AMULAIRE THERMAL TECHNOLOGY, INC.

FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS' REPORT

DECEMBER 31, 2024 AND 2023

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

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of AMULAIRE THERMAL TECHNOLOGY, INC.

Opinion

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

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

Basis for opinion

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

Key audit matters

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

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

Valuation of inventories

<u>Description</u>

Refer to Notes 4(11), 5(2) and 6(5) to the financial statements for the details of the Company's accounting policy on inventory valuation, estimates and assumptions and allowance for inventory valuation losses. The Company's inventories constituted a significant portion of total assets, and the industry involves a rapidly changing technology. Since the Company assesses obsolete or slow-moving inventories based on the market demand in future periods, and the determination of net realisable value for obsolete or slow-moving inventories involves subjective judgement resulting in a high degree of estimation uncertainty, we determined the valuation of inventories as a key audit matter.

<u>How our audit addressed the matter</u>

Our audit procedures performed in the Amulaire Thermal Technology, Inc. and its subsidiaries (recognised as investments accounted for under equity method) on the above key audit matter are as follows:

1. Obtained an understanding of the policy on allowance for inventory valuation loss to assess the reasonableness of application.
2. Validated the accuracy of the system logic in calculating the ageing of inventories.
3. Tested the basis of market value used in calculating the net realisable value of inventory and validated the accuracy of net realisable value calculation of selected samples.

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

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

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

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

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

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

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

1. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the disclosures, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

Chen, Ching Chang	Liao, Fu-Ming

For and on Behalf of PricewaterhouseCoopers, Taiwan

February 27, 2025

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

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

AMULAIRE THERMAL TECHNOLOGY, INC.
BALANCE SHEETS
DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

	Assets	Notes	December 31, 2024 AMOUNT	December 31, 2023 AMOUNT
	Current assets			
1100	Cash and cash equivalents	6(1)	$ 51,626	$ 165,908
1110	Current financial assets at fair value through profit or loss	6(2)	93,823	-
1136	Current financial assets at amortised cost	6(3) and 8	5,804	10,900
1170	Accounts receivable, net	6(4)	127,869	260,012
1180	Accounts receivable due from related parties, net	7	19,362	19,179
130X	Inventory	6(5)	241,446	370,818
1410	Prepayments		17,742	27,728
1460	Non-current assets or disposal groups classified as held for sale, net	6(6) and 8	415,201	415,201
1479	Other current assets		4,825	9,840
11XX	**Total current assets**		977,698	1,279,586
	Non-current assets			
1550	Investments accounted for using equity method	6(7)	107,935	64,490
1600	Property, plant and equipment	6(8) and 8	1,138,015	1,212,823
1755	Right-of-use assets	6(9)	28,953	37,254
1780	Intangible assets		26,090	31,743
1840	Deferred income tax assets	6(22)	23,014	21,864
1900	Other non-current assets	6(13)	17,564	14,409
15XX	**Total non-current assets**		1,341,571	1,382,583
1XXX	**Total assets**		$ 2,319,269	$ 2,662,169

(Continued)

AMULAIRE THERMAL TECHNOLOGY, INC.
BALANCE SHEETS
DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

	Liabilities and Equity	Notes	December 31, 2024 AMOUNT	December 31, 2023 AMOUNT
	Liabilities			
	Current liabilities			
2100	Short-term borrowings	6(10)	$ 30,000	$ -
2120	Current financial liabilities at fair value through profit or loss	6(2)	835	-
2170	Accounts payable	7	33,729	90,374
2200	Other payables	6(11)	63,739	165,348
2220	Other payables to related parties	7	13,025	17,729
2280	Current lease liabilities	6(9)	6,965	8,373
2320	Long-term liabilities, current portion	6(12)	66,893	52,658
2399	Other current liabilities	6(18)	2,124	3,098
21XX	**Total current liabilities**		217,310	337,580
	Non-current liabilities			
2540	Long-term borrowings	6(12)	652,746	668,619
2570	Deferred income tax liabilities	6(22)	5,254	2,689
2580	Non-current lease liabilities	6(9)	26,289	33,253
2600	Other non-current liabilities		6,804	6,804
25XX	**Total non-current liabilities**		691,093	711,365
2XXX	**Total liabilities**		908,403	1,048,945
	Equity			
	Share capital	6(15)		
3110	Common stock		1,046,023	1,046,023
	Capital surplus	6(16)		
3200	Capital surplus		1,092,201	1,091,996
	Retained earnings	6(17)		
3310	Legal reserve		27,581	27,581
3350	Accumulated deficit		(758,402)	(552,117)
	Other equity interest			
3400	Other equity interest		3,463	(259)
3XXX	**Total equity**		1,410,866	1,613,224
	Commitments and contingent liabilities	9		
3X2X	**Total liabilities and equity**		$ 2,319,269	$ 2,662,169

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

AMULAIRE THERMAL TECHNOLOGY, INC.
STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

	Items	Notes	Year ended December 31 2024 AMOUNT	Year ended December 31 2023 AMOUNT
4000	Operating revenue	6(18) and 7	$ 659,458	$ 848,743
5000	Operating costs	6(5)(21) and 7	(651,734)	(841,739)
5900	Gross profit from operations		7,724	7,004
5920	Realized profit from sales		-	24
5950	Net gross profit from operations		7,724	7,028
	Operating expenses	6(21)		
6100	Selling expenses		(40,178)	(22,144)
6200	General and administrative expenses		(42,363)	(55,356)
6300	Research and development expenses		(91,920)	(133,050)
6450	Expected credit impairment (loss) gain	6(4)	(1,413)	6,034
6000	Total operating expenses		(175,874)	(204,516)
6900	Operating loss		(168,150)	(197,488)
	Non-operating income and expenses			
7100	Interest income		1,478	4,177
7010	Other income		4,955	12,296
7020	Other gains and losses	6(19)	3,286	7,874
7050	Finance costs	6(20)	(15,756)	(21,702)
7070	Share of loss of associates and joint ventures accounted for using equity method	6(7)	(31,722)	(38,015)
7000	Total non-operating income and expenses		(37,759)	(35,370)
7900	**Loss before income tax**		(205,909)	(232,858)
7950	Income tax (expense) benefit	6(22)	(1,207)	9,292
8200	**Loss for the year**		($ 207,116)	($ 223,566)
	Components of other comprehensive income that will not be reclassified to profit or loss			
8311	Gains on remeasurements of defined benefit plan	6(13)	$ 1,039	$ 1,015
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(22)	(208)	(203)
	Components of other comprehensive income that will be reclassified to profit or loss			
8361	Exchange differences on translation	6(7)	3,722	(1,081)
8300	**Other comprehensive income (loss) for the year**		$ 4,553	($ 269)
8500	**Total comprehensive loss for the year**		($ 202,563)	($ 223,835)
	Loss per share (in dollars)	6(23)		
9750	Basic loss per share		($ 1.98)	($ 2.47)
9850	Diluted loss per share		($ 1.98)	($ 2.47)

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

AMULAIRE THERMAL TECHNOLOGY, INC.
STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

			Capital Reserves		Retained Earnings			
	Notes	Share capital - common stock	Total capital surplus, additional paid-in capital	Capital surplus, others	Legal reserve	Accumulated deficit	Exchange differences on translation of foreign financial statements	Total equity
Year ended December 31, 2023								
Balance at January 1, 2023		$ 896,023	$ 800,851	$ 14,663	$ 27,581	($ 329,363)	$ 822	$ 1,410,577
Loss for the year		-	-	-	-	(223,566)	-	(223,566)
Other comprehensive income (loss) for the year		-	-	-	-	812	(1,081)	(269)
Total comprehensive loss		-	-	-	-	(222,754)	(1,081)	(223,835)
Issuance of shares	6(15)	150,000	275,869	-	-	-	-	425,869
Donated assets received		-	-	11	-	-	-	11
Compensation cost incurred on employee stock options	6(14)	-	-	602	-	-	-	602
Balance at December 31, 2023		$ 1,046,023	$ 1,076,720	$ 15,276	$ 27,581	($ 552,117)	($ 259)	$ 1,613,224
Year ended December 31, 2024								
Balance at January 1, 2024		$ 1,046,023	$ 1,076,720	$ 15,276	$ 27,581	($ 552,117)	($ 259)	$ 1,613,224
Loss for the year		-	-	-	-	(207,116)	-	(207,116)
Other comprehensive income for the year		-	-	-	-	831	3,722	4,553
Total comprehensive loss (income)		-	-	-	-	(206,285)	3,722	(202,563)
Donated assets received		-	-	205	-	-	-	205
Balance at December 31, 2024		$ 1,046,023	$ 1,076,720	$ 15,481	$ 27,581	($ 758,402)	$ 3,463	$ 1,410,866

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

AMULAIRE THERMAL TECHNOLOGY, INC.
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

	Notes	Year ended December 31 2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before tax		($ 205,909)	($ 232,858)
Adjustments			
Adjustments to reconcile profit (loss)			
Realized profit from sales		-	(24)
Depreciation	6(21)	85,740	98,936
Amortization	6(21)	5,653	6,592
Expected credit loss (gain)	6(4)	1,413	(6,034)
Net gain on financial assets or liabilities at fair value through profit or loss	6(2)(19)	(201)	(619)
Interest expense	6(20)	15,756	21,702
Interest income		(1,478)	(4,177)
Share-based payments	6(14)	-	602
Share of loss of associates and joint ventures accounted for using equity method	6(7)	31,722	38,015
Loss (gain) on disposal of property, plant and equipment	6(19)	3,475	(53)
Impairment loss on property, plant and equipment	6(19)	9,390	-
Gain from lease modification	6(19)	-	(1,383)
Changes in operating assets and liabilities			
Changes in operating assets			
Current financial assets at fair value through profit or loss		(92,776)	-
Accounts receivable		130,730	67,356
Accounts receivable due from related parties, net		(183)	(11,895)
Inventory		129,372	(19,688)
Prepayments		9,986	2,509
Other current assests		4,857	557
Other non-current assets		(105)	(916)
Changes in operating liabilities			
Current financial liabilities at fair value through profit or loss		(11)	197
Accounts payable		(56,645)	54,232
Other payables (including related parties)		(106,327)	41,544
Other current liabilities		(974)	(948)
Other non-current liabilities		-	704
Cash (outflow) inflow generated from operations		(36,515)	54,351
Interest received		1,478	4,177
Interest paid		(15,197)	(20,864)
Income taxes refund (paid)		158	(108)
Net cash flows (used in) from operating activities		(50,076)	37,556
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from disposal of financial assets at amortised cost		5,096	130,494
Acquisition of investments accounted for using equity method	6(7)	(71,445)	-
Acquisition of property, plant and equipment	6(24)	(23,631)	(11,564)
Proceeds from disposal of property, plant and equipment		4,879	53
Acquisition of intangible assets	6(24)	-	(2,040)
Increase in prepayments for business facilities		700	500
Net cash flows (used in) from investing activities		(84,401)	117,443
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase in short-term loans	6(25)	30,000	-
Decrease in short-term loans	6(25)	-	(267,750)
Proceeds from long-term debt	6(25)	80,000	457,538
Repayments of long-term debt	6(25)	(81,638)	(722,375)
Payments of lease liabilities	6(25)	(8,372)	(10,211)
Proceeds from issuance of shares	6(15)	-	425,869
Donated assets received		205	11
Net cash flows from (used in) financing activities		20,195	(116,918)
Net (decrease) increase in cash and cash equivalents		(114,282)	38,081
Cash and cash equivalents at beginning of year		165,908	127,827
Cash and cash equivalents at end of year		$ 51,626	$ 165,908

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

AMULAIRE THERMAL TECHNOLOGY, INC.
NOTES TO THE PARENT COMPANY ONLY FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

1. HISTORY AND ORGANIZATION

Amulaire Thermal Technology, Inc. (the “Company”) was established in June, 2011. The Company is primarily engaged in manufacturing and sales of vehicles and electronic components by using several molding technology.

