TECO ELECTRIC & MACHINERY CO., LTD.

PARENT COMPANY ONLY FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS' REPORT

DECEMBER 31, 2024 AND 2023

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

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To TECO Electric & Machinery Co., Ltd.

Opinion

We have audited the accompanying parent company only balance sheets of TECO Electric & Machinery Co., Ltd. as at December 31, 2024 and 2023, and the related parent company only statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the parent company only financial statements, including a summary of material accounting policies.

In our opinion, based on our audits and the reports of other auditors (please refer to the *Other matter* section), the parent company only financial statements present fairly, in all material respects, the financial position of TECO Electric & Machinery Co., Ltd. as of December 31, 2024 and 2023, and its financial performance and cash flows for the years then ended, in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and Standards on Auditing of 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 Company in accordance with the Norm of Professional Ethics for Certified Public Accountants of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter – Retrospective restatement of the parent company only financial statements for the year ended December 31, 2023

On March 15, 2024, we have audited and expressed an unqualified opinion with an *Other matter* section on the parent company only fianacial statements of Teco Electric & Machinery Co., Ltd. as at and for the year ended December 31, 2023. As described in Notes 4(35) and 6(31) of the fianacial statements, the Company engaged in a merger with the subsidiary, Teco Electro Devices Co., Ltd., on August 31, 2024. In accordance with the Accounting Research and Development Foundation Interpretation 101-301, the subsidiary was considered as consolidated at the beginning and shall retrospectively restate the parent company only financial statements for the year ended December 31, 2023. Our opinion is not modified in respect of the Company’s restated parent company only financial statements for the year ended December 31, 2023.

Key audit matters

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

Key audit matters for the Company’s 2024 financial statements are stated as follows:

Revenue recognition of export sales of Green Mechatronic Solution Business Group

Description

Refer to Note 4(32) of the parent company only financial statements for the accounting policies on revenue recognition. The Green Mechatronic Solution Business Group handles the manufacturing and sales of various machinery, equipment and motors. Aside from domestic sales in Taiwan, the customers of Green Mechatronic Solution Business Group are from China, America, Southeast Asia and Europe and the sales terms vary for different customers. Thus, we consider the revenue recognition of export sales of Green Mechatronic Solution Business Group as a key audit matter.

How our audit addressed the matter

We performed the following audit procedures in respect of the above key audit matter:

1. Obtained an understanding of and validated the internal controls over revenue recognition of export sales of Green Mechatronic Solution Business Group to assess the effectiveness of the internal control process.
2. Validated selected samples of export sales revenue transactions of Green Mechatronic Solution Business Group to confirm the existence of export sales revenue transactions.

Other matter – Reference to the audits of other auditors

As described in Note 6(6) of the parent company only financial statements, we did not audit the financial statements of certain investee accounted for under the equity method. Those financial statements were audited by other auditors, whose reports thereon have been furnished to us, and our opinion expressed herein, insofar as it relates to the amounts included in the financial statements and the information on the investee disclosed in Note 13 was based solely on the reports of the other auditors. The investments accounted for under the equity method amounted to NT$4,992,536 thousand and NT$4,151,041 thousand, constituting 5% and 4% of the related total assets as of December 31, 2024 and 2023, and the comprehensive income amounting to NT$229,062 thousand and NT$15,635 thousand, constituting 438% and 0.48% of the total comprehensive income for the years then ended, respectively.

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

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

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

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

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

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

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

1. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material

misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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

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

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the parent company only financial statements of the current period and are therefore the key audit matters. We describe these matters in our 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.

Hsu, Sheng-Chung　　　　　　Tu, Chan-Yuan

For and on behalf of PricewaterhouseCoopers, Taiwan

March 14, 2025

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

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

TECO ELECTRIC & MACHINERY CO., LTD.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

	Assets	Notes	December 31, 2024 AMOUNT	%	December 31, 2023 AMOUNT	%
	Current assets					
1100	Cash and cash equivalents	6(1) and 8	$ 478,591	1	$ 911,338	1
1139	Current financial assets for hedging	6(13)	5,887	-	-	-
1140	Current contract assets		4,723,711	5	3,522,415	4
1150	Notes receivable, net	6(4)	213,961	-	211,740	-
1160	Notes receivable - related parties	7	207,599	-	210,368	-
1170	Accounts receivable, net	6(4)	2,250,526	2	2,133,975	2
1180	Accounts receivable - related parties	7	1,424,579	2	1,279,796	2
1200	Other receivables		100,618	-	128,020	-
1210	Other receivables - related parties	6(6) and 7	868,501	1	527,904	1
130X	Inventories, net	6(5)	3,879,991	4	3,227,984	3
1410	Prepayments		590,415	1	266,753	-
1470	Other current assets	6(1) and 8	222,069	-	292,453	-
11XX	**Total current assets**		14,966,448	16	12,712,746	13
	Non-current assets					
1510	Non-current financial assets at fair value through profit or loss	6(2)	1,942,588	2	2,344,285	2
1517	Non-current financial assets at fair value through other comprehensive income	6(3)	11,015,526	12	14,735,961	15
1550	Investments accounted for under equity method	6(6)	62,799,280	65	63,625,973	64
1600	Property, plant and equipment, net	6(7) and 7	2,624,128	3	2,999,042	3
1755	Right-of-use assets	6(8) and 7	52,077	-	70,199	-
1760	Investment property, net	6(9)	2,344,989	2	1,987,814	2
1780	Intangible assets	6(10)	16,194	-	17,302	-
1840	Deferred income tax assets	6(27)	402,135	-	569,538	1
1900	Other non-current assets	6(11)	63,311	-	97,052	-
15XX	**Total non-current assets**		81,260,228	84	86,447,166	87
1XXX	**Total assets**		$ 96,226,676	100	$ 99,159,912	100

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TECO ELECTRIC & MACHINERY CO., LTD.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

	Liabilities and Equity	Notes	December 31, 2024 AMOUNT	%	December 31, 2023 AMOUNT	%
	Current liabilities					
2120	Current financial liabilities at fair value through profit or loss	6(12)	$ 1,305	-	$ 5,503	-
2126	Current financial liabilities for hedging	6(13)	-	-	5,025	-
2130	Current contract liabilities	6(21)	1,253,193	1	1,131,155	1
2150	Notes payable		13,878	-	27,992	-
2170	Accounts payable		4,228,842	5	3,694,738	4
2180	Accounts payable - related parties	7	1,417,520	2	1,600,928	2
2200	Other payables		3,012,767	3	3,367,673	3
2220	Other payables - related parties	7	247,255	-	211,530	-
2230	Current income tax liabilities	6(27)	661,899	1	480,737	1
2250	Provisions for liabilities - current		94,247	-	100,698	-
2280	Current lease liabilities	6(8) and 7	14,980	-	16,723	-
2320	Long-term liabilities, current portion	6(14)	5,000,000	5	-	-
2399	Other current liabilities, others		198,544	-	209,460	-
21XX	**Total current liabilities**		16,144,430	17	10,852,162	11
	Non-current liabilities					
2530	Corporate bonds payable	6(14)	-	-	5,000,000	5
2540	Long-term borrowings	6(15)	2,220,000	2	250,000	-
2550	Provisions for liabilities - non-current		9,859	-	94,079	-
2570	Deferred income tax liabilities	6(27)	1,331,570	2	1,475,081	2
2580	Non-current lease liabilities	6(8) and 7	11,063	-	26,341	-
2600	Other non-current liabilities	6(16)	1,027,545	1	1,172,890	1
25XX	**Total non-current liabilities**		4,600,037	5	8,018,391	8
2XXX	**Total liabilities**		20,744,467	22	18,870,553	19
	Equity					
	Share capital	6(17)				
3110	Common stock		21,387,966	22	21,387,966	22
	Capital surplus	6(18)				
3200	Capital surplus		9,616,391	9	9,629,730	9
	Retained earnings	6(19)				
3310	Legal reserve		8,863,669	9	8,237,099	8
3320	Special reserve		3,640,779	4	3,640,779	4
3350	Unappropriated retained earnings		23,089,108	24	22,400,066	23
	Other equity interest	6(20)				
3400	Other equity interest		9,396,006	10	15,364,660	16
3500	Treasury stocks	6(6)(17)	(511,710)	-	(511,710)	(1)
355X	**Equity attributable to non-controlling interest before business combination under common control**	6(31)	-	-	140,769	-
3XXX	**Total equity**		75,482,209	78	80,289,359	81
	Significant contingent liabilities and unrecognized contract commitments	9				
	Significant events after the balance sheet date	11				
3X2X	**Total liabilities and equity**		$ 96,226,676	100	$ 99,159,912	100

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

TECO ELECTRIC & MACHINERY CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

			Year ended December 31			
			2024		2023	
	Items	Notes	AMOUNT	%	AMOUNT	%
4000	Sales revenue	6(21) and 7	$ 25,771,644	100	$ 27,419,501	100
5000	Operating costs	6(5)(16)(26) and 7	(20,263,514)	(79)	(22,097,446)	(81)
5900	Net operating margin		5,508,130	21	5,322,055	19
5910	Unrealized profit from sales	7	(534,179)	(2)	(460,766)	(2)
5920	Realized profit from sales		460,766	2	411,132	2
5950	Net operating margin		5,434,717	21	5,272,421	19
	Operating expenses	6(16)(26), 7 and 12(2)				
6100	Selling expenses		(1,797,421)	(7)	(1,859,214)	(7)
6200	General and administrative expenses		(616,691)	(2)	(630,306)	(2)
6300	Research and development expenses		(493,740)	(2)	(592,492)	(2)
6450	Expected credit impairment loss		(7,246)	-	(4,118)	-
6000	Total operating expenses		(2,915,098)	(11)	(3,086,130)	(11)
6900	Operating profit		2,519,619	10	2,186,291	8
	Non-operating income and expenses					
7100	Interest income	6(22)	24,015	-	29,867	-
7010	Other income	6(3)(9)(23) and 7	1,212,467	5	1,202,850	4
7020	Other gains and losses	6(2)(12)(24)	(338,238)	(2)	(331,746)	(1)
7050	Finance costs	6(8)(25) and 7	(65,649)	-	(69,104)	-
7070	Share of profit of subsidiary, associates and joint ventures accounted for under equity method	6(6)	3,462,961	13	3,749,509	14
7000	Total non-operating income and expenses		4,295,556	16	4,581,376	17
7900	**Profit before income tax**		6,815,175	26	6,767,667	25
7950	Income tax expense	6(27)	(1,035,260)	(4)	(932,028)	(4)
8160	Profit attributable to non-controlling interests before business combination under common control	6(31)	(12,278)	-	(5,578)	-
8200	**Profit for the year**		$ 5,767,637	22	$ 5,830,061	21
	Other comprehensive income					
	Other comprehensive income that will not be reclassified to profit or loss					
8311	Other comprehensive income (loss), before tax, actuarial losses on defined benefit plans	6(16)	$ 28,660	-	($ 28,399)	-
8316	Unrealised gains and losses on valuation of investments measured at fair value through other comprehensive income	6(3)(20)	(3,501,742)	(13)	(1,350,847)	(5)
8330	Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss		(3,245,541)	(13)	(1,339,841)	(5)
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(27)	-	-	(550)	-
8310	Components of other comprehensive loss that will not be reclassified to profit or loss		(6,718,623)	(26)	(2,719,637)	(10)
	Other comprehensive income (loss) that will be reclassified to profit or loss					
8361	Currency translation differences of foreign operations	6(20)	1,210,656	5	165,981	1
8368	Gains (losses) on hedging instrument		25,095	-	(5,025)	-
8399	Income tax relating to the components of other comprehensive income that will be reclassified to profit or loss	6(20)(27)	(232,454)	(1)	6,222	-
8360	Components of other comprehensive income that will be reclassified to profit or loss		1,003,297	4	167,178	1
8300	**Other comprehensive loss for the year**		($ 5,715,326)	(22)	($ 2,552,459)	(9)
8400	Comprehensive income attributable to non-controlling interests before business combination under common control	6(31)	-	-	341	-
8500	**Total comprehensive income for the year**		$ 52,311	-	$ 3,277,943	12
	Earnings per share (in dollars)	6(28)				
9750	Basic earnings per share		$	2.73	$	2.76
9850	Diluted earnings per share		$	2.73	$	2.76

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

TECO ELECTRIC & MACHINERY CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

				Retained Earnings			Other equity interest					
	Notes	Share capital - common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Financial statements translation differences of foreign operations	Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income	Gains (losses) on hedging instruments	Treasury stocks	Equity attributable to non-controlling interest before business combination under common control	Total equity
2023												
Balance at January 1, 2023(restated)		$ 21,387,966	$ 9,575,822	$ 7,899,057	$ 3,640,779	$ 19,680,601	($ 2,453,451)	$ 20,805,870	$ -	($ 511,710)	$ 149,455	$ 80,174,389
Profit for the year		-	-	-	-	5,830,061	-	-	-	-	5,578	5,835,639
Other comprehensive (loss) income for the year	6(20)	-	-	-	-	(43,402)	173,435	(2,677,126)	(5,025)	-	(341)	(2,552,459)
Total comprehensive income (loss)		-	-	-	-	5,786,659	173,435	(2,677,126)	(5,025)	-	5,237	3,283,180
Appropriations of 2022 earnings	6(19)											
Legal reserve		-	-	338,042	-	(338,042)	-	-	-	-	-	-
Cash dividends		-	-	-	-	(3,208,195)	-	-	-	-	-	(3,208,195)
Effect of changes in net equity of associates and joint ventures accounted for under the equity method		-	53,908	-	-	-	-	-	-	-	-	53,908
Disposal of investments in equity instruments at fair value through other comprehensive income	6(20)	-	-	-	-	479,043	-	(479,043)	-	-	-	-
Dividends paid to controlling interests under common control		-	-	-	-	-	-	-	-	-	(13,923)	(13,923)
Balance at December 31, 2023		$ 21,387,966	$ 9,629,730	$ 8,237,099	$ 3,640,779	$ 22,400,066	($ 2,280,016)	$ 17,649,701	($ 5,025)	($ 511,710)	$ 140,769	$ 80,289,359
2024												
Balance at January 1, 2024		$ 21,387,966	$ 9,629,730	$ 8,237,099	$ 3,640,779	$ 22,400,066	($ 2,280,016)	$ 17,649,701	($ 5,025)	($ 511,710)	$ 140,769	$ 80,289,359
Profit for the year		-	-	-	-	5,767,637	-	-	-	-	12,278	5,779,915
Other comprehensive income (loss) for the year	6(20)	-	-	-	-	35,153	978,202	(6,753,776)	25,095	-	-	(5,715,326)
Total comprehensive income (loss)		-	-	-	-	5,802,790	978,202	(6,753,776)	25,095	-	12,278	64,589
Appropriations of 2023 earnings	6(19)											
Legal reserve		-	-	626,570	-	(626,570)	-	-	-	-	-	-
Cash dividends		-	-	-	-	(4,705,353)	-	-	-	-	-	(4,705,353)
Effect of changes in net equity of associates and joint ventures accounted for under the equity method		-	70,285	-	-	-	-	-	-	-	-	70,285
Disposal of investments in equity instruments at fair value through other comprehensive income	6(20)	-	-	-	-	218,175	-	(218,175)	-	-	-	-
Acquisition and merger with the subsidiary		-	(83,624)	-	-	-	-	-	-	-	(153,047)	(236,671)
Balance at December 31, 2024		$ 21,387,966	$ 9,616,391	$ 8,863,669	$ 3,640,779	$ 23,089,108	($ 1,301,814)	$ 10,677,750	$ 20,070	($ 511,710)	$ -	$ 75,482,209

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

TECO ELECTRIC & MACHINERY CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

		Year ended December 31	
	Notes	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		$ 6,815,175	$ 6,767,667
Adjustments			
Adjustments to reconcile profit (loss)			
Net gain on financial assets at fair value through profit or loss	6(2)(24)	(86,208)	(242,423)
Net loss on financial liabilities at fair value through profit or loss	6(12)(24)	13,025	15,960
Expected credit impairment loss	12(2)	7,246	4,118
Interest income	6(22)	(24,015)	(29,867)
Interest expense	6(25)	65,649	69,104
Dividend income	6(23)	(560,143)	(646,658)
Changes in unrealized gain from downstream sales		73,439	49,634
Share of profit of associates and joint ventures accounted for under the equity method	6(6)	(3,462,961)	(3,749,509)
Depreciation, amortization and net gain or loss on disposal of property, plant and equipment, net	6(7)(8)(9)(24)(26)	374,034	431,115
Changes in operating assets and liabilities			
Changes in operating assets			
Current contract assets		(1,201,296)	(1,409,419)
Notes receivable		(1,948)	58,926
Notes receivable - related parties		2,769	362,682
Accounts receivable		(129,969)	(131,149)
Accounts receivable - related parties		(145,427)	305,774
Other receivables		27,591	(23,553)
Other receivables - related parties		(340,597)	24,192
Inventories		(652,007)	216,450
Prepayments		(323,662)	(180,376)
Other current assets		13,508	21,614
Financial assets at fair value through profit or loss - non-current		30,646	53,330
Changes in operating liabilities			
Financial liabilities at fair value through profit or loss-current		(17,223)	(14,302)
Current contract liabilities		122,038	(29,187)
Notes payable		(14,114)	(29,927)
Notes payable - related parties		-	(64,712)
Accounts payable		534,104	(513,041)
Accounts payable - related parties		(183,408)	251,361
Other payables		(426,222)	339,617
Other payables - related parties		35,725	42,455
Provisions for liabilities - current		(6,451)	8,008
Provisions for liabilities - non-current		(84,220)	(12,600)
Other current liabilities		(10,916)	14,664
Other non-current liabilities		(132,011)	(67,273)
Cash inflow generated from operations		312,151	1,892,675
Interest received	6(22)	24,015	29,867
Dividends received		2,825,135	2,286,613
Payment of interest		(65,547)	(67,496)
Payment of income tax		(991,150)	(635,126)
Net cash flows from operating activities		2,104,604	3,506,533

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TECO ELECTRIC & MACHINERY CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

	Notes	Year ended December 31 2024	2023
CASH FLOWS FROM INVESTING ACTIVITIES			
Decrease in restricted bank deposit	8	$ 56,876	$ 161,991
Decrease in financial assets measured at amortized cost		-	2,000
Proceeds from disposal of non-current financial assets at fair value through profit or loss		457,259	-
Decrease in non-current financial assets at fair value through other comprehensive income		218,693	4,349
Acquisition of investments accounted for under equity method		(569,159)	-
Proceeds from disposal of investments accounted for under the equity method		-	257,904
Proceeds from disposal of property, plant and equipment		9,707	5,039
Acquisition of property, plant and equipment	6(7)(29)	(219,180)	(212,539)
Acquisition of intangible assets		(8,535)	(1,021)
Increase in deferred expenses		(18,627)	(12,480)
Decrease (increase) in refundable deposits		5,572	(2,313)
Dividends received		560,143	646,658
Decrease in other non-current assets		36,777	31,413
Net cash flows from investing activities		529,526	881,001
CASH FLOWS FROM FINANCING ACTIVITIES			
Acquisition of subsidiary equity	6(31)	(236,671)	-
Increase (decrease) in long-term loans	6(30)	1,970,000	(1,100,000)
Cash dividends paid	6(19)(30)	(4,705,353)	(3,208,195)
Lease liabilities paid	6(30)	(94,853)	(96,742)
Dividends paid to non-controlling interest before business combination under common control	6(16)	-	(13,923)
Net cash flows used in financing activities		(3,066,877)	(4,418,860)
Net decrease in cash and cash equivalents		(432,747)	(31,326)
Cash and cash equivalents at beginning of year		911,338	942,664
Cash and cash equivalents at end of year		$ 478,591	$ 911,338

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

TECO ELECTRIC & MACHINERY CO., LTD.
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

1. History and Organization

Teco Electric & Machinery Co., Ltd. (the "Company") was incorporated as a company limited by shares under the provisions of the Company Law of the Republic of China (R.O.C.). The Company primarily engages in the manufacture, installation, wholesale, retail of various types of electronic equipment, telecommunication equipment, office equipment, and home appliances. The Company merged with Taian Electric Co., Ltd. in 2003. Under the merger, the Company was the surviving company while Taian Electric Co., Ltd. was the dissolved company. The Company merged with Anyang Electric Co., Ltd. and Tontai Technology Co., Ltd. in 2011. Under the merger, the Company was the surviving company while Anyang Electric Co., Ltd. and Tontai Technology Co., Ltd. were the dissolved company. On October 1, 2022, the Company engaged in a short-form merger with the wholly-owned subsidiary, Teco Smart Technologies Co., Ltd.. Under the merger, the Company was the surviving company while Teco Smart Technologies Co., Ltd. was the dissolved company. The Company merged with the subsidiary, Teco Eelctro Devices Co., Ltd. in 2024. Under the merger, the Company was the surviving company while Teco Electro Devices Co., Ltd. was the dissolved company.

2. The Date of Authorization for Issuance of the Financial Statements and Procedures for Authorization

These financial statements were authorized for issuance by the Board of Directors on March 14, 2025.

3. Application of New Standards, Amendments and Interpretations

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

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

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

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

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

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

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

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

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

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

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

Except for the following, the above standards and interpretations have no significant impact to the Company's financial condition and financial performance based on the Group's assessment.

A. Amendments to IFRS 9 and IFRS 7, 'Amendments to the classification and measurement of financial instruments'

The IASB issued the amendments to:

(a) Clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception relating to the derecognition of a financial liability (or part of a financial liability) settled through an electronic cash transfer system. Applying the exception, an entity is permitted to derecognise a financial liability at an earlier date if, and only if, the entity has initiated a payment instruction and specific conditions are met.

The conditions for the exception are that the entity making the payment does not have:

i. the practical ability to withdraw, stop or cancel the payment instruction;

ii. the practical ability to access the cash used for settlement; and

iii. significant settlement risk.

(b) Clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion, covering contractual terms that can change cash flows based on contingent events (for example, interest rates linked to ESG targets), non-recourse features and contractually-linked instruments.

(c) Add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets), including a qualitative description of the nature of the contingent event, quantitative information about the possible changes to contractual cash flows that could result from those contractual terms and the gross carrying amount of financial assets and amortised cost of financial liabilities subject to these contractual terms.

(d) Update the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI). The entity shall disclose the fair value of each class of investment and is no longer required to disclose the fair value of each investment. In addition, the amendments require the entity to disclose the fair value gain or loss presented in other comprehensive income during the period, showing separately the fair value gain or loss related to investments derecognised during the reporting period and the fair value gain or loss related to investments held at the end of the reporting period; and any transfers of the cumulative gain or loss within equity during the reporting period related to the investments derecognised during that reporting period.

B. IFRS 18, 'Presentation and disclosure in financial statements'

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

4. <u>Summary of Material Accounting Policies</u>

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

(1) <u>Compliance statement</u>

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

(2) <u>Basis of preparation</u>

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

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

(b) Financial assets at fair value through other comprehensive income.

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

B. The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 5.

(3) <u>Foreign currency translation</u>

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

A. Foreign currency transactions and balances

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

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

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

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

B. Translation of foreign operations

(a) The operating results and financial position of all the Company entities, associates and joint arrangements that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

i. Assets and liabilities for each balance sheet presented are translated at the closing exchange rate at the date of that balance sheet;

ii. Income and expenses for each statement of comprehensive income are translated at average exchange rates of that period; and

iii. All resulting exchange differences are recognised in other comprehensive income.

(b) When the foreign operation partially disposed of or sold is an associate or jointly joint arrangements exchange differences that were recorded in other comprehensive income are proportionately reclassified to profit or loss as part of the gain or loss on sale. In addition, even when the Company still retains partial interest in the former foreign associate or joint arrangements entity after losing significant influence over the former foreign associate or losing joint control of the former joint arrangements such transactions should be accounted for as disposal of all interest in these foreign operations.

(c) When the foreign operation partially disposed of or sold is a subsidiary, cumulative exchange differences that were recorded in other comprehensive income are proportionately transferred to the non-controlling in this foreign operation. In addition, even when the Company still retains partial interest in the former foreign subsidiary after losing control of the former foreign subsidiary, such transactions should be accounted for as disposal of all interest in the foreign operation.

(d) Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing exchange rates at balance sheet date.

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

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

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

(b) Assets held mainly for trading purposes;

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

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

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

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

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

(b) Liabilities arising mainly from trading activities;

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

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

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

(5) Cash equivalents

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

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

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

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

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

D. The Company recognises the dividend income when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably.

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

A. Financial assets at fair value through other comprehensive income comprise equity securities which are not held for trading, and for which the Company has made an irrevocable election at initial recognition to recognise changes in fair value in other comprehensive income.

