

# **TPK Holding Co., Ltd. and Subsidiaries**

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

## INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders  
TPK Holding Co., Ltd.

### Opinion

We have audited the accompanying consolidated financial statements of TPK Holding Co., Ltd. and its subsidiaries (collectively referred to as the “Group”), which comprise the consolidated balance sheets as of December 31, 2024 and 2023, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the consolidated financial statements, including material accounting policy information (collectively referred to as the “consolidated financial statements”).

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

### Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with The Norm of Professional Ethics for Certified Public 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 judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matter of the Group's consolidated financial statements for the year ended December 31, 2024 is described as follows:

#### Valuation of Inventory

The description of the key audit matter:

As of December 31, 2024, the carrying amount of inventory accounted for 8% of the Group's total assets. The Group is mainly engaged in the business of developing, manufacturing and selling touch modules and related products. As the touch module industry is characterized by rapid change in technology, as well as short life cycles for the related products, in this regard, the risk surrounding the write-down of slow-moving and obsolete inventory is higher. Based on the aging of inventories, the net realizable value of the Group's products, the related sales status and the changes in the market, the Group evaluated and recognized losses related to the write-down of slow-moving and obsolete inventory monthly. Since such valuation of inventory requires significant judgment from management, the valuation of inventory has been identified as a key audit matter.

Refer to Notes 4 (g), 5 (c) and 11 to the Group's consolidated financial statements for details of the related accounting policy and the relevant information about inventory.

Corresponding audit procedures:

As for the evaluation of losses related to the write-down of slow-moving and obsolete inventory, after first gaining familiarity with the industry characteristics to which the Group belongs, we obtained an understanding of the reasonability of the Group's policy on provisions for obsolete inventory and inventory whose carrying amount was lower than the net realizable value, and we randomly inspected inventory aging and performed our own calculation to verify whether the loss recognized adhered to the Group's provision policy.

In addition, at the end of the year, we performed an inventory observation and random counting to understand the inventory status and evaluate the appropriateness of the loss of obsolete and damaged inventory.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

## **Auditors' Responsibilities for the Audit of the Consolidated Financial Statements**

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2024 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Pi-Yu Chuang and Chun-Hung Chen.

Deloitte & Touche  
Taipei, Taiwan  
Republic of China

March 24, 2025

#### Notice to Readers

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

*For the convenience of readers, the independent auditors' report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and consolidated financial statements shall prevail.*

# TPK HOLDING CO., LTD. AND SUBSIDIARIES

## CONSOLIDATED BALANCE SHEETS DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars)

| ASSETS  | 2024          |     | 2023          |     |
|---|---------------|-----|---------------|-----|
|   | Amount        | %   | Amount        | %   |
| CURRENT ASSETS (Note 4)   |               |     |               |     |
| Cash and cash equivalents (Notes 4, 6, 27 and 28)   | \$ 44,597,083 | 50  | \$ 33,941,402 | 39  |
| Financial assets at fair value through profit or loss - current (Notes 4, 7, 27 and 32)               | 1,581,621     | 2   | 991,190       | 1   |
| Financial assets at fair value through other comprehensive income - current (Notes 4, 8 and 32)       | -             | -   | 55,816        | -   |
| Financial assets at amortized cost - current (Notes 4, 9, 28, 32 and 34)                              | 2,592,879     | 3   | 12,379,629    | 14  |
| Notes and trade receivables, net (Notes 4, 10, 27, 28, 32 and 33)                                     | 9,506,770     | 10  | 9,122,866     | 10  |
| Other receivables, net (Notes 4, 10, 28, 32 and 33)   | 2,491,350     | 3   | 2,930,078     | 3   |
| Current tax assets (Notes 4, 25 and 28)   | 8,986         | -   | 57,301        | -   |
| Inventories (Notes 4, 5, 11, 27 and 28)   | 7,262,166     | 8   | 6,594,415     | 8   |
| Other current assets (Note 28)  | 918,446       | 1   | 915,127       | 1   |
| Total current assets  | 68,959,301    | 77  | 66,987,824    | 76  |
| NON-CURRENT ASSETS  |               |     |               |     |
| Financial assets at fair value through profit or loss - non-current (Notes 4, 7 and 32)               | 1,239,542     | 1   | 541,482       | 1   |
| Financial assets at fair value through other comprehensive income - non-current (Notes 4, 8 and 32)   | 19,681        | -   | 40,540        | -   |
| Investments accounted for using the equity method (Notes 4, 13 and 28)                                | 360,290       | 1   | 103,650       | -   |
| Property, plant and equipment (Notes 4, 5, 14, 27, 28, 33 and 34)                                     | 9,850,391     | 11  | 10,893,313    | 12  |
| Right-of-use assets (Notes 4, 15 and 28)  | 3,150,896     | 4   | 3,244,394     | 4   |
| Investment properties (Notes 4 and 16)  | 3,848,018     | 4   | 3,953,618     | 5   |
| Intangible assets (Notes 4, 17, 27 and 28)  | 78,035        | -   | 88,256        | -   |
| Deferred tax assets (Notes 4, 5, 25 and 28)   | 1,277,524     | 2   | 1,081,616     | 1   |
| Prepayments for equipment (Note 28)   | 317,308       | -   | 771,562       | 1   |
| Refundable deposits (Notes 28, 32 and 33)   | 77,695        | -   | 116,240       | -   |
| Net defined benefit assets - non-current (Notes 4 and 21)   | 3,582         | -   | 284           | -   |
| Other non-current assets  | 699           | -   | 548           | -   |
| Total non-current assets  | 20,223,661    | 23  | 20,835,503    | 24  |
| TOTAL   | \$ 89,182,962 | 100 | \$ 87,823,327 | 100 |
| LIABILITIES AND EQUITY  |               |     |               |     |
| CURRENT LIABILITIES (Note 4)  |               |     |               |     |
| Short-term borrowings (Notes 18, 28 and 32)   | \$ 9,920,103  | 11  | \$ 11,499,557 | 13  |
| Financial liabilities at fair value through profit or loss - current (Notes 4, 7 and 32)              | 1,202,685     | 1   | 522,973       | 1   |
| Notes and trade payables (Notes 27, 28 and 33)  | 9,586,677     | 11  | 10,109,486    | 11  |
| Payables for purchase of equipment (Notes 19, 28 and 33)  | 410,692       | 1   | 437,989       | -   |
| Other payables - others (Notes 19, 27, 28 and 33)   | 2,238,734     | 3   | 2,235,886     | 3   |
| Current tax liabilities (Notes 4 and 25)  | 304,650       | -   | 227,167       | -   |
| Provisions - current (Notes 4, 5, 11, 20 and 28)  | 1,535,760     | 2   | 1,381,436     | 2   |
| Lease liabilities - current (Notes 4, 15, 28 and 33)  | 152,451       | -   | 288,844       | -   |
| Current portion of long-term borrowings (Notes 18, 28, 32 and 34)                                     | 2,163,472     | 2   | 2,667,521     | 3   |
| Refund liabilities - current (Notes 19 and 23)  | 813,072       | 1   | 654,674       | 1   |
| Other current liabilities - others (Notes 28 and 33)  | 1,154,124     | 1   | 512,471       | 1   |
| Total current liabilities   | 29,482,420    | 33  | 30,538,004    | 35  |
| NON-CURRENT LIABILITIES   |               |     |               |     |
| Long-term borrowings (Notes 18, 28, 32 and 34)  | 14,108,725    | 16  | 15,611,161    | 18  |
| Deferred tax liabilities (Notes 4, 25 and 28)   | 2,578,850     | 3   | 2,087,696     | 2   |
| Lease liabilities - non-current (Notes 4, 15 and 28)  | 2,525,562     | 3   | 2,477,132     | 3   |
| Guarantee deposits received (Notes 28 and 32)   | 20,652        | -   | 33,021        | -   |
| Other non-current liabilities   | 101,688       | -   | 129,619       | -   |
| Total non-current liabilities   | 19,335,477    | 22  | 20,338,629    | 23  |
| Total liabilities   | 48,817,897    | 55  | 50,876,633    | 58  |
| EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Notes 4, 8, 13, 21, 22, 27, 28 and 29)                  |               |     |               |     |
| Share capital   |               |     |               |     |
| Ordinary shares   | 4,066,638     | 5   | 4,066,638     | 5   |
| Capital surplus   | 28,909,949    | 32  | 28,234,810    | 32  |
| Retained earnings   |               |     |               |     |
| Legal reserve   | 3,578,197     | 4   | 3,556,086     | 4   |
| Special reserve   | 2,683,391     | 3   | 2,256,831     | 3   |
| Accumulated deficit   | (3,491,364)   | (4) | (1,287,884)   | (2) |
| Total retained earnings   | 2,770,224     | 3   | 4,525,033     | 5   |
| Other equity  |               |     |               |     |
| Exchange differences on translating foreign operations  | 4,294,980     | 5   | 1,903,932     | 2   |
| Unrealized valuation gain (loss) on financial assets at fair value through other comprehensive income | 81,274        | -   | (2,077,825)   | (2) |
| Total other equity  | 4,376,254     | 5   | (173,893)     | -   |
| Total equity attributable to owners of the Company  | 40,123,065    | 45  | 36,652,588    | 42  |
| NON-CONTROLLING INTERESTS   | 242,000       | -   | 294,106       | -   |
| Total equity  | 40,365,065    | 45  | 36,946,694    | 42  |
| TOTAL   | \$ 89,182,962 | 100 | \$ 87,823,327 | 100 |

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

# TPK HOLDING CO., LTD. AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

|   | 2024              |           | 2023              |           |
|---|-------------------|-----------|-------------------|-----------|
|   | Amount            | %         | Amount            | %         |
| OPERATING REVENUE, NET (Notes 4, 23, 27, 33 and 38)   | \$ 68,873,618     | 100       | \$ 69,861,231     | 100       |
| OPERATING COSTS (Notes 4, 11, 14, 15, 17, 20, 21, 24 and 33)                                  | <u>65,971,716</u> | <u>96</u> | <u>66,630,943</u> | <u>95</u> |
| GROSS PROFIT  | <u>2,901,902</u>  | <u>4</u>  | <u>3,230,288</u>  | <u>5</u>  |
| OPERATING EXPENSES (Notes 4, 10, 14, 15, 17, 21, 24 and 33)                                   |                   |           |                   |           |
| Selling and marketing expenses  | 277,216           | -         | 302,805           | 1         |
| General and administrative expenses   | 2,355,147         | 3         | 2,329,971         | 3         |
| Research and development expenses   | 502,399           | 1         | 585,849           | 1         |
| Expected credit loss  | <u>20,311</u>     | <u>-</u>  | <u>6,880</u>      | <u>-</u>  |
| Total operating expenses  | <u>3,155,073</u>  | <u>4</u>  | <u>3,225,505</u>  | <u>5</u>  |
| (LOSS) INCOME FROM OPERATIONS   | <u>(253,171)</u>  | <u>-</u>  | <u>4,783</u>      | <u>-</u>  |
| NON-OPERATING INCOME AND EXPENSES   |                   |           |                   |           |
| Government grant revenue (Note 4)   | 238,364           | -         | 376,356           | 1         |
| Interest income (Notes 4, 24 and 33)  | 2,070,646         | 3         | 1,935,989         | 2         |
| Other income (Notes 4, 15, 24 and 33)   | 271,960           | -         | 289,261           | -         |
| Gain on disposal of investment (Notes 4 and 28)   | 11,480            | -         | -                 | -         |
| Foreign exchange gain, net (Notes 4 and 36)   | 197,545           | -         | 174,320           | -         |
| Gain (loss) on financial instruments at fair value through profit or loss (Notes 4, 7 and 32) | 472,516           | 1         | (224,733)         | -         |
| Expected credit loss (Notes 4 and 10)   | (106,803)         | -         | -                 | -         |
| Share of loss of associates accounted for using equity method (Notes 4 and 13)                | (152,546)         | -         | (155,574)         | -         |
| Impairment loss recognized on financial assets (Notes 4 and 13)                               | (79,233)          | -         | (137,522)         | -         |
| Impairment loss recognized on intangible assets (Notes 4 and 17)                              | (51,952)          | -         | -                 | -         |
| Finance costs (Notes 4, 15, 18, 24 and 33)  | (1,222,541)       | (2)       | (1,483,370)       | (2)       |
| Other losses (Notes 4, 16 and 24)   | <u>(361,762)</u>  | <u>-</u>  | <u>(186,669)</u>  | <u>-</u>  |
| Total non-operating income and expenses   | <u>1,287,674</u>  | <u>2</u>  | <u>588,058</u>    | <u>1</u>  |
| PROFIT BEFORE INCOME TAX  | 1,034,503         | 2         | 592,841           | 1         |
| INCOME TAX EXPENSE (Notes 4 and 25)   | <u>551,187</u>    | <u>1</u>  | <u>366,755</u>    | <u>1</u>  |
| NET PROFIT FOR THE YEAR   | <u>483,316</u>    | <u>1</u>  | <u>226,086</u>    | <u>-</u>  |

(Continued)

# TPK HOLDING CO., LTD. AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

|   | 2024                |          | 2023                |          |
|---|---------------------|----------|---------------------|----------|
|   | Amount              | %        | Amount              | %        |
| OTHER COMPREHENSIVE INCOME (LOSS)   |                     |          |                     |          |
| Items that will not be reclassified subsequently to profit or loss:   |                     |          |                     |          |
| Remeasurement of defined benefit plans (Notes 4 and 21)   | \$ 2,964            | -        | \$ 1,262            | -        |
| Unrealized valuation loss on investments in equity instruments at fair value through other comprehensive income (Notes 4, 8 and 22) | (71,727)            | -        | (295,115)           | -        |
| Exchange differences arising on translation to the presentation currency (Notes 4 and 22)   | <u>2,541,628</u>    | <u>3</u> | <u>(7,055)</u>      | <u>-</u> |
|   | <u>2,472,865</u>    | <u>3</u> | <u>(300,908)</u>    | <u>-</u> |
| Items that may be reclassified subsequently to profit or loss:  |                     |          |                     |          |
| Exchange differences on translating foreign operations (Notes 4 and 22)   | (140,243)           | -        | (104,361)           | -        |
| Share of other comprehensive income of associates accounted for using equity method (Notes 4, 13 and 22)                            | <u>2,637</u>        | <u>-</u> | <u>-</u>            | <u>-</u> |
|   | <u>(137,606)</u>    | <u>-</u> | <u>(104,361)</u>    | <u>-</u> |
| Other comprehensive income (loss) for the year, net of income tax   | <u>2,335,259</u>    | <u>3</u> | <u>(405,269)</u>    | <u>-</u> |
| TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE YEAR  | <u>\$ 2,818,575</u> | <u>4</u> | <u>\$ (179,183)</u> | <u>-</u> |
| NET PROFIT ATTRIBUTABLE TO:   |                     |          |                     |          |
| Owners of the Company   | \$ 473,062          | 1        | \$ 208,390          | -        |
| Non-controlling interests   | <u>10,254</u>       | <u>-</u> | <u>17,696</u>       | <u>-</u> |
|   | <u>\$ 483,316</u>   | <u>1</u> | <u>\$ 226,086</u>   | <u>-</u> |
| TOTAL COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO:  |                     |          |                     |          |
| Owners of the Company   | \$ 2,795,347        | 4        | \$ (199,725)        | -        |
| Non-controlling interests   | <u>23,228</u>       | <u>-</u> | <u>20,542</u>       | <u>-</u> |
|   | <u>\$ 2,818,575</u> | <u>4</u> | <u>\$ (179,183)</u> | <u>-</u> |
| EARNINGS PER SHARE (Note 26)  |                     |          |                     |          |
| Basic   | <u>\$ 1.16</u>      |          | <u>\$ 0.51</u>      |          |
| Diluted   | <u>\$ 1.16</u>      |          | <u>\$ 0.51</u>      |          |

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

(Concluded)



TPK HOLDING CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023  
(In Thousands of New Taiwan Dollars)

|  | Equity Attributable to Owners of the Company |   |                            |                              |   | Other Equity   |  | Total         | Non-controlling Interests<br>(Notes 4, 22, 27, 28 and 29) | Total Equity  |
|--|--|---|----------------------------|------------------------------|---|--|--|---------------|---|---------------|
|  | Share Capital<br>(Notes 4 and 22)            | Capital Surplus<br>(Notes 4, 13, 22, 27, 28 and 29) | Retained Earnings          |                              |   | Exchange Differences on Translating Foreign Operations<br>(Notes 4, 13 and 22) | Unrealized Valuation Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income<br>(Notes 4, 8 and 22) |               |   |               |
|  |  |   | Legal Reserve<br>(Note 22) | Special Reserve<br>(Note 22) | Unappropriated Earnings<br>(Accumulated Deficit)<br>(Notes 4, 8, 21 and 22) |  |  |               |   |               |
| BALANCE AT JANUARY 1, 2023   | \$ 4,066,638                                 | \$ 28,231,125                                       | \$ 3,497,439               | \$ 189,610                   | \$ 831,664  | \$ 2,018,194   | \$ (1,782,710)   | \$ 37,051,960 | \$ 319,867  | \$ 37,371,827 |
| Appropriation of 2022 earnings   |  |   |                            |                              |   |  |  |               |   |               |
| Legal reserve  | -  | -   | 58,647                     | -                            | (58,647)  | -  | -  | -             | -   | -             |
| Special reserve  | -  | -   | -                          | 2,067,221                    | (2,067,221)   | -  | -  | -             | -   | -             |
| Cash dividends distributed by the Company  | -  | -   | -                          | -                            | (203,332)   | -  | -  | (203,332)     | -   | (203,332)     |
| Changes in capital surplus from investment in associates accounted for using the equity method               | -  | 3,696   | -                          | -                            | -   | -  | -  | 3,696         | -   | 3,696         |
| Net profit for the year ended December 31, 2023  | -  | -   | -                          | -                            | 208,390   | -  | -  | 208,390       | 17,696  | 226,086       |
| Other comprehensive income (loss) for the year ended December 31, 2023, net of income tax                    | -  | -   | -                          | -                            | 1,262   | (114,262)  | (295,115)  | (408,115)     | 2,846   | (405,269)     |
| Total comprehensive income (loss) for the year ended December 31, 2023                                       | -  | -   | -                          | -                            | 209,652   | (114,262)  | (295,115)  | (199,725)     | 20,542  | (179,183)     |
| Change in non-controlling interests  | -  | (11)  | -                          | -                            | -   | -  | -  | (11)          | 36,011  | 36,000        |
| Cash dividends distributed by the subsidiary   | -  | -   | -                          | -                            | -   | -  | -  | -             | (82,314)  | (82,314)      |
| BALANCE AT DECEMBER 31, 2023   | 4,066,638                                    | 28,234,810  | 3,556,086                  | 2,256,831                    | (1,287,884)   | 1,903,932  | (2,077,825)  | 36,652,588    | 294,106   | 36,946,694    |
| Appropriation of 2023 earnings   |  |   |                            |                              |   |  |  |               |   |               |
| Legal reserve  | -  | -   | 22,111                     | -                            | (22,111)  | -  | -  | -             | -   | -             |
| Special reserve  | -  | -   | -                          | 426,560                      | (426,560)   | -  | -  | -             | -   | -             |
| Net profit for the year ended December 31, 2024  | -  | -   | -                          | -                            | 473,062   | -  | -  | 473,062       | 10,254  | 483,316       |
| Other comprehensive income (loss) for the year ended December 31, 2024, net of income tax                    | -  | -   | -                          | -                            | 2,964   | 2,391,048  | (71,727)   | 2,322,285     | 12,974  | 2,335,259     |
| Total comprehensive income (loss) for the year ended December 31, 2024                                       | -  | -   | -                          | -                            | 476,026   | 2,391,048  | (71,727)   | 2,795,347     | 23,228  | 2,818,575     |
| Changes in capital surplus from investment in associates accounted for using the equity method               | -  | 75,633  | -                          | -                            | -   | -  | -  | 75,633        | -   | 75,633        |
| Disposal of subsidiaries   | -  | -   | -                          | -                            | -   | -  | -  | -             | (85,437)  | (85,437)      |
| Difference between the consideration and the carrying amount of the subsidiary acquired or disposed          | -  | 582,277   | -                          | -                            | -   | -  | -  | 582,277       | (31,301)  | 550,976       |
| Change in non-controlling interests  | -  | 17,229  | -                          | -                            | -   | -  | -  | 17,229        | 41,404  | 58,633        |
| Disposal of investments in equity instruments designated as at fair value through other comprehensive income | -  | -   | -                          | -                            | (2,230,835)   | -  | 2,230,826  | (9)           | -   | (9)           |
| BALANCE AT DECEMBER 31, 2024   | \$ 4,066,638                                 | \$ 28,909,949                                       | \$ 3,578,197               | \$ 2,683,391                 | \$ (3,491,364)  | \$ 4,294,980   | \$ 81,274  | \$ 40,123,065 | \$ 242,000  | \$ 40,365,065 |

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

# TPK HOLDING CO., LTD. AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars)

|  | 2024         | 2023        |
|--|--------------|-------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>  |              |             |
| Profit before income tax   | \$ 1,034,503 | \$ 592,841  |
| Adjustments for:   |              |             |
| Depreciation expenses  | 3,497,077    | 3,852,958   |
| Amortization expenses  | 24,479       | 34,394      |
| Expected credit loss   | 127,114      | 6,880       |
| Net (gain) loss on fair value changes of financial assets and liabilities at fair value through profit or loss | (389,952)    | 226,793     |
| Finance costs  | 1,222,541    | 1,483,370   |
| Interest income  | (2,070,646)  | (1,935,989) |
| Dividend income  | (11,272)     | (11,200)    |
| Share of loss of associates accounted for using equity method  | 152,546      | 155,574     |
| Loss (gain) on disposal of property, plant and equipment   | 49,346       | (93,265)    |
| Gain on disposal of investment properties  | (108,768)    | -           |
| Gain on lease modification   | (2,297)      | (387)       |
| Gain on disposal of investment   | (11,480)     | -           |
| Impairment loss recognized on financial assets   | 79,233       | 137,522     |
| Impairment loss recognized on non-financial assets   | 51,952       | 26,890      |
| Recognition (reversed) of provisions   | 376,164      | (184,618)   |
| Changes in operating assets and liabilities  |              |             |
| Increase in notes and trade receivables  | (144,154)    | (325,464)   |
| Decrease in other receivables  | 666,384      | 3,774,695   |
| (Increase) decrease in inventories   | (738,438)    | 2,600,623   |
| Increase in other current assets   | (31,318)     | (132,607)   |
| (Decrease) increase in notes and trade payables  | (574,646)    | 811,691     |
| Increase (decrease) in other payables  | 168,203      | (595,567)   |
| Decrease in provisions   | (273,132)    | (249,219)   |
| Increase in other current liabilities  | 658,243      | 194,449     |
| Decrease in net defined benefit plans  | (334)        | (369)       |
| Increase in refund liabilities   | 111,489      | 255,259     |
| Cash generated from operations   | 3,862,837    | 10,625,254  |
| Interest received  | 1,469,220    | 1,332,539   |
| Dividends received   | 11,272       | 11,200      |
| Income tax paid  | (297,358)    | (1,009,807) |
| Net cash generated from operating activities   | 5,045,971    | 10,959,186  |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>  |              |             |
| Purchase of financial assets at fair value through other comprehensive income                                  | -            | (121,920)   |
| Proceeds from sale of financial assets at fair value through other comprehensive income                        | 8,908        | -           |
| Decrease (increase) in financial assets at amortized cost  | 10,187,772   | (1,995,486) |
| Purchase of financial assets at fair value through profit or loss  | (1,014,695)  | (940,767)   |

(Continued)

# TPK HOLDING CO., LTD. AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars)

|   | 2024                 | 2023                 |
|---|----------------------|----------------------|
| Issue of financial liabilities at fair value through profit or loss                       | \$ 17,338            | \$ 159,191           |
| Proceeds from sale of financial assets at fair value through profit or loss               | 836,283              | 108,939              |
| Acquisition of associates   | (302,180)            | (150,175)            |
| Acquisition of the subsidiary   | (34,807)             | -                    |
| Net cash inflow on disposal of subsidiaries   | 619,391              | -                    |
| Payments for property, plant and equipment  | (146,606)            | (200)                |
| Proceeds from disposal of property, plant and equipment                                   | 53,115               | 126,263              |
| Decrease (increase) in refundable deposits  | 32,991               | (535)                |
| Payments for intangible assets  | (9,775)              | (19,056)             |
| (Increase) decrease in other non-current assets   | (125)                | 345                  |
| Increase in prepayments for equipment   | <u>(833,135)</u>     | <u>(1,046,810)</u>   |
| Net cash generated from (used in) investing activities                                    | <u>9,414,475</u>     | <u>(3,880,211)</u>   |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>   |                      |                      |
| (Decrease) increase in short-term borrowings  | (2,213,895)          | 3,818,561            |
| Proceeds from long-term borrowings  | 13,854,761           | 11,476,869           |
| Repayments of long-term borrowings  | (16,626,059)         | (9,857,651)          |
| Refund of guarantee deposits received   | (7,974)              | (11,985)             |
| Repayments of the principal portion of lease liabilities                                  | (517,507)            | (606,352)            |
| Decrease in other non-current liabilities   | (35,113)             | (150,353)            |
| Dividends paid to owners of the Company   | -                    | (203,332)            |
| Interest paid   | (1,126,067)          | (1,303,161)          |
| Dividends paid to non-controlling interests   | -                    | (82,314)             |
| Changes in non-controlling interests  | <u>-</u>             | <u>36,000</u>        |
| Net cash (used in) generated from financing activities                                    | <u>(6,671,854)</u>   | <u>3,116,282</u>     |
| <b>EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES</b> | <u>2,867,089</u>     | <u>(538,131)</u>     |
| <b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>  | 10,655,681           | 9,657,126            |
| <b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>                             | <u>33,941,402</u>    | <u>24,284,276</u>    |
| <b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>                                   | <u>\$ 44,597,083</u> | <u>\$ 33,941,402</u> |

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

(Concluded)

# TPK HOLDING CO., LTD. AND SUBSIDIARIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

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### 1. GENERAL INFORMATION

TPK Holding Co., Ltd. (the “Company”) was incorporated as a limited company under the provisions of the Company Law of the Cayman Islands on November 21, 2005.

The Company and its subsidiaries (collectively referred to as the “Group”) are mainly engaged in the business of developing, manufacturing and selling touch modules, touch display and indium tin oxide (ITO) glass-related products.

The Company’s shares have been listed on the Taiwan Stock Exchange since October 29, 2010.

The functional currency of the Company is the U.S. dollar. For greater comparability and consistency of financial reporting, the consolidated financial statements are presented in New Taiwan dollars since the Company’s shares are listed on the Taiwan Stock Exchange.

### 2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Company’s board of directors on March 13, 2025.

### 3. APPLICATION OF NEW, AMENDED AND REVISED STANDARDS AND INTERPRETATIONS

- a. Initial application of the amendments to the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) (collectively, the “IFRS Accounting Standards”) endorsed and issued into effect by the Financial Supervisory Commission (FSC)

The initial application of the IFRSs endorsed and issued into effect by the FSC did not have a material impact on the Group’s accounting policies.

- b. The IFRS Accounting Standards endorsed by the FSC for application starting from 2025

| <b>New Amended and Revised Standards and Interpretations</b>   | <b>Effective Date<br/>Announced by IASB</b> |
|--|---|
| Amendments to IAS 21 “Lack of Exchangeability”   | January 1, 2025 (Note 1)                    |
| Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments” - the amendments to the application guidance of classification of financial assets | January 1, 2026 (Note 2)                    |

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

Note 2: An entity shall apply those amendments for annual reporting periods beginning on or after January 1, 2026. It is permitted to apply these amendments for an earlier period beginning on January 1, 2025. An entity shall apply the amendments retrospectively but is not required to restate prior periods. The effect of initially applying the amendments shall be recognized as an adjustment to the opening balance at the date of initial application. An entity may restate prior periods if, and only if, it is possible to do so without the use of hindsight.

As of the date the consolidated financial statements were authorized for issue, the Group has assessed that the application of the above standards and interpretations will not have a significant impact on the Group's financial position and financial performance.

- c. New IFRS Accounting Standards in issue but not yet endorsed and issued into effect by the FSC

| <b>New Amended and Revised Standards and Interpretations</b>   | <b>Effective Date<br/>Announced by IASB (Note)</b> |
|--|--|
| Annual Improvements to IFRS Accounting Standards - Volume 11   | January 1, 2026                                    |
| Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments" - the amendments to the application guidance of derecognition of financial liabilities | 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 IASB                           |
| IFRS 17 "Insurance Contracts"  | January 1, 2023                                    |
| Amendments to IFRS 17  | January 1, 2023                                    |
| Amendments to IFRS 17 "Initial Application of IFRS 17 and IFRS 9 - Comparative Information"  | January 1, 2023                                    |
| IFRS 18 "Presentation and Disclosure in Financial Statements"  | January 1, 2027                                    |
| IFRS 19 "Subsidiaries without Public Accountability: Disclosures"  | January 1, 2027                                    |

Note: Unless stated otherwise, the above IFRS Accounting Standards are effective for annual reporting periods beginning on or after their respective effective dates.

#### IFRS 18 "Presentation and Disclosure in Financial Statements"

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

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

- Provides guidance to enhance the requirements of aggregation and disaggregation: The Group shall identify the assets, liabilities, equity, income, expenses and cash flows that arise from individual transactions or other events and shall classify and aggregate them into groups based on shared characteristics, so as to result in the presentation in the primary financial statements of line items that have at least one similar characteristic. The Group shall disaggregate items with dissimilar characteristics in the primary financial statements and in the notes. The Group labels items as “other” only if it cannot find a more informative label.
- Disclosures on Management-defined Performance Measures (MPMs): When in public communications outside financial statements and communicating to users of financial statements management’s view of an aspect of the financial performance of the Group as a whole, the Group shall disclose related information about its MPMs in a single note to the financial statements, including the description of such measures, calculations, reconciliations to the subtotal or total specified by IFRS Accounting Standards and the income tax and non-controlling interests effects of related reconciliation items.

Except for the above impact, as of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing the other impacts of the above amended standards and interpretations on the Group’s financial position and financial performance and will disclose the relevant impact when the assessment is completed.

#### **4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION**

##### **a. Statement of compliance**

The consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IFRS Accounting Standards as endorsed and issued into effect by the FSC.

##### **b. Basis of preparation**

The consolidated financial statements have been prepared on the historical cost basis except for financial instruments which are measured at fair value and net defined benefit liabilities/assets which are measured at the present value of defined benefit obligation less the fair value of plan assets.

The fair value measurements, which are grouped into Levels 1 to 3 based on the degree to which the fair value measurement inputs are observable and based on the significance of the inputs to the fair value measurement in its entirety, are described as follows:

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

##### **c. Classification of current and non-current assets and liabilities**

Current assets include:

- 1) Assets held primarily for the purpose of trading;
- 2) Assets expected to be realized within 12 months after the reporting period; and

- 3) Cash and cash equivalents unless an asset is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

Current liabilities include:

- 1) Liabilities held primarily for the purpose of trading;
- 2) Liabilities due to be settled within 12 months after the reporting period, and
- 3) Liabilities for which the Group does not have the substantial right at the end of the reporting period to defer settlement for at least 12 months after the reporting period.

Assets and liabilities that are not classified as current are classified as non-current.

d. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company (i.e., its subsidiaries).

Income and expenses of subsidiaries acquired or disposed of during the reporting period are included in the consolidated statement of profit or loss and other comprehensive income from the effective dates of such acquisitions up to the effective dates of disposals, as appropriate.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Group.

All intra-group transactions, balances, income and expenses are eliminated in full upon consolidation. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

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

When the Group loses control of a subsidiary, a gain or loss is recognized in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and any investment retained in the former subsidiary at its fair value at the date when control is lost and (ii) the assets (including any goodwill) and liabilities and any non-controlling interests of the former subsidiary at their carrying amounts at the date when control is lost. The Group accounts for all amounts recognized in other comprehensive income in relation to that subsidiary on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the cost on initial recognition of an investment in an associate.

See Note 12, Table 7 and Table 8 following the Notes to Consolidated Financial Statements for detailed information on subsidiaries (including the percentages of ownership and main businesses).

e. Business combinations

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

Goodwill is measured as the excess of the sum of the consideration transferred and the fair value of the acquirer's previously held equity interests in the acquiree over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

Business combinations involving entities under common control are not accounted for by the acquisition method. In preparing the consolidated financial statements, the balance of the difference between the investment cost generated from the acquisition of the acquiree's interests and the net assets is analyzed and dealt with in the way which was initially performed at the acquisition date.

f. Foreign currencies

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

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

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

Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rates at the date of the transaction.

For the purpose of presenting the consolidated financial statements, the functional currencies of the Company and its foreign operations (including subsidiaries, associates and branches in other countries or those that use currencies which are different from the currency of the Company) are translated into the presentation currency, the New Taiwan dollar, as follows. Income and expense items are translated at the average exchange rates for the period. The resulting currency translation differences are recognized in other comprehensive income attributed to the owners of the Company and non-controlling interests as appropriate. The exchange differences accumulated in equity which resulted from the translation of the assets and liabilities of the entities in the Group into the presentation currency are not subsequently reclassified to profit or loss.

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

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



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

g. Inventories

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

h. Investments in associates

An associate is an entity over which the Group has significant influence and that is not a subsidiary.

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

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

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

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

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

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

The Group discontinues the use of the equity method from the date on which its investment ceases to be an associate. Any retained investment is measured at fair value at that date, and the fair value is regarded as the investment's fair value at its initial recognition as a financial asset. The difference between the previous carrying amount of the associate attributable to the retained interest and its fair value is included in the determination of the gain or loss on disposal of the associate. The Group accounts for all amounts previously recognized in other comprehensive income in relation to that associate on the same basis as would be required if that associate had directly disposed of the related assets or liabilities.

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

i. Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment loss.

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

Depreciation of property, plant and equipment is recognized using the straight-line method. Each significant part is depreciated separately. The estimated useful lives, residual values and depreciation methods are reviewed at the end of each reporting period, with the effects of any changes in the estimates accounted for on a prospective basis.

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

j. Investment properties

Investment properties are properties held to earn rental and/or for capital appreciation. Investment properties include right-of-use assets.

Investment properties are initially measured at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at cost less accumulated depreciation and accumulated impairment loss.

Investment properties acquired through leases were initially measured at cost, which comprises the initial measurement of lease liabilities. These investment properties are subsequently measured at cost less accumulated depreciation and accumulated impairment loss and adjusted for any remeasurement of the lease liabilities.

Depreciation is recognized using the straight-line method.

For a transfer of classification from investment properties to property, plant and equipment, the deemed cost of the property for subsequent accounting is its carrying amount at the commencement of owner-occupation.

For a transfer of classification from property, plant and equipment and right-of-use assets to investment properties, the deemed cost of an item of property for subsequent accounting is its carrying amount at the end of owner-occupation.

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

k. Goodwill (recognized as intangible assets)

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

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

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

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

l. Intangible assets

1) Intangible assets acquired separately

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

2) Intangible assets acquired in a business combination

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

3) Derecognition of intangible assets

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

- m. Impairment of property, plant and equipment, investment properties, right-of-use assets and intangible assets other than goodwill

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

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

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

- n. Financial instruments

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

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issuance of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognized immediately in profit or loss.

- 1) Financial assets

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

- a) Measurement categories

Financial assets are classified into the following categories: Financial assets at FVTPL, financial assets at amortized cost and investments in debt instruments and equity instruments at FVTOCI.

- i. Financial assets at FVTPL

Financial assets are classified as at FVTPL when such a financial asset is mandatorily classified or designated as at FVTPL. Financial assets mandatorily classified as at FVTPL include investments in equity instruments which are not designated as at FVTOCI and debt instruments that do not meet the amortized cost criteria or the FVTOCI criteria.