The Company has been listed on the Taiwan Stock Exchange since August 26, 2020.

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

These parent company only financial statements were authorised for issuance by the Board of Directors on February 27, 2025.

3. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS

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

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

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

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

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

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

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IAS 21, 'Lack of exchangeability'	January 1, 2025

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

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

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

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

Except for the following, the above standards and interpretations have no significant impact to the Company's financial condition and financial performance based on the Company's assessment. The quantitative impact will be disclosed when the assessment is complete.

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

4. SUMMARY OF MATERIAL ACCOUNTING POLICIES

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

(1) Compliance statement

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

(2) Basis of preparationd

A. Except for the following items, the parent company only financial statements have been prepared under the historical cost convention:

(a) Financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.

(b) Defined benefit assets recognised based on the net amount of pension fund assets less present value of defined benefit obligation.

B. The preparation of financial statements in conformity with International Financial Reporting Standards, International Accounting Standards, IFRIC® Internations, and SIC® Interpretations that came into effect as endorsed by the FSC (collectively referred herein as the "IFRSs") requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the parent company only financial statements are disclosed in Note 5.

(3) Foreign currency translation

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

A. Foreign currency transactions and balances

(a) Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions are recognised in profit or loss in the period in which they arise.

(b) Monetary assets and liabilities denominated in foreign currencies at the period end are re-translated at the exchange rates prevailing at the balance sheet date. Exchange differences arising upon re-translation at the balance sheet date are recognised in profit or loss.

(c) Non-monetary assets and liabilities denominated in foreign currencies held at fair value through profit or loss are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognised in profit or loss. Non-monetary assets and liabilities denominated in foreign currencies held at fair value through other comprehensive income are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognised in other comprehensive income. However, nonmonetary assets and liabilities denominated in foreign currencies that are not measured at fair value are translated using the historical exchange rates at the dates of the initial transactions.

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

B. Translation of foreign operations

The operating results and financial position of all the company entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(a) Assets and liabilities for each balance sheet presented are translated at the closing exchange rate at the date of that balance sheet;

(b) Income and expenses for each statement of comprehensive income are translated at average exchange rates of that period; and

(c) All resulting exchange differences are recognised in other comprehensive income.

(4) <u>Classification of current and non-current items</u>

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

(a) Assets arising from operating activities that are expected to be realised, or are intended to be sold or consumed within the normal operating cycle;

(b) Assets held mainly for trading purposes;

(c) Assets that are expected to be realised within twelve months from the balance sheet date;

(d) Cash and cash equivalents, excluding restricted cash and cash equivalents and those that are to be exchanged or used to pay off liabilities more than twelve months after the balance sheet date.

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

(a) Liabilities that are expected to be settled within the normal operating cycle;

(b) Liabilities arising mainly from trading activities;

(c) Liabilities that are to be settled within twelve months from the balance sheet date;

(d) It does not have the right at the end of the reporting period to defer settlement of the liability at least twelve months after the reporting period.

(5) Cash equivalents

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

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

A. Financial assets at fair value through profit or loss are financial assets that are not measured at amortised cost or fair value through other comprehensive income.

B. On a regular way purchase or sale basis, financial assets at fair value through profit or loss are recognised and derecognised using trade date accounting.

C. At initial recognition, the Company measures the financial assets at fair value and recognises the transaction costs in profit or loss. The Company subsequently measures the financial assets at fair value, and recognises the gain or loss in profit or loss.

(7) Financial assets at amortised cost

A. Financial assets at amortised cost are those that meet all of the following criteria:

(a) The objective of the Company's business model is achieved by collecting contractual cash flows.

(b) The assets' contractual cash flows represent solely payments of principal and interest.

B. On a regular way purchase or sale basis, financial assets at amortised cost are recognised and derecognised using trade date accounting.

C. At initial recognition, the Company measures the financial assets at fair value plus transaction costs. Interest income from these financial assets is included in finance income using the effective interest method. A gain or loss is recognised in profit or loss when the asset is derecognised or impaired.

D. The Company's time deposits which do not fall under cash equivalents are those with a short maturity period and are measured at initial investment amount as the effect of discounting is immaterial.

(8) Accounts and notes receivable

A. Accounts and notes receivable entitle the Company a legal right to receive consideration in exchange for transferred goods or rendered services.

B. The short-term accounts and notes receivable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(9) Impairment of financial assets

For financial assets at amortised cost including accounts receivable that have a significant financing component, at each reporting date, the Company recognises the impairment provision for 12 months expected credit losses if there has not been a significant increase in credit risk since initial recognition or recognises the impairment provision for the lifetime expected credit losses (ECLs) if such credit risk has increased since initial recognition after taking into consideration all reasonable and verifiable information that includes forecasts. On the other hand, for accounts receivable or contract assets that do not contain a significant financing component, the Company recognises the impairment provision for lifetime ECLs.

(10) Derecognition of financial assets

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

(11) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted-average method. The item by item approach is used in applying the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and applicable variable selling expenses.

(12) Non-current assets held for sale

Non-current assets are classified as assets held for sale when their carrying amount is to be recovered principally through a sale transaction rather than through continuing use, and a sale is considered highly probable. They are stated at the lower of carrying amount and fair value less costs to sell.

(13) Investments accounted for using equity method / subsidiaries and associates

A. Subsidiaries are all entities (including structured entities) controlled by the Company. The Company controls an entity when the Company is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

B. Inter-company transactions, balances and unrealised gains or losses on transactions between companies within the Company are eliminated. Accounting policies of subsidiaries have been adjusted where necessary to ensure consistency with the policies adopted by the Company.

C. The Company's share of its subsidiaries' post-acquisition profits or losses is recognised in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. When the Company's share of losses in a subsidiary equal or exceed its interest in the subsidiary, the Company continues to recognise losses proportionate to its ownership.

D. Changes in a parent's ownership interest in a subsidiary that do not result in the parent losing control of the subsidiary (transactions with non-controlling interests) are accounted for as equity transactions, i.e. transactions with owners in their capacity as owners. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity.

E. Associates are all entities over which the Company has significant influence but not control. In general, it is presumed that the investor has significant influence, if an investor holds, directly or indirectly 20 percent or more of the voting power of the investee. Investments in associates are accounted for using the equity method and are initially recognised at cost.

F. The Company's share of its associates' post-acquisition profits or losses is recognised in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. When the Company's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Company does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

G. When changes in an associate's equity do not arise from profit or loss or other comprehensive income of the associate and such changes do not affect the Company's ownership percentage of the associate, the Company recognises change in ownership interests in the associate in 'capital surplus' in proportion to its ownership.

H. Unrealised gains on transactions between the Company and its associates are eliminated to the extent of the Company's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been adjusted where necessary to ensure consistency with the policies adopted by the Company.

I. In accordance with "Regulations Governing the Preparation of Financial Reports by Securities Issuers", the profit or loss and other comprehensive income or loss presented on the parent company only financial statements are consistent with the profit or loss and the amortisation of other comprehensive income attributable to owners of the parent company presented on the consolidated financial statements. In addition, owner's equity presented on the parent company only financial statements is consistent with equity attributable to owners of parent presented in the consolidated financial statements.

(14) Property, plant and equipment

A. Property, plant and equipment are initially recorded at cost. Borrowing costs incurred during the construction period are capitalised.

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

C. Land is not depreciated. Other property, plant and equipment apply cost model and are depreciated using the straight-line method to allocate their cost over their estimated useful lives. Each part of an item of property, plant, and equipment with a cost that is significant in relation to the total cost of the item must be depreciated separately.

D. The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each financial year-end. If expectations for the assets' residual values and useful lives differ from previous estimates or the patterns of consumption of the assets' future economic benefits embodied in the assets have changed significantly, any change is accounted for as a change in estimate under IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors', from the date of the change. The estimated useful lives of property, plant and equipment are as follows:

Buildings and structures	3～51 years
Machinery and equipment	1～12 years
Office equipment	1～9 years
Leasehold improvements	8 years

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

A. Leases are recognised as a right-of-use asset and a corresponding lease liability at the date at which the leased asset is available for use by the Company. For short-term leases or leases of low-value assets, lease payments are recognised as an expense on a straight-line basis over the lease term.

B. Lease liabilities include the net present value of the remaining lease payments at the commencement date, discounted using the incremental borrowing interest rate. Lease payments are comprised of fixed payments, less any lease incentives receivable.

The Company subsequently measures the lease liability at amortised cost using the interest method and recognises interest expense over the lease term. The lease liability is remeasured and the amount of remeasurement is recognised as an adjustment to the right-of-use asset when there are changes in the lease term or lease payments and such changes do not arise from contract modifications.

C. At the commencement date, the right-of-use asset is stated at cost comprising the following:

(a) The amount of the initial measurement of lease liability; and

(b) Any lease payments made at or before the commencement date.

The right-of-use asset is measured subsequently using the cost model and is depreciated from the commencement date to the earlier of the end of the asset's useful life or the end of the lease term. When the lease liability is remeasured, the amount of remeasurement is recognised as an adjustment to the right-of-use asset.

D. For lease modifications that decrease the scope of the lease, the lessee shall decrease the carrying amount of the right-of-use asset and remeasure the lease liability to reflect the partial or full termination of the lease, and recognise the difference in profit or loss.

(16) Intangible assets

Computer software is stated at cost and amortised on a straight-line basis over its estimated useful life of 1 to 10 years.

(17) Impairment of non-financial assets

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

(18) Borrowings

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

(19) Accounts payable

A. Accounts payable are liabilities for purchases of raw materials, goods or services and notes payable are those resulting from operating and non-operating activities.

B. The short-term notes and accounts payable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(20) Financial liabilities at fair value through profit or loss

A. Financial liabilities are classified in this category of held for trading if acquired principally for the purpose of repurchasing in the short-term.

B. At initial recognition, the Company measures the financial liabilities at fair value. All related transaction costs are recognised in profit or loss. The Company subsequently measures these financial liabilities at fair value with any gain or loss recognised in profit or loss.

(21) Derecognition of financial liabilities

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

(22) Employee benefits

A. Short-term employee benefits

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

B. Pensions

(a) Defined contribution plan

For defined contribution plan, the contributions are recognised as pension expenses when they are due on an accrual basis.

