GEOVISION Inc.

Consolidated financial statements
And Independent Auditors 'Report
For the Years Ended December 31, 2024 and 2023
(Stock Code: 3356)

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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.

GEOVISION INC.

DECEMBER 31, 2024, AND 2023 CONSOLIDATED FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS' REPORT

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GEOVISION INC. AND SUBSIDIARIES

Declaration of Consolidated financial statements of Affiliated Enterprises

For the year ended December 31, 2024, pursuant to “Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated financial statements of Affiliated Enterprises,” the entities that are required to be included in the consolidated financial statements of affiliates, are the same as the entities required to be included in the consolidated financial statements of parent and subsidiary companies under International Financial Reporting Standard 10. Additionally, if relevant information that should be disclosed in the consolidated financial statements of affiliates has all been disclosed in the consolidated financial statements of parent and subsidiary companies, it shall not be required to prepare separate consolidated financial statements of affiliates.

Hereby declare,

GEOVISION Inc.

Tai, Kuang-Cheng

February 25, 2025

INDEPENDENT AUDITORS' REPORT

To the Board of Directors and Shareholders of GEOVISION INC.

Opinion

We have audited the accompanying consolidated financial statements of GEOVISION Inc. and subsidiaries ("the Group") as of DECEMBER 31, 2024, AND 2023, the consolidated statement of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

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

Basis for opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and generally accepted auditing standards in the Republic of China. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Group in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Group's 2024 consolidated financial statements. These matters were addressed in the context of our audit of the consolidated 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 Group's 2024 consolidated financial statements are stated as follows

Assessment of allowance for inventory valuation losses

Description

Please refer to Note 4(12) for the description of accounting policy, Note 5(2) for accounting estimates and assumption uncertainty in relation to inventory valuation, and Note 6(5) for details of inventory. As of December 31, 2024, the Group’s inventory and allowance for inventory valuation losses amounted to NT$497,424 thousand and NT$135,355 thousand, respectively.

The Group is engaged in manufacturing and selling digital surveillance systems. Due to the rapidly changing technology and stiff competition in the industry, and the cost of key components comprise a major part of the manufacturing cost, there is a higher risk of incurring inventory valuation loss or having obsolete inventory. The Group’s inventories are measured at the lower of cost and net realizable value. The item by item approach is used in identifying the lower of cost and net realizable value which is used as basis in recognizing provision for loss on valuation of inventories that are over a certain age, obsolete or damaged. Given that the Group’s inventory is significant, the items are voluminous and the evaluation of inventories is subject to management’s judgement, we consider the estimation of the allowance for inventory valuation loss a key audit matter.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

1. Discussed with management to determine whether the provision policy and procedure of allowance for inventory valuation loss is consistently applied for the comparative periods in the financial statements.
2. Obtained an understanding on the warehouse management processes, reviewed the annual physical inventory count plan and participated in the annual inventory count in order to evaluate the effectiveness of procedures used by the management to identify and control obsolete inventories.
3. Verified the accuracy of inventory aging report and selected samples in last transaction date before the balance sheet date in order to calculate the accuracy of inventory aging interval.

Existence of revenue

Description

Please refer to Note 4(26) for accounting policy on revenue recognition. The Group has two types of sales customers: distributors and retail. Because the Group has a large number of customers located in various locations, there is a higher risk of existence of sales customers and high probability of uncollectible accounts. Therefore, we consider the existence of sales customers 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. Evaluated the internal controls over customers' credit check which were designed and performed by management, and reviewed the related credit evaluation documents of customers to determine whether these were properly approved.
2. Selected samples and checked the consistency of transaction details against supporting documents for high-growth customers.
3. Sent out accounts receivable confirmations to major customers, verified the confirmation replies against company records and investigated differences, if any.

Other matter- Reference to the audits of other auditors

We did not audit the financial statements of certain investments accounted for under the equity method of the Group, which were audited by other auditors.

For the year ended December 31, 2024 and 2023, the assets (including investment using equity method) in the Group's financial statements amounted to NT$ 152,754 thousand and NT$ 160,187 thousand, constituting 5.53 % and 6.46 % of the Group's total assets. For the year ended December 31, 2024 and 2023, the operating revenue amounted to NT$ 209,364 thousand and NT$ 213,732 thousand, constituting 17.48% and 16.91% of the Group's consolidated operating revenue.

Other matter – Parent company only financial reports

We have audited and expressed an unqualified opinion on the parent company only financial statements of GeoVision Inc., in other matter paragraph as at and for the year ended December 31, 2024 and 2023.

Responsibilities of management and those charged with governance for the consolidated financial statements

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

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

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

Auditors' responsibilities for the audit of the consolidated financial statements

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

As part of an audit in accordance with the generally accepted auditing standards in the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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

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

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

Jen-Chieh Wu   Chieh-Ju Hsu

For and on behalf of PricewaterhouseCoopers, Taiwan
February 25, 2025

The accompanying consolidated 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 consolidated 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.

GEOVISION INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

	Assets	Notes	December 31, 2024 AMOUNT	%	December 31, 2023 AMOUNT	%
	Current assets					
1100	Cash and cash equivalents	6(1)	$ 822,093	30	$ 901,673	36
1110	Financial assets at fair value through profit or loss - current	6(2) and 8	1,144,109	41	637,632	26
1136	Financial assets at amortized cost - current	6(3) and 8	11,548	-	10,757	1
1170	Accounts receivable, net	6(4) and 7	150,859	6	130,264	5
130X	Inventories	6(5)	362,069	13	494,540	20
1470	Other current assets		26,638	1	23,782	1
11XX	**Current Assets**		2,517,316	91	2,198,648	89
	Non-current assets					
1510	Financial assets at fair value through profit or loss - non-current	6(2)	2,202	-	1,956	-
1550	Investments accounted for under the equity method	6(6)	9,101	-	10,501	-
1600	Property, plant and equipment		648	-	1,317	-
1755	Right-of-use assets	6(7)	95,852	4	111,601	4
1780	Intangible assets		975	-	1,207	-
1840	Deferred income tax assets	6(21)	117,177	4	137,984	6
1900	Other non-current assets	6(10)	17,750	1	14,636	1
15XX	**Non-current assets**		243,705	9	279,202	11
1XXX	**Total assets**		$ 2,761,021	100	$ 2,477,850	100

(Continued)