Financial assets at FVTPL are subsequently measured at fair value, and any interest earned on such financial assets are recognized in other gains and losses. Fair value is determined in the manner described in Note 32.

ii. Financial assets at amortized cost

Financial assets that meet the following conditions are subsequently measured at amortized cost:

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

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

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

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

A financial asset is credit impaired when one or more of the following events have occurred:

- i) Significant financial difficulty of the issuer or the borrower;
- ii) Breach of contract, such as a default;
- iii) It is becoming probable that the borrower will enter bankruptcy or undergo a financial reorganization; or
- iv) The disappearance of an active market for that financial asset because of financial difficulties.

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

iii. Investments in debt instruments at FVTOCI

Debt instruments that meet the following conditions are subsequently measured at FVTOCI:

- i) The debt instrument is held within a business model whose objective is achieved by both the collecting of contractual cash flows and the selling of such financial assets; and
- ii) The contractual terms of the debt instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Investments in debt instruments at FVTOCI are subsequently measured at fair value. Changes in the carrying amounts of these debt instruments relating to changes in foreign currency exchange rates, interest income calculated using the effective interest method and impairment losses or reversals are recognized in profit or loss. Other changes in the carrying amounts of these debt instruments are recognized in other comprehensive income and will be reclassified to profit or loss when the investment is disposed of.

iv. Investments in equity instruments at FVTOCI

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

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

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

b) Impairment of financial assets and contract assets

The Group recognizes a loss allowance for expected credit losses on financial assets at amortized cost (including notes receivables and trade receivables) and impairment loss on investments in debt instruments that are measured at FVTOCI.

The Group always recognizes lifetime expected credit losses (ECLs) for notes and trade receivables. For all other financial instruments, the Group recognizes lifetime ECLs when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on a financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECLs.

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

For internal credit risk management purposes, the Group determines that the following situations indicate that a financial asset is in default (without taking into account any collateral held by the Group):

- i. Internal or external information show that the debtor is unlikely to pay its creditors.
- ii. When a financial asset is more than 60 days past due unless the Group has reasonable and corroborative information to support a more lagged default criterion.

The impairment loss of all financial assets is recognized in profit or loss by a reduction in their carrying amounts through a loss allowance account. Except for investments in debt instruments that are measured at FVTOCI, for which the loss allowance is recognized in other comprehensive income and the carrying amounts of such financial assets are not reduced.

c) Derecognition of financial assets

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

On derecognition of a financial asset at amortized cost in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss. On derecognition of an investment in a debt instrument at FVTOCI, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss which had been recognized in other comprehensive income is recognized in profit or loss. However, on derecognition of an investment in an equity instrument at FVTOCI, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss, and the cumulative gain or loss which had been recognized in other comprehensive income is transferred directly to retained earnings, without recycling through profit or loss.

2) Equity instruments

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments issued by a group entity are recognized at the proceeds received, net of direct issue costs.

The repurchase of the Company's own equity instruments is recognized in and deducted directly from equity. No gain or loss is recognized in profit or loss on the purchase, sale, issuance or cancellation of the Company's own equity instruments.

3) Financial liabilities

a) Subsequent measurement

Except for financial liabilities at FVTPL, all financial liabilities are measured at amortized cost using the effective interest method.

Financial liabilities are classified as at FVTPL when such financial liabilities are held for trading.

Financial liabilities held for trading are stated at fair value, with any gain or loss arising on remeasurement recognized in other gains and losses. Fair value is determined in the manner described in Note 32.

b) Derecognition of financial liabilities

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

#### 4) Derivative financial instruments

The Group enters into derivative financial instruments, including foreign exchange forward contracts, exchange rate swap contracts, cross-currency swap contracts and foreign exchange option contracts, to manage its exposure to foreign currency exchange rate and interest rate risks.

Derivatives are initially recognized at fair value at the date in which the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in profit or loss immediately. When the fair value of derivative financial instrument is positive, the derivative is recognized as a financial asset; when the fair value of a derivative financial instrument is negative, the derivative is recognized as a financial liability.

Derivatives embedded in hybrid contracts that contain financial asset hosts that is within the scope of IFRS 9 are not separated; instead, the classification is determined in accordance with the entire hybrid contract. Derivatives embedded in non-derivative host contracts that are not financial assets that is within the scope of IFRS 9 (e.g., financial liabilities) are treated as separate derivatives when they meet the definition of a derivative; their risks and characteristics are not closely related to those of the host contracts; and the host contracts are not measured at FVTPL.

#### o. Provisions

Provisions are measured at the best estimate of the discounted cash flows of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

##### 1) Onerous contracts

Provisions for onerous contracts arise where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract. The present obligations arising under onerous contracts are recognized and measured as provisions.

##### 2) Warranties

Provisions for the expected cost of warranty obligations to assure that products comply with agreed-upon specifications are recognized on the date of sale of the relevant products at the best estimate by the management of the Company of the expenditures required to settle the Group's obligations.

#### p. Revenue recognition

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

Revenue from the sale of goods comes mainly from sales of touch modules, touch display and ITO glass-related products. Sales of touch modules, touch display and ITO glass-related products are recognized as revenue when the goods are delivered to the customer's specific location or the goods are shipped because it is the time when the customer has full discretion over the manner of distribution and price to sell the goods, has the primary responsibility for sales to future customers and bears the risks of obsolescence. Trade receivables are recognized concurrently.

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



q. Leasing

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

1) The Group as lessor

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

When the Group subleases a right-of-use asset, the sublease is classified by reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. However, if the head lease is a short-term lease that the Group, as a lessee, has accounted for applying a recognition exemption, the sublease is classified as an operating lease.

Lease payments (less any lease incentives payable) from operating leases are recognized as income on a straight-line basis over the terms of the relevant leases.

2) The Group as lessee

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

Right-of-use assets are initially measured at cost, which comprises the initial measurement of lease liabilities. Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses and adjusted for any remeasurement of the lease liabilities. Right-of-use assets are presented on a separate line in the consolidated balance sheets, except for those that meet the definition of investment properties. With respect to the recognition and measurement of right-of-use assets that meet the definition of investment properties, refer to Note 10 for the accounting policies for investment properties.

Right-of-use assets are depreciated using the straight-line method from the commencement dates to the earlier of the end of the useful lives of the right-of-use assets or the end of the lease terms.

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

Subsequently, lease liabilities are measured at amortized cost using the effective interest method, with interest expense recognized over the lease terms. When there is a change in a lease term, the Group remeasures the lease liabilities with a corresponding adjustment to the right-of-use-assets. However, if the carrying amount of the right-of-use assets is reduced to zero, any remaining amount of the remeasurement is recognized in profit or loss. Lease liabilities are presented on a separate line in the consolidated balance sheets.

r. Borrowing costs

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

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

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

s. Government grants

Government grants are not recognized until there is reasonable assurance that the Group will comply with the conditions attached to them and that the grants will be received.

Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognized as deferred revenue and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognized in profit or loss in the period in which they become receivable.

t. Employee benefits

1) Short-term employee benefits

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

2) Retirement benefits

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

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

The net defined benefit liabilities (assets) represent the actual deficit (surplus) in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any refunds from the plans or reductions in future contributions to the plans.

u. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

1) Current tax

Income tax payable (refundable) is based on taxable profit (loss) for the year determined according to the applicable tax laws of each tax jurisdiction.

For the subsidiaries incorporated in the territory of the Republic of China, according to the Income Tax Law in the Republic of China, an additional tax on unappropriated earnings is provided for as income tax in the year the shareholders approve to retain earnings.

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

## 2) Deferred tax

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

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences, unused loss carryforwards and unused tax credits for purchases of machinery, equipment and technology and expenditures on research, development and personnel training to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

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

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

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

The Group has applied the exception from the recognition and disclosure of deferred tax assets and liabilities relating to Pillar Two income taxes. Accordingly, the Group neither recognizes nor discloses information about deferred tax assets and liabilities related to Pillar Two income taxes.

## 3) Current and deferred taxes for the year

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

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

## **5. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised if the revisions affect only that period or in the period of the revisions and future periods if the revisions affect both current and future periods.

### **Key Sources of Estimation Uncertainty**

#### **a. Impairment test for property, plant and equipment**

In the process of evaluating impairment of assets, the management is required to make subjective judgments in determining the independent cash flows, useful lives, expected future revenue and expenses related to specific asset groups while taking into consideration the nature of the industry. Furthermore, any changes in such estimations resulting from changes in economic conditions or the Company's strategy could possibly lead to a material impairment loss in future periods.

For the year ended December 31, 2023, the Group recognized an impairment loss on property, plant and equipment in the amount of \$26,890 thousand (for the year ended December 31, 2024: None)

#### **b. Income taxes**

As of December 31, 2024 and 2023, no deferred tax asset has been recognized on the tax loss and deductible temporary differences of \$18,126,775 thousand and \$17,642,495 thousand, respectively, due to the unpredictability of future profit streams. The realizability of deferred tax assets mainly depends on whether sufficient future profits or taxable temporary differences will be available. In cases where the actual future profits generated are difference with expected, a material adjustment of deferred tax assets may arise, which would be recognized in profit or loss for the period in which such an adjustment takes place. The details of unused tax losses as of December 31, 2024 and 2023 are described in Note 25.

#### **c. Write-downs of inventories**

The net realizable value of inventory is the estimated selling price in the ordinary course of business less the estimated costs of completion and disposal. The estimation of net realizable value is based on current market conditions and historical experience with product sales of a similar nature. Changes in market conditions may have a material impact on the estimation of the net realizable value. The carrying amounts of inventories as of December 31, 2024 and 2023 are disclosed in Note 11.

#### **d. Estimated provisions**

Provisions are present obligations arising as a result of past events. Based on the past experience, the Group recognized the estimated expenditures for settling such obligations as provisions. The Group has a variety of provisions, including onerous contracts and warranties. The carrying amounts of provisions as of December 31, 2024 and 2023 are disclosed in Note 20.

## **6. CASH AND CASH EQUIVALENTS**

|                                       | <b>December 31</b>   |                      |
|---------------------------------------|----------------------|----------------------|
|                                       | <b>2024</b>          | <b>2023</b>          |
| Cash on hand                          | \$ 651               | \$ 506               |
| Checking accounts and demand deposits | 9,096,452            | 6,914,047            |
| Cash equivalents                      |                      |                      |
| Time deposits                         | <u>35,499,980</u>    | <u>27,026,849</u>    |
|                                       | <u>\$ 44,597,083</u> | <u>\$ 33,941,402</u> |

The interest rates for deposits in the bank at the end of the year were as follows:

|          | <b>December 31</b> |             |
|----------|--------------------|-------------|
|          | <b>2024</b>        | <b>2023</b> |
| Deposits | 0%-4.58%           | 0%-5.58%    |

## 7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

|  | <b>December 31</b>  |                   |
|--|---------------------|-------------------|
|  | <b>2024</b>         | <b>2023</b>       |
| <u>Financial assets at FVTPL - current</u>               |                     |                   |
| Financial assets mandatorily classified as at FVTPL      |                     |                   |
| Derivative financial assets (not under hedge accounting) |                     |                   |
| Foreign exchange forward contracts (a)                   | \$ -                | \$ 193,572        |
| Exchange rate swap contracts (a)                         | 1,128,388           | 15,538            |
| Foreign exchange option contracts (a)                    | 76,218              | 44,602            |
| Stock option contracts (b)                               | -                   | 112,912           |
| Non-derivative financial assets                          |                     |                   |
| Domestic listed shares (c)                               | 377,015             | 365,400           |
| Foreign listed shares (d)                                | -                   | 259,166           |
|  | <u>\$ 1,581,621</u> | <u>\$ 991,190</u> |

### Financial assets at FVTPL - non-current

|   |                     |                   |
|---|---------------------|-------------------|
| Financial assets mandatorily classified as at FVTPL |                     |                   |
| Non-derivative financial assets                     |                     |                   |
| Domestic private fund (e)                           | \$ 670,781          | \$ -              |
| Foreign private fund                                | 499,122             | 541,482           |
| Hybrid financial assets                             |                     |                   |
| Domestic convertible bonds                          | 35,500              | -                 |
| Foreign convertible bonds                           | <u>34,139</u>       | <u>-</u>          |
|   | <u>\$ 1,239,542</u> | <u>\$ 541,482</u> |

### Financial liabilities at FVTPL - current

|   |                     |                   |
|---|---------------------|-------------------|
| Financial liabilities held for trading                        |                     |                   |
| Derivative financial liabilities (not under hedge accounting) |                     |                   |
| Foreign exchange forward contracts (a)                        | \$ 89,139           | \$ 184,258        |
| Exchange rate swap contracts (a)                              | 1,105,615           | 10,743            |
| Cross-currency swap contracts (a)                             | 6,954               | -                 |
| Foreign exchange option contracts (a)                         | 977                 | 318,086           |
| Stock option contracts (b)                                    | <u>-</u>            | <u>9,886</u>      |
|   | <u>\$ 1,202,685</u> | <u>\$ 522,973</u> |

- a. The Group entered into foreign exchange forward contracts, exchange rate swap contracts, cross-currency swap contracts and foreign exchange option contracts to manage exposures to exchange rate fluctuations of foreign currency-denominated assets and liabilities. However, those contracts did not meet the criteria of hedge effectiveness and, therefore, were not accounted for using hedge accounting.

At the end of the year, outstanding foreign exchange forward contracts not under hedge accounting were as follows:

|                          | Currency | Maturity Date                         | Notional Amount<br>(In Thousands) |
|--------------------------|----------|---------------------------------------|-----------------------------------|
| <u>December 31, 2024</u> |          |                                       |                                   |
| Sell USD/Buy RMB         | USD/RMB  | March 14, 2025 -<br>December 12, 2025 | USD13,000/<br>RMB917,122          |
| <u>December 31, 2023</u> |          |                                       |                                   |
| Sell USD/Buy RMB         | USD/RMB  | January 19, 2024 -<br>August 30, 2024 | USD618,000/<br>RMB4,333,472       |
| Sell NTD/Buy USD         | NTD/USD  | January 8, 2024 -<br>January 31, 2024 | NTD965,883/<br>USD31,000          |

At the end of the year, outstanding exchange rate swap contracts not under hedge accounting were as follows:

|                          | Currency | Maturity Date                           | Notional Amount<br>(In Thousands) |
|--------------------------|----------|---|-----------------------------------|
| <u>December 31, 2024</u> |          |   |                                   |
| Buy USD                  | RMB/USD  | January 8, 2025 -<br>December 23, 2025  | RMB7,795,249/<br>USD1,119,920     |
| Sell USD                 | USD/RMB  | January 8, 2025 -<br>December 23, 2025  | USD1,119,920/<br>RMB7,896,824     |
| <u>December 31, 2023</u> |          |   |                                   |
| Buy USD                  | RMB/USD  | December 4, 2024 -<br>December 27, 2024 | RMB934,036/<br>USD135,540         |
| Sell USD                 | USD/RMB  | December 4, 2024 -<br>December 27, 2024 | USD135,540/<br>RMB943,751         |
| Buy USD                  | NTD/USD  | January 16, 2024                        | NTD204,848/USD6,500               |

At the end of the year, outstanding cross-currency swap contracts not under hedge accounting were as follows (as of December 31, 2023: None):

| Notional Amount<br>(In Thousands) | Maturity Date                            | Interest Rate Paid | Range of Interest<br>Rates Received |
|-----------------------------------|--|--------------------|-------------------------------------|
| <u>December 31, 2024</u>          |  |                    |                                     |
| USD30,000/<br>RMB217,170          | November 14, 2025 -<br>November 25, 2025 | 1.45%              | 4.50%-4.60%                         |

At the end of the year, outstanding foreign exchange option contracts not under hedge accounting were as follows:

|  | Currency | Maturity Date                         | Notional Amount<br>(In Thousands) |
|--|----------|---------------------------------------|-----------------------------------|
| <u>December 31, 2024</u>                   |          |                                       |                                   |
| Combined foreign exchange option contracts |          |                                       |                                   |
| Buy USD call option                        | RMB/USD  | March 12, 2025 -<br>December 10, 2025 | RMB912,655/<br>USD130,000         |
| Sell USD put option                        | RMB/USD  | March 12, 2025 -<br>December 10, 2025 | RMB912,452/<br>USD130,000         |

December 31, 2023

|  |         |                                     |                             |
|--|---------|-------------------------------------|-----------------------------|
| Combined foreign exchange option contracts |         |                                     |                             |
| Buy USD call option                        | RMB/USD | April 10, 2024 -<br>August 28, 2024 | RMB4,198,250/<br>USD600,000 |
| Sell USD put option                        | RMB/USD | April 10, 2024 -<br>August 28, 2024 | RMB4,197,650/<br>USD600,000 |

- b. The Group entered into stock option contracts for the purpose of reducing the risk of holding Luminar Technologies, Inc. (“Luminar”) stock due to price fluctuations through option trading. However, those contracts did not meet the criteria of hedge effectiveness and, therefore, were not accounted for using hedge accounting.

At the end of the year, outstanding stock option contracts not under hedge accounting were as follows (as of December 31, 2024: None):

|                           | Maturity Date                     | Option (Paid) Premium<br>(In Thousands) |
|---------------------------|-----------------------------------|---|
| <u>December 31, 2023</u>  |                                   |   |
| Sell call option (Note 1) | January 19, 2024 - April 19, 2024 | NT\$59,109                              |
| Buy put option (Note 2)   | January 19, 2024 - April 19, 2024 | NT\$(73,777)                            |

Note 1: During the contract period, the counterparty has the right to request the Group to settle the underlying stock at the execution price.

Note 2: During the contract period, the Group has the right to request the counterparty to deliver the underlying shares at the agreed-upon execution price.

- c. In March 2023, the Group participated in the book-building process for the initial public offering of HD Renewable Energy Co., Ltd. (HD) on the Taiwan Innovation Board, subscribing for 1,000 thousand shares for a total amount of \$110,000 thousand. On September 26, 2024, HD was transferred to the Main Board. As of December 31, 2024, the Group held a 1.54% equity interest in HD.
- d. The Group acquired 1,652,892 shares of Luminar’s private placement for US\$10,000 thousand and subscribed for additional shares of Luminar’s private placement for an amount of US\$10,000 thousand in May 2023. The Group exercised the above option and acquired another 1,652,892 shares of Luminar’s private placement for US\$10,000 thousand in August 2023. The Group disposed of all its holdings in Luminar in 2024.

- e. In May 2024, the Group acquired 2,000 thousand units of the Fuh Hwa San Jose Fund for US\$20,000 thousand.

Gains and losses on financial instruments at fair value through profit or loss for the years ended December 31, 2024 and 2023 were as follows:

|  | <b>For the Year Ended December 31</b> |                     |
|--|---------------------------------------|---------------------|
|  | <b>2024</b>                           | <b>2023</b>         |
| Gain (loss) on foreign exchange            | \$ 354,136                            | \$ (137,192)        |
| Gain on domestic equity investments        | 248,326                               | 87,945              |
| Gain (loss) on foreign equity investments  | 46,410                                | (288,416)           |
| Loss on foreign private placement warrants | -                                     | (10,164)            |
| Loss on foreign private fund               | (85,107)                              | (3,378)             |
| (Loss) gain on stock option contracts      | (105,561)                             | 124,200             |
| Others                                     | <u>14,312</u>                         | <u>2,272</u>        |
|  | <u>\$ 472,516</u>                     | <u>\$ (224,733)</u> |

## 8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

|   | <b>December 31</b> |                  |
|---|--------------------|------------------|
|   | <b>2024</b>        | <b>2023</b>      |
| <u>Equity instruments</u>               |                    |                  |
| <u>Current</u>                          |                    |                  |
| Foreign listed ordinary shares          |                    |                  |
| Canoo Inc.                              | \$ <u>-</u>        | \$ <u>55,816</u> |
| <u>Non-current</u>                      |                    |                  |
| Foreign unlisted shares                 |                    |                  |
| Sensor Holdings Limited (Stretch Sense) | \$ <u>19,681</u>   | \$ <u>40,540</u> |

The Group acquired ordinary shares of Canoo Inc. and Stretch Sense for strategic purposes. Therefore, the management elected to designate these investments in equity instruments as at FVTOCI.

On March 8, 2024, Canoo Inc. executed a 1-for-23 reverse stock split. The Group disposed of all its holdings in Canoo Inc. in 2024.

The Group acquired 217 thousand preference shares of Stretch Sense from GD1 Fund II L.P., a shareholder of Stretch Sense, for US\$4,000 thousand in January 2023, and as of December 31, 2024, the Group held a 9.17% equity interest in Stretch Sense.



## 9. FINANCIAL ASSETS AT AMORTIZED COST

|  | <b>December 31</b>  |                      |
|--|---------------------|----------------------|
|  | <b>2024</b>         | <b>2023</b>          |
| <u>Current</u>   |                     |                      |
| Restricted bank deposits                                     | \$ 12,929           | \$ 2,035,886         |
| Time deposits with original maturities of more than 3 months | <u>2,579,950</u>    | <u>10,343,743</u>    |
|  | <u>\$ 2,592,879</u> | <u>\$ 12,379,629</u> |

The interest rates for time deposits with original maturities of more than 3 months as at the end of the year were as follows:

|               | <b>December 31</b> |              |
|---------------|--------------------|--------------|
|               | <b>2024</b>        | <b>2023</b>  |
| Time deposits | 1.45%-5.2265%      | 1.335%-5.91% |

The interest rates for restricted bank deposits as at the end of the year were as follow:

|                          | <b>December 31</b> |             |
|--------------------------|--------------------|-------------|
|                          | <b>2024</b>        | <b>2023</b> |
| Restricted bank deposits | 0.10%-1.60%        | 0.20%-3.35% |

Restricted bank deposits were mainly used as collateral for bank loans, customs duty guarantees, guarantees related to supplier settlements via bank-accepted bills, guarantees for road and bridge tolls, and guarantees for court litigation.

Refer to Note 34 for information relating to investments in financial assets at amortized cost pledged as security.

## 10. NOTES AND TRADE RECEIVABLES, OTHER RECEIVABLES

|  | <b>December 31</b>  |                     |
|--|---------------------|---------------------|
|  | <b>2024</b>         | <b>2023</b>         |
| <u>Notes and trade receivables (a)</u> |                     |                     |
| At amortized cost                      |                     |                     |
| Notes receivable                       | \$ -                | \$ 641,654          |
| Trade receivables                      | <u>7,742,100</u>    | <u>7,731,159</u>    |
|  | 7,742,100           | 8,372,813           |
| Less: Allowance for impairment loss    | <u>(28,198)</u>     | <u>(7,781)</u>      |
|  | 7,713,902           | 8,365,032           |
| At FVTOCI                              | <u>1,792,868</u>    | <u>757,834</u>      |
|  | <u>\$ 9,506,770</u> | <u>\$ 9,122,866</u> |

(Continued)

|   | <b>December 31</b>  |                     |
|---|---------------------|---------------------|
|   | <b>2024</b>         | <b>2023</b>         |
| <u>Other receivables (b)</u>                  |                     |                     |
| At amortized cost                             |                     |                     |
| Interest receivables                          | \$ 1,885,426        | \$ 1,197,000        |
| Retained amount from the factored receivables | 284,401             | 721,885             |
| Tax refund receivables                        | 276,886             | 515,279             |
| Others  | <u>204,630</u>      | <u>542,924</u>      |
|   | 2,651,343           | 2,977,088           |
| Less: Allowance for impairment loss           | <u>(159,993)</u>    | <u>(47,010)</u>     |
|   | <u>\$ 2,491,350</u> | <u>\$ 2,930,078</u> |
|   |                     | (Concluded)         |

a. Notes and trade receivables

1) At amortized cost

The average credit period on sales of goods is 45 to 105 days after the end of the month in which sales occur. No interest was charged on trade receivables.

In order to minimize credit risk, the management of the Group has delegated a team responsible for determining credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debt at the end of the reporting period to ensure that adequate allowance is made for possible irrecoverable amounts. In this regard, the management believes the Group's credit risk was significantly reduced.

The Group measures the loss allowance for notes and trade receivables at an amount equal to lifetime ECLs. The expected credit losses on notes and trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for general economic conditions of the industry in which the debtor operates and an assessment of both the current as well as the forecast direction of economic conditions at the reporting date.

The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g., when the debtor has been placed under liquidation. For trade receivables that have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognized in profit or loss.

2) At FVTOCI

For some trade receivables, the Group will decide whether to sell these trade receivables to banks without recourse based on its level of working capital. These trade receivables are classified as at FVTOCI because they are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

The following table details the loss allowance of notes and trade receivables based on the Group's provision matrix:

December 31, 2024

|                                | <b>Not Past Due<br/>and Up to<br/>60 Days</b> | <b>61 to 90 Days</b> | <b>91 to 180 Days</b> | <b>Over 180 Days</b> | <b>Total</b>        |
|--------------------------------|---|----------------------|-----------------------|----------------------|---------------------|
| Gross carrying amount          | \$ 9,508,190                                  | \$ 9,517             | \$ 10,182             | \$ 7,079             | \$ 9,534,968        |
| Loss allowance (Lifetime ECLs) | <u>(2,403)</u>                                | <u>(9,099)</u>       | <u>(9,617)</u>        | <u>(7,079)</u>       | <u>(28,198)</u>     |
|                                | <u>\$ 9,505,787</u>                           | <u>\$ 418</u>        | <u>\$ 565</u>         | <u>\$ -</u>          | <u>\$ 9,506,770</u> |

December 31, 2023

|                                | <b>Not Past Due<br/>and Up to<br/>60 Days</b> | <b>61 to 90 Days</b> | <b>91 to 180 Days</b> | <b>Over 180 Days</b> | <b>Total</b>        |
|--------------------------------|---|----------------------|-----------------------|----------------------|---------------------|
| Gross carrying amount          | \$ 9,075,971                                  | \$ 47,503            | \$ -                  | \$ 7,173             | \$ 9,130,647        |
| Loss allowance (Lifetime ECLs) | <u>-</u>                                      | <u>(608)</u>         | <u>-</u>              | <u>(7,173)</u>       | <u>(7,781)</u>      |
|                                | <u>\$ 9,075,971</u>                           | <u>\$ 46,895</u>     | <u>\$ -</u>           | <u>\$ -</u>          | <u>\$ 9,122,866</u> |

The movements of the loss allowance of notes and trade receivables were as follows:

|  | <b><u>For the Year Ended December 31</u></b> |                 |
|--|--|-----------------|
|  | <b>2024</b>                                  | <b>2023</b>     |
| Balance, beginning of year               | \$ 7,781                                     | \$ 613          |
| Add: Net remeasurement of loss allowance | 19,812                                       | 6,919           |
| Foreign exchange gains and losses        | <u>605</u>                                   | <u>249</u>      |
| Balance, end of year                     | <u>\$ 28,198</u>                             | <u>\$ 7,781</u> |

b. Other receivables

As of December 31, 2024 and 2023, the Group's other receivables mainly consists of interest receivables, factored but unfunded receivables, and tax refund receivables. Apart from interest receivables and tax refund receivables, the aging of the remaining receivables is less than 60 days (based on the entry date).

At amortized cost

The Group assessed an allowance for impairment loss on other receivables by reference to the recoverability of receivables. After evaluating the operations and recoverability of the receivables from debtors, the Group recognized an allowance for impairment loss of 100% against the other receivables.

The movements of the loss allowance of other receivables were as follows:

|   | <b>For the Year Ended December 31</b> |                  |
|---|---------------------------------------|------------------|
|   | <b>2024</b>                           | <b>2023</b>      |
| Balance, beginning of year                | \$ 47,010                             | \$ 47,060        |
| Add: Net remeasurement of loss allowance  | 107,302                               | -                |
| Less: Net remeasurement of loss allowance | -                                     | (39)             |
| Less: Amounts written off                 | (40)                                  | -                |
| Foreign exchange gains and losses         | <u>5,721</u>                          | <u>(11)</u>      |
| Balance, end of year                      | <u>\$ 159,993</u>                     | <u>\$ 47,010</u> |

## 11. INVENTORIES

|                  | <b>December 31</b>  |                     |
|------------------|---------------------|---------------------|
|                  | <b>2024</b>         | <b>2023</b>         |
| Finished goods   | \$ 3,002,697        | \$ 3,198,793        |
| Work in progress | 635,842             | 514,728             |
| Raw materials    | <u>3,623,627</u>    | <u>2,880,894</u>    |
|                  | <u>\$ 7,262,166</u> | <u>\$ 6,594,415</u> |

The costs of inventories recognized as costs of goods sold for the years ended December 31, 2024 and 2023 were \$65,918,821 thousand and \$66,717,661 thousand, respectively.

The accounts listed below were included in cost of goods sold:

|                              | <b>For the Year Ended December 31</b> |                  |
|------------------------------|---------------------------------------|------------------|
|                              | <b>2024</b>                           | <b>2023</b>      |
| Loss on purchase commitments | \$ 127,352                            | \$ 12,228        |
| Loss on inventory scraps     | <u>150,037</u>                        | <u>57,073</u>    |
|                              | <u>\$ 277,389</u>                     | <u>\$ 69,301</u> |

Because of the characteristics of the industry, the product life cycle is short. Therefore, there is an accrued allowance for losses on inventory with aging of over 360 days.

Due to the characteristics of the industry and market fluctuations, the Group assessed that fulfilling certain purchase commitments would result in losses. As a result, losses on purchase commitments in the amounts of \$127,352 thousand and \$12,228 thousand were recognized for the years ended December 31, 2024 and 2023, respectively. As of December 31, 2024 and 2023, the Group estimated and recognized short-term provisions for purchase commitments (Note 20) in the amounts of \$113,270 thousand and \$10,973 thousand, respectively.

## 12. SUBSIDIARIES

### a. Subsidiaries included in the consolidated financial statements

| Investor                     | Investee   | Nature of Activities  | Proportion of Ownership (%) |        | Remark             |
|------------------------------|--|---|-----------------------------|--------|--------------------|
|                              |  |   | 2024                        | 2023   |                    |
| TPK Holding Co., Ltd. (TPKH) | Improve Idea Investments Ltd. (“Improve”)            | Holding company   | 100.00                      | 100.00 |                    |
|                              | Upper Year Holdings Limited (“UYH”)                  | Holding company   | 100.00                      | 100.00 | 13)                |
|                              | Ray-Star Universal Solutions Limited (“RUSL”)        | Holding company   | 100.00                      | 100.00 | 13)                |
|                              | Amplifi Technologies Inc. (“AMPH”)                   | Holding company; research, development, manufacture and sale of resin products                          | 54.83                       | 57.69  | 16)                |
| Improve TPKA                 | TPK Asia Pacific Sdn. Bhd. (“TPKA”)                  | Holding company   | 100.00                      | 100.00 | 1)                 |
|                              | TPK Touch Solutions Inc. (“TPKT”)                    | Touch related material, modules and electric utility vehicles sales                                     | 100.00                      | 100.00 |                    |
| TPKT                         | DS Energy Technology Co., Ltd. (“DSE”)               | Solar energy system development and equipments trade, maintenance, installation and management services | -                           | 50.22  | 14)                |
| UYH                          | Stellar Energy Technology Inc. (“TPKE”)              | Electrical equipments manufacture   | -                           | 70.00  | 5)                 |
|                              | Optera TPK Holding Pte. Ltd. (“OTH”)                 | Holding company   | 100.00                      | 100.00 |                    |
|                              | TPK Universal Solutions Limited (“TPK HK”)           | Touch modules related product research; holding company and international trade                         | 100.00                      | 100.00 | 18)                |
| OTH                          | TPK Touch Solutions (Xiamen) Inc. (“TPKC”)           | Touch modules research, development, manufacture and sales  | 84.11                       | 84.11  |                    |
|                              | TPK Advance (Thailand) Company Limited (“TPK TH”)    | Touch modules manufacture and sales   | 100.00                      | -      | 15)                |
| TPK HK                       | TPK Glass Solutions (Xiamen) Inc. (“TPKG”)           | Touch modules research, development, manufacture and sales  | 100.00                      | 100.00 | 6), 8), 9) and 10) |
|                              | TPK Touch Solutions (Pingtan) Inc. (“TPKP”)          | Touch modules research, development, manufacture and sales  | 100.00                      | 100.00 |                    |
|                              | TPK Advanced Solutions Inc. (“TPKD”)                 | Touch modules research, development, manufacture and sales  | 52.00                       | 52.00  |                    |
|                              | TPK Touch Solutions (Xiamen) Inc. (“TPKC”)           | Touch modules research, development, manufacture and sales  | 15.89                       | 15.89  |                    |
|                              | XiaMen Jan Jia Optoelectronics Co., Ltd. (“TPKJ”)    | Protective film and optical adhesive manufacture and sales  | -                           | -      | 6)                 |
|                              | TPK Material Solutions (Xiamen) Inc. (“TPKMT”)       | Electronic materials manufacture  | 100.00                      | 100.00 |                    |
|                              | TPK Touch Systems (Xiamen) Inc. (“TPKS”)             | Touch modules research, development, manufacture and sales  | -                           | 100.00 | 10)                |
|                              | TPK Advanced Solutions Inc. (“TPKD”)                 | Touch modules research, development, manufacture and sales  | 48.00                       | 48.00  |                    |
| TPKG                         | XiaMen Jan Jia Optoelectronics Co., Ltd. (“TPKJ”)    | Protective film and optical adhesive manufacture and sales  | 49.00                       | 49.00  |                    |
|                              | TPK Trading (Xiamen) Inc. (“TPKCA”)                  | Trade, touch modules manufacture and sales  | 100.00                      | 100.00 | 11)                |
|                              | Trend Technology (Xiamen) Inc. (“TPKQ”)              | Inspection and testing services   | 100.00                      | 100.00 |                    |
|                              | TPK Auto Tech (Xiamen) Limited (“AUTO XM”)           | Touch modules research, development, manufacture and sales  | -                           | 90.00  | 3)                 |
|                              | TPK MasTouch Solutions (Xiamen) Inc. (“MTOH”)        | Touch modules research, development, manufacture and sales  | 100.00                      | 100.00 |                    |
|                              | TPK Precision (Xiamen) Inc. (“TPKGA”)                | Electric utility vehicles manufacture and optoelectronic components manufacture and sales               | 100.00                      | 100.00 |                    |
|                              | XiaMen Jan Jia Optoelectronics Co., Ltd. (“TPKJ”)    | Protective film and optical adhesive manufacture and sales  | 51.00                       | 51.00  | 6)                 |
|                              | TPK Film Solutions (Xiamen) Inc. (“TPKF”)            | Touch modules, protective film and optical adhesive manufacture and sales                               | 100.00                      | 100.00 | 12)                |
| TPKGA                        | TPK Precision Hong Kong Co., Limited (“TPKGA HK”)    | International trade   | 100.00                      | 100.00 | 7)                 |
| TPKJ<br>AMPH                 | Jan Jia Trading Company Limited (“TPKJ HK”)          | International trade   | 100.00                      | 100.00 |                    |
|                              | Amplifi Tech Hong Kong Co., Limited (“AMP HK”)       | Holding company and international trade   | 100.00                      | 100.00 | 4)                 |
|                              | Amplifi Channels Hong Kong Co., Limited (“AMPCH”)    | International trade   | 100.00                      | 100.00 |                    |
| AMP HK                       | Amplifi Technologies America Inc. (“AMP US”)         | Holding company   | 100.00                      | -      | 16)                |
|                              | Amplifi Tech (Xiamen) Limited (“AMP XM”)             | Resin products research, development, manufacture and sales   | 100.00                      | 100.00 | 2)                 |
| AMP US                       | Phase Ortho, Inc. (“PO”)                             | Medical products manufacture and sales  | 100.00                      | -      | 16)                |
|                              | Phase Manufacturing, LLC (“PM”)                      | Trade   | 100.00                      | -      | 16)                |
| AUTO XM                      | TPK Auto Tech Co., Limited (“AUTO HK”)               | International trade   | 100.00                      | 100.00 | 3)                 |
| AUTO HK                      | TPK Auto Tech (Thailand) Company Limited (“AUTO TH”) | Touch modules research, development, manufacture and sales  | 100.00                      | 100.00 | 3)                 |

Remark:

- 1) In order to streamline the organizational structure, the Company resolved to dissolve and liquidate TPKA. As of March 24, 2025, the process of dissolution and liquidation had not been completed.
- 2) For operational needs, AMP HK made cash capital increase on AMP XM in the amount of US\$1,000 thousand and US\$500 thousand in January and June 2024, respectively.
- 3) The Company's board of directors resolved to increase AUTO HK's cash capital in the amount of US\$4,000 thousand. After the capital increase, AUTO HK's capital increased from US\$1,000 thousand to US\$5,000 thousand, and received a capital investment of US\$3,100 thousand on December 15, 2023. For the needs of customers' businesses and the operation of the Group's business units, AUTO HK resolved to set up a branch office in Taiwan. However, in consideration of the investment structure adjustment and the global layout, the Company's board of directors agreed to revoke the proposal of an AUTO HK branch setup on March 7, 2024.

