation	United Creative Solution Corporation	1	Contract Assets	38,567	According to the contract	0.20%
0	Faraday Technology Corporation	United Creative Solution Corporation	1	Accounts receivable	112,893	Month-end 60 days	0.58%
0	Faraday Technology Corporation	United Creative Solution Corporation	1	Contract Liabilites	3,028	According to the contract	0.02%

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

ATTACHMENT 5 (Significant intercompany transactions between consolidated entities)

				Transactions			
No. (Note 1)	Related Party	Counterparty	Relationship with the Company (Note 2)	Account	Amount	Term	Percentage of consolidated operating revenues or consolidated total assets (Note 3)
0	Faraday Technology Corporation	Faraday Technology China Corporation	1	Operating revenue	$258,839	Note 5	3.48%
0	Faraday Technology Corporation	Faraday Technology China Corporation	1	Accounts receivable	189,132	Month-end 60 days	0.97%
0	Faraday Technology Corporation	Faraday Technology China Corporation	1	Contract Liabilites	11,278	According to the contract	0.06%
1	Artery Technology Co., Ltd.	Artery Technology Company	3	Operating revenue	29,735	Note 5	0.40%
1	Artery Technology Co., Ltd.	Artery Technology Company	3	Accounts receivable	8,376	Month-end 30 days	0.04%
1	Artery Technology Co., Ltd.	Artery Technology Company	3	Purchases	1,959	Note 5	0.03%
2	United Business Service Corporation	Faraday Technology Corporation (Suzhou)	3	Operating revenue	7,642	Note 5	0.10%
3	Sinble Technology Vietnam Company Limited	Sinble Technology Pte. Ltd.	3	Operating revenue	2,937	Note 5	0.04%
3	Sinble Technology Vietnam Company Limited	Sinble Technology Pte. Ltd.	3	Accounts receivable	2,937	Month-end 60 days	0.02%

Note 1: Faraday Technology Corporation and its subsidiaries are coded as follows:

1. Faraday Technology Corporation is coded "0".
2. The subsidiaries are coded consecutively beginning from "1" in the order presented in the table above.

Note 2: Transactions are categorized as follows:

1. The holding company to subsidiary
2. Subsidiary to holding company
3. Subsidiary to subsidiary

Note 3: The percentage with respect to the consolidated asset/liability for transactions of balance sheet items are based on each item's balance at period-end.

For profit or loss items, cumulative balances are used as basis.

Note 4: The sales price to the above related parties was determined through mutual agreement in reference to resale price.

Note 5: As the sale of product or service is individually designed based on requirement of customers, the sales price was determined through mutual agreement.

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

ATTACHMENT 6 (Related information of investee companies)

Faraday Technology Corporation

			Initial Investment (Note 1)		Investment as of March 31, 2025				
Investee company	Location	Main businesses and products	March 31, 2025	December 31, 2024	Number of shares	Percentage of ownership (%)	Carrying amount	Net income (loss) of investee company	Investment income (loss) recognized
Faraday Technology Corporation (USA)	California, USA	Sales representive in America	$403,600	$403,600	Common stock 118,580 thousand shares and preferred stock 2,000 thousand shares	Common stock owned 100.00% and preferred stock owned 100.00%	$393,902	$17,872	$17,872
Faraday Technology Corp. (B.V.I.)	British Virgin Islands	General investing	855,770	855,770	Common stock 27,489 thousand shares	100.00%	1,135,904	27,846	27,846
Faraday Technology Japan Corporation	Tokyo, Japan	Sales representive in Japan	29,320	29,320	Common stock 2 thousand shares	99.95%	194,474	(3,202)	(3,200)
Chih-Hung Investment Corporation	Taiwan	General investing	539,500	539,500	Common stock 76,522 thousand shares	100.00%	338,213	(84,596)	(84,596)
Sheng Bang Investment Corporation	Taiwan	General investing	2,067,020	2,067,020	Common stock 210,651 thousand shares	100.00%	1,989,658	(26,237)	(26,237)
Faraday Technology Vietnam Company Limited	Vietnam	IC design services	536,259	536,259	-	100.00%	560,232	13,895	13,895
Sinble Technology Pte. Ltd.	Singapore	IC design services	179,400	179,400	Common stock 7,800 thousand shares	100.00%	118,200	(46,873)	(46,873)