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

C. At initial recognition, the Company measures the financial assets at fair value plus transaction costs. The Company subsequently measures the financial assets at fair value:

The changes in fair value of equity investments that were recognised in other comprehensive income are reclassified to retained earnings and are not reclassified to profit or loss following the derecognition of the investment. Dividends are recognised as revenue when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably.

(8) Accounts and notes receivable

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

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

(9) Impairment of financial assets

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

(10) Derecognition of financial assets

The Company derecognises a financial asset when one of the following conditions is met:

A. The contractual rights to receive cash flows from the financial asset expire.

B. The contractual rights to receive cash flows from the financial asset have been transferred and the Company has transferred substantially all risks and rewards of ownership of the financial asset.

C. The contractual rights to receive cash flows of the financial asset have been transferred; however, the Company has not retained control of the financial asset.

(11) Leasing arrangements (lessor) – operating leases

Lease income from an operating lease (net of any incentives given to the lessee) is recognised in profit or loss on a straight-line basis over the lease term.

(12) Inventories

Inventories are stated at the lower of cost and net realizable value. Cost is determined using weighted-average method. The cost of finished goods and work in process comprises raw materials, direct labor, other direct costs and related production overheads (allocated based on normal operating capacity). It excludes borrowing costs. The item by item approach is used in applying the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and applicable variable selling expenses.

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

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

B. Unrealized profit (loss) arising from the transactions between the Company and subsidiaries have been offset. The accounting policies of the subsidiaries have been adjusted where necessary to ensure consistency with the policies adopted by the Company.

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

D. If changes in shareholdings in subsidiaries do not result to loss of control (transaction with non-controlling interest), transactions shall be considered as equity transactions, which are transactions between owners. Difference of adjustment of non-controlling interest and fair value of consideration paid or received is recognised in equity.

E. Associates are all entities over which the Company has significant influence but not control. In general, it is presumed that the investor has significant influence, if an investor holds, directly or indirectly 20 percent or more of the voting power of the investee. Investments in associates are accounted for using the equity method and are initially recognised at cost. The Company's investments in associates include goodwill identified on acquisition, net of any accumulated impairment loss arising through subsequent assessments.

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

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

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

I. In the case that an associate issues new shares and the Company does not subscribe or acquire new shares proportionately, which results in a change in the Company's ownership percentage of the associate but maintains significant influence on the associate, then 'capital surplus' and 'investments accounted for under the equity method' shall be adjusted for the increase or decrease of its share of equity interest. If the above condition causes a decrease in the Company's ownership percentage of the associate, in addition to the above adjustment, the amounts previously recognised in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately on the same basis as would be required if the relevant assets or liabilities were disposed of.

J. When the Company disposes its investment in an associate and loses significant influence over this associate, the amounts previously recognised in other comprehensive income in relation to the associate, are reclassified to profit or loss, on the same basis as would be required if the relevant assets or liabilities were disposed of. If it retains significant influence over this associate, then the amounts previously recognised in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately in accordance with the aforementioned approach.

K. Pursuant to the Regulations Governing the Preparation of Financial Reports by Securities Issuers, profit (loss) of the current period and other comprehensive income in the financial statements shall equal to the amount attributable to owners of the parent in the consolidated financial statements. Owners' equity in the financial statements shall equal to equity attributable to owners of the parent in the consolidated financial statements.

(14) Property, plant and equipment

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

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

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

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

Buildings and structures	10 ～ 50 years
Machinery and equipment	3 ～ 15 years
Transportation equipment	3 ～ 5 years
Other equipment	2 ～ 15 years
Leasehold assets	3 ～ 5 years
Leasehold improvements	3 ～ 5 years

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

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

B. Lease liabilities include the net present value of the remaining lease payments at the commencement date, discounted using the incremental borrowing interest rate. Lease payments are comprised of the following:

(a) Fixed payments, less any lease incentives receivable; and

(b) Variable lease payments that depend on an index or a rate.

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

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

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

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

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

(16) Investment property

An investment property is stated initially at its cost and measured subsequently using the cost model. Except for land, investment property is depreciated on a straight-line basis over its estimated useful life of 15 to 60 years.

(17) Intangible assets

A. Goodwill arises in a business combination accounted for by applying the acquisition method.

B. Intangible assets except goodwill are mainly computer software, which is stated at cost and amortized on the straight-line basis over the estimated economic useful life.

(18) Impairment of non-financial assets

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

B. The recoverable amounts of goodwill and intangible assets with an indefinite useful life are evaluated periodically. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. Impairment loss of goodwill previously recognised in profit or loss shall not be reversed in the following years.

C. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units, or groups of cash-generating units, that is/are expected to benefit from the synergies of the business combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level.

(19) Borrowings

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

B. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortized over the period of the facility to which it relates.

(20) Notes and accounts payable

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

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

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

A. Financial liabilities are classified in this category of held for trading if acquired principally for the purpose of repurchasing in the short-term. Derivatives are also categorised as financial liabilities held for trading unless they are designated as hedges.

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

(22) Bonds payable

Ordinary corporate bonds issued by the Company are initially recognised at fair value less transaction costs. Any difference between the proceeds (net of transaction costs) and the redemption value is presented as an addition to or deduction from bonds payable, which is amortized to profit or loss over the period of bond circulation using the effective interest method as an adjustment to ‘finance costs.’

(23) Derecognition of financial liabilities

The Company derecognises a financial liability when the obligation specified in the contract is either discharged or cancelled or expires.

(24) Offsetting financial instruments

Financial assets and liabilities are offset and reported in the net amount in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

(25) Financial guarantee contracts

A financial guarantee contract is a contract that requires the Company to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument. At initial recognition, the Company measures financial guarantee contracts at fair value and subsequently at the higher of the amount of provisions determined by the expected credit losses and the cumulative gains that were previously recognised.

(26) Hedge accounting

A. At the inception of the hedging relationship, there is formal designation and documentation of the hedging relationship and the Company’s risk management objective and strategy for undertaking the hedge. That documentation shall include identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Company will assess whether the hedging relationship meets the hedge effectiveness requirements.

B. The Company designates the hedging relationship as follows:

Cash flow hedge: a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction.

C. Cash flow hedges

(a)The cash flow hedge reserve associated with the hedged item is adjusted to the lower of the following (in absolute amounts):

i. the cumulative gain or loss on the hedging instrument from inception of the hedge; and

ii.the cumulative change in fair value of the hedged item from inception of the hedge.

(b)The effective portion of the gain or loss on the hedging instrument is recognised in other comprehensive income. The gain or loss on the hedging instrument relating to the ineffective portion is recognised in profit or loss.

(c)The amount that has been accumulated in the cash flow hedge reserve in accordance with (a) is accounted for as follows:

i. If a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability, or a hedged forecast transaction for a non-financial asset or non-financial liability becomes a firm commitment for which fair value hedge accounting is applied, the Company shall remove that amount from the cash flow hedge reserve and include it directly in the initial cost or other carrying amount of the asset or liability.

ii. For cash flow hedges other than those covered by i. above, that amount shall be reclassified from the cash flow hedge reserve to profit or loss as a reclassification adjustment in the same period or periods during which the hedged expected future cash flows affect profit or loss.

iii. If that amount is a loss and the Company expects that all or a portion of that loss will not be recovered in one or more future periods, it shall immediately reclassify the amount that is not expected to be recovered into profit or loss as a reclassification adjustment.

(d) When the hedging instrument expires, or is sold, terminated, exercised or when the hedging relationship ceases to meet the qualifying criteria, if the forecast transaction is still expected to occur, the amount that has been accumulated in the cash flow hedge reserve shall remain in the cash flow hedge reserve until the forecast transaction occurs; if the forecast transaction is no longer expected to occur, the amount shall be immediately reclassified from the cash flow hedge reserve to profit or loss as a reclassification adjustment.

(27) Provisions

Provisions (including product warranties, etc.) are recognised when the Company has a present legal or constructive obligation as a result of past events, and it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be reliably estimated. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation on the balance sheet date, which is discounted using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to passage of time is recognised as interest expense. Provisions are not recognised for future operating losses.

(28) Employee benefits

A. Short-term employee benefits

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

B. Pensions

(a) Defined contribution plans

For defined contribution plans, the contributions are recognised as pension expenses when they are due on an accrual basis. Prepaid contributions are recognised as an asset to the extent of a cash refund or a reduction in the future payments.

(b) Defined benefit plans

i. Net obligation under a defined benefit plan is defined as the present value of an amount of pension benefits that employees will receive on retirement for their services with the Company in current period or prior period. The liability recognised in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets, together with adjustments for unrecognised past service costs. The net defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The rate used to discount is determined by using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability; when there is no deep market in high-quality corporate bonds, the Company uses interest rates of government bonds (at the balance sheet date) instead.

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

C. Termination benefits

Termination benefits are employee benefits provided in exchange for the termination of employment as a result from either the Company's decision to terminate an employee's employment before the normal retirement date, or an employee's decision to accept an offer of redundancy benefits in exchange for the termination of employment. The Company recognises expense when it can no longer withdraw an offer of termination benefits or it recognises related restructuring costs, whichever is earlier. Benefits that are expected to be due more than 12 months after balance sheet date shall be discounted to their present value.

D. Employees' compensation and directors' and supervisors' remuneration

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

(29) Income tax

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

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

C. Deferred income tax is recognised, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of goodwill or of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences. Deferred income tax is provided on temporary differences arising on investments in subsidiaries, and associates except where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

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

E. Current income tax assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. Deferred income tax assets and liabilities are offset on the balance sheet when the entity has the legally enforceable right to offset current tax assets against current tax liabilities and they are levied by the same taxation authority on either the same entity or different entities that intend to settle on a net basis or realize the asset and settle the liability simultaneously.

F. Based on the "Income Basic Tax Act", if the regular income tax is equal or more than the basic tax, the income tax payable shall be calculated in accordance with the Income Tax Act and other relevant laws. Whereas, if the regular income tax is less than basic tax, the income tax payable shall be equal to the basic tax. The difference between the regular income tax and basic tax shall not be subject to deductions of investment tax credits granted under the provisions of other laws.

(30) <u>Share capital</u>

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

B. Where the Company repurchases the Company's equity share capital that has been issued, the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the Company's equity holders.

(31) <u>Dividends</u>

Dividends are recorded in the Company's financial statements in the period in which they are resolved by the Company's shareholders. Cash dividends are recorded as liabilities.

(32) <u>Revenue recognition</u>

A. Sales of goods—wholesale

(a) The Company manufactures and sells various types of mechanical equipment, air-conditioning units and electronic equipment products. Sales are recognised when control of the products has transferred, being when the products are delivered to the wholesaler, the wholesaler has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the wholesaler's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the wholesaler, and either the wholesaler has accepted the products in accordance with the sales contract, or the Company has objective evidence that all criteria for acceptance have been satisfied.

(b) Electronic and machinery, electronic equipment and power generation equipment are often sold with volume discounts based on aggregate sales over a 12-month period. Revenue from these sales is recognised based on the price specified in the contract, net of the estimated volume discounts and sales discounts and allowances. Accumulated experience is used to estimate and provide for the volume discounts and sales discounts and allowances, using the expected value method, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. The estimation is subject to an assessment at each reporting date. A refund liability is recognised for expected volume discounts and sales discounts and allowances payable to customers in relation to sales made until the end of the reporting period. The sales are made with a credit term of 30 days. As the time interval between the transfer of committed goods or service and the payment of customer does not exceed one year, the Company does not adjust the transaction price to reflect the time value of money.

(c) The Company's obligation to provide a refund for faulty products under the standard warranty terms is recognised as a provision.

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

B. Installation and construction service of electrification products

(a) The Company provides installation and construction service of electrification products. Revenue from providing services is recognised in the accounting period in which the services are rendered. For fixed-price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided. This is determined based on the actual cost spent relative to the total cost. The customer pays at the time specified in the payment schedule. If the services rendered exceed the payment, a contract asset is recognised. If the payments exceed the services rendered, a contract liability is recognised.

(b) Some contracts include sales and installation services of equipment. The equipment and the installation services provided by the Company are not distinct and are identified to be one performance obligation satisfied over time since the installation services involve significant customisation and modification. The Company recognises revenue on the basis of costs incurred relative to the total expected costs of that performance obligation. Conversely, the Company recognises revenue at an amount equal to the cost of a good if the good is not distinct and its cost is significant relative to the total expected costs, the customer is expected to obtain control of the good significantly before receiving services related to the good, and the Company procures the good from a third party and is not involved in designing and manufacturing the good by acting as a principal.

(c) The Company's estimate about revenue, costs and progress towards complete satisfaction of a performance obligation is subject to a revision whenever there is a change in circumstances. Any increase or decrease in revenue or costs due to an estimate revision is reflected in profit or loss during the period when the management become aware of the changes in circumstances.

C. Incremental costs of obtaining a contract

Given that the contractual period lasts less than one year, the Company recognises the incremental costs of obtaining a contract as an expense when incurred although the Company expects to recover those costs.

(33) <u>Government grants</u>

Government grants are recognised at their fair value only when there is reasonable assurance that the Company will comply with any conditions attached to the grants and the grants will be received. Government grants are recognised in profit or loss on a systematic basis over the periods in which the Company recognises expenses for the related costs for which the grants are intended to compensate.

(34) <u>Business combinations</u>

A. The Company uses the acquisition method to account for business combinations. The consideration transferred for an acquisition is measured as the fair value of the assets transferred, liabilities incurred or assumed and equity instruments issued at the acquisition date, plus the fair value of any assets and liabilities resulting from a contingent consideration arrangement. All acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. For each business combination, the Company measures at the acquisition date components of non-controlling interests in the acquire that are present ownership interests and entitle their holders to the proportionate share of the entity's net assets in the event of liquidation at either fair value or the present ownership instruments' proportionate share in the recognised amounts of the acquirer's identifiable net assets. All other non-controlling interests should be measured at the acquisition-date fair value.

B. The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of any previous equity interest in the acquiree over the fair value of the identifiable assets acquired and the liabilities assumed is recorded as goodwill at the acquisition date. If the total of consideration transferred, non-controlling interest in the acquiree recognised and the fair value of previously held equity interest in the acquiree is less than the fair value of the identifiable assets acquired and the liabilities assumed, the difference is recognised directly in profit or loss on the acquisition date.

(35) Intra-group reorganisation

The Company engaged in a merger with the subsidiary, Teco Electro Devices Co., Ltd., on August 31, 2024, which was a reorganisation. In accordance with the Accounting Research and Development Foundation Interpretation 101-301, the transaction was recognised using book value method, the subsidiary was considered as consolidated at the beginning and shall retrospectively restate the parent company only financial statements for the year ended December 31, 2023.

5. Critical Accounting Judgements, Estimates and Key Sources of Assumption Uncertainty

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

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

None.

(2) Critical accounting estimates and assumptions

Impairment assessment of goodwill

The impairment assessment of goodwill relies on the Company's subjective judgment, including identifying cash-generating units, allocating assets and liabilities as well as goodwill to related cash-generating units, and determining the recoverable amounts of related cash-generating units.

6. Details of Significant Accounts

(1) Cash and cash equivalents

	December 31, 2024	December 31, 2023
Cash on hand and revolving funds	$ 277	$ 327
Checking accounts and demand deposits	471,814	210,324
Time deposits	6,500	700,687
	$ 478,591	$ 911,338

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

B. As of December 31, 2024 and 2023, certain bank deposits amounting to $0 and $56,876, respectively, were restricted due to earmarked construction projects (listed as '1470 Other current assets'). Please refer to Note 8 for details.

C. According to IFRS Q&A amended by the competent authority on January 5, 2024, the Company reclassified the undrawn balance of deposits account for offshore funds which applies "The Management, Utilization, and Taxation of Repatriated Offshore Funds Act" from other current assets to cash and cash equivalents, which was retrospectively reclassified to December 31, 2023. As of December 31, 2023, cash and cash equivalents was increased and other current assets was decreased by $485.

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

Items	December 31, 2024	December 31, 2023
Non-current items:		
Financial assets mandatorily measured at fair value through profit or loss		
Listed and OTC stocks	$ 292,539	$ 869,386
Non-listed and OTC stocks	810,394	810,394
Money Market Fund	117,220	154,171
	1,220,153	1,833,951
Valuation adjustment	722,435	510,334
	$ 1,942,588	$ 2,344,285

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

	For the year ended December 31, 2024	For the year ended December 31, 2023
Financial assets mandatorily measured at fair value through profit or loss		
Equity instruments	$ 86,208	$ 242,423

B. Information relating to credit risk of financial assets at fair value through profit or loss is provided in Notes 12(2) and (3).

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

Items	December 31, 2024	December 31, 2023
Non-current items:		
Listed and OTC stocks	$ 9,207,057	$ 9,562,800
Non-listed and OTC stocks	42,368	47,148
	9,249,425	9,609,948
Valuation adjustment	1,766,101	5,126,013
	$ 11,015,526	$ 14,735,961

A. The Company has elected to classify Taiwan High Speed Rail’s stocks that are considered to be steady dividend income as financial assets at fair value through other comprehensive income. The fair value of such investments amounted to $11,015,526 and $14,735,961 as at December 31, 2024 and 2023, respectively.

B. Amounts recognised in other comprehensive income in relation to the financial assets at fair value through other comprehensive income are listed below:

Equity instruments at fair value through other comprehensive income	For the year ended December 31, 2024	For the year ended December 31, 2023
Fair value change recognised in other comprehensive income	($ 3,501,472)	($ 1,350,847)
Cumulative losses reclassified to retained earnings due to derecognition	($ 141,829)	$ -
Dividend income recognised in profit or loss		
Held at end of year	$ 553,373	$ 534,519
Derecognised during the year	$ 6,770	$ -

C. The Company has no financial assets at fair value through other comprehensive income pledged to others.

D. Information relating to credit risk of financial assets at fair value through other comprehensive income is provided in Notes 12(2) and (3).

(4) Notes and accounts receivable

	December 31, 2024	December 31, 2023
Notes receivable	$ 214,409	$ 212,461
Less: Allowance for bad debts	(448)	(721)
	$ 213,961	$ 211,740
Accounts receivable	$ 2,290,550	$ 2,167,826
Less: Allowance for bad debts	(40,024)	(33,851)
	$ 2,250,526	$ 2,133,975

A. The ageing analysis of notes and accounts receivable that were past due but not impaired is as follows:

	December 31, 2024	December 31, 2023
Not past due	$ 1,921,947	$ 1,732,168
Up to 30 days	207,497	214,679
31 to 90 days	34,879	104,405
91 to 180 days	20,037	26,899
Over 180 days	320,599	302,136
	$ 2,504,959	$ 2,380,287

The above ageing analysis was based on past due date.

B. As of December 31, 2024 and 2023, accounts receivable and notes receivable were all from contracts with customers.

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

(5) Inventories

	December 31, 2024		
	Cost	Allowance for valuation loss	Book value
Raw materials	$ 1,026,697	($ 80,376)	$ 946,321
Work in progress	675,816	(176)	675,640
Finished goods	2,078,659	(158,013)	1,920,646
Inventory in transit	337,384	-	337,384
	$ 4,118,556	($ 238,565)	$ 3,879,991

	December 31, 2023		
	Cost	Allowance for valuation loss	Book value
Raw materials	$ 965,984	($ 90,005)	$ 875,979
Work in progress	560,697	(571)	560,126
Finished goods	1,797,653	(111,674)	1,685,979
Inventory in transit	105,900	-	105,900
	$ 3,430,234	($ 202,250)	$ 3,227,984

The cost of inventories recognised as expense for the years ended December 31, 2024 and 2023 was $13,041,672 and $13,097,641, respectively, including $101,118 and $85,512 that the Company wrote down from cost to the net realizable value accounted for as cost of goods sold for the years ended December 31, 2024 and 2023, respectively.

(6) Investments accounted for under the equity method

	December 31, 2024	December 31, 2023
Subsidiaries:		
1. Teco International Investment Co., Ltd.	$ 2,162,686	$ 1,907,757
2. Teco Holding USA Inc.	15,130,312	13,194,086
3. Teco Electric & Machinery (Pte) Ltd.	2,525,711	3,015,190
4. Tong-An Investment Co., Ltd.	15,300,758	18,488,584
5. United View Global Investment Co., Ltd.	8,514,395	8,493,028
6. Micropac Worldwide Investment (BVI)	851,234	801,963
7. Tong-An Assets Management & Development Co., Ltd.	5,306,270	5,192,684
8. Eagle Holding Co.	4,890,466	5,047,104
9. Century Development Corporation	1,418,314	1,379,756
10. Others	4,242,739	3,652,640
	60,342,885	61,172,792
Associates:		
1. Tung Pei Industrial Co., Ltd.	2,401,899	2,339,997
2. Lien Chang Electronic Enterprise Co., Ltd.	461,299	452,479
3. Others	127,376	121,471
	2,990,574	2,913,947
	63,333,459	64,086,739
Less: Unrealized profit from sales	(534,179)	(460,766)
	62,799,280	63,625,973
Less: Credit balance of investments accounted for using equity method such as Teco 3C (shown as deductions on other receivables - related parties and other non-current liabilities)	(13,281)	(13,607)
	$ 62,785,999	$ 63,612,366

The share of profit/loss of associates and joint ventures accounted for under equity method for the years ended December 31, 2024 and 2023 are as follows:

	For the year ended December 31, 2024	For the year ended December 31, 2023
Subsidiaries:		
1. Teco Holding USA Inc.	$ 1,093,663	$ 1,424,133
2. Teco Electric & Machinery (Pte) Ltd.	166,153	90,930
3. Tong-An Investment Co., Ltd.	457,730	564,448
4. United View Global Investment Co., Ltd.	1,101,582	1,210,502
5. Eagle Holding Co.	(122,422)	67,839
6. Tong Dai Co., Ltd.	78,919	67,770
7. Century Development Co., Ltd.	126,614	97,997
8. Others	488,472	249,925
	3,390,711	3,773,544
Associates:		
1. Tung Pei Industrial Co., Ltd.	101,220	12,552
2. Lien Chang Electronic Enterprise Co., Ltd.	(23,733)	(29,847)
3. Others	(5,237)	(6,740)
	72,250	(24,035)
	$ 3,462,961	$ 3,749,509

A. Subsidiaries:

(a) For the years ended December 31, 2024 and 2023, partial investments accounted for using equity method are valued based on the financial statements audited by the companies' independent auditors. Gain on investment accounted for using equity method and other comprehensive income, net were $229,062 and $15,635 for the years ended December 31, 2024 and 2023, respectively. The related balance of investment accounted for using equity method was $4,992,536 and $4,151,041 as of December 31, 2024 and 2023, respectively.

(b) As of December 31, 2024 and 2023, the Company's common stocks owned by its subsidiaries, Tong-An Investment Co., Ltd. and others, both totalling $511,710 (29,513 thousand shares), were transferred from the investments accounted for using equity method to treasury stock.

(c) Please refer to Note 4(3) of the 2024 consolidated financial statements for related information about subsidiaries of the Company.

B. Associates

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

		Shareholding ratio			
Company name	Principal place of business	December 31, 2024	December 31, 2023	Nature of relationship	Method of measurement
Tung Pei Industrial Co., Ltd.	R.O.C	31.14%	31.14%	Financial investment	Equity method
Lien Chang Electronic Enterprise Co., Ltd.	R.O.C	33.84%	33.84%	〃	〃

(b) The summarized financial information of the associates that are material to the Company is shown below:

Balance sheet

	Tung Pei Industrial Co., Ltd.	
	December 31, 2024	December 31, 2023
Current assets	$ 5,386,630	$ 4,984,212
Non-current assets	7,115,339	7,431,032
Current liabilities	(3,066,786)	(3,110,385)
Non-current liabilities	(912,011)	(1,091,475)
Total assets	$ 8,523,172	$ 8,213,384
Share in associate's net assets	$ 2,401,899	$ 2,339,997
Goodwill	-	-
Carrying amount of the associate	$ 2,401,899	$ 2,339,997

	Lien Chang Electronic Enterprise Co., Ltd.	
	December 31, 2024	December 31, 2023
Current assets	$ 1,155,305	$ 1,148,508
Non-current assets	431,052	400,790
Current liabilities	(188,869)	(162,327)
Non-current liabilities	(34,473)	(50,016)
Total assets	$ 1,363,015	$ 1,336,955
Share in associate's net assets	$ 461,299	$ 452,479
Goodwill	-	-
Carrying amount of the associate	$ 461,299	$ 452,479

Statement of comprehensive income

	Tung Pei Industrial Co., Ltd.	
	For the year ended December 31, 2024	For the year ended December 31, 2023
Revenue	$ 6,716,076	$ 6,506,646
Profit for the period from continuing operations	362,990	26,062
Other comprehensive income (loss), net of tax	50,909	(73,876)
Total comprehensive income (loss)	$ 413,899	($ 47,814)
Dividends received from associates	$ 39,145	$ 97,863

	Lien Chang Electronic Enterprise Co., Ltd.	
	For the year ended December 31, 2024	For the year ended December 31, 2023
Revenue	$ 403,642	$ 589,537
Loss for the period from continuing operations	(70,125)	(94,093)
Other comprehensive income (loss), net of tax	96,185	(4,417)
Total comprehensive income (loss)	$ 26,060	($ 98,510)
Dividends received from associates	$ -	$ 3,754

(c) The carrying amount of the Company's interests in all individually immaterial associates and the Company's share of the operating results are summarized below:

As of December 31, 2024 and 2023, the carrying amount of the Company's individually immaterial associates amounted to $127,376 and $121,471, respectively.