(b) Defined benefit plan

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

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

C. Employees' compensation and directors' remuneration

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

(23) Employee share-based payment

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

(24) Income tax

A. The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or items recognised directly in equity, in which cases the tax is recognised in other comprehensive income or equity.

B. The current income tax expense is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in accordance with applicable tax regulations. It establishes provisions where appropriate based on the amounts expected to be paid to the tax authorities. An additional tax is levied on the unappropriated retained earnings and is recorded as income tax expense in the year the stockholders resolve to retain the earnings.

C. Deferred tax is recognised, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the balance sheet. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

D. Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. At each balance sheet date, unrecognised and recognised deferred tax assets are reassessed.

(25) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or stock options are shown in equity as a deduction, net of tax, from the proceeds.

(26) Revenue recognition

Sales of goods

A. The Company manufactures and sells related products of vehicles and electronic components using several molding technology. Sales are recognised when control of the products has transferred, being when the products are delivered to the customer, the customer has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the customer’s acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, or the Company has objective evidence that all criteria for acceptance have been satisfied.

B. Sales revenue is recognised based on the price specified in the contract, net of the estimated volume discounts as well as sales discounts and allowances and the volume discounts are usually based on the contract terms agreed. No element of financing is deemed present as the sales are made with a credit term of 60 to 90 days, which is consistent with market practice.

C. A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

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

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

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

None.

(2) Critical accounting estimates and assumptions

Evaluation of inventories

As inventories are stated at the lower of cost and net realisable value, the Company must determine the net realisable value of inventories on balance sheet date using judgements and estimates. Due to the rapid technology innovation, the Company evaluates the amounts of normal inventory consumption, obsolete inventories or inventories without market selling value on balance sheet date, and writes down the cost of inventories to the net realisable value. Such an evaluation of inventories is principally based on the demand for the products within the specified period in the future. Therefore, there might be material changes to the evaluation.

6. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	December 31, 2024	December 31, 2023
Cash on hand and revolving funds	$ 301	$ 296
Checking accounts and demand deposits	38,867	127,259
Time deposits	12,458	38,353
	$ 51,626	$ 165,908

A. The abovementioned 3-month time deposits pertain to investments with high liquidity.

B. The Company transacts with a variety of financial institutions all with high credit quality to disperse credit risk, so it expects that the probability of counterparty default is remote.

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

	December 31, 2024	December 31, 2023
Current items:		
Financial assets mandatorily measured at fair value through profit or loss		
Beneficiary certificates	$ 93,590	$ -
Derivative instruments	233	-
	$ 93,823	$ -
Financial liabilities mandatorily measured at fair value through profit or loss		
Derivative instruments-foreign exchange forward contract	$ 835	$ -

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

	Years ended December 31,	
	2024	2023
Beneficiary certificates	$ 1,047	$ 137
Derivatives	(846)	482
	$ 201	$ 619

B. The Company entered into contracts relating to derivative financial liabilities which were not accounted for under hedge accounting. The information is listed below:

	December 31, 2024	
Derivative financial instruments	Contract amount (in thousands) (notional principal)	Contract period
Current items:		
Foreign exchange forward contract-sell USD and buy NTD	USD 1,560	2024.12.9~2025.3.20

There were no such transactions at December 31, 2023.

The Company entered into foreign exchange contracts to hedge the exchange rate risk of import and export proceeds. However, these foreign exchange swap transactions are not accounted for under hedge accounting.

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

D. Information relating to credit risk of financial liabilities at fair value through profit or loss is provided in Note 12(2).

(3) Financial assets at amortised cost

	December 31, 2024	December 31, 2023
Restricted time deposits	$ 4,013	$ 10,900
Time deposits with original maturity date exceeding three months	1,791	-
Total	$ 5,804	$ 10,900

A. As at December 31, 2024 and 2023, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the financial assets at amortised cost held by the Company was the carrying amount of financial assets recognised.

B. Details of the Company's financial assets at amortised cost pledged to others as collateral are provided in Note 8.

C. Information relating to credit risk of financial assets at amortised cost is provided in Note 12(2). The counterparties of the Company's investments in certificates of deposits are financial institutions with high credit quality, so the Company expects that the probability of counterparty default is remote.

(4) Notes and accounts receivable

	December 31, 2024	December 31, 2023
Accounts receivable	$ 130,710	$ 261,440
Less: Allowance for bad debts	(2,841)	(1,428)
	$ 127,869	$ 260,012

A. In principle, the average payment term granted to customers is due 60~90 days from the invoice date. Except for provisioned impairment loss for individual customers who had credit impairment, the Company calculates expected loss rate and recognises allowance for bad debts based on historical results, consideration of customers' default records and current financial status as well as industry economic situation. The Company also recognised full amount of allowance for uncollectible accounts over 150 days past due and without collateral.

B. The ageing analysis of accounts receivable is as follows:

	December 31, 2024	December 31, 2023
Not past due	$ 94,910	$ 200,843
Up to 30 days	30,979	46,954
31 to 90 days	1,616	9,751
91 to 150 days	1,419	941
Over 151 days	1,786	2,951
	$ 130,710	$ 261,440

The above ageing analysis was based on due date.

C. As of December 31, 2024, December 31, 2023 and January 1, 2023, the balances of receivables from contracts with customers amounted to $130,710, $261,440 and $328,796, respectively. As at the end of the reporting period, without considering any collateral held or other credit enhancements, the maximum credit risk in respect of the financial loss amount incurred by unsatisfied performance obligations of counterparty is the carrying amount of financial assets recognised by the Company.

D. The Company estimates the allowance for accounts receivable based on historical and timely information. As of December 31, 2024 and 2023, the loss rate methodology and provision matrix is as follows:

	Not past due	Up to 30 days past due	31~90 days past due	91~150 days past due	Over 151 days past due	Total
December 31, 2024						
Expected loss rate	0.44%	0.68%	1.96%~3.9%	6.78%~24.9%	100%	
Total accounts receivable	$ 94,910	$ 30,979	$ 1,616	$ 1,419	$ 1,786	$ 130,710

	Not past due	Up to 30 days past due	31~90 days past due	91~150 days past due	Over 151 days past due	Total
December 31, 2023						
Expected loss rate	0.33%	0.71%	1.11%~2.4%	5.56%~22.26%	100%	
Total accounts receivable	$ 200,843	$ 46,954	$ 9,751	$ 941	$ 2,951	$ 261,440

E. Movements schedule in relation to the Company applying the modified approach to provide loss allowance for accounts receivable is as follows:

	2024	2023
	Accounts receivable	Accounts receivable
At January 1	$ 1,428	$ 7,462
Provision for impairment	1,413	-
Reversal of impairment loss	-	(6,034)
At December 31	$ 2,841	$ 1,428

F. The Company does not hold any collateral.

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

(5) Inventories

	December 31, 2024		
	Cost	Allowance for valuation loss	Book value
Raw materials	$ 87,958	($ 10,682)	$ 77,276
Work in progress	69,811	(11,955)	57,856
Finished goods	117,407	(11,093)	106,314
	$ 275,176	($ 33,730)	$ 241,446

	December 31, 2023		
	Cost	Allowance for valuation loss	Book value
Raw materials	$ 143,335	($ 6,797)	$ 136,538
Work in progress	102,555	(8,273)	94,282
Finished goods	148,632	(8,634)	139,998
	$ 394,522	($ 23,704)	$ 370,818

The cost of inventories recognised as expense for the year:

	Years ended December 31, 2024	Years ended December 31, 2023
Cost of goods sold	$ 509,096	$ 716,108
Loss on inventory decline in market value	10,026	3,085
Unallocated fixed manufacturing overhead	132,612	122,546
	$ 651,734	$ 841,739

(6) Non-current assets held for sale

	December 31, 2024	December 31, 2023
Land held for sale	$ 238,365	$ 238,365
Buildings and structures held for sale	176,080	176,080
Machinery held for sale	756	756
	$ 415,201	$ 415,201

A. For certain land and buildings located in Tongluo, Miaoli held by the Company, the Company assessed the optimal utilization of the assets in response to changes in the overall business environment, and thus transferred the related assets to non-current assets held for sale for the years ended December 31, 2024 and 2023.

B. The fair value of non-current assets held for sale less costs to sell was higher than the carrying amount based on the assessment. Thus, no impairment has occurred. Information relating to fair value of the non-current assets held for sale is provided in Note 12(3).

C. Information about the non-current assets held for sale that were pledged to others as collateral is provided in Note 8.

(7) Investments accounted for using equity method

	2024	2023
At January 1	$ 64,490	$ 103,562
Addition of investments accounted for using equity method	71,445	-
Share of profit or loss of investments accounted for using equity method	(31,722)	(38,015)
Realized profit from sales	-	24
Effect of cumulative translation	3,722	(1,081)
At December 31	$ 107,935	$ 64,490

A. Subsidiaries and associates accounted for using equity method

Investee company	December 31, 2024 Carrying amount	December 31, 2024 Ownership (%)	December 31, 2023 Carrying amount	December 31, 2023 Ownership (%)
Subsidiary:				
Zhejiang Amulaire Thermal Technology Co., Ltd.	$ 94,101	55%	$ 43,813	55%
Amulaire Thermal Technology (Japan), Inc.	3,917	100%	3,338	100%
Associate:				
Ever Superior Technologies Corporation	9,917	30%	17,339	30%
	$ 107,935		$ 64,490	

B. Share of profit or loss of investments accounted for using equity method are as follows:

Subsidiary:	December 31, 2024 Investment profit (loss)	December 31, 2024 Other comprehensive income (loss)	December 31, 2023 Investment profit (loss)	December 31, 2023 Other comprehensive income (loss)
Zhejiang Amulaire Thermal Technology Co., Ltd.	($ 24,993)	$ 3,836	($ 22,289)	($ 886)
Amulaire Thermal Technology (Japan), Inc.	693	(114)	781	(195)
Associate:				
Ever Superior Technologies Corporation	(7,422)	-	(16,507)	-
	($ 31,722)	$ 3,722	($ 38,015)	($ 1,081)

C. Subsidiary:

(a) Details of the Company’s subsidiaries are provided in Note 4(3) of the Company’s consolidated financial statements as of and for the year ended December 31, 2024.

(b) In January 2024, the Company increased its capital in Zhejiang Amulaire Thermal Technology Co., Ltd. by $71,445. The Company’s shareholding ratio was 55%.