Chih-Hung Investment Corporation

			Initial Investment (Note 1)		Investment as of March 31, 2025				
Investee company	Location	Main businesses and products	March 31, 2025	December 31, 2024	Number of shares	Percentage of ownership (%)	Carrying amount	Net income (loss) of investee company	Investment income (loss) recognized
Grain Media Inc.	Taiwan	IC designing, marketing and customer service	$1,456	$1,456	Common stock 146 thousand shares	19.42%	$1,117	$-	$-
Innopower Technology Corporation	Taiwan	Silicon Intellectual Property designing	80,000	80,000	Common stock 35,873 thousand shares	100.00%	209,977	(84,652)	(84,652)
FaradayTek Solutions India Private Limited	India	IC design services	45	45	Common stock 10 thousand shares	1.00%	181	2,980	30

Sheng Bang Investment Corporation

			Initial Investment (Note 1)		Investment as of March 31, 2025				
Investee company	Location	Main businesses and products	March 31, 2025	December 31, 2024	Number of shares	Percentage of ownership (%)	Carrying amount	Net income (loss) of investee company	Investment income (loss) recognized
Grain Media Inc.	Taiwan	IC designing, marketing and customer service	$6,044	$6,044	Common stock 604 thousand shares	80.58%	$4,636	$-	$-
FaradayTek Solutions India Private Limited	India	IC design services	4,462	4,462	Common stock 990 thousand shares	99.00%	17,887	2,980	2,950
Solid Silicon Technology Corporation	USA	Silicon Intellectual Property designing	568,630	530,883	Common stock 0.1 thousand shares	100.00%	657,699	(6,237)	(9,901)

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

ATTACHMENT 6 (Related information of investee companies)

Innopower Technology Corporation

Investee company	Location	Main businesses and products	Initial Investment (Note 1) March 31, 2025	Initial Investment (Note 1) December 31, 2024	Investment as of March 31, 2025 Number of shares	Investment as of March 31, 2025 Percentage of ownership (%)	Investment as of March 31, 2025 Carrying amount	Net income (loss) of investee company	Investment income (loss) recognized
Bright Capital Group Limited	Samoa	General investing	$68,593	$68,593	Common stock 2,301 thousand shares	100.00%	$238,762	$(53,277)	$(53,277)

Faraday Technology Corp. (B.V.I.)

Investee company	Location	Main businesses and products	Initial Investment (Note 1) March 31, 2025	Initial Investment (Note 1) December 31, 2024	Investment as of March 31, 2025 Number of shares	Investment as of March 31, 2025 Percentage of ownership (%)	Investment as of March 31, 2025 Carrying amount	Net income (loss) of investee company	Investment income (loss) recognized
Faraday Technology (Mauritius) Corp.	Mauritius	General investing	USD $12,859,205	USD $12,859,205	Common stock 12,804 thousand shares	100.00%	$229,450	$2,735	$2,735
GrainTech Electronics Limited	Hong Kong	IC designing, marketing and customer service	USD 100,000	USD 100,000	Common stock 100 thousand shares	100.00%	5,882	82	82
Faraday Technology (Samoa) Corp.	Samoa	General investing	USD 4,715,067	USD 4,715,067	Common stock 4,715 thousand shares	100.00%	315,511	15,933	15,933
Artery Technology Corporation	Cayman	General investing	USD 9,809,000	USD 9,809,000	Common stock 31,149 thousand shares	60.87%	536,208	13,899	8,460

Artery Technology Corporation

Investee company	Location	Main businesses and products	Initial Investment (Note 1) March 31, 2025	Initial Investment (Note 1) December 31, 2024	Investment as of March 31, 2025 Number of shares	Investment as of March 31, 2025 Percentage of ownership (%)	Investment as of March 31, 2025 Carrying amount	Net income (loss) of investee company	Investment income (loss) recognized
Artery Technology Company	Taiwan	IC designing, marketing and customer service	$211,141	$211,141	Common stock 21,114 thousand shares	60.87% (Note 2)	$33,840	$(20,238)	$(12,463)

Sinble Technology Pte. Ltd.

Investee company	Location	Main businesses and products	Initial Investment (Note 1) March 31, 2025	Initial Investment (Note 1) December 31, 2024	Investment as of March 31, 2025 Number of shares	Investment as of March 31, 2025 Percentage of ownership (%)	Investment as of March 31, 2025 Carrying amount	Net income (loss) of investee company	Investment income (loss) recognized
Sinble Technology Vietnam Company Limited	Vietnam	IC design services	USD $1,300,000	USD $1,300,000	-	100.00%	$30,248	$751	$751

Note 1: USD are expressed in dollars.

Note 2: The Company owns 100% of Faraday Technology Corp. (B.V.I.) and Faraday Technology Corp. (B.V.I.) owns 60.87% of Artery Technology Corporation. Artery Technology Corporation owns 100% of Artery Technology Company; therefore, the Group’s shareholding of Artery Technology Company is 60.87%.