	For the year ended December 31, 2024	For the year ended December 31, 2023
Loss for the period from continuing operations	($ 5,237)	($ 6,740)
Total comprehensive loss	($ 5,237)	($ 6,740)

(d) The Company is the single largest shareholder of Lien Chang Electronic Enterprise Co., Ltd. with a 33.84% equity interest. Given that the company is a listed company and its ownership is dispersed, and the Company's shareholding ratio in the company is lower than 50%, which indicates that the Company has no current ability to direct the relevant activities of Lien Chang Electronic Enterprise Co., Ltd., the Company has no control, but only has significant influence, over the investee.

(e) The fair values of the Company's material associates with quoted market prices are as follows:

	December 31, 2024	December 31, 2023
Lien Chang Electronic Enterprise Co., Ltd.	$ 521,836	$ 433,612

C. The Company has no investments accounted for using equity method pledged to others as collateral.

(7) Property, plant and equipment

	Land	Buildings and structures	Machinery and equipment	Leased assets - machinery and equipment	Transportation equipment	Leasehold improvements	Miscellaneous equipment	Total
At January 1, 2024								
Cost	$ 1,630,905	$ 1,163,889	$ 4,707,580	$ 522,170	$ 3,108	$ 302,266	$ 3,641,635	$ 11,971,553
Accumulated depreciation and impairment	(34,697)	(596,183)	(4,301,006)	(504,695)	(2,601)	(255,215)	(3,278,114)	(8,972,511)
	$ 1,596,208	$ 567,706	$ 406,574	$ 17,475	$ 507	$ 47,051	$ 363,521	$ 2,999,042
2024								
Opening net book amount	$ 1,596,208	$ 567,706	$ 406,574	$ 17,475	$ 507	$ 47,051	$ 363,521	$ 2,999,042
Additions	-	4,684	134,477	-	-	8,396	114,757	262,314
Disposals	-	(31)	(2,341)	-	-	-	(5)	(2,377)
Reclassifications	(292,252)	(124,397)	(1,546)	2,395	-	-	(849)	(416,649)
Depreciation charge	-	(16,207)	(91,039)	(4,283)	(102)	(14,164)	(92,407)	(218,202)
Closing net book amount	$ 1,303,956	$ 431,755	$ 446,125	$ 15,587	$ 405	$ 41,283	$ 385,017	$ 2,624,128
At December 31, 2024								
Cost	$ 1,303,956	$ 968,494	$ 4,719,775	$ 510,013	$ 3,108	$ 310,662	$ 3,693,436	$ 11,509,444
Accumulated depreciation and impairment	-	(536,739)	(4,273,650)	(494,426)	(2,703)	(269,379)	(3,308,419)	(8,885,316)
	$ 1,303,956	$ 431,755	$ 446,125	$ 15,587	$ 405	$ 41,283	$ 385,017	$ 2,624,128

	Land	Buildings and structures	Machinery and equipment	Leased assets - machinery and equipment	Transportation equipment	Leasehold improvements	Miscellaneous equipment	Total
At January 1, 2023								
Cost	$ 1,378,687	$ 1,024,585	$ 4,753,491	$ 614,740	$ 3,680	$ 291,380	$ 3,607,894	$ 11,674,457
Accumulated depreciation and impairment	(34,697)	(510,200)	(4,359,270)	(587,635)	(2,975)	(238,830)	(3,207,613)	(8,941,220)
	$ 1,343,990	$ 514,385	$ 394,221	$ 27,105	$ 705	$ 52,550	$ 400,281	$ 2,733,237
2023								
Opening net book amount	$ 1,343,990	$ 514,385	$ 394,221	$ 27,105	$ 705	$ 52,550	$ 400,281	$ 2,733,237
Additions	-	3,845	109,124	-	-	10,886	78,563	202,418
Disposals	-	(811)	(8,952)	-	(94)	-	(5,771)	(15,628)
Reclassifications	252,218	72,541	5,641	(5,342)	-	-	(418)	324,640
Depreciation charge	-	(22,255)	(93,460)	(4,288)	(104)	(16,385)	(109,133)	(245,625)
Closing net book amount	$ 1,596,208	$ 567,705	$ 406,574	$ 17,475	$ 507	$ 47,051	$ 363,522	$ 2,999,042
At December 31, 2023								
Cost	$ 1,630,905	$ 1,163,889	$ 4,707,580	$ 522,170	$ 3,108	$ 302,266	$ 3,641,635	$ 11,971,553
Accumulated depreciation and impairment	(34,697)	(596,183)	(4,301,006)	(504,695)	(2,601)	(255,215)	(3,278,114)	(8,972,511)
	$ 1,596,208	$ 567,706	$ 406,574	$ 17,475	$ 507	$ 47,051	$ 363,521	$ 2,999,042

A. For the years ended December 31, 2024 and 2023, no borrowing cost was capitalized as part of property, plant and equipment.

B. The Company was unable to transfer the title of certain farmland to the Company's name due to legal restrictions. The land title was registered under an individual's name. Accordingly, the Company entered into an agreement with the said individual to secure the title and the first mortgage right.

(8) Leasing arrangements - lessee

A. The Company leases various assets including land, buildings and business vehicles. Rental contracts are typically made for periods of 2 to 50 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose covenants, but leased assets may not be used as security for borrowing purposes.

B. The carrying amount of right-of-use assets and the depreciation charge are as follows:

	December 31, 2024	December 31, 2023
	Carrying amount	Carrying amount
Buildings	$ 2,565	$ 26,656
Land	27,449	28,640
Transportation equipment (Business vehicles)	14,655	8,266
Machinery and equipment	7,408	6,637
	$ 52,077	$ 70,199

	For the year ended December 31, 2024	For the year ended December 31, 2023
	Depreciation charge	Depreciation charge
Buildings	$ 83,532	$ 81,146
Land	1,191	1,191
Transportation equipment (Business vehicles)	5,135	2,544
Machinery and equipment	5,109	5,143
	$ 94,967	$ 90,024

C. For the years ended December 31, 2024 and 2023, the additions to right-of-use assets was $94,643 and $9,373, respectively.

D. Interest expenses on lease liabilities for the years ended December 31, 2024 and 2023 were $986 and $1,076 and the cash outflows were $172,432 and $172,719, respectively.

E. Expenses on short-term leases and leases of low-value assets for the years ended December 31, 2024 and 2023 were $77,579 and $75,977; $2,069 and $2,076, respectively.

(9) Investment property

	Land	Buildings and structures	Total
At January 1, 2024			
Cost	$ 1,164,075	$ 2,155,380	$ 3,319,455
Accumulated depreciation and impairment	-	(1,331,641)	(1,331,641)
	$ 1,164,075	$ 823,739	$ 1,987,814
2024			
Opening net book amount	$ 1,164,075	$ 823,739	$ 1,987,814
Reclassifications	292,252	124,397	416,649
Depreciation charge	-	(59,474)	(59,474)
Closing net book amount	$ 1,456,327	$ 888,662	$ 2,344,989
At December 31, 2024			
Cost	$ 1,456,327	$ 2,355,057	$ 3,811,384
Accumulated depreciation and impairment	-	(1,466,395)	(1,466,395)
	$ 1,456,327	$ 888,662	$ 2,344,989

	Land	Buildings and structures	Total
At January 1, 2023			
Cost	$ 1,416,293	$ 2,297,529	$ 3,713,822
Accumulated depreciation and impairment	-	(1,347,887)	(1,347,887)
	$ 1,416,293	$ 949,642	$ 2,365,935
2023			
Opening net book amount	$ 1,416,293	$ 949,642	$ 2,365,935
Reclassifications	(252,218)	(72,542)	(324,760)
Depreciation charge	-	(53,361)	(53,361)
Closing net book amount	$ 1,164,075	$ 823,739	$ 1,987,814
At December 31, 2023			
Cost	$ 1,164,075	$ 2,155,380	$ 3,319,455
Accumulated depreciation and impairment	-	(1,331,641)	(1,331,641)
	$ 1,164,075	$ 823,739	$ 1,987,814

A. Rental income from the lease of the investment property and direct operating expenses arising from the investment property are shown below:

	For the year ended December 31, 2024	For the year ended December 31, 2023
Rental income from investment property	$ 95,071	$ 93,820
Direct operating expenses arising from the investment property that generated rental income during the period	$ 10,946	$ 16,786
Direct operating expenses arising from the investment property that did not generate rental income during the period	$ 8,319	$ 4,230

B. The fair value of the investment property held by the Company as at December 31, 2024 and 2023 was $5,774,874 and $4,124,227, respectively. The valuation is based on average closing prices of investment property at the area where the property is located.

(10) Intangible assets

	December 31, 2024	December 31, 2023
Computer Software		
At January 1		
Cost	$ 37,543	$ 36,522
Accumulated amortisation	(20,241)	(9,333)
	$ 17,302	$ 27,189
Opening net book amount	$ 17,302	$ 27,189
Additions	10,512	1,021
Amortisation charge	(11,620)	(10,908)
Closing net book amount	$ 16,194	$ 17,302
At December 31		
Cost	$ 48,055	$ 37,543
Accumulated amortisation	(31,861)	(20,241)
	$ 16,194	$ 17,302

Details of amortisation on intangible assets are as follows:

	For the year ended December 31, 2024	For the year ended December 31, 2023
Operating Cost	$ 1,409	$ 1,283
Operating Expense	10,211	9,625
	$ 11,620	$ 10,908

(11) Other non-current assets

	December 31, 2024	December 31, 2023
Prepayment for equipment	$ 32,464	$ 68,659
Refundable deposits	17,845	23,418
Deferred expenses	11,795	3,769
Other assets	1,207	1,206
	$ 63,311	$ 97,052

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

Items	December 31, 2024	December 31, 2023
Current items:		
Financial liabilities held for trading		
Non-hedging derivatives	$ 1,305	$ 5,503

A. The Company recognised net loss of $13,025 and $15,960 on financial liabilities held for trading for the years ended December 31, 2024 and 2023, respectively.

B. Explanations of the transactions and contract information in respect of derivative financial liabilities for which the Company does not adopt hedge accounting are as follows:

	December 31, 2024			
Financial instrument	Contract period	Contract amount (notional principal)		Fair value
Interest rate swaps				
SELL TWD/BUY USD	Nov. 22, 2024~Jan. 27, 2025	USD	3,000,000	$ 1,305

	December 31, 2023			
Financial instrument	Contract period	Contract amount (notional principal)		Fair value
Forward exchange contract				
SELL AUD/BUY USD	Nov. 16, 2023~Feb. 26, 2024	AUD	2,800,000	$ 1,580
SELL EUR/BUY USD	Nov. 3, 2023~Mar. 28, 2024	EUR	1,350,000	795
SELL USD/BUY JPY	Nov. 27, 2023~Feb. 26, 2024	JPY	58,000,000	353
Interest rate swaps				
SELL USD/BUY TWD	Dec. 8, 2023~Jan. 25, 2024	USD	5,000,000	2,775
				$ 5,503

C. The Company entered into forward foreign exchange contracts to sell to hedge exchange rate risk of export proceeds. However, these forward foreign exchange contracts and foreign currency loan are not accounted for under hedge accounting.

(13) Hedging financial assets and liabilities

	December 31, 2024			
	Assets		Liabilities	
	Current	Non-current	Current	Non-current
Cash flow hedges:				
Exchange rate risk				
Forward foreign exchange contracts	$ 5,887	$ -	$ -	$ -

	December 31, 2023			
	Assets		Liabilities	
	Current	Non-current	Current	Non-current
Cash flow hedges:				
Exchange rate risk				
Forward foreign exchange contracts	$ -	$ -	$ 5,025	$ -

A. Hedge accounting is applied to remove the accounting inconsistency between the hedging instrument and the hedged item. To hedge the risk arising from foreign currency denominated future commercial transactions, the Company uses forward foreign exchange transactions to control the exchange rate risk under their acceptable range as the exchange rate fluctuations will change future cash flows.

B. Transaction information associated with the Company adopting hedge accounting is as follows:

	December 31, 2024						2024
Hedging instruments	Notional amount	Contract period	Assets carrying amount	Liabilities carrying amount	Changes in fair value in relation to recognising hedge ineffectiveness basis	Average price or fee (in dollars)	Gains (losses) on valuation of ineffective hedge that will be recognised in financial assets/liabilities at fair value through profit or loss
Cash flow hedges							
Exchange rate risk							
Forward foreign exchange transactions	USD 8,328	Oct. 24, 2024~ Jan. 24, 2025	$ 5,887	$ -	$ -	$ 32.15	$ -

	December 31, 2023					2023	
Hedging instruments	Notional amount	Contract period	Assets carrying amount	Liabilities carrying amount	Changes in fair value in relation to recognising hedge ineffectiveness basis	Average price or fee (in dollars)	Gains (losses) on valuation of ineffective hedge that will be recognised in financial assets/liabilities at fair value through profit or loss
Cash flow hedges							
Exchange rate risk							
Forward foreign exchange transactions	USD 8,328	Nov. 28, 2023~ Feb. 26, 2024	$ -	($ 5,025)	$ -	$ 30.54	$ -

D. Cash flow hedge:

	2024	2023
Other equity - cash flow hedge reserve		
At January 1	($ 5,025)	$ -
Add: Gains (losses) on hedge effectiveness-amount recognised in other comprehensive income	25,095	(5,025)
At December 31	$ 20,070	($ 5,025)

Exchange rate risk

To hedge exposed exchange rate risk arising from forecast input cost of construction in progress, the Company entered into a forward forecast purchase agreement of US dollar, and the hedge ratio is 1:1. The effective portion with respect to the changes in the fair value of the hedging instruments is deferred to recognise in the cash flow hedge reserve, which is under other comprehensive income, and will be directly included in the cost of construction in progress when the hedged items are subsequently recognised in construction in progress.

(14) Bonds payable

	December 31, 2024	December 31, 2023
Issuance of bonds payable	$ 5,000,000	$ 5,000,000
Less : Bonds payable due in one year (listed as ‘2320 Long-term liabilities, current portion’)	(5,000,000)	-
	$ -	$ 5,000,000

A. The terms of the first domestic unsecured ordinary corporate bonds issued by the Company in 2020 are as follows:

The Company issued $3,000,000, 0.70% first domestic unsecured ordinary corporation bonds, as approved by the regulatory authority on June 9, 2020. The bonds mature 5 years from the issue date (June 12, 2020 ~ June 12, 2025) and will be redeemed at face value at the maturity date.

B. The terms of the second domestic unsecured ordinary corporate bonds issued by the Company in 2020 are as follows:

The Company issued $2,000,000, 0.60% first domestic unsecured ordinary corporation bonds, as approved by the regulatory authority on September 4, 2020. The bonds mature 5 years from the issue date (September 15, 2020 ~ September 15, 2025) and will be redeemed at face value at the maturity date.

(15) Long-term borrowings

Type of borrowings	Borrowing period and repayment term	Interest rate range	Collateral	December 31, 2024
Long-term bank borrowings and commercial papers payable	Borrowing period is from December 31, 2023 to December 31, 2026; payable at maturity	1.90%~.2.34%	None	$ 2,220,000

Type of borrowings	Borrowing period and repayment term	Interest rate range	Collateral	December 31, 2023
Long-term bank borrowings and commercial papers payable	Borrowing period is from July 13, 2023 to July 13, 2025; payable at maturity	1.63%	None	$ 250,000

A. Under the long-term contracts with certain financial institutions, the Company is required to maintain certain financial ratios and capital requirements as well as meet certain restrictions relative to significant asset acquisitions or disposals.

B. As of December 31, 2024 and 2023, the Company has undrawn borrowing facilities of $8,907,555 and $19,080,669, respectively.

(16) Pensions

A.(a) The Company has a defined benefit pension plan in accordance with the Labor Standards Act, covering all regular employees' service years prior to the enforcement of the Labor Pension Act on July 1, 2005 and service years thereafter of employees who chose to continue to be subject to the pension mechanism under the Act. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement. The Company contributes monthly an amount equal to 2% of the employees' monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, the trustee, under the name of the independent retirement fund committee. Also, the Company would assess the balance in the aforementioned labor pension reserve account by December 31, every year. If the account balance is not enough to pay the pension calculated by the aforementioned method to the employees expected to qualify for retirement in the following year, the Company will make contribution for the deficit by next March.

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

	December 31, 2024	December 31, 2023
Present value of defined benefit obligations	($ 1,224,530)	($ 1,323,567)
Fair value of plan assets	248,492	199,814
Net defined benefit liability	($ 976,038)	($ 1,123,753)

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

	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liability
For the year ended December 31, 2024			
Balance at January 1	($ 1,323,567)	$ 199,814	($ 1,123,753)
Current service cost	(5,116)	-	(5,116)
Interest (expense) income	(17,847)	2,267	(15,580)
	(1,346,530)	202,081	(1,144,449)
Remeasurements:			
Return on plan asset (excluding amounts included in interest income or expense)	-	21,797	21,797
Change in financial assumptions	15,073	-	15,073
Experience adjustments	(8,210)	-	(8,210)
	6,863	21,797	28,660
Pension fund contribution	-	139,751	139,751
Paid pension	115,137	(115,137)	-
Balance at December 31	($ 1,224,530)	$ 248,492	($ 976,038)

	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liability
For the year ended December 31, 2023			
Balance at January 1	($ 1,419,180)	$ 255,724	($ 1,163,456)
Current service cost	(2,547)	-	(2,547)
Interest (expense) income	(23,073)	3,536	(19,537)
	(1,444,800)	259,260	(1,185,540)
Remeasurements:			
Return on plan asset (excluding amounts included in interest income or expense)	-	1,916	1,916
Change in demographic assumptions	(372)	-	(372)
Change in financial assumptions	(24,882)	-	(24,882)
Experience adjustments	(5,061)	-	(5,061)
	(30,315)	1,916	(28,399)
Pension fund contribution	-	81,855	81,855
Paid pension	145,655	(145,655)	-
Paid from the account	8,331	-	8,331
Transfer	(2,438)	2,438	-
Balance at December 31	($ 1,323,567)	$ 199,814	($ 1,123,753)

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

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

	For the year ended December 31, 2024	For the year ended December 31, 2023
Discount rate	1.60%	1.28%~1.40%
Future salary increase	1.75%	1.75%~2.00%

Assumptions regarding future mortality experience are set based on the 6^{th} Taiwan Standard Ordinary Experience Mortality Table.

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

	Discount rate		Future salary increases	
	Increase 0.5%	Decrease 0.5%	Increase 0.5%	Decrease 0.5%
December 31, 2024				
Effect on present value of defined benefit obligation	($ 36,328)	$ 38,291	$ 38,055	($ 36,460)
December 31, 2023				
Effect on present value of defined benefit obligation	($ 29,520)	$ 56,772	$ 56,349	($ 29,532)

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

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

(f) Expected contributions to the defined benefit pension plans of the Company for the year ending December 31, 2025 amount to $115,191.

(g) As of December 31, 2024, the weighted average duration of that retirement plan is 6.1 years.

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

(b) The pension costs under the defined contribution pension plans of the Company for the years ended December 31, 2024 and 2023 were $75,388 and $78,154, respectively.

(17) Share capital

A. As of December 31, 2024, the Company's authorized capital was $30,305,500, consisting of 3,030,550 thousand shares of ordinary stock, including 100 million shares reserved for employee stock options, and the paid-in capital was $21,387,966 with a par value of $10 (in dollars) per share. All proceeds from shares issued have been collected.

Movements in the number of the Company's ordinary shares outstanding are as follows:

	Year ended December 31, 2024	Year ended December 31, 2023
Balance at January 1 (December 31)	2,138,797	2,138,797

B. All of the shares of the Company held by the Company's subsidiaries-Tong-An Investment Co., Ltd. and An-Tai International Investment Co., Ltd. were acquired in or before 2000 for the purpose of general investment. In addition, Top-Tower Enterprises Co., Ltd. also held the Company's shares before the Company obtained control of Top-Tower Enterprises Co., Ltd. in August, 2013 for the purpose of general investment. Also, the subsidiary - Taiwan Pelican Express Co., Ltd. is a subsidiary over which the Company has substantial control and its investment on the Company's shares is a general investment. As of December 31, 2024 and 2023, book value of the shares of the Company held by the subsidiaries amounted to both $511,710.

Details are as follows:

	December 31, 2024		
	Shares (in thousands)	Cost (in dollars)	Market value (in dollars)
Tong-An Investment Co., Ltd.	19,540	$ 14.92	$ 52.20
An-Tai International Investment Co., Ltd.	2,826	10.37	52.20
Top-Tower Enterprises Co., Ltd.	77	9.37	52.20
Taiwan Pelican Express Co., Ltd.	7,070	26.89	52.20
	29,513		

	December 31, 2023		
	Shares (in thousands)	Cost (in dollars)	Market value (in dollars)
Tong-An Investment Co., Ltd.	19,540	$ 14.92	$ 46.80
An-Tai International Investment Co., Ltd.	2,826	10.37	46.80
Top-Tower Enterprises Co., Ltd.	77	9.37	46.80
Taiwan Pelican Express Co., Ltd.	7,070	26.89	46.80
	29,513		

(18) Capital surplus

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

(19) Retained earnings and legal reserve

A. As stipulated in the Company's Articles of Incorporation, the current earnings, if any, shall be distributed in the following order:
   (a) Payment of taxes and duties.
   (b) Covering prior years' accumulated deficit, if any.
   (c) After deducting items (a) and (b), set aside 10% of the remaining amount as legal reserve.
   (d) Set aside a certain amount as special reserve, if any.
   (e) Distributing the remaining amount plus prior years' retained earnings to shareholders according to their shareholding percentage. The distribution rate is principally 80%, of which cash dividend shall account for 5% ~ 50% of the distributed amount.

B. The Company's dividend policy is summarized below:
   The Company's operating environment is in the stable growth stage. However, investee companies are still in the growth stage. In view of the future plant expansion and investment plans, the appropriations of earnings are based on the distributable earnings and appropriate principally 80% to shareholders as dividends. Cash dividends shall account for at least 5% up to maximum of 50% of total dividends distributed.

C. Except for covering accumulated deficit or issuing new stocks or cash to shareholders in proportion to their share ownership, the legal reserve shall not be used for any other purpose. The use of legal reserve for the issuance of stocks or cash to shareholders in proportion to their share ownership is permitted, provided that the distribution of the reserve is limited to the portion in excess of 25% of the Company's paid-in capital.

D. (a) In accordance with the regulations, the Company shall set aside special reserve from the debit balance on other equity items at the balance sheet date before distributing earnings. When debit balance on other equity items is reversed subsequently, the reversed amount could be included in the distributable earnings.
   (b) The amounts previously set aside by the Company as special reserve on initial application of IFRSs in accordance with Jin-Guan-Zheng-Fa-Zi Letter No. 1010012865, dated April 6, 2012, shall be reversed proportionately when the relevant assets are used, disposed of or reclassified subsequently. Such amounts are reversed upon disposal or reclassified if the assets are investment property of land, and reversed over the use period if the assets are investment property other than land. As of December 31, 2024, the amount previously set aside as special reserve on initial application of IFRSs and yet to be reversed amounted to \$3,640,779.

E. The Company recognised dividends distributed to owners amounting to \$4,705,353 (\$2.2 (in dollars) per share) and \$3,208,195 (\$1.5 (in dollars) per share) for the years ended December 31, 2024 and 2023, respectively. On March 14, 2025, the Board of Directors proposed that total dividends for the distribution of earnings for the year of 2024 was \$4,705,353 at \$2.2 (in dollars) per share.