D. Associate:

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

Company name	Principal place of business	Registered location	Nature of relationship	Method of measurement	Shareholding ratio December 31, 2024	Shareholding ratio December 31, 2023
Ever Superior Technologies Corporation	Taiwan	Taiwan	Strategic investment	Equity method	30%	30%

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

Balance sheet

	Ever Superior Technologies Corporation December 31, 2024	Ever Superior Technologies Corporation December 31, 2023
Current assets	$ 19,377	$ 42,020
Non-current assets	160,798	168,265
Current liabilities	(113,386)	(81,168)
Non-current liabilities	(33,732)	(71,319)
Total net assets	$ 33,057	$ 57,798
Carrying amount of the associate	$ 9,917	$ 17,339

Statement of comprehensive income

	Ever Superior Technologies Corporation Year ended December 31, 2024	Ever Superior Technologies Corporation Year ended December 31, 2023
Revenue	$ 55,220	$ 38,690
Loss for the year from continuing operations	($ 24,741)	($ 55,024)
Total comprehensive loss	($ 24,741)	($ 55,024)

(8) Property, plant and equipment

	Land	Buildings and structures	Machinery	Office equipment	Leasehold improvements	Construction in progress and be inspected	Total
At January 1, 2024							
Cost	$ 477,520	$ 526,164	$ 574,078	$ 13,573	$ 38,853	$ 31,480	$ 1,661,668
Accumulated depreciation and impairment		(117,420)	(300,745)	(9,663)	(21,017)		(448,845)
	$ 477,520	$ 408,744	$ 273,333	$ 3,910	$ 17,836	$ 31,480	$ 1,212,823
2024							
Opening net book amount as at January 1	$ 477,520	$ 408,744	$ 273,333	$ 3,910	$ 17,836	$ 31,480	$ 1,212,823
Additions (including transfers)	-	3,346	44,016	952	-	(27,939)	20,375
Disposals							
- Cost	(7,543)	-	(2,377)	-	-	-	(9,920)
- Accumulated depreciation and impairment	-	-	1,566	-	-	-	1,566
Depreciation charge	-	(17,437)	(55,347)	(1,508)	(3,147)		(77,439)
Impairment loss	-	-	(9,390)	-	-	-	(9,390)
Closing net book amount as at December 31	$ 469,977	$ 394,653	$ 251,801	$ 3,354	$ 14,689	$ 3,541	$ 1,138,015
At December 31, 2024							
Cost	$ 469,977	$ 529,510	$ 615,717	$ 14,525	$ 38,853	$ 3,541	$ 1,672,123
Accumulated depreciation and impairment	-	(134,857)	(363,916)	(11,171)	(24,164)	-	(534,108)
	$ 469,977	$ 394,653	$ 251,801	$ 3,354	$ 14,689	$ 3,541	$ 1,138,015

	Land	Buildings and structures	Machinery	Office equipment	Leasehold improvements	Construction in progress and be inspected	Total
At January 1, 2023							
Cost	$ 715,885	$ 696,957	$ 476,775	$ 13,052	$ 38,853	$ 122,999	$ 2,064,521
Accumulated depreciation and impairment	-	(105,746)	(233,039)	(8,992)	(7,212)	(18,542)	(373,531)
	$ 715,885	$ 591,211	$ 243,736	$ 4,060	$ 31,641	$ 104,457	$ 1,690,990
2023							
Opening net book amount as at January 1	$ 715,885	$ 591,211	$ 243,736	$ 4,060	$ 31,641	$ 104,457	$ 1,690,990
Additions (including transfers)	-	15,146	81,485	1,418	-	(72,977)	25,072
Disposals							
- Cost	-	-	(1,876)	(897)	-	-	(2,773)
- Accumulated depreciation and impairment	-	-	1,876	897	-	-	2,773
Transferred to non-current assets held for sale	(238,365)	(176,080)	(756)	-	-	-	(415,201)
Depreciation charge	-	(21,533)	(51,132)	(1,568)	(13,805)	-	(88,038)
Closing net book amount as at December 31	$ 477,520	$ 408,744	$ 273,333	$ 3,910	$ 17,836	$ 31,480	$ 1,212,823
At December 31, 2023							
Cost	$ 477,520	$ 526,164	$ 574,078	$ 13,573	$ 38,853	$ 31,480	$ 1,661,668
Accumulated depreciation and impairment	-	(117,420)	(300,745)	(9,663)	(21,017)	-	(448,845)
	$ 477,520	$ 408,744	$ 273,333	$ 3,910	$ 17,836	$ 31,480	$ 1,212,823

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

B. For the year ended December 31, 2024, part of the Company’s equipment was idle due to the update of the production process, and it was assessed that there was an indication of impairment, so the Company accrued impairment loss amounting to $9,390.

C. Details of reclassifications of non-current assets held for sale are provided in Note 6(6).

(9) Leasing arrangements－lessee

	December 31, 2024	December 31, 2023
Right-of-use assets:		
Buildings and structures	$ 28,296	$ 34,253
Transportation equipment (Business vehicles)	657	3,001
	$ 28,953	$ 37,254
Lease liabilities:		
Current	$ 6,965	$ 8,373
Non-current	26,289	33,253
	$ 33,254	$ 41,626

A. The Company leases various assets including buildings and business vehicles. Periods of rental contracts are typically 1 to 10 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose covenants, but leased assets may not be used as security for borrowing purposes.

B. The Company's short-term leases comprise employees' dormitory and low-value assets comprise copy machines.

C. The depreciation for right-of-use assets is as follows:

	Years ended December 31,	
	2024	2023
Buildings and structures	$ 5,957	$ 8,368
Transportation equipment (Business vehicles)	2,344	2,530
	$ 8,301	$ 10,898

D. For the years ended December 31, 2024 and 2023, there were no additions to right-of-use assets .

E. For the years ended December 31, 2024 and 2023, due to the amendments of the lease contract, the Company's right-of-use assets and lease liabilities decreased by $0 and $19,286, $0 and $20,670, respectively.

F. Excluding depreciation, the information on profit and loss accounts relating to lease contracts is as follows:

	Years ended December 31,	
	2024	2023
Interest expense on lease liabilities	$ 559	$ 838
Expense on short-term lease contracts	535	1,503
Expense on leases of low-value assets	247	243
Gain on lease modification	-	(1,383)

G. For the years ended December 31, 2024 and 2023, the Company's total cash outflow for leases were $9,713 and $12,795, respectively.

(10) Short-term borrowings

Type of borrowings	December 31, 2024	Interest rate	Collateral
Bank borrowings			
Secured borrowings	$ 30,000	2.29%	Note8

There were no such transactions at December 31, 2023.

(11) Other payables

	December 31, 2024	December 31, 2023
Wages and salaries payable	$ 11,810	$ 19,909
Bonus payable	9,508	14,360
Processing fees payable	7,741	58,804
Payables on machinery and equipment	3,419	3,965
Others	31,261	68,310
	$ 63,739	$ 165,348

(12) Long-term borrowings

Type of borrowings	Borrowing period and repayment term	Interest rate	December 31, 2024
Secured borrowings	Repay the loan within 20 years monthly starting from July 2021 (including grace period of 2 years)	2.05%	$ 309,404
	Repay the loan within 15 years monthly starting from June 2016 (including grace period of 4 years)	2.05%	161,588
	Repay the loan within 17 years monthly starting from June 2018 (including grace period of 2 years)	2.05%	166,032
	Repay the loan within 7 years monthly starting from April 2022 (including grace period of 3 years)	1.58%	82,615
			719,639
Less: Current portion			(66,893)
			$ 652,746

Type of borrowings	Borrowing period and repayment term	Interest rate	December 31, 2023	
Secured borrowings	Repay the loan within 20 years monthly starting from July 2021 (including grace period of 2 years)	1.93%	$	324,871
	Repay the loan within 15 years monthly starting from June 2016 (including grace period of 4 years)	1.93%		184,822
	Repay the loan within 17 years monthly starting from June 2018 (including grace period of 2 years)	1.93%		180,084
	Repay the loan within 7 years monthly starting from April 2022 (including grace period of 3 years)	1.45%		31,500
				721,277
Less: Current portion			(	52,658)
			$	668,619

A. As of December 31, 2024 and 2023, the unused long-term bank borrowing facilities of the Company were $670,111 and $379,973, respectively.

B. Information on collaterals pledged to others as securities for long-term borrowings is provided in Note 8.

C. The Company intends to dispose certain land and buildings located in Tungluo, Miaoli (refer to Note 6(6) for details) and plans to simultaneously settle the long-term borrowings secured by pledging those assets upon completion of sale. The related amount is $309,404 (including current portion).

(13) Pensions

A. Defined benefit pension plans

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

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

	December 31, 2024	December 31, 2023
Present value of defined benefit obligations	($ 6,699)	($ 7,080)
Fair value of plan assets	9,774	9,011
Net defined benefit assets (Note)	$ 3,075	$ 1,931

Note: Recognised in other non-current assets.

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

Year ended December 31, 2024	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit (liabilities) asset
Balance at January 1	($ 7,080)	$ 9,011	$ 1,931
Current service cost	(121)	-	(121)
Interest (expense) income	(89)	114	25
	(7,290)	9,125	1,835
Remeasurements:			
Return on plan assets (Note)	-	791	791
Change in financial assumptions	259	-	259
Experience adjustments	(11)	-	(11)
	248	791	1,039
Pension fund contribution	-	201	201
Paid pension	343	(343)	-
Balance at December 31	($ 6,699)	$ 9,774	$ 3,075

Year ended December 31, 2023	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit (liabilities) asset
Balance at January 1	($ 7,921)	$ 8,625	$ 704
Interest (expense) income	(99)	109	10
	(8,020)	8,734	714
Remeasurements:			
Return on plan assets (Note)	-	75	75
Experience adjustments	940	-	940
	940	75	1,015
Pension fund contribution	-	202	202
Balance at December 31	($ 7,080)	$ 9,011	$ 1,931

Note: Does not include the amount of interest income or expense.

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

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

	Years ended December 31,	
	2024	2023
Discount rate	1.65%	1.25%
Future salary increases	2.00%	2.00%

Assumptions regarding future mortality rate are estimated based on the Taiwan Life Insurance Industry 2nd Annuity Table.

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

	Discount rate		Future salary increases	
	Increase 0.25%	Decrease 0.25%	Increase 1%	Decrease 1%
December 31, 2024				
Effect on present value of defined benefit obligation	($ 155)	$ 160	$ 668	($ 592)
December 31, 2023				
Effect on present value of defined benefit obligation	($ 170)	$ 177	$ 734	($ 649)

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

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

(f) Expected contributions to the defined benefit pension plan of the Company for the year ending December 31, 2025 amount to $201.

(g) As of December 31, 2024, the weighted average duration of the retirement plan is 12.3 years.

B. Defined contribution pension plan

(a) Effective July 1, 2005, the Company has established a defined contribution pension plan (the "New Plan") under the Labour Pension Act (the "Act"), covering all regular employees with R.O.C. nationality. Under the New Plan, the Company contributes an amount based on 6% of the employees' monthly salaries and wages to the employees' individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment.

(b) The pension costs under the defined contribution pension plan of the Company for the years ended December 31, 2024 and 2023 were $7,663 and $9,376, respectively.

(14) Share-based payment

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

Type of arrangement	Grant date	Quantity granted (in thousands)	Period	Vesting conditions
Cash capital increase reserved for employee preemption	2023.11.09	2,250	Not applicable	Vesting immediately
Fifth employee stock options compensation plan	2021.03.18	5,000	2 years 6 months	Service of 2 years

B. Details of the employee stock options compensation plan are as follows:

	Year ended December 31, 2023	
	No. of shares (in thousands)	Weighted-average exercise price (in dollars)
Options outstanding at the beginning of year	2,077	$ 69.50
Options forfeited	(2,077)	69.50
Options outstanding at the end of year	-	-
Options exercisable at the end of year	-	-

There was no such transaction for the year ended December 31, 2024.