For operational needs, the Company's board of directors resolved that AUTO HK set up AUTO TH in Thailand as its subsidiary, which was completed on September 4, 2023. AUTO TH received a capital investment of THB43,536 thousand, THB34,800 thousand and THB71,664 thousand in October 2023, December 2023 and January 2024, respectively.

To strengthen the core competitiveness of AUTO XM and to improve its operations, the Company's board of directors resolved the sale by TPKG of its 60% equity of AUTO XM to TES Touch Embedded Solutions (Xiamen) Co., Ltd. (TES XM) for US\$25,080 thousand on September 27, 2023. The equity transfer transaction was completed on January 26, 2024. As the transaction, the percentage of AUTO XM's equity held by TPKG decreased from 90% to 30%, and AUTO XM and its subsidiaries were excluded from the consolidated financial statements. Refer to Note 28 for more information.

- 4) For operational needs, the Company's board of directors resolved that AMP HK set up a subsidiary in Thailand with a proposed capital amount of THB20,000 thousand. As of March 24, 2025, the registration was not completed.
- 5) For operational needs, the Company's board of directors resolved that TPKT set up TPKE in Taiwan as its subsidiary, which was completed on July 27, 2023 and received a capital investment of \$1,000 thousand in July 2023.

In addition, TPKE is optimistic about the energy storage market; in order to develop towards the back-end energy storage market, such as commercial and residential energy storage systems and charging station, TPKE has introduced an outside investor, HD, to join the joint venture by means of a cash capital increase. Therefore, TPKT's board of directors resolved to increase TPKE's cash capital in the amount of \$119,000 thousand, of which HD subscribed for \$36,000 thousand. The cash capital increase was completed on October 2, 2023. After the capital increase, TPKE's capital increased to NT\$120,000 thousand, and the percentage of TPKE's shareholding held by TPKT decreased from 100% to 70%. Refer to Note 29 for more information.

For the realignment of operational strategy, TPKT's board of directors resolved to sell the equity of TPKE to HD for \$81,194 thousand on November 7, 2024. The equity transfer transaction was completed on November 14, 2024. Refer to Note 28 for more information.

- 6) For organizational restructuring purposes, the Company's board of directors resolved that TPKG issue new shares to TPK HK, and TPKG acquire a 51% shareholding of TPKJ held by TPK HK in exchange. The capital increase was completed on May 19, 2023. After the capital increase, TPKJ became TPKG's subsidiary.
- 7) For operational needs, the Company's board of directors resolved that TPKGA set up TPKGA HK in Hong Kong as its subsidiary, which was completed on June 15, 2023 and received a capital investment of US\$4 thousand on December 28, 2023.
- 8) For operational needs, the Company's board of directors resolved to increase TPKG's cash capital in the amount of US\$90,000 thousand, US\$31,780 thousand and US\$16,180 thousand in September 2023, January and December 2024, respectively.
- 9) In consideration of the strategic layout of the touch panel industry, strengthen the upstream and downstream integration and master the strategic cooperation of key materials, the Company's board of directors resolved that TPKG and FlexTouch Technologies Co. decided to cooperate in a joint venture, Good-Pro Electronic Technology (Xiamen) Inc. (GoodPro), which was completed on September 14, 2023, with a proposed capital amount of RMB22,000 thousand. TPKG will acquire a 55% shareholding of GoodPro at a price of RMB12,100 thousand, but as of March 24, 2025, the capital contribution was not completed; and GoodPro planned to set up a wholly-owned subsidiary, Chenenergy Electronic Materials (Zhejiang) Inc. in Wuzhen, Zhejiang, China, which was completed on December 13, 2023, with a proposed capital amount of RMB12,000 thousand, but as of March 24, 2025, the capital contribution was not completed.
- 10) In order to achieve the objectives of resource integration, reduction of operating costs and enhancement of operational efficiency, the Company's board of directors resolved to merge its subsidiaries, TPKG and TPKS, with March 1, 2024 as the base date of the merger. After the merger, TPKG became the surviving company and TPKS was the dissolved company.
- 11) TPKCA has changed its name from TPK Core Asset (Xiamen) Inc. to TPK Trading (Xiamen) Inc. in August 2023 to cope with the business change.
- 12) In order to streamline the organizational structure, the Company's board of directors resolved that TPKC and TPK HK sold their 56.73% and 43.27% equity of TPKF to TPKG with the amount of US\$6,136 thousand and US\$4,680 thousand, respectively, and the transaction of equity transfer was completed on November 17, 2023. After the transaction, TPKF became TPKG's subsidiary.
- 13) In order to streamline the organizational structure, the Company's board of directors resolved to return 20.51% of the shareholding of UYH held by RUSL to the Company by the capital reduction in the amount of US\$300,134 thousand on RUSL, which was completed on December 29, 2023. After the capital reduction, the percentage of UYH's shareholding held by the Company increased from 79.49% to 100.00%. The Company also dissolved and liquidated RUSL, and the process of dissolution and liquidation was completed on January 8, 2025.
- 14) Due to the high competition in the solar maintenance business and the industry's shift toward vertical integration, TPKT's board of directors resolved to sell the equity of DSE to United Renewable Energy Co., Ltd. (URE) for \$63,000 thousand. The equity transaction was completed on May 3, 2024. Refer to Note 28 for more information.

15) For the expansion of overseas production bases, the Company's board of directors resolved that OTH set up TPK TH in Thailand as its subsidiary, which was completed on May 14, 2024 and received a capital investment of THB5,000 thousand, THB155,000 thousand, THB10,000 thousand and THB165,000 thousand in June 2024, July 2024, November 2024 and January 2025, respectively.

16) With an optimistic outlook on the application of 3D printing in the medical products market, the Company's board of directors resolved that AMPH set up AMP US in the United States as its wholly owned subsidiary, which was completed on July 25, 2024 and received a capital investment of US\$4,500 thousand in October 2024.

To enter the medical products industry, AMP US acquired 100% equity of Phase Holdings, Inc. (PH) for US\$1,600 thousand in cash and 5,438 thousand ordinary shares of AMPH valued at US\$1,830 thousand. After the equity transaction, AMP US and PH completed a merger in November 2024, with AMP US as the surviving company and PH as the dissolved company; thus AMP US obtained 100% equity of each in PH's subsidiaries, PO and PM.

In response to the AMPH ordinary shares required for the above equity transaction, AMPH issued an additional 5,438 thousand shares in November 2024, increasing its total issued shares from 104,000 thousand to 109,438 thousand and its capital from US\$10,400 thousand to US\$10,944 thousand. As a result, the Company's equity interest in AMPH decreased from 57.69% to 54.83%. Refer to Notes 27 and 29 for more information.

Due to changes from the economic conditions and the competitive environment, both parties agreed to cancel the aforementioned merger transaction on March 5, 2025. Except for the US\$1,600 thousand in cash, each party agree to return the AMPH shares and the equity interests in PO and PM obtained in the transaction.

17) In order to streamline the organizational structure, the process of dissolution and liquidation of TPK America, LLC was completed on November 14, 2023.

18) For organizational restructuring and resource integration to effectively reduce the Group's tax burden purposes, the Company's board of directors resolved that TPK HK set up TPK Investment (Xiamen) Inc. in Xiamen as its subsidiary, which was completed on March 20, 2025, with a proposed capital amount of US\$30,000 thousand.

No subsidiary has material non-controlling interests in the Group.

### 13. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

|   | December 31       |                   |
|---|-------------------|-------------------|
|   | 2024              | 2023              |
| <u>Investments in associates</u>              |                   |                   |
| Material associates                           |                   |                   |
| Cando Corporation ("Cando")                   | \$ -              | \$ -              |
| Associates that are not individually material |                   |                   |
| AUTO XM                                       | 360,290           | -                 |
| UBCO Holdings Limited (UBCO)                  | <u>-</u>          | <u>103,650</u>    |
|   | <u>\$ 360,290</u> | <u>\$ 103,650</u> |



The following is a summary of related companies:

| Name of Associate | Nature of Activities   | Principal Place of Business | Proportion of Ownership |                  |
|-------------------|--|-----------------------------|-------------------------|------------------|
|                   |  |                             | December 31 2024        | December 31 2023 |
| Unlisted shares   |  |                             |                         |                  |
| Cando             | Touch modules research, development and manufacture                    | Taiwan                      | 19.78%                  | 19.78%           |
| AUTO XM           | Touch modules research, development, manufacture and sales             | China                       | 30.00%                  | -                |
| UBCO              | Electric utility vehicles research, development, manufacture and sales | New Zealand                 | 16.78%                  | 21.00%           |

The Group is able to exercise significant influence over Cando, AUTO XM and UBCO. As such, the investment and the related profit and loss from the investment are accounted for using the equity method.

Due to the fact that Cando's assets were not sufficient enough to offset its liabilities, Cando declared bankruptcy on July 21, 2016, and the court announced its bankruptcy on January 17, 2018. After an assessment, the Group determined that the future recoverable amount for its investment in Cando was zero. As a result, full impairment loss was recognized at the end of the calendar year 2015. As of December 31, 2024 and 2023, the carrying amounts of the investment in Cando were zero.

To strengthen the core competitiveness of AUTO XM and to improve its operations, the Company's board of directors resolved to sell its 60% equity of AUTO XM to TES XM for US\$25,080 thousand on September 27, 2023. After the transaction, the Group's ownership in AUTO XM decreased from 90% to 30%. As the transaction was conducted under common control, it was accounted for as an equity transaction. The difference of US\$18,964 thousand between the consideration received and the carrying amount of the disposal of net assets was recognized as an increase in capital surplus. Refer to Note 28 for more information.

In July 2024, the Company's board of directors resolved to participate in AUTO XM's capital increase in the amount of RMB66,405 thousand in proportion to its original shareholding.

On January 3, 2023, the Group participated in the cash capital increase on UBCO, thus had a significant influence on UBCO. Due to UBCO's sustained operating losses, the Company management carried out the impairment test on the equity investment by comparing its recoverable amount with its carrying amount. In determining the value in use of the investments, the Group estimated the present value of the estimated future cash flows expected to arise from the operation of the invested company and from the ultimate disposal by using the annualized discount rate. The recoverable amount of the investment in UBCO based on the value-in-use was evaluated to be less than its carrying amount as of December 31, 2023, and the impairment loss of \$137,522 thousand was recognized in the fourth quarter of 2023.

As no funding available, UBCO entered receivership on January 17, 2025. After an assessment, the Group determined that the future recoverable amount of its investment in UBCO was zero. As a result, the impairment loss of \$79,233 thousand was recognized at the end of 2024. As of December 31, 2024, the carrying amount of the investment in UBCO was zero.

The equity method investment's share of profit or loss and other comprehensive income or loss is based on unaudited financial statements; however, the management of the Group believes that the unaudited financial statements of the above investees are not significant enough to have a material effect on the Group's financial statements.

## 14. PROPERTY, PLANT AND EQUIPMENT

| For the Year Ended December 31, 2024                 |            |               |                         |                           |                          |               |
|--|------------|---------------|-------------------------|---------------------------|--------------------------|---------------|
|  | Land       | Buildings     | Machinery and Equipment | Transportation and Others | Property in Construction | Total         |
| <u>Cost</u>  |            |               |                         |                           |                          |               |
| Balance, beginning of year                           | \$ -       | \$ 18,157,202 | \$ 27,913,332           | \$ 6,516,868              | \$ 10,138                | \$ 52,597,540 |
| Additions  | 120,225    | -             | -                       | -                         | 26,381                   | 146,606       |
| Acquisitions through business combinations (Note 27) | -          | -             | 1,326                   | 227                       | -                        | 1,553         |
| Disposals  | -          | (10,174)      | (11,095,603)            | (839,730)                 | -                        | (11,945,507)  |
| Disposal of subsidiaries (Note 28)                   | -          | -             | (257,596)               | (69,701)                  | -                        | (327,927)     |
| Reclassification                                     | -          | 129,201       | 981,599                 | 198,808                   | -                        | 1,309,608     |
| Effects of foreign currency exchange differences     | 1,072      | 1,211,861     | 1,724,247               | 395,893                   | 1,098                    | 3,334,171     |
| Balance, end of year                                 | 121,297    | 19,488,090    | 19,267,305              | 6,202,365                 | 37,617                   | 45,116,674    |
| <u>Accumulated depreciation</u>                      |            |               |                         |                           |                          |               |
| Balance, beginning of year                           | -          | 10,068,372    | 22,489,910              | 5,346,993                 | -                        | 37,905,275    |
| Depreciation expenses                                | -          | 830,176       | 1,759,099               | 261,121                   | -                        | 2,850,396     |
| Disposals  | -          | (3,653)       | (8,943,681)             | (535,383)                 | -                        | (9,482,717)   |
| Disposal of subsidiaries (Note 28)                   | -          | -             | (142,190)               | (22,778)                  | -                        | (164,968)     |
| Reclassification                                     | -          | 82,118        | -                       | -                         | -                        | 82,118        |
| Effects of foreign currency exchange differences     | -          | 684,690       | 1,393,729               | 333,653                   | -                        | 2,412,072     |
| Balance, end of year                                 | -          | 11,661,703    | 16,556,867              | 5,383,606                 | -                        | 33,602,176    |
| <u>Accumulated impairment</u>                        |            |               |                         |                           |                          |               |
| Balance, beginning of year                           | -          | 800,249       | 2,642,367               | 356,336                   | -                        | 3,798,952     |
| Disposals  | -          | -             | (2,057,383)             | (302,946)                 | -                        | (2,360,329)   |
| Reclassification                                     | -          | (647)         | -                       | -                         | -                        | (647)         |
| Effects of foreign currency exchange differences     | -          | 54,197        | 155,467                 | 16,467                    | -                        | 226,131       |
| Balance, end of year                                 | -          | 853,799       | 740,451                 | 69,857                    | -                        | 1,664,107     |
| Carrying amount, end of year                         | \$ 121,297 | \$ 6,972,588  | \$ 1,969,987            | \$ 748,902                | \$ 37,617                | \$ 9,850,391  |

| For the Year Ended December 31, 2023             |               |                         |                           |                          |               |
|--|---------------|-------------------------|---------------------------|--------------------------|---------------|
|  | Buildings     | Machinery and Equipment | Transportation and Others | Property in Construction | Total         |
| <u>Cost</u>                                      |               |                         |                           |                          |               |
| Balance, beginning of year                       | \$ 26,266,445 | \$ 34,953,024           | \$ 6,422,153              | \$ 10,140                | \$ 67,651,762 |
| Additions  | -             | -                       | -                         | 200                      | 200           |
| Disposals  | -             | (7,598,044)             | (432,348)                 | -                        | (8,030,392)   |
| Reclassification                                 | (8,367,222)   | 390,813                 | 532,103                   | (200)                    | (7,444,506)   |
| Effects of foreign currency exchange differences | 257,979       | 167,539                 | (5,040)                   | (2)                      | 420,476       |
| Balance, end of year                             | 18,157,202    | 27,913,332              | 6,516,868                 | 10,138                   | 52,597,540    |
| <u>Accumulated depreciation</u>                  |               |                         |                           |                          |               |
| Balance, beginning of year                       | 11,314,650    | 25,756,240              | 5,480,484                 | -                        | 42,551,374    |
| Depreciation expenses                            | 934,493       | 1,903,352               | 281,619                   | -                        | 3,119,464     |
| Disposals  | -             | (5,250,883)             | (413,948)                 | -                        | (5,664,831)   |
| Reclassification                                 | (2,221,068)   | -                       | -                         | -                        | (2,221,068)   |
| Effects of foreign currency exchange differences | 40,297        | 81,201                  | (1,162)                   | -                        | 120,336       |
| Balance, end of year                             | 10,068,372    | 22,489,910              | 5,346,993                 | -                        | 37,905,275    |
| <u>Accumulated impairment</u>                    |               |                         |                           |                          |               |
| Balance, beginning of year                       | 2,993,614     | 4,886,321               | 368,642                   | -                        | 8,248,577     |
| Impairment losses                                | -             | 21,165                  | 5,725                     | -                        | 26,890        |
| Disposals  | -             | (2,314,567)             | (17,996)                  | -                        | (2,332,563)   |
| Reclassification                                 | (2,302,973)   | -                       | -                         | -                        | (2,302,973)   |
| Effects of foreign currency exchange differences | 109,608       | 49,448                  | (35)                      | -                        | 159,021       |
| Balance, end of year                             | 800,249       | 2,642,367               | 356,336                   | -                        | 3,798,952     |
| Carrying amount, end of year                     | \$ 7,288,581  | \$ 2,781,055            | \$ 813,539                | \$ 10,138                | \$ 10,893,313 |

Part of the equipment for manufacturing purposes could no longer be used due to an alteration in the manufacturing process; such equipment was provided with an allowance for impairment loss. The impairment loss shall be reserved subsequently if the idled equipment is used again after the alteration in the manufacturing process.

Because some of the machinery and equipment and lease improvements of the Group no longer have value in use, an impairment loss of \$26,890 thousand was recognized for the year end December 31, 2023 (for the year end December 31, 2024: None). The aforementioned impairment loss was recognized in operating expenses in the consolidated statements of comprehensive income.

The Group acquired land in 2024 for use as its manufacturing base in Thailand, and the property title transfer was completed on November 26, 2024.

The Group's buildings mainly consist of factories and the construction of clean rooms, which are depreciated over an estimated useful life ranging from 1 to 20 years.

The property, plant and equipment listed above are depreciated on a straight-line basis over the estimated useful lives as follows:

|                           |            |
|---------------------------|------------|
| Building                  | 1-20 years |
| Machinery and equipment   | 1-13 years |
| Transportation and others | 1-20 years |

Property, plant and equipment used by the Group and pledged as collateral for bank borrowings are set out in Note 34.

## 15. LEASE ARRANGEMENTS

### a. Right-of-use assets

|   | <b>December 31</b>                    |                     |
|---|---------------------------------------|---------------------|
|   | <b>2024</b>                           | <b>2023</b>         |
| <u>Carrying amount</u>                      |                                       |                     |
| Land  | \$ 696,075                            | \$ 691,516          |
| Buildings                                   | 2,429,390                             | 2,515,915           |
| Machinery                                   | 20,163                                | 33,438              |
| Transportation                              | <u>5,268</u>                          | <u>3,525</u>        |
|   | <u>\$ 3,150,896</u>                   | <u>\$ 3,244,394</u> |
|   | <b>For the Year Ended December 31</b> |                     |
|   | <b>2024</b>                           | <b>2023</b>         |
| Additions to right-of-use assets            | <u>\$ 93,396</u>                      | <u>\$ 23,268</u>    |
| Depreciation charge for right-of-use assets |                                       |                     |
| Land  | \$ 19,681                             | \$ 20,945           |
| Buildings                                   | 292,453                               | 307,062             |
| Machinery                                   | 34,814                                | 224,396             |
| Transportation                              | <u>1,861</u>                          | <u>2,431</u>        |
|   | <u>\$ 348,809</u>                     | <u>\$ 554,834</u>   |

(Continued)

|   | <b>For the Year Ended December 31</b> |               |
|---|---------------------------------------|---------------|
|   | <b>2024</b>                           | <b>2023</b>   |
| Income from the subleasing of right-of-use assets (presented in other income) | \$ <u>81</u>                          | \$ <u>211</u> |
|   |                                       | (Concluded)   |

The Group subleased its leasehold plant space located in Xiamen to Cambrios Film Solutions (Xiamen) Corporation between June 2020 and May 2023 under an operating lease. The related right-of-use assets are presented as investment properties (as set out in Note 16). The amounts disclosed above with respect to the right-of-use assets do not include right-of-use assets that meet the definition of investment properties.

b. Lease liabilities

|                        | <b>December 31</b>  |                     |
|------------------------|---------------------|---------------------|
|                        | <b>2024</b>         | <b>2023</b>         |
| <u>Carrying amount</u> |                     |                     |
| Current                | \$ <u>152,451</u>   | \$ <u>288,844</u>   |
| Non-current            | \$ <u>2,525,562</u> | \$ <u>2,477,132</u> |

The discount rates for lease liabilities at the end of the year were as follows:

|                | <b>December 31</b> |                 |
|----------------|--------------------|-----------------|
|                | <b>2024</b>        | <b>2023</b>     |
| Buildings      | 2.0697%-4.8880%    | 1.1572%-4.8293% |
| Machinery      | 1.7694%            | 0.9103%-2.7556% |
| Transportation | 3.0150%-3.1625%    | 2.5550%-3.0150% |

c. Material lease-in activities and terms

The Group leases certain official vehicles and machinery for operational use and the manufacturing of products with lease terms of 2 to 3 years. These arrangements do not contain renewal or purchase options.

The Group leases certain land and buildings for the use of plants and offices with lease terms of 2 to 50 years. The Group does not have bargain purchase options to acquire the leasehold land and buildings at the end of the lease terms.

d. Other lease information

Lease arrangements under operating leases for the leasing out of investment properties are set out in Note 16.

|   | <b>For the Year Ended December 31</b> |                     |
|---|---------------------------------------|---------------------|
|   | <b>2024</b>                           | <b>2023</b>         |
| Expenses relating to short-term leases      | \$ <u>153,752</u>                     | \$ <u>64,648</u>    |
| Expenses relating to low-value asset leases | \$ <u>18</u>                          | \$ <u>18</u>        |
| Total cash outflow for leases               | \$ <u>(671,277)</u>                   | \$ <u>(671,018)</u> |

The Group's leases of certain official vehicles and buildings qualify as short-term leases. The Group has elected to apply the recognition exemption and thus, did not recognize right-of-use assets and lease liabilities for these leases.

All lease commitments (the Group as lessee) with lease terms starting after the balance sheet dates are as follows:

|                   | <b>December 31</b> |                  |
|-------------------|--------------------|------------------|
|                   | <b>2024</b>        | <b>2023</b>      |
| Lease commitments | <u>\$ 194,497</u>  | <u>\$ 47,329</u> |

## 16. INVESTMENT PROPERTIES

|  | <b>Buildings</b>    | <b>Right-of-use<br/>Assets</b> | <b>Total</b>        |
|--|---------------------|--------------------------------|---------------------|
| <u>Cost</u>                                      |                     |                                |                     |
| Balance at January 1, 2024                       | \$ 8,393,127        | \$ 233,927                     | \$ 8,627,054        |
| Disposals  | (8,564)             | (29,945)                       | (38,509)            |
| Reclassification                                 | (129,201)           | 24,474                         | (104,727)           |
| Effects of foreign currency exchange differences | <u>563,353</u>      | <u>16,808</u>                  | <u>580,161</u>      |
| Balance at December 31, 2024                     | <u>8,818,715</u>    | <u>245,264</u>                 | <u>9,063,979</u>    |
| <u>Accumulated depreciation</u>                  |                     |                                |                     |
| Balance at January 1, 2024                       | 2,444,634           | 28,077                         | 2,472,711           |
| Depreciation expenses                            | 292,028             | 5,844                          | 297,872             |
| Disposals  | (3,810)             | (3,331)                        | (7,141)             |
| Reclassification                                 | (82,118)            | 5,893                          | (76,225)            |
| Effects of foreign currency exchange differences | <u>177,064</u>      | <u>2,368</u>                   | <u>179,432</u>      |
| Balance at December 31, 2024                     | <u>2,827,798</u>    | <u>38,851</u>                  | <u>2,866,649</u>    |
| <u>Accumulated impairment</u>                    |                     |                                |                     |
| Balance at January 1, 2024                       | 2,200,725           | -                              | 2,200,725           |
| Disposals  | (1,128)             | -                              | (1,128)             |
| Reclassification                                 | 647                 | -                              | 647                 |
| Effects of foreign currency exchange differences | <u>149,068</u>      | <u>-</u>                       | <u>149,068</u>      |
| Balance at December 31, 2024                     | <u>2,349,312</u>    | <u>-</u>                       | <u>2,349,312</u>    |
| Carrying amount at December 31, 2024             | <u>\$ 3,641,605</u> | <u>\$ 206,413</u>              | <u>\$ 3,848,018</u> |
| <u>Cost</u>                                      |                     |                                |                     |
| Balance at January 1, 2023                       | \$ 313,111          | \$ 40,471                      | \$ 353,582          |
| Reclassification                                 | 8,367,422           | 197,315                        | 8,564,737           |
| Effects of foreign currency exchange differences | <u>(287,406)</u>    | <u>(3,859)</u>                 | <u>(291,265)</u>    |
| Balance at December 31, 2023                     | <u>8,393,127</u>    | <u>233,927</u>                 | <u>8,627,054</u>    |

(Continued)

|  | <b>Buildings</b>    | <b>Right-of-use<br/>Assets</b> | <b>Total</b>                       |
|--|---------------------|--------------------------------|------------------------------------|
| <u>Accumulated depreciation</u>                  |                     |                                |                                    |
| Balance at January 1, 2023                       | \$ 115,611          | \$ 3,838                       | \$ 119,449                         |
| Depreciation expenses                            | 173,814             | 4,846                          | 178,660                            |
| Reclassification                                 | 2,221,068           | 19,864                         | 2,240,932                          |
| Effects of foreign currency exchange differences | <u>(65,859)</u>     | <u>(471)</u>                   | <u>(66,330)</u>                    |
| Balance at December 31, 2023                     | <u>2,444,634</u>    | <u>28,077</u>                  | <u>2,472,711</u>                   |
| <u>Accumulated impairment</u>                    |                     |                                |                                    |
| Balance at January 1, 2023                       | 7,849               | -                              | 7,849                              |
| Reclassification                                 | 2,302,973           | -                              | 2,302,973                          |
| Effects of foreign currency exchange differences | <u>(110,097)</u>    | <u>-</u>                       | <u>(110,097)</u>                   |
| Balance at December 31, 2023                     | <u>2,200,725</u>    | <u>-</u>                       | <u>2,200,725</u>                   |
| Carrying amount at December 31, 2023             | <u>\$ 3,747,768</u> | <u>\$ 205,850</u>              | <u>\$ 3,953,618</u><br>(Concluded) |

To activate its land use rights, TPKP signed a land development contract with Land Development Corporation of the Pingtan Comprehensive Pilot Zone (“Land Development Corporation”) and Fujian Luheng Construction Engineering Company Limited (“Luheng”) in August 2018. TPKP consigned Luheng to build dormitories, which would be sold to Luheng and Land Development Corporation upon completion. The land development project was approximately three years. In December 2021, TPKP signed a supplementary agreement with Land Development Corporation and Emerging Investment Development Co., Ltd of Pingtan Comprehensive Pilot Zone (“Emerging Investment”), under which the Land Development Corporation transferred its rights and obligations on the dormitories to Emerging Investment. TPKP and Emerging Investment completed the property title transfer on September 27, 2024. After obtaining Green Building certification for the property on October 8, 2024, both parties signed a supplementary agreement confirming the completion of property inspection and the settlement of payments. The rights and obligations related to the property were thereby finalized. The land use rights met the definition of the right-of-use assets of investment properties, which were presented as investment properties.

The investment properties were leased out for 1 to 10 years, and the lessee has the first refusal. The lease contracts contain market review clauses in the event that the lessees exercise their options to extend. The lessees do not have bargain purchase options to acquire the investment properties at the expiry of the lease periods.

The maturity analysis of lease payments receivable under operating leases of investment properties as of December 31, 2024 and 2023 were as follows:

|                | <b>December 31</b> |                  |
|----------------|--------------------|------------------|
|                | <b>2024</b>        | <b>2023</b>      |
| Year 1         | \$ 8,729           | \$ 8,819         |
| Year 2         | 8,251              | 8,115            |
| Year 3         | 8,101              | 7,844            |
| Year 4         | 8,101              | 7,701            |
| Year 5         | 8,101              | 7,701            |
| Year 6 onwards | <u>-</u>           | <u>7,701</u>     |
|                | <u>\$ 41,283</u>   | <u>\$ 47,881</u> |

The investment properties listed above are depreciated on a straight-line basis over the estimated useful lives as follows:

|                     |             |
|---------------------|-------------|
| Buildings           | 9-20 years  |
| Right-of-use assets | 17-50 years |

Management was unable to reliably measure the fair value of investment property located at Xiamen, the market is inactive and alternative reliable measurements of fair value are not available; therefore, the Group determined that the fair value of the investment property is not reliably measurable.

## 17. INTANGIBLE ASSETS

| For the Year Ended December 31, 2024                 |            |                   |           |                       |        |              |
|--|------------|-------------------|-----------|-----------------------|--------|--------------|
|  | Goodwill   | Computer Software | Patents   | Customer Relationship | Others | Total        |
| <u>Cost</u>  |            |                   |           |                       |        |              |
| Balance, beginning of year                           | \$ 676,826 | \$ 408,801        | \$ 44,768 | \$ 45,668             | \$ 690 | \$ 1,176,753 |
| Additions  | -          | 9,775             | -         | -                     | -      | 9,775        |
| Acquisitions through business combinations (Note 27) | 96,091     | 1,492             | -         | -                     | -      | 97,583       |
| Disposals  | -          | (6,347)           | -         | -                     | -      | (6,347)      |
| Disposal of subsidiaries (Note 28)                   | -          | (7,282)           | -         | (43,895)              | -      | (51,177)     |
| Effects of foreign currency exchange differences     | 46,826     | 14,180            | 2,988     | (1,773)               | -      | 62,221       |
| Balance, end of year                                 | 819,743    | 420,619           | 47,756    | -                     | 690    | 1,288,808    |
| <u>Accumulated amortization</u>                      |            |                   |           |                       |        |              |
| Balance, beginning of year                           | -          | 368,588           | 40,922    | 3,806                 | 689    | 414,005      |
| Amortization expenses                                | -          | 20,238            | 3,463     | 778                   | -      | 24,479       |
| Disposals  | -          | (5,917)           | -         | -                     | -      | (5,917)      |
| Disposal of subsidiaries (Note 28)                   | -          | (3,615)           | -         | (4,600)               | -      | (8,215)      |
| Effects of foreign currency exchange differences     | -          | 12,698            | 2,864     | 16                    | -      | 15,578       |
| Balance, end of year                                 | -          | 391,992           | 47,249    | -                     | 689    | 439,930      |
| <u>Accumulated impairment</u>                        |            |                   |           |                       |        |              |
| Balance, beginning of year                           | 668,740    | 5,743             | 8         | -                     | 1      | 674,492      |
| Impairment losses                                    | 51,952     | -                 | -         | -                     | -      | 51,952       |
| Disposals  | -          | (430)             | -         | -                     | -      | (430)        |
| Effects of foreign currency exchange differences     | 44,547     | 282               | -         | -                     | -      | 44,829       |
| Balance, end of year                                 | 765,239    | 5,595             | 8         | -                     | 1      | 770,843      |
| Carrying amount, end of year                         | \$ 54,504  | \$ 23,032         | \$ 499    | \$ -                  | \$ -   | \$ 78,035    |
| For the Year Ended December 31, 2023                 |            |                   |           |                       |        |              |
|  | Goodwill   | Computer Software | Patents   | Customer Relationship | Others | Total        |
| <u>Cost</u>  |            |                   |           |                       |        |              |
| Balance, beginning of year                           | \$ 676,934 | \$ 411,454        | \$ 44,790 | \$ 45,675             | \$ 690 | \$ 1,179,543 |
| Additions  | -          | 19,056            | -         | -                     | -      | 19,056       |
| Disposals  | -          | (21,726)          | -         | -                     | -      | (21,726)     |
| Effects of foreign currency exchange differences     | (108)      | 17                | (22)      | (7)                   | -      | (120)        |
| Balance, end of year                                 | 676,826    | 408,801           | 44,768    | 45,668                | 690    | 1,176,753    |
| <u>Accumulated amortization</u>                      |            |                   |           |                       |        |              |
| Balance, beginning of year                           | -          | 362,410           | 32,987    | 1,523                 | 689    | 397,609      |
| Amortization expenses                                | -          | 24,026            | 8,054     | 2,314                 | -      | 34,394       |
| Disposals  | -          | (18,063)          | -         | -                     | -      | (18,063)     |
| Effects of foreign currency exchange differences     | -          | 215               | (119)     | (31)                  | -      | 65           |
| Balance, end of year                                 | -          | 368,588           | 40,922    | 3,806                 | 689    | 414,005      |
| <u>Accumulated impairment</u>                        |            |                   |           |                       |        |              |
| Balance, beginning of year                           | 668,846    | 9,404             | 8         | -                     | 1      | 678,259      |
| Disposals  | -          | (3,663)           | -         | -                     | -      | (3,663)      |
| Effects of foreign currency exchange differences     | (106)      | 2                 | -         | -                     | -      | (104)        |
| Balance, end of year                                 | 668,740    | 5,743             | 8         | -                     | 1      | 674,492      |
| Carrying amount, end of year                         | \$ 8,086   | \$ 34,470         | \$ 3,838  | \$ 41,862             | \$ -   | \$ 88,256    |

The Group assessed the recoverable amount of goodwill in 2024 and recognized an impairment loss of \$51,952 thousand, which presented in non-operating expenses. The impairment was primarily due to the underperformance of AMP US, whose future operations did not meet expectations, resulting in the impairment of goodwill arising from the acquisition.

The intangible assets listed above are amortized on a straight-line basis over the estimated useful lives as follows:

|                         |            |
|-------------------------|------------|
| Computer software       | 1-6 years  |
| Patents                 | 5-19 years |
| Customer relationship   | 20 years   |
| Other intangible assets | 3-5 years  |

## 18. BORROWINGS

### a. Short-term borrowings

|   | <b>December 31</b>  |                      |
|---|---------------------|----------------------|
|   | <b>2024</b>         | <b>2023</b>          |
| <u>Discounted bill borrowings</u>         |                     |                      |
| Banker's acceptance bill-discounted loans | \$ 2,455,674        | \$ 1,598,770         |
| <u>Unsecured borrowings</u>               |                     |                      |
| Bank loans                                | <u>7,464,429</u>    | <u>9,900,787</u>     |
|   | <u>\$ 9,920,103</u> | <u>\$ 11,499,557</u> |

The bills drawn on inter-subsidiary transactions were provided to banks as an acceptance for the discounted loan, and the relevant bills were eliminated upon consolidation. As of December 31, 2024 and 2023, the amount of bills issued were \$2,455,674 thousand and \$1,598,770 thousand, respectively. The interest rate of bill-discounted loans were 0.70%-0.75% and 1.10%-1.65% per annum on December 31, 2024 and 2023, respectively.

As of December 31, 2024 and 2023, the interest rates on bank revolving loans were 1.20%-5.48% and 1.60%-5.91% per annum, respectively.