(20) Other equity items

	Unrealized gains (losses) on valuation	Hedging reserve	Currency translation	Total
At January 1, 2024	$ 17,649,701	($ 5,025)	($ 2,280,016)	$ 15,364,660
Unrealized gains and losses on financial assets:				
–Company	(3,501,742)	-	-	(3,501,742)
–Subsidiaries, associates and joint venture	(3,252,034)	-	-	(3,252,034)
Revaluation transferred to retained earnings	(218,175)	-	-	(218,175)
Cash flow hedges:				
–Fair value profit	-	25,095	-	25,095
Currency translation differences:				
–Company	-	-	978,202	978,202
At December 31, 2024	$ 10,677,750	$ 20,070	($ 1,301,814)	$ 9,396,006

	Unrealized gains (losses) on valuation	Hedging reserve	Currency translation	Total
At January 1, 2023	$ 20,805,870	$ -	($ 2,453,451)	$ 18,352,419
Unrealized gains and losses on financial assets:				
–Company	(1,350,847)	-	-	(1,350,847)
–Subsidiaries, associates and joint venture	(1,326,279)	-	-	(1,326,279)
Revaluation transferred to retained earnings	(479,043)	-	-	(479,043)
Cash flow hedges:				
–Fair value loss	-	(5,025)	-	(5,025)
Currency translation differences:				
–Company	-	-	173,435	173,435
At December 31, 2023	$ 17,649,701	($ 5,025)	($ 2,280,016)	$ 15,364,660

(21) Operating revenue

	For the year ended December 31, 2024	For the year ended December 31, 2023
Revenue from customers	$ 25,771,644	$ 27,419,501

A. Disaggregation of revenue from customers

The Company derives revenue from the transfer of goods and services over time and at a point in time in the following major product lines:

	For the year ended December 31, 2024	For the year ended December 31, 2023
Sales of Green Mechatronic Solution Business Group products	$ 12,337,839	$ 12,448,141
Sales of Air and Intelligent Life Business Group products	5,158,420	4,883,452
Others	369,124	303,636
Service revenue	438,672	372,492
Consruction contract	7,467,589	9,411,780
	$ 25,771,644	$ 27,419,501

B. Contract assets and liabilities

	For the year ended December 31, 2024	For the year ended December 31, 2023
Revenue recognised that was included in the contract liability balance at the beginning of the year		
Advance sales receipts	$ 153,323	$ 110,096

(22) Interest income

	For the year ended December 31, 2024	For the year ended December 31, 2023
Interest income from bank deposits	$ 23,478	$ 29,854
Other interest income	537	13
	$ 24,015	$ 29,867

(23) Other income

	For the year ended December 31, 2024	For the year ended December 31, 2023
Rental income	$ 99,354	$ 98,794
Dividend income	560,143	646,658
Other non-operating income	552,970	457,398
	$ 1,212,467	$ 1,202,850

(24) Other gains and losses

	For the year ended December 31, 2024	For the year ended December 31, 2023
Net loss on financial liabilities at fair value through profit or loss	($ 13,025)	($ 15,960)
Net gain on financial assets at fair value through profit or loss	86,208	242,423
Net currency exchange (loss) gain	(587)	35,572
Gain (loss) on disposal of property, plant and equipment	21,882	(10,710)
Miscellaneous disbursements	(432,716)	(583,071)
	($ 338,238)	($ 331,746)

(25) Finance costs

	For the year ended December 31, 2024	For the year ended December 31, 2023
Interest expense:		
Bank borrowings	$ 29,478	$ 32,692
Corporate bonds	33,000	33,000
Others	1,148	1,305
	63,626	66,997
Finance expenses	2,023	2,107
Finance costs	$ 65,649	$ 69,104

(26) Expenses by nature (Include employee benefit expense)

	For the year ended December 31, 2024	For the year ended December 31, 2023
Wages and salaries	$ 1,399,699	$ 1,903,125
Employees' compensation and directors' and supervisors' remuneration	552,758	615,279
Labor and health insurance fees	159,151	164,932
Pension costs	96,084	100,238
Other personnel expenses	108,330	103,000
Depreciation charges on property, plant and equipment and investment property	277,676	299,166
Depreciation charges on right-of-use assets and amortisation charges on intangible assets	118,240	121,239

A. The Company's employee benefit expenses are recognised under operating costs, operating expenses and other gains and losses.

B. According to the Articles of Incorporation of the Company, a ratio of distributable profit of the current year, after covering accumulated losses, shall be distributed as employees' compensation and directors' and supervisors' remuneration. The ratio shall be 1%~10% for employees' compensation and shall not be higher than 5% for directors' and supervisors' remuneration.

C. For the years ended December 31, 2024 and 2023, employees' compensation was accrued at $443,013 and $512,905, respectively; while directors' and supervisors' remuneration was accrued at $109,745 and $102,374, respectively. The aforementioned amounts were recognised in salary expenses.

D. For the year ended December 31, 2024, after considering each year's earnings, the employee benefit expenses were accrued based on past experience and ratio. The employees' compensation and directors' and supervisors' remuneration resolved by the Board of Directors were $400,483 and $108,327, and the employees' compensation will be distributed in the form of cash.

The difference of $102,374 and $0 between employees' compensation of $512,905 and directors' remuneration of $102,373 as resolved by the Board of Directors which is mainly arising from changes in estimate of employees' compensation and directors' remuneration and the amount recognised in the 2023 financial statements had been adjusted in the profit or loss of 2024.

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

(27) Income tax

A. Income tax expense

(a) Components of income tax expense:

	For the year ended December 31, 2024	For the year ended December 31, 2023
Current tax:		
Current tax on profits for the year	$ 1,209,337	$ 755,687
Tax on undistributed surplus earnings	42,423	386
Prior year income tax overestimation	(7,938)	(56,159)
Total current tax	1,243,822	699,914
Deferred tax:		
Origination and reversal of temporary differences	(208,562)	232,114
Income tax expense	$ 1,035,260	$ 932,028

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

	For the year ended December 31, 2024	For the year ended December 31, 2023
Currency translation differences	$ 232,454	($ 6,222)
Remeasurement of defined benefit obligations	-	550
	$ 232,454	($ 5,672)

B. Reconciliation between income tax expense and accounting profit

	For the year ended December 31, 2024	For the year ended December 31, 2023
Tax calculated based on profit before tax and statutory tax rate	$ 1,363,035	$ 1,353,533
Effects from items disallowed by tax regulation	(341,004)	(365,621)
Overestimation of prior year's net deferred tax assets and liabilities	-	7,927
Effects by investment tax credits	(23,382)	(12,086)
Prior year income tax overestimation	(7,938)	(56,159)
Additional tax on undistributed earnings	42,423	386
Others	2,126	4,048
Income tax expense	$ 1,035,260	$ 932,028

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

	For the year ended December 31, 2024			
	January 1	Recognized in profit or loss	Recognized in other comprehensive income	December 31
Temporary differences				
－Deferred tax assets:				
Unrealized intercompany profit	$ 115,155	$ 20,169	$ -	$ 135,324
Impairment loss	96,779	-	-	96,779
Currency translation differences	166,938	-	(166,938)	-
Difference resulting from different useful lives of property, plant and equipment between financial and tax basis	29,149	-	-	29,149
Unrealized expenses	59,918	6,544	-	66,462
Permanent loss on investments	35,080	-	-	35,080
Loss on inventory	26,734	(17,178)	-	9,556
Over provision of allowance for doubtful accounts	1,619	-	-	1,619
Others	38,166	(10,000)	-	28,166
	569,538	(465)	(166,938)	402,135
－Deferred tax liabilities:				
Investment income from foreign investments	1,364,395	(209,528)	-	1,154,867
Exchange differences on	-	-	65,516	65,516
Land value incremental reserve	107,472	-	-	107,472
Others	3,214	501	-	3,715
	1,475,081	(209,027)	65,516	1,331,570
	($ 905,543)	$ 208,562	($ 232,454)	($ 929,435)

	For the year ended December 31, 2023			
	January 1	Recognized in profit or loss	Recognized in other comprehensive income	December 31
Temporary differences				
—Deferred tax assets:				
Unrealized intercompany profit	$ 102,501	$ 12,654	$ -	$ 115,155
Impairment loss	96,779	-	-	96,779
Currency translation differences	160,716	-	6,222	166,938
Difference resulting from different useful lives of property, plant and equipment between financial and tax basis	29,149	-	-	29,149
Unrealized expenses	75,192	(15,274)	-	59,918
Permanent loss on investments	35,080	-	-	35,080
Loss on inventory	46,240	(19,506)	-	26,734
Over provision of allowance for doubtful accounts	1,886	(267)	-	1,619
Others	29,657	9,059	(550)	38,166
	577,200	(13,334)	5,672	569,538
—Deferred tax liabilities:				
Investment income from foreign investments	1,146,230	218,165	-	1,364,395
Land value incremental reserve	107,472	-	-	107,472
Others	2,599	615	-	3,214
	1,256,301	218,780	-	1,475,081
	($ 679,101)	($ 232,114)	$ 5,672	($ 905,543)

D. The amounts of deductible temporary differences that were not recognised as deferred tax assets are as follows:

	December 31, 2024	December 31, 2023
Deductible temporary differences	$ 387,120	$ 387,120

E. The Company has not recognised taxable temporary differences associated with investment in certain subsidiaries as deferred tax liabilities. As of December 31, 2024 and 2023, the amounts of temporary difference unrecognised as deferred tax liabilities were $5,107,288 and $5,107,288, respectively.

F. The Company’s income tax returns through 2021 have been assessed and approved by the Tax Authority.

(28) Earnings per share

	For the year ended December 31, 2024		
	Amount after tax	Weighted average number of ordinary shares outstanding (in thousands)	Earnings per share (in dollars)
Basic (diluted) earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 5,767,637	2,109,284	$ 2.73

Note: The earnings per share were $2.70 (in dollars) given the shares of the Company held by the subsidiary, which were deemed as treasury shares, were excluded from the weighted average number of ordinary shares outstanding.

	For the year ended December 31, 2023		
	Amount after tax	Weighted average number of ordinary shares outstanding (in thousands)	Earnings per share (in dollars)
Basic (diluted) earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 5,830,061	2,109,284	$ 2.76

Note: The earnings per share were $2.73 (in dollars) given the shares of the Company held by the subsidiary, which were deemed as treasury shares, were excluded from the weighted average number of ordinary shares outstanding.

(29) Supplemental cash flow information

Investing activities with partial cash payments:

	For the year ended December 31, 2024	For the year ended December 31, 2023
Acquisition of property, plant and equipment	$ 262,314	$ 202,418
Add: Payables at beginning of the year	59,194	69,315
Less: Payables at end of the year	(102,328)	(59,194)
Cash paid	$ 219,180	$ 212,539

(30) Changes in liabilities from financing activities

2024

	Dividends payable (Note1)	Bonds payable (Note2)	Long-term borrowings (Note2)	Lease liabilities	Liabilities from financing activities-gross
At January 1	$ 62,359	$ 5,000,000	$ 250,000	$ 43,064	$ 5,355,423
Borrowing cost of lease	-	-	-	986	986
Recognition of right of use	-	-	-	94,643	94,643
Changes in cash flow from financing activities	-	-	1,970,000	(94,853)	1,875,147
Remeasurement	-	-	-	(17,797)	(17,797)
Cash dividends declared	4,705,353	-	-	-	4,705,353
Cash dividends paided	(4,705,353)	-	-	-	(4,705,353)
Others	(6,463)	-	-	-	(6,463)
At December 31	$ 55,896	$ 5,000,000	$ 2,220,000	$ 26,043	$ 7,301,939

2023

	Dividends payable (Note1)	Bonds payable (Note2)	Long-term borrowings (Note2)	Lease liabilities	Liabilities from financing activities-gross
At January 1	$ 27,860	$ 5,000,000	$ 1,350,000	$ 129,357	$ 6,507,217
Borrowing cost of lease	-	-	-	1,076	1,076
Recognition of right of use	-	-	-	9,373	9,373
Changes in cash flow from financing activities	-	-	(1,100,000)	(96,742)	(1,196,742)
Cash dividends declared	3,208,195	-	-	-	3,208,195
Cash dividends paided	(3,208,195)	-	-	-	(3,208,195)
Others	34,499	-	-	-	34,499
At December 31	$ 62,359	$ 5,000,000	$ 250,000	$ 43,064	$ 5,355,423

Note1: Listed as ‘2200 Other payables’.

Note2: Listed as ‘2320 Long-term liabilities, current portion’.

(31) Transactions with non-controlling interest

On April 10, 2024, the Board of Directors had resolved that the Company engaged in a merger with Teco Electro Devices Co., Ltd., and the effective date of the merger was set on August 31, 2024. The above-mentioned transaction was a reorganization and recognised using the book value method. The Company had retrospectively restated the parent company only financial statements for the year ended December 31, 2023 when preparing the parent company only financial statements for the year ended December 31, 2024. The adjustments in relation to the restatement of the parent company only balance sheets as at December 31, 2023 and the related parent company only statements of comprehensive income for the year then ended are as follows:

	December 31,2023		
	Balance of accounts	relation to the restatement	accounts after restatement
Assets			
Cash and cash equivalents	$ 800,854	$ 110,484	$ 911,338
Current contract assets	3,522,415	-	3,522,415
Notes receivable, net	209,272	2,468	211,740
Notes receivable - related parties	210,307	61	210,368
Accounts receivable, net	2,109,068	24,907	2,133,975
Accounts receivable - related parties	1,276,082	3,714	1,279,796
Other receivables	125,467	2,553	128,020
Other receivables - related parties	526,654	1,250	527,904
Inventories	3,192,675	35,309	3,227,984
Prepayments	266,467	286	266,753
Other current assets	292,408	45	292,453
Non-current financial assets at fair value through profit or loss	2,344,285	-	2,344,285
Non-current financial assets at fair value through other comprehensive income	14,735,961	-	14,735,961
Investments accounted for under equity method	63,586,467	39,506	63,625,973
Property, plant and equipment, net	2,990,017	9,025	2,999,042
Right-of-use assets	46,744	23,455	70,199
Invesrment property, net	1,987,814	-	1,987,814
Intangible assets	17,302	-	17,302
Deferred income tax assets	566,577	2,961	569,538
Other non-current assets	96,019	1,033	97,052
Total assets	$ 98,902,855	$ 257,057	$ 99,159,912

	December 31,2023		
	Balance of accounts	relation to the restatement	accounts after restatement
Liabilities			
Financial liabilities at fair value through profit or loss	$ 5,503	$ -	$ 5,503
Current financial liabilities for hedging	5,025	-	5,025
Current contract liabilities	1,124,814	6,341	1,131,155
Notes payable	27,992	-	27,992
Accounts payable	3,678,665	16,073	3,694,738
Accounts payable - related parties	1,597,346	3,582	1,600,928
Other payables	3,333,090	34,583	3,367,673
Other payables - related parties	209,777	1,753	211,530
Current income tax liabilities	480,737	-	480,737
Provisions for liabilities - current	100,516	182	100,698
Current lease liabilities	10,916	5,807	16,723
Other current liabilities, others	209,048	412	209,460
Corproate bonds payable	5,000,000	-	5,000,000
Long-term borrowings	250,000	-	250,000
Provisions for liabilities - non-current	94,079	-	94,079
Deferred income tax liabilities	1,452,270	22,811	1,475,081
Non-current lease liabilities	8,468	17,873	26,341
Other non-current liabilities	1,166,019	6,871	1,172,890
Total assets	$ 18,754,265	$ 116,288	$ 18,870,553
Equity			
Total equity	$ 80,148,590	$ 140,769	$ 80,289,359

	December 31,2023		
	Balance of accounts	relation to the restatement	accounts after restatement
Sales revenue	$ 27,206,836	$ 212,665	$ 27,419,501
Operating costs	(21,933,283)	(164,163)	(22,097,446)
Net operating margin	5,273,553	48,502	5,322,055
Unrealized profit from sales	(461,280)	514	(460,766)
Realized profit from sales	411,132	-	411,132
Net operating margin	5,223,405	49,016	5,272,421
Selling expenses	(1,848,247)	(10,967)	(1,859,214)
General and administrarive expenses	(611,705)	(18,601)	(630,306)
Research and development expenses	(580,808)	(11,684)	(592,492)
Expected credit impairment losses	(4,182)	64	(4,118)
Total operating expenses	(3,044,942)	(41,188)	(3,086,130)
Operating profit	2,178,463	7,828	2,186,291
Non-operating income and expenses			
Interest income	26,034	3,833	29,867
Other income	1,191,554	11,296	1,202,850
Other gains and losses	(322,334)	(9,412)	(331,746)
Finance costs	(68,758)	(346)	(69,104)
Share of profit of subsidiary, associates and joint ventures accounted for under equity method	3,754,103	(4,594)	3,749,509
Total non-operating income and expense	4,580,599	777	4,581,376
Profit before income tax	6,759,062	8,605	6,767,667
Income tax expense	(929,001)	(3,027)	(932,028)
Profit attributable to non-controlling interests before business combination	-	(5,578)	(5,578)
Profit for the year	$ 5,830,061	$ -	$ 5,830,061

	December 31,2023		
	Balance of accounts	relation to the restatement	accounts after restatement
Other comprehensive income			
Other comprehensive income that will not be reclassified to profit or loss			
Other comprehensive loss, before tax, actuarial losses on defined benefit plans	($ 31,149)	$ 2,750	($ 28,399)
Unrealised gains and losses on valuation of investments measured at fair value through other comprehensive income	(1,350,847)	-	(1,350,847)
Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss	(1,338,532)	(1,309)	(1,339,841)
Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	-	(550)	(550)
Components of other comprehensive income that will not be reclassified to profit or loss	(2,720,528)	891	(2,719,637)
Other comprehensive income (loss) that will be reclassified to profit or loss			
Currency translation differences of foreign operations	167,213	(1,232)	165,981
Gains on hedging instrument	(5,025)	-	(5,025)
Income tax relating to the components of other comprehensive income that will be reclassified to profit or loss	6,222	-	6,222

	December 31,2023		
	Balance of accounts	relation to the restatement	accounts after restatement
Components of other comprehensive income that will be reclassified to profit or loss	168,410	(1,232)	167,178
Other comprehensive loss for the year	(2,552,118)	(341)	(2,552,459)
Comprehensive income attributable to non-controlling interests before business combination under common control	-	341	341
Total comprehensive income for the year	$ 3,277,943	$ -	$ 3,277,943

7. Related Party Transactions

(1) Names of related parties and relationship

Names of related parties	Relationship with the Company	Names of related parties	Relationship with the Company
Teco International Investment Co., Ltd. (Teco International)	The subsidiary	Taian (Subic) Electric Co., Inc. (Taian Subic)	The subsidiary
Tong-An Assets Management & Development Co., Ltd. (Tong-An Assets)	〃	E-Joy International Co., Ltd. (E-Joy International)	〃
Tong Dai Co., Ltd. (Tong Dai)	Note 1	An-Sheng Travel Co., Ltd. (An Sheng)	〃
Tesen Electric & Machinery Co., Ltd. (Tesen)	The subsidiary	Teco Technology (Vietnam) Electric Co., Ltd. (Teco Technology Vietnam)	〃
Information Technology Total Services Co., Ltd. (ITTS)	〃	Teco Appliance (H.K.) Co., Ltd. (Teco Appliance)	Note 3
Teco Electro Devices Co., Ltd. (Teco Electro)	Note 2	Tecnos International Consultant Co., Ltd. (Tecnos)	The subsidiary
Teco Electric & Machinery (Pte) Ltd. (Teco Singapore)	The subsidiary	TECO (PHILIPPINES) 3C & APPLIANCES, INC. (TECO 3C)	〃
Teco Holding USA Inc. (Teco Holding)	〃	Teco Electronic Devices Co., Ltd. (Teco Devices)	〃
Tecom Co., Ltd. (Tecom)	〃	Tasia (PTE) Ltd. (Tasia)	Note 4
Tong-An Investment Co., Ltd. (Tong-An Investment)	〃	P.T Teco Multiguna Electro (Teco Multiguna)	The subsidiary
Teco Westinghouse Motor Industrial-Canada (Teco Westinghouse Canada)	〃	United View Global Investment Co., Ltd. (UVG)	〃
Teco Westinghouse Motor Company (Teco Westinghouse)	〃	Asia Air Tech Industrial Co., Ltd. (AAT)	〃
Information Technology Total Service (Hang Zhu) Co., Ltd. (ITTS Hang Zhou)	〃	Great Teco Motor (Pte) Ltd. (GTM)	〃
TEMICO INTERNATIONAL PTE. LTD. (TEMICO)	〃	Teco Electronic & Machinery (THAI) Co., Ltd. (Teco THAI)	〃
Teco Industrial (Malaysia) Sdn. Bhd. (Teco Malaysia)	〃	Information Technology Total Service (BVI) (ITTS BVI)	〃
Wuxi Teco Electric & Machinery Co., Ltd. (Wuxi Teco)	〃	An-Tai Innovation Technology (Xiamen) Ltd. (An-Tai Xiamen)	〃
Nan Chang Teco Electronic & Machinery Co., Ltd. (Nanchang Teco)	〃	An-Tai International (Singapore) Investment (Pte) Ltd. (An-Tai Singapore)	〃
Wuxi Teco Electro Co. Ltd (Wuxi Teco Electro)	〃	Universal Mailing Service Co., Ltd. (Universal)	〃
Jiangxi Teco Electric and Machinery Co., Ltd. (Jiangxi Teco)	〃	Teco Australia Pty. Ltd. (Teco Australia)	〃
Qingdao Teco Precision Mechatronics Co., Ltd. (Qingdao Teco)	〃	Jie-Zheng Property Service & Management Company (Jie-Zheng)	〃
Yatec Engineering Corporation (Yatec)	〃	Taian Technology (Wuxi) Co., Ltd. (Taian-Wuxi)	〃
An-Tai International Investment Co., Ltd. (An-Tai International)	〃	PT. Teco Multiguna Elektro (Teco-Indonesia)	〃
Micropac Worldwide Investment (BVI) (Micropac)	〃	Teco Group Science-Technology (Hang Zhou) Co., Ltd. (Teco Hang Zhou)	〃
A-Ok Technical Service Co., Ltd. (A-Ok Technical)	〃	Fujian Teco Precision Co., Ltd. (Fujian Teco)	〃
Taian-Ecobar Technology Co., Ltd. (Taian-Ecobar)	〃	Taiwan Pelican Express Co., Ltd.	〃
Taian Jaya Electric Sdn. Bhd. (Taian-Jaya)	〃	Top-Tower Enterprises Co., Ltd. (Top-Tower)	〃

Names of related parties	Relationship with the Company	Names of related parties	Relationship with the Company
Ching Chi International Limited (Ching Chi)	The subsidiary	TEMICO MOTOR INDIA PRIVATE LIMITED (TEMICO MOTOR INDIA)	The subsidiary
Motovario S.p.A. (Motovario)	〃	TECO-Westinghouse Motor Company, S.A. de C.V. (TEMX)	〃
United Development Corporation Ltd (United Development)	〃	Shen Chang Electric Co., Ltd. (Shen Chang)	〃
Century Development Corporation Ltd. (Century Development)	〃	Fujio Food System Taiwan Co., Ltd (Fujio Food)	Associate
Anneng Green Energy Co., Ltd. (Anneng Green Energy)	〃	Lien Chang Electronic Enterprise Co., Ltd. (Lien Chang)	〃
TECO Westinghouse Motor Company S.A. de C.V. (TWMM)	〃	Taisan Electric CO., LTD. (Taisan)	〃
Teco Sun Energy Co., Ltd. (Teco Sun)	〃	Qingdao TECO Century Advance High-tech Mechtronics Co., Ltd. (TECO Century)	〃
Asia Electric & Machinery (PTE) LTD. (AEM)	〃	Teco-Motech Co., Ltd. (Teco-Motech)	〃
Sankyo Co., Ltd. (Sankyo)	〃	Le-Li Co., Ltd. (Le-Li)	〃
Teco Electric & Machinery B.V. (Teco Netherlands)	〃	Royal Host Taiwan Co., Ltd. (Royal)	〃
TYM Electric & Machinery Sdn. Bhd. (TYM)	〃	Tung Pei Industrial Co., Ltd. (Tung Pei)	〃
Teco (Dong Guang) Air Conditioning Equipment Co., Ltd. (Teco Dong Guang)	〃	Zero Emission PowerTrain Co., Ltd. (ZEPT)	〃
Unison Service Corporation (Unison)	〃	Tension Envelope Taiwan Co., Ltd. (Tension)	〃
Baycom Opto-Electronics Technology Co., Ltd. (Baycom)	〃	Gen Mao International Corp. (Gen Mao International)	〃
Qingdao Teco Innovation Co., Ltd. (QingDao Teco Innovation)	〃	Genmao Electronics (Suzhou) Co., Ltd. (Genmao Suzhou)	〃
Shanghai Teco Electric & Machinery Co., Ltd. (Shanghai Teco)	〃	Teco Middle East Electrical & Machinery Co., Ltd. (TME)	Note 5
TECO Elektrik Turkey A.S. (Turkey Teco)	〃	Teco Image System Co., Ltd. (Teco Image)	Other related party
Taian Electric Co., Ltd. (Taian)	〃	An-Shin Food Service Co., Ltd. (An-Shin)	〃
Information Technology Total Services (Wuxi) Co., Ltd. (ITTS Wuxi)	〃	An-Hui Information Techology Co., Ltd. (An-Hui)	〃
Jiangxi TECO Air Conditioning Equipment Co., Ltd. (Jiangxi Teco Air)	〃	YUBAN & COMPANY (Yuban)	〃
Century Tech. C&M Corp. (Century Tech. C&M)	〃	Teco Technology Foundation (Teco Foundation)	〃
Tong An Energy Co.,Ltd. (Tong An Energy)	〃	YUBANTEC PHILIPPINES INC. (YUBAN PHILIPPINES)	〃
Teco Electric $ Machinery Shd. Bhd. (STE Marketing SDN. BHD.)	〃	Electrical Trading Co., Ltd. (Shanghai Xiangseng)	〃

Note 1: After Tong Dai Co., Ltd. absorbed and merged with AM SMART Technology Co., Ltd. in the first quarter of 2023, AM SMART Technology Co., Ltd. was merged and dissolved, with Tong Dai Co., Ltd. as the surviving company.