GEOVISION INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

	Liabilities and Equity	Notes	December 31, 2024 AMOUNT	%	December 31, 2023 AMOUNT	%
	Current liabilities					
2100	Short-term borrowings	6(8)	$ 95,000	4	$ 95,000	4
2120	Financial liabilities at fair value – current	6(2)	204	-	-	-
2170	Accounts payable		88,559	3	56,941	2
2200	Other payables	6(9)	109,598	3	60,647	3
2230	Current income tax liabilities		7,716	-	74,488	3
2280	Lease liabilities - current		35,113	1	32,694	1
2300	Other current liabilities - other	6(16)	25,877	1	31,391	1
21XX	**Current Liabilities**		362,067	13	351,161	14
	Non-current liabilities					
2570	Deferred income tax liabilities	6(21)	6,632	-	973	-
2580	Lease liabilities - non-current		64,260	3	82,065	4
25XX	**Non-current liabilities**		70,892	3	83,038	4
2XXX	**Total Liabilities**		432,959	16	434,199	18
	Equity attributable to owners of parent					
	Share capital	6(11)				
3110	Common stock		799,417	29	898,221	36
	Capital surplus					
3200	Capital surplus	6(12)	225,409	8	225,409	9
	Retained earnings	6(13)				
3310	Legal reserve		576,210	21	547,570	22
3320	Special reserve		10,890	-	10,781	-
3350	Unappropriated retained earnings		689,851	25	351,011	14
	Other equity interest					
3400	Other equity interest	6(14)	12,606	1	(10,890)	-
31XX	**Equity attributable to owners of parent**		2,314,383	84	2,022,102	81
36XX	**Non-controlling interests**	6(15)	13,679	-	21,549	1
3XXX	**Total equity**		2,328,062	84	2,043,651	82
3X2X	**Total liabilities and equity**		$ 2,761,021	100	$ 2,477,850	100

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

GEOVISION INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars, except for earnings per share)

	Items	Notes	2024 AMOUNT	2024 %	2023 AMOUNT	2023 %
4000	Operating revenue	6(16) and 7	$ 1,197,847	100	$ 1,264,094	100
5000	Operating Cost	6(5)(19)	(625,828)	(52)	(660,348)	(52)
5900	Gross profit		572,019	48	603,746	48
	Operating expenses	6(19)				
6100	Selling expenses		(226,839)	(19)	(242,694)	(19)
6200	General & administrative expenses		(97,782)	(8)	(95,811)	(8)
6300	Research and development expenses		(134,228)	(11)	(129,749)	(10)
6450	Gain on reversal of expected credit losses	12(2)	-	-	-	-
6000	Total operating expenses		(458,849)	(38)	(468,254)	(37)
6900	Operating profit		113,170	10	135,492	11
	Non-operating income and expenses					
7100	Interest income		22,433	2	20,185	1
7010	Other income	6(17)	22,078	2	16,987	1
7020	Other gains and losses	6(18)	530,791	44	161,971	13
7050	Financial costs		(5,369)	(1)	(4,784)	-
7070	Share of profit of associates and joint ventures accounted for using equity method	6(6)	(1,908)	-	130	-
7000	Non-operating revenue and expenses		568,025	47	194,489	15
7900	**Profit before income tax**		681,195	57	329,981	26
7950	Income tax expense	6(21)	(52,415)	(4)	(37,244)	(3)
8200	**Profit for the period**		$ 628,780	53	$ 292,737	23

(Continued)

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

GEOVISION INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars, except for earnings per share)

			Year ended December 31			
			2024		2023	
	Items	Notes	AMOUNT	%	AMOUNT	%
	Other comprehensive income (loss) Components of other comprehensive income (loss) that will not be reclassified to profit or loss					
8311	Gain (losses) on re-measurement of defined benefit plans	6(10)	$ 3,596	-	($ 978)	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(21)	(719)	-	196	-
	Components of other comprehensive income (loss) that will be reclassified to profit or loss					
8361	Financial statements translation differences of foreign operations	6(14)(15)	23,453	2	(71)	-
8370	Other comprehensive income of subsidiaries, affiliated and joint ventures that using the equity method – will be reclassified to profit or loss	6(6)(14)	222	-	(120)	-
8360	Components of other comprehensive loss that will be reclassified to profit or loss		23,675	2	(191)	-
8300	**Total other comprehensive profit (net)**		$ 26,552	2	($ 973)	-
8500	**Total comprehensive income for the period**		$ 655,332	55	$ 291,764	23
	Profit, attributable to:					
8610	Owners of the parent		$ 625,196	53	$ 287,177	23
8620	Non-controlling interest		3,584	-	5,560	-
			$ 628,780	53	$ 292,737	23
	Comprehensive profit (loss), attributable to:					
8710	Owners of the parent		$ 651,569	55	$ 286,286	23
8720	Non-controlling interest		3,763	-	5,478	-
			$ 655,332	55	$ 291,764	23
	Earnings per share	6(22)				
9750	Basic		$ 7.20		3.20	
	Diluted earnings per share					
9850	Diluted		$ 7.18		3.18	

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

GEOVISION INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

		Equity attributable to owners of the parent								
				Retained Earnings						
	Note	Common Stock	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earning	Exchange differences on transaction of foreign financial statement	Total	Non-controlling interest	Total equity
Year 2023										
Balance at January 1, 2023		$ 898,221	$ 225,409	$ 536,759	$ 51,664	$ 160,294	($ 10,781)	$ 1,861,566	$ 19,928	$ 1,881,494
Profit for the year		-	-	-	-	287,177	-	287,177	5,560	292,737
Other comprehensive income (loss)	6(14)(15)	-	-	-	-	(782)	(109)	(891)	(82)	(973)
Total comprehensive income (loss)		-	-	-	-	286,395	(109)	286,286	5,478	291,764
Appropriation and distribution of retained earnings in 2022:	6(13)									
Legal reserve appropriated		-	-	10,811	-	(10,811)	-	-	-	-
Reversal of special reserve		-	-	-	(40,883)	40,883	-	-	-	-
Cash dividends		-	-	-	-	(125,750)	-	(125,750)	-	(125,750)
Decrease on non-controlling interest	6(15)	-	-	-	-	-	-	-	(3,857)	(3,857)
Balance at December 31, 2023		$ 898,221	$ 225,409	$ 547,570	$ 10,781	$ 351,011	($ 10,890)	$ 2,022,102	$ 21,549	$ 2,043,651
Year 2024										
Balance at January 1, 2024		$ 898,221	$ 225,409	$ 547,570	$ 10,781	$ 351,011	($ 10,890)	$ 2,022,102	$ 21,549	$ 2,043,651
Profit for the year		-	-	-	-	625,196	-	625,196	3,584	628,780
Other comprehensive income (loss)	6(14)(15)	-	-	-	-	2,877	23,496	26,373	179	26,552
Total comprehensive income (loss)		-	-	-	-	628,073	23,496	651,569	3,763	655,332
Appropriation and distribution of retained earnings in 2023:	6(13)									
Legal reserve appropriated		-	-	28,640	-	(28,640)	-	-	-	-
Special reserve appropriated		-	-	-	109	(109)	-	-	-	-
Cash dividends		-	-	-	-	(260,484)	-	(260,484)	-	(260,484)
Cash capital reduction	6(11)	(98,804)						(98,804)		(98,804)
Decrease on non-controlling interest	6(15)	-	-	-	-	-	-	-	(11,633)	(11,633)
Balance at December 31, 2024		$ 799,417	$ 225,409	$ 576,210	$ 10,890	$ 689,851	$ 12,606	$ 2,314,383	$ 13,679	$ 2,328,062