ATTACHMENT 7 (Investment in Mainland China)

Unit: New Taiwan Dollars in thousands, USD and RMB in dollars

Investee company	Main Businesses and Products	Total Amount of Paid-in Capital	Method of Investment	Accumulated Outflow of Investment from Taiwan as of January 1, 2025	Investment Flows: Outflow	Investment Flows: Inflow	Accumulated Outflow of Investment from Taiwan as of March 31, 2025	Net Income (Loss) of Investee Company	Percentage of Ownership	Investment Income (Loss) Recognized	Carrying Value as of March 31, 2025	Accumulated Inward Remittance of Earnings as of March 31, 2025
Faraday Technology China Corporation	IC designing, marketing and customer service	$199,080 (USD 6,000,000)	Note 1, 3	$199,080 (USD 6,000,000)	$-	$-	$199,080 (USD 6,000,000)	$2,704	100.00%	$2,704 Note 8 (1)	$226,818	$-
Faraday Technology Corporation (Suzhou)	IC designing, marketing and customer service	192,444 (USD 5,800,000)	Note 4	-	-	-	-	(53,277)	100.00%	(53,277) Note 8 (2)	238,746	200,194 (USD 6,033,563)
United Business Service Corporation	IC designing, marketing and customer service	137,160 (RMB 30,000,000)	Note 1	137,160 (RMB 30,000,000)	-	-	137,160 (RMB 30,000,000)	15,933	100.00%	15,933 Note 8 (1)	315,509	-
Artery Technology Co., Ltd.	IC designing, marketing and customer service	396,833 (USD 11,960,000)	Note 1, 5, 6	157,400 (USD 4,743,815)	-	-	157,400 (USD 4,743,815)	47,788	60.87%	28,981 Note 8 (1)	559,875	41,475 (USD 1,250,000)
United Creative Solution Corporation	IC designing, marketing and customer service	45,720 (RMB 10,000,000)	Note 7	-	-	-	-	15,393	100.00%	15,393 Note 8 (1)	193,704	-
Innopower Technology Corporation (Chongqing)	IC designing, marketing and customer service	4,572 (RMB 1,000,000)	Note 7	-	-	-	-	1	100.00%	1 Note 8 (1)	4,581	-

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

ATTACHMENT 7 (Investment in Mainland China)

Accumulated investment in Mainland China as of March 31, 2025	Investment amounts authorized by Investment Commission, MOEA	Upper limit on investment
$512,926 (Note 2) (USD15,458,882)	$847,212 (Note 2) (USD25,533,815)	$7,959,325

Note 1: Indirectly investment in Mainland China through subsidiaries of Faraday Technology Corp. (B.V.I.) (registered in a third region) such as Faraday Technology (Mauritius) Corp., Faraday Technology (Samoa) Corp., and Artery Technology Corporation.

Note 2: Amounts denominated in foreign currency is translated into New Taiwan Dollars by using exchange rate on March 31, 2025.

Note 3: As of March 31, 2025, Investment Commission, MOEA approved the total investment amount USD 6,000 thousand. The Company had remitted investment amount USD 5,500 thousand, and Faraday Technology (Mauritius) Corp. had remitted investment amount USD 500 thousand from its owned capital.

Note 4: On May 19, 2010, Investment Commission, MOEA approved Innopower Technology Corporation to acquire 100% of ownership of Faraday Technology Corporation (Suzhou) (Mainland China company owned by Faraday Technology (Mauritius) Corp., which owned by Faraday Technology Corp. (B.V.I.)) with USD 602,182 through Bright Capital Group Limited (BCGL). Before the transaction, Investment Commission, MOEA had approved the total investment amount USD 5,800 thousand. On May 24, 2023, the cash dividend of USD 6,034 thousand was repatriated to deduct the accumulative amount of investment in Mainland China. Therefore, the accumulative remittance of investment funds at the end of the period was nil.

Note 5: As of March 31, 2025, Investment Commission, MOEA approved the total investment amount USD 7,033 thousand, and the Company had remitted USD 4,744 thousand for the investment.

Note 6: The Company owns 100% of Faraday Technology Corp. (B.V.I.) and Faraday Technology Corp. (B.V.I.) owns 60.87% of Artery Technology Corporation. Artery Technology Corporation owns 100% of Artery Technology Co., Ltd.; therefore, the Group’s shareholding of Artery Technology Co., Ltd. is 60.87%.

Note 7: These companies were directly invested by United Business Service Corporation.

Note 8: The investment income (loss) recognized in current period, the investment income (loss) were determined based on the following basis:
1. The financial statements were reviewed by the auditors of the parent company.
2. The financial statements were not reviewed by the auditors of the parent company.
3. Others