C. The Company estimated the fair value on the grant date using the Black-Scholes option-pricing model. Details are as follows:

Type of arrangement	Grant date	Stock price (in dollars)	Exercise price (in dollars)	Expected price volatility	Expected vesting period	Expected dividend yield rate	Risk-free interest rate	Fair value per unit (in dollars)
Fifth employee stock options compensation plan	2021.3.18	$ 58.50	$ 69.50	32.8%	2.25 years	0%	0.200%	$ 7.70

D. Compensation costs incurred on the share-based payment transactions of the employee stock option plan for the years ended December 31, 2024 and 2023 were $0 and $1,333, respectively.

E. Compensation costs incurred on the share-based payment transactions of the employee stock option plan were reversed in the amounts of $0 and $731 for the years ended December 31, 2024 and 2023, respectively, due to the failure to meet the vesting condition.

(15) Share capital

A. The Company's authorized capital was $1,500,000, consisting of 150,000 thousand shares of ordinary stock (including 10,000 thousand shares reserved for employee stock options), and the paid-in capital was $1,046,023 with a par value of $10 (in dollars) per share. All proceeds from shares issued have been collected.

B. Movements in the number of the Company's ordinary shares (in thousands) outstanding are as follows:

	2024	2023
At January 1	$ 104,602	$ 89,602
Issuance of shares	-	15,000
At December 31	$ 104,602	$ 104,602

C. On August 10, 2023, the Board of Directors of the Company resolved to increase its cash capital by issuing 15,000 thousand ordinary shares with a par value of $10 (in dollars) per share and a premium issuance price of $28.5 (in dollars) per share. The effective date was set on December 13, 2023, and the registration for the change was completed.

(16) Capital surplus

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

(17) Accumulated losses

A. Under the Company's Articles of Incorporation, the current year's earnings, if any, shall first be used to pay all taxes and offset prior years' operating losses, then 10% of the remaining amount shall be set aside as legal reserve. After setting aside or reversing a special reserve in accordance with related laws and competent authority, the appropriation of the remaining earnings, along with the accumulated unappropriated earnings, shall be proposed by the Board of Directors and resolved by the shareholders as dividends to shareholders.

B. For the Company's dividend policy, the shareholders' interest is given priority, and the Company's current and future development plans are considered, as well as domestic industry competition, investing environment, and capital needs. Dividends are distributed in the form of shares or cash. The general standards of the dividend distribution in the industry and capital market are used as the basis for distribution. However, cash dividends shall account for at least 10% of the total dividends. The form and ratio of distribution are subject to the actual net income and capital position and are proposed by the Board of Directors and resolved by shareholders.

C. Except for covering accumulated deficit, distributing dividends or increasing capital, the legal reserve shall not be used for any other purpose. Capitalization of or distributing dividends from the legal reserve is permitted, provided that the Company has no deficit and the balance of the reserve exceeds 25% of the Company's paid-in capital.

D. The deficit compensation for the year ended December 31, 2023 was resolved and approved by the shareholders in May 2024.

E. The deficit compensation for the year ended December 31, 2022 was resolved and approved by the shareholders in May 2023.

(18) Operating revenue

	Years ended December 31,	
	2024	2023
Revenue from contracts with customers	$ 659,458	$ 848,743

A. The Company derives revenue from the transfer of goods and services at a point in time, and the Company's revenue mainly arises from Germany, China and Japan.

B. The Company has recognised the following revenue-related contract liabilities (shown as other current liabilities):

	December 31, 2024	December 31, 2023	January 1, 2023
Contract liabilities	$ 687	$ 662	$ 1,461

For the years ended December 31, 2024 and 2023, revenues recognised that were included in the contract liabilities balance at the beginning of the year were $662 and $1,461, respectively.

(19) Other gains and losses

	Years ended December 31,	
	2024	2023
Foreign exchange gians	$ 15,950	$ 5,937
Gains on financial liabilities at fair value through profit or loss	201	619
Impairment loss on property, plant and equipment	(9,390)	-
Disposal loss recognised in profit or loss, property, plant and equipment	(3,475)	53
Gain on lease modification	-	1,383
Others	-	(118)
	$ 3,286	$ 7,874

(20) Finance costs

	Years ended December 31,	
	2024	2023
Interest income from bank borrowings	$ 15,197	$ 20,864
Interest expense on lease liability	559	838
	$ 15,756	$ 21,702

(21) Expenses by nature

	Year ended December 31, 2024		
	Operating costs	Operating expenses	Total
Employee benefit expense			
Wages and salaries	$ 104,761	$ 69,462	$ 174,223
Labour and health insurance fees	10,639	7,539	18,178
Pension costs	4,185	3,574	7,759
Directors' remuneration	-	490	490
Other personnel expenses	7,659	3,125	10,784
	$ 127,244	$ 84,190	$ 211,434
Depreciation	$ 69,928	$ 15,812	$ 85,740
Amortisation	$ 1,944	$ 3,709	$ 5,653

	Year ended December 31, 2023		
	Operating costs	Operating expenses	Total
Employee benefit expense			
Wages and salaries	$ 151,722	$ 81,784	$ 233,506
Employee stock options	427	175	602
Labour and health insurance fees	15,091	8,191	23,282
Pension costs	5,330	4,046	9,376
Directors' remuneration	-	500	500
Other personnel expenses	17,372	5,853	23,225
	$ 189,942	$ 100,549	$ 290,491
Depreciation	$ 65,296	$ 33,640	$ 98,936
Amortisation	$ 2,636	$ 3,956	$ 6,592

A. As of December 31, 2024 and 2023, the Company had 227 and 313 employees, respectively, and there were 6 non-employee directors for both years.

B. (a) For the years ended December 31, 2024 and 2023, average employee benefit expense amounted to $954 and $945, respectively.

(b) For the years ended December 31, 2024 and 2023, average employees' salaries amounted to $788 and $763, respectively.

(c) For the year ended December 31, 2024, adjustment of average employees' salaries was 3%.

C. According to the Articles of Incorporation of the Company, a ratio of distributable profit of the current year, after covering accumulated losses, shall be distributed as employees' compensation and directors' remuneration. The ratio shall be 5~15% for employees' compensation and shall not be higher than 3% for directors' remuneration.

D. No employees' compensation and directors' remuneration was accrued due to the net loss before tax incurred for the years ended December 31, 2024 and 2023.

E. The Company has set up a remuneration committee. Remuneration of the directors and managers and compensation of employees shall be discussed and approved by the remuneration committee and then submitted to the Board of Directors for discussion and resolution after taking into consideration their participation frequency and contribution to the Company's operations as well as annual goal achievement and performance contribution.

F. The Company's employee salary includes monthly salary, bonus and employees' compensation. The salary standard is determined based on the position, education experience, professional knowledge and market value.

G. Information about employees' compensation and directors' and supervisors' remuneration of the Company as resolved by the Board of Directors will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(22) Income tax

A. Components of income tax expense (benefit)

(a) Components of income tax expense (benefit)

	Years ended December 31, 2024	Years ended December 31, 2023
Deferred tax:		
Origination and reversal of temporary differences	$ 1,207	($ 9,292)
Income tax expense (benefit)	$ 1,207	($ 9,292)

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

	Years ended December 31, 2024	Years ended December 31, 2023
Remeasurement of defined benefit obligations	$ 208	$ 203

B. Reconciliation between income tax expense (benefit) and accounting profit

	Years ended December 31, 2024	Years ended December 31, 2023
Tax calculated based on loss before tax and statutory tax rate	($ 41,182)	($ 46,571)
Expenses disallowed by tax regulation	134	80
Taxable loss not recognised as deferred tax assets	42,255	37,199
Income tax expense (benefit)	$ 1,207	($ 9,292)

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

	2024			
	January 1	Recognised in profit or loss	Recognised in other comprehensive income	December 31
Temporary differences:				
- Deferred tax assets:				
Inventory valuation loss	$ 4,741	$ 2,005	$ -	$ 6,746
Investment income or loss	12,673	(2,472)	-	10,201
Impairment loss	3,400	1,466	-	4,866
Others	1,050	151	-	1,201
	$ 21,864	$ 1,150	$ -	$ 23,014
- Deferred tax liabilities:				
Unrealised exchange gain	($ 2,053)	($ 2,587)	$ -	($ 4,640)
Others	(636)	230	(208)	(614)
	($ 2,689)	($ 2,357)	($ 208)	($ 5,254)

	2023			
	January 1	Recognised in profit or loss	Recognised in other comprehensive income	December 31
Temporary differences:				
- Deferred tax assets:				
Inventory valuation loss	$ 4,124	$ 617	$ -	$ 4,741
Investment income or loss	5,070	7,603	-	12,673
Impairment loss	3,709	(309)	-	3,400
Others	1,928	(878)	-	1,050
	$ 14,831	$ 7,033	$ -	$ 21,864
- Deferred tax liabilities:				
Unrealised exchange gain	($ 4,605)	$ 2,552	$ -	($ 2,053)
Others	(140)	(293)	(203)	(636)
	($ 4,745)	$ 2,259	($ 203)	($ 2,689)

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

E. Expiration dates of unused tax losses and amounts of unrecognised deferred tax assets are as follows:

December 31, 2024

Year incurred	Amount filed/ assessed	Unused amount	Unrecognised deferred tax assets	Expiry year
2021	$ 87,233	$ 87,233	$ 87,233	2031
2022	212,448	212,448	212,448	2032
2023	191,390	191,390	191,390	2033
2024	167,190	167,190	167,190	2034
	$ 658,261	$ 658,261	$ 658,261	

December 31, 2023

Year incurred	Amount filed/ assessed	Unused amount	Unrecognised deferred tax assets	Expiry year
2021	$ 87,233	$ 87,233	$ 87,233	2031
2022	212,448	212,448	212,448	2032
2023	185,993	185,993	185,993	2033
	$ 485,674	$ 485,674	$ 485,674	

(23) Loss per share

	Year ended December 31, 2024		
	Amount after tax	Retrospective adjustment to weighted average number of ordinary shares outstanding (shares in thousands)	Loss per share (in dollars)
Basic loss per share			
Loss	($ 207,116)	104,602	($ 1.98)
Diluted loss per share			
Loss attributable to the parent	($ 207,116)	104,602	
Assumed conversion of all dilutive potential ordinary shares			
Employee stock options (Note)	-	-	
Loss plus assumed conversion of all dilutive potential ordinary shares	($ 207,116)	104,602	($ 1.98)

	Year ended December 31, 2023		
	Amount after tax	Retrospective adjustment to weighted average number of ordinary shares outstanding (shares in thousands)	Loss per share (in dollars)
Basic loss per share			
Loss	($ 223,566)	90,344	($ 2.47)
Diluted loss per share			
Loss attributable to the parent	($ 223,566)	90,344	
Assumed conversion of all dilutive potential ordinary shares			
Employee stock options (Note)	-	-	
Loss plus assumed conversion of all dilutive potential ordinary shares	($ 223,566)	90,344	($ 2.47)

Note: The employee stock options were not included in the calculation of the diluted loss per share as they have anti-dilutive effect.