### b. Long-term borrowings

|   | <b>December 31</b>   |                      |
|---|----------------------|----------------------|
|   | <b>2024</b>          | <b>2023</b>          |
| <u>Secured borrowings</u> (Note 34)         |                      |                      |
| Bank loans                                  | \$ 193,336           | \$ 273,360           |
| <u>Unsecured borrowings</u>                 |                      |                      |
| Bank loans                                  | <u>16,078,861</u>    | <u>18,005,322</u>    |
|   | <u>16,272,197</u>    | <u>18,278,682</u>    |
| Less: Current portion (due within one year) | <u>(2,163,472)</u>   | <u>(2,667,521)</u>   |
| Long-term borrowings                        | <u>\$ 14,108,725</u> | <u>\$ 15,611,161</u> |



As of December 31, 2024 and 2023, the remaining maturity periods for long-term loans did not exceed 7 years and 15 years, respectively. The effective annual interest rates ranged from 2.00% to 5.68% and 2.00% to 7.11%, respectively.

For repayment of maturing syndicated borrowings and replenishment of medium- and long-term working capital, the Company's board of directors resolved to apply for a joint credit line on March 11, 2021. The Company signed a 3-year syndicated loan with 8 financial institutions includes Taipei Fubon Commercial Bank in May 2021, which amounted to US\$100,000 thousand; the loan was fully utilized in June 2021 and was prepaid on March 4, 2024.

The Company has committed to maintain certain consolidated financial ratios with specific banks as part of covenants under its long-term loan agreements. As of December 31, 2024, the Company was in compliance with the terms of the loan agreements.

## 19. OTHER LIABILITIES

|                                    | <b>December 31</b>  |                     |
|------------------------------------|---------------------|---------------------|
|                                    | <b>2024</b>         | <b>2023</b>         |
| Other payables                     |                     |                     |
| Payables for purchase of equipment | \$ 410,692          | \$ 437,989          |
| Other payables - others            |                     |                     |
| Payable for salaries and bonuses   | \$ 831,851          | \$ 723,458          |
| Payable tax                        | 477,850             | 522,873             |
| Payable for unused paid leaves     | 146,440             | 170,541             |
| Payable for repairs                | 137,455             | 137,819             |
| Payable for service fees           | 115,894             | 98,298              |
| Others                             | 529,244             | 582,897             |
|                                    | <u>\$ 2,238,734</u> | <u>\$ 2,235,886</u> |
| Refund liabilities (Note 23)       | <u>\$ 813,072</u>   | <u>\$ 654,674</u>   |

Refund liabilities are amounts to be refunded to customers when certain conditions are met in the future, based on the contracted prices of goods sold.

## 20. PROVISIONS

|                       | <b>December 31</b>  |                     |
|-----------------------|---------------------|---------------------|
|                       | <b>2024</b>         | <b>2023</b>         |
| <u>Current</u>        |                     |                     |
| Warranties (a)        | \$ 1,422,490        | \$ 1,370,463        |
| Onerous contracts (b) | <u>113,270</u>      | <u>10,973</u>       |
|                       | <u>\$ 1,535,760</u> | <u>\$ 1,381,436</u> |

|  | <b>Warranties</b>   | <b>Onerous<br/>Contracts</b> | <b>Total</b>        |
|--|---------------------|------------------------------|---------------------|
| Balance at January 1, 2024                       | \$ 1,370,463        | \$ 10,973                    | \$ 1,381,436        |
| Additions  | 248,812             | 127,352                      | 376,164             |
| Usage  | (244,739)           | (28,393)                     | (273,132)           |
| Disposal of subsidiaries (Note 28)               | (43,769)            | (7,904)                      | (51,673)            |
| Effects of foreign currency exchange differences | <u>91,723</u>       | <u>11,242</u>                | <u>102,965</u>      |
| Balance at December 31, 2024                     | <u>\$ 1,422,490</u> | <u>\$ 113,270</u>            | <u>\$ 1,535,760</u> |
| Balance at January 1, 2023                       | \$ 1,802,227        | \$ 3,724                     | \$ 1,805,951        |
| (Reversal) additions                             | (196,846)           | 12,228                       | (184,618)           |
| Usage  | (244,359)           | (4,860)                      | (249,219)           |
| Effects of foreign currency exchange differences | <u>9,441</u>        | <u>(119)</u>                 | <u>9,322</u>        |
| Balance at December 31, 2023                     | <u>\$ 1,370,463</u> | <u>\$ 10,973</u>             | <u>\$ 1,381,436</u> |

- a. The provision for warranty claims represents the present value of management's best estimate of the future outflow of economic benefits that will be required under the Group's obligations for warranties under local sale of goods legislation. The estimate was made on the basis of historical warranty trends and may vary as a result of new materials, altered manufacturing processes or other events affecting product quality.
- b. The provision for onerous contracts represents the loss that the Group is presently obligated to make under non-cancellable onerous purchase contracts where the purchased materials and supplies cannot be used for other products. The estimate may vary as a result of changes in future products.

## 21. RETIREMENT BENEFIT PLANS

- a. Defined contribution plans

TPKT, TPK HK Taiwan Branch, AMPH Taiwan Branch, DSE and TPKE adopted a pension plan under the Labor Pension Act (LPA), which is a state-managed defined contribution plan. Under the LPA, an entity makes monthly contributions to employees' individual pension accounts at 6% of monthly salaries and wages.

The employees of the Company's subsidiaries in China are members of retirement benefit plans operated by their respective governments. The subsidiaries are required to contribute a specified percentage of payroll costs to the retirement benefit schemes to fund the benefits. The only obligation of the Company with respect to the retirement benefit plans is to make the specified contributions.

The Group's other foreign subsidiaries are required to contribute to the retirement benefit schemes according to the respective policies.

b. Defined benefit plans

The defined benefit plans adopted by TPKT and TPK HK Taiwan Branch, in accordance with the Labor Standards Act, are operated by the Government of the ROC. Pension benefits are calculated on the basis of the length of service and average monthly salaries of the 6 months before retirement. The subsidiary contributes amounts equal to 2% of total monthly salaries and wages to a pension fund administered by the pension fund monitoring committee. Pension contributions are deposited in the Bank of Taiwan in the committee's name. Before the end of each year, the Group assesses the balance in the pension fund. If the amount of the balance in the pension fund is inadequate to pay retirement benefits for employees who conform to retirement requirements in the next year, the Group is required to fund the difference in one appropriation that should be made before the end of March of the next year. The pension fund is managed by the Bureau of Labor Funds, Ministry of Labor (the "Bureau"); the Group has no right to influence the investment policy and strategy.

The amounts included in the consolidated balance sheets in respect of the Group's defined benefit plans were as follows:

|   | <b>December 31</b> |                 |
|---|--------------------|-----------------|
|   | <b>2024</b>        | <b>2023</b>     |
| Present value of defined benefit obligation | \$ 13,769          | \$ 15,186       |
| Fair value of plan assets                   | <u>(17,351)</u>    | <u>(15,470)</u> |
| Net defined benefit asset                   | <u>\$ (3,582)</u>  | <u>\$ (284)</u> |

Movements in the net defined benefit plans were as follows:

|   | <b>Present Value<br/>of the Defined<br/>Benefit<br/>Obligation</b> | <b>Fair Value of<br/>the Plan Assets</b> | <b>Net Defined<br/>Benefit (Asset)<br/>Liability</b> |
|---|--|--|--|
| Balance at January 1, 2023  | <u>\$ 16,120</u>   | <u>\$ (14,773)</u>                       | <u>\$ 1,347</u>                                      |
| Service cost  |  |  |  |
| Net interest expense (income)   | <u>202</u>   | <u>(188)</u>                             | <u>14</u>  |
| Recognized in profit or loss  | <u>202</u>   | <u>(188)</u>                             | <u>14</u>  |
| Remeasurement   |  |  |  |
| Return on plan assets (excluding amounts<br>included in net interest) | -  | (126)                                    | (126)  |
| Actuarial gain - experience adjustments                               | <u>(1,136)</u>   | <u>-</u>                                 | <u>(1,136)</u>                                       |
| Recognized in other comprehensive income                              | <u>(1,136)</u>   | <u>(126)</u>                             | <u>(1,262)</u>                                       |
| Contributions from the employer                                       | <u>-</u>   | <u>(383)</u>                             | <u>(383)</u>   |
| Balance at December 31, 2023  | <u>15,186</u>  | <u>(15,470)</u>                          | <u>(284)</u>   |
| Service cost  |  |  |  |
| Net interest expense (income)   | <u>190</u>   | <u>(196)</u>                             | <u>(6)</u>   |
| Recognized in profit or loss  | <u>190</u>   | <u>(196)</u>                             | <u>(6)</u>   |
| Remeasurement   |  |  |  |
| Return on plan assets (excluding amounts<br>included in net interest) | -  | (1,357)                                  | (1,357)  |
| Actuarial gain  |  |  |  |
| Changes in financial assumptions                                      | (240)  | -  | (240)  |
| Experience adjustments  | <u>(1,367)</u>   | <u>-</u>                                 | <u>(1,367)</u>                                       |
| Recognized in other comprehensive income                              | <u>(1,607)</u>   | <u>(1,357)</u>                           | <u>(2,964)</u>                                       |
| Contributions from the employer                                       | <u>-</u>   | <u>(328)</u>                             | <u>(328)</u>   |
| Balance at December 31, 2024  | <u>\$ 13,769</u>   | <u>\$ (17,351)</u>                       | <u>\$ (3,582)</u>                                    |

Through the defined benefit plans under the Labor Standards Act, the Group is exposed to the following risks:

- 1) Investment risk: The plan assets are invested in both domestic and foreign equity and debt securities, bank deposits, etc. The investment is conducted at the discretion of the Bureau or under the mandated management. However, in accordance with relevant regulations, the return generated by plan assets should not be below the interest rate for a 2-year time deposit with local banks.
- 2) Interest risk: A decrease in the government bond interest rate will increase the present value of the defined benefit obligation; however, this will be partially offset by an increase in the return on the plan's debt investments.
- 3) Salary risk: The present value of the defined benefit obligation is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the present value of the defined benefit obligation.

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

|                                  | <b>December 31</b> |             |
|----------------------------------|--------------------|-------------|
|                                  | <b>2024</b>        | <b>2023</b> |
| Discount rate                    | 1.50%              | 1.25%       |
| Expected rate of salary increase | 3.00%              | 3.00%       |

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

|                                  | <b>December 31</b> |             |
|----------------------------------|--------------------|-------------|
|                                  | <b>2024</b>        | <b>2023</b> |
| Discount rate                    |                    |             |
| 0.25% increase                   | \$ (234)           | \$ (290)    |
| 0.25% decrease                   | \$ 240             | \$ 300      |
| Expected rate of salary increase |                    |             |
| 1% increase                      | \$ 990             | \$ 1,231    |
| 1% decrease                      | \$ (903)           | \$ (1,110)  |

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

|  | <b>December 31</b> |             |
|--|--------------------|-------------|
|  | <b>2024</b>        | <b>2023</b> |
| Expected contributions to the plan for the next year | \$ 328             | \$ 383      |
| Average duration of the defined benefit obligation   | 8.3 years          | 10 years    |

## 22. EQUITY

### a. Share capital

|   | December 31         |                     |
|---|---------------------|---------------------|
|   | 2024                | 2023                |
| Number of shares authorized (in thousands)            | <u>600,000</u>      | <u>600,000</u>      |
| Shares authorized                                     | <u>\$ 6,000,000</u> | <u>\$ 6,000,000</u> |
| Number of shares issued and fully paid (in thousands) | <u>406,664</u>      | <u>406,664</u>      |
| Shares issued   | <u>\$ 4,066,638</u> | <u>\$ 4,066,638</u> |

Each holder of fully paid ordinary shares with a face value of \$10 has the right to dividends and to vote.

### b. Capital surplus

|   | December 31          |                      |
|---|----------------------|----------------------|
|   | 2024                 | 2023                 |
| May be used to offset a deficit, distributed as<br><u>cash dividends, or transferred to share capital (1)</u>   |                      |                      |
| Recognized on issuance of ordinary shares   | \$ 26,017,902        | \$ 26,017,902        |
| Recognized on redemption of convertible bonds   | 2,089,848            | 2,089,848            |
| Treasury share transactions   | 54,820               | 54,820               |
| The difference between the consideration received or paid and<br>the carrying amount of the subsidiaries' net assets during<br>actual disposal or acquisition | 585,352              | 3,075                |
| Expired stock options   | <u>62,824</u>        | <u>-</u>             |
|   | <u>28,810,746</u>    | <u>28,165,645</u>    |
| <u>May only be used to offset a deficit</u>   |                      |                      |
| Changes in net value of the associates accounted by using the<br>equity method  | 79,329               | 3,696                |
| Changes in ownership interests in subsidiaries (2)  | <u>19,874</u>        | <u>2,645</u>         |
|   | <u>99,203</u>        | <u>6,341</u>         |
| <u>May not be used for any purpose</u>  |                      |                      |
| Stock options   | <u>-</u>             | <u>62,824</u>        |
|   | <u>\$ 28,909,949</u> | <u>\$ 28,234,810</u> |

- 1) Such capital surplus may be used to offset a deficit; in addition, when the Company has no deficit, such capital surplus may be distributed as cash dividends or transferred to share capital (limited to a certain percentage of the Company capital surplus).
- 2) Such capital surplus arises from the effects of changes in ownership interests in subsidiaries resulting from equity transactions other than actual disposal or acquisition.

c. Retained earnings and dividend policy

Under the Company's Articles of Incorporation (the "Articles"), the Company may distribute its profits in accordance with the proposals made by the Company's board of directors for a distribution plan and approved in the general meeting. While distributing any profit, the profit shall be first utilized for offsetting losses of previous years, and 10% of the remaining profit shall be set aside as a legal reserve until the accumulated legal reserve equals the Company's paid-in capital. Secondly, the Company shall appropriate the remaining profit to a special reserve in accordance with the Applicable Public Company Rules or as requested by the competent authorities. Any remaining profit together with any undistributed retained earnings may be distributed as dividends (including cash dividends and stock dividends) or bonuses under the Company Law of the Cayman Islands and Applicable Public Company Rules after taking into consideration the financial, business and operational factors. The total amount to be distributed as dividends shall be no less than 10 % of the remaining profit, where the total amount of the distributed cash dividends shall be greater than 10 % of the total dividends. However, if dividends per share is less than NT\$1 in any given year, the aforementioned 10% threshold shall not apply. The Company may decide to distribute cash dividends or share dividends in whole or in part at its sole discretion. If the Company's distribute earnings for the current year are less than 10% of the paid-in capital of the Company at the end of the fiscal year, the Company may decide not to pay any dividend (including cash dividends and stock dividends) for the current year. Refer to Note 24(f) for more information related to the Articles of association for distribution policy of employees' compensation and remuneration of directors.

The appropriations of earnings for 2023 and 2022, which were approved in the general meetings on June 18, 2024 and June 6, 2023, respectively, were as follows:

|                                    | 2023                              |                                   | 2022                              |                                   |
|------------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
|                                    | (In Thousands<br>of U.S. Dollars) | (In Thousands<br>of N.T. Dollars) | (In Thousands<br>of U.S. Dollars) | (In Thousands<br>of N.T. Dollars) |
| Legal reserve                      | \$ 683                            | \$ 22,111                         | \$ 1,911                          | \$ 58,647                         |
| Special reserve                    | \$ 13,172                         | \$ 426,560                        | \$ 67,358                         | \$ 2,067,221                      |
| Cash dividends                     | \$ -                              | \$ -                              | \$ 6,625                          | \$ 203,332                        |
| Cash dividends per share<br>(NT\$) |                                   | \$ -                              |                                   | \$ 0.5                            |

The appropriations of earnings for 2022 in U.S. dollars was translated into N.T. dollars based on the average closing rates of US\$1 to NT\$30.69 published by the Bank of Taiwan prior to the date of the general meeting.

The appropriation of earnings for 2024, which was proposed by the Company's board of directors on March 13, 2025, was as follows:

|                                 | Appropriation of Earnings         |                                   |
|---------------------------------|-----------------------------------|-----------------------------------|
|                                 | (In Thousands<br>of U.S. Dollars) | (In Thousands<br>of N.T. Dollars) |
| Legal reserve                   | \$ 1,474                          | \$ 48,176                         |
| Reversal of special reserve     | \$ (63,853)                       | \$ (2,087,022)                    |
| Cash dividends                  | \$ 9,954                          | \$ 325,331                        |
| Cash dividends per share (NT\$) |                                   | \$ 0.8                            |

The appropriations of the earnings for 2024 in U.S. dollars was translated into N.T. dollars based on the average closing exchange rates of US\$1 to NT\$32.685 published by the Bank of Taiwan on January 24, 2025. The actual amount of cash dividends in USD will be calculated based on the average closing exchange rate published by the Bank of Taiwan before the date of the 2025 general meeting. The appropriation of earnings for 2024 will be resolved by the general meeting to be held on June 11, 2025.

d. Other equity items

Exchange differences on translating foreign operations

|  | <b><u>For the Year Ended December 31</u></b> |                     |
|--|--|---------------------|
|  | <b>2024</b>                                  | <b>2023</b>         |
| Balance, beginning of year   | \$ 1,903,932                                 | \$ 2,018,194        |
| Recognized for the year  |  |                     |
| Exchange differences on translating foreign operations                   | (135,909)                                    | (104,335)           |
| Share from associates accounted for using the equity method              | 2,637  | -                   |
| Exchange differences arising on translation to the presentation currency | <u>2,524,320</u>                             | <u>(9,927)</u>      |
| Balance, end of year   | <u>\$ 4,294,980</u>                          | <u>\$ 1,903,932</u> |

Unrealized valuation gain (loss) on financial assets at FVTOCI

|   | <b><u>For the Year Ended December 31</u></b> |                       |
|---|--|-----------------------|
|   | <b>2024</b>                                  | <b>2023</b>           |
| Balance, beginning of year  | \$ (2,077,825)                               | \$ (1,782,710)        |
| Recognized for the year   |  |                       |
| Unrealized loss - equity instruments  | (71,727)                                     | (295,115)             |
| The accumulated loss on disposal of equity instruments transferred to retained earnings | <u>2,230,826</u>                             | <u>-</u>              |
| Balance, end of year  | <u>\$ 81,274</u>                             | <u>\$ (2,077,825)</u> |

e. Non-controlling interests

|  | <b><u>For the Year Ended December 31</u></b> |                   |
|--|--|-------------------|
|  | <b>2024</b>                                  | <b>2023</b>       |
| Balance, beginning of year   | \$ 294,106                                   | \$ 319,867        |
| Share in profit for the year   | 10,254                                       | 17,696            |
| Other comprehensive income (loss) during the year  |  |                   |
| Exchange differences on translating foreign operations                                     | (4,334)                                      | (26)              |
| Exchange differences arising on translation to the presentation currency                   | 17,308                                       | 2,872             |
| Non-controlling interests arising from the cash capital increase of subsidiaries (Note 29) | 41,404                                       | 36,011            |
| Cash dividends distributed by the subsidiary   | -  | (82,314)          |
| Disposal of subsidiaries (Note 28)   | <u>(116,738)</u>                             | <u>-</u>          |
| Balance, end of year   | <u>\$ 242,000</u>                            | <u>\$ 294,106</u> |

## 23. REVENUE

|  | <b>For the Year Ended December 31</b> |                      |
|--|---------------------------------------|----------------------|
|  | <b>2024</b>                           | <b>2023</b>          |
| Revenue from the related sale of touch modules | \$ 57,484,407                         | \$ 62,984,217        |
| Others   | <u>11,389,211</u>                     | <u>6,877,014</u>     |
|  | <u>\$ 68,873,618</u>                  | <u>\$ 69,861,231</u> |

The Group's revenue mainly from the sale of touch modules, touch display and ITO glass-related products. Refer to Note 38 for the details of revenue.

Refer to Note 10 for the accounts receivable arising from the sale of goods.

The Group estimates the potential refundable liabilities in consideration of certain contract conditions. Refer to Note 19 for the details.

## 24. NET PROFIT FROM CONTINUING OPERATIONS

Net profit from continuing operations:

### a. Interest income

|               | <b>For the Year Ended December 31</b> |                     |
|---------------|---------------------------------------|---------------------|
|               | <b>2024</b>                           | <b>2023</b>         |
| Bank deposits | \$ 2,051,580                          | \$ 1,928,631        |
| Others        | <u>19,066</u>                         | <u>7,358</u>        |
|               | <u>\$ 2,070,646</u>                   | <u>\$ 1,935,989</u> |

### b. Other income

|   | <b>For the Year Ended December 31</b> |                   |
|---|---------------------------------------|-------------------|
|   | <b>2024</b>                           | <b>2023</b>       |
| Rental income   |                                       |                   |
| Rental income from operating lease                    |                                       |                   |
| Investment properties (Notes 15, 16 and 33)           | \$ 12,978                             | \$ 16,152         |
| Others  | <u>6,404</u>                          | <u>11,368</u>     |
|   | 19,382                                | 27,520            |
| Dividend income                                       |                                       |                   |
| Financial assets at fair value through profit or loss | 11,272                                | 11,200            |
| Others  | <u>241,306</u>                        | <u>250,541</u>    |
|   | <u>\$ 271,960</u>                     | <u>\$ 289,261</u> |



c. Finance costs

|   | <b>For the Year Ended December 31</b> |                     |
|---|---------------------------------------|---------------------|
|   | <b>2024</b>                           | <b>2023</b>         |
| Interest on bank loans  | \$ 1,108,335                          | \$ 1,361,043        |
| Interest on lease liabilities   | <u>114,206</u>                        | <u>122,327</u>      |
| Total interest expense for financial liabilities measured at amortized cost | <u>\$ 1,222,541</u>                   | <u>\$ 1,483,370</u> |

d. Depreciation and amortization

|   | <b>For the Year Ended December 31</b> |                     |
|---|---------------------------------------|---------------------|
|   | <b>2024</b>                           | <b>2023</b>         |
| Property, plant and equipment           | \$ 2,850,396                          | \$ 3,119,464        |
| Right-of-use assets                     | 348,809                               | 554,834             |
| Investment properties                   | 297,872                               | 178,660             |
| Intangible assets                       | <u>24,479</u>                         | <u>34,394</u>       |
|   | <u>\$ 3,521,556</u>                   | <u>\$ 3,887,352</u> |
| An analysis of depreciation by function |                                       |                     |
| Operating costs                         | \$ 2,862,529                          | \$ 3,294,035        |
| Operating expenses                      | 336,676                               | 380,263             |
| Non-operating expenses                  | <u>297,872</u>                        | <u>178,660</u>      |
|   | <u>\$ 3,497,077</u>                   | <u>\$ 3,852,958</u> |
| An analysis of amortization by function |                                       |                     |
| Operating costs                         | \$ 5,470                              | \$ 11,931           |
| General and administrative expenses     | 13,360                                | 15,011              |
| Research and development expenses       | <u>5,649</u>                          | <u>7,452</u>        |
|   | <u>\$ 24,479</u>                      | <u>\$ 34,394</u>    |

e. Employee benefit expense

|                                 | <b>For the Year Ended December 31</b> |                     |
|---------------------------------|---------------------------------------|---------------------|
|                                 | <b>2024</b>                           | <b>2023</b>         |
| Post-employment benefits        |                                       |                     |
| Defined contribution plans      | \$ 413,041                            | \$ 381,110          |
| Defined benefit plans (Note 21) | <u>(6)</u>                            | <u>14</u>           |
|                                 | 413,035                               | 381,124             |
| Other employee benefits         | <u>6,290,086</u>                      | <u>6,124,100</u>    |
| Total employee benefit expense  | <u>\$ 6,703,121</u>                   | <u>\$ 6,505,224</u> |

(Continued)

|   | <b>For the Year Ended December 31</b> |                     |
|---|---------------------------------------|---------------------|
|   | <b>2024</b>                           | <b>2023</b>         |
| An analysis of employee benefit expense by function |                                       |                     |
| Operating costs                                     | \$ 4,811,955                          | \$ 4,587,870        |
| Operating expenses                                  | <u>1,891,166</u>                      | <u>1,917,354</u>    |
|   | <u>\$ 6,703,121</u>                   | <u>\$ 6,505,224</u> |
|   |                                       | (Concluded)         |

f. Employees' compensation and remuneration of directors

According to the Company's Articles of Incorporation (the "Articles"), the Company accrued employees' compensation at rates of no less than 0.1% and remuneration of directors at rates of no higher than 2%, respectively, of net profit before income tax, employees' compensation, and remuneration of directors. If the Company has losses of previous years, net profit before income tax should be retained for offsetting the amount of those losses.

The employees' compensation and the remuneration of directors for the years ended December 31, 2024 and 2023, which were approved by the Company's board of directors on March 13, 2025 and March 7, 2024, respectively, were as follows:

Accrual rate

|                           | <b>For the Year Ended December 31</b> |             |
|---------------------------|---------------------------------------|-------------|
|                           | <b>2024</b>                           | <b>2023</b> |
| Employees' compensation   | 1.05%                                 | 1.15%       |
| Remuneration of directors | 1.89%                                 | -           |

Amount

|                           | <b>For the Year Ended December 31</b>   |   |   |   |
|---------------------------|---|---|---|---|
|                           | <b>2024</b>                             |   | <b>2023</b>                             |   |
|                           | <b>In Thousands<br/>of U.S. Dollars</b> | <b>In Thousands<br/>of N.T. Dollars</b> | <b>In Thousands<br/>of U.S. Dollars</b> | <b>In Thousands<br/>of N.T. Dollars</b> |
| Employees' compensation   | \$ 160                                  | \$ 5,124                                | \$ 80                                   | \$ 2,411                                |
| Remuneration of directors | 288                                     | 9,288                                   | -                                       | -                                       |

If there is a change in the amounts after the annual consolidated financial statements are authorized for issue, the differences are recorded as a change in the accounting estimate.

There was no difference between the actual amounts of employees' compensation and remuneration of directors, and the amounts recognized in the consolidated financial statements for the years ended December 31, 2023 and 2022.

Information on the employees' compensation and remuneration of directors resolved by the Company's board of directors is available at the Market Observation Post System website of the Taiwan Stock Exchange.

## 25. INCOME TAX RELATED TO CONTINUING OPERATIONS

### a. Income tax recognized in profit or loss

Major components of tax expense were as follows:

|   | <b>For the Year Ended December 31</b> |                   |
|---|---------------------------------------|-------------------|
|   | <b>2024</b>                           | <b>2023</b>       |
| Current tax                                     |                                       |                   |
| In respect of the current year                  | \$ 395,931                            | \$ 433,129        |
| Land value increment tax                        | 126,925                               | -                 |
| Adjustments for prior years                     | <u>(15,261)</u>                       | <u>(132,307)</u>  |
|   | <u>507,595</u>                        | <u>300,822</u>    |
| Deferred tax                                    |                                       |                   |
| In respect of the current year                  | 49,496                                | 126,164           |
| Adjustments for prior years                     | (11,086)                              | (60,071)          |
| Translation adjustments                         | 5,182                                 | (545)             |
| Changes in tax rates                            | <u>-</u>                              | <u>385</u>        |
|   | <u>43,592</u>                         | <u>65,933</u>     |
| Income tax expense recognized in profit or loss | <u>\$ 551,187</u>                     | <u>\$ 366,755</u> |

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

|   | <b>For the Year Ended December 31</b> |                   |
|---|---------------------------------------|-------------------|
|   | <b>2024</b>                           | <b>2023</b>       |
| Profit before tax from continuing operations                | <u>\$ 1,034,503</u>                   | <u>\$ 592,841</u> |
| Income tax expense calculated at the statutory rate         | \$ 548,343                            | \$ 160,702        |
| Permanent differences                                       | (219,988)                             | (109,149)         |
| Deferred tax effect on earnings of subsidiaries             | 413                                   | 113,680           |
| Additional income tax under the Alternative Minimum Tax Act | 11,771                                | -                 |
| Land value increment tax                                    | 126,925                               | -                 |
| Unrecognized deductible temporary differences               | (15,120)                              | (111,490)         |
| Unrecognized loss carryforwards                             | 123,362                               | 506,056           |
| Translation adjustments                                     | 5,182                                 | (545)             |
| Adjustments for prior years                                 | (26,347)                              | (192,378)         |
| Others  | <u>(3,354)</u>                        | <u>(121)</u>      |
| Income tax expense recognized in profit or loss             | <u>\$ 551,187</u>                     | <u>\$ 366,755</u> |

### b. Current tax assets and liabilities

|                         | <b>December 31</b> |                   |
|-------------------------|--------------------|-------------------|
|                         | <b>2024</b>        | <b>2023</b>       |
| Current tax assets      |                    |                   |
| Tax refund receivable   | <u>\$ 8,986</u>    | <u>\$ 57,301</u>  |
| Current tax liabilities |                    |                   |
| Income tax payable      | <u>\$ 304,650</u>  | <u>\$ 227,167</u> |

c. Deferred tax assets and liabilities

|  | <b>December 31</b>  |                     |
|--|---------------------|---------------------|
|  | <b>2024</b>         | <b>2023</b>         |
| Deferred tax assets                    |                     |                     |
| Loss carryforwards                     | \$ 336,341          | \$ 79,412           |
| Unrealized warranty expenses           | 324,356             | 333,263             |
| Unrealized impairment losses           | 204,732             | 154,967             |
| Unrealized losses on inventories       | 85,335              | 106,937             |
| Unrealized sales returns and allowance | 22,298              | 130,540             |
| Others                                 | <u>304,462</u>      | <u>276,497</u>      |
|  | <u>\$ 1,277,524</u> | <u>\$ 1,081,616</u> |
| Deferred tax liabilities               |                     |                     |
| Earnings of subsidiaries               | \$ 2,185,548        | \$ 2,046,718        |
| Depreciation                           | 388,274             | 35,117              |
| Others                                 | <u>5,028</u>        | <u>5,861</u>        |
|  | <u>\$ 2,578,850</u> | <u>\$ 2,087,696</u> |

d. Deductible temporary differences and unused loss carryforwards for which no deferred tax assets have been recognized in the consolidated balance sheets

|                                  | <b>December 31</b>   |                      |
|----------------------------------|----------------------|----------------------|
|                                  | <b>2024</b>          | <b>2023</b>          |
| Loss carryforwards               |                      |                      |
| Expiry in 5 years                | \$ 13,440,495        | \$ 14,700,763        |
| Expiry in 6-10 years             | <u>808,387</u>       | <u>806,601</u>       |
|                                  | <u>\$ 14,248,882</u> | <u>\$ 15,507,364</u> |
| Deductible temporary differences |                      |                      |
| Unrealized impairment losses     | \$ 3,139,371         | \$ 1,781,099         |
| Others                           | <u>738,522</u>       | <u>354,032</u>       |
|                                  | <u>\$ 3,877,893</u>  | <u>\$ 2,135,131</u>  |

e. Information about unused loss carryforwards

Loss carryforwards of subsidiaries as of December 31, 2024 were comprised of:

| <b>Year of Loss</b> | <b>Unused Amount</b> | <b>Creditable Amount</b> | <b>Expiry Year</b> |
|---------------------|----------------------|--------------------------|--------------------|
| 2017                | \$ 23,891            | \$ 4,778                 | 2027               |
| 2020                | 3,684,347            | 762,502                  | 2025 and 2030      |
| 2021                | 4,256,915            | 962,373                  | 2026 and 2031      |
| 2022                | 3,273,502            | 754,134                  | 2027 and 2032      |
| 2023                | 2,030,350            | 503,322                  | 2028 and 2033      |
| 2024                | <u>1,324,650</u>     | <u>282,284</u>           | 2029 and 2034      |
|                     | <u>\$ 14,593,655</u> | <u>\$ 3,269,393</u>      |                    |

f. Income tax assessment

The income tax returns through 2022 of TPKT, TPK HK Taiwan Branch and AMPH Taiwan Branch have been assessed by the tax authorities.

g. Pillar Two Income Tax Act

The governments of the countries in which some of the Company's subsidiaries are domiciled have either enacted or substantively enacted legislation on the Pillar two Income Tax Act, and the Group does not yet have the related current income tax impact because the Act has not yet become effective as of the end of the reporting period. The Group will continue to review the impact of the Pillar two income tax bill on its future financial results.

## 26. EARNINGS PER SHARE

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

### Net Profit for the Year

|  | <b>For the Year Ended December 31</b> |             |
|--|---------------------------------------|-------------|
|  | <b>2024</b>                           | <b>2023</b> |
| Earnings used in the computation of basic and diluted earnings per share | \$ 473,062                            | \$ 208,390  |

### Weighted Average Number of Ordinary Shares Outstanding (In Thousands of Shares)

|  | <b>For the Year Ended December 31</b> |                |
|--|---------------------------------------|----------------|
|  | <b>2024</b>                           | <b>2023</b>    |
| Weighted average number of ordinary shares used in the computation of basic earnings per share   | 406,664                               | 406,664        |
| Effect of potentially dilutive ordinary shares:  |                                       |                |
| Employees' compensation  | <u>148</u>                            | <u>98</u>      |
| Weighted average number of ordinary shares used in the computation of diluted earnings per share | <u>406,812</u>                        | <u>406,762</u> |

The Group may settle the compensation paid to employees in cash or shares; therefore, the Group will assume that the entire amount of the compensation to be settled in shares, and the resulting potential shares will be included in the weighted average number of shares outstanding used in the computation of diluted earnings per share, as the effect is dilutive. Such dilutive effect of potential shares is included in the computation of diluted earnings per share until the number of shares to be distributed to employees is resolved in the following year.

## 27. BUSINESS COMBINATIONS

### a. Subsidiaries acquired

| Subsidiary | Principal Activity                     | Date of Acquisition | Proportion of Voting Equity Interests Acquired (%) | Consideration Transferred |
|------------|--|---------------------|--|---------------------------|
| PH         | Medical products manufacture and sales | November 14, 2024   | 100  | <u>\$ 109,897</u>         |

With an optimistic outlook on the prospects of 3D printing in the medical device market, AMP US acquired a 100% equity interest in PH on November 14, 2024 for US\$1,600 thousand in cash and 5,438 thousand ordinary shares of AMPH valued at US\$1,830 thousand. Subsequently, AMP US and PH completed a merger, with AMP US as the surviving company and PH as the dissolved company.

### b. Consideration transferred

|                                  | PH                |
|----------------------------------|-------------------|
| Cash and cash equivalents        | \$ 51,264         |
| Equity instruments issued (Note) | <u>58,633</u>     |
|                                  | <u>\$ 109,897</u> |

Note: As part of the consideration for the acquisition of PH, AMPH issued 5,438 thousand ordinary shares with a par value of US\$0.1 per share. The fair value of these ordinary shares, as determined in accordance with the acquisition agreement, was NT\$58,633 thousand.

### c. Assets acquired and liabilities assumed at the date of acquisition

|                                       | PH               |
|---------------------------------------|------------------|
| Current assets                        |                  |
| Cash and cash equivalents             | \$ 16,457        |
| Financial assets at FVTPL             | 4,144            |
| Trade receivables                     | 40,811           |
| Inventories                           | 4,454            |
| Non-current assets                    |                  |
| Property, plant and equipment         | 1,553            |
| Intangible assets - computer software | 1,492            |
| Current liabilities                   |                  |
| Notes and trade payables              | (49,571)         |
| Other payables                        | <u>(5,534)</u>   |
|                                       | <u>\$ 13,806</u> |

The initial accounting for the acquisition of PH was only provisionally determined at the end of the reporting period.

d. Goodwill recognized on the acquisition

|  | <b>PH</b>        |
|--|------------------|
| Consideration transferred                            | \$ 109,897       |
| Less: Fair value of identifiable net assets acquired | <u>(13,806)</u>  |
| Goodwill recognized on the acquisition               | <u>\$ 96,091</u> |

As of December 31, 2024, the Group had not yet completed the identification of the difference between the investment cost and the net fair value of the identifiable assets and liabilities of PH. Accordingly, the entire difference was provisionally recognized as goodwill. The Group will continue to assess this acquisition during the measurement period. If new information regarding facts and circumstances that existed as of the acquisition date is obtained within one year of the acquisition, and if adjustments to the provisional amounts or recognition of any additional liabilities existing at the acquisition date are required, the accounting for the business combination will be retrospectively adjusted.

e. Net cash outflow on the acquisition of subsidiaries

|   | <b>PH</b>          |
|---|--------------------|
| Consideration paid in cash and cash equivalents | \$ (51,264)        |
| Less: Cash and cash equivalent balance acquired | <u>16,457</u>      |
|   | <u>\$ (34,807)</u> |

f. Impact of the acquisition on the result of the Group

The financial results of the acquirees since the acquisition date, which have been included in the consolidated statements of comprehensive income, were as follows:

|                   | <b>PH</b>        |
|-------------------|------------------|
| Operating revenue | <u>\$ 17,587</u> |
| Net loss          | <u>\$ 14,427</u> |

Had PH concluded the acquisition at the beginning of 2024, the Group's revenue would have been \$69,066,870 thousand, and the profit would have been \$469,555 thousand for the year ended December 31, 2024. This pro-forma information is for illustrative purposes only and is not necessarily an indication of the revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed at the beginning of the acquisition year, 2024, nor is it intended to be a projection of future results.