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

GEOVISION INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31 2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		$ 681,195	$ 329,981
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(19)	39,769	40,037
Amortization	6(19)	440	472
Net gain from financial assets and liabilities measured at fair value through profit or loss	6(18)	(488,419)	(141,334)
Interest expense		5,369	4,784
Interest income		(22,433)	(20,185)
Dividend income	6(17)	(15,853)	(12,281)
Loss(gain) on investments accounted for using equity method	6(6)	1,908	(130)
Changes in operating assets and liabilities:			
Changes in operating assets:			
Financial assets or liabilities at fair value through profit or loss		100	9,257
Accounts receivable		(11,348)	(8,900)
Accounts receivable - related parties		942	3,235
Inventories		132,471	312,818
Other current assets		(3,636)	(5,073)
Defined benefit asset, net		37	(53)
Changes in operating liabilities			
Accounts payable		31,618	(18,352)
Other payables		50,126	5,690
Other current liabilities		(4,011)	7,922
Cash inflow generated from operations		398,275	507,888
Interest received		23,213	19,321
Interest paid		(5,017)	(4,664)
Income tax paid		(92,720)	(47,158)
Net cash flows from operating activities		323,751	475,387

(Continued)

GEOVISION INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31 2024	2023
CASH FLOWS FROM INVESTMENT ACTIVITIES			
Acquisition of financial assets at fair value through profit or loss		($ 92,639)	($ 84,090)
Disposal of financial assets at fair value through profit or loss		74,439	35,480
Acquisition of financial assets at amortization cost - current		(45,252)	(10,757)
Decreasing of financial assets at amortization cost - current		44,461	58,345
Acquisition of investment using equity method		-	(3,036)
Acquisition of property, plant and equipment		(195)	(201)
Acquisition of intangible assets		(175)	-
Increase(decrease) on refundable deposits		463	(1,198)
Dividend received		15,853	12,281
Net cash flows (used in) from investing activities		(3,045)	6,824
CASH FLOWS FROM FINANCING ACTIVITIES			
Decrease in short-term loans		(95,000)	(129,626)
Increasing of short-term debts		95,000	205,000
Repayment of long-term debts		-	(1,361)
Repayment of lease principal		(41,715)	(41,072)
Cash dividend paid	6(13)	(260,484)	(125,750)
Cash dividends paid to non-controlling interests	6(15)	(1,833)	(3,857)
Change in non-controlling interest	6(15)	(9,800)	-
Cash capital reduction	6(11)	(98,804)	-
Net cash flows used in financing activities		(412,636)	(96,666)
Effect of exchange rate changes on cash and cash equivalents		12,350	(313)
Net (decrease) increase in cash and cash equivalents		(79,580)	385,232
Cash and cash equivalents at beginning of the year		901,673	516,441
Cash and cash equivalents at end of the year		$ 822,093	$ 901,673

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

GEOVISION INC. AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

1. History and Organization

GeoVision Inc. (the "Company") was incorporated as a company limited by shares under the provisions ofthe Company Act of the Republic of China (R.O.C.). The Company and its subsidiaries (collectively referred herein as the "Group") are primarily engaged in the R&D, sales and after-sales service of remote digital monitoring system.

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

These consolidated financial statements were approved and authorized for issuance by the Board of Directors on February 25, 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 ("IFRSs") as endorsed by the Financial Supervisory Commission ("FSC")

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

New Standards, Interpretations and Amendments	Effective date by International Accounting Standard Board
Amendments to IFRS 16, "Lease Liability in a Sale and Leaseback"	January 1, 2024
Amendments to IAS 1, "Classifying 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 Group's financial condition and financial performance based on the Group's assessment.

(2) Effect of new issuances of or amendments to IFRSs as endorsed by the FSC but not yet adopted by the Group

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 Standard Board
Amendments to IAS 21 " Lack of Exchangeability"	January 1, 2025

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

(3) Effect of IFRSs issued by IASB but not yet endorsed by the FSC

The following table summarizes the newly issued, amended, and revised Standards and Interpretations under the International Financial Reporting Standards (IFRS) that have been issued by the International Accounting Standards Board (IASB) but have not yet been endorsed by the Financial Supervisory Commission (FSC).

New Standards, Interpretations and Amendments	Effective date by International Accounting Standard 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 Involving Renewable Power"	January 1, 2026
Amendments to IFRS 10 and IFRS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"	To be determined by International Accounting
IFRS 17 "Insurance Contracts"	January 1, 2023
IFRS 17 Amendments to "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17 "Initial Application of IFRS 17 and IFRS 9 – Comparative Information"	January 1, 2023
IFRS 18 "Presentation and Disclosure in Financial Statements"	January 1, 2027
IFRS 19 "Subsidiaries without Public Accountability: Disclosures"	January 1, 2027
Annual Improvements to IFRS Accounting Standards – Volume 11	January 1, 2026

Except for the following, the Group has assessed that the above standards and interpretations do not have a significant impact on the Group's financial position and financial performance.

IFRS 18 "Presentation and Disclosure of Financial Statements"

IFRS 18 "Presentation and Disclosure of Financial Statements" replaces IAS 1 and updates the structure of the statement of comprehensive income. It also introduces new disclosures for management performance measures and strengthens the principles of aggregation and disaggregation applied in the primary financial statements and the notes.

4. Summary of Significant Accounting Policies

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

(1) Compliance statement

The consolidated financial statements of the Group have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the FSC (collectively referred herein as the "IFRSs").

(2) Basis of preparation

A. Except for the significant items listed below, these consolidated financial statements have been prepared on a historical cost basis:

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

(b) Defined benefit liabilities recognized as the net amount of the present value of defined benefit obligations less the fair value of plan assets.