(24) Supplemental cash flow information

Investing activities with partial cash payments:

	Years ended December 31,	
	2024	2023
Purchase of property, plant and equipment	$ 20,375	$ 25,072
Add: Begining balance of payable on equipment	3,965	1,399
Ending balance of prepayments for business facilities	10,619	7,909
Beginning balance of decommissioning provisions	6,695	6,695
Less: Ending balance of payable on equipment	(3,419)	(3,965)
Beginning balance of prepayments for business facilities	(7,909)	(18,851)
Ending balance of decommissioning provisions	(6,695)	(6,695)
Cash paid during the year	$ 23,631	$ 11,564

	Years ended December 31,	
	2024	2023
Purchase of intangible assets	$ -	$ 3,767
Less: Beginning balance of prepayments for software	-	(1,727)
Cash paid during the year	$ -	$ 2,040

(25) Changes in liabilities from financing activities

	Short-term borrowings	Long-term borrowings	Lease liabilities	Liabilities from financing activities-gross
At January 1, 2024	$ -	$ 721,277	$ 41,626	$ 762,903
Changes in cash flow from financing activities	30,000	(1,638)	(8,372)	19,990
At December 31, 2024	$ 30,000	$ 719,639	$ 33,254	$ 782,893

	Short-term borrowings	Long-term borrowings	Lease liabilities	Liabilities from financing activities-gross
At January 1, 2023	$ 267,750	$ 986,114	$ 72,507	$ 1,326,371
Changes in cash flow from financing activities	(267,750)	(264,837)	(10,211)	(542,798)
Changes in other non-cash items (Note)	-	-	(20,670)	(20,670)
At December 31, 2023	$ -	$ 721,277	$ 41,626	$ 762,903

Note: Included amendments of lease contracts.

7. RELATED PARTY TRANSACTIONS

(1) Names of related parties and relationship

Names of related parties	Relationship with the Company
Amulaire Thermal Technology (Japan), Inc.	Subsidiary
Zhejiang Amulaire Thermal Technology Co., Ltd.	Subsidiary
Ever Superior Technologies Corporation	Associate accounted for using equity method

(2) Significant related party transactions

A. Operating revenue

	Years ended December 31,	
	2024	2023
Sales of goods		
Amulaire Thermal Technolgy (Japan), Inc.	$ 118,981	$ 73,510
Zhejiang Amulaire Thermal Technology Co., Ltd.	6,790	2,354
	$ 125,771	$ 75,864

Sales to abovementioned related parties are based on the initial cost plus necessary profit. The term is 60~120 days after monthly billing for the related parties and 30~90 days after monthly billings for the third parties.

B. Purchases:

	Years ended December 31,	
	2024	2023
Purchases of goods:		
Zhejiang Amulaire Thermal Technology Co., Ltd.	$ 2,679	$ -

Purchases from abovementioned related parties are determined by reference to market prices and based on mutual agreements. The term is 30 days after monthly billing for the related parties and 30~90 days after monthly billings for the non-related parties.

C. Processing fees

	Year ended December 31	
	2024	2023
Zhejiang Amulaire Thermal Technology Co., Ltd.	$ 5,276	$ -
Ever Superior Technologies Corporation	57,751	33,791
Total	$ 63,027	$ 33,791

The above processing fees pertains to the materials provided by the Company to the related party for manufacturing products through outsourcing. Processing fees are based on the agreed price and payment terms are based on mutual agreement.

D. Revables from related parties:

	December 31, 2024	December 31, 2023
Accounts receivable		
Amulaire Thermal Technolgy (Japan), Inc.	$ 19,362	$ 19,179

E. Payables to related parties

	December 31, 2024		December 31, 2023	
Accounts payable:				
Zhejiang Amulaire Thermal Technology Co., Ltd.	$	316	$	-
Other payables				
Zhejiang Amulaire Thermal Technology Co., Ltd.	$	6,366	$	-
Ever Superior Technologies Corporation		6,659		17,729
Total	$	13,025	$	17,729

Other payables to related parties mainly consist of collections and processing fees related to commissioned processing of materials.

F. Equity transactions

In January 2024, the Company participated in a cash capital increase of Zhejiang Amulaire Thermal Technology Co., Ltd. amounting to $71,445.

G. Key management compensation

	Years ended December 31,			
	2024		2023	
Salaries and other short-term employee benefits	$	3,890	$	5,399
Post-employment benefits		108		176
	$	3,998	$	5,575

8. PLEDGED ASSETS

Items	December 31, 2024		December 31, 2023		Purpose
Land	$	469,977	$	477,520	Short-term borrowings and long-term borrowings
Land (Note 1)		238,365		238,365	Long-term borrowings
Building		394,653		408,744	Short-term borrowings and long-term borrowings
Time deposits (Note 2)		4,013		10,900	Short-term borrowings and performance
	$	1,107,008	$	1,135,529	

Note 1: Recognised in non-current assets classified as held for sale.

Note 2: Recognised in financial assets at amortised cost-current.

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNISED CONTRACT COMMITMENTS

(1) Contingencies:

None.

(2) Commitments:

Capital expenditures contracted but not yet paid are as follows:

	December 31, 2024	December 31, 2023
Property, plant and equipment	$ 9,372	$ 12,923

10. SIGNIFICANT DISASTER LOSS

None.

11. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

None.

12. OTHERS

(1) Capital management

The Company's objectives when managing capital are to maintain an optimal financial structure and capital ratio in order to support operations and to maximise interests for shareholders. Related ratio of net debt divided by total capital is provided in the balance sheet for each reporting period.

(2) Financial instruments

A. Financial instruments by category

	December 31, 2024	December 31, 2023
Financial assets		
Financial asset at fair value through profit or loss	$ 93,823	$ -
Financial assets at amortised cost (Note 1)	$ 212,873	$ 469,080
Financial liabilities		
Financial liabilities at fair value through profit or loss		
Financial liabilities held for trading	$ 835	$ -
Financial assets at amortised cost (Note 2)	$ 860,240	$ 994,837
Lease liability	$ 33,254	$ 41,626

Note 1: Including cash and cash equivalents, financial assets at amortized cost, accounts receivable (including related parties), other receivable (including related parties) and guarantee deposits paid.

Note 2: Including short-term borrowings, accounts payable (including related parties), other payables (including related parties), long-term borrowings (including current portion) and guarantee deposits received.

B. Risk management policies

(a) The Company's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial position and financial performance.

(b) Risk management is carried out by a treasury department (Company treasury) under policies approved by the Board of Directors. Company treasury identifies, evaluates and hedges financial risks in close cooperation with the Company's operating units.

C. Significant financial risks and degrees of financial risks

(a) Market risk

<u>Foreign exchange risk</u>

i. The Company's foreign currency transactions are mainly denominated in USD and EUR. Foreign exchange risk arises from future commercial transactions, and recognised assets and liabilities.

ii. Management has set up a policy to require company to manage their foreign exchange risk against their functional currency. Foreign exchange risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency that is not the entity's functional currency.

iii. The Company hedges foreign exchange rate by using forward exchange contracts. However, the Company does not adopt hedging accounting. Details of financial assets or liabilities at fair value through profit or loss are provided in Note 6(2).

iv. The Company's businesses involve some non-functional currency operations. The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

(Foreign currency: functional currency)	Foreign currency amount (In thousands)	Exchange rate	Book value (NTD)	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
	December 31, 2024			Sensitivity analysis		
Financial assets						
Monetary items						
USD:NTD	$ 4,263	32.79	$ 139,784	1%	$ 1,398	$ -
EUR:NTD	964	34.14	32,911	1%	329	-
Impact of consolidated entities net assets measured in foreign currency						
RMB:NTD	$ 20,287	4.48	$ 93,307	1%	$ -	$ 933
Financial liabilities						
Monetary items						
USD:NTD	$ 734	32.79	$ 24,068	1%	$ 241	$ -

(Foreign currency: functional currency)	Foreign currency amount (In thousands)	Exchange rate	Book value (NTD)	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
	December 31, 2023			Sensitivity analysis		
Financial assets						
Monetary items						
USD:NTD	$ 9,323	30.71	$ 286,263	1%	$ 2,863	
EUR:NTD	1,354	33.98	46,009	1%	460	
Impact of consolidated entities net assets measured in foreign currency						
RMB:NTD	$ 10,118	4.33	$ 43,813	1%	$ -	$ 438
Financial liabilities						
Monetary items						
USD:NTD	$ 794	30.71	$ 24,384	1%	$ 244	$ -

v. Total exchange gains, including realised and unrealised arising from significant foreign exchange variation on the monetary items held by the Company for the years ended December 31, 2024 and 2023 amounted to $15,950 and $5,937, respectively.

Price risk

The Company is not exposed to commodity price risk and risk arising from investments in equity securities.

Cash flow and fair value interest rate risk

i. The Company's interest rate risk arises from borrowings. Borrowings issued at variable rates expose the Company to cash flow interest rate risk, which is partially offset by cash and cash equivalents, financial assets at amortised cost-current and other current financial assets held at variable rates. Borrowings issued at fixed rates expose the Company to fair value interest rate risk. During the years ended December 31, 2024 and 2023, the Company's borrowings at variable rate were denominated in the NTD.

ii. At December 31, 2024 and 2023, if interest rates on NTD-denominated borrowings at that date had been 0.1% higher/lower with all other variables held constant, pre-tax profit for the years ended December 31, 2024 and 2023 would have been $750 and $721 lower/higher, respectively, mainly as a result of higher/lower interest expense on floating rate borrowings.

(b) Credit risk

i. Credit risk refers to the risk of financial loss to the Company arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is that counterparties could not repay in full the accounts receivable based on the agreed terms. According to the Company's credit policy is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the customers, considering their financial position, experience and other factors. The utilisation of credit limits is regularly monitored.

ii. The Company adopts following assumptions under to assess whether there has been a significant increase in credit risk on that instrument since initial recognition:

(i) If the contract payments were past due over 90 days based on the terms, there has been a significant increase in credit risk on that instrument since initial recognition.

(ii) The default occurs when the contract payments are past due over 150 days.

iii. The following indicators are used to determine whether the credit impairment of debt instruments has occurred:

(i) It becomes probable that the issuer will enter bankruptcy or other financial reorganization due to their financial difficulties;

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

(iii) Adverse changes in national or regional economic conditions that are expected to cause a default.