## 28. DISPOSAL OF SUBSIDIARIES

On September 27, 2023, the Company's board of directors resolved to sell its 60% equity of AUTO XM to TES XM for US\$25,080 thousand. After the transaction, the Group's ownership in AUTO XM decreased from 90% to 30%, and lost control over AUTO XM. The equity transfer transaction was completed on January 26, 2024. As the transaction was conducted under common control, it was accounted for as an equity transaction. The difference of \$582,277 thousand between the consideration received and the carrying amount of the disposal of net assets was recognized as an increase in capital surplus.

On April 29, 2024, TPKT's board of directors resolved to sell the equity of DSE for \$63,000 thousand. The equity transaction was completed on May 3, 2024, and lost control over DSE.

On November 7, 2024, TPKT's board of directors resolved to sell the equity of TPKE for \$81,194 thousand. The equity transaction was completed on November 14, 2024, and lost control over TPKE.

a. Consideration received from disposals

|                           | <b>TPKE</b>      | <b>DSE</b>       | <b>AUTO XM</b>    |
|---------------------------|------------------|------------------|-------------------|
| Cash and cash equivalents | <u>\$ 81,194</u> | <u>\$ 63,000</u> | <u>\$ 770,081</u> |

b. Analysis of assets and liabilities on the date control was lost

|   | <b>TPKE</b>       | <b>DSE</b>        | <b>AUTO XM</b>    |
|---|-------------------|-------------------|-------------------|
| <b>Current assets</b>                         |                   |                   |                   |
| Cash and cash equivalents                     | \$ 68,766         | \$ 9,763          | \$ 215,922        |
| Financial assets at amortized costs - current | -                 | 34,486            | 92,115            |
| Trade receivables                             | 75,297            | 24,741            | 415,740           |
| Other receivables                             | 39,737            | 421               | 10,797            |
| Current tax assets                            | 145               | -                 | -                 |
| Inventories                                   | -                 | 2,114             | 418,893           |
| Other current assets                          | 61                | 4,155             | 54,230            |
| <b>Non-current assets</b>                     |                   |                   |                   |
| Property, plant and equipment                 | 2,868             | 42,120            | 117,341           |
| Right-of-use assets                           | -                 | 7,457             | -                 |
| Intangible assets                             | -                 | 39,376            | 3,586             |
| Deferred tax assets                           | 2,725             | -                 | 75,134            |
| Prepayments for equipment                     | -                 | -                 | 81,246            |
| Refundable deposits                           | 2,400             | 8,051             | -                 |
| <b>Current liabilities</b>                    |                   |                   |                   |
| Short-term borrowings                         | -                 | -                 | (221,825)         |
| Trade payables                                | (71,692)          | (9,643)           | (393,453)         |
| Payables for purchase of equipment            | (63)              | -                 | (11,376)          |
| Other payables - others                       | (3,999)           | (5,694)           | (333,655)         |
| Provisions - current                          | -                 | -                 | (51,673)          |
| Lease liabilities - current                   | -                 | (357)             | -                 |
| Current portion of long-term borrowings       | -                 | (5,516)           | (130,240)         |
| Other current liabilities - others            | (70)              | (8,504)           | (12,173)          |
| <b>Non-current liabilities</b>                |                   |                   |                   |
| Long-term borrowings                          | -                 | (31,543)          | (14,307)          |
| Deferred tax liabilities                      | (184)             | -                 | (223)             |
| Lease liabilities - non-current               | -                 | (7,257)           | -                 |
| Guarantee deposits received                   | <u>-</u>          | <u>(2,443)</u>    | <u>(3,071)</u>    |
| <b>Disposal of net assets</b>                 | <u>\$ 115,991</u> | <u>\$ 101,727</u> | <u>\$ 313,008</u> |



c. (Loss) gain/capital surplus on disposal of subsidiaries

|  | <b>TPKE</b>     | <b>DSE</b>       | <b>AUTO XM</b>    |
|--|-----------------|------------------|-------------------|
| Consideration received   | \$ 81,194       | \$ 63,000        | \$ 770,081        |
| Disposal of net assets   | (115,991)       | (101,727)        | (313,008)         |
| Non-controlling interests  | 34,797          | 50,640           | 31,301            |
| Payment of disposal fees   | (244)           | (189)            | -                 |
| Remaining equity interests accounted for<br>using the equity method  | <u>-</u>        | <u>-</u>         | <u>93,903</u>     |
| (Loss) gain on disposal/capital surplus -<br>difference between the consideration and<br>the carrying amount of the subsidiary<br>acquired or disposed | <u>\$ (244)</u> | <u>\$ 11,724</u> | <u>\$ 582,277</u> |

d. Net cash inflow on disposal of subsidiaries

|  | <b>TPKE</b>      | <b>DSE</b>       | <b>AUTO XM</b>    |
|--|------------------|------------------|-------------------|
| Consideration received in cash and cash<br>equivalents | \$ 81,194        | \$ 63,000        | \$ 770,081        |
| Less: Disposal of cash and cash equivalent<br>balance  | (68,766)         | (9,763)          | (215,922)         |
| Payment of disposal fees                               | <u>(244)</u>     | <u>(189)</u>     | <u>-</u>          |
|  | <u>\$ 12,184</u> | <u>\$ 53,048</u> | <u>\$ 554,159</u> |

## 29. EQUITY TRANSACTIONS WITH NON-CONTROLLING INTERESTS

The Group did not subscribe to the cash capital increase of AMPH, a subsidiary, in proportion to its shareholding in November 2024, resulting in a decrease in its shareholding from 57.69% to 54.83%.

The Group did not subscribe to the cash capital increase of TPKE, a subsidiary, in proportion to its shareholding in October 2023, resulting in a decrease in its shareholding from 100% to 70%.

Since the above transaction did not change the Group's control over the subsidiaries, the Group accounted for it as an equity transaction.

|  | <b>AMPH</b>      | <b>TPKE</b>     |
|--|------------------|-----------------|
| Consideration received   | \$ 58,633        | \$ 36,000       |
| The calculated by relative equity change carrying amount of the net<br>assets of the subsidiary transferred to non-controlling interests | <u>(41,404)</u>  | <u>(36,011)</u> |
| Differences recognized from equity transactions  | <u>\$ 17,229</u> | <u>\$ (11)</u>  |
| <u>Line items adjusted for equity transaction</u>  |                  |                 |
| Capital surplus - change of the ownership interest in the subsidiaries   | <u>\$ 17,229</u> | <u>\$ (11)</u>  |

### 30. CASH FLOW INFORMATION

#### a. Non-cash transactions

In addition to those disclosed in other notes, the Group entered into the following non-cash investing and financing activities which were not reflected in the consolidated statements of cash flows for the years ended December 31, 2024 and 2023:

- 1) As of December 31, 2024 and 2023, the Group's payables for the purchase of equipment amounted to \$410,692 thousand and \$437,989 thousand, respectively.
- 2) The Group issued ordinary shares of AMPH with a fair value of \$58,633 thousand to acquire PH in 2024 (refer to Note 27 for more information).

#### b. Changes in liabilities arising from financing activities

##### For the year ended December 31, 2024

|  | Opening Balance      | Cash Flows            | Non-cash Changes |                               |                          |                       |                    | Closing Balance      |
|--|----------------------|-----------------------|------------------|-------------------------------|--------------------------|-----------------------|--------------------|----------------------|
|  |                      |                       | New Leases       | Amortization of Finance Costs | Disposal of Subsidiaries | Exchange Rate Changes | Others             |                      |
| Short-term borrowings                            | \$ 11,499,557        | \$ (2,213,895)        | \$ -             | \$ 18,501                     | \$ (221,825)             | \$ 837,765            | \$ -               | \$ 9,920,103         |
| Long-term borrowings (including current portion) | 18,278,682           | (2,771,298)           | -                | -                             | (181,606)                | 946,419               | -                  | 16,272,197           |
| Guarantee deposits received                      | 33,021               | (7,974)               | -                | -                             | (5,514)                  | 1,119                 | -                  | 20,652               |
| Lease liabilities                                | 2,765,976            | (517,507)             | 93,396           | 114,206                       | (7,614)                  | 247,683               | (18,127)           | 2,678,013            |
| Other non-current liabilities                    | 129,619              | (35,113)              | -                | -                             | -                        | 7,182                 | -                  | 101,688              |
|  | <u>\$ 32,706,855</u> | <u>\$ (5,545,787)</u> | <u>\$ 93,396</u> | <u>\$ 132,707</u>             | <u>\$ (416,559)</u>      | <u>\$ 2,040,168</u>   | <u>\$ (18,127)</u> | <u>\$ 28,992,653</u> |

##### For the year ended December 31, 2023

|  | Opening Balance      | Cash Flows          | Non-cash Changes |                               |                       |                    | Closing Balance      |
|--|----------------------|---------------------|------------------|-------------------------------|-----------------------|--------------------|----------------------|
|  |                      |                     | New Leases       | Amortization of Finance Costs | Exchange Rate Changes | Others             |                      |
| Short-term borrowings                            | \$ 7,437,076         | \$ 3,818,561        | \$ -             | \$ 55,196                     | \$ 188,724            | \$ -               | \$ 11,499,557        |
| Long-term borrowings (including current portion) | 16,880,837           | 1,619,218           | -                | -                             | (221,373)             | -                  | 18,278,682           |
| Guarantee deposits received                      | 44,185               | (11,985)            | -                | -                             | 821                   | -                  | 33,021               |
| Lease liabilities                                | 3,301,968            | (606,352)           | 23,268           | 122,327                       | (40,570)              | (34,665)           | 2,765,976            |
| Other non-current liabilities                    | 278,428              | (150,353)           | -                | -                             | 1,544                 | -                  | 129,619              |
|  | <u>\$ 27,942,494</u> | <u>\$ 4,669,089</u> | <u>\$ 23,268</u> | <u>\$ 177,523</u>             | <u>\$ (70,854)</u>    | <u>\$ (34,665)</u> | <u>\$ 32,706,855</u> |

### 31. CAPITAL MANAGEMENT

The capital structure of the Group consists of its net debt and equity. The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximizing the return to stakeholders through the optimization of its debt and equity balance. Key management personnel of the Group review the capital structure periodically. Based on recommendations of the key management personnel, in order to balance the overall capital structure, the Group may adjust the amount of dividends paid to shareholders, the number of new shares issued or repurchased, and the amount of new debt issued or existing debt redeemed.

## 32. FINANCIAL INSTRUMENTS

### a. Fair value of financial instruments not measured at fair value

The management of the Group considers that the carrying amount of financial assets and financial liabilities recognized in the consolidated financial statements approximate their fair values, or that their fair values cannot be measured reliably.

### b. Fair value of financial instruments measured at fair value on a recurring basis

#### 1) Fair value hierarchy

December 31, 2024

|  | Level 1           | Level 2             | Level 3             | Total               |
|--|-------------------|---------------------|---------------------|---------------------|
| Financial assets at FVTPL              |                   |                     |                     |                     |
| Derivative financial assets            | \$ -              | \$ 1,204,606        | \$ -                | \$ 1,204,606        |
| Domestic listed shares                 | 377,015           | -                   | -                   | 377,015             |
| Domestic and foreign private fund      | -                 | -                   | 1,169,903           | 1,169,903           |
| Domestic and foreign convertible bonds | -                 | -                   | 69,639              | 69,639              |
|  | <u>\$ 377,015</u> | <u>\$ 1,204,606</u> | <u>\$ 1,239,542</u> | <u>\$ 2,821,163</u> |
| Financial assets at FVTOCI             |                   |                     |                     |                     |
| Investments in equity instruments      |                   |                     |                     |                     |
| Foreign unlisted shares                | \$ -              | \$ -                | \$ 19,681           | \$ 19,681           |
| Trade receivables, net                 | -                 | 1,792,868           | -                   | 1,792,868           |
|  | <u>\$ -</u>       | <u>\$ 1,792,868</u> | <u>\$ 19,681</u>    | <u>\$ 1,812,549</u> |
| Financial liabilities at FVTPL         |                   |                     |                     |                     |
| Derivative financial liabilities       | \$ -              | \$ 1,202,685        | \$ -                | \$ 1,202,685        |

December 31, 2023

|                             | Level 1           | Level 2           | Level 3           | Total               |
|-----------------------------|-------------------|-------------------|-------------------|---------------------|
| Financial assets at FVTPL   |                   |                   |                   |                     |
| Derivative financial assets | \$ 112,912        | \$ 253,712        | \$ -              | \$ 366,624          |
| Foreign listed shares       | 96,759            | 162,407           | -                 | 259,166             |
| Domestic listed shares      | 365,400           | -                 | -                 | 365,400             |
| Foreign private fund        | -                 | -                 | 541,482           | 541,482             |
|                             | <u>\$ 575,071</u> | <u>\$ 416,119</u> | <u>\$ 541,482</u> | <u>\$ 1,532,672</u> |

(Continued)

|                                   | Level 1          | Level 2           | Level 3          | Total             |
|-----------------------------------|------------------|-------------------|------------------|-------------------|
| Financial assets at FVTOCI        |                  |                   |                  |                   |
| Investments in equity instruments |                  |                   |                  |                   |
| Foreign listed ordinary shares    | \$ 55,816        | \$ -              | \$ -             | \$ 55,816         |
| Foreign unlisted shares           | -                | -                 | 40,540           | 40,540            |
| Trade receivables, net            | <u>-</u>         | <u>757,834</u>    | <u>-</u>         | <u>757,834</u>    |
|                                   | <u>\$ 55,816</u> | <u>\$ 757,834</u> | <u>\$ 40,540</u> | <u>\$ 854,190</u> |
| Financial liabilities at FVTPL    |                  |                   |                  |                   |
| Derivative financial liabilities  | <u>\$ 9,886</u>  | <u>\$ 513,087</u> | <u>\$ -</u>      | <u>\$ 522,973</u> |
|                                   |                  |                   |                  | (Concluded)       |

The foreign listed shares acquired through private placement by the Group were released from lock-up restrictions in February 2024 and were therefore transferred from Level 2 to Level 1 in the fair value hierarchy.

There were no transfers between Levels 1 and 2 for the years ended December 31, 2023.

## 2) Reconciliation of Level 3 fair value measurements of financial instruments

For the year ended December 31, 2024

| Financial Assets                                 | Financial Assets at FVTPL |                    | Financial Assets at FVTOCI | Total               |
|--|---------------------------|--------------------|----------------------------|---------------------|
|  | Other Financial Assets    | Hybrid Instruments | Equity Instruments         |                     |
| Balance, beginning of year                       | \$ 541,482                | \$ -               | \$ 40,540                  | \$ 582,022          |
| Recognized in profit or loss                     | (70,173)                  | (10,887)           | -                          | (81,060)            |
| Recognized in comprehensive income or loss       | -                         | -                  | (23,164)                   | (23,164)            |
| Purchases  | 654,172                   | 79,217             | -                          | 733,389             |
| Effects of foreign currency exchange differences | <u>44,422</u>             | <u>1,309</u>       | <u>2,305</u>               | <u>48,036</u>       |
| Balance, end of year                             | <u>\$ 1,169,903</u>       | <u>\$ 69,639</u>   | <u>\$ 19,681</u>           | <u>\$ 1,259,223</u> |

For the year ended December 31, 2023

| Financial Assets                                 | Financial Assets at FVTPL   |                        | Financial Assets at FVTOCI | Total             |
|--|-----------------------------|------------------------|----------------------------|-------------------|
|  | Derivative Financial Assets | Other Financial Assets | Equity Instruments         |                   |
| Balance, beginning of year                       | \$ -                        | \$ 732,002             | \$ -                       | \$ 732,002        |
| Recognized in profit or loss                     | (10,164)                    | (92,872)               | -                          | (103,036)         |
| Recognized in comprehensive income or loss       | -                           | -                      | (83,369)                   | (83,369)          |
| Reclassification                                 | (3,635)                     | (780,743)              | -                          | (784,378)         |
| Purchases  | 12,688                      | 672,236                | 121,920                    | 806,844           |
| Effects of foreign currency exchange differences | <u>1,111</u>                | <u>10,859</u>          | <u>1,989</u>               | <u>13,959</u>     |
| Balance, end of year                             | <u>\$ -</u>                 | <u>\$ 541,482</u>      | <u>\$ 40,540</u>           | <u>\$ 582,022</u> |

3) Valuation techniques and inputs applied for Level 2 fair value measurement

The fair values of the Group's financial assets and liabilities were determined using methods and assumptions as follows:

- The fair values of foreign exchange forward contracts and exchange rate swap contracts were measured by quoted forward exchange rates and a yield curve derived from the quoted interest rates over the maturity period of the contracts.
- The fair value of cross-currency swap contracts was estimated using the discounted cash flow method. Future cash flows were estimated based on observable exchange rates at the end of the year and the contractual exchange and interest rates, and were discounted at a rate that reflects the credit risk of the various counterparties.
- The fair value of foreign exchange option contracts was derived from the spot exchange rate at the valuation date, the exercise price of the option, the volatility of the exchange rate, the maturity period of the contract, and the quoted risk-free interest rate from the maturity period of the contract.
- The fair value of foreign listed shares held by the Group was estimated by reference to their recent trading prices, with adjustments for potential liquidity discounts.
- The fair value of trade receivables at FVTOCI was discounted at a rate that reflected the credit risk of various counterparties and estimated future cash flows.

4) Valuation techniques and inputs applied for Level 3 fair value measurement

The fair values of domestic and foreign private funds held by the Group were determined using the asset-based approach and were based on the net asset value measured at fair value and the terms of the investment agreement.

The fair values of domestic and foreign convertible long-term and short-term bonds held by the Group were estimated using a binomial tree model.

The fair value of unlisted foreign shares held by the Group was estimated by reference to recent transaction prices or valuation parameters used by comparable companies in active markets.

c. Categories of financial instruments

|                                    | December 31  |              |
|------------------------------------|--------------|--------------|
|                                    | 2024         | 2023         |
| <u>Financial assets</u>            |              |              |
| FVTPL                              |              |              |
| Mandatorily classified as at FVTPL | \$ 2,821,163 | \$ 1,532,672 |
| Amortized cost (1)                 | 57,118,328   | 57,100,862   |
| FVTOCI                             |              |              |
| Equity instruments                 | 19,681       | 96,356       |
| Debt instruments                   | 1,792,868    | 757,834      |
| Refundable deposits                | 77,695       | 116,240      |
| <u>Financial liabilities</u>       |              |              |
| FVTPL                              |              |              |
| Held for trading                   | 1,202,685    | 522,973      |
| Amortized cost (2)                 | 36,962,820   | 41,144,729   |
| Guarantee deposits received        | 20,652       | 33,021       |

- 1) The balances included financial assets at amortized cost, which comprise cash and cash equivalents, financing products, notes and trade receivables (excluding trade receivables at FVTOCI) and other receivables.
- 2) The balances included financial liabilities at amortized cost, which comprise short-term borrowings, notes and trade payables, payables for purchase of equipment, other payables - others, current portion of long-term borrowings, and long-term borrowings.

d. Financial risk management objectives and policies

The Group's major financial instruments include equity and debt investments, notes and trade receivables, notes and trade payables, borrowings and lease liabilities. The Group's corporate treasury function provides services to the business, coordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyze exposures by degree and magnitude of risks. These risks include market risk (including foreign currency risk and interest rate risk), credit risk and liquidity risk.

The Group sought to minimize the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives are governed by the Group's policies approved by the Company's board of directors, which provided written principles on foreign currency risk, interest rate risk, credit risk, the use financial derivatives and non-derivative financial instrument, and the investment of excess liquidity. Compliance with policies and exposure limits was reviewed by internal auditors on a continuous basis. The Group did not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

Significant financial activities of the Group should be reviewed by the Company's board of directors to ensure compliance with the related regulations and internal control rules. During the execution of financial plans, the Group shall comply with the financial operating procedures and overall financial risk management policies.

# 1) Market risk

The Group's activities exposed it primarily to the financial risks of changes in foreign currency exchange rates, interest rates and other price.

## a) Foreign currency risk

Several subsidiaries of the Company have foreign currency-denominated sales and purchases, which exposed the Group to foreign currency risk. Exchange rate exposures were managed within approved policy parameters utilizing foreign exchange forward contract.

The material carrying amounts of the Group's foreign currency-denominated monetary assets and monetary liabilities are set out in Note 36. The carrying amounts of the derivatives exposed to foreign currency risk at the end of the year are set out in Note 7.

## b) Analysis of sensitivity for foreign currency risk

The Group was mainly exposed to USD, RMB, etc.

The following table details the Group's sensitivity to a 5% increase and decrease in the functional currency against the primary foreign currencies. The sensitivity rate used when reporting foreign currency risk internally to key management personnel and representing management's assessment of the reasonably possible change in foreign exchange rate is 5%. The sensitivity analysis included outstanding foreign currency-denominated monetary items and derivatives, and adjusted their translation at the end of the year for a 5% change in foreign currency rates.

|     | <b>Impact on Profit or Loss If USD<br/>Strengthened 5%</b> |              |
|-----|--|--------------|
|     | <b>For the Year Ended December 31</b>                      |              |
|     | <b>2024</b>  | <b>2023</b>  |
| USD | \$ 414,150   | \$ 288,576   |
| RMB | 58,766   | (288,116)    |
| NTD | (10,664)   | (4,097)      |
| THB | (7,562)  | -            |
| EUR | (1,780)  | 233          |
| HKD | -  | (1,844)      |
|     |  |              |
|     | <b>Impact on Profit or Loss If USD<br/>Weakened 5%</b>     |              |
|     | <b>For the Year Ended December 31</b>                      |              |
|     | <b>2024</b>  | <b>2023</b>  |
| USD | \$ (414,150)   | \$ (288,576) |
| RMB | 121,801  | (181,237)    |
| NTD | 11,786   | 15,558       |
| THB | 8,358  | -            |
| EUR | 1,968  | (258)        |
| HKD | -  | 2,038        |

c) Interest rate risk

The Group is exposed to interest rate risk because entities in the Group borrowed funds at both fixed and floating interest rates. The risk is managed by the Group by maintaining an appropriate mix of fixed and floating interest rate and entering into exchange rate swap contracts. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetites ensuring the most cost-effective hedging strategies are applied.

The carrying amount of the Group's financial assets and financial liabilities with exposure to interest rates at the end of the reporting period were as follows:

|                               | <b>December 31</b> |               |
|-------------------------------|--------------------|---------------|
|                               | <b>2024</b>        | <b>2023</b>   |
| Fair value interest rate risk |                    |               |
| Financial assets              | \$ 38,162,498      | \$ 39,406,478 |
| Financial liabilities         | 15,515,641         | 17,395,564    |
| Cash flow interest rate risk  |                    |               |
| Financial assets              | 9,093,625          | 6,911,210     |
| Financial liabilities         | 13,354,672         | 15,148,651    |

d) Analysis of sensitivity to interest rate risk

The sensitivity analysis was determined based on the Group's exposure to interest rates for non-derivative instruments at the end of the year. For floating interest rate liabilities, the analysis was prepared assuming the amount of the liability outstanding at the end of the year was outstanding for the whole year. A 50 basis point increase or decrease was used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

Had interest rates been 50 basis points higher and all other variables were held constant, the Group's pre-tax profit for the years ended December 31, 2024 and 2023 would have decreased by \$21,305 thousand and \$41,187 thousand, respectively, which was mainly attributable to the Group's exposure to interest rates on its variable-rate bank deposits and its variable-rate bank borrowings.

e) Other price risk

The Group was exposed to price risk through its investments in financial instruments at fair value through profit or loss, equity instruments at FVOCI, funds and convertible bonds. For the years ended December 31, 2024 and 2023, if prices of equity instruments, funds and convertible bonds had been 5% higher/lower, pre-tax profit for the year would have increased/decreased by \$80,828 thousand and \$58,302 thousand, respectively, and pre-tax other comprehensive income would have increased/decreased by \$984 thousand and \$4,818 thousand, respectively.

2) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. As at the end of the year, the Group's maximum exposure to credit risk, which will cause a financial loss to the Group due to the failure of counterparties to discharge an obligation, could arise from the carrying amount of the respective recognized financial assets as stated in the balance sheets.



The Group adopted a policy of using internal and external credit ratings, only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group uses other publicly available financial information and its own trading records to rate its major customers. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty-limits that are reviewed and approved by the risk management committee semi-annually.

The Group authorized and approved hierarchical credit lines and monitored trade receivables periodically based on the related trade receivables aging, thus reducing bad debts or overdue trade. Then, at the end of the year, the Group would assess line by line its collectable amounts, allowance for impairment loss, and amounts of impairment recognized on trade receivables. Therefore, the management believed that the credit management of the Group fully covered the credit risk.

The Group's concentration of credit risk of 71.05% and 69.64% in total trade receivables as of December 31, 2024 and 2023, respectively, was related to the Group's five largest customers.

### 3) Liquidity risk

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

The Group relies on bank borrowings as a significant source of liquidity. As of December 31, 2024 and 2023, the Group had unused short-term bank loan facilities of \$39,410,074 thousand and \$39,340,492 thousand, respectively.

#### a) Liquidity and interest rate risk table for non-derivative financial liabilities

The following table details of the Group's remaining contractual maturities for its short-term and long-term borrowings and lease liabilities. The table was drawn up based on the undiscounted cash flows of financial liabilities from the earliest date on which the Group can be required to pay.

Specifically, bank loans with a repayment on demand clause were included in the earliest time band regardless of the probability of the banks choosing to exercise their rights. The maturity dates for other non-derivative financial liabilities were based on the agreed repayment dates.

#### December 31, 2024

|   | On Demand or<br>Less than 1<br>Month | 1 to 3 Months       | 3 Months to<br>1 Year | 1 to 5 Years         | Over 5 Years        |
|---|--------------------------------------|---------------------|-----------------------|----------------------|---------------------|
| <u>Non-derivative financial liabilities</u> |                                      |                     |                       |                      |                     |
| No interest-bearing liabilities             | \$ 6,998,962                         | \$ 3,407,723        | \$ 363,835            | \$ -                 | \$ -                |
| Floating interest rate borrowings           | -                                    | 373,454             | 1,184,335             | 11,796,883           | -                   |
| Fixed interest rate borrowings              | 575,685                              | 5,064,868           | 4,885,233             | 2,285,563            | 26,279              |
| Lease liabilities                           | 67,447                               | 17,094              | 195,888               | 995,126              | 2,313,428           |
|   | <u>\$ 7,642,094</u>                  | <u>\$ 8,863,139</u> | <u>\$ 6,629,291</u>   | <u>\$ 15,077,572</u> | <u>\$ 2,339,707</u> |

Additional information about the maturity analysis for lease liabilities:

|                   | Less than 1<br>Year | 1-5 Years  | 5-10 Years   | 10-15 Years  | 15-20 Years | Over 20 Years |
|-------------------|---------------------|------------|--------------|--------------|-------------|---------------|
| Lease liabilities | \$ 280,429          | \$ 995,126 | \$ 1,208,315 | \$ 1,105,113 | \$ -        | \$ -          |

December 31, 2023

|   | On Demand or<br>Less than 1<br>Month | 1 to 3 Months       | 3 Months to<br>1 Year | 1 to 5 Years         | Over 5 Years        |
|---|--------------------------------------|---------------------|-----------------------|----------------------|---------------------|
| <u>Non-derivative financial liabilities</u> |                                      |                     |                       |                      |                     |
| No interest-bearing liabilities             | \$ 7,306,640                         | \$ 3,775,991        | \$ 283,859            | \$ -                 | \$ -                |
| Floating interest rate borrowings           | 867,603                              | 12,088              | 1,717,241             | 12,520,590           | 31,129              |
| Fixed interest rate borrowings              | 2,916,976                            | 2,794,942           | 5,858,228             | 3,059,442            | -                   |
| Lease liabilities                           | 78,124                               | 53,143              | 282,636               | 902,482              | 2,419,888           |
|   | <u>\$ 11,169,343</u>                 | <u>\$ 6,636,164</u> | <u>\$ 8,141,964</u>   | <u>\$ 16,482,514</u> | <u>\$ 2,451,017</u> |

Additional information about the maturity analysis for lease liabilities:

|                   | Less than 1<br>Year | 1-5 Years  | 5-10 Years   | 10-15 Years  | 15-20 Years | Over 20 Years |
|-------------------|---------------------|------------|--------------|--------------|-------------|---------------|
| Lease liabilities | \$ 413,903          | \$ 902,482 | \$ 1,132,730 | \$ 1,186,913 | \$ 100,245  | \$ -          |

The following table details the Group's expected maturity for some of its non-derivative financial assets. The table below was drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Group's liquidity risk management as the liquidity is managed on a net asset and liability basis.

December 31, 2024

|  | On Demand or<br>Less than<br>1 Month | 1 to 3 Months       | 3 Months to<br>1 Year | 1 to 5 Years     |
|--|--------------------------------------|---------------------|-----------------------|------------------|
| <u>Non-derivative financial assets</u> |                                      |                     |                       |                  |
| Floating interest rate assets          | \$ 9,093,625                         | \$ -                | \$ -                  | \$ -             |
| Fixed interest rate assets             | 33,674,219                           | 2,612,601           | 1,793,110             | 12,929           |
|  | <u>\$ 42,767,844</u>                 | <u>\$ 2,612,601</u> | <u>\$ 1,793,110</u>   | <u>\$ 12,929</u> |

December 31, 2023

|  | On Demand or<br>Less than<br>1 Month | 1 to 3 Months       | 3 Months to<br>1 Year | 1 to 5 Years        |
|--|--------------------------------------|---------------------|-----------------------|---------------------|
| <u>Non-derivative financial assets</u> |                                      |                     |                       |                     |
| Floating interest rate assets          | \$ 6,911,210                         | \$ -                | \$ -                  | \$ -                |
| Fixed interest rate assets             | 30,828,787                           | 3,330,142           | 3,177,015             | 2,070,534           |
|  | <u>\$ 37,739,997</u>                 | <u>\$ 3,330,142</u> | <u>\$ 3,177,015</u>   | <u>\$ 2,070,534</u> |

b) Liquidity and interest rate risk tables for derivative financial liabilities

The following table details the Group's liquidity analysis of its derivative financial instruments. The table is based on the undiscounted contractual net cash inflows and outflows on derivative instruments that settle on a net basis, and the undiscounted gross inflows and outflows on those derivatives that require gross settlement. When the amount payable or receivable is not fixed, the amount disclosed is determined by reference to the projected interest rates as illustrated by the yield curves at the end of the year.

December 31, 2024

|                                    | <b>On Demand or<br/>Less than<br/>1 Month</b> | <b>1 to 3 Months</b> | <b>3 Months to<br/>1 Year</b> |
|------------------------------------|---|----------------------|-------------------------------|
| <u>Gross settled</u>               |   |                      |                               |
| Exchange rate swap contracts       |   |                      |                               |
| Inflow                             | \$ 6,930,867                                  | \$ 12,838,500        | \$ 52,963,206                 |
| Outflow                            | <u>(6,896,350)</u>                            | <u>(12,763,753)</u>  | <u>(52,609,202)</u>           |
|                                    | <u>34,517</u>                                 | <u>74,747</u>        | <u>354,004</u>                |
| Cross-currency swap contracts      |   |                      |                               |
| Inflow                             | -   | -                    | 983,550                       |
| Outflow                            | <u>-</u>                                      | <u>-</u>             | <u>(990,473)</u>              |
|                                    | <u>-</u>                                      | <u>-</u>             | <u>(6,923)</u>                |
|                                    | <u>\$ 34,517</u>                              | <u>\$ 74,747</u>     | <u>\$ 347,081</u>             |
| <u>Net settled</u>                 |   |                      |                               |
| Foreign exchange forward contracts | \$ -  | \$ (35,985)          | \$ (43,236)                   |
| Foreign exchange option contracts  | <u>-</u>                                      | <u>42,452</u>        | <u>58,068</u>                 |
|                                    | <u>\$ -</u>                                   | <u>\$ 6,467</u>      | <u>\$ 14,832</u>              |

December 31, 2023

|                                    | <b>On Demand or<br/>Less than<br/>1 Month</b> | <b>1 to 3 Months</b> | <b>3 Months to<br/>1 Year</b> |
|------------------------------------|---|----------------------|-------------------------------|
| <u>Gross settled</u>               |   |                      |                               |
| Foreign exchange forward contracts |   |                      |                               |
| Inflow                             | \$ 554,352                                    | \$ -                 | \$ -                          |
| Outflow                            | <u>(552,690)</u>                              | <u>-</u>             | <u>-</u>                      |
|                                    | <u>1,662</u>                                  | <u>-</u>             | <u>-</u>                      |
| Exchange rate swap contracts       |   |                      |                               |
| Inflow                             | 199,583                                       | -                    | 8,253,117                     |
| Outflow                            | <u>(204,848)</u>                              | <u>-</u>             | <u>(8,210,998)</u>            |
|                                    | <u>(5,265)</u>                                | <u>-</u>             | <u>42,119</u>                 |
|                                    | <u>\$ (3,603)</u>                             | <u>\$ -</u>          | <u>\$ 42,119</u>              |

(Continued)

|                                    | On Demand or<br>Less than<br>1 Month | 1 to 3 Months | 3 Months to<br>1 Year |
|------------------------------------|--------------------------------------|---------------|-----------------------|
| <u>Net settled</u>                 |                                      |               |                       |
| Foreign exchange forward contracts | \$ -                                 | \$ 85         | \$ (190,836)          |
| Foreign exchange option contracts  | <u>-</u>                             | <u>-</u>      | <u>225,301</u>        |
|                                    | <u>\$ -</u>                          | <u>\$ 85</u>  | <u>\$ 34,465</u>      |
|                                    |                                      |               | (Concluded)           |

c) Financing facilities

|  | <u>December 31</u>   |                      |
|--|----------------------|----------------------|
|  | 2024                 | 2023                 |
| Unsecured bank overdraft facility, reviewed annually and payable on demand |                      |                      |
| Amount used  | \$ 32,046,087        | \$ 33,871,454        |
| Amount unused  | <u>40,951,468</u>    | <u>40,570,416</u>    |
|  | <u>\$ 72,997,555</u> | <u>\$ 74,441,870</u> |
| Secured bank overdraft facility, reviewed annually and payable on demand   |                      |                      |
| Amount used  | \$ 2,649,010         | \$ 1,893,404         |
| Amount unused  | <u>80,287</u>        | <u>21,782</u>        |
|  | <u>\$ 2,729,297</u>  | <u>\$ 1,915,186</u>  |

e. Transfers of financial assets

Factored trade receivables that are not yet overdue at the end of the year were as follows:

December 31, 2024

| Subsidiary | Counterparty | Currency | Receivables<br>Factoring<br>Proceeds | Amounts<br>Reclassified to<br>Other<br>Receivables | Advances<br>Received Unused | Advances<br>Received Used | Annual Interest<br>Rates on Advances<br>Received (Used)<br>(%) |
|------------|--------------|----------|--------------------------------------|--|-----------------------------|---------------------------|--|
| TPK HK     | A Bank       | US\$     | <u>\$ 80,354</u>                     | <u>\$ 8,675</u>                                    | <u>\$ 8,675</u>             | <u>\$ 71,679</u>          | TERM   |
|            |              | NT\$     | <u>\$ 2,634,391</u>                  | <u>\$ 284,401</u>                                  | <u>\$ 284,401</u>           | <u>\$ 2,349,990</u>       | SOFR+53bps   |

December 31, 2023

| Subsidiary | Counterparty | Currency | Receivables<br>Factoring<br>Proceeds | Amounts<br>Reclassified to<br>Other<br>Receivables | Advances<br>Received Unused | Advances<br>Received Used | Annual Interest<br>Rates on Advances<br>Received (Used)<br>(%) |
|------------|--------------|----------|--------------------------------------|--|-----------------------------|---------------------------|--|
| TPK HK     | A Bank       | US\$     | <u>\$ 83,925</u>                     | <u>\$ 23,510</u>                                   | <u>\$ 23,510</u>            | <u>\$ 60,415</u>          | TERM   |
|            |              | NT\$     | <u>\$ 2,576,912</u>                  | <u>\$ 721,885</u>                                  | <u>\$ 721,885</u>           | <u>\$ 1,855,027</u>       | SOFR+53bps   |

Pursuant to the factoring agreements, losses from sales returns and allowances were borne by the Group, while losses from credit risk shall be borne by the Bank.