Note 2: On April 10, 2024, the Board of Directors of the company and the Company's sunsidiary, Teco Electro Devices Co., Ltd., both resloved to conduct a merger with the Company as the surviving company. The effective date of the merger was August 31, 2024.

Note 3: Teco Appliance (H.K.) Co., Ltd. was liquidated in August 8, 2023.

Note 4: The company has been liquidated in June 27, 2024.

Note 5: Since the company sold its equity in TME to Ali Zaid Al Quraishi & Brothers Co. in the fourth quarter of 2023, TME has not been a related party of the company.

(2) Significant related party transactions

A. Sales

	For the year ended December 31, 2024	For the year ended December 31, 2023
Sales of goods and services:		
—Subsidiaries		
Teco Westinghouse	$ 3,471,640	$ 3,747,866
Teco Australia	1,232,121	1,160,299
Others	4,717,807	4,454,876
—Associates	260,229	417,628
—Other related parties	16,898	27,747
	$ 9,698,695	$ 9,808,416

	For the year ended December 31, 2024	For the year ended December 31, 2023
Royalty income (shown as '7010 other income'):		
—Subsidiaries		
Teco Westinghouse	$ 161,001	$ 99,731
Wuxi Teco	75,002	89,348
Jiangxi Teco	19,430	19,541
Tai-An Wuxi	12,970	15,161
Jiangxi Teco Air	4,117	3,294
Motovario	1,569	12,164
Others	4,256	3,433
	$ 278,345	$ 242,672

(a) The sales terms, including pricing and collection, were negotiated in consideration of cost, market, competitors and other factors. The unrealized gain from downstream sales amounting to $534,179 and $460,766 (shown as '1550 investments accounted for under equity method') for the years ended December 31, 2024 and 2023, respectively, had been eliminated and listed as investments accounted for under equity method.

(b) Royalty income consisted of consulting service income and endorsements and guarantees provided by the Company. The fee was determined in accordance with mutual agreements and collected within the contractual period.

B. Purchases of goods and services

	For the year ended December 31, 2024	For the year ended December 31, 2023
Purchases of goods:		
—Subsidiaries		
Tesen	$ 2,768,843	$ 2,453,523
Wuxi Teco	1,603,465	1,543,537
Teco Vietnam	964,457	837,081
Others	1,543,018	1,305,232
—Associates	151,103	115,461
—Other related parties	8,356	10,031
	$ 7,039,242	$ 6,264,865

	For the year ended December 31, 2024	For the year ended December 31, 2023
Shipping expense:		
—Subsidiaries	$ 130,844	$ 129,187

	For the year ended December 31, 2024	For the year ended December 31, 2023
Service expense:		
—Subsidiaries	$ 105,474	$ 125,158

(a) The purchase terms, including pricing and payments, were negotiated in consideration of the general market price and other factors.

(b) The shipping terms, including pricing and payments, were negotiated in consideration of the market price and other factors.

(c) The service terms, including pricing and payments, were negotiated in consideration of the cost, market, competitors and other factors.

C. Notes and accounts receivable

	December 31, 2024	December 31, 2023
Accounts and notes receivable		
—Subsidiaries		
Teco Westinghouse	$ 283,113	$ 260,836
Tong Dai	266,159	277,366
Teco Australia	220,194	237,779
Others	756,685	655,034
—Associates	70,465	69,107
—Other related parties	31,987	9,245
	1,628,603	1,509,367
Add: exchange gain (loss)	6,563	(16,859)
	1,635,166	1,492,508
Less: allowance for loss	(2,988)	(2,344)
	$ 1,632,178	$ 1,490,164

The receivables from related parties arise mainly from sale transactions. The receivables are due 30 to 90 days after the date of sale, unsecured in nature and bear no interest. There are no provisions held against receivables from related parties.

D. Payables to related parties:

	December 31, 2024	December 31, 2023
Accounts and notes payable		
—Subsidiaries		
Wuxi Teco	$ 528,865	$ 838,523
Tai-An Wuxi	281,261	311,455
Teco Vietnam	202,724	151,172
Taian Subic	136,475	80,560
Others	194,766	231,579
—Associates	53,007	30,856
—Other related parties	4,570	1,488
	1,401,668	1,645,633
Add: exchange gain	15,852	(44,705)
	$ 1,417,520	$ 1,600,928

The payables to related parties arise mainly from purchase transactions and are due 30 to 180 days after the date of purchase. The payables bear no interest.

E. Other receivables

	December 31, 2024	December 31, 2023
—Subsidiaries		
Tesen	$ 343,477	$ 50,409
Teco Westinghouse	162,295	101,684
QinDao Teco	67,232	67,232
Others	281,516	298,668
—Associates	12,833	13,587
—Other related parties	2,293	799
	869,646	532,379
Add: exchange gain (loss)	17,612	(2,730)
	887,258	529,649
Less: Allowance for doubtful accounts and credit balance of long-term investment	(18,757)	(1,745)
	$ 868,501	$ 527,904

The above represents other receivables for rental.

F. Other payables

	December 31, 2024	December 31, 2023
—Subsidiaries	$ 242,383	$ 207,134
—Associates	3,062	4,937
—Other related parties	1,578	129
	247,023	212,200
Add: exchange loss (gain)	232	(670)
	$ 247,255	$ 211,530

Other payables mainly consist of rent payable, etc.

G. Endorsements and guarantees provided to related parties

	December 31, 2024	December 31, 2023
—Subsidiaries	$ -	$ 1,287,040

H. Lease transactions－lessee

(a) The Company leases assets located in Guanyin Township, Zhongli District and Tokyo, Japan from Tong-An Assets and other subsidiaries. The assets are for operation or 69tilizat to others. The lease conditions are negotiated by both parties and charged according to the agreed period.

(b) Acquisition of right-of-use assets:

	For the year ended December 31, 2024	For the year ended December 31, 2023
Subsidiaries	$ 77,239	$ 2,187

(c) Lease liabilities

(i) Outstanding balance:

	December 31, 2024	December 31, 2023
Associates	$ 1,994	$ 26,297

(ii) Interest expense

	For the year ended December 31, 2024	For the year ended December 31, 2023
Associates	$ 602	$ 925

(3) Key management compensation

	For the year ended December 31, 2024	For the year ended December 31, 2023
Salaries and other short-term employee benefits	$ 155,708	$ 165,831
Salaries and other long-term employee benefits	42,375	32,843
Post-employment benefits	654	780
	$ 198,737	$ 199,454

8. Pledged Assets

	Book value		
Pledged asset	December 31, 2024	December 31, 2023	Purpose
Other current assets - bank deposits	$ -	$ 56,876	Exempt from providing a guarantee for execution

9. Significant Contingent Liabilities and Unrecognised Contract Commitments

(1) Contingencies

On August 20, 2024, a workplace accident occurred at the HAI LONG wind farm which was the construction site contracted by the Company. As of December 31, 2024, the related amount of the claim and the effect are under assessment. The Company has made an estimate of the possible compensation amount of $20,000.

(2) Commitments

A. Capital expenditures contracted for at the balance sheet date but not yet incurred are as follows:

	December 31, 2024	December 31, 2023
Property, plant and equipment	$ 169,684	$ 154,790

B. As of December 31, 2024, the outstanding usance L/C used for acquiring raw materials and equipment was $81,899.

10. Significant Disaster Loss

None.

11. Significant Events after the Balance Sheet Date

None.

12. Others

(1) Capital management

The Company’s objectives when managing capital are based on the industrial scale, considering industrial future growth and product development, and setting appropriate market share, as well as plan of corresponding capital expenditure, calculation of operating capital needed for financial operations, and considering operating profit and cash inflows arising from product competitiveness, to determine appropriate capital structure.

(2) Financial instruments

A. Financial instruments by category

The related information of the Company's financial assets (cash and cash equivalents, notes receivable, accounts receivable, other receivables (including related parties), guarantee deposits paid, restricted bank deposits, financial assets at fair value through profit or loss, financial assets at fair value through other comprehensive income) and financial liabilities (notes payable, accounts payable, other payables (including related parties), lease liabilities (current/non-current), bonds payable (including current portion), long-term borrowings (including current portion), hedging financial liabilities, guarantee deposit received, financial liabilities at fair value through profit or loss) is provided in the consolidated balance sheet and Note 6.

B. Financial risk management policies

(a) The Company's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. To minimise any adverse effects on the financial performance of the Company, derivative financial instruments, such as foreign exchange forward contracts are used to hedge certain exchange rate risk. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.

(b) Risk management is carried out by a central treasury department (Company treasury) under policies approved by the Board of Directors. Company treasury identifies, evaluates and hedges financial risks in close cooperation with the Company's operating units. The Board provides written principles for overall risk management, as well as written policies covering specific areas and matters, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

(c) Information about derivative financial instruments that are used to hedge certain exchange rate risk are provided in Note 6(13).

C. Significant financial risks and degrees of financial risks

(a) Market risk

Foreign exchange risk

i. The Company operates internationally and is exposed to foreign exchange risk arising from the transactions of the Company used in various functional currency, primarily with respect to the USD and RMB. Foreign exchange risk arises from recognized assets and liabilities.

ii. Management has set up a policy to require Company entities to manage their foreign exchange risk against their functional currency. The entities are required to hedge their entire foreign exchange risk exposure with the Company treasury. Exchange rate risk is measured through a forecast of highly probable USD and RMB expenditures. Forward foreign exchange contracts are adopted to minimise the volatility of the exchange rate affecting cost of forecast inventory purchases.

iii. The Company hedges foreign exchange rate by using forward exchange contracts. However, the Company does not adopt hedging accounting. Details of financial assets or liabilities at fair value through profit or loss are provided in Note 6(13).

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

		December 31, 2024					
					Sensitivity Analysis		
		Foreign currency amount (In thousands)	Exchange rate	Book value (NTD)	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
(Foreign currency: functional currency)							
Financial assets							
Monetary items							
USD:NTD	USD	$ 68,327	32.7850	$ 2,240,101	1%	$ 22,401	$ -
EUR:NTD	EUR	6,773	34.1400	231,230	1%	2,312	-
JPY:NTD	JPY	338,023	0.2099	70,951	1%	710	-
RMB:NTD	RMB	23,591	4.4780	105,640	1%	1,056	-
AUD:NTD	AUD	10,854	20.3900	221,313	1%	2,213	-
Non-monetary items							
USD:NTD	USD	761,249	32.7850	24,957,548			
EUR:NTD	EUR	143,247	34.1400	4,890,453			
SGD:NTD	SGD	104,671	24.1300	2,525,711			
VND:NTD	VND	191,896,923	0.0013	249,466			
MRD:NTD	MRD	8,871	7.3299	65,024			
Financial liabilities							
Monetary items							
USD:NTD	USD	53,592	32.7850	1,757,014	1%	17,570	-
EUR:NTD	EUR	646	34.1400	22,054	1%	221	-
JPY:NTD	JPY	106,492	0.2099	22,353	1%	224	-
AUD:NTD	AUD	2,260	20.3900	46,081	1%	461	-

		December 31, 2023					
					Sensitivity Analysis		
		Foreign currency amount (In thousands)	Exchange rate	Book value (NTD)	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
(Foreign currency: functional currency)							
Financial assets							
Monetary items							
USD:NTD	USD	$ 59,349	30.7050	$ 1,822,311	1%	$ 18,223	$ -
EUR:NTD	EUR	10,044	33.9800	341,295	1%	3,413	-
JPY:NTD	JPY	351,170	0.2172	76,274	1%	763	-
RMB:NTD	RMB	23,360	4.3270	101,079	1%	1,011	-
AUD:NTD	AUD	8,140	20.9800	170,777	1%	1,708	-
Non-monetary items							
USD:NTD	USD	754,081	30.7050	23,154,057			
EUR:NTD	EUR	148,532	33.9800	5,047,117			
SGD:NTD	SGD	129,463	23.2900	3,015,193			
VND:NTD	VND	226,099,231	0.0013	293,929			
MRD:NTD	MRD	8,777	6.7058	58,857			
Financial liabilities							
Monetary items							
USD:NTD	USD	56,084	30.7050	1,722,059	1%	17,221	-
EUR:NTD	EUR	727	33.9800	24,703	1%	247	-
JPY:NTD	JPY	29,440	0.2172	6,394	1%	64	-
RMB:NTD	AUD	1,557	4.3270	6,737	1%	67	-

v. Total exchange (loss) gain including realized and unrealized arising from significant foreign exchange variation on the monetary items held by the Company for the years ended December 31, 2024 and 2023 amounted to ($587) and $35,572, respectively.

Price risk

i. The Company's equity securities, which are exposed to price risk, are the held financial assets at fair value through profit or loss, financial assets at fair value through other comprehensive income and available-for-sale financial assets. To manage its price risk arising from investments in equity securities, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company.

ii. The Company's investments in equity securities comprise shares and open-end funds issued by domestic companies. The prices of equity securities would change due to the change of the future value of investee companies. If the prices of these equity securities had increased/decreased by 5% with all other variables held constant, post-tax profit for the years ended December 31, 2024 and 2023 would have increased/decreased by $42,629 and $62,980, respectively, as a result of gains/losses on equity securities classified as at fair value through profit or loss. Other components of equity would have increased/decreased by $550,776 and $736,555, respectively, as a result of other comprehensive income on equity investments classified as at fair value through other comprehensive income.

Cash flow and fair value interest rate risk

i. The Company's main interest rate risk arises from long-term borrowings with variable rates, which expose the Company to cash flow interest rate risk. Company policy is to maintain at least 30% of its borrowings at fixed rate using interest rate swaps to achieve this when necessary. For the years ended December 31, 2024 and 2023, the Company's borrowings at variable rate were mainly denominated in NTD.

ii. The Company's borrowings are measured at amortized cost. The borrowings are periodically contractually repriced and to that extent are also exposed to the risk of future changes in market interest rates.

iii. As at December 31, 2024 and 2023, if interest rates at that date had been 0.25% higher/lower with all other variables held constant, post-tax profit for the years ended December 31, 2024 and 2023 would have been $4,440 and $500 lower/higher, respectively, mainly as a result of higher/lower interest expense on floating rate borrowings.

(b) Credit risk

i. Credit risk refers to the risk of financial loss to the Company arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is that counterparties could not repay in full the accounts receivable based on the agreed terms, and the contract cash flows of debt instruments stated at amortized cost.

ii. The Company manages their credit risk taking into consideration the entire Company's concern. For banks and financial institutions, only independently rated parties with a minimum rating of 'A' are accepted. According to the Company's credit policy, each local entity in the Company is responsible for managing and analyzing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Board of Directors. The utilisation of credit limits is regularly monitored.

iii. The Company adopts the following assumption under IFRS 9 to assess whether there has been a significant increase in credit risk on that instrument since initial recognition: If the contract payments were past due over 30 days based on the terms, there has been a significant increase in credit risk on that instrument since initial recognition.

iv. The Company adopts the assumption under IFRS 9, whereby the default occurs when the contract payments are past due over 90 days.

v. The Company classifies customers' accounts receivable, contract assets and rents receivable in accordance with credit rating of customer and credit risk on trade. The Company applies the simplified approach using loss rate methodology to estimate expected credit loss under the provision matrix basis.

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

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

(ii) The disappearance of an active market for that financial asset because of financial difficulties;

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

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

vii. As at December 31, 2024 and 2023, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the Company's notes and accounts receivable were $421,560 and $422,108; $3,675,105 and $3,413,771, respectively.

viii. The Company uses the forecastability of Taiwan Institute of Economic Research boom observation report to adjust historical and timely information to assess the default possibility of accounts receivable and contract assets. On December 31, 2024 and 2023, the loss rate methodology is as follows:

	December 31, 2024		
	Expected credit loss rate	Total book value	Loss allowance
Not past due	0%~1%	$ 1,921,947	$ -
Up to 30 days	0%~2%	207,497	-
31 to 90 days	1%~20%	34,879	(8,762)
91 to 180 days	1%~100%	20,037	(1,321)
Over 180 days	1%~100%	320,599	(30,389)
		$ 2,504,959	($ 40,472)

	December 31, 2023		
	Expected credit loss rate	Total book value	Loss allowance
Not past due	0%~1%	$ 1,732,168	($ 64)
Up to 30 days	0%~2%	214,679	(226)
31 to 90 days	1%~20%	104,405	(2,243)
91 to 180 days	1%~100%	26,899	(2,887)
Over 180 days	1%~100%	302,136	(29,152)
		$ 2,380,287	($ 34,572)

	December 31, 2024		
	Expected credit loss rate	Total book value	Loss allowance
Individual	100%	$ 25,250	($ 25,250)
Group A	0%~5%	1,644,943	(309)
Group B	1%~10%	365,380	(8,570)
Group C	1%~20%	196,192	(72)
Group D	1%~40%	26,054	(365)
Group E	1%~100%	247,140	(5,906)
		$ 2,504,959	($ 40,472)

	December 31, 2023		
	Expected credit loss rate	Total book value	Loss allowance
Individual	100%	$ 26,318	($ 26,318)
Group A	0%~5%	1,699,930	(397)
Group B	1%~10%	174,158	(74)
Group C	1%~20%	106,944	(187)
Group D	1%~40%	30,211	(18)
Group E	1%~100%	342,726	(7,578)
		$ 2,380,287	($ 34,572)

ix. Movements in relation to the Company applying the simplified approach to provide loss allowance for notes receivable and accounts receivable are as follows:

	For the year ended December 31, 2024	For the year ended December 31, 2023
	Notes receivable and accounts receivable	Notes receivable and accounts receivable
At January 1	$ 34,572	$ 33,976
Provision for impairment loss	5,900	596
At December 31	$ 40,472	$ 34,572

For the years ended December 31, 2024 and 2023, the Company provisioned impairment loss for other receivables at amortised cost amounting to $1,346 and $3,522, respectively.

(c) Liquidity risk

i. Cash flow forecasting is performed in the operating entities of the Company and aggregated by Company treasury. Company treasury monitors rolling forecasts of the Company’s liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Company does not breach borrowing limits or covenants on any of its borrowing facilities. Such forecasting takes into consideration the Company’s debt financing plans, covenant compliance, compliance with internal balance sheet ratio targets and, if applicable, external regulatory or legal requirements, for example, currency restrictions.

ii. As of December 31, 2024 and 2023, the undrawn credit amounts are $8,907,555 and $19,080,669, respectively.

iii. The table below analyses the Company's non-derivative financial liabilities and net-settled or gross-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date for non-derivative financial liabilities and to the expected maturity date for derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows.

Non-derivative financial liabilities:

December 31, 2024	Up to 1 year	Between 1 and 2 years	Between 2 and 3 years	Between 3 and 5 years	Over 5 years
Notes payable	$ 13,878	$ -	$ -	$ -	$ -
Accounts payable	5,646,362	-	-	-	-
Other payables	3,260,022	-	-	-	-
Lease liabilities	15,136	7,073	2,951	1,134	-
Bonds payable (including current portion)	5,000,000	-	-	-	-
Long-term borrowings (including current portion)	2,220,135	-	-	-	-

Non-derivative financial liabilities:

December 31, 2023	Up to 1 year	Between 1 and 2 years	Between 2 and 3 years	Between 3 and 5 years	Over 5 years
Notes payable	$ 27,992	$ -	$ -	$ -	$ -
Accounts payable	5,295,666	-	-	-	-
Other payables	3,579,203	-	-	-	-
Lease liabilities	17,110	4,668	3,474	400	-
Bonds payable (including current portion)	-	5,000,000	-	-	-
Long-term borrowings (including current portion)	250,033	-	-	-	-

iv. As of December 31, 2024 and 2023, the derivative financial liabilities which were executed by the Company were all due within one year.

(3) Fair value information

A. Details of the fair value of the Company's financial assets and financial liabilities not measured at fair value are provided in Note 12(2)A. Details of the fair value of the Company's investment property measured at cost are provided in Note 6(9).

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

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. A market is regarded as active where a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The fair value of the Company's investment in listed stocks, beneficiary certificates and others is included in Level 1.

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

Level 3: Unobservable inputs for the asset or liability. The fair value of the Company's investment in derivative instruments is included in Level 3.

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

December 31, 2024	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value measurements				
Financial assets at fair value through profit or loss				
Equity securities	$ 852,575	$ -	$ 1,090,013	$ 1,942,588
Financial assets at fair value through other comprehensive income				
Equity securities	11,015,526	-	-	11,015,526
Hedging financial assets	-	5,887	-	5,887
	$ 11,868,101	$ 5,887	$ 1,090,013	$ 12,964,001
Liabilities				
Recurring fair value measurements				
Financial assets at fair value through profit or loss				
Non-hedging derivatives	$ -	$ 1,305	$ -	$ 1,305

December 31, 2023	Level 1		Level 2		Level 3		Total	
Assets								
Recurring fair value measurements								
Financial assets at fair value through profit or loss								
Equity securities	$	1,259,609	$	-	$	1,084,676	$	2,344,285
Financial assets at fair value through other comprehensive income								
Equity securities		14,731,100		-		4,861		14,735,961
	$	15,990,709	$	-	$	1,089,537	$	17,080,246
Liabilities								
Recurring fair value measurements								
Financial assets at fair value through profit or loss								
Non-hedging derivatives	$	-	$	5,503	$	-	$	5,503
Hedging financial liabilities		-		5,025		-		5,025
	$	-	$	10,528	$	-	$	10,528

D. The methods and assumptions the Company used to measure fair value are as follows:

(a) The instruments the Company used market quoted prices as their fair values (that is, Level 1) are listed below by characteristics:

	Open-end fund
Market quoted price	Closing price

(b) Except for financial instruments with active markets, the fair value of other financial instruments is measured by using valuation techniques or by reference to counterparty quotes. The fair value of financial instruments measured by using valuation techniques method can be referred to current fair value of instruments with similar terms and characteristics in substance, discounted cash flow method or other valuation methods, including calculated by applying model using market information available at the balance sheet date (i.e. yield curves on the Taipei Exchange, average commercial paper interest rates quoted from Reuters).

(c) Forward exchange contracts are usually valued based on the current forward exchange rate.

(d) The output of valuation model is an estimated value and the valuation technique may not be able to capture all relevant factors of the Company's financial and non-financial instruments. Therefore, the estimated value derived using valuation model is adjusted accordingly with additional inputs, for example, model risk or liquidity risk and etc. In accordance with the Company's management policies and relevant control procedures relating to the valuation models used for fair value measurement, management believes adjustment to valuation is necessary in order to reasonably represent the fair value of financial and non-financial instruments at the balance sheet. The inputs and pricing information used during valuation are carefully assessed and adjusted based on current market conditions.

(e) The Company takes into account adjustments for credit risks to measure the fair value of financial and non-financial instruments to reflect credit risk of the counterparty and the Company's credit quality.

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

F. The following table presents the changes in level 3 instruments:

	Non-derivative equity	
	For the year ended December 31, 2024	For the year ended December 31, 2023
Beginning balance	$ 1,089,537	$ 1,148,060
Gains and losses recognised in profit or loss	42,288	(23,167)
Gain and loss recognised in other comprehensive income	-	1,079
Sold during the year	(36,951)	(36,435)
Transfer from Level 3	(4,861)	-
Ending balance	$ 1,090,013	$ 1,089,537

G. Since International Integrated Systems, Inc. began to register for emerging stock market in September 2024, sufficient observable market information was available. Therefore, the Group transferred the fair value used from Level 3 to Level 1 at the end of the month when the event occurred.