(c) Liquidity risk

i. Cash flow forecasting is performed by Company treasury. Company treasury monitors rolling forecasts of the Company's liquidity requirements to ensure it always has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities, so that the Company does not breach borrowing limits or covenants.

ii. The Company's financing facilities are as follows:

	December 31, 2024	December 31, 2023
Credit facility for unsecured bank borrowings		
Drawn amount	$ -	$ -
Undrawn amount	50,000	-
	$ 50,000	$ -
Credit facility for secured bank borrowings		
Drawn amount	1,419,750	1,309,750
Undrawn amount	660,705	1,070,710
	$ 2,080,455	$ 2,380,460

iii. Company treasury invests surplus cash held by the operating entities in interest bearing current accounts, time deposits, and marketable securities based on the Company's capital requirements, choosing instruments with appropriate maturities or sufficient liquidity to provide sufficient headroom as determined by the abovementioned forecasts. As at December 31, 2024 and 2023, the Company held money market position of $146,939 and $165,612, respectively, that are expected to readily generate cash inflows for managing liquidity risk.

iv. Except for those listed in the table below, the Company's non-derivative financial liabilities and net-settled or gross-settled derivative financial liabilities will expire within 1 year. As of December 31, 2024 and 2023, the significant cash flows within 1 year of financial liabilities at fair value through profit or loss, accounts payable and other payables (including related parties), are the undiscounted amount and are in agreement with the balance of each account in the balance sheets.

December 31, 2024	Within 1 year	Between 2 and 5 years	Over 5 years
Short-term and Long-term borrowings (including current portion)	$ 111,938	$ 339,127	$ 397,822
Lease liabilities	$ 6,965	$ 26,289	$ -

December 31, 2023	Within 1 year	Between 2 and 5 years	Over 5 years
Short-term and Long-term borrowings (including current portion)	$ 66,490	$ 266,932	$ 461,506
Lease liabilities	$ 8,373	$ 28,321	$ 4,932

(3) Fair value information

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

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. A market is regarded as active, in which transactions for the asset or liability take place with enough frequency and volume to provide pricing information on an ongoing basis.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. The fair value of the Company's investment in derivative instruments is included in Level 2.

Level 3: Non-observable inputs for the asset or liability. The Company's non-current assets held for sale are included in Level 3.

B. Financial instruments not measured at fair value

The Company's carrying amounts of cash and cash equivalents, current financial assets at amortised cost, accounts receivable (including related parties), other receivables (including related parties), guarantee deposits paid, short-term borrowings, accounts payable (including related parties) and other payables (including related parties), long-term borrowings (including current portion) and guarantee deposits received are approximate to their fair values.

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

December 31, 2024	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value measurements				
Financial assets measured at fair value through profit or loss				
Beneficiary certificates	$ 93,823	$ -	$ -	$ 93,823
Non-recurring fair value measurements				
Non-current assets held for sale (Note)	-	-	903,426	903,426
Total	$ 93,823	$ -	$ 903,426	$ 997,249
Liabilities				
Recurring fair value measurements				
Financial liabilities at fair value through profit or loss				
Derivative instruments	$ -	$ 835	$ -	$ 835

December 31, 2023	Level 1	Level 2	Level 3	Total
Liabilities				
Non-recurring fair value measurements				
Non-current assets held for sale				
Non-current assets held for sale (Note)	$ -	$ -	$ 463,295	$ 463,295

Note: Under IFRS 5, assets held for sale must be measured at fair value less costs to sell when the fair value less the cost to sell is lower than the carrying amount.

D. Beneficiary certificates held by the Company that used market quoted prices as their fair values (that is, Level 1) are open-end funds, and the market quoted prices are based on net asset value.

E. Derivative instruments held by the Company were mainly from forward foreign exchange contracts, which were the non-standard and low-complexity financial instruments, and the Company adopts valuation technique that is widely used by market participants. The inputs are normally observable in the market.

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

G. For the years ended December 31, 2024 and 2023, there was no transfer into or out of Level 3.

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

	Fair value at December 31, 2024	Valuation technique	Significant unobservable inputs	Range (weighted average)	Relationship of inputs to fair value
Non-current assets held for sale	$ 903,426	comparison method	Not applicable	Not applicable	Not applicable

	Fair value at December 31, 2024	Valuation technique	Significant unobservable inputs	Range (weighted average)	Relationship of inputs to fair value
Non-current assets held for sale	$ 463,295	comparison method	Not applicable	Not applicable	Not applicable

13. SUPPLEMENTARY DISCLOSURES

(1) Significant transactions information

A. Loans to others: Refer to table 1.

B. Provision of endorsements and guarantees to others: None.

C. Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): Refer to table 2.

D. Acquisition or sale of the same security with the accumulated cost exceeding NT$300 million or 20% of the Company's paid-in capital: None.

E. Acquisition of real estate reaching NT$300 million or 20% of paid-in capital or more: None.

F. Disposal of real estate reaching NT$300 million or 20% of paid-in capital or more: None.

G. Purchases or sales of goods from or to related parties reaching NT$100 million or 20% of paid-in capital or more: Refer to table 3.

H. Receivables from related parties reaching NT$100 million or 20% of paid-in capital or more: None.

I. Trading in derivative instruments undertaken during the reporting periods: Refer to Note 6(2).

J. Significant inter-company transactions during the reporting periods: Refer to table 4.

(2) Information on investees

Names, locations and other information of investee companies (not including investees in China): Refer to table 5.

(3) Information on investments in China

A. Basic information: Refer to table 6.

B. Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area: Note 13(1) J.

(4) Major shareholders information

Major shareholders information: Refer to table 7.

14. SEGMENT INFORMATION

Not applicable.

Amulaire Thermal Technology, Inc.

Loans to others

Year ended December 31, 2024

Table 1

Expressed in thousands of NTD

(Except as otherwise indicated)

No. (Note 1)	Creditor	Borrower	General ledger account (Note 2)	Is a related party	Maximum outstanding balance ended December 31, 2024 (Note 3)	Balance as of December 31, 2024 (Note 8)	Actual amount drawn down	Interest rate	Nature of loan (Note 4)	Amount of transactions with the borrower (Note 5)	Reason for short-term financing (Note 6)	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party (Note 7)	Ceiling on total loans granted (Note 7)	Footnote
													Item	Value			
0	Amulaire Thermal Technology, Inc.	Amulaire Thermal Technology (Japan), Inc.	Other receivable-related parties	Yes	$ 2,099	$ 2,099	$ -	2.40%	2	$ -	Turnover	$ -	-	$ -	$ 141,087	$ 564,346	

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

(1) The Company is ‘0’.

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

Note 2: Fill in the name of account in which the loans are recognised, such as receivables–related parties, current account with stockholders, prepayments, temporary payments, etc.

Note 3: Fill in the maximum outstanding balance of loans to others during the year ended December 31, 2024.

Note 4: Fill in the nature of the loan as follows:

(1) ‘1’ for business transaction.

(2) ‘2’ for short-term financing.

Note 5: Fill in the amount of business transactions when nature of the loan is 1, which is the amount of business transactions occurred between the creditor and borrower in the current year.

Note 6: Fill in purpose of loan when nature of loan is 2, for example, repayment of loan, acquisition of equipment, working capital, etc.

Note 7: Fill in limit on loans granted to a single party and ceiling on total loans granted as prescribed in the creditor company’s “Procedures for Provision of Loans”, the calculation and amount are as follows:

(1) Limit on loans granted to a single party is 10% of the creditor company’s net assets based on the latest financial statements.

(2) Ceiling on total loans granted is 40% of the creditor company’s net assets based on the latest financial statements.

Note 8: The amounts of funds to be loaned to others which have been approved by the board of directors of a public company in accordance with Article 14, Item 1 of the “Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies” should be included in its published balance of loans to others at the end of the reporting period to reveal the risk of loaning the public company bears, even though they have not yet been appropriated. However, this balance should exclude the loans repaid when repayments are done subsequently to reflect the risk adjustment. In addition, if the board of directors of a public company has authorized the chairman to loan funds in instalments or in revolving within certain lines and within one year in accordance with Article 14, Item 2 of the “Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies”, the published balance of loans to others at the end of the reporting period should also include these lines of loaning approved by the board of directors, and these lines of loaning should not be excluded from this balance even though the loans are repaid subsequently, for taking into consideration they could be loaned again thereafter.

Amulaire Thermal Technology, Inc.

Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures)

December 31, 2024

Table 2

Expressed in thousands of NTD

(Except as otherwise indicated)

				As of December 31, 2024				
Securities held by	Marketable securities	Relationship with the securities issuer	General ledger account	Number of shares (in thousands / thousand units)	Book value	Ownership (%)	Fair value	Footnote
Amulaire Thermal Technology, Inc.	SinoPac TWD Money Market Fund	N/A	Current financial assets at fair value through other comprehensive income	1,984	$ 28,774	-	$ 28,774	
Amulaire Thermal Technology, Inc.	Yuanta De-Li Money Market Fund	N/A	Current financial assets at fair value through other comprehensive income	1,296	22,029	-	22,029	
Amulaire Thermal Technology, Inc.	JIH SUN MONEY MARKET FUND	N/A	Current financial assets at fair value through other comprehensive income	1,296	20,055	-	20,055	
Amulaire Thermal Technology, Inc.	TCB Taiwan Money Market Fund	N/A	Current financial assets at fair value through other comprehensive income	1,710	18,049	-	18,049	
Amulaire Thermal Technology, Inc.	Taishin 1699 Money Market Fund	N/A	Current financial assets at fair value through other comprehensive income	347	4,916	-	4,916	

Amulaire Thermal Technology, Inc.

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

Year ended December 31, 2024

Table 3

Expressed in thousands of NTD

(Except as otherwise indicated)

			Transaction				Differences in transaction terms compared to third party transactions (Note 1)		Notes/accounts receivable (payable)		
Purchaser/seller	Counterparty	Relationship with the counterparty (Note 2)	Purchases (sales)	Amount	Percentage of consolidated total operating revenues or total assets (Note 3)	Transaction terms	Unit price	Credit term	Balance	Percentage of notes/accounts receivable (payable)	Footnote (Note 3)
Amulaire Thermal Technology, Inc.	Amulaire Thermal Technology (Japan), Inc.	(1)	Sales	$ 118,981	17%	Payment within 120 days after shipment	The selling price is based on the original cost plus the necessary profit	For general customers, payment will be collected within 60-90 days after shipment.	$ 19,362	13%	

Note 1: If terms of related-party transactions are different from third-party transactions, explain the differences and reasons in the 'Unit price' and 'Credit term' columns.

Note 2: Relationship between transaction company and counterparty is classified into the following three categories; fill in the number of category each case belongs to (If transactions between parent company and subsidiaries or between subsidiaries refer to the same transaction, it is not required to disclose twice. For example, if the parent company has already disclosed its transaction with a subsidiary, then the subsidiary is not required to disclose the transaction; for transactions between two subsidiaries, if one of the subsidiaries has disclosed the transaction, then the other is not required to disclose the transaction.):

(1) Parent company to subsidiary.

(2) Subsidiary to parent company.

(3) Subsidiary to subsidiary.

Note 3: In case related-party transaction terms involve advance receipts (prepayments) transactions, explain in the footnote the reasons, contractual provisions, related amounts, and differences in types of transactions compared to third-party transactions.

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

Amulaire Thermal Technology, Inc.

Significant inter-company transactions during the reporting period

Year ended December 31, 2024

Table 4

Expressed in thousands of NTD

(Except as otherwise indicated)

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction: General ledger account	Transaction: Amount	Transaction: Transaction terms	Transaction: Percentage of consolidated total operating revenues or total assets (Note 3)
0	Amulaire Thermal Technology, Inc.	Amulaire Thermal Technology (Japan), Inc.	(1)	Sales	$ 118,981	Based on mutual agreement	17%

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

(1)Parent company is '0'.