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 Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

(3) Basis of consolidation

A. Basis for preparation of consolidated financial statements:

(a) All subsidiaries are included in the Group's consolidated financial statements. Subsidiaries are all entities (including structured entities) controlled by the Group. The Group controls an entity when the Group 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. Consolidation of subsidiaries begins from the date the Group obtains control of the subsidiaries and ceases when the Group loses control of the subsidiaries.

(b) Inter-company transactions, balances and unrealized gains or losses on transactions between companies within the Group are eliminated. Accounting policies of subsidiaries are consistent with the policies adopted by the Group.

(c) Profit or loss and each component of other comprehensive income are attributed to the owners of the parent and to the non-controlling interests. Total comprehensive income is attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

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

(e) When the Group loses control of a subsidiary, the Group re-measures any investment retained in the former subsidiary at its fair value. That fair value is regarded as the fair value on initial recognition of a financial asset or the cost on initial recognition of the associate or joint venture. Any difference between fair value and carrying amount is recognized in profit or loss. All amounts previously recognized in other comprehensive income in relation to the subsidiary are reclassified to profit or loss.

B. Subsidiaries included in the consolidated financial statements:

			Ownership (%)		
Name of Investor	Name of Subsidiary	Main Business Activities	December 31,2024	December 31, 2023	Description
GeoVision Inc.,	USA Vision System Inc.	Operating digital surveillance system business	100	100	
GeoVision Inc.,	GeoVision Japan Inc.,	Operating digital surveillance system business	95	95	
GeoVision Inc.,	Europe Vision System s.r.o	Operating digital surveillance system business	100	100	

Name of Investor	Name of Subsidiary	Main Business Activities	December 31,2024	December 31, 2023	Description
GeoVision Inc.,	IDI Signage Inc.	R & D of electronic digital panel	51	51	
GeoVision Inc.,	Cyber Surveillance Co., Ltd	Investment Company	100	100	
GeoVision Inc.,	GeoVision Vietnam Systems Co., Ltd	Operating digital surveillance system business	100	100	
Cyber Surveillance Co., Ltd	GeoVision Technology (Shanghai) Co., Ltd	Operating digital surveillance system business	100	100	
USA Vision System Inc.	GeoVision Surveillance Canada Inc.	Operating digital surveillance system business	100	100	
USA Vision System Inc.	GVInstall, LLC	Operating digital surveillance system business	88	88	
GeoVision Vietnam Systems Co., Ltd	GV ENGINEERING SOLIUTIONS Co. Ltd	Operating digital surveillance system business	100	-	Note

Note: GeoVision Vietnam Systems Co., Ltd. made a prepaid investment of $1,613 (VND 1.25 billion) on September 23, 2024, to establish GV ENGINEERING SOLUTIONS Co., Ltd., a wholly-owned subsidiary. The company completed its registration on October 9, 2024.

C. Subsidiaries not included in the consolidated financial statements: None.

D. Adjustments for subsidiaries with different balance sheet dates: None.

E. Significant restrictions: None.

F. Subsidiaries that have non-controlling interests that are material to the Group: None.

(4) Foreign currency translation

The consolidated financial statements are presented in New Taiwan dollars (NTD), which is the Group’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 re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions are recognized 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 recognized 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 recognized 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 recognized 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 other foreign exchange gains and losses based on the nature of those transactions 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 group entities 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 recognized in other comprehensive income.

(b) 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 interest in this foreign operation. In addition, even when the Group 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.

(5) Classification of current and non-current items

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 realized, 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 realized within twelve months from the balance sheet date;

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

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

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 paid off within the normal operating cycle;

(b) Liabilities arising mainly from trading activities;

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

(d) Liabilities for which the repayment date cannot be extended unconditionally to more than twelve months after the balance sheet date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

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

(6) 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.

(7) 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 recognized and derecognized using trade date accounting.

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

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

(8) Financial assets at amortized cost

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

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

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

B. On a regular way purchase or sale basis, financial assets at amortized cost are recognized and derecognized using trade date accounting.

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

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

(9) Accounts and notes receivable

A. Accounts and notes receivable entitle the Group 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 measuredat initial invoice amount as the effect of discounting is immaterial.

(10) Impairment of financial assets

For financial assets at amortized cost at each reporting date, the Group recognizes the impairment provision for 12 months expected credit losses if there has not been a significant increase in credit risk since initial recognition or recognizes 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 that do not contain a significant financing component, the Group recognizes the impairment provision for lifetime ECLs.

(11) De-recognition of financial assets

The Group derecognizes a financial asset when the contractual rights to receive the cash flows from the financial asset expire.

(12) Inventories

Inventories are stated at the lower of cost and net realizable value. Cost is determined using the weighted-average method. The cost of finished goods and work in progress comprises raw materials, direct labor, other direct costs and related production overheads allocated based on normaloperating 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 equity method / associates

A. Associates are all entities over which the Group 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 recognized at cost.

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

C. 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 Group's ownership percentage of the associate, the Group recognizes change in ownership interests in the associate in 'capital surplus' in proportion to its ownership.

D. Unrealized gains on transactions between the Group and its associates are eliminated to the extent of the Group'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 Group.

E. When the Group disposes its investment in an associate and loses significant influence over this associate, the amounts previously recognized 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, the amounts previously recognized in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately in accordance with the aforementioned approach.

(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 recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount ofthe replaced part is derecognized. 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. 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 usefullives 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. Except for the useful lives of house and building is 39 years, The other estimated useful lives as follows:

Office equipment	5 years
Other equipment	2~8 years

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

A. Leases are recognized 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 Group. For short-term leases or leases of low-value assets, lease payments are recognized 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 payment includes:

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

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

The Group subsequently measures the lease liability at amortized cost using the interest method and recognizes interest expense over the lease term. The lease liability is re-measured and the amount of re-measurement is recognized 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;

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

(c) Any original direct costs incurred; and

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 re-measured, the amount of re-measurement is recognized as an adjustment to the right-of-use asset.

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

(16) Intangible assets

Computer software are stated initially at its cost and amortized on a straight-line basis over their estimated useful lives of 3 ~ 5 years.

(17) Impairment of non-financial assets

The Group 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 recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or value in use. When the circumstances or reasons for 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 thanwhat the depreciated or amortized historical cost would have been if the impairment had not been recognized.

(18) Borrowings

Borrowings is long and short-term bank borrowings. Borrowings are recognizedinitially 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 recognized in profit or loss over the period of the borrowings using the effective interest method.