H. Finance and Accounting Department is in charge of valuation procedures for fair value measurements being categorized within Level 3, which is to verify independent fair value of financial instruments. Such assessment is to ensure the valuation results are reasonable by applying independent information to make results close to current market conditions, confirming the source of information is independent, reliable and in line with other resources and represented as the exercisable price, and frequently calibrating valuation model, performing back-testing, updating inputs used to the valuation model and making any other necessary adjustments to the fair value.

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

	Fair value at December 31, 2024	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity:					
Unlisted shares	$ 1,090,013	Market comparable companies	Price to earnings ratio multiple	1.27~1.79	The higher the multiple and control premium, the higher the fair value
Private equity fund		Net asset value	None	None	None

	Fair value at December 31, 2023	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity:					
Unlisted shares	$ 1,089,537	Market comparable companies	Price to earnings ratio multiple	1.46~3.04	The higher the multiple and control premium, the higher the fair value
Private equity fund		Net asset value	None	None	None

J. The Company has carefully assessed the valuation models and assumptions used to measure fair value; therefore, the fair value measurement is reasonable. However, use of different valuation models or assumptions may result in different measurement. The following is the effect of profit or loss or of other comprehensive income from financial assets and liabilities categorized within Level 3 if the inputs used to valuation models have changed:

	December 31, 2024					
			Recognized in profit or loss		Recognized in other comprehensive income	
	Input	Change	Favourable change	Unfavourable change	Favourable change	Unfavourable change
Financial assets						
Equity instrument	Discount for lack of marketability	±5%	$ 54,501	($ 54,501)	$ -	$ -

	December 31, 2023					
			Recognized in profit or loss		Recognized in other comprehensive income	
	Input	Change	Favourable change	Unfavourable change	Favourable change	Unfavourable change
Financial assets						
Equity instrument	Discount for lack of marketability	±5%	$ 54,234	($ 54,234)	$ 243	($ 243)

13. Supplementary Disclosures

(1) Significant transactions information

A. Loans to others: Please refer to table 1.

B. Provision of endorsements and guarantees to others: Please refer to table 2.

C. Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): Please refer to table 3.

D. Acquisition or sale of the same security with the accumulated cost exceeding $300 million or 20% of the Company’s paid-in capital: Please refer to table 4.

E. Acquisition of real estate reaching $300 million or 20% of paid-in capital or more: Please refer to table 5.

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

G. Purchases or sales of goods from or to related parties reaching $100 million or 20% of paid-in capital or more: Please refer to table 6.

H. Receivables from related parties reaching $100 million or 20% of paid-in capital or more: Please refer to table 7.

I. Trading in derivative financial instruments undertaken during the reporting periods ended: Please refer to Note 6(12)(13).

J. Significant inter-company transactions during the reporting periods: Please refer to table 8.

(2) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China): Please refer to table 9.

(3) Information on investments in Mainland China

A. Basic information: Please refer to table 10.

B. Significant transactions, either directly or indirectly through a third party, transactions with the investee companies in Mainland Area: Please refer to table 11.

(4) Major shareholders information

Names, number of shares and ownership of shareholders whose equity interest is greater than 5%: Please refer to table 12.

14. Significant Financial Information

Not applicable.

TECO ELECTRIC & MACHINERY CO., LTD.
STATEMENT OF CASH AND CASH EQUIVALENTS
DECEMBER 31, 2024
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Item	Description		Amount
Cash on hand			$ 22
Petty cash			255
Checking accounts and demand deposits	NTD	85,515 @ 1	
	JPY	83,655 @ 0.21	
	USD	7,765 @ 32.79	
	RMB	4,418 @ 4.48	
	EUR	1,267 @ 34.14	
	AUD	2,204 @ 20.39	
	SGD	254 @ 24.13	471,814
Time deposits	NTD		6,500
Total			$ 478,591

TECO ELECTRIC & MACHINERY CO., LTD.
STATEMENT OF NOTES RECEIVABLE
DECEMBER 31, 2024
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Client Name	Amount		Note
Client A	$	46,049	
Client B		25,486	
Others		142,874	The amount of individual client included in others does not exceed 5% of the amount balance.
		214,409	
Less: Allowance for bad debts	(	448)	
Total	$	213,961	

TECO ELECTRIC & MACHINERY CO., LTD.
STATEMENT OF TRADE RECEIVABLES
DECEMBER 31, 2024
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Client Name	Amount	Note
Client C	$ 224,963	
Client D	112,366	
Client E	108,354	
Client F	86,263	
Client G	73,969	
Client H	73,281	
Client I	68,156	
Client J	60,024	
Client K	52,220	
Others	1,430,954	The amount of individual client included in others does not exceed 2% of the amount balance.
	2,290,550	
Less: Allowance for bad debts	(40,024)	
Total	$ 2,250,526	

TECO ELECTRIC & MACHINERY CO., LTD.
STATEMENT OF INVENTORIES
DECEMBER 31, 2024
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Item	Amount		Note
	Cost	Net Realizable Value	
Raw materials	$ 1,026,697	$ 937,685	
Work in process	675,816	751,620	
Finished goods	2,078,659	2,427,721	
Inventory in transit	337,384	337,384	
	4,118,556	$ 4,454,410	
Less: Allowance for valuation loss	(238,565)		
	$ 3,879,991		

TECO ELECTRIC & MACHINERY CO., LTD.
STATEMENT OF CHANGES IN FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS - NON-CURRENT
FOR THE YEAR ENDED DECEMBER 31, 2024
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

	Beginning Balance		Addition		Decrease		Transfer		Ending Balance				
Name of Financial Instrument	Shares	Fair Value	Shares	Amount	Shares	Amount	Shares	Fair Value	Shares	Shareholding Ratio	Fair Value	Collateral	Note
A. Listed and OTC stocks													
1. Taiwan Cogeneration Corporation	12,217,245	$ 491,744	-	$ 17,715	-	$ -	-	$ -	12,217,245	1.67%	$ 509,459	None	
2. Cathay Financial Holding Co., Ltd.	1,850,286	84,651	-	-	(1,850,286)	(84,651)	-	-	-	-	-	〃	
3. AUO Corporation	1,898,284	34,454	-	-	-	(6,644)	-	-	1,898,284	0.02%	27,810	〃	
4. United Microelectronics Corporation	3,200,320	168,337	-	-	-	(30,563)	-	-	3,200,320	0.03%	137,774	〃	
5.Far Eastone Telecommunications Co., Ltd.	18,802	1,500	-	-	(18,802)	(1,500)	-	-	-	-	-	〃	
6. O-Bank Co., Ltd.	47,838,847	477,432	-	-	(30,000,000)	(301,005)	-	-	17,838,847	0.54%	176,427	〃	
7. Others	-	1,490	-	-	-	(385)	-	-	-	-	1,105	〃	
		1,259,608		17,715		(424,748)		-			852,575		
B. Non-listed and OTC stocks													
1. Far Eastern Electronic Toll Collection Co., Ltd.	32,979,907	342,030	-	17,401	-	-	-	-	32,979,907	10.99%	359,431	None	
2. Shin-Etsu Handotai Taiwan Co., Ltd.	7,500,000	477,577	-	-	-	(1,663)	-	-	7,500,000	5.00%	475,914	〃	
3.PVG GCN VENTURES, L.P.	-	54,925	-	-	-	(40,747)	-	-	-	-	14,178	〃	
4.CSVI VENTURES, L.P.	-	91,355	-	-	-	(5,792)	-	-	-	-	85,563	〃	
4.Ericsson Taiwan Ltd.	3,000,000	76,523	-	35,102	-	-	-	-	3,000,000	10.00%	111,625		
6. Others	-	42,267	-	1,035	-	-	-	-	-	-	43,302	〃	
		1,084,677		53,538		(48,202)		-			1,090,013		
Total		$2,344,285		$ 71,253		($ 472,950)		$ -			$1,942,588		

Note: Asia Pacific Telecom Co., Ltd. was merged into Far Eastone Telecommunications Co., Ltd. on December 15, 2023. The stock exchange ratio of this merger was 0.0934406 Far Eastone shares for 1 Asia Pacific Telecom share.

TECO ELECTRIC & MACHINERY CO., LTD.
STATEMENT OF FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME - NON-CURRENT
FOR THE YEAR ENDED DECEMBER 31, 2024
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

	Beginning Balance		Addition		Decrease		Transfer		Ending Balance			
Name	Shares	Fair Value	Shares	Amount	Shares	Amount	Shares	Fair Value	Shares	Shareholding Ratio	Fair Value	Collateral
A. Listed and OTC stocks												
1. Innolux Corporation	8,262,279	$ 118,151	-	$ -	(5,311,482)	($ 75,806)	-	$ -	2,950,797	0.04%	$ 42,345	None
2. Taiwan High Speed Rail Corporation	190,060,578	5,834,860	-	-	-	(551,175)	-	-	190,060,578	3.38%	5,283,685	〃
3. E&E Recycling, Inc.	5,098,170	183,279	764,725	22,891	(162,000)	(938)	-	-	5,700,895	13.05%	205,232	〃
4. Walsin Lihwa Corporation	210,332,690	8,129,359	-	-	-	(3,144,474)	-	-	210,332,690	5.22%	4,984,885	〃
5. Kuen Ling Machinery Refrigerating Co., Ltd.	11,131,642	402,408	-	98,092	(270,000)	(7,925)	-	-	10,861,642	14.26%	492,575	〃
6. Creative Sensor Inc.	2,137,044	63,043	-	-	(2,137,044)	(63,043)	-	-	-	-	-	〃
7. International Integrated Systems, Inc.	-	-	-	1,943	-	-	132,147	4,861	132,147	0.18%	6,804	〃
		14,731,100		122,926		(3,843,361)		4,861			11,015,526	
B. Non-listed and OTC stocks												
1. International Integrated Systems, Inc., etc.	-	4,861	-	-	-	-	-	(4,861)	-	-	-	〃
		4,861		-		-		(4,861)			-	
Total		$14,735,961		$ 122,926		($ 3,843,361)		$ -			$11,015,526	

Note:International Integrated Systems, Inc. began to register for emerging stock market in September 3, 2024.

TECO ELECTRIC & MACHINERY CO., LTD.
STATEMENT OF CHANGES IN INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD
FOR THE YEAR ENDED DECEMBER 31, 2024
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

	Beginning Balance		Addition		Decrease		Ending Balance			Market Value or Net Assets Value			
Name	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Percentage of Ownership	Amount	Unit Price	Total Amount	Collateral	Note
The subsidiary													
1. Tecom Co., Ltd.	19,228,898	$ 119,381	-	$ -	-	($ 3,589)	19,228,898	63.52%	$ 115,792	15.45	$ 297,086	None	
2. Tong Dai Co., Ltd.	6,615,234	398,246	-	13,230	-	-	6,615,234	83.53%	411,476	62.20	411,476	〃	
3. Teco Internationl Investment Co., Ltd.	77,847,395	1,907,757	4,701,983	254,929	-	-	82,549,378	100.00%	2,162,686	26.20	2,162,686	〃	
4. Teco Holding USA Inc.	1,680	13,194,086	-	1,936,226	-	-	1,680	100.00%	15,130,312	9,006,138.10	15,130,312	〃	
5. Teco Electric & Machinery (Pte) Ltd.	7,200,000	3,015,190	-	-	-	(489,479)	7,200,000	90.00%	2,525,711	350.79	2,525,711	〃	
6. Tong-An Investment Co., Ltd.	577,913,365	18,488,584	14,967,956	-	-	(3,187,826)	592,881,321	99.60%	15,300,758	25.81	15,300,758	〃	
7. Teco Electro Devices Co., Ltd.	10,253,864	206,098	-	-	(10,253,864)	(206,098)	-	-	-	-	-	〃	Note
8. United View Global Investment Co., Ltd.	195,416,844	8,500,234	-	21,367	-	-	195,416,844	100.00%	8,521,601	43.57	8,514,395	〃	
9. Taian (Subic) Electric Co., Inc.	17,131,155	231,402	-	45,362	-	-	17,131,155	76.70%	276,764	16.16	276,764	〃	
10. Micropac (BVI)	6,883,591	801,963	-	49,271	-	-	6,883,591	100.00%	851,234	123.66	851,234	〃	
11. Tong-An Assets Management & Development	395,415,338	5,192,684	-	113,586	-	-	395,415,338	100.00%	5,306,270	13.42	5,306,270	〃	
12. Yatec Engineering Corporation	7,800,000	142,093	-	-	-	(617)	7,800,000	66.67%	141,476	18.14	141,476	〃	
13. An-Tai International Investment Co., Ltd.	39,641,929	703,059	3,805,625	9,642	-	-	43,447,554	100.00%	712,701	16.40	712,701	〃	
14. Teco Technology (Vietnam) Electric Co., Ltd.	29,013,668	293,929	-	-	-	(44,463)	29,013,668	100.00%	249,466	8.60	249,466	〃	
15. Information Technology Total Services Co., Ltd.	11,467,248	244,859	-	6,385	-	-	11,467,248	41.97%	251,244	45.00	251,244	〃	
16. Tesen Electric & Machinery Co., Ltd.	20,000,000	210,485	-	-	-	(3,227)	20,000,000	100.00%	207,258	10.36	207,258	〃	
17. Taiwan Pelican Express Co., Ltd.	24,121,700	231,338	-	-	-	(82,428)	24,121,700	25.27%	148,910	36.40	878,030	〃	
18. Eagle Holding Co.	1	5,047,104	-	-	-	(156,638)	1	100.00%	4,890,466	4,890,466,000.00	4,890,466	〃	
19. Century Development Corporation Ltd.	100,592,884	1,379,756	-	38,558	-	-	100,592,884	28.67%	1,418,314	14.10	1,418,314	〃	

Note:The Company and its subsidiary, Teco Electro Devices Co., Ltd., have each passed a resolution through their respective boards of directors on April 10, 2024, to merge with the Company as the surviving entity. The effective date of the merger is set for August 31,2024.

TECO ELECTRIC & MACHINERY CO., LTD.
STATEMENT OF CHANGES IN INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (Cont.)
FOR THE YEAR ENDED DECEMBER 31, 2024
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

	Beginning Balance		Addition		Decrease		Ending Balance			Market Value or Net Assets Value			
Name	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Percentage of Ownership	Amount	Unit Price	Total Amount	Collateral	Note
The subsidiary													
20. Taian-Ecobar Technology Co., Ltd.	7,033,000	176,451	830,000	46,414	-	-	7,863,000	94.73%	222,865	28.34	222,865	〃	
21. Shen Chang Electric Co., Ltd.	-	-	23,840,416	558,378	-	-	23,840,416	57.21%	558,378	23.42	558,378	〃	
22. Others	-	695,299	-	251,136	-	-	-	-	946,435	-	946,436	〃	
		61,179,998		3,344,484		(4,174,365)			60,350,117		61,253,326		
Associates													
1. Tung Pei Industrial Co., Ltd.	39,145,044	$ 2,339,997	-	$ 61,902	-	$ -	39,145,044	31.14%	$ 2,401,899	61.36	$ 2,401,899	None	
2. Lien Chang Electronic Enterprise Co., Ltd.	37,542,159	452,479	-	8,820	-	-	37,542,159	33.84%	461,299	13.90	521,836	〃	
3. Others	-	121,471	-	5,905	-	-	-	-	127,376	-	127,375	〃	
		2,913,947		76,627		-			2,990,574		3,051,110		
Less: Unrealized profit from sales		(460,766)		-		(73,413)			(534,179)		-		
		63,633,179		3,421,111		(4,247,778)			62,806,512		64,304,436		
Less: Accumulated impairment		(7,206)		-		-			(7,206)		(7,206.00)		
Credit balance of investments accounted for using equity method (Note)		(13,607)		326		-			(13,281)		(13,281)		
		$ 63,612,366		$ 3,421,437		($ 4,247,778)			$ 62,786,025		$ 64,283,949		

TECO ELECTRIC & MACHINERY CO., LTD.
STATEMENT OF CHANGES IN ACCUMULATED IMPAIRMENT OF INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD
FOR THE YEAR ENDED DECEMBER 31, 2024
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Item	Beginning Balance	Addition	Decrease	Ending Balance
1. United View Global Investment Co., Ltd.	$ 7,206	$ -	$ -	$ 7,206

TECO ELECTRIC & MACHINERY CO., LTD.
STATEMENT OF CHANGES IN PROPERTY, PLANT AND EQUIPMENT
FOR THE YEAR ENDED DECEMBER 31, 2024
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Item	Beginning Balance	Addition	Decrease	Transfer (Note)	Ending Balance	Collateral	Note
Cost							
Land	$ 1,630,905	$ -	$ -	($ 326,949)	$ 1,303,956	None	
Buildings and structures	1,163,889	4,684	(402)	(199,677)	968,494	〃	
Machinery and equipment	4,707,580	134,477	(135,265)	12,983	4,719,775	〃	
Transportation equipment	3,108	-	-	-	3,108	〃	
Leasehold improvements	302,266	8,396	-	-	310,662	〃	
Miscellaneous equipment	3,641,635	114,757	(62,130)	(826)	3,693,436	〃	
Leased assets - machinery and equipment	522,170	-	-	(12,157)	510,013	〃	
	$ 11,971,553	$ 262,314	($ 197,797)	($ 526,626)	$ 11,509,444		

Note: The transfer in this period is from self-use property and prepaid equipment payments to investment property.

TECO ELECTRIC & MACHINERY CO., LTD.
STATEMENT OF CHANGES IN ACCUMULATED DEPRECIATION OF PROPERTY, PLANT AND EQUIPMENT
FOR THE YEAR ENDED DECEMBER 31, 2024
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Item	Beginning Balance	Addition	Decrease	Transfer (Note)	Ending Balance	Note
Land	$ 34,697	$ -	$ -	($ 34,697)	$ -	
Buildings and structures	596,183	16,207	(371)	(75,280)	536,739	
Machinery and equipment	4,301,006	91,039	(132,924)	14,529	4,273,650	
Transportation equipment	2,601	102	-	-	2,703	
Leasehold improvements	255,215	14,164	-	-	269,379	
Miscellaneous equipment	3,278,114	92,407	(62,125)	23	3,308,419	
Leased assets - machinery and equipment	504,695	4,283	-	(14,552)	494,426	
	$ 8,972,511	$ 218,202	($ 195,420)	($ 109,977)	$ 8,885,316	

Note: The transfer in this period is from self-use property and prepaid equipment payments to investment property.

TECO ELECTRIC & MACHINERY CO., LTD.
STATEMENT OF CHANGES IN RIGHT-OF-USE ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2024
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Item	Beginning Balance	Addition	Decrease	Transfer	Ending Balance
Cost					
Buildings and structures	$ 3,492	$ 77,239	($ 3,492)	$ 14,452	$ 91,691
Transportation equipment	13,319	11,524	(2,165)	-	22,678
Land	59,899	-	-	-	59,899
Machinery and equipment	14,875	5,880	(6,046)	-	14,709
	91,585	94,643	(11,703)	14,452	188,977
Accumulated depreciation					
Buildings and structures	(291)	(83,533)	3,492	(8,795)	(89,127)
Transportation equipment	(5,053)	(5,135)	2,165	-	(8,023)
Land	(31,259)	(1,190)	-	-	(32,449)
Machinery and equipment	(8,238)	(5,109)	6,046	-	(7,301)
	(44,841)	(94,967)	11,703	(8,795)	(136,900)
	$ 46,744	($ 324)	$ -	$ 5,657	$ 52,077

TECO ELECTRIC & MACHINERY CO., LTD.
STATEMENT OF CHANGES IN INVESTMENT PROPERTY
FOR THE YEAR ENDED DECEMBER 31, 2024
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Item	Beginning Balance	Addition	Transfer (Note)	Ending Balance	Note
Cost					
Land	$ 1,164,075	$ -	$ 292,252	$ 1,456,327	
Buildings and structures	2,155,380	-	199,677	2,355,057	
	3,319,455	-	491,929	3,811,384	
Accumulated depreciation					
Buildings and structures	(1,151,641)	(59,474)	(75,280)	(1,286,395)	
Accumulated impairment					
Buildings and structures	(180,000)	-	-	(180,000)	
	$ 1,987,814	($ 59,474)	$ 416,649	$ 2,344,989	

Note: The transfer in this period is from self-use property to investment property.

TECO ELECTRIC & MACHINERY CO., LTD.
STATEMENT OF NOTES PAYABLE
DECEMBER 31, 2024
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Client Name	Amount	Note
Vendor A	$ 12,332	
Vendor B	1,546	
	$ 13,878	

TECO ELECTRIC & MACHINERY CO., LTD.
STATEMENT OF TRADE PAYABLES
DECEMBER 31, 2024
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Client Name	Amount	Note
Vendor C	$ 139,577	
Vendor D	104,287	
Others	3,984,978	The amount of individual vendor included in others does not exceed 2% of the amount balance.
	$ 4,228,842	

TECO ELECTRIC & MACHINERY CO., LTD.
STATEMENT OF LEASE LIABILITIES
DECEMBER 31, 2024
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Item	Description	Periods	Discount rate	Amount	Note
Buildings and structures	Office for rent	1 years	0.7%~1.29%	$ 1,994	
Transportation equipment	Business vehicles	2~5 years	0.6%~1.45%	15,267	
Machinery and equipment	Forklift and production equipment for rent	2~4 years	0.6%~1.45%	8,782	
				26,043	
Less: lease liabilities - current				(14,980)	
				$ 11,063	

TECO ELECTRIC & MACHINERY CO., LTD.
STATEMENT OF OTHER PAYABLES
DECEMBER 31, 2024
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Item	Amount	Note
Salary and wages payable	$ 1,431,228	
Employees' compensation and directors' remuneration payable	842,489	
Dealers' bonus commission payable	166,317	
Others	572,733	The amount of individual item included in others does not exceed 5% of the amount balance.
	$ 3,012,767	

TECO ELECTRIC & MACHINERY CO., LTD.
STATEMENT OF BONDS PAYABLE
DECEMBER 31, 2024
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

					Amount						
Bonds Name	Trustee	Issuance Date	Interest Payment Date	Coupon Rate	Total Issuance Amount	Repayment Paid	Ending Balance	Unamortized Premiums (Discounts)	Carrying Amount	Repayment Term	Collateral
The first unsecured ordinary corporate bonds in 2020	Taishin International Bank	Jun. 12, 2020~ Jun. 12 2025	Note	0.70%	$ 3,000,000	$ -	$ 3,000,000	$ -	$3,000,000	Note	None
The second unsecured ordinary corporate bonds in 2020	CTBC Bank Co., Ltd.	Sep.15, 2020~ Sep. 15 2025	Note	0.60%	2,000,000	-	2,000,000	-	2,000,000	Note	None
					$ 5,000,000	$ -	$ 5,000,000	$ -	$5,000,000		

Note: For the interest payment date and repayment method, please refer to Note 6 (14) for details.

TECO ELECTRIC & MACHINERY CO., LTD.
STATEMENT OF LONG-TERM BORROWINGS
DECEMBER 31, 2024
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Creditor	Description	Amount	Contract Period	Interest Rate	Collateral	Note
Long-term borrowings						
Bank of Taiwan	Two-year mid-term loan	$ 1,000,000	December 23, 2024~ December 23, 2026	1.90%	None	Note1
CTBC Bank Co., Ltd.	Bargaining medium-term loans	1,000,000	December 31, 2024~ December 31, 2026	1.93%	〃	Note2
Hua Nan Commercial Bank Ltd.	Medium to long-term loans	20,000	December 31, 2024~ December 31, 2026	2.34%	〃	Note3
HSBC Bank	Medium to long-term loans	200,000	December 31, 2024~ December 31, 2026	2.05%	〃	Note4
		$ 2,220,000				

Note1: The financing contract signed between our company and Bank of Taiwan is a comprehensive line of credit (including short-term and long-term loans, etc.), and the total financing limit is $1,000,000.

Note2: The financing contract signed between our company and CTBC Bank Co., Ltd. is a comprehensive line of credit (including short-term and long-term loans, etc.), and the total financing limit is $2,000,000.

Note3: The financing contract signed between our company and Hua Nan Commercial Bank Ltd. is a comprehensive line of credit (including short-term and long-term loans, and the total financing limit is $300,000.

Note4: The financing contract signed between our company and HSBC Bank is a comprehensive line of credit (including short-term and long-term loans, erc.), and the total financing limit is $1,000,000.