### 33. TRANSACTIONS WITH RELATED PARTIES

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note.

#### a. Related party names and categories

| Related Party Name                                   | Related Party Category   |
|--|--|
| Cando Corporation                                    | Associate  |
| UBCO LIMITED   | Associate  |
| UBCO FLEET LIMITED                                   | Associate  |
| TPK Auto Tech (Xiamen) Limited (“AUTO XM”)           | Associate (classified as a subsidiary before January 26, 2024) |
| TPK Auto Tech Co., Limited                           | Associate (classified as a subsidiary before January 26, 2024) |
| TPK Auto Tech (Thailand) Company Limited (“AUTO TH”) | Associate (classified as a subsidiary before January 26, 2024) |
| TES Touch Embedded Solutions Inc. (Taiwan Branch)    | Related party in substance                                     |
| TES Touch Embedded Solutions (Xiamen) Co., Ltd.      | Related party in substance                                     |
| BTO Technology (Xiamen) LTD.                         | Related party in substance                                     |
| Vision Optical Technologies (Xiamen) Inc. (“VOT”)    | Related party in substance                                     |
| Pan Shi (Xiamen) Real Estate Development LTD.        | Related party in substance                                     |
| Taiwan Video & Monitor Corp.                         | Related party in substance                                     |
| Cambrios Film Solutions Corporation (Taiwan Branch)  | Related party in substance                                     |
| Cambrios Film Solutions Corporation                  | Related party in substance                                     |
| Liangyi industry and trade (Xiamen) Co., Ltd.        | Related party in substance                                     |
| Cambrios Film Solutions (Xiamen) Corporation         | Related party in substance                                     |
| Wan Li Kai Limited                                   | Related party in substance                                     |
| Cheng Da Investment Limited                          | Related party in substance                                     |

#### b. Sales and other income

| Related Party Category/Name                  | For the Year Ended December 31 |                   |
|--|--------------------------------|-------------------|
|  | 2024                           | 2023              |
| 1) Operating revenue, net                    |                                |                   |
| Associate                                    | \$ 183,261                     | \$ 35,067         |
| Related party in substance                   | <u>339,626</u>                 | <u>661,541</u>    |
|  | <u>\$ 522,887</u>              | <u>\$ 696,608</u> |
| 2) Rental income (presented in other income) |                                |                   |
| Associate                                    | \$ 2,863                       | \$ -              |
| Related party in substance                   | <u>646</u>                     | <u>1,955</u>      |
|  | <u>\$ 3,509</u>                | <u>\$ 1,955</u>   |

| Related Party Category/Name | For the Year Ended December 31 |                 |
|-----------------------------|--------------------------------|-----------------|
|                             | 2024                           | 2023            |
| 3) Other income             |                                |                 |
| Associate                   | \$ 8,961                       | \$ -            |
| Related party in substance  | <u>7,902</u>                   | <u>7,865</u>    |
|                             | <u>\$ 16,863</u>               | <u>\$ 7,865</u> |
| 4) Interest income          |                                |                 |
| Associate                   | \$ 11,395                      | \$ -            |
| Related party in substance  | <u>6</u>                       | <u>5</u>        |
|                             | <u>\$ 11,401</u>               | <u>\$ 5</u>     |

Subsidiaries leased plants and offices to related parties under mutual lease agreements with monthly rental payments.

c. Purchases of goods, costs and expenses

| Related Party Category/Name   | For the Year Ended December 31 |                   |
|-------------------------------|--------------------------------|-------------------|
|                               | 2024                           | 2023              |
| 1) Purchases of goods         |                                |                   |
| Associate                     | \$ 101,751                     | \$ -              |
| Related party in substance    | <u>160,184</u>                 | <u>174,121</u>    |
|                               | <u>\$ 261,935</u>              | <u>\$ 174,121</u> |
| 2) Research expenses          |                                |                   |
| Related party in substance    | <u>\$ 199</u>                  | <u>\$ 122</u>     |
| 3) Professional service fees  |                                |                   |
| Associate                     | \$ 53                          | \$ -              |
| Related party in substance    | <u>28,337</u>                  | <u>20,542</u>     |
|                               | <u>\$ 28,390</u>               | <u>\$ 20,542</u>  |
| 4) Repairs and other expenses |                                |                   |
| Associate                     | \$ 4,534                       | \$ -              |
| Related party in substance    | <u>3,526</u>                   | <u>1,780</u>      |
|                               | <u>\$ 8,060</u>                | <u>\$ 1,780</u>   |

d. Receivables from (payables to) related parties

| Related Party Category/Name   | December 31      |                  |
|---|------------------|------------------|
|   | 2024             | 2023             |
| 1) Trade receivables - related parties (presented in notes and trade receivables) |                  |                  |
| Associate   | \$ 6,897         | \$ -             |
| Related party in substance  | <u>7,609</u>     | <u>87,089</u>    |
|   | <u>\$ 14,506</u> | <u>\$ 87,089</u> |
| 2) Trade payables - related parties (presented in notes and trade payables)       |                  |                  |
| Associates  | \$ 4,258         | \$ 3,987         |
| Related party in substance  | <u>31,466</u>    | <u>39,862</u>    |
|   | <u>\$ 35,724</u> | <u>\$ 43,849</u> |

The outstanding payables to related parties are unsecured and will be settled in cash. No guarantees were received for receivables from related parties.

| Related Party Category/Name   | December 31      |                  |
|---|------------------|------------------|
|   | 2024             | 2023             |
| 3) Other receivables - related parties (presented in other receivables)                       |                  |                  |
| Associate   | \$ 2,095         | \$ -             |
| Related party in substance  | <u>1,334</u>     | <u>1,208</u>     |
|   | <u>\$ 3,429</u>  | <u>\$ 1,208</u>  |
| 4) Payables for equipment - related parties (presented in payables for purchase of equipment) |                  |                  |
| Related party in substance  | <u>\$ 371</u>    | <u>\$ -</u>      |
| 5) Other payables - related parties (presented in other payables - others)                    |                  |                  |
| Related party in substance  | <u>\$ 13,352</u> | <u>\$ 16,842</u> |

e. Others

| Related Party Category/Name   | December 31      |                  |
|---|------------------|------------------|
|   | 2024             | 2023             |
| 1) Refundable deposits  |                  |                  |
| Related party in substance  |                  |                  |
| VOT   | \$ 15,961        | \$ 15,174        |
| Others  | <u>7,500</u>     | <u>7,500</u>     |
|   | <u>\$ 23,461</u> | <u>\$ 22,674</u> |
| 2) Advance receipts (presented in other current liabilities - others) |                  |                  |
| Associate   | <u>\$ -</u>      | <u>\$ 4,066</u>  |

Refundable deposits are the security deposits for leasing parts of plants and offices from related parties during the lease period from 2022 to 2024.

f. Acquisition of property, plant and equipment (for the year ended December 31, 2023: None)

| Related Party Category/Name | For the Year Ended December 31, 2024 |
|-----------------------------|--------------------------------------|
| Associate                   | \$ 10                                |
| Related party in substance  | <u>353</u>                           |
|                             | <u>\$ 363</u>                        |

g. Disposal of property, plant and equipment (for the year ended December 31, 2023: None)

| Related Party Category/Name | For the Year Ended December 31 |                  |
|-----------------------------|--------------------------------|------------------|
|                             | 2024                           | 2023             |
|                             | Proceeds                       | Gain on Disposal |
| Associate                   |                                |                  |
| AUTO TH                     | \$ 4,347                       | \$ 707           |
| AUTO XM                     | <u>2,286</u>                   | <u>696</u>       |
|                             | 6,633                          | 1,403            |
| Related party in substance  | <u>76</u>                      | <u>-</u>         |
|                             | <u>\$ 6,709</u>                | <u>\$ 1,403</u>  |



h. Lease arrangements - the Group as lessee

| Line Item                      | Related Party Category/Name | December 31 |                   |
|--------------------------------|-----------------------------|-------------|-------------------|
|                                |                             | 2024        | 2023              |
| 1) Lease liabilities - current | Related party in substance  |             |                   |
|                                | VOT                         | \$ -        | \$ 49,383         |
|                                | Others                      | <u>-</u>    | <u>54,629</u>     |
|                                |                             | <u>\$ -</u> | <u>\$ 104,012</u> |

| Line Item           | Related Party Category/Name | For the Year Ended December 31 |                 |
|---------------------|-----------------------------|--------------------------------|-----------------|
|                     |                             | 2024                           | 2023            |
| 2) Interest expense | Related party in substance  | <u>\$ 884</u>                  | <u>\$ 2,504</u> |

Subsidiaries leased buildings from related parties for the use of plant and office spaces under mutual lease agreements with monthly rental payments.

i. Remuneration of key management personnel

For the years ended December 31, 2024 and 2023, the total amounts of the remuneration of directors and other key management personnel were as follows:

|                              | For the Year Ended December 31 |                  |
|------------------------------|--------------------------------|------------------|
|                              | 2024                           | 2023             |
| Short-term employee benefits | \$ 73,221                      | \$ 69,514        |
| Post-employment benefits     | <u>913</u>                     | <u>972</u>       |
|                              | <u>\$ 74,134</u>               | <u>\$ 70,486</u> |

The remuneration of directors and other key management personnel were determined by the remuneration committee based on the performance of individuals and market trends.

### 34. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The following assets were provided as collateral for bank loans, customs duty guarantees, guarantees related to supplier settlements via bank-accepted bills, guarantees for road and bridge tolls, and guarantees for court litigation:

|   | December 31       |                     |
|---|-------------------|---------------------|
|   | 2024              | 2023                |
| Bank deposits (presented in financial assets at amortized cost) | \$ 12,929         | \$ 2,035,886        |
| Other equipment - net   | <u>327,275</u>    | <u>386,994</u>      |
|   | <u>\$ 340,204</u> | <u>\$ 2,422,880</u> |

### 35. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

In addition to those disclosed in other notes, significant commitments and contingencies of the Group as of December 31, 2024 and 2023 were as follows:

- a. As of December 31, 2024 and 2023, unused letters of credit for purchases of raw materials, electricity billing certificate, machinery and equipment amounted to \$500,651 thousand and \$1,847,571 thousand, respectively.
- b. Unrecognized commitments are as follows:

|  | December 31 |            |
|--|-------------|------------|
|  | 2024        | 2023       |
| Acquisition of property, plant and equipment | \$ 97,660   | \$ 629,578 |

### 36. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The Group's significant assets and liabilities denominated in foreign currencies aggregated by the foreign currencies other than the functional currency and the related the exchange rates between the foreign currencies and the respective functional currency were as follows:

(All Currencies in Thousands)

|                                     | December 31, 2024 |               |              |
|-------------------------------------|-------------------|---------------|--------------|
|                                     | Foreign Currency  | Exchange Rate | U.S. Dollars |
| <u>Foreign currency assets</u>      |                   |               |              |
| Monetary items                      |                   |               |              |
| USD                                 | \$ 303,257        | 1.0000        | \$ 303,257   |
| RMB                                 | 6,177,948         | 7.1884        | 859,353      |
| NTD                                 | 224,092           | 32.7850       | 6,835        |
| THB                                 | 165,015           | 34.0694       | 4,843        |
| EUR                                 | 1,095             | 0.9603        | 1,140        |
| HKD                                 | 693               | 7.7653        | 89           |
| Non-monetary items                  |                   |               |              |
| Derivative instruments              |                   |               |              |
| RMB sell                            | 7,690,762         | 7.1884        | 34,616       |
| Foreign exchange option contracts   | 560,860           | 7.1884        | 2,335        |
| <u>Foreign currency liabilities</u> |                   |               |              |
| Monetary items                      |                   |               |              |
| USD                                 | 50,611            | 1.0000        | 50,611       |
| RMB                                 | 5,636,435         | 7.1884        | 784,028      |
| NTD                                 | 150               | 32.7850       | 5            |
| HKD                                 | 692               | 7.7653        | 89           |
| Non-monetary items                  |                   |               |              |
| Derivative instruments              |                   |               |              |
| RMB buy                             | 8,671,904         | 7.1884        | 36,189       |
| RMB sell                            | 463,699           | 7.1884        | 541          |
| Foreign exchange option contracts   | 351,795           | 7.1884        | 30           |

|                                     | December 31, 2023   |               |              |
|-------------------------------------|---------------------|---------------|--------------|
|                                     | Foreign<br>Currency | Exchange Rate | U.S. Dollars |
| <u>Foreign currency assets</u>      |                     |               |              |
| Monetary items                      |                     |               |              |
| USD                                 | \$ 260,030          | 1.0000        | \$ 260,030   |
| RMB                                 | 5,789,111           | 7.0827        | 817,423      |
| NTD                                 | 145,457             | 30.7050       | 4,737        |
| EUR                                 | 94                  | 0.9036        | 104          |
| HKD                                 | 9,884               | 7.8150        | 1,265        |
| Non-monetary items                  |                     |               |              |
| Derivative instruments              |                     |               |              |
| RMB buy                             | 3,226,907           | 7.0827        | 6,687        |
| RMB sell                            | 329,954             | 7.0827        | 118          |
| Foreign exchange option contracts   | 1,714,500           | 7.0827        | 1,453        |
| <u>Foreign currency liabilities</u> |                     |               |              |
| Monetary items                      |                     |               |              |
| USD                                 | 72,063              | 1.0000        | 72,063       |
| RMB                                 | 5,614,852           | 7.0827        | 792,817      |
| NTD                                 | 558                 | 30.7050       | 18           |
| EUR                                 | 238                 | 0.9036        | 264          |
| HKD                                 | 29                  | 7.8150        | 4            |
| Non-monetary items                  |                     |               |              |
| Derivative instruments              |                     |               |              |
| RMB buy                             | 2,050,317           | 7.0827        | 5,332        |
| RMB sell                            | 604,082             | 7.0827        | 165          |
| NTD sell                            | 1,170,731           | 30.7050       | 849          |
| Foreign exchange option contracts   | 2,483,750           | 7.0827        | 10,359       |

For the years ended December 31, 2024 and 2023, the realized and unrealized net foreign exchange gains were \$197,545 thousand and \$174,320 thousand, respectively. It is impractical to disclose net foreign exchange gains and losses by each significant foreign currency due to the variety of the foreign currency transactions and functional currencies of the Group entities.

### 37. SEPARATELY DISCLOSED ITEMS

a. Information about significant transactions:

- 1) Financing provided to others. (Table 1)
- 2) Endorsements/guarantees provided. (Table 2)
- 3) Marketable securities held (excluding investment in subsidiaries and associates). (Table 3)
- 4) Marketable securities acquired and disposed of at costs or prices of at least NT\$300 million or 20% of the paid-in capital. (Table 4)

- 5) Acquisition of individual real estate at costs of at least NT\$300 million or 20% of the paid-in capital. (None)
  - 6) Disposal of individual real estate at prices of at least NT\$300 million or 20% of the paid-in capital. (None)
  - 7) Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital. (Table 5)
  - 8) Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital. (Table 6)
  - 9) Trading in derivative instruments. (Notes 7 and 32)
  - 10) Intercompany relationships and significant intercompany transactions. (Table 9)
- b. Information on investees. (Table 7)
- c. Information on investments in mainland China:
- 1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, net income of investee, investment income or loss, carrying amount of the investment at the end of the year, repatriations of investment income, and limit on the amount of investment in the mainland China area. (Table 8)
  - 2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses: (Tables 1, 2, 5 and 6)
    - a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the year.
    - b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the year.
    - c) The amount of property transactions and the amount of the resultant gains or losses.
    - d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the year and the purposes.
    - e) The highest balance, the ending balance, the interest rate range, and total current period interest with respect to financing of funds.
    - f) Other transactions that have a material effect on the profit or loss for the year or on the financial position, such as the rendering or receipt of services.
- d. Information of major shareholders: List all shareholders with ownership of 5% or more showing the name of the shareholder, the number of shares owned, and percentage of ownership of each shareholder. (Table 10)

### 38. SEGMENT INFORMATION

Information reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance focuses on the types of goods or services delivered or provided. Specifically, the Group's reportable is the touch modules segment. The related information was as follows:

#### a. Information of reportable segment's gains or losses and assets

| \  | For the Year Ended December 31 |              |               |               |              |               |
|--|--------------------------------|--------------|---------------|---------------|--------------|---------------|
|  | 2024                           |              |               | 2023          |              |               |
|  | Touch Modules                  | Others       | Total         | Touch Modules | Others       | Total         |
| Revenue from external customers  | \$ 66,321,940                  | \$ 2,551,678 | \$ 68,873,618 | \$ 68,262,028 | \$ 1,599,203 | \$ 69,861,231 |
| Inter-segment revenue  | 17,628                         | 35,341       | 52,969        | 31,854        | 80,156       | 112,010       |
| Interest income  | 2,012,636                      | 91,141       | 2,103,777     | 1,907,756     | 57,961       | 1,965,717     |
| Finance costs  | 1,251,167                      | 4,505        | 1,255,672     | 1,509,573     | 4,768        | 1,514,341     |
| Depreciation and amortization  | 3,317,421                      | 204,135      | 3,521,556     | 3,479,856     | 407,496      | 3,887,352     |
| Impairment loss on assets  | 79,233                         | 51,952       | 131,185       | 164,412       | -            | 164,412       |
| Reportable segment profit before tax   | 929,827                        | 104,676      | 1,034,503     | 472,222       | 120,619      | 592,841       |
| Reportable segment income tax (expense) income   | (571,461)                      | 20,274       | (551,187)     | (367,605)     | 850          | (366,755)     |
| Reportable segment net profit  | 358,366                        | 124,950      | 483,316       | 104,617       | 121,469      | 226,086       |
| Reportable segment capital expenditure on acquisition of property, plant and equipment and intangible assets | 932,962                        | 60,212       | 993,174       | 1,043,848     | 45,716       | 1,089,564     |

#### b. Reportable segment's gains or losses and other significant items reconciliation

##### 1) Segment revenues and results

| Profit and Loss                                  | For the Year Ended December 31 |                   |
|--|--------------------------------|-------------------|
|  | 2024                           | 2023              |
| Reportable segment profit before tax             | \$ 929,827                     | \$ 472,222        |
| Reportable segment income tax expense            | (571,461)                      | (367,605)         |
| Reportable segment net profit                    | 358,366                        | 104,617           |
| Non-reportable segment profit                    | 124,950                        | 121,469           |
| Net profit on non-controlling interests          | (10,254)                       | (17,696)          |
| Net profit attributable to owners of the Company | <u>\$ 473,062</u>              | <u>\$ 208,390</u> |

##### 2) Other significant items reconciliation

| For the Year Ended December 31, 2024  |                                    |  |                |              |
|---|------------------------------------|--|----------------|--------------|
| Other Significant Items   | Total Amount of Reportable Segment | Total Amount of Non-reportable Segment | Reconciliation | Total        |
| Interest income   | \$ 2,012,636                       | \$ 91,141                              | \$ (33,131)    | \$ 2,070,646 |
| Finance costs   | 1,251,167                          | 4,505                                  | (33,131)       | 1,222,541    |
| Capital expenditure on acquisition of property, plant and equipment and intangible assets | 932,962                            | 60,212                                 | (3,658)        | 989,516      |
| Depreciation and amortization   | 3,317,421                          | 204,135                                | -              | 3,521,556    |
| Impairment loss on assets   | 79,233                             | 51,952                                 | -              | 131,185      |

**For the Year Ended December 31, 2023**

| <b>Other Significant Items</b>   | <b>Total Amount<br/>of Reportable<br/>Segment</b> | <b>Total Amount<br/>of Non-<br/>reportable<br/>Segment</b> | <b>Reconciliation</b> | <b>Total</b> |
|--|---|--|-----------------------|--------------|
| Interest income  | \$ 1,907,756                                      | \$ 57,961  | \$ (29,728)           | \$ 1,935,989 |
| Finance costs  | 1,509,573   | 4,768  | (30,971)              | 1,483,370    |
| Capital expenditure on<br>acquisition of property,<br>plant and equipment and<br>intangible assets | 1,043,848   | 45,716   | (23,498)              | 1,066,066    |
| Depreciation and<br>amortization   | 3,479,856   | 407,496  | -                     | 3,887,352    |
| Impairment loss on assets  | 164,412   | -  | -                     | 164,412      |

3) Revenue from major products and services

The Company and its subsidiaries categorized reportable segment based on the type of products. There were no specific additional disclosures for products and revenue.

4) Geographical information

The Group operate in three principal geographical areas - Taiwan, China, the United States and Thailand.

The Group's revenue from continuing operations from external customers by location of operations and information about its non-current assets by location of assets are detailed below.

|               | <b>Revenue from<br/>External Customers</b> |                      | <b>Non-current Assets</b> |                      |
|---------------|--|----------------------|---------------------------|----------------------|
|               | <b>For the Year Ended December 31</b>      |                      | <b>December 31</b>        |                      |
|               | <b>2024</b>                                | <b>2023</b>          | <b>2024</b>               | <b>2023</b>          |
| Asia          | \$ 34,849,225                              | \$ 32,369,500        | \$ 17,183,536             | \$ 19,005,748        |
| North America | 33,002,587                                 | 31,741,644           | 139,506                   | 62,183               |
| Europe        | 893,644                                    | 5,667,011            | -                         | -                    |
| Others        | <u>128,162</u>                             | <u>83,076</u>        | <u>-</u>                  | <u>-</u>             |
|               | <u>\$ 68,873,618</u>                       | <u>\$ 69,861,231</u> | <u>\$ 17,323,042</u>      | <u>\$ 19,067,931</u> |

Non-current assets above excludes financial assets, investments accounted for using the equity method, deferred tax assets and net defined benefit assets.

5) Information about major customers

Customers who contributed 10% or more to the Group's revenue are as follows:

|            |  | <b>For the Year Ended December 31</b> |                      |
|------------|--|---------------------------------------|----------------------|
|            |  | <b>2024</b>                           | <b>2023</b>          |
| Customer A |  | \$ 22,105,749                         | \$ 24,245,933        |
| Customer B |  | 7,169,395                             | 6,409,237            |
| Customer C |  | 6,037,662                             | 7,535,310            |
| Customer D |  | <u>3,431,239</u>                      | <u>7,379,230</u>     |
|            |  | <u>\$ 38,744,045</u>                  | <u>\$ 45,569,710</u> |

TABLE 1

TPK HOLDING CO., LTD. AND SUBSIDIARIES

FINANCING PROVIDED TO OTHERS  
FOR THE YEAR ENDED DECEMBER 31, 2024  
(In Thousands)

| No.<br>(Note 1) | Lender | Borrower | Financial<br>Statements<br>Account | Related<br>Parties | Highest Balance<br>for the Period<br>(Notes 5 and 6) | Ending Balance<br>(Notes 5 and 6)                  | Actual<br>Borrowing<br>Amount<br>(Note 5)         | Interest Rate   | Types of<br>Financing<br>(Note 2) | Business<br>Transaction<br>Amount | Reason for<br>Short-term<br>Financing | Allowance for<br>Impairment Loss | Collateral |       | Financing Limit<br>for Each<br>Borrower<br>(Notes 3 and 5) | Aggregate<br>Financing Limit<br>(Notes 3 and 5)      | Note |
|-----------------|--------|----------|------------------------------------|--------------------|--|--|---|-----------------|-----------------------------------|-----------------------------------|---------------------------------------|----------------------------------|------------|-------|--|--|------|
|                 |        |          |                                    |                    |  |  |   |                 |                                   |                                   |                                       |                                  | Item       | Value |  |  |      |
| 1               | TPKC   | TPKG     | Loan to related parties            | Y                  | NT\$ 12,130,450<br>(approximately<br>US\$ 370,000)   | NT\$ 3,278,500<br>(approximately<br>US\$ 100,000)  | \$ -  | -               | b                                 | \$ -                              | Operating capital                     | \$ -                             | None       | \$ -  | NT\$ 72,332,262<br>(approximately<br>US\$ 2,206,261)       | NT\$ 90,415,328<br>(approximately<br>US\$ 2,757,826) |      |
|                 |        | MTOH     | Loan to related parties            | Y                  | NT\$ 524,560<br>(approximately<br>US\$ 16,000)       | NT\$ 262,280<br>(approximately<br>US\$ 8,000)      | NT\$ 241,651<br>(approximately<br>US\$ 7,371)     | 0.0000%         | b                                 | -                                 | Operating capital                     | -                                | None       | -     | NT\$ 72,332,262<br>(approximately<br>US\$ 2,206,261)       | NT\$ 90,415,328<br>(approximately<br>US\$ 2,757,826) |      |
|                 |        | TPKP     | Loan to related parties            | Y                  | NT\$ 19,015,300<br>(approximately<br>US\$ 580,000)   | NT\$ 9,507,650<br>(approximately<br>US\$ 290,000)  | NT\$ 7,920,277<br>(approximately<br>US\$ 241,582) | 0.0000%         | b                                 | -                                 | Operating capital                     | -                                | None       | -     | NT\$ 72,332,262<br>(approximately<br>US\$ 2,206,261)       | NT\$ 90,415,328<br>(approximately<br>US\$ 2,757,826) |      |
|                 |        | TPKD     | Loan to related parties            | Y                  | NT\$ 11,146,900<br>(approximately<br>US\$ 340,000)   | NT\$ 5,573,450<br>(approximately<br>US\$ 170,000)  | -   | -               | b                                 | -                                 | Operating capital                     | -                                | None       | -     | NT\$ 72,332,262<br>(approximately<br>US\$ 2,206,261)       | NT\$ 90,415,328<br>(approximately<br>US\$ 2,757,826) |      |
|                 |        | TPKQ     | Loan to related parties            | Y                  | NT\$ 262,280<br>(approximately<br>US\$ 8,000)        | NT\$ 131,140<br>(approximately<br>US\$ 4,000)      | NT\$ 50,164<br>(approximately<br>US\$ 1,530)      | 0.0000%         | b                                 | -                                 | Operating capital                     | -                                | None       | -     | NT\$ 72,332,262<br>(approximately<br>US\$ 2,206,261)       | NT\$ 90,415,328<br>(approximately<br>US\$ 2,757,826) |      |
|                 |        | TPK HK   | Loan to related parties            | Y                  | NT\$ 9,835,500<br>(approximately<br>US\$ 300,000)    | NT\$ 6,557,000<br>(approximately<br>US\$ 200,000)  | NT\$ 1,868,745<br>(approximately<br>US\$ 57,000)  | 0.0000%         | b                                 | -                                 | Operating capital                     | -                                | None       | -     | NT\$ 72,332,262<br>(approximately<br>US\$ 2,206,261)       | NT\$ 90,415,328<br>(approximately<br>US\$ 2,757,826) |      |
|                 |        | TPKF     | Loan to related parties            | Y                  | NT\$ 1,311,400<br>(approximately<br>US\$ 40,000)     | NT\$ 327,850<br>(approximately<br>US\$ 10,000)     | NT\$ 66,126<br>(approximately<br>US\$ 2,017)      | 0.0000%         | b                                 | -                                 | Operating capital                     | -                                | None       | -     | NT\$ 72,332,262<br>(approximately<br>US\$ 2,206,261)       | NT\$ 90,415,328<br>(approximately<br>US\$ 2,757,826) |      |
|                 |        | TPKGA    | Loan to related parties            | Y                  | NT\$ 655,700<br>(approximately<br>US\$ 20,000)       | NT\$ 327,850<br>(approximately<br>US\$ 10,000)     | NT\$ 125,411<br>(approximately<br>US\$ 3,825)     | 0.0000%         | b                                 | -                                 | Operating capital                     | -                                | None       | -     | NT\$ 72,332,262<br>(approximately<br>US\$ 2,206,261)       | NT\$ 90,415,328<br>(approximately<br>US\$ 2,757,826) |      |
|                 |        | TPKCA    | Loan to related parties            | Y                  | NT\$ 2,458,875<br>(approximately<br>US\$ 75,000)     | NT\$ 1,639,250<br>(approximately<br>US\$ 50,000)   | NT\$ 15,961<br>(approximately<br>US\$ 487)        | 0.0000%         | b                                 | -                                 | Operating capital                     | -                                | None       | -     | NT\$ 72,332,262<br>(approximately<br>US\$ 2,206,261)       | NT\$ 90,415,328<br>(approximately<br>US\$ 2,757,826) |      |
|                 |        |          |                                    |                    |  |  |   |                 |                                   |                                   |                                       |                                  |            |       |  |  |      |
| 2               | RUSL   | TPKH     | Loan to related parties            | Y                  | NT\$ 1,032,728<br>(approximately<br>US\$ 31,500)     | -  | -   | -               | b                                 | -                                 | Operating capital                     | -                                | None       | -     | NT\$ 2,184,972<br>(approximately<br>US\$ 66,645)           | NT\$ 2,731,215<br>(approximately<br>US\$ 83,307)     |      |
| 3               | TPK HK | TPKH     | Loan to related parties            | Y                  | NT\$ 22,949,500<br>(approximately<br>US\$ 700,000)   | NT\$ 11,474,750<br>(approximately<br>US\$ 350,000) | NT\$ 7,343,840<br>(approximately<br>US\$ 224,000) | 4.0000%-5.0000% | b                                 | -                                 | Operating capital                     | -                                | None       | -     | NT\$ 26,743,898<br>(approximately<br>US\$ 815,736)         | NT\$ 33,429,873<br>(approximately<br>US\$ 1,019,670) |      |
|                 |        | TPKC     | Loan to related parties            | Y                  | NT\$ 6,557,000<br>(approximately<br>US\$ 200,000)    | NT\$ 3,278,500<br>(approximately<br>US\$ 100,000)  | -   | -               | b                                 | -                                 | Operating capital                     | -                                | None       | -     | NT\$ 26,743,898<br>(approximately<br>US\$ 815,736)         | NT\$ 33,429,873<br>(approximately<br>US\$ 1,019,670) |      |
|                 |        | TPKG     | Loan to related parties            | Y                  | NT\$ 3,278,500<br>(approximately<br>US\$ 100,000)    | NT\$ 1,639,250<br>(approximately<br>US\$ 50,000)   | -   | -               | b                                 | -                                 | Operating capital                     | -                                | None       | -     | NT\$ 26,743,898<br>(approximately<br>US\$ 815,736)         | NT\$ 33,429,873<br>(approximately<br>US\$ 1,019,670) |      |
|                 |        | TPKE     | Loan to related parties            | Note 7             | NT\$ 1,311,400<br>(approximately<br>US\$ 40,000)     | NT\$ 655,700<br>(approximately<br>US\$ 20,000)     | -   | -               | b                                 | -                                 | Operating capital                     | -                                | None       | -     | NT\$ 5,348,780<br>(approximately<br>US\$ 163,147)          | NT\$ 6,685,975<br>(approximately<br>US\$ 203,934)    |      |
|                 |        | AUTO HK  | Loan to related parties            | Y                  | NT\$ 295,065<br>(approximately<br>US\$ 9,000)        | -  | -   | -               | b                                 | -                                 | Operating capital                     | -                                | None       | -     | NT\$ 5,348,780<br>(approximately<br>US\$ 163,147)          | NT\$ 6,685,975<br>(approximately<br>US\$ 203,934)    |      |
|                 |        | Improve  | Loan to related parties            | Y                  | NT\$ 1,967,100<br>(approximately<br>US\$ 60,000)     | NT\$ 983,550<br>(approximately<br>US\$ 30,000)     | NT\$ 360,635<br>(approximately<br>US\$ 11,000)    | 4.0000%-5.0000% | b                                 | -                                 | Operating capital                     | -                                | None       | -     | NT\$ 26,743,898<br>(approximately<br>US\$ 815,736)         | NT\$ 33,429,873<br>(approximately<br>US\$ 1,019,670) |      |

(Continued)



| No.<br>(Note 1) | Lender | Borrower | Financial<br>Statements<br>Account  | Related<br>Parties | Highest Balance<br>for the Period<br>(Notes 5 and 6) | Ending Balance<br>(Notes 5 and 6)                 | Actual<br>Borrowing<br>Amount<br>(Note 5)        | Interest Rate   | Types of<br>Financing<br>(Note 2) | Business<br>Transaction<br>Amount | Reason for<br>Short-term<br>Financing | Allowance for<br>Impairment Loss | Collateral |       | Financing Limit<br>for Each<br>Borrower<br>(Notes 3 and 5) | Aggregate<br>Financing Limit<br>(Notes 3 and 5)      | Note |
|-----------------|--------|----------|-------------------------------------|--------------------|--|---|--|-----------------|-----------------------------------|-----------------------------------|---------------------------------------|----------------------------------|------------|-------|--|--|------|
|                 |        |          |                                     |                    |  |   |  |                 |                                   |                                   |                                       |                                  | Item       | Value |  |  |      |
| 3               | TPK HK | OTH      | Loan to related parties             | Y                  | NT\$ 327,850<br>(approximately<br>US\$ 10,000)       | NT\$ 327,850<br>(approximately<br>US\$ 10,000)    | NT\$ 65,570<br>(approximately<br>US\$ 2,000)     | 4.0000%         | b                                 | \$ -                              | Operating capital                     | \$ -                             | None       | \$ -  | NT\$ 26,743,898<br>(approximately<br>US\$ 815,736)         | NT\$ 33,429,873<br>(approximately<br>US\$ 1,019,670) |      |
|                 |        | UYH      | Loan to related parties - long-term | Y                  | NT\$ 983,550<br>(approximately<br>US\$ 30,000)       | NT\$ 983,550<br>(approximately<br>US\$ 30,000)    | NT\$ 983,550<br>(approximately<br>US\$ 30,000)   | 2.0000%-5.0000% | b                                 | -                                 | Operating capital                     | -                                | None       | -     | NT\$ 26,743,898<br>(approximately<br>US\$ 815,736)         | NT\$ 33,429,873<br>(approximately<br>US\$ 1,019,670) |      |
|                 |        | AMPH     | Loan to related parties             | Y                  | NT\$ 327,850<br>(approximately<br>US\$ 10,000)       | NT\$ 163,925<br>(approximately<br>US\$ 5,000)     | NT\$ 147,533<br>(approximately<br>US\$ 4,500)    | 4.0000%-4.5000% | b                                 | -                                 | Operating capital                     | -                                | None       | -     | NT\$ 5,348,780<br>(approximately<br>US\$ 163,147)          | NT\$ 6,685,975<br>(approximately<br>US\$ 203,934)    |      |
|                 |        | AMP HK   | Loan to related parties             | Y                  | NT\$ 491,775<br>(approximately<br>US\$ 15,000)       | NT\$ 163,925<br>(approximately<br>US\$ 5,000)     | -  | -               | b                                 | -                                 | Operating capital                     | -                                | None       | -     | NT\$ 5,348,780<br>(approximately<br>US\$ 163,147)          | NT\$ 6,685,975<br>(approximately<br>US\$ 203,934)    |      |
| 4               | OTH    | TPK HK   | Loan to related parties             | Y                  | NT\$ 622,915<br>(approximately<br>US\$ 19,000)       | NT\$ 327,850<br>(approximately<br>US\$ 10,000)    | -  | -               | b                                 | -                                 | Operating capital                     | -                                | None       | -     | NT\$ 65,022,110<br>(approximately<br>US\$ 1,983,288)       | NT\$ 81,277,638<br>(approximately<br>US\$ 2,479,110) |      |
| 5               | TPKA   | TPK HK   | Loan to related parties - long-term | Y                  | NT\$ 3,180,145<br>(approximately<br>US\$ 97,000)     | NT\$ 2,262,165<br>(approximately<br>US\$ 69,000)  | NT\$ 2,262,165<br>(approximately<br>US\$ 69,000) | 3.0000%-5.0000% | b                                 | -                                 | Operating capital                     | -                                | None       | -     | NT\$ 8,928,142<br>(approximately<br>US\$ 272,324)          | NT\$ 11,160,178<br>(approximately<br>US\$ 340,405)   |      |
| 6               | TPKG   | TPKC     | Loan to related parties             | Y                  | NT\$ 4,589,900<br>(approximately<br>US\$ 140,000)    | NT\$ 2,622,800<br>(approximately<br>US\$ 80,000)  | NT\$ 177,855<br>(approximately<br>US\$ 5,425)    | 0.0000%         | b                                 | -                                 | Operating capital                     | -                                | None       | -     | NT\$ 19,331,268<br>(approximately<br>US\$ 589,638)         | NT\$ 24,164,085<br>(approximately<br>US\$ 737,047)   |      |
| 7               | TPKD   | TPKC     | Loan to related parties             | Y                  | NT\$ 16,392,500<br>(approximately<br>US\$ 500,000)   | NT\$ 9,835,500<br>(approximately<br>US\$ 300,000) | -  | -               | b                                 | -                                 | Operating capital                     | -                                | None       | -     | NT\$ 27,275,690<br>(approximately<br>US\$ 831,956)         | NT\$ 34,094,613<br>(approximately<br>US\$ 1,039,945) |      |
| 8               | TPKT   | TPK HK   | Loan to related parties             | Y                  | NT\$ 1,311,400<br>(approximately<br>US\$ 40,000)     | NT\$ 655,700<br>(approximately<br>US\$ 20,000)    | NT\$ 655,700<br>(approximately<br>US\$ 20,000)   | 4.0000%-4.5000% | b                                 | -                                 | Operating capital                     | -                                | None       | -     | NT\$ 796,946<br>(approximately<br>US\$ 24,308)             | NT\$ 996,183<br>(approximately<br>US\$ 30,385)       |      |
| 9               | TPKMT  | TPKC     | Loan to related parties             | Y                  | NT\$ 196,710<br>(approximately<br>US\$ 6,000)        | NT\$ 98,355<br>(approximately<br>US\$ 3,000)      | NT\$ 22,804<br>(approximately<br>US\$ 696)       | 0.0000%         | b                                 | -                                 | Operating capital                     | -                                | None       | -     | NT\$ 452,920<br>(approximately<br>US\$ 13,815)             | NT\$ 566,150<br>(approximately<br>US\$ 17,269)       |      |
| 10              | TPKJ   | TPKC     | Loan to related parties             | Y                  | NT\$ 2,524,445<br>(approximately<br>US\$ 77,000)     | NT\$ 1,639,250<br>(approximately<br>US\$ 50,000)  | NT\$ 68,412<br>(approximately<br>US\$ 2,087)     | 0.0000%         | b                                 | -                                 | Operating capital                     | -                                | None       | -     | NT\$ 2,085,112<br>(approximately<br>US\$ 63,600)           | NT\$ 2,606,390<br>(approximately<br>US\$ 79,499)     |      |
| 11              | TPKCA  | TPKC     | Loan to related parties             | Y                  | NT\$ 131,140<br>(approximately<br>US\$ 4,000)        | -   | -  | -               | b                                 | -                                 | Operating capital                     | -                                | None       | -     | NT\$ 2,430,408<br>(approximately<br>US\$ 74,132)           | NT\$ 3,038,010<br>(approximately<br>US\$ 92,665)     |      |
| 12              | AMP HK | AMP US   | Loan to related parties             | Y                  | NT\$ 65,570<br>(approximately<br>US\$ 2,000)         | NT\$ 65,570<br>(approximately<br>US\$ 2,000)      | -  | -               | b                                 | -                                 | Operating capital                     | -                                | None       | -     | NT\$ 155,147<br>(approximately<br>US\$ 4,732)              | NT\$ 193,934<br>(approximately<br>US\$ 5,915)        |      |

Note 1: All subsidiaries are numbered sequentially by company code.