(19) Accounts and notes payable

A. Accounts and 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.

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

A. It is incurred principally for the purpose of repurchasing it in the near term and derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

B. At initial recognition, the Group measures the financial assets at fair value and recognizes the transaction costs in profit or loss. The Group subsequently measures the financial assets at fair value, and recognizes the gain or loss in profit or loss.

(21) Derecognizing of financial liabilities

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

(22) Non-Hedging derivative and embedded derivatives

A. Derivatives that are not hedging instruments are measured at fair value on the date of signing the contract at the time of initial recognition, and are accounted for as financial assets or liabilities measured at fair value through profit or loss, and are subsequently measured at fair value, with the benefit or loss recognized in profit or loss.

(23) 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 recognized as expense in that period when the employees render service.

B. Pensions

(a) Defined contribution plans

For defined contribution plans, the contributions are recognized as pension expense when they are due on an accrual basis. Prepaid contributions are recognized 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 Group in current period or prior periods. The liability recognized in the balance sheet inrespect of defined benefit pension plans is the present value of the defined benefitobligation at the balance sheet date less the fair value of plan assets. The net defined benefitobligation is calculated annually by independent actuaries using the projected unit credit method. The rate used to discount is determined by using interest rates of government bonds (at the balance sheet date) of a currency and term consistent with the currency and term of the employment benefit obligations.

ii. Re-measurements arising on defined benefit plans are recognized in other comprehensive income in the period in which they arise and are recorded as retained earnings.

C. Termination benefits

Termination benefits are benefits provided when the employee's employment is terminated before the normal retirement date or when the employee decides to accept the company's welfare offer in exchange for the termination of employment. The Group recognizes an expense when it is no longer possible to withdraw the offer of termination benefits or when the related restructuring costs are recognized, whichever is earlier. Benefits that are not expected to be fully settled within 12 months after the balance sheet date are discounted.

D. Employees' compensation and directors' remuneration

Employees' compensation and directors' remuneration are recognized 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 employees' compensation is distributed by shares, the basis for calculating the number of shares is to evaluate the fair value by means of evaluation techniques and other methods in accordance with the provisions of IFRS No. 2 "Share-Based Compensation".

(24) Income tax

A.The tax expense for the period comprises current and deferred tax. Tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or items recognized directly in equity, in which cases the tax is recognized 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 Group and its subsidiaries operateand generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in accordance with applicable tax regulations. It establishes provisionswhere appropriate based on the amounts expected to be paid to the tax authorities. An additionaltax is levied on the unappropriated retained earnings and is recorded as income tax expense in the year the stockholders resolve to retain the earnings.

C. Deferred tax is recognized, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated balance sheet. However, the deferred 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 either accounting nor taxable profit or loss. Deferred 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 controlledby the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax is determined using tax rates (and laws) that have been enactedor substantially enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realized or the deferred tax liability is settled.

D. Deferred tax assets are recognized 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, unrecognized and recognized deferred 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 recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. Deferred 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 ona net basis or realize the asset and settle the liability simultaneously.

(25) Dividends

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

(26) Revenue recognition

A. The Group manufactures and sells webcam, video servers and components. Sales are recognized when control of the products has transferred, being when the products are delivered to the customer, the customer has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, or the Group has objective evidence that all criteria for acceptance have been satisfied.

B. Revenue from sales is recognized based on the price specified in the contract, net of the estimated sales discounts and allowances. Accumulated experience is used to estimate and provide for the sales discounts and allowances, using the expected value method, and revenue is only recognized 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 recognized for expected sales discounts and allowances payable to customers in relation to sales made until the end of the reporting period. The sales usually are made with a credit term of 30 to 90 days, which is consistent with market practice. As the time interval between the transfer of committed goods or service and the payment of customer does not exceed one year, the Group does not adjust the transaction price to reflect the time value of money.

C. A receivable is recognized 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.

(27) Government grants

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

(28) Operating department

The Group's operating department information is reported in a consistent manner with the internal management reports provided to the main operating decision makers. The Chief Operating Decision Maker is responsible for allocating resources to operating departments and evaluating their performance which is the Board of Directors of the Group.

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

The preparation of these CONSOLIDATED FINANCIAL STATEMENTS requires management to make critical judgements in applying the Group's accounting policies and make critical assumptions and estimatesconcerning future events; and the related information is addressed below:

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

None.

(2) Critical accounting estimates and assumptions

Evaluation of inventories

As inventories are stated at the lower of cost and net realizable value, the Group must determine the net realizable value of inventories on balance sheet date using judgements and estimates. Due to the rapid technology innovation, the Group evaluates the amounts of normal inventory consumption, obsolete inventories or inventories without market selling value on balance sheet date,and writes down the cost of inventories to the net realizable value. Such an evaluation of inventoriesis principally based on the demand for products within the specified period in the future. Therefore, there might be material changesto the evaluation.As of December 31, 2024, the carrying amount of inventories is disclosed in Note 6(5).

6. Details of Significant Accounts

(1) Cash and cash equivalents

	December 31, 2024	December 31, 2023
Cash on hand	$ 228	$ 344
Checking accounts and demand deposits	717,042	601,237
Certificate of deposit	35,205	135,228
Repurchase bond	69,618	164,864
	$ 822,093	$ 901,673

A. The Group 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. The Group reclassified the pledged bank deposits and time deposits with more than three months maturity to "Financial assets at amortized cost", please refer to Notes 6(3) for the details.

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

Assets items	December 31, 2024	December 31, 2023
Current items:		
Equity instrument	$ 1,144,109	$ 637,632
Derivatives	-	-
Total	$ 1,144,109	$ 637,632
Non-current		
Equity instrument	$ 2,202	$ 1,956

Liability items	December 31, 2024	December 31, 2023
Current items:		
Derivatives	($ 204)	$ -

A. The nature of financial assets and liabilities at fair value through profit or loss is as follows:

(a) Equity instrument: including listed and unlisted stocks.

(b) Derivatives: Swap contracts and options.

(c) Benefit certificate: open-end fund.

B. The details of financial assets and liability at fair value through profit or loss are recognized as follows:

	2024	2023
Equity instrument	$ 488,778	$ 142,140
Derivatives	(359)	(806)
Total	$ 488,419	$ 141,334

C. Hedging accounting (December 31, 2023: None)

December 31, 2024				
Financial liabilities	Contract amount (Principal)			Contract period
Current:				
Cross currency swap	USD (buy)	$	900	2024/12/18 – 2025/1/17
	NTD (sell)		29,520	

D. The Group use financial assets at fair value through profit or loss as pledged assets are provided in Note 8.

(3) Current financial assets at amortized cost

	December 31, 2024	December 31, 2023
Pledged bank deposits	$ 11,548	$ 10,757

A. Amounts recognized in profit or loss in relation to financial assets at amortized cost are listed below:

	2024	2023
Interest income	$ 476	$ 496

B. As at December 31, 2024 and 2023, without taking into account any collateral held or other credit enhancements, the maximum hedge to credit risk in respect of the amount that best represents the Group's financial assets at amortized cost were carrying amounts.

C. The details of the Group's financial assets at amortized cost pledged to others as collateral are provided in Note 8.

D. For credit risk information related to financial assets measured at amortized cost, please refer to Note 12(2).The counterparties for the Group's option margin transactions are financially sound institutions with high credit quality, and the likelihood of default is considered to be very low.

(4) Accounts receivable

	December 31, 2024	December 31, 2023
Account receivable	$ 167,679	$ 167,935
Minus: Allowance for losses	(16,820)	(37,671)
	$ 150,859	$ 130,264

A. There were no any collateral.

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

And as at January 1, 2023, the balance of receivables from contracts with customers amounted to $163,406

C. As at December 31, 2024 and 2023, without taking into account any collateral held or other credit enhancements, the maximum hedge to credit risk in respect of the amount that best represents the Group's accounts receivable were carrying amounts.

D. Information relating to credit risk is provided in Note 12(2).

(5) Inventories

		December 31, 2024		December 31, 2023
Raw material	$	27,028	$	76,811
Work in process		28,454		31,472
Finished goods and merchandise		441,942		519,661
		497,424		627,944
Minus: Allowance for inventory valuation losses	(	135,355)	(	133,404)
	$	362,069	$	494,540

The cost of inventories recognized as expense for the year:

		2024		2023
Cost of goods sold	$	629,880	$	651,002
Loss (gain) on market value decline inventories	(	1,519)		15,626
Loss on physical inventory count and disposal	(	2,533)	(	6,280)
	$	625,828	$	660,348

In 2024, the Group recognized a reduction in cost of goods sold due to a recovery in the net realizable value of inventories, resulting from the effective execution of inventory clearance strategies.

(6) Investments accounted for using equity method

		December 31, 2024		December 31, 2023
Affiliated Enterprises				
Shanghai URight Technology Co., Ltd	$	4,528	$	6,213
GuardVision Monitoring		4,573		4,288
	$	9,101	$	10,501

The share of the operating results of individual insignificant related companies of the Group is summarized as follows:

		2024		2023
Net profit loss for the period from continuing operations	($	1,908)	$	130
Other comprehensive income (net after tax)		222	(	120)
Comprehensive income for current period	($	1,686)	$	10

(7) Leasing arrangements - lessee

A. The Group leases assets including buildings. Rental contracts are typically made for periods of 1 to 5 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 Group leases the partial office, office cars, and business mobile phone with a lease term of less than 12 months.

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

	December 31, 2024	December 31, 2023
	Book value	Book value
Buildings	$ 95,852	$ 111,601

	2024	2023
	Depreciation expense	Depreciation expense
Buildings	$ 38,909	$ 38,508

D. For the years ended December 31, 2024 and 2023, the additions to right-of-use assets were $21,800 and $90,539, respectively.

E. Information on profit or loss in relation to lease contracts is as follows:

	2024	2023
Items affecting profit or loss		
Interest expense on lease liabilities	$ 3,030	$ 3,483
Expense on short-term lease contracts	1,554	1,998

F. For the years ended December 31, 2024 and 2023, the Group’s total cash outflow for leases were $46,299 and $46,553, respectively.

(8) Short-term borrowings

The nature of borrowings	December 31,2024	Interest rate range	Collateral
Bank loans			
Secured loan	$ 60,000	1.95%	Note 7、8
Unsecured loan	35,000	0.50%	None
	$ 95,000		

The nature of borrowings	December 31,2023	Interest rate range	Collateral
Bank loans			
Secured loan	$ 60,000	1.85%	Note 7、8
Unsecured loan	35,000	0.50%	None
	95,000		

A. The credit line for short-term loans is jointly guaranteed by related parties, please refer to Note 7 for details.

B. Please refer to Note 8 for the pledge of the Group's short-term loans.

Note: Secured loans on December 31, 2024 and 2023 were partially guaranteed by the SME Credit Guarantee Fund, and related parties provided joint guarantees. Please refer to Note 7 for details.

(9) Other account payable

	December 31,2024	December 31,2023
Wage payable and bonus	$ 45,708	$ 47,262
Payable for Stock Settlement (Note)	43,015	-
Labor health insurance payable	2,379	2,298
Freight payable	1,964	1,199
Others	16,532	9,888
	$ 109,598	$ 60,647

Note: As of December 31, 2024, the Group purchased 40,000 shares of TSMC stock for NT$43,015 thousand, which remained unpaid as of that date. The transaction was settled on January 3, 2025.

(10) Pensions

A. Defined benefit plans

(a) The Group 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 Labor Standards Act. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement. The Group 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 Group would assess the balance in the aforementioned labor pension reserve account by December 31, every year. If the account balance is insufficient to pay the pension calculatedby the aforementioned method to the employees expected to qualify for retirement in the following year, the Group will make contributions to cover the deficit by next March.

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

	December 31,2024	December 31,2023
Present value of defined benefit obligations	$ 23,068	$ 23,975
Fair value of plan assets	(29,581)	(26,855)
Net defined benefit assets (listed as other non-current assets)	($ 6,513)	($ 2,880)

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

	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit assets
2024			
At January 1	$ 23,975	($ 26,855)	($ 2,880)
Interest (expense) income	312	(349)	(37)
	24,287	(27,204)	(2,917)
Re-measurements:			
Return on plan assets (Note)	-	(2,377)	(2,377)
Change in financial assumptions	(812)	-	(812)
Experience adjustments	(407)	-	(407)
	(1,219)	(2,377)	(3,596)
Pension fund contribution	-	-	-
At December 31	$ 23,068	($ 29,581)	($ 6,513)

	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit assets
2023			
At January 1	$ 22,493	($ 26,298)	($ 3,805)
Interest (expense) income	315	(368)	(53)
	22,808	(26,666)	(3,858)
Re-measurements:			
Return on plan assets (Note)	-	(189)	(1,89)
Change in financial assumptions	305	-	305
Experience adjustments	862	-	862
	1,167	(189)	978
Pension fund contribution	-	-	-
At December 31	$ 23,975	($ 26,855)	($ 2,880)

Note: It does not include the amounts of interest income or expense.

(d) The Bank of Taiwan was commissioned to manage the Fund of the Group's and domestic subsidiaries' defined benefit pension plan in accordance with the Fund's annual investment and utilization plan and the "Regulations for Revenues, Expenditures, Safeguard and Utilization of the Labor Retirement Fund" (Article 6: The scope of utilization 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 utilization 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 Group and domestic subsidiaries have no right to participate in managing and operating that fund and hence the Group and domestic subsidiaries are unable to disclose the classification of plan assets 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 Utilization Report announced by the government.

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

	2024	2023
Discount rate	1.60%	1.30%
Future salary increasing rate	2.50%	2.50%

Assumptions about future mortality rates are based on published statistics and experience estimates from various countries.

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

	Discount rate		Future salary increases	
	Increase 0.25%	Decrease 0.25%	Increase 1%	Decrease 1%
December 31, 2024				
Effect on present value of defined benefit obligation	($ 685)	$ 712	$ 2,902	($ 2,541)
December 31, 2023				
Effect on present value of defined benefit obligation	($ 771)	$ 803	$ 3,279	($ 2,848)

The sensitivity analysis above is based on one assumption which changed while the other conditions remain unchanged. In practice, more than one assumption may change all at once. The method of analyzing 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 Group for the year ending 2025 amount to $0.

(g) As of December 31, 2024, the weighted average duration of the retirement plan is 12 years.

B. Defined contribution plans

(a) Effective July 1, 2005, the Group has established a defined contribution pension plan (the “New Plan”) under the Labor Pension Act, covering all regular employees with R.O.C. nationality. Under the New Plan, the Group 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) According to USA Vision Systems Inc., employee pension plan, the Company contributes a certain percentage of the employee's salary to the employee's special account of the financial institution every month.

(c) The pension costs under defined contribution pension plans of the Group for the years ended December 31, 2024 and 2023, were $9,414 and $9,277, respectively.

(11) Share capital

A. As of December 31, 2024, the Company's authorized capital was NT$1,300,000 thousand, and the paid-in capital amounted to NT$799,417 thousand, divided into 79,942 thousand shares with a par value of NT$10 per share. All issued shares have been fully paid.

B. On May 30, 2024, the Company's shareholders resolved to approve a cash capital reduction. The plan was approved and declared effective by the Taiwan Stock Exchange via letter No. 1131804216 dated September 9, 2024. The capital reduction amounted to NT$98,804 thousand, representing 11% of the Company's capital, with NT$1.1 per share returned to shareholders in cash. The record date for the capital reduction was September 12, 2024, and the registration of the capital change was completed on September 27, 2024.

C. The Group's beginning and ending outstanding common stock adjustment are as follows (unit: thousand shares):

	2024	2023
At January 1	89,822	89,822
Cash capital reduction	(9,880)	-
At December 31	79,942	89,822

(12) 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 Group has no accumulated deficit. Further, the R.O.C. Securities and Exchange Act requires thatthe 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.

	2024			
	Issued at premium	Recognition of changes in net equity value of investments using the equity method	Donated surplus	Total
January 1 (as December 31)	$ 221,602	$ 3,783	$ 24	$ 225,409

	2023			
	Issued at premium	Recognition of changes in net equity value of investments using the equity method	Donated surplus	Total
January 1 (as December 31)	$ 221,602	$ 3,783	$ 24	$ 225,409

(13) Retained earnings

A. Under the Group’s Articles of Incorporation, the current year’s earnings, if any, shall first beused to pay all taxes and offset prior year’s operating losses and then 10% of the remaining amount shall be set aside as legal reserve, unless accumulated legal reserve has reached an amount equal to the Group’s paid-in capital. Also, special reserve shall be set aside or reversedaccording to the laws or regulations. The remaining amount plus accumulated retained earningsin prior years are the distributable earnings. The Board of Directors shall retain a part of the distributable earnings depending on the operational needs, and propose an earnings distribution to the shareholders’ meeting for approval.

B. In accordance with Article 241 of the Group Law, the Group authorizes the board of directors to distribute dividends and bonuses or the provisions of Article 240 of the Group Law with the attendance of more than two-thirds of the directors and the resolution of more than half of the directors present. All or part of the statutory surplus reserve and capital reserve shall be distributed in cash and reported to the shareholders' meeting. The provisions of the preceding paragraph that shall be resolved by the shareholders' meeting shall not apply.

C. The Group's dividend policy is based on the Group's current year and previous year's earnings, taking into account the Group's profitability, capital structure, and future operating needs. After deducting the appropriation required by the Group's articles of association, the board of directors draws up a distribution plan and submits it to the shareholders' meeting for approval. The amount of surplus to be distributed in the current year shall not be less than 20% of the accumulated distributable surplus. Shareholder dividends shall be paid in cash or stock, of which cash dividends shall not be less than 10% of the total dividends

D. 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 Group’s paid-in capital.

E. In accordance with the regulations, the Group 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

F. The appropriations of 2023 and 2022 earnings had been approved by the shareholders during their meeting on May 30, 2024 and May 30, 2023, respectively. Details are summarized below:

	2023		2022	
	Amount	Dividend per share (in dollars)	Amount	Dividend per share (in dollars)
Legal reserve	$ 28,640		$ 10,811	
Special reserve	109		(40,833)	
Cash dividends	260,484	$ 2.90	125,750	$ 1.40
Total	$ 289,233		$ 95,678	

As of February 25, 2025, the Company's earnings distribution proposal for the year 2024 had not yet been resolved by the Board of Directors.

Information about the earnings appropriation resolved by the stockholders will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

G. The information on employee remuneration and remuneration of directors and supervisors are provided in Note 6(20).

(14) Other equity items

	2024	2023
At January 1	($ 10,890)	($ 10,781)
Currency exchange differences – Conversion of foreign operating institutions	23,274	11
Currency exchange differences – Subsidiaries and affiliated companies	222	(120)
At December 31	$ 12,606)	($ 10,890)

(15) Non-controlling equity

	2024	2023
At January 1	$ 21,549	$ 19,928
Share attributable to non-controlling interests:		
Net profit for the period	3,584	5,560
Exchange differences on translation of foreign financial statements	179	(82)
Cash dividend paid	(1,833	(3,857)
Cash Capital Reduction	(9,800)	-
At December 31	$ 13,679	$ 21,549

(16) Operating revenue

Revenue from contracts with customers	2024	2023
Digital surveillance system and related products	$ 1,197,847	$ 1,264,094