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

Note 2: Relationship between transaction company and counterparty is classified into the following three categories; fill in the number of category each case belongs to (If transactions between parent company and subsidiaries or between subsidiaries refer to the same transaction, it is not required to disclose twice. For example, if the parent company has already disclosed its transaction with a subsidiary, then the subsidiary is not required to disclose the transaction; for transactions between two subsidiaries, if one of the subsidiaries has disclosed the transaction, then the other is not required to disclose the transaction.):

(1)Parent company to subsidiary.

(2)Subsidiary to parent company.

(3)Subsidiary to subsidiary.

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

Note 4: The Company may decide to disclose or not to disclose transaction details in this table based on the Materiality Principle.

Amulaire Thermal Technology, Inc.

Information on investees

Year ended December 31, 2024

Table 5

Expressed in thousands of NTD

(Except as otherwise indicated)

Investor	Investee (Notes 1, 2)	Location	Main business activities	Initial investment amount: Balance as at December 31, 2024	Initial investment amount: Balance as at December 31, 2023	Shares held as at December 31, 2024: Number of shares	Shares held as at December 31, 2024: Ownership (%)	Shares held as at December 31, 2024: Book value	Net profit (loss) of the investee for the year ended December 31, 2024 (Note 2(2))	Investment income (loss) recognised by the Company for the year ended December 31, 2024 (Note 2(3))	Footnote
Amulaire Thermal Technology, Inc.	Amulaire Thermal Technology (Japan), Inc.	Japan	Sales of vehicles and electronic components	$ 2,462	$ 2,462	900	100%	$ 3,917	$ 693	$ 693	Subsidiary
"	Ever Superior Technologies Corporation	Taiwan	Surface treatment of metal product	54,000	54,000	5,400	30%	9,917	(24,741)	(7,422)	Investments made using the equity method

Note 1: If a public company is equipped with an overseas holding company and takes consolidated financial report as the main financial report according to the local law rules, it can only disclose the information of the overseas holding company about the disclosure of related overseas investee information.

Note 2: If situation does not belong to Note 1, fill in the columns according to the following regulations:

(1) The columns of ‘Investee’, ‘Location’, ‘Main business activities’, Initial investment amount’ and ‘Shares held as at December 31, 2024’ should fill orderly in the Company’s (public company’s) information on investees and every directly or indirectly controlled investee’s investment information, and note the relationship between the Company (public company) and its investee each (ex. direct subsidiary or indirect subsidiary) in the ‘footnote’ column..

(2) The ‘Net profit (loss) of the investee for the year ended December 31, 2024’ column should fill in amount of net profit (loss) of the investee for this period.

(3) The ‘Investment income (loss) recognised by the Company for the year ended December 31, 2024’ column should fill in the Company (public company) recognised investment income (loss) of its direct subsidiary and recognised investment income (loss) of its investee accounted for under the equity method for this period. When filling in recognised investment income (loss) of its direct subsidiary, the Company (public company) should confirm that direct subsidiary’s net profit (loss) for this period has included its investment income (loss) which shall be recognised by regulations.

Amulaire Thermal Technology, Inc.

Information on investments in Mainland China

Year ended December 31, 2024

Table 6

Expressed in thousands of NTD

(Except as otherwise indicated)

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2024	Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan for the year ended December 31, 2024		Accumulated amount of remittance from Taiwan to Mainland China of December 31, 2024	Net income of investee for the year December 31, 2024	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended December 31, 2024 (Note 2)	Book value of investments in Mainland China of December 31, 2024	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2024	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
Zhejiang Amulaire Thermal Technology Co., Ltd.	Manufacturing and sales of vehicles and electronic components	$ 260,175	(1)	$ 71,652	$ 71,445	$ -	$ 143,097	($ 45,442)	55%	($ 24,993)	$ 94,101	$ -	

Company name	Accumulated amount of remittance from Taiwan to Mainland China of December 31, 2024	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (MOEA)	Ceiling on investments in Mainland China imposed by the Investment Commission of MOEA
Amulaire Thermal Technology, Inc.	$ 143,097	$ 143,097	$ 846,520

Note 1: Investment methods are classified into the following three categories; fill in the number of category each case belongs to:

(1) Directly invest in a company in Mainland China..

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

(3) Others

Note 2: Investment income (loss) was recognised based on the financial statements that were audited and attested by R.O.C. parent company’s CPA.

Note 3: The numbers in this table are expressed in New Taiwan Dollars.

Amulaire Thermal Technology, Inc.

Major shareholders information

December 31, 2024

Table 7

Name of major shareholders	Shares	
	Number of shares held (Note)	Ownership (%)
PAO-YU II INVESTMENTS LIMITED	6,831	6.53%

AMULAIRE THERMAL TECHNOLOGY, INC.
DETAILS OF ACCOUNTS RECEIVABLE
DECEMBER 31, 2024
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Client Name	Description	Amount	Note
A company		$ 85,770	
B company		33,485	
Others		11,455	Note
		130,710	
Less: Allowance for uncollectible accounts		(2,841)	
Total		$ 127,869	

Note: Balance of each client has not exceeded 5% of total account balance.

AMULAIRE THERMAL TECHNOLOGY, INC.
DETAILS OF INVENTORIES
DECEMBER 31, 2024
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Item	Amount: Cost	Amount: Net Realizable Value	Note
Raw materials	$ 87,958	$ 92,783	
Work in progress	69,811	63,899	
Finished goods	117,407	121,427	
	275,176	$ 278,109	
Less: Allowance for inventory valuation losses and losses for obsolete and slow-moving inventories	(33,730)		
	$ 241,446		

AMULAIRE THERMAL TECHNOLOGY, INC.
CHANGES IN INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD
FOR THE YEAR ENDED DECEMBER 31, 2024
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Name	Beginning balance		Increase in the current period (Note)		Profit and loss on investments	Accumulatively converted and adjusted amount	Ending balance			Published price or net equity value		Provision of guarantee or pledge	Notes
	Share (in thousands)	Amount	Share (in thousands)	Amount	Amount	Amount	Share (in thousands)	Percentage of Ownership	Amount	Unit Price	Total Amount		
Zhejiang Amulaire Thermal Technology Co., Ltd.	3,000	$ 43,813	3,000	$ 71,445	($ 24,993)	$ 3,836	6,000	55%	$ 94,101	$ 15.68	$ 94,101	None	
Amulaire Thermal Technology (Japan) Inc.	900	3,338	-	-	693	(114)	900	100%	3,917	4.35	3,917	None	
Ever Superior Technologies Corporation	5,400	17,339	-	-	(7,422)	-	5,400	30%	9,917	1.84	9,917	None	
		$ 64,490		$ 71,445	($ 31,722)	$ 3,722			$ 107,935		$ 107,935		

Note: The increase in the current period was resulted from the participation of the Company in the capital increase by cash of the investee.

AMULAIRE THERMAL TECHNOLOGY, INC.
DETAILS OF LONG-TERM BORROWINGS
DECEMBER 31, 2024
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Creditor	Amount	Contract Period	Range of Interest Rate	Collateral	Note
Taiwan Cooperative Bank	$ 309,404	According to the contract, repayment of the loan is within 20 years monthly starting from July 2021 (including grace period of 2 years).	2.05%	Refer to Note 8	Secured borrowings
Taiwan Cooperative Bank	161,588	According to the contract, repayment of the loan is within 15 years monthly starting from June 2016 (including grace period of 4 years).	2.05%	Refer to Note 8	Secured borrowings
Taiwan Cooperative Bank	166,032	According to the contract, repayment of the loan is within 17 years monthly starting from June 2018 (including grace period of 2 years).	2.05%	Refer to Note 8	Secured borrowings
Taiwan Cooperative Bank	82,615	According to the contract, repayment of the loan is within 7 years monthly starting from April 2022 (including grace period of 3 years).	1.58%	Refer to Note 8	Secured borrowings
Less: Long-term borrowings, current portion	(66,893)				
	$ 652,746				

AMULAIRE THERMAL TECHNOLOGY, INC.
DETAILS OF OPERATING REVENUE
FOR THE YEAR ENDED DECEMBER 31, 2024
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Item	Volume (Number of pieces in thousands)	Amount	Note
Sales revenue	821 PCS	$ 577,958	
Sample and mould revenue		32,652	
Others		59,722	
		670,332	
Less: Sales returns		(5,840)	
Sales discounts and allowances		(5,034)	
Operating revenue, net		$ 659,458	

AMULAIRE THERMAL TECHNOLOGY, INC.
DETAILS OF OPERATING COSTS
FOR THE YEAR ENDED DECEMBER 31, 2024
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Item	Amount	Note
Beginning raw materials	$ 143,335	
Add: Raw materials purchased	198,500	
Less: Ending raw materials	(87,958)	
Transferred to expenses	(9,891)	
Others	(6,713)	
Consumption of materials for the year	237,273	
Direct labor	71,172	
Manufacturing expenses	255,726	
Unamortised manufacturing expenses	(132,612)	
Manufacturing cost	431,559	
Beginning work in progress	102,555	
Less: Ending work in progress	(69,811)	
Others	(3,041)	
Cost of finished goods	461,262	
Add: Beginning finished goods	148,632	
Add: Net purchase for the year	28,041	
Less: Ending finished goods	(117,407)	
Other - revenue from sale of scraps	(11,367)	
Transferred to expenses	(3,893)	
Others	(620)	
Cost of goods manufactured and sold	504,648	
Unrealised inventory valuation loss	10,026	
Unamortised manufacturing expenses	132,612	
Others	4,448	
Cost of goods sold	$ 651,734	

AMULAIRE THERMAL TECHNOLOGY, INC.
DETAILS OF MANUFACTURING OVERHEAD
FOR THE YEAR ENDED DECEMBER 31, 2024
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Item	Description	Amount	Note
Depreciation		$ 69,928	
Outsourcing processing fees		61,584	
Wages and salaries		46,018	
Utilities expense		18,578	
Others		59,618	Note
Total		$ 255,726	

Note: Balance of each item has not exceeded 5% of this account balance.

AMULAIRE THERMAL TECHNOLOGY, INC.
DETAILS OF OPERATING EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2024
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Item	Selling Expenses	Administrative Expenses	Research and Development Expenses	Total	Note
Wages and salaries	$ 11,162	$ 20,009	$ 38,291	$ 69,462	
Depreciation	1,460	5,252	9,100	15,812	
Advertising Expense	9,784	48	-	9,832	
Travel Expense	3,482	718	5,631	9,831	
Supplies Expense	-	-	8,990	8,990	
Insurance expense	980	3,070	3,590	7,640	
Service fees	-	3,966	3,239	7,205	
Export expense	6,485	-	64	6,549	
Others	6,825	9,300	23,015	39,140	Note
Total	$ 40,178	$ 42,363	$ 91,920	$ 174,461	

Note: Balance of each item has not exceeded 5% of this account balance.