Note 2: Types of financing were as follows:

- a. Business and trade.
- b. Short-term financing.

(Continued)

Note 3: The limits of financing amounts were as follows:

- a. Financing received from TPKH cannot exceed 50% of TPKH’s net asset value, and the total short-term financing cannot exceed 40% of TPKH’s net asset value.
- b. Financing received from a financing company cannot exceed 50% of the financing company’s net asset value, and the total short-term financing cannot exceed 40% of the financing company’s net asset value.
- c. The limits of individual financing provided are as follows:
  - 1) Intercompany business and trade financing cannot exceed the business and trade amount. The business and trade amount is the higher of the sales amount or purchases amount within one year.
  - 2) Short-term financing cannot exceed 40% of the financing company’s net asset value.
- d. The total financing amount where TPKH directly and indirectly holds 100% of the voting shares of subsidiaries cannot exceed 250% of the lending company’s net asset value, and the amount of individual financing provided cannot exceed 200% of the lending company’s net asset value.
- e. For loans provided to TPKH, the total financing amount where TPKH directly and indirectly holds 100% of the voting shares of subsidiaries cannot exceed 250% of the lending company’s net asset value, and the amount of individual financing provided cannot exceed 200% of the lending company’s net asset value.

Note 4: The Company’s board of directors approved the credit line of loans to another party for NT\$64,783,160 thousand (approximately US\$1,976,000 thousand). The loans to other parties disclosed on Table 1 did not exceed the credit lines approved by the Company’s board of directors.

Note 5: The exchange rate from U.S. dollars to New Taiwan dollars as of December 31, 2024 was US\$1=NT\$32.785.

Note 6: Highest balance and ending balance for the year only indicate credit line of loans to others, not the used amount of loans.

Note 7: The Group lost control over TPKE on November 14, 2024.

(Concluded)

TABLE 2

TPK HOLDING CO., LTD. AND SUBSIDIARIES

ENDORSEMENTS/GUARANTEES PROVIDED  
FOR THE YEAR ENDED DECEMBER 31, 2024  
(In Thousands)

| No.<br>(Note 1) | Endorser/<br>Guarantor | Endorsee/Guarantee Receiver |   | Limits on<br>Endorsement/<br>Guarantee Given<br>on Behalf of<br>Each Party<br>(Notes 2 and 3) | Maximum<br>Amount<br>Endorsed/<br>Guaranteed<br>During the<br>Period<br>(Notes 3 and 4) | Outstanding<br>Endorsement/<br>Guarantee at the<br>End of the Period<br>(Notes 3 and 4) | Actual<br>Borrowing<br>Amount<br>(Note 3)        | Amount<br>Endorsed/<br>Guaranteed by<br>Collaterals | Ratio of<br>Accumulated<br>Endorsement/<br>Guarantee to Net<br>Equity in Latest<br>Financial<br>Statements | Aggregate<br>Endorsement/<br>Guarantee Limit<br>(Notes 2 and 3) | Endorsement/<br>Guarantee<br>Given by<br>Parent on<br>Behalf of<br>Subsidiaries | Endorsement/<br>Guarantee<br>Given by<br>Subsidiaries on<br>Behalf of<br>Parent | Endorsement/<br>Guarantee<br>Given on<br>Behalf of<br>Companies in<br>Mainland<br>China | Note |
|-----------------|------------------------|-----------------------------|---|---|---|---|--|---|--|---|---|---|---|------|
|                 |                        | Name                        | Relationship  |   |   |   |  |   |  |   |   |   |   |      |
| 1               | TPKC                   | TPK HK                      | Inter-company in which the Company indirectly held more than 90% of the voting shares | NT\$ 9,041,533<br>(approximately<br>US\$ 275,783)   | NT\$ 6,384,551<br>(approximately<br>US\$ 194,740)                                       | NT\$ 5,016,433<br>(approximately<br>US\$ 153,010)                                       | NT\$ 2,260,863<br>(approximately<br>US\$ 68,960) | \$ -  | 12.50%   | NT\$ 18,083,066<br>(approximately<br>US\$ 551,565)              | N   | N   | N   |      |

Note 1: All subsidiaries are numbered sequentially by company code.

Note 2: For TPKH, the total amount of endorsement/guarantee provided and the limit on endorsement/guarantee amounts provided to each guaranteed party cannot exceed 50% and 25% of TPKH’s net asset value, respectively. The maximum collateral/guarantee amount for a single entity and the total endorsement/guarantee limit are calculated based on 25% and 50% of the net asset value of the company providing the endorsements and guarantees as of December 31, 2024.

Note 3: The exchange rate from U.S. dollars to New Taiwan dollars as of December 31, 2024 was US\$1=NT\$32.785.

Note 4: The maximum amount and outstanding endorsement/guarantee at the end of the year only indicate limits on endorsement/guarantee amount to others, not the used amount.

**TABLE 3**

**TPK HOLDING CO., LTD. AND SUBSIDIARIES**

**MARKETABLE SECURITIES HELD**  
**DECEMBER 31, 2024**  
(In Thousands, Unless Stated Otherwise)

| Holding Company Name | Name and Type of Marketable Securities                                      | Relationship with the Holding Company | Financial Statement Account              | December 31, 2024 |  |                         |  | Note   |
|----------------------|---|---------------------------------------|--|-------------------|--|-------------------------|--|--------|
|                      |   |                                       |  | Shares            | Carrying Amount (Note 1)                       | Percentage of Ownership | Fair Value                                     |        |
| TPKH                 | <u>Ordinary shares</u><br>HD Renewable Energy Co., Ltd.                     | -                                     | Financial assets at FVTPL - current      | 1,024,855         | NT\$ 214,707<br>(approximately<br>US\$ 6,549)  | 0.88                    | NT\$ 214,707<br>(approximately<br>US\$ 6,549)  |        |
| TPKT                 | <u>Ordinary shares</u><br>HD Renewable Energy Co., Ltd.                     | -                                     | Financial assets at FVTPL - current      | 774,740           | NT\$ 162,308<br>(approximately<br>US\$ 4,951)  | 0.66                    | NT\$ 162,308<br>(approximately<br>US\$ 4,951)  |        |
| TPKT                 | <u>Convertible long-term bonds</u><br>JustKitchen Co., Ltd.                 | -                                     | Financial assets at FVTPL - non-current  | -                 | NT\$ 35,500<br>(approximately<br>US\$ 1,083)   | -                       | NT\$ 35,500<br>(approximately<br>US\$ 1,083)   |        |
| TPK HK               | <u>Funds</u><br>SMART Growth Fund, L.P.                                     | -                                     | Financial assets at FVTPL - non-current  | -                 | NT\$ 499,122<br>(approximately<br>US\$ 15,224) | 3.36                    | NT\$ 499,122<br>(approximately<br>US\$ 15,224) | Note 2 |
|                      | Fuh Hwa San Jose Fund - U.S. Dollar   | -                                     | Financial assets at FVTPL - non-current  | -                 | NT\$ 670,781<br>(approximately<br>US\$ 20,460) | 90.91                   | NT\$ 670,781<br>(approximately<br>US\$ 20,460) | Note 3 |
| TPK HK               | <u>Preference shares</u><br>Sensor Holdings Limited                         | -                                     | Financial assets at FVTOCI - non-current | 217,231           | NT\$ 19,681<br>(approximately<br>US\$ 600)     | 9.17                    | NT\$ 19,681<br>(approximately<br>US\$ 600)     |        |
| TPK HK               | <u>Convertible short-term bonds</u><br>Light Polymers Holdings (HK) Limited | -                                     | Financial assets at FVTPL - current      | -                 | -  | -                       | -  | Note 4 |
| TPK HK               | <u>Convertible long-term bonds</u><br>Monacum Partners GmbH                 | -                                     | Financial assets at FVTPL - non-current  | -                 | NT\$ 34,139<br>(approximately<br>US\$ 1,041)   | -                       | NT\$ 34,139<br>(approximately<br>US\$ 1,041)   |        |

Note 1: The exchange rate from U.S. dollars to New Taiwan dollars as of December 31, 2024 was US\$1=NT\$32.785.  
Note 2: The Group disclosed the percentage of ownership based on the percentage of the Group’s investment amount relative to the total investment amount of the fund.  
Note 3: The Group disclosed the percentage of ownership based on the percentage of the Group’s units, relative to the total number of U.S. dollar units of the fund.  
Note 4: The Group evaluated the fair value of the convertible short-term bonds was \$0 as of December 31, 2024.

TABLE 4

TPK HOLDING CO., LTD. AND SUBSIDIARIES

MARKETABLE SECURITIES ACQUIRED OR DISPOSED OF AT COSTS OR PRICES OF AT LEAST NT\$300 MILLION OR 20% OF THE PAID-IN CAPITAL  
FOR THE YEAR ENDED DECEMBER 31, 2024  
(In Thousands, Unless Stated Otherwise)

| Company Name | Type and Name of Marketable Securities             | Financial Statement Account                   | Counterparty | Relationship                                  | Beginning Balance |   | Acquisition      |  | Disposal         |  |  |  | Ending Balance   |   |
|--------------|--|---|--------------|---|-------------------|---|------------------|--|------------------|--|--|--|------------------|---|
|              |  |   |              |   | Number of Shares  | Amount (Note 1)                             | Number of Shares | Amount (Note 2)                            | Number of Shares | Amount (Note 2)                          | Carrying Amount                          | Gain (loss) on Disposal (Note 2)           | Number of Shares | Amount (Notes 3 and 4)                      |
| TPK HK       | <u>Shareholding</u><br>TPKG                        | Investments accounted for using equity method | TPKG         | Investments accounted for using equity method | -                 | NT\$ 5,339,371 (approximately US\$ 173,893) | -                | NT\$ 1,501,170 (approximately US\$ 47,960) | -                | \$ -                                     | \$ -                                     | \$ -                                       | -                | NT\$ 9,665,634 (approximately US\$ 294,819) |
| Improve      | Luminar Technologies, Inc.                         | Financial assets at FVTPL - current           | -            | -   | 2,587,984         | NT\$ 259,166 (approximately US\$ 8,441)     | 1,833,900        | NT\$ 147,166 (approximately US\$ 4,745)    | 4,421,884        | NT\$ 458,008 (approximately US\$ 14,722) | NT\$ 608,993 (approximately US\$ 19,430) | NT\$ (150,985) (approximately US\$ -4,708) | -                | -   |
| TPKG         | AUTO XM  | Investments accounted for using equity method | TES XM       | Related party in substance                    | -                 | NT\$ 281,707 (approximately US\$ 9,175)     | -                | NT\$ 302,180 (approximately US\$ 9,312)    | -                | NT\$ 770,081 (approximately US\$ 25,080) | NT\$ 187,804 (approximately US\$ 6,116)  | Note 5                                     | -                | NT\$ 360,290 (approximately US\$ 10,989)    |
| TPK HK       | <u>Fund</u><br>Fuh Hwa San Jose Fund - U.S. Dollar | Financial assets at FVTPL - non current       | -            | -   | -                 | -   | -                | NT\$ 648,000 (approximately US\$ 20,000)   | -                | -  | -  | -  | -                | NT\$ 670,781 (approximately US\$ 20,460)    |

Note 1: The exchange rate from U.S. dollars to New Taiwan dollars as of December 31, 2023 was US\$1=NT\$30.705.

Note 2: The exchange rate used for the translation of U.S. dollars to New Taiwan dollars was the monthly average rate of the transaction.

Note 3: The exchange rate from U.S. dollars to New Taiwan dollars as of December 31, 2024 was US\$1=NT\$32.785.

Note 4: The ending balance includes the profit or loss from fair value changes of financial assets, investment income or loss recognized using the equity method and other changes in equity.

Note 5: The transaction was an equity transaction under common control, and the difference between the consideration received and the carrying amount of the disposal of net assets was recognized as an increase in capital surplus. Refer to Note 28 to the consolidated financial statements for more information.

TABLE 5

TPK HOLDING CO., LTD. AND SUBSIDIARIES

TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL  
FOR THE YEAR ENDED DECEMBER 31, 2024  
(In Thousands)

| Company Name | Related Party | Relationship                     | Transaction Detail |  |            |                               | Abnormal Transaction         |                              | Notes/Trade Receivable (Payables)                 |            | Note |
|--------------|---------------|----------------------------------|--------------------|--|------------|-------------------------------|------------------------------|------------------------------|---|------------|------|
|              |               |                                  | Purchase/<br>Sale  | Amount<br>(Notes 2 and 3)                            | % to Total | Payment Terms                 | Unit Price                   | Payment<br>Term              | Ending Balance<br>(Notes 2 and 4)                 | % to Total |      |
| TPKC         | TPKG          | The same ultimate parent company | Purchase           | NT\$ 3,748,371<br>(approximately<br>US\$ 117,149)    | 6.51       | 60 days after monthly closing | No significant<br>difference | No significant<br>difference | NT\$ 2,557,804<br>(approximately<br>US\$ 78,017)  | 26.68      |      |
|              | TPK HK        | The same ultimate parent company | Purchase           | NT\$ 9,533,439<br>(approximately<br>US\$ 297,951)    | 16.55      | 45 days after monthly closing | No significant<br>difference | No significant<br>difference | NT\$ 1,571,246<br>(approximately<br>US\$ 47,926)  | 16.39      |      |
|              | TPKJ          | The same ultimate parent company | Purchase           | NT\$ 354,325<br>(approximately<br>US\$ 11,074)       | 0.62       | 60 days after monthly closing | No significant<br>difference | No significant<br>difference | NT\$ 102,900<br>(approximately<br>US\$ 3,139)     | 1.07       |      |
|              | TPKJ HK       | The same ultimate parent company | Purchase           | NT\$ 168,715<br>(approximately<br>US\$ 5,273)        | 0.29       | 60 days after monthly closing | No significant<br>difference | No significant<br>difference | NT\$ 57,873<br>(approximately<br>US\$ 1,765)      | 0.60       |      |
|              | TPKG          | The same ultimate parent company | Sale               | NT\$ 183,422<br>(approximately<br>US\$ 5,733)        | 0.27       | 60 days after monthly closing | No significant<br>difference | No significant<br>difference | NT\$ 1,341<br>(approximately<br>US\$ 41)          | 0.01       |      |
|              | TPK HK        | The same ultimate parent company | Sale               | NT\$ 33,746,906<br>(approximately<br>US\$ 1,054,700) | 49.00      | 60 days after monthly closing | No significant<br>difference | No significant<br>difference | NT\$ 7,792,862<br>(approximately<br>US\$ 237,696) | 81.97      |      |
|              | AUTO XM       | Associates                       | Purchase           | NT\$ 101,434<br>(approximately<br>US\$ 3,170)        | 0.18       | 60 days after monthly closing | No significant<br>difference | No significant<br>difference | -   | -          |      |
| TPKS         | TPK HK        | The same ultimate parent company | Sales              | NT\$ 323,047<br>(approximately<br>US\$ 10,096)       | 0.47       | 60 days after monthly closing | No significant<br>difference | No significant<br>difference | -   | -          |      |
| TPKG         | TPKC          | The same ultimate parent company | Purchase           | NT\$ 183,422<br>(approximately<br>US\$ 5,733)        | 0.32       | 60 days after monthly closing | No significant<br>difference | No significant<br>difference | NT\$ 1,341<br>(approximately<br>US\$ 41)          | 0.01       |      |
|              | TPK HK        | The same ultimate parent company | Purchase           | NT\$ 905,290<br>(approximately<br>US\$ 28,293)       | 1.57       | 60 days after monthly closing | No significant<br>difference | No significant<br>difference | NT\$ 13,182<br>(approximately<br>US\$ 402)        | 0.14       |      |
|              | TPKF          | The same ultimate parent company | Purchase           | NT\$ 1,079,680<br>(approximately<br>US\$ 33,743)     | 1.87       | 60 days after monthly closing | No significant<br>difference | No significant<br>difference | NT\$ 185,126<br>(approximately<br>US\$ 5,647)     | 1.93       |      |

(Continued)

| Company Name | Related Party | Relationship                     | Transaction Detail |  |            |                               | Abnormal Transaction         |                              | Notes/Trade Receivable (Payables)                 |            | Note |
|--------------|---------------|----------------------------------|--------------------|--|------------|-------------------------------|------------------------------|------------------------------|---|------------|------|
|              |               |                                  | Purchase/<br>Sale  | Amount<br>(Notes 2 and 3)                            | % to Total | Payment Terms                 | Unit Price                   | Payment Term                 | Ending Balance<br>(Notes 2 and 4)                 | % to Total |      |
| TPKG         | TPKJ          | The same ultimate parent company | Purchase           | NT\$ 464,683<br>(approximately<br>US\$ 14,523)       | 0.81       | 60 days after monthly closing | No significant<br>difference | No significant<br>difference | NT\$ 198,917<br>(approximately<br>US\$ 6,067)     | 2.07       |      |
|              | TPKC          | The same ultimate parent company | Sales              | NT\$ 3,748,371<br>(approximately<br>US\$ 117,149)    | 5.44       | 60 days after monthly closing | No significant<br>difference | No significant<br>difference | NT\$ 2,557,804<br>(approximately<br>US\$ 78,017)  | 26.91      |      |
|              | TPK HK        | The same ultimate parent company | Sale               | NT\$ 3,343,884<br>(approximately<br>US\$ 104,507)    | 4.86       | 60 days after monthly closing | No significant<br>difference | No significant<br>difference | NT\$ 915,933<br>(approximately<br>US\$ 27,938)    | 9.63       |      |
| TPK HK       | TPKC          | The same ultimate parent company | Purchase           | NT\$ 33,746,906<br>(approximately<br>US\$ 1,054,700) | 58.58      | 60 days after monthly closing | No significant<br>difference | No significant<br>difference | NT\$ 7,792,862<br>(approximately<br>US\$ 237,696) | 81.29      |      |
|              | TPKS          | The same ultimate parent company | Purchase           | NT\$ 323,047<br>(approximately<br>US\$ 10,096)       | 0.56       | 60 days after monthly closing | No significant<br>difference | No significant<br>difference | -   | -          |      |
|              | TPKG          | The same ultimate parent company | Purchase           | NT\$ 3,343,884<br>(approximately<br>US\$ 104,507)    | 5.80       | 60 days after monthly closing | No significant<br>difference | No significant<br>difference | NT\$ 915,933<br>(approximately<br>US\$ 27,938)    | 9.55       |      |
|              | TPKD          | The same ultimate parent company | Purchase           | NT\$ 22,176,669<br>(approximately<br>US\$ 693,092)   | 38.50      | 60 days after monthly closing | No significant<br>difference | No significant<br>difference | NT\$ 8,437,328<br>(approximately<br>US\$ 257,353) | 88.01      |      |
|              | TPKC          | The same ultimate parent company | Sale               | NT\$ 9,842,087<br>(approximately<br>US\$ 307,597)    | 14.29      | 45 days after monthly closing | No significant<br>difference | No significant<br>difference | NT\$ 1,571,246<br>(approximately<br>US\$ 47,926)  | 16.53      |      |
|              | TPKG          | The same ultimate parent company | Sale               | NT\$ 905,290<br>(approximately<br>US\$ 28,293)       | 1.31       | 60 days after monthly closing | No significant<br>difference | No significant<br>difference | NT\$ 13,182<br>(approximately<br>US\$ 402)        | 0.14       |      |
|              | TPKD          | The same ultimate parent company | Sale               | NT\$ 15,941,279<br>(approximately<br>US\$ 498,216)   | 23.15      | 45 days after monthly closing | No significant<br>difference | No significant<br>difference | NT\$ 4,798,683<br>(approximately<br>US\$ 146,368) | 50.48      |      |
|              | TES XM        | Related party in substance       | Sale               | NT\$ 334,376<br>(approximately<br>US\$ 10,450)       | 0.49       | 60 days after monthly closing | No significant<br>difference | No significant<br>difference | NT\$ 27,056<br>(approximately<br>US\$ 825)        | 0.28       |      |
| TPKD         | TPK HK        | The same ultimate parent company | Purchase           | NT\$ 15,936,497<br>(approximately<br>US\$ 498,067)   | 27.66      | 45 days after monthly closing | No significant<br>difference | No significant<br>difference | NT\$ 4,798,683<br>(approximately<br>US\$ 146,368) | 50.06      |      |
|              | TPKJ          | The same ultimate parent company | Purchase           | NT\$ 1,521,202<br>(approximately<br>US\$ 47,542)     | 2.64       | 60 days after monthly closing | No significant<br>difference | No significant<br>difference | NT\$ 492,294<br>(approximately<br>US\$ 15,016)    | 5.14       |      |
|              | TPK HK        | The same ultimate parent company | Sale               | NT\$ 22,176,669<br>(approximately<br>US\$ 693,092)   | 32.20      | 60 days after monthly closing | No significant<br>difference | No significant<br>difference | NT\$ 8,437,328<br>(approximately<br>US\$ 257,353) | 88.75      |      |

(Continued)

| Company Name | Related Party | Relationship                              | Transaction Detail |  |            |                               | Abnormal Transaction         |                              | Notes/Trade Receivable (Payables)              |            | Note |
|--------------|---------------|---|--------------------|--|------------|-------------------------------|------------------------------|------------------------------|--|------------|------|
|              |               |   | Purchase/<br>Sales | Amount<br>(Notes 2 and 3)                        | % to Total | Payment Terms                 | Unit Price                   | Payment Term                 | Ending Balance<br>(Notes 2 and 4)              | % to Total |      |
| AMPH         | AMP HK        | The same ultimate parent company          | Sale               | NT\$ 187,053<br>(approximately<br>US\$ 5,846)    | 0.27       | 60 days after monthly closing | No significant<br>difference | No significant<br>difference | NT\$ 18,503<br>(approximately<br>US\$ 564)     | 0.19       |      |
| AMP XM       | AMP HK        | The same ultimate parent company          | Sale               | NT\$ 151,944<br>(approximately<br>US\$ 4,749)    | 0.22       | 60 days after monthly closing | No significant<br>difference | No significant<br>difference | NT\$ 45,828<br>(approximately<br>US\$ 1,398)   | 0.48       |      |
| AMP HK       | AMPH          | The same ultimate parent company          | Purchase           | NT\$ 177,332<br>(approximately<br>US\$ 5,542)    | 0.31       | 60 days after monthly closing | No significant<br>difference | No significant<br>difference | NT\$ 18,503<br>(approximately<br>US\$ 564)     | 0.19       |      |
|              | AMP XM        | The same ultimate parent company          | Purchase           | NT\$ 151,944<br>(approximately<br>US\$ 4,749)    | 0.26       | 60 days after monthly closing | No significant<br>difference | No significant<br>difference | NT\$ 45,828<br>(approximately<br>US\$ 1,398)   | 0.48       |      |
| TPKF         | TPKJ          | The same ultimate parent company          | Purchase           | NT\$ 338,213<br>(approximately<br>US\$ 10,570)   | 0.59       | 60 days after monthly closing | No significant<br>difference | No significant<br>difference | NT\$ 17,580<br>(approximately<br>US\$ 536)     | 0.18       |      |
|              | TPKG          | The same ultimate parent company          | Sale               | NT\$ 1,079,680<br>(approximately<br>US\$ 33,743) | 1.57       | 60 days after monthly closing | No significant<br>difference | No significant<br>difference | NT\$ 185,126<br>(approximately<br>US\$ 5,647)  | 1.95       |      |
| TPKCA        | TPKE          | The same ultimate parent company (Note 5) | Sale               | NT\$ 1,676,769<br>(approximately<br>US\$ 52,404) | 2.43       | 60 days after monthly closing | No significant<br>difference | No significant<br>difference | -  | -          |      |
| TPKE         | TPKCA         | The same ultimate parent company (Note 5) | Purchase           | NT\$ 1,676,769<br>(approximately<br>US\$ 52,404) | 2.91       | 60 days after monthly closing | No significant<br>difference | No significant<br>difference | -  | -          |      |
| TPKJ         | TPKJ HK       | The same ultimate parent company          | Purchase           | NT\$ 765,171<br>(approximately<br>US\$ 23,914)   | 1.33       | 60 days after monthly closing | No significant<br>difference | No significant<br>difference | NT\$ 164,494<br>(approximately<br>US\$ 5,017)  | 1.72       |      |
|              | TPKC          | The same ultimate parent company          | Sale               | NT\$ 354,793<br>(approximately<br>US\$ 11,088)   | 0.52       | 60 days after monthly closing | No significant<br>difference | No significant<br>difference | NT\$ 102,900<br>(approximately<br>US\$ 3,139)  | 1.08       |      |
|              | TPKG          | The same ultimate parent company          | Sale               | NT\$ 465,430<br>(approximately<br>US\$ 14,546)   | 0.68       | 60 days after monthly closing | No significant<br>difference | No significant<br>difference | NT\$ 198,917<br>(approximately<br>US\$ 6,067)  | 2.09       |      |
|              | TPKD          | The same ultimate parent company          | Sale               | NT\$ 1,521,219<br>(approximately<br>US\$ 47,543) | 2.21       | 60 days after monthly closing | No significant<br>difference | No significant<br>difference | NT\$ 492,294<br>(approximately<br>US\$ 15,016) | 5.18       |      |

(Continued)



| Company Name | Related Party | Relationship                     | Transaction Detail |  |            |                               | Abnormal Transaction         |                              | Notes/Trade Receivable (Payables)             |            | Note |
|--------------|---------------|----------------------------------|--------------------|--|------------|-------------------------------|------------------------------|------------------------------|---|------------|------|
|              |               |                                  | Purchase/<br>Sales | Amount<br>(Notes 2 and 3)                      | % to Total | Payment Terms                 | Unit Price                   | Payment Term                 | Ending Balance<br>(Notes 2 and 4)             | % to Total |      |
| TPKJ         | TPKF          | The same ultimate parent company | Sale               | NT\$ 338,213<br>(approximately<br>US\$ 10,570) | 0.49       | 60 days after monthly closing | No significant<br>difference | No significant<br>difference | NT\$ 17,580<br>(approximately<br>US\$ 536)    | 0.18       |      |
|              | TPKJ HK       | The same ultimate parent company | Sale               | NT\$ 145,045<br>(approximately<br>US\$ 4,533)  | 0.21       | 60 days after monthly closing | No significant<br>difference | No significant<br>difference | NT\$ 60,890<br>(approximately<br>US\$ 1,857)  | 0.64       |      |
| TPKJ HK      | TPKJ          | The same ultimate parent company | Purchase           | NT\$ 145,045<br>(approximately<br>US\$ 4,533)  | 0.25       | 60 days after monthly closing | No significant<br>difference | No significant<br>difference | NT\$ 60,890<br>(approximately<br>US\$ 1,857)  | 0.64       |      |
|              | TPKC          | The same ultimate parent company | Sale               | NT\$ 168,715<br>(approximately<br>US\$ 5,273)  | 0.24       | 60 days after monthly closing | No significant<br>difference | No significant<br>difference | NT\$ 57,873<br>(approximately<br>US\$ 1,765)  | 0.61       |      |
|              | TPKJ          | The same ultimate parent company | Sale               | NT\$ 765,171<br>(approximately<br>US\$ 23,914) | 1.11       | 60 days after monthly closing | No significant<br>difference | No significant<br>difference | NT\$ 164,494<br>(approximately<br>US\$ 5,017) | 1.73       |      |
| OTH          | TPKD          | The same ultimate parent company | Purchase           | NT\$ 287,970<br>(approximately<br>US\$ 9,000)  | 0.50       | 60 days after monthly closing | No significant<br>difference | No significant<br>difference | -   | -          |      |

Note 1: The transaction amount and payment terms of intercompany transactions and related party sales and purchases were not significantly different from transactions with third parties.

Note 2: Except for AUTO XM and TES XM, intercompany balances and transactions were eliminated upon consolidation.

Note 3: The average exchange rate from U.S. dollars to New Taiwan dollars for the year ended December 31, 2024 was US\$1=NT\$31.9967.

Note 4: The exchange rate from U.S. dollars to New Taiwan dollars as of December 31, 2024 was US\$1=NT\$32.785.

Note 5: The Group lost control over TPKE on November 14, 2024.

(Concluded)

TABLE 6

TPK HOLDING CO., LTD. AND SUBSIDIARIES

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL  
DECEMBER 31, 2024  
(In Thousands)

| Company Name | Related Party | Relationship                     | Ending Balance<br>(Notes 1 and 3)   | Turnover Rate | Overdue   |                      | Amount Received in<br>Subsequent Period<br>(Note 2) | Allowance for<br>Impairment Loss |
|--------------|---------------|----------------------------------|---|---------------|---|----------------------|---|----------------------------------|
|              |               |                                  |   |               | Amount<br>(Note 1)                                | Action Taken         |   |                                  |
| TPKC         | TPK HK        | The same ultimate parent company | <u>Trade receivables</u><br>NT\$ 7,792,862<br>(approximately<br>US\$ 237,696) | 4.48          | \$ -  | -                    | NT\$ 2,985,644<br>(approximately<br>US\$ 91,067)    | \$ -                             |
| TPKG         | TPKC          | The same ultimate parent company | <u>Trade receivables</u><br>NT\$ 323,211<br>(approximately<br>US\$ 9,858)     | 5.88          | NT\$ 4,984<br>(approximately<br>US\$ 152)         | Enhanced collections | NT\$ 13,709<br>(approximately<br>US\$ 418)          | -                                |
|              |               |                                  | <u>Notes receivable</u><br>NT\$ 2,234,593<br>(approximately<br>US\$ 68,159)   | -             | -   | -                    | -   | -                                |
|              | TPK HK        | The same ultimate parent company | <u>Trade receivables</u><br>NT\$ 915,933<br>(approximately<br>US\$ 27,938)    | 5.28          | -   | -                    | NT\$ 352,746<br>(approximately<br>US\$ 10,759)      | -                                |
| TPK HK       | TPKC          | The same ultimate parent company | <u>Trade receivables</u><br>NT\$ 1,571,246<br>(approximately<br>US\$ 47,926)  | 4.84          | -   | -                    | NT\$ 881,310<br>(approximately<br>US\$ 26,881)      | -                                |
|              |               |                                  | <u>Trade receivables</u><br>NT\$ 2,007,262<br>(approximately<br>US\$ 61,225)  | 9.58          | NT\$ 161,009<br>(approximately<br>US\$ 4,911)     | Enhanced collections | NT\$ 1,124,307<br>(approximately<br>US\$ 34,293)    | -                                |
|              | TPKD          | The same ultimate parent company | <u>Notes receivable</u><br>NT\$ 2,791,421<br>(approximately<br>US\$ 85,143)   | -             | -   | -                    | -   | -                                |
| TPKD         | TPK HK        | The same ultimate parent company | <u>Trade receivables</u><br>NT\$ 8,437,328<br>(approximately<br>US\$ 257,353) | 3.11          | NT\$ 3,450,059<br>(approximately<br>US\$ 105,233) | Enhanced collections | NT\$ 1,814,340<br>(approximately<br>US\$ 55,341)    | -                                |

(Continued)

| Company Name | Related Party | Relationship                     | Ending Balance<br>(Notes 1 and 3)   | Turnover Rate | Overdue            |              | Amount Received in<br>Subsequent Period<br>(Note 2) | Allowance for<br>Impairment Loss |
|--------------|---------------|----------------------------------|---|---------------|--------------------|--------------|---|----------------------------------|
|              |               |                                  |   |               | Amount<br>(Note 1) | Action Taken |   |                                  |
| TPKF         | TPKG          | The same ultimate parent company | <u>Trade receivables</u><br>NT\$ 185,126<br>(approximately<br>US\$ 5,647) | 3.47          | \$ -               | -            | NT\$ 45,541<br>(approximately<br>US\$ 1,389)        | \$ -                             |
| TPKJ         | TPKC          | The same ultimate parent company | <u>Trade receivables</u><br>NT\$ 102,900<br>(approximately<br>US\$ 3,139) | 6.72          | -                  | -            | NT\$ 44,504<br>(approximately<br>US\$ 1,357)        | -                                |
|              | TPKG          | The same ultimate parent company | <u>Trade receivables</u><br>NT\$ 198,917<br>(approximately<br>US\$ 6,067) | 4.49          | -                  | -            | NT\$ 91,317<br>(approximately<br>US\$ 2,785)        | -                                |
|              | TPKD          | The same ultimate parent company | <u>Trade receivables</u><br>NT\$ 264,253<br>(approximately<br>US\$ 8,060) | 4.39          | -                  | -            | NT\$ 4,274<br>(approximately<br>US\$ 130)           | -                                |
|              |               |                                  | <u>Notes receivable</u><br>NT\$ 228,041<br>(approximately<br>US\$ 6,956)  | -             | -                  | -            | -   | -                                |
| TPKJ HK      | TPKJ          | The same ultimate parent company | <u>Trade receivables</u><br>NT\$ 164,494<br>(approximately<br>US\$ 5,017) | 5.09          | -                  | -            | NT\$ 102,497<br>(approximately<br>US\$ 3,126)       | -                                |

Note 1: The exchange rate from U.S. dollars to New Taiwan dollars as of December 31, 2024 was US\$1=NT\$32.785.