TECO ELECTRIC & MACHINERY CO., LTD.
STATEMENT OF OPERATING REVENUE
FOR THE YEAR ENDED DECEMBER 31, 2024
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Item	Volume (Unit)	Amount	Note
Motors	864,973	$ 10,162,384	
Home appliances	928,732	6,738,323	
Circuit breakers	2,771,772	987,040	
Magnetic switch	1,104,257	337,198	
Others	-	388,246	
Total sales revenue		18,613,191	
Less: sales return		(165,573)	
sales allowance		(582,235)	
Sales revenue		17,865,383	
Construction contract		7,467,589	
Service revunue		438,672	
Total operating revenue		$ 25,771,644	

TECO ELECTRIC & MACHINERY CO., LTD.
STATEMENT OF OPERATING COSTS
FOR THE YEAR ENDED DECEMBER 31, 2024
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Item	Amount	Note
Beginning raw materials	$ 1,071,884	
Add: Raw materials purchased	7,877,258	
Less: Ending raw materials	(1,364,081)	
Transferred to other accounts	(1,461,033)	
Raw materials scrapped	(4,772)	
Sales of raw materials	(43,803)	
Raw materials inputed	6,075,453	
Direct labor	290,898	
Manufacturing expense	1,132,318	
Manufacturing cost	7,498,669	
Add: Beginning work in progress	560,697	
Work in progress purchased	276,355	
Less: Ending work in progress	(675,816)	
Transferred to other accounts	(891,882)	
Cost of finished goods	6,768,023	
Add: Beginning finished goods	1,797,653	
Finished goods purchased	7,713,731	
Less: Ending finished goods	(2,078,659)	
Transferred to other accounts	(1,251,551)	
Finished goods scrapped	(52,447)	
	12,896,750	
Add: Sale of raw materials	43,803	
Inventory valuation losses	101,118	
Total cost of goods sold	13,041,671	
Cost of engineering sales	6,918,448	
Labor cost	303,395	
Total operating cost	$ 20,263,514	

TECO ELECTRIC & MACHINERY CO., LTD.
STATEMENT OF MANUFACTURING EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2024
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Item	Amount	Note
Indirect labor	$ 238,317	
Processing expense	183,301	
Depreciation expense	191,783	
Personnel expense	121,324	
Power expense	108,665	
Repair expense	79,787	
Indirect materials	43,992	
Other expense	165,149	The amount of individual item included in others does not exceed 5% of the amount
	$ 1,132,318	

TECO ELECTRIC & MACHINERY CO., LTD.
STATEMENT OF SELLING EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2024
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Item	Amount		Note
Wages and salaries	$	478,345	
Freight		220,823	
Dealers' bonus commission		194,800	
Service expenses		127,101	
Recycling and disposal expenses		92,314	
Packing expenses		91,350	
Other expenses		592,688	The amount of individual item included in others does not exceed 5% of the amount balance.
	$	1,797,421	

TECO ELECTRIC & MACHINERY CO., LTD.
STATEMENT OF ADMINISTRATIVE EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2024
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Item	Amount	Note
Wages and salaries	$ 289,637	
Employees' compensation and directors' and supervisors' remuneration	82,892	
Professional service fees	50,934	
Depreciation expense	36,296	
Other expenses	156,932	The amount of individual item included in others does not exceed 5% of the amount balance.
	$ 616,691	

TECO ELECTRIC & MACHINERY CO., LTD.
STATEMENT OF RESEARCH AND DEVELOPMENT EXPENSE
FOR THE YEAR ENDED DECEMBER 31, 2024
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Item	Amount		Note
Wages and salaries	$	247,035	
Contracted research expense and consumable fees		54,236	
Inspection fees		46,064	
Data processing fees		41,588	
Other expenses		104,817	The amount of individual item included in others does not exceed 5% of the amount
	$	493,740	

TECO ELECTRIC & MACHINERY CO., LTD.
SUMMARY STATEMENT OF CURRENT PERIOD EMPLOYEE BENEFITS, DEPRECIATION, DEPLETION AND AMORTIZATION EXPENSES BY FUNCTION
FOR THE YEAR ENDED DECEMBER 31, 2024
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Function / Nature	Year ended December 31, 2024			Year ended December 31, 2023		
	Classified as Operating Costs	Classified as Operating Expenses (including “Other gains and losses”)	Total	Classified as Operating Costs	Classified as Operating Expenses (including “Other gains and losses”)	Total
Employee Benefit Expense						
Wages and salaries	$ 504,096	$ 1,338,616	$ 1,842,712	$ 711,034	$ 1,704,996	$ 2,416,030
Labour and health insurance fees	64,775	94,376	159,151	67,614	97,318	164,932
Pension costs	25,119	70,965	96,084	43,062	56,743	99,805
Directors' remuneration	-	109,745	109,745	-	102,374	102,374
Other employee benefit expense	39,998	68,332	108,330	38,587	64,846	103,433
Depreciation Expense	191,783	180,860	372,643	193,308	195,882	389,190
Amortisation Expense	5,450	17,823	23,273	4,346	26,869	31,215

Note:

1. As at December 31, 2024 and 2023, the Company had 2,198 and 2,255 employees,including 11 and 17 non-employee directors.
2. A company whose stock is listed for trading on the stock exchange or over-the-counter securities exchange shall additionally disclose the following information：
   (1) Average employee benefit expense in current year $1,009.
   Average employee benefit expense in previous year $1,244.
   (2) Average employees salaries in current year $843.
   Average employees salaries in previous year $1,080.
   (3) Adjustments of average employees salaries -21.94%.
   (4) Remuneration of the supervisors in current year $0 , remuneration of the supervisors in previous year $0.
   (5) Please disclose the company's remuneration policy (including directors, supervisors, managerial officers and employees).

TECO ELECTRIC & MACHINERY CO., LTD

Loans to others

For the year ended December 31, 2024

Table 1

Expressed in thousands of NTD

(Except as otherwise indicated)

Number (Note 1)	Creditor	Borrower	General ledger account	Related party	Maximum outstanding balance during the year ended December 31, 2024	Balance at December 31, 2024	Actual amount drawn down	Interest rate (%)	Nature of loans	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
													Item	Value			
1	U.V.G.	Teco Netherlands	Other receivables	Yes	$ 248,640	$ 238,980	$ 238,980	-	Short-term financing	$ -	For operating capital	$ -	-	$ -	$ 512,687	$ 854,478	Note 2
2	Great Teco Motor (PTE) Ltd.	Teco Netherlands	〃	〃	206,016	198,012	198,012	4.55%	Short-term financing	-	For operating capital	-	-	-	317,377	528,961	Note 3
3	Motovario Corp.	Motovario S.p.A.	〃	〃	180,593	150,811	131,140	4.91%	Short-term financing	-	For operating capital	-	-	-	103,072	137,429	Note 4、6
4	TECO Holdings. USA, Inc.	Teco Electric & Machinery S.A. DE C.V.	〃	〃	231,560	231,560	180,416	5.27%	Short-term financing	-	For operating capital	-	-	-	1,513,315	3,026,629	Note 5

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

(1)The Company is ‘0’.

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

Note 2: In accordance with U.V.G.’s policy, limit on total loans shall not exceed 10% of U.V.G.’s net assets based on the latest financial statements (December 31, 2024), and limit on loans to a single party shall not exceed 6% of U.V.G.’s net assets based on the latest financial statements (December 31, 2024).

Note 3: Great Teco Motor (PTE) Ltd.’s limit on total loans shall not exceed 10% of Great Teco Motor (PTE) Ltd.' s net assets based on the latest financial statements (December 31, 2024), and limit on loans to a single party shall not exceed 6% of Great Teco Motor (PTE) Ltd.' s net assets based on the latest financial statements (December 31, 2024).

Note 4: In accordance with Motovario Corp.’s policy, limit on total loans shall not exceed 40% of Motovario Corp.’s net assets based on the latest audited financial statement (December 31, 2024), and limit on loans to a single party shall not exceed 30% of Motovario Corp.’s net assets based on the latest audited financial statement (December 31, 2024).

Note 5: In accordance with TECO Holdings. USA, Inc.’s policy, limit on total loans shall not exceed 20% of TECO Holdings. USA, Inc.’s net assets based on the latest audited financial statement (December 31, 2024), and limit on loans to a single party shall not exceed 10% of TECO Holdings. USA, Inc.’s net assets based on the latest audited financial statement (December 31, 2024).

Note 6: As of December 31, 2024, the amount of funds loaned to certain individuals by Motovario Corp. exceeded the limit stipulated in the company's fund loan regulations. The company has formulated a plan to improve the situation.

TECO ELECTRIC & MACHINERY CO., LTD

Provision of endorsements and guarantees to others

For the year ended December 31, 2024

Table 2

Expressed in thousands of NTD

(Except as otherwise indicated)

Number (Note 1)	Endorser/ guarantor	Party being endorsed/guaranteed: Company name	Party being endorsed/guaranteed: Relationship with the endorser/ guarantor (Note 2)	Limit on endorsements/ guarantees provided for a single party	Maximum outstanding endorsement/ guarantee amount as of December 31, 2024	Outstanding endorsement/ guarantee amount at December 31, 2024	Actual amount drawn down	Amount of endorsements/ guarantees secured with collateral	Ratio of accumulated endorsement/ guarantee amount to net asset value of the endorser/ guarantor company (%)	Ceiling on total amount of endorsements/ guarantees provided	Provision of endorsements/ guarantees by parent company to subsidiary	Provision of endorsements/ guarantees by subsidiary to parent company	Provision of endorsements/ guarantees to the party in Mainland China	Footnote
1	Teco Westinghouse	TWMM	(4)	$ 555,601	$ 65,670	$ 65,570	$ 65,570	$ -	1.18	$ 1,111,201	Y	N	N	Note 3
2	Century Development	CDC DEVELOPMENT INDIA PRIVATE LIMITED	(6)	465,277	165,230	161,848	141,942	-	3.48	930,554	Y	N	N	Note 4
3	Tong-An Assets	CDC DEVELOPMENT INDIA PRIVATE LIMITED	(6)	530,627	123,926	121,395	106,457	-	2.29	1,061,254	N	N	N	Note 5
4	Tong-An Investment Co., Ltd.	CDC DEVELOPMENT INDIA PRIVATE LIMITED	(6)	150,934	123,926	121,395	106,457	-	0.74	200,000	N	N	N	Note 6

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

(1) The Company is ‘0’.

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

Note 2: Relationship between the endorser/guarantor and the party being endorsed/guaranteed is classified into the following seven categories:

(1) Having business relationship.

(2) The endorser/guarantor parent company owns directly and indirectly more than 50% voting shares of the endorsed/guaranteed subsidiary.

(3) The endorsed/guaranteed company owns directly and indirectly more than 50% voting shares of the endorser/guarantor parent company.

(4)The endorser/guarantor parent company owns directly and indirectly more than 90% voting shares of the endorsed/guaranteed company.

(5) Mutual guarantee of the trade made by the endorsed/guaranteed company or joint contractor as required under the construction contract.

(6) Due to joint venture, all shareholders provide endorsements/guarantees to the endorsed/guaranteed company in proportion to its ownership.

(7) Joint guarantee of the performance guarantee for pre-sold home sales contract as required under the Consumer Protection Act.

Note 3: In accordance with the Teco Westinghouse’s policy, the total guarantee amount shall not exceed 20% of Teco Westinghouse’s net assets based on the latest financial statements (December 31, 2024), and the guarantee to a single party shall no exceed 10% of Teco Westinghouse’s net assets. If the guarantee amount is denominated in foreign currency, the amount shall be translated at the exchange rate prevailing on the date of approval by the Board of Directors to assess whether the guarantee amount exceeds the limit.

Note 4: In accordance with Century Development’s policy, the total guarantee amount shall not exceed 20% of Century Development’s net assets based on the latest financial statements (December 31, 2024), and the guarantee to a single party shall not exceed 10% of Century Development’s net assets. If the guarantee amount is denominated in foreign currency, the amount shall be translated at the exchange rate prevailing on the date of approval by the Board of Directors to assess whether the guarantee amount exceeds the limit.

Note 5: In accordance with Tong-An Asset’s policy, the total guarantee amount shall not exceed 20% of Tong-An Asset’s net assets based on the latest financial statements (December 31, 2024), and the guarantee to a single party shall not exceed 10% of Tong-An Asset’s net assets. If the guarantee amount is denominated in foreign currency, the amount shall be translated at the exchange rate prevailing on the date of approval by the Board of Directors to assess whether the guarantee amount exceeds the limit.

Note 6: In accordance with Tong-An Investment Co., Ltd.’s policy, the total guarantee amount shall not exceed NT$200 million, and the guarantee to a single party shall not exceed NT$50 million. If due to special needs, the guarantee amount exceeds the limit, stockholders’ resolution is required.

TECO ELECTRIC & MACHINERY CO., LTD

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

December 31, 2024

Table 3

Expressed in thousands of NTD

(Except as otherwise indicated)

				As of December 31, 2024				
Securities held by	Marketable securities	Relationship with the securities issuer	General ledger account	Number of shares	Book value	Ownership (%)	Fair value	Footnote
TECO ELECTRIC & MACHINERY CO., LTD.	Stock 1	The Company is a director of the investee	Note 1	10,862	$ 492,575	14.26	$ 492,575	
	Stock 2	None	〃	210,333	4,984,885	5.22	4,984,885	
	Stock 3	The Company is a director of the investee	〃	190,061	5,283,684	3.38	5,283,684	
	Stock 4	None	〃	2,951	42,345	0.04	42,345	
	Stock 5	The Company is a director of the investee	〃	5,701	205,232	13.05	205,232	
	Stock 6, etc.	None	〃	15,796	6,805	-	6,805	
	Stock 7	〃	Note 4	3,200	137,774	0.03	137,774	
	Stock 8	The Company is a director of the investee	〃	12,217	509,459	1.67	509,459	
	Stock 9	None	〃	17,839	176,426	0.54	176,426	
	Stock 10	The Company is a director of the investee	〃	32,980	359,430	10.99	359,430	
	Stock 11	None	〃	7,500	475,914	5.00	475,914	
	Stock 12, etc.	〃	〃	20,254	183,845	-	183,845	
	Fund 1	〃	〃	-	14,178	-	14,178	
	Fund 2	〃	〃	-	85,562	-	85,562	
Teco International	Stock 13	〃	Note 1	720	57,494	0.50	57,494	
	Stock 14	Related company is a director of the investee	〃	305	101,552	0.12	101,552	
	Stock 15	None	〃	3,177	489,316	0.63	489,316	
	Stock 8	The Company is a corporate director of the investee	〃	830	34,595	0.11	34,595	
	Stock 16, etc.	None	〃	6,548	253,249	-	253,249	
	Stock 17, etc.	〃	Note 3	1,678	167,937	-	167,937	
Tong-An Investment	Stock 13	〃	Note 1	1,225	97,742	0.85	97,742	
	Stock 18	An investee company accounted for under the equity method by the Company	〃	19,540	1,019,991	0.91	1,019,991	
	Stock 16	Related party in substance	〃	6,188	170,775	5.50	170,775	
	Stock 19	None	〃	8,692	777,061	0.27	777,061	
	Stock 20	〃	〃	1,285	145,848	0.04	145,848	
	Stock 14	The Company is a director of the investee	〃	25,315	8,442,649	10.03	8,442,649	
	Stock 21	None	〃	1,217	43,886	0.37	43,886	
	Stock 2	〃	〃	5,000	118,500	0.12	118,500	
	Stock 22	〃	〃	2,500	50,000	0.54	50,000	
	Stock 23	〃	〃	-	31,945	-	31,945	
	Stock 24	〃	〃	588	29,988	1.32	29,988	
	Stock 25	〃	〃	3,708	31,920	0.50	31,920	
	Stock 26	Related company is a director of the investee	〃	3,000	30,000	-	30,000	

Securities held by	Marketable securities	Relationship with the securities issuer	General ledger account	As of December 31, 2024 Number of shares	Book value	Ownership (%)	Fair value	Footnote
Tong-An Investment	Stock 27	The Company is a director of the investee	Note 1	313	$ -	-	$ -	
	Stock 28	None	〃	23,454	387,786	-	387,786	
	Stock 29	〃	Note 3	500	16,825	0.41	16,825	
	Stock 14	The Company is a director of the investee	Note 4	1,260	420,168	0.50	420,168	
	Fund 3	None	〃	50,000	595,000	-	595,000	
	Fund 4	〃	〃	625	21,655	-	21,655	
U.V.G	Stock 30, etc.	〃	Note 1	118	8,506	-	8,506	
An-Tai International	Stock 18	An investee company accounted for under the equity method by the Company	〃	2,826	147,504	0.13	147,504	
	Stock 16	Related party in substance	〃	499	13,776	0.44	13,776	
	Stock 31	〃	〃	2,756	174,986	8.51	174,986	
	Stock 32	None	〃	226	19,448	0.14	19,448	
	Stock 8	The Company is a corporate director of the investee	〃	830	34,595	0.11	34,595	
	Stock 17, etc.	None	Note 3	1,079	117,828	-	117,828	
Jie-Zheng Property	Fund 5, etc.	〃	Note 2	-	12,455	-	12,455	
Information Technology Total Service	Stock 33, etc.	〃	Note 1	3,269	34,724	-	34,724	
Teco Singapore	Stock 14, etc.	〃	〃	375	125,039	-	125,039	
Taiwan Pelican Express	Stock 18	An investee company accounted for under the equity method by the Company	〃	7,070	369,054	0.33	369,054	
	Stock 14	None	〃	827	275,813	0.33	275,813	
Teco Australia	Stock 14	〃	〃	384	128,047	0.15	128,047	
Sankyo	Stock 34	〃	〃	68	4,525	-	4,525	
Tecom and its subsidiaries	Stock 3	The Company is a corporate director of the investee	〃	8,112	225,514	0.14	225,514	
	Stock 6, etc.	None	〃	1,143	4,037	-	4,037	
	Fund 6	〃	Note 2	546	11,392	-	11,392	
Tong Dai	Stock 18	An investee company accounted for under the equity method by the Company	Note 3	77	4,031	-	4,031	
	Stock 35, etc.	None	〃	2	58	-	58	
Shen Chang Electric	Fund 7	〃	Note 4	-	19,569	-	19,569	
	Fund 8	〃	Note 5	-	6,554	-	6,554	
Teco Indonesia	Bond 1	〃	〃	-	90,560	-	90,560	

Note 1: Financial assets at fair value through other comprehensive income-non-current.
Note 2: Financial assets at fair value through profit or loss - current.
Note 3: Financial assets at fair value through other comprehensive income-current.
Note 4: Financial assets at fair value through profit or loss - non-current.
Note 5: Financial assets at amortized cost - non-current.

TECO ELECTRIC & MACHINERY CO., LTD

Acquisition or sale of the same security with the accumulated cost exceeding $300 million or 20% of the Company's paid-in capital

For the year ended December 31, 2024

Table 4

Expressed in thousands of NTD

(Except as otherwise indicated)

					Balance as at January 1, 2024		Addition		Disposal				Balance as at December 31, 2024	
Investor	Marketable securities	General ledger account	Counterparty (Note 2)	Relationship with the investor (Note 2)	Number of shares / units	Amount	Number of shares / units	Amount	Number of shares / units	Selling price	Book value	Gain (loss) on disposal	Number of shares / units	Amount (Note 3)
Tong-An Investment	Creative Sensor Common Stock	Note 1	Non Related Party	Not applicable	7,913	$ 219,654	-	$ -	7,913	$ 407,186	$ 219,654	$ 187,532	-	$ -
TECO ELECTRIC & MACHINERY CO., LTD.	Shen Chang Electric Common Stock	Note 2	Non Related Party、Cash Capital	Not applicable	-	-	23,840	548,330	-	-	-	-	23,840	558,378

Note 1: The general ledger account is ‘Current financial assets at fair value through other comprehensive income’.

Note 2: Fill in the columns the counterparty and relationship if securities are accounted for under the equity method; otherwise leave the columns blank.

Note 3: The balance amount as at December 31, 2024 included unrealised gains or losses from financial assets and investment income recognized using the equity method.

TECO ELECTRIC & MACHINERY CO., LTD

Acquisition of real estate reaching NT$300 million or 20% of paid-in capital or more

For the year ended December 31, 2024

Table 5

Expressed in thousands of NTD

(Except as otherwise indicated)

Real estate acquired by	Marketable Real estate acquired	Date of the event	Transaction amount	Status of payment	Counterparty	Relationship with the counterparty	If the counterparty is a related party, information as to the last transaction of the real estate is disclosed below: Original owner who sold the real estate to the counterparty	Relationship between the original owner and the acquirer	Date of the original transaction	Amount	Basis or reference used in setting the price	Reason for acquisition of real estate and status of the real estate disposal	Other commitments
Tong-An Investment	Commercial building construction project	In June 2023	$1,256,574	$149,683	FU-CHU GENERAL CONTRACTOR CO., LTD.	Non-related parties	Not applicable	Not applicable	Not applicable	Not applicable	Comparative price and bargain	Operation needs	None

TECO ELECTRIC & MACHINERY CO., LTD

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

For the year ended December 31, 2024

Table 6

Expressed in thousands of NTD

(Except as otherwise indicated)

			Transaction				Differences in transaction terms compared to third party transactions		Notes/accounts receivable (payable)		
Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	Footnote
TECO ELECTRIC & MACHINERY CO., LTD.	Tesen	An investee accounted for under the equity method	Purchases	$ 2,768,843	14%	30 days	Note 1	Note 1	$ -	-	
	Taian (Subic) Electric	〃	〃	259,954	1%	〃	〃	〃	(136,475)	(3%)	
	Wuxi Teco	An indirect investee accounted for under the equity method	〃	1,603,465	8%	〃	〃	〃	(528,865)	(12%)	
	TECO (VIETNAM) ELECTRIC & MACHINERY	〃	〃	964,457	5%	〃	〃	〃	(202,724)	(5%)	
	Tai-An Wuxi	〃	〃	734,845	4%	〃	〃	〃	(281,261)	(7%)	
	Jiangxi Teco	〃	〃	152,922	1%	〃	〃	〃	(23,683)	(1%)	
	Tong Dai	An investee accounted for under the equity method	Sales	(1,231,409)	(5%)	90 days	〃	〃	266,159	6%	
	Teco Singapore	〃	〃	(664,290)	(3%)	〃	〃	〃	101,360	2%	
	E-Joy International	〃	〃	(501,379)	(2%)	〃	〃	〃	94,114	2%	
	Taisan Electric	〃	〃	(235,511)	(1%)	〃	〃	〃	27,430	1%	
	Taian (Subic) Electric	〃	〃	(126,451)	-	〃	〃	〃	12,689	-	
	A-Ok Technical	〃	〃	(110,340)	-	〃	〃	〃	2,635	-	
	Teco Westinghouse	An indirect investee accounted for under the equity method	〃	(3,471,640)	(13%)	〃	〃	〃	283,113	7%	
	Teco Australia	〃	〃	(1,232,121)	(5%)	〃	〃	〃	220,194	5%	
	Teco Westinghouse Canada	〃	〃	(877,912)	(3%)	〃	〃	〃	91,404	2%	
	Sankyo	〃	〃	(287,720)	(1%)	〃	〃	〃	42,568	1%	
	Top-Tower	〃	〃	(240,427)	(1%)	〃	〃	〃	75,162	2%	
	Teco Netherlands	〃	〃	(156,396)	(1%)	〃	〃	〃	62,081	2%	
	TWMM	〃	〃	(152,864)	(1%)	〃	〃	〃	75,771	2%	
	Motovario S.p.A.	〃	〃	(145,351)	(1%)	〃	〃	〃	63,023	2%	

Note 1: Comparable with other types of transactions, trading conditions are handled in accordance with the agreement of the conditions.