A. The Group derives revenue from the transfer of goods and services over time and at a pointin time.

B. The Group recognized revenue from contracts with customers that related to contracts liability (listed in “other current liabilities) as follows:

	December 31, 2024	December 31, 2023	January 1, 2023
Refund liability - sale discount and return	$ 3,478	$ 4,982	$ 4,565
Contracts liability - receipts in advance	$ 4,740	$ 7,450	$ 8,781

C. The beginning contract liabilities recognized as current period revenue:

	2024	2023
Digital surveillance system and related products	$ 2,330	$ 2,429

(17) Other income

	2024	2023
Dividend income	$ 15,853	$ 12,281
Other income - other	6,225	4,706
Total	$ 22,078	$ 16,987

(18) Other gains and losses

	2024	2023
Net profit (loss) on Financial assets at fair value through profit or loss	$ 488,419	$ 141,334
Net profit (loss) on Currency exchange	43,013	20,643
Other gains and losses	(641)	(6)
	$ 530,791	$ 161,971

(19) Expenses by nature

	2024	2023
Employee benefit expense	$ 318,379	$ 312,411
Depreciation expenses (including right-of-use assets)	39,769	40,037
Amortization expense	440	472
	$ 358,588	$ 352,920

(20) Employee benefit expense

	2024	2023
Wages and salaries expense	$ 276,227	$ 273,448
Labor and health insurance fees	25,932	25,367
Pension costs	9,377	9,224
Other personnel expenses	6,843	4,372
	$ 318,379	$ 312,411

A. According to the Articles of Incorporation of the Group, a ratio of distributable profit of the current year, after covering accumulated losses, shall be distributed as employees’ compensation and directors’ remuneration. The ratio shall not be lower than 1% for employees’ compensation and shall not be higher than 1% for directors’ remuneration.

B. For the years ended December 31, 2024 and 2023, the Group’s employees’ compensation was accrued at $12,700 and $15,000, respectively; while directors’ remuneration was accrued at

$0. The aforementioned amounts were recognized in salary expenses and was estimated based on the current profit situation.

For the years 2024 and 2023, employee compensation was estimated at 1.82% and 4.43%, respectively, based on the profitability as of the respective periods. Directors and supervisors' compensation was estimated at 0%.

By the resolution of the board of directors, the 2023 employees' compensation and the directors' remuneration are consistent with the amounts recognized in the 2023 financial report. Relevant information about the employees' compensation and directors' remuneration approved by the board of directors can be inquired at the public information observation station. "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(21) Income tax

A. Income tax expense:

(a) Components of income tax (benefit) expense:

	2024	2023
Current tax:		
Current tax on profits for the year	$ 19,204	$ 26,871
Prior year income tax (over) under estimation	7,464	(9,940)
Total current taxes	26,668	16,931
Deferred taxes:		
Origination and reversal of temporary differences	25,747	20,313
Total deferred taxes	25,747	20,313
Income taxes expenses	$ 52,415	$ 37,244

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

	2024	2023
Re-measurement of defined benefit obligations	($ 719)	$ 196

B. Reconciliation between income tax expense and accounting profit:

	2024	2023
Tax calculated based on profit before tax and statutory tax rate (note)	$ 113,568	$ 51,646
Effect from items off-book adjusted in accordance with tax regulation	(80,512)	(10,287)
Temporary differences not recognized as deferred tax assets	11,895	5,825
Prior year income tax (over) under estimation	7,464	(9,940)
Income taxes expenses	$ 52,415	$ 37,244

Note:The basis for computing the applicable tax rate are the rates applicable in the respective countries where the Group entities operate.

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

	2024				
	January 1	Recognized in profit or loss	Recognized in other comprehensive income	Effect on exchange rate	December 31
Deferred tax assets:					
-Temporary differences:					
Unrealized gross profit	$ 91,946	($ 23,599)	$ -	$ -	$ 68,347
Unrealized exchange loss	1,703	(1,703)	-	-	-
Loss on allowance for inventory	30,529	5,604	-	-	36,133
Allowance for bad debts exceeded	4,392	(699)	-	-	3,693
Loss on investment using equity method	6,874	-	-	-	6,874
Actuarial gains and losses on pension	2,059	-	(719)	-	1,340
Other	481	309	-	-	790
Total	$ 137,984	($ 20,088)	($ 719)	$ -	$ 117,177
Deferred tax liabilities:					
-Temporary differences:					
Valuation gain on unrealized financial assets	($ 973)	($ 3,554)	$ -	$ -	($ 4,527)
Unrealized exchange gain	-	(2,105)	-	-	(2,105)
Total	($ 973)	($ 5,659)	$ -	$ -	($ 6,632)

	2023				
	January 1	Recognized in profit or loss	Recognized in other comprehensive income	Effect on exchange rate	December 31
Deferred tax assets:					
-Temporary differences:					
Unrealized gross profit	$ 107,299	($ 15,353)	$ -	$ -	$ 91,946
Unrealized exchange loss	-	1,703	-	-	1,703
Loss on allowance for inventory	31,696	(1,167)	-	-	30,529
Allowance for bad debts exceeded	8,491	(4,099)	-	-	4,392
Loss on investment using equity method	6,874	-	-	-	6,874
Valuation loss on unrealized financial assets	3,152	(3,152)	-	-	-
Actuarial gains and losses on pension	1,863	-	196	-	2,059
Other	5,580	(5,099)	-	-	481
Total	$ 164,955	($ 27,167)	$ 196	$ -	$ 137,984
Deferred tax liabilities:					
-Temporary differences:					
Valuation gain on unrealized financial assets	$ -	($ 973)	$ -	$ -	($ 973)
Unrealized exchange gain	(7,827)	7,827	-	-	-
Total	($ 7,827)	$ 6,854	$ -	$ -	($ 973)

D. Expiration dates of unused tax losses and amounts of unrecognized deferred tax assets are as follows:

	December 31, 2024			
Year incurred	Amount filed /assessed	Unused amount	Unrecognized deferred tax assets	Expiry year
2017	$ 57,370	$ 937	$ 937	2027

	December 31, 2023			
Year incurred	Amount filed /assessed	Unused amount	Unrecognized deferred tax assets	Expiry year
2017	$ 57,370	$ 937	$ 937	2027

E. Deductible temporary differences not recognized as deferred tax assets: are as follows:

	December 31, 2024	December 31, 2023
Temporary differences can be deducted	$ 478,088	$ 533,026

The above-mentioned deductible temporary difference is the temporary difference between the book value of the long-term equity investment and the tax basis of the Group's assessment of investment in subsidiaries. The deferred income tax assets are not yet recognized, due to