Note 2: The amount received in the subsequent period means that the collection was made by February 11, 2025.

Note 3: Please refer to Table 1 for information on financing provided to related parties.

(Concluded)

TABLE 7

## TPK HOLDING CO., LTD. AND SUBSIDIARIES

INFORMATION ON INVESTEEES  
FOR THE YEAR ENDED DECEMBER 31, 2024  
(In Thousands)

| Investor Company | Investee Company | Location    | Main Businesses and Products  | Original Investment Amount                           |  | Balance as of December 31, 2024 |        |  | Net Income (Loss)<br>of the Investee<br>(Note 2)  | Share of Profits<br>(Loss)<br>(Notes 2 and 4)  | Note  |
|------------------|------------------|-------------|---|--|--|---------------------------------|--------|--|---|--|---|
|                  |                  |             |   | December 31, 2024<br>(Note 1)                        | December 31, 2023<br>(Note 1)                        | Number of Shares                | %      | Carrying Amount<br>(Notes 1 and 4)                   |   |  |   |
| TPKH             | Improve          | Samoa       | Holding company   | NT\$ 5,064,955<br>(approximately<br>US\$ 154,490)    | NT\$ 5,064,955<br>(approximately<br>US\$ 154,490)    | 154,490,000                     | 100.00 | NT\$ 4,240,838<br>(approximately<br>US\$ 129,353)    | NT\$ 122,332<br>(approximately<br>US\$ 3,823)     | NT\$ 122,332<br>(approximately<br>US\$ 3,823)  | Subsidiary  |
|                  | UYH              | Samoa       | Holding company   | NT\$ 17,519,599<br>(approximately<br>US\$ 534,379)   | NT\$ 17,519,599<br>(approximately<br>US\$ 534,379)   | 261,344,530                     | 100.00 | NT\$ 44,839,148<br>(approximately<br>US\$ 1,367,673) | NT\$ 841,607<br>(approximately<br>US\$ 26,303)    | NT\$ 841,607<br>(approximately<br>US\$ 26,303) | Subsidiary  |
|                  | RUSL             | Hong Kong   | Holding company   | NT\$ 5,552,582<br>(approximately<br>US\$ 169,364)    | NT\$ 5,552,582<br>(approximately<br>US\$ 169,364)    | 469,498,000                     | 100.00 | NT\$ 1,092,486<br>(approximately<br>US\$ 33,323)     | NT\$ 5,641<br>(approximately<br>US\$ 177)         | NT\$ 5,641<br>(approximately<br>US\$ 177)      | Subsidiary (Note 6)                                   |
|                  | AMPH             | Cayman      | Holding company; research, development, manufacture and sale of resin products                          | NT\$ 196,710<br>(approximately<br>US\$ 6,000)        | NT\$ 196,710<br>(approximately<br>US\$ 6,000)        | 60,000,000                      | 54.83  | NT\$ 293,754<br>(approximately<br>US\$ 8,960)        | NT\$ 39,629<br>(approximately<br>US\$ 1,239)      | NT\$ 24,533<br>(approximately<br>US\$ 767)     | Subsidiary  |
| Improve          | TPKA             | Malaysia    | Holding company   | NT\$ 5,461,623<br>(approximately<br>US\$ 166,589)    | NT\$ 5,461,623<br>(approximately<br>US\$ 166,589)    | 632,187                         | 100.00 | NT\$ 4,464,071<br>(approximately<br>US\$ 136,162)    | NT\$ 189,922<br>(approximately<br>US\$ 5,936)     |  | Sub-sub-sidiary (Note 7)                              |
| TPKA             | TPKT             | Taiwan      | Touch related material, modules and electric utility vehicles sales                                     | NT\$ 2,911,700<br>(approximately<br>US\$ 116,433)    | NT\$ 2,911,700<br>(approximately<br>US\$ 116,433)    | 50,717,000                      | 100.00 | NT\$ 1,992,366<br>(approximately<br>US\$ 60,771)     | NT\$ 106,082<br>(approximately<br>US\$ 3,315)     |  | Sub-sub-sidiary                                       |
| TPKT             | DSE              | Taiwan      | Solar energy system development and equipments trade, maintenance, installation and management services | -  | NT\$ 60,000<br>(approximately<br>US\$ 2,033)         | -                               | -      | -  | NT\$ 452<br>(approximately<br>US\$ 14)            |  | Sub-sub-sidiary (Note 8)                              |
|                  | TPKE             | Taiwan      | Electrical equipments manufacture   | -  | NT\$ 84,000<br>(approximately<br>US\$ 2,637)         | -                               | -      | -  | NT\$ (16,874)<br>(approximately<br>US\$ -527)     |  | Sub-sub-sidiary (Note 9)                              |
| UYH              | OTH              | Singapore   | Holding company   | NT\$ 37,529,381<br>(approximately<br>US\$ 1,144,712) | NT\$ 37,529,381<br>(approximately<br>US\$ 1,144,712) | 1,079,816,942                   | 100.00 | NT\$ 32,511,055<br>(approximately<br>US\$ 991,644)   | NT\$ 638,798<br>(approximately<br>US\$ 19,965)    |  | Sub-sub-sidiary                                       |
|                  | TPK HK           | Hong Kong   | Touch modules related product research; holding company and international trade                         | NT\$ 14,001,125<br>(approximately<br>US\$ 427,058)   | NT\$ 14,001,125<br>(approximately<br>US\$ 427,058)   | 664,245,254                     | 100.00 | NT\$ 13,371,949<br>(approximately<br>US\$ 407,868)   | NT\$ 248,318<br>(approximately<br>US\$ 7,761)     |  | Sub-sub-sidiary                                       |
| OTH              | TPK TH           | Thailand    | Touch modules manufacture and sales   | NT\$ 153,093<br>(approximately<br>US\$ 4,670)        | -  | 17,000,000                      | 100.00 | NT\$ 159,487<br>(approximately<br>US\$ 4,865)        | NT\$ (3,880)<br>(approximately<br>US\$ -121)      |  | Sub-sub-sidiary (Note 10)                             |
| TPK HK           | Cando            | Taiwan      | Touch modules research, development and manufacture   | NT\$ 5,581,773<br>(approximately<br>US\$ 193,574)    | NT\$ 5,581,773<br>(approximately<br>US\$ 193,574)    | 77,124,591                      | 19.78  | -  | -   |  | Associate accounted for using equity method (Note 11) |
|                  | UBCO             | New Zealand | Electric utility vehicles research, development, manufacture and sales                                  | NT\$ 416,444<br>(approximately<br>US\$ 12,702)       | NT\$ 416,444<br>(approximately<br>US\$ 12,702)       | 77,773,292                      | 16.78  | -  | NT\$ (415,263)<br>(approximately<br>US\$ -12,971) |  | Associate accounted for using equity method (Note 11) |
| TPKGA            | TPKGA HK         | Hong Kong   | International trade   | NT\$ 124<br>(approximately<br>US\$ 4)                | NT\$ 124<br>(approximately<br>US\$ 4)                | 3,773                           | 100.00 | NT\$ 84,572<br>(approximately<br>US\$ 2,580)         | NT\$ 66,755<br>(approximately<br>US\$ 2,087)      |  | Sub-sub-sidiary                                       |
| TPKJ             | TPKJ HK          | Hong Kong   | International trade   | NT\$ 16,393<br>(approximately<br>US\$ 500)           | NT\$ 16,393<br>(approximately<br>US\$ 500)           | 500,000                         | 100.00 | NT\$ 152,698<br>(approximately<br>US\$ 4,658)        | NT\$ 46,243<br>(approximately<br>US\$ 1,446)      |  | Sub-sub-sidiary                                       |

(Continued)

| Investor Company | Investee Company | Location  | Main Businesses and Products            | Original Investment Amount                    |  | Balance as of December 31, 2024 |        |  | Net Income (Loss)<br>of the Investee<br>(Note 2) | Share of Profits<br>(Loss)<br>(Notes 2 and 4) | Note                     |
|------------------|------------------|-----------|---|---|--|---------------------------------|--------|--|--|---|--------------------------|
|                  |                  |           |   | December 31, 2024<br>(Note 1)                 | December 31, 2023<br>(Note 1)                | Number of Shares                | %      | Carrying Amount<br>(Notes 1 and 4)             |  |   |                          |
| AMPH             | AMP HK           | Hong Kong | Holding company and international trade | NT\$ 65,570<br>(approximately<br>US\$ 2,000)  | NT\$ 65,570<br>(approximately<br>US\$ 2,000) | 2,000,000                       | 100.00 | NT\$ 387,868<br>(approximately<br>US\$ 11,831) | NT\$ 173,184<br>(approximately<br>US\$ 5,413)    |   | Sub-subsidiary           |
|                  | AMPCH            | Hong Kong | International trade                     | NT\$ 328<br>(approximately<br>US\$ 10)        | NT\$ 328<br>(approximately<br>US\$ 10)       | 10,000                          | 100.00 | NT\$ 21<br>(approximately<br>US\$ 1)           | NT\$ (86)<br>(approximately<br>US\$ -2)          |   | Sub-subsidiary           |
|                  | AMP US           | USA       | Holding company                         | NT\$ 147,533<br>(approximately<br>US\$ 4,500) | -  | 1,000                           | 100.00 | NT\$ 34,638<br>(approximately<br>US\$ 1,057)   | NT\$ (14,218)<br>(approximately<br>US\$ -444)    |   | Sub-subsidiary (Note 12) |
| AMP US           | PO               | USA       | Medical products manufacture and sales  | NT\$ 4,380<br>(approximately<br>US\$ 134)     | -  | 100                             | 100.00 | NT\$ (9,768)<br>(approximately<br>US\$ -298)   | NT\$ (13,808)<br>(approximately<br>US\$ -432)    |   | Sub-subsidiary (Note 12) |
|                  | PM               | USA       | Trade                                   | NT\$ 843<br>(approximately<br>US\$ 26)        | -  | Note 3                          | 100.00 | NT\$ 843<br>(approximately<br>US\$ 26)         | -  |   | Sub-subsidiary (Note 12) |

- Note 1: Except for the subsidiaries in Taiwan which were translated into U.S. dollars based on the average exchange rate of the month of investment injection, the exchange rate from U.S. dollars to New Taiwan dollars as of December 31, 2024 was US\$1=NT\$32.785.
- Note 2: Except for the associate accounted for using the equity method which was translated into U.S. dollars based on the average exchange rate of U.S. dollars to New Taiwan dollars for the profit or loss month, the rest were translated into U.S. dollars using the average exchange rate of U.S. dollars to New Taiwan dollars for the year ended December 31, 2024 was US\$1=NT\$31.9967.
- Note 3: A limited company does not have shares.
- Note 4: Except for Cando and UBCO, intercompany balances and transactions were eliminated upon consolidation.
- Note 5: Please refer to Table 8 for information on investment in mainland China.
- Note 6: To streamline the organizational structure, the process of dissolution and liquidation of RUSL was completed on January 8, 2025.
- Note 7: To streamline the organizational structure, the Company resolved to dissolve and liquidate TPKA. As of March 24, 2025, the process of dissolution and liquidation had not been completed.
- Note 8: Due to the high competition in the solar maintenance business and the industry’s shift toward vertical integration, TPKT’s board of directors resolved to sell the equity of DSE to URE. The equity transaction was completed on May 3, 2024. Refer to Note 28 of the consolidated financial statements for more information.
- Note 9: For the realignment of operational strategy, TPKT’s board of directors resolved to sell the equity of TPKE to HD. The equity transfer transaction was completed on November 14, 2024. Refer to Note 28 of the consolidated financial statements for more information.
- Note 10: For the expansion of overseas production bases, the Company’s board of directors resolved that OTH set up TPK TH in Thailand as its subsidiary, which was completed on May 14, 2024 and received capital investments of THB5,000 thousand, THB155,000 thousand and THB10,000 thousand in June, July and November 2024, respectively.
- Note 11: The Group determined that the future recoverable amounts for its investments in Cando and UBCO were zero. As a result, full impairment losses were recognized. Refer to Note 13 of the consolidated financial statements for more information.
- Note 12: With an optimistic outlook on the application of 3D printing in the medical products market, the Company’s board of directors resolved that AMPH set up AMP US in the United States as its wholly owned subsidiary, which was completed on July 25, 2024 and received a capital investment of US\$4,500 thousand in October 2024. To enter the medical products industry, AMP US and PH completed a merger on November 14, 2024, with AMP US as the surviving company and PH as the dissolved company; thus, AMP US obtained 100% equity of PH’s subsidiaries, PO and PM. Refer to Note 27 of the consolidated financial statements for more information.

(Concluded)

**TABLE 8**

**TPK HOLDING CO., LTD. AND SUBSIDIARIES**

**INFORMATION ON INVESTMENT IN MAINLAND CHINA  
FOR THE YEAR ENDED DECEMBER 31, 2024  
(In Thousands)**

| Investee Company | Main Business and Products  | Paid-in Capital<br>(Notes 2 and 3)                 | Types of Investment<br>(Note 1) | Accumulated<br>Outward Remittance<br>for Investment from<br>Taiwan as of<br>January 1, 2024 | Remittance of Funds |        | Accumulated<br>Outward Remittance<br>for Investment from<br>Taiwan as of<br>December 31, 2024 | Net Income (Loss) of<br>the Investee<br>(Note 4)  | % Ownership<br>of Direct or<br>Indirect<br>Investment | Investment Income<br>(Loss) Recognized<br>(Notes 4, 5 and 6) | Carrying<br>Amount as of<br>December 31, 2024<br>(Notes 3 and 6) | Accumulated<br>Repatriation of<br>Investment<br>Income as of<br>December 31, 2024<br>(Note 3) |
|------------------|---|--|---------------------------------|---|---------------------|--------|---|---|---|--|--|---|
|                  |   |  |                                 |   | Outward             | Inward |   |   |   |  |  |   |
| TPKC             | Touch modules research,<br>development, manufacture and<br>sales                | NT\$ 11,608,074<br>(approximately<br>US\$ 354,067) | b.1)                            | \$ -  | \$ -                | \$ -   | \$ -  | NT\$ 778,748<br>(approximately<br>US\$ 24,338)    | 100.00  | NT\$ 778,748<br>(approximately<br>US\$ 24,338)               | NT\$ 36,166,131<br>(approximately<br>US\$ 1,103,130)             | \$ -  |
| TPKS<br>(Note 7) | Touch modules research,<br>development, manufacture and<br>sales                | -  | b.2)                            | -   | -                   | -      | -   | NT\$ 31,771<br>(approximately<br>US\$ 993)        | 100.00  | NT\$ 31,771<br>(approximately<br>US\$ 993)                   | -  | -   |
| TPKG<br>(Note 7) | Touch modules research,<br>development, manufacture and<br>sales                | NT\$ 20,682,470<br>(approximately<br>US\$ 630,852) | b.2)                            | -   | -                   | -      | -   | NT\$ (55,487)<br>(approximately<br>US\$ -1,734)   | 100.00  | NT\$ (55,487)<br>(approximately<br>US\$ -1,734)              | NT\$ 9,665,634<br>(approximately<br>US\$ 294,819)                | NT\$ 178,425<br>(approximately<br>US\$ 5,442)   |
| MTOH             | Touch modules research,<br>development, manufacture and<br>sales                | NT\$ 2,819,510<br>(approximately<br>US\$ 86,000)   | c.                              | -   | -                   | -      | -   | NT\$ (158,638)<br>(approximately<br>US\$ -4,958)  | 100.00  | NT\$ (150,351)<br>(approximately<br>US\$ -4,699)             | NT\$ 1,249,220<br>(approximately<br>US\$ 38,103)                 | -   |
| TPKP             | Touch modules research,<br>development, manufacture and<br>sales                | NT\$ 7,175,063<br>(approximately<br>US\$ 218,852)  | b.2)                            | -   | -                   | -      | -   | NT\$ (351,574)<br>(approximately<br>US\$ -10,987) | 100.00  | NT\$ (351,574)<br>(approximately<br>US\$ -10,987)            | NT\$ (5,689,688)<br>(approximately<br>US\$ -173,545)             | -   |
| TPKQ             | Inspection and testing services   | NT\$ 7,393<br>(approximately<br>US\$ 226)          | c.                              | -   | -                   | -      | -   | NT\$ (1,514)<br>(approximately<br>US\$ -47)       | 100.00  | NT\$ (1,514)<br>(approximately<br>US\$ -47)                  | NT\$ (38,423)<br>(approximately<br>US\$ -1,172)                  | -   |
| TPKD             | Touch modules research,<br>development, manufacture and<br>sales                | NT\$ 5,833,483<br>(approximately<br>US\$ 177,931)  | b.2)                            | -   | -                   | -      | -   | NT\$ (73,240)<br>(approximately<br>US\$ -2,289)   | 100.00  | NT\$ (73,240)<br>(approximately<br>US\$ -2,289)              | NT\$ 13,637,845<br>(approximately<br>US\$ 415,978)               | -   |
| AMP XM           | Resin products research,<br>development, manufacture and<br>sales               | NT\$ 98,355<br>(approximately<br>US\$ 3,000)       | b.3)                            | -   | -                   | -      | -   | NT\$ (5,837)<br>(approximately<br>US\$ -182)      | 54.83   | NT\$ (3,310)<br>(approximately<br>US\$ -103)                 | NT\$ 58,386<br>(approximately<br>US\$ 1,781)                     | -   |
| TPKJ             | Protective film and optical adhesive<br>manufacture and sales                   | NT\$ 118,026<br>(approximately<br>US\$ 3,600)      | c.                              | -   | -                   | -      | -   | NT\$ 368,945<br>(approximately<br>US\$ 11,531)    | 100.00  | NT\$ 367,652<br>(approximately<br>US\$ 11,490)               | NT\$ 1,065,728<br>(approximately<br>US\$ 32,507)                 | -   |
| TPKF             | Touch modules, protective film and<br>optical adhesive manufacture and<br>sales | NT\$ 1,341,234<br>(approximately<br>US\$ 40,910)   | c.                              | -   | -                   | -      | -   | NT\$ 41,905<br>(approximately<br>US\$ 1,310)      | 100.00  | NT\$ 41,905<br>(approximately<br>US\$ 1,310)                 | NT\$ 418,669<br>(approximately<br>US\$ 12,770)                   | -   |
| TPKMT            | Electronic material manufacture   | NT\$ 327,850<br>(approximately<br>US\$ 10,000)     | b.2)                            | -   | -                   | -      | -   | NT\$ (7,939)<br>(approximately<br>US\$ -248)      | 100.00  | NT\$ (7,939)<br>(approximately<br>US\$ -248)                 | NT\$ 226,460<br>(approximately<br>US\$ 6,907)                    | -   |
| TPKCA            | Trade, touch modules manufacture<br>and sales                                   | NT\$ 1,866,942<br>(approximately<br>US\$ 56,945)   | c.                              | -   | -                   | -      | -   | NT\$ (138,396)<br>(approximately<br>US\$ -4,325)  | 100.00  | NT\$ (138,396)<br>(approximately<br>US\$ -4,325)             | NT\$ 1,215,204<br>(approximately<br>US\$ 37,066)                 | -   |

(Continued)

| Investee Company    | Main Business and Products  | Paid-in Capital<br>(Notes 2 and 3)               | Types of Investment<br>(Note 1) | Accumulated<br>Outward Remittance<br>for Investment from<br>Taiwan as of<br>January 1, 2024 | Remittance of Funds |        | Accumulated<br>Outward Remittance<br>for Investment from<br>Taiwan as of<br>December 31, 2024 | Net Income (Loss) of<br>the Investee<br>(Note 4) | % Ownership<br>of Direct or<br>Indirect<br>Investment | Investment Income<br>(Loss) Recognized<br>(Notes 4, 5 and 6) | Carrying<br>Amount as of<br>December 31, 2024<br>(Notes 3 and 6) | Accumulated<br>Repatriation of<br>Investment<br>Income as of<br>December 31, 2024<br>(Note 3) |
|---------------------|---|--|---------------------------------|---|---------------------|--------|---|--|---|--|--|---|
|                     |   |  |                                 |   | Outward             | Inward |   |  |   |  |  |   |
| AUTO XM<br>(Note 8) | Touch modules research,<br>development, manufacture and<br>sales                                | NT\$ 1,088,554<br>(approximately<br>US\$ 33,203) | c.                              | \$ -  | \$ -                | \$ -   | \$ -  | NT\$ (181,780)<br>(approximately<br>US\$ -5,638) | 30.00   | NT\$ (54,534)<br>(approximately<br>US\$ -1,691)              | NT\$ 360,290<br>(approximately<br>US\$ 10,989)                   | \$ -  |
| TPKGA               | Electric utility vehicles manufacture<br>and optoelectronic components<br>manufacture and sales | NT\$ 188,013<br>(approximately<br>US\$ 5,735)    | c.                              | -   | -                   | -      | -   | NT\$ (82,441)<br>(approximately<br>US\$ -2,577)  | 100.00  | NT\$ (82,441)<br>(approximately<br>US\$ -2,577)              | NT\$ 56,530<br>(approximately<br>US\$ 1,724)                     | -   |

| Accumulated Outward Remittance for<br>Investment in Mainland China as of<br>December 31, 2024 | Investment Amount Authorized by<br>Investment Commission, MOEA | Upper Limit on the Amount of<br>Investment Stipulated by Investment<br>Commission, MOEA |
|---|--|---|
| -   | -  | -   |

Note 1: There are three types of investments, which are labeled as follows:

- a. Directly investing in China.
- b. Reinvestment in China through third-party companies:
  - 1) OTH;
  - 2) TPK HK;
  - 3) AMP HK.
- c. Other ways.

Note 2: It is calculated based on historical cost.

Note 3: The exchange rate from U.S. dollars to New Taiwan dollars as of December 31, 2024 was US\$1=NT\$32.785.

Note 4: Except for the associate accounted for using the equity method AUTO XM which was translated into U.S. dollars based on the average exchange rate of U.S. dollars to New Taiwan dollars for the profit or loss month, the rest were translated into U.S. dollars using the average exchange rate of U.S. dollars to New Taiwan dollars for the year ended December 31, 2024 was US\$1=NT\$31.9967.

Note 5: The investee company’s financial report was audited by parent company’s auditors.

Note 6: Except for AUTO XM, intercompany balances and transactions were eliminated upon consolidation.

Note 7: To achieve the objectives of resource integration, reduction of operating costs and enhancement of operational efficiency, the Company’s board of directors resolved to merge its subsidiaries, TPKG and TPKS, with March 1, 2024 as the base date of the merger. After the merger, TPKG became the surviving company and TPKS was the dissolved company.

Note 8: To strengthen the core competitiveness of AUTO XM and improve its operations, the Company’s board of directors resolved the sale by TPKG of its 60% equity of AUTO XM to TES XM. The equity transfer transaction was completed on January 26, 2024. After the transaction, the percentage of AUTO XM’s equity held by TPKG decreased from 90% to 30%, and AUTO XM and its subsidiaries were excluded from the consolidated financial statements. Refer to Note 28 to the consolidated financial statements for more information. Additionally, the Company’s board of directors resolved to participate in AUTO XM’s capital increase in the amount of RMB66,405 thousand in proportion to its original shareholding in July 2024.

(Concluded)

TABLE 9

TPK HOLDING CO., LTD. AND SUBSIDIARIES

INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS  
FOR THE YEAR ENDED DECEMBER 31, 2024  
(In Thousands)

| No.<br>(Note 1) | Company Name (Note 2) | Counterparty (Note 2) | Relationship<br>(Note 3) | Transactions Details                 |                                   |                  |                   |   |
|-----------------|-----------------------|-----------------------|--------------------------|--------------------------------------|-----------------------------------|------------------|-------------------|---|
|                 |                       |                       |                          | Financial Statement Account          | Amount<br>(Approximately<br>US\$) | Amount<br>(NT\$) | Terms<br>(Note 4) | % to Consolidated<br>Total Gross Sales or<br>Total Assets<br>(Note 5) |
| 1               | TPKA                  | TPK HK                | 3                        | Other current assets                 | \$ 4,107                          | \$ 134,633       | -                 | 0.15  |
|                 |                       | TPK HK                | 3                        | Loan to related parties - long-term  | 30,000                            | 983,550          | -                 | 1.10  |
|                 |                       | TPK HK                | 3                        | Loan to related parties - short-term | 39,000                            | 1,278,615        | -                 | 1.43  |
|                 |                       | TPK HK                | 3                        | Interest income                      | 3,314                             | 106,041          | -                 | 0.15  |
| 2               | TPKT                  | TPK HK                | 3                        | Loan to related parties - short-term | 20,000                            | 655,700          | -                 | 0.74  |
| 3               | TPKC                  | TPKG                  | 3                        | Sales                                | 5,733                             | 183,422          | -                 | 0.27  |
|                 |                       | TPK HK                | 3                        | Loan to related parties - short-term | 57,000                            | 1,868,745        | -                 | 2.10  |
|                 |                       | TPK HK                | 3                        | Trade receivables, net               | 237,696                           | 7,792,862        | -                 | 8.74  |
|                 |                       | TPK HK                | 3                        | Sales                                | 1,054,700                         | 33,746,906       | -                 | 49.00   |
|                 |                       | MTOH                  | 3                        | Loan to related parties - short-term | 7,371                             | 241,651          | -                 | 0.27  |
|                 |                       | TPKP                  | 3                        | Loan to related parties - short-term | 241,582                           | 7,920,277        | -                 | 8.88  |
|                 |                       | TPKD                  | 3                        | Rental income                        | 4,649                             | 148,752          | -                 | 0.22  |
|                 |                       | TPKD                  | 3                        | Non-operating income                 | 3,228                             | 103,290          | -                 | 0.15  |
|                 |                       | TPKGA                 | 3                        | Loan to related parties - short-term | 3,825                             | 125,411          | -                 | 0.14  |
| 4               | TPKS                  | TPK HK                | 3                        | Sales                                | 10,096                            | 323,047          | -                 | 0.47  |
| 5               | TPKG                  | TPKC                  | 3                        | Loan to related parties - short-term | 5,425                             | 177,855          | -                 | 0.20  |
|                 |                       | TPKC                  | 3                        | Trade receivables, net               | 9,858                             | 323,211          | -                 | 0.36  |
|                 |                       | TPKC                  | 3                        | Notes receivable                     | 68,159                            | 2,234,593        | -                 | 2.51  |
|                 |                       | TPKC                  | 3                        | Sales                                | 117,149                           | 3,748,371        | -                 | 5.44  |
|                 |                       | TPK HK                | 3                        | Trade receivables, net               | 27,938                            | 915,933          | -                 | 1.03  |
|                 |                       | TPK HK                | 3                        | Sales                                | 104,507                           | 3,343,884        | -                 | 4.86  |
| 6               | TPK HK                | TPKH                  | 2                        | Other current assets                 | 6,657                             | 218,235          | -                 | 0.24  |
|                 |                       | TPKH                  | 2                        | Loan to related parties - short-term | 224,000                           | 7,343,840        | -                 | 8.23  |
|                 |                       | TPKH                  | 2                        | Interest Income                      | 10,615                            | 339,629          | -                 | 0.49  |
|                 |                       | Improve               | 3                        | Loan to related parties - short-term | 11,000                            | 360,635          | -                 | 0.40  |
|                 |                       | UYH                   | 3                        | Other current assets                 | 3,093                             | 101,401          | -                 | 0.11  |
|                 |                       | UYH                   | 3                        | Loan to related parties - short-term | 30,000                            | 983,550          | -                 | 1.10  |
|                 |                       | AMPH                  | 3                        | Loan to related parties - short-term | 4,500                             | 147,533          | -                 | 0.17  |
|                 |                       | TPKC                  | 3                        | Trade receivables, net               | 47,926                            | 1,571,246        | -                 | 1.76  |
|                 |                       | TPKC                  | 3                        | Sales                                | 307,597                           | 9,842,087        | -                 | 14.29   |
|                 |                       | TPKG                  | 3                        | Sales                                | 28,293                            | 905,290          | -                 | 1.31  |

(Continued)



| No.<br>(Note 1) | Company Name (Note 2) | Counterparty (Note 2) | Relationship<br>(Note 3) | Transactions Details        |                                   |                  |                   |   |
|-----------------|-----------------------|-----------------------|--------------------------|-----------------------------|-----------------------------------|------------------|-------------------|---|
|                 |                       |                       |                          | Financial Statement Account | Amount<br>(Approximately<br>US\$) | Amount<br>(NT\$) | Terms<br>(Note 4) | % to Consolidated<br>Total Gross Sales or<br>Total Assets<br>(Note 5) |
| 6               | TPK HK                | TPKD                  | 3                        | Trade receivables, net      | \$ 61,225                         | \$ 2,007,262     | -                 | 2.25  |
|                 |                       | TPKD                  | 3                        | Notes receivable            | 85,143                            | 2,791,421        | -                 | 3.13  |
|                 |                       | TPKD                  | 3                        | Sales                       | 498,216                           | 15,941,279       | -                 | 23.15   |
| 7               | TPKD                  | TPK HK                | 3                        | Trade receivables, net      | 257,353                           | 8,437,328        | -                 | 9.46  |
|                 |                       | TPK HK                | 3                        | Sales                       | 693,092                           | 22,176,669       | -                 | 32.20   |
|                 |                       | TPKJ                  | 3                        | Non-operating income        | 3,454                             | 110,504          | -                 | 0.16  |
|                 |                       | OTH                   | 3                        | Non-operating income        | 9,000                             | 287,970          | -                 | 0.42  |
| 8               | AMPH                  | AMP HK                | 3                        | Sales                       | 5,846                             | 187,053          | -                 | 0.27  |
| 9               | AMP XM                | AMP HK                | 3                        | Sales                       | 4,749                             | 151,944          | -                 | 0.22  |
| 10              | TPKF                  | TPKG                  | 3                        | Trade receivables, net      | 5,647                             | 185,126          | -                 | 0.21  |
|                 |                       | TPKG                  | 3                        | Sales                       | 33,743                            | 1,079,680        | -                 | 1.57  |
| 11              | TPKCA                 | TPKE                  | Note 7                   | Sales                       | 52,404                            | 1,676,769        | -                 | 2.43  |
| 12              | TPKJ                  | TPKC                  | 3                        | Trade receivables, net      | 3,139                             | 102,900          | -                 | 0.12  |
|                 |                       | TPKC                  | 3                        | Sales                       | 11,088                            | 354,793          | -                 | 0.52  |
|                 |                       | TPKG                  | 3                        | Trade receivables, net      | 6,067                             | 198,917          | -                 | 0.22  |
|                 |                       | TPKG                  | 3                        | Sales                       | 14,546                            | 465,430          | -                 | 0.68  |
|                 |                       | TPKD                  | 3                        | Trade receivables, net      | 8,060                             | 264,253          | -                 | 0.30  |
|                 |                       | TPKD                  | 3                        | Notes receivable            | 6,956                             | 228,041          | -                 | 0.26  |
|                 |                       | TPKD                  | 3                        | Sales                       | 47,543                            | 1,521,219        | -                 | 2.21  |
|                 |                       | TPKF                  | 3                        | Sales                       | 10,570                            | 338,213          | -                 | 0.49  |
|                 |                       | TPKJ HK               | 3                        | Sales                       | 4,533                             | 145,045          | -                 | 0.21  |
| 13              | TPKJ HK               | TPKC                  | 3                        | Sales                       | 5,273                             | 168,715          | -                 | 0.24  |
|                 |                       | TPKF                  | 3                        | Sales                       | 2,648                             | 84,713           | -                 | 0.12  |
|                 |                       | TPKJ                  | 3                        | Trade receivables, net      | 5,017                             | 164,494          | -                 | 0.18  |
|                 |                       | TPKJ                  | 3                        | Sales                       | 23,914                            | 765,171          | -                 | 1.11  |

Note 1: All subsidiaries are numbered sequentially by company code.

Note 2: The company name and counterparty are listed in Note 12 to the consolidated financial statements.

Note 3: No. 1 represents the transactions from parent company to subsidiary.  
No. 2 represents the transactions from subsidiary to parent company.  
No. 3 represents the transactions between subsidiaries.

Note 4: The transaction amount and payment terms of intercompany sales and purchases were not significantly different from those transactions with third parties. For other intercompany transactions, prices and terms are determined based on mutual agreements.

(Continued)

Note 5: Other transactions that were less than 0.1% of total assets or sales are not disclosed.

Note 6: Intercompany balances and transactions were eliminated upon consolidation.

Note 7: The Group lost control over TPKE on November 14, 2024.

(Concluded)

**TABLE 10****TPK HOLDING CO., LTD. AND SUBSIDIARIES****INFORMATION OF MAJOR SHAREHOLDERS  
DECEMBER 31, 2024**

| Name of Major Shareholder       | Shares           |                |
|---------------------------------|------------------|----------------|
|                                 | Number of Shares | % of Ownership |
| Max Gain Management Limited     | 25,222,643       | 6.20           |
| Capable Way Investments Limited | 23,139,855       | 5.69           |

Note 1: The information of major shareholders presented in this table is provided by the Taiwan Depository & Clearing Corporation based on the number of ordinary shares and preferred shares held by shareholders with ownership of 5% or greater, that have been issued without physical registration (including treasury shares) by the Company as of the last business day for the current quarter. The share capital in the consolidated financial statements may differ from the actual number of shares that have been issued without physical registration because of different preparation basis.

Note 2: If a shareholder delivers the shareholdings to the trust, the above information will be disclosed by the individual trustor who opened the trust account. For shareholders who declare insider shareholdings with ownership greater than 10% in accordance with the Security and Exchange Act, the shareholdings include shares held by shareholders and those delivered to the trust over which shareholders have rights to determine the use of trust property. For information relating to insider shareholding declaration, please refer to Market Observation Post System.