TECO ELECTRIC & MACHINERY CO., LTD

Receivables from related parties reaching $100 million or 20% of paid-in capital or more

December 31, 2024

Table 7

Expressed in thousands of NTD

(Except as otherwise indicated)

Creditor	Counterparty	Relationship with the counterparty	Balance as at December 31, 2024	Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
					Amount	Action taken		
TECO ELECTRIC & MACHINERY CO., LTD.	Tong Dai	An investee accounted for under the equity method	$ 266,295	4.53	$ -	-	$ 36,459	
〃	Tesen	〃	340,232	0.13	-	-	-	
〃	Teco Singapore	〃	101,571	7.19	-	-	94,091	
〃	Teco Westinghouse	An indirect investee accounted for under the equity method	445,408	8.59	-	-	-	
〃	Teco Australia	〃	220,194	5.38	-	-	102,086	
〃	Motovario S.p.A.	〃	125,792	1.16	-	-	10,936	
Taian (Subic) Electric	TECO ELECTRIC & MACHINERY CO., LTD.	An investee accounted for under the equity method	136,475	2.40	-	-	24,247	
Wuxi Teco	〃	An indirect investee accounted for under the equity method	528,865	2.35	-	-	-	
Tai-An Wuxi	〃	〃	281,261	2.48	-	-	-	
TECO (VIETNAM) ELECTRIC & MACHINERY	〃	〃	202,724	5.45	-	-	63,120	
U.V.G.	Teco Netherlands	An investee accounted for under the equity method	238,980	-	-	-	-	
Teco Holding USA Inc.	Teco Electric & Machinery S.A. DE C.V.	〃	180,416	-	-	-	-	
Great Teco Motor (PTE) Ltd.	Teco Netherlands	Fellow subsidiary	198,012	-	-	-	-	
Motovario Corp.	Motovario S.p.A.	An investee accounted for under the equity method	131,140	-	-	-	-	Total amount was $2,988

TECO ELECTRIC & MACHINERY CO., LTD
Significant inter-company transactions during the reporting period
For the year ended December 31, 2024

Table 8

Expressed in thousands of NTD
(Except as otherwise indicated)

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction: General ledger account	Transaction: Amount	Transaction: Transaction terms	Transaction: Percentage of consolidated total operating revenues or total assets (Note 3)
0	TECO ELECTRIC & MACHINERY CO., LTD.	Tong Dai	(1)	Notes receivable, accounts receivable and other receivables	$ 266,295	Because there is no transaction in same type which can be compared with, it is based on the condition and the period specified in the agreement.	-
0	〃	Teco Westinghouse	〃	Accounts receivable and other receivables	445,408	〃	-
0	〃	Teco Australia	〃	〃	220,194	〃	-
0	〃	Motovario S.p.A	〃	〃	125,792	〃	-
0	〃	Teco Singapore	〃	〃	101,571	〃	-
0	〃	Tesen	〃	Other receivables	340,232	〃	-
1	Wuxi Teco	TECO ELECTRIC & MACHINERY CO., LTD.	(2)	Accounts receivable and other receivables	528,865	〃	-
2	Tai-An Wuxi	〃	〃	〃	281,261	〃	-
3	TECO (VIETNAM) ELECTRIC & MACHINERY	〃	〃	〃	202,724	〃	-
4	U.V.G	Teco Netherlands	(3)	Other receivables	238,980	〃	-
5	Great Teco Motor (PTE) Ltd.	〃	〃	〃	198,012	〃	-
6	Motovario Corp.	Motovario S.p.A	〃	〃	131,140	〃	-
7	Teco Holding USA Inc.	Teco Electric & Machinery S.A. DE C.V.	〃	〃	180,416	〃	-
0	TECO ELECTRIC & MACHINERY CO., LTD.	Teco Westinghouse	(1)	Sales	3,471,640	〃	6%
0	〃	Teco Australia	〃	〃	1,232,121	〃	2%
0	〃	Tong Dai	〃	〃	1,231,409	〃	2%
0	〃	Teco Westinghouse Canada	〃	〃	877,912	〃	2%
0	〃	Teco Singapore	〃	〃	664,290	〃	1%
0	〃	E-Joy International	〃	〃	501,379	〃	1%
0	〃	Sankyo	〃	〃	287,720	〃	1%
0	〃	Taisan Electric	〃	〃	235,511	〃	-

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction: General ledger account	Transaction: Amount	Transaction: Transaction terms	Transaction: Percentage of consolidated total operating revenues or total assets (Note 3)
0	TECO ELECTRIC & MACHINERY CO., LTD.	Top-Tower	(1)	Sales	$ 240,427	Because there is no transaction in same type which can be compared with, it is based on the condition and the period specified in the agreement.	-
0	〃	Teco Netherlands	〃	〃	156,396	〃	-
0	〃	TWMM	〃	〃	152,864	〃	-
0	〃	Motovario S.p.A.	〃	〃	145,351	〃	-
0	〃	Taian (Subic) Electric	〃	〃	126,451	〃	-
0	〃	A-Ok Technical	〃	〃	110,340	〃	-
8	Tesen	TECO ELECTRIC & MACHINERY CO., LTD.	(2)	〃	2,768,843	〃	5%
1	Wuxi Teco	〃	〃	〃	1,603,465	〃	3%
3	TECO (VIETNAM) ELECTRIC & MACHINERY	〃	〃	〃	964,457	〃	2%
2	Tai-An Wuxi	〃	〃	〃	734,845	〃	1%
9	Taian (Subic) Electric	〃	〃	〃	259,954	〃	-
10	Jiangxi Teco	〃	〃	〃	152,922	〃	-

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

(1) Parent company is ‘0’.

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

Note 2: Relationship with the transaction company:

(1) The parent company to the subsidiary.

(2) The subsidiary to the parent company.

(3)The subsidiary to another subsidiary.

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

TECO ELECTRIC & MACHINERY CO., LTD

Information on investees

For the year ended December 31, 2024

Table 9

Expressed in thousands of NTD

(Except as otherwise indicated)

Investor	Investee	Location	Main business activities	Initial investment amount: Balance as at December 31, 2024	Initial investment amount: Balance as at December 31, 2023	Shares held as at December 31, 2024: Number of shares	Shares held as at December 31, 2024: Ownership (%)	Shares held as at December 31, 2024: Book value	Net profit (loss) of the investee For the year ended December 31, 2024	Investment income (loss) recognized by the Company For the year ended December 31, 2024	Footnote
TECO ELECTRIC & MACHINERY CO., LTD.	Tung Pei	Taiwan	Manufacturing of bearings	$ 12,293	$ 12,293	39,145,044	31.14%	$ 2,401,899	$ 324,267	$ 101,220	None
	Tecom	Taiwan	Manufacturing of key telephone system and nonkey service unit telephone system	431,109	431,109	19,228,898	63.52%	115,792	(16,849)	(10,275)	None
	Teco International	Taiwan	Investment holdings, investments in securities and construction of commercial buildings	100,013	100,013	82,549,378	100%	2,162,686	68,042	58,979	None
	Teco Holdings and its subsidiaries	U.S.A	Manufacturing and distribution of motors and generators, and investment and trading in USA	726,428	726,428	1,680	100%	15,130,312	1,093,174	1,093,663	None
	Teco Singapore and its subsidiaries	Singapore	Distribution of the Company's motor products in Singapore	112,985	112,985	7,200,000	90%	2,525,711	184,614	166,153	None
	Tong-An Investment	Taiwan	Investment holdings	2,490,000	2,490,000	592,881,321	99.60%	15,300,758	498,764	457,730	None
	Teco Electro	Taiwan	Manufacturing of Stepping motors	-	71,460	-	-	-	30,306	18,028	None
	UVG and its subsidiaries	Cayman Islands	Manufacturing and distribution of the Company's motor products and home appliances, and investment holdings	8,505,434	8,505,434	195,416,844	100%	8,514,395	1,087,181	1,101,582	None
	ITTS	Taiwan	E-business service, mailing and data management	111,286	111,286	11,467,248	41.97%	251,244	71,441	29,983	None
	Tesen	Taiwan	Manufacturing and sales of home appliance	200,000	200,000	20,000,000	100%	207,258	7,012	3,509	None
	Lien Chang	Taiwan	Manufacturing of color flybacks transformers, mono flyback transformers and mono deflection yokes	117,744	117,744	37,542,159	33.84%	461,299	(70,125)	(23,733)	None

Investor	Investee	Location	Main business activities	Initial investment amount: Balance as at December 31, 2024	Initial investment amount: Balance as at December 31, 2023	Shares held as at December 31, 2024: Number of shares	Shares held as at December 31, 2024: Ownership (%)	Shares held as at December 31, 2024: Book value	Net profit (loss) of the investee For the year ended December 31, 2024	Investment income (loss) recognized by the Company For the year ended December 31, 2024	Footnote
TECO ELECTRIC & MACHINERY CO., LTD.	Tong Dai	Taiwan	Distribution of the Company's motor products in Taichung	$ 22,444	$ 22,444	6,615,234	83.53%	$ 411,476	$ 94,647	$ 78,919	None
	Teco Vietnam	Vietnam	Manufacturing and sales of motors	540,453	540,453	-	100%	249,466	(44,241)	(44,463)	None
	Yatec	Taiwan	Development and maintenance of various electric appliances	92,389	92,389	7,800,000	66.67%	141,476	16,077	10,726	None
	Tong-An Assets	Taiwan	Real estate business	2,111,889	2,111,889	395,415,338	100%	5,306,270	116,660	168,567	None
	Taian Subic	Philippines	Manufacturing and sales of switches	165,819	165,819	17,131,155	76.70%	276,764	38,473	29,138	None
	Micropac (BVI) and its subsidiaries	British Virgin Islands	Manufacturing and distribution of optical fiber apparatus and international trading	199,483	199,483	6,883,591	100%	851,234	95,188	91,874	None
	Century Development	Taiwan	Development and management of industrial park	951,141	951,141	100,592,884	28.67%	1,418,314	466,187	126,614	None
	An-Tai International	Taiwan	Investment holdings	150,000	150,000	43,447,554	100%	712,701	27,101	19,739	None
	Taiwan Pelican Express	Taiwan	Logistics and distribution services	255,116	255,116	24,121,700	25.27%	148,910	(9,305)	(6,281)	None
	Taian-Ecobar	Taiwan	Bus bar and manufacturing of its components	70,330	70,330	7,863,000	94.73%	222,865	89,173	80,615	None
	Eagle Holding Co. Ltd.	Cayman Islands	Investment holdings	3,691,723	3,691,723	1	100%	4,890,466	(122,422)	(122,422)	None
	Teco Electro Devices Co., Ltd.	British Virgin Islands	Trading and investment holdings	278,784	-	2,510,000	100%	281,136	25,701	2,512	None
	Shen Chang Electric	Taiwan	Manufacturing and sales of transformers, switchboards and other products	548,330	-	23,840,416	57.21%	558,378	63,055	9,847	None
Eagle Holding Co.	TECO MOTOR B.V.I	Netherlands	Investment holdings	3,691,723	3,691,723	1	100%	4,890,466	(122,422)	(122,422)	None
TECO MOTOR	Motovario S.p.A	Italy	Production and sale of gear reducers and motors	3,989,850	3,989,850	18,010,000	100%	4,890,466	(122,422)	(122,422)	None
Tung Pei	Tung Pei (SAMOA) Industrial Co., Ltd.	Samoa	Investment holdings and establishment of overseas	646,343	646,343	23,031,065	100%	2,054,152	122,474	122,474	None
Tecom	Baycom	Taiwan	Manufacturing and sales of optical telecom products	431,258	431,258	14,700,741	43.76%	188,156	(3,831)	(1,677)	None
Tong-An Investment	Century Development	Taiwan	Development and management of industrial park	420,646	420,646	46,235,042	13.18%	707,394	466,187	61,424	None
	Taiwan Pelican Express	Taiwan	Logistics and distribution services	54,874	54,874	6,474,468	6.78%	139,026	(9,305)	(631)	None
	Century Biotech Development Corp.	Taiwan	Development and construction of real estate	514,270	514,270	51,427,000	20.57%	521,692	139,303	28,656	None

Investor	Investee	Location	Main business activities	Initial investment amount: Balance as at December 31, 2024	Initial investment amount: Balance as at December 31, 2023	Shares held as at December 31, 2024: Number of shares	Shares held as at December 31, 2024: Ownership (%)	Shares held as at December 31, 2024: Book value	Net profit (loss) of the investee For the year ended December 31, 2024	Investment income (loss) recognized by the Company For the year ended December 31, 2024	Footnote
Tong-An Investment	Century Real Estate (International) Pte. Ltd.	Singapore	Investing in other areas	$ 274,856	$ 274,856	9,120,000	30%	$ 203,866	($ 12,664)	($ 3,799)	None
Lien Chang	Gen Mao International Corp.	Taiwan	Investment holdings	92,000	92,000	12,553,526	100%	130,535	(1,634)	(1,634)	None
	Gen Mao (Singapore)	Singapore	Investment holdings	582,246	582,246	27,502,355	84.97%	652,101	(12,251)	(9,726)	None
Gen Mao International Corp.	Gen Mao (Singapore)	Singapore	Investment holdings	91,079	91,079	4,866,045	15.03%	115,335	(12,251)	(1,719)	None
Century Development	Centurytech Construction and Management Corp.	Taiwan	Construction and sales of related raw materials	238,170	238,170	3,188,822	100%	43,921	48,103	48,954	None
	Jie-Zheng Property Service & Management Co., Ltd.	Taiwan	Building management servicing	13,750	13,750	1,512,500	50%	87,703	51,142	25,571	None
	United Development	Taiwan	Investment consultancy service for domestic and foreign industrial parks and land	25,536	25,536	6,102,973	51.60%	107,968	12,614	6,508	None
	Century Biotech Development Corp.	Taiwan	Development and construction of real estate	771,460	771,460	77,146,000	30.86%	782,635	139,303	42,989	None
	Greyback International Property	Philippines	Housing project in Subic	-	9,912	-	-	-	-	-	Note 1
	Century Real Estate (International) Pte. Ltd.	Singapore	Investing in other areas	365,820	365,820	12,160,000	40%	271,821	(12,664)	(5,065)	None
Tong-An Assets	Century Development	Taiwan	Leasing of real estate	455,716	455,716	38,280,585	10.91%	507,574	466,187	50,857	None
	Century Biotech Development Corp.	Taiwan	Development and construction of real estate	514,270	514,270	51,427,000	20.57%	521,692	139,303	28,656	None
	Century Real Estate (International) Pte. Ltd.	Singapore	Investing in other areas	274,856	274,856	9,120,000	30%	204,177	(12,664)	(3,799)	None

Note 1: The company was dissolved in 2024 and is still in the liquidation process.

TECO ELECTRIC & MACHINERY CO., LTD

Information on investments in Mainland China

For the year ended December 31, 2024

Table 10

Expressed in thousands of NTD

(Except as otherwise indicated)

Investee in Mainland China	Main business activities	Paid-in capital	Investment method	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2024	Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan for the year ended December 31, 2024		Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2024	Net income of investee for the year ended December 31, 2024	Ownership held by the Company (direct or indirect)(%)	Investment income (loss) recognized by the Company For the year ended December 31, 2024	Book value of investments in Mainland China as of December 31, 2024	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2024	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
Teco (Dong Guang)	Manufacturing and sales of air conditioners mechanical equipment	$ 268,799	Note 2	$ 188,139	$ -	$ -	$ 188,139	($ 321)	100%	($ 321)	$ 137,958	$ -	Note 13
Wuxi Teco	Manufacturing and sales of motors	1,697,276	Note 1	768,259	-	-	768,259	597,135	84.12%	502,310	2,203,615	1,170,060	Note 13
Taian (Wuxi)	Manufacturing and sales of optical fiber	495,123	Note 8	205,551	-	-	205,551	95,388	100%	95,388	932,834	519,086	Note 13
Nanchang Teco	Manufacturing and sales of home appliances	456,293	Note 3	456,293	-	-	456,293	(1,616)	100%	(1,616)	(21,067)	-	Note 13
Jiangxi Teco	Manufacturing and sales of motors	1,481,569	Note 1	1,383,653	-	-	1,383,653	126,421	98.07%	123,981	1,649,474	324,060	Note 13
QingDao Teco	Manufacturing and sales of fine blanking dies, precision cavity modes, standard parts of molds and new electromechanical components	947,331	Note 1	1,648,510	-	-	1,648,510	(4,000)	87.60%	(3,504)	247,420	-	Note 13
Xiamen An-Tai	Development, manufacturing and sales of LCD monitors.	678,681	Note 3	467,577	-	-	467,577	6,789	100%	6,789	264,426	-	Note 18
Teco Han Zhou	Development and consulting of device products	9,837	Note 1	9,837	-	-	9,837	2,084	100%	1,291	19,343	11,937	Note 18
Teco Century	Manufacturing and sales of compressor	680,938	Note 3	340,469	-	-	340,469	7,045	24%	1,779	32,844	-	Note 18
Fujian Teco	Manufacturing and sales of electronic components	391,843	Note 1	391,843	-	-	391,843	53,114	100%	53,114	99,126	-	Note 13
Jiangxi TECO (AC)	Manufacturing and sales of air conditioning mechanical equipment	79,813	Note 3	79,813	-	-	79,813	5,646	100%	5,646	142,099	-	Note 13
Qingdao Teco Innovation	Science Park development and business operations and consulting services	59,444	Note 10	59,444	-	-	59,444	(5,580)	100%	(5,580)	31,823	-	Note 18
Shanghai Teco	Sales of home appliances	23,829	Note 1	23,829	-	-	23,829	99,827	100%	99,827	223,393	411,932	Note 13
Jiangxi TECO Westinghouse Motor Coil Co.,Ltd.	Manufacturing and sales of motors, winding and related elements	119,840	Note 9	-	-	-	-	10,285	100%	10,285	126,642	-	Note 13
Wuxi TECO Precision Industry Co. Ltd.	Production and sale of industrial motors and applications	656,500	Note 11	-	-	-	-	26,827	100%	26,827	910,664	-	Note 13
Beijing Pelican Express	Storage services	26,422	Note 4	26,422	-	-	26,422	-	-	-	-	-	Note 16
Fubon Gehua (Beijing) Trading Co., Ltd.	Merchandise wholesale	347,045	Note 5	24,746	-	-	24,746	-	1.63%	-	-	-	Note 14、15、19
Wuhan Tecom	Communication network information, technology development, sales and technology services business	6,950	Note 12	6,950	-	-	6,950	(1,582)	100%	(1,582)	(2,696)	-	Note 13、17

Investee in Mainland China	Main business activities	Paid-in capital	Investment method	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2024	Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan for the year ended December 31, 2024 — Remitted to Mainland China	Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan for the year ended December 31, 2024 — Remitted back to Taiwan	Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2024	Net income of investee for the year ended December 31, 2024	Ownership held by the Company (direct or indirect)(%)	Investment income (loss) recognized by the Company For the year ended December 31, 2024	Book value of investments in Mainland China as of December 31, 2024	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2024	Footnote
Informantion Technology (Wuxi)	ERP building, system maintenance and purchases of information appliance	$ 10,167	Note 6	$ 10,167	$ -	$ -	$ 10,167	$ 5,700	100%	$ 5,700	$ 40,938	-	Note 13
Wuxi TECO Electro Devices Co. Ltd.	R&D, manufacturing and sales of products and elements related to production capacity precision motors and provide products sales skills	115,225	Note 7	86,101	-	-	86,101	25,701	100%	25,701	281,136	43,266	Note 13

Note 1: Through investing in an existing company in the third area, which then invested in the investee in Mainland China: Invest through United View Global Investment Co., Ltd. and Great Teco Motor (Pte) Ltd. and then invest in Mainland China.
Note 2: Through investing in an existing company in the third area, which then invested in the investee in Mainland China: Invest through United View Global Investment Co., Ltd. and Asia Air Tech Industrial (Pte) Ltd. and then invest in Mainland China.
Note 3: Through investing in an existing company in the third area, which then invested in the investee in Mainland China: Invest through United View Global Investment Co., Ltd. and Asia Electric & Machinery (Pte) Ltd. and then invest in Mainland China.
Note 4: Through investing in an existing company in the third area, which then invested in the investee in Mainland China: Invest through Pelecanus Express Pte. Ltd., and then invest in Mainland China.
Note 5: Through investing in an existing company in the third area, which then invested in the investee in Mainland China: Invest through Asian Crown International Co., Ltd. and then invest in Mainland China.
Note 6: Through investing in an existing company in the third area, which then invested in the investee in Mainland China: Invest through Information Technology Total Service (BVI) Co., Ltd. and then invest in Mainland China.
Note 7: Through investing in an existing company in the third area, which then invested in the investee in Mainland China: Invest through Teco Electro Devices Co., Ltd. and then invest in Mainland China.
Note 8: Through investing in investees in the third areas, which then invested in the investee in Mainland China: Invest through Micropac Worldwide (B.V.I) and An-Tai International Investment (Singapore) Co., Ltd. and then invest in Mainland China.
Note 9: Through investing in investees in the third areas, which then invested in the investee in Mainland China: Invest through Teco Holding USA Inc. and Teco Westinghouse Motor Company and then invest in Mainland China.
Note 10: Through investing in investees in the third areas, which then invested in the investee in Mainland China: Invested through Tecocapital Investment (Samoa) Co., Ltd. and then invest in Mainland China.
Note 11: Through investing in an existing company in the third area, which then invested in the investee in Mainland China: Invest through Great Teco Motor (Pte) Ltd., Teco Australia Pty. Ltd. and Teco Electric & Machinery (Pte) Ltd. and then invest in Mainland China.
Note 12: Direct investment in Mainland China: Tecom Co., Ltd. directly remits investment into the Mainland China.
Note 13: The amount recognized was based on the financial statements that were reviewed by R.O.C. parent company’s CPA firm.
Note 14: Financial assets at fair value through other comprehensive income.
Note 15: As of December 31, 2024, accumulated impairment of $24,746 was accrued.
Note 16: The company was dissolved and liquidated in 2022.
Note 17: There were upstream transactions with the subsidiaries amounting to ($218) during the period.
Note 18: The amount recognized was based on the financial statements that were not reviewed by the other CPA firm.
Note 19: Fubon Gehua (Beijing) Trading Co., Ltd. has been disbanded and liquidated according to the resolution of the board of directors in October 2023. The legal deregistration procedure was completed in April 2024. As of December 31, 2024, the proceeds from liquidation were yet to be collected.

Company name	Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2024	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (MOEA)	Ceiling on investments in Mainland China imposed by the Investment Commission of MOEA
TECO Electric & Machinery Co., Ltd.	$ 6,573,981	$ 8,865,581	$ 49,003,832
Taiwan Pelican Express Co., Ltd.	51,168	51,168	1,229,974
Tecom Co., Ltd.	6,950	681,144	264,647
Information Technology Total Services Co., Ltd.	10,167	10,167	359,188

Note 1: The accounts of the Company are expressed in New Taiwan dollars. Income statement accounts denominated in foreign currencies are translated into New Taiwan dollars at the weighted average exchange rates prevailing at the transaction dates and balance sheet accounts at spot exchange rates prevailing at the balance sheet dates.

Note 2: The amount disclosed was based on Investment Commission, MOEA Regulation No. 09704604680 announced on August 29, 2008.

Note 3: Tecom completed the investment in Mainland China in the third quarter of 2010 and the ceiling on investments was $1,760,251 which was calculated based on Tecom's net assets of $2,933,752 in the third quarter of 2010.

TECO ELECTRIC & MACHINERY CO., LTD

Significant transactions conducted with investees in Mainland China directly or indirectly through other companies in the third areas

For the year ended December 31, 2024

Table 11

Expressed in thousands of NTD
(Except as otherwise indicated)

	Sale (purchase)		Property transaction		Accounts receivable (payable)		Provision of endorsements and guarantees		Financing				
Investee in Mainland China	Amount	%	Amount	%	Balance at December 31, 2024	%	Balance at December 31, 2024	Purpose	Maximum balance during the year ended December 31, 2024	Balance at December 31, 2024	Interest rate	Interest during the year ended December 31, 2024	Others
Shanghai Teco	$ 39,039	-	$ -	-	$ 4,024	-	$ -	-	$ -	$ -	-	$ -	
Wuxi Teco	15,924	-	-	-	8,741	-	-	-	-	-	-	-	
Taian (Wuxi)	12,532	-	-	-	5,092	-	-	-	-	-	-	-	
Jiangxi Teco	11,795	-	-	-	1,585	-	-	-	-	-	-	-	
Wuxi Teco Precision	972	-	-	-	-	-	-	-	-	-	-	-	
Wuxi Teco	(1,603,465)	(8%)	-	-	(528,865)	(12%)	-	-	-	-	-	-	
Taian (Wuxi)	(734,845)	(4%)	-	-	(281,261)	(5%)	-	-	-	-	-	-	
Jiangxi Teco	(152,922)	(1%)	-	-	(24,144)	(1%)	-	-	-	-	-	-	
Wuxi Teco Precision	(81,329)	-	-	-	(15,173)	-	-	-	-	-	-	-	
Genmao (Suzhao)	(92,938)	-	-	-	(19,232)	-	-	-	-	-	-	-	
Jiangxi TECO (AC)	(67,871)	-	-	-	(10,757)	-	-	-	-	-	-	-	
Xiamen An-Tai	(3,288)	-	-	-	-	-	-	-	-	-	-	-	
Wuxi TECO Electro Devices	(9,348)	-	-	-	(17,641)	-	-	-	-	-	-	-	

TECO ELECTRIC & MACHINERY CO., LTD

Major shareholders information

December 31, 2024

Table 12

Name of major shareholders	Shares	
	Number of shares held	Ownership (%)
PJ Asset Management Co., Ltd	373,237,991	17.45%
Walsin Lihwa Co., Ltd	231,104,730	10.80%
Jia-Yuan Investment Co., Ltd	115,451,000	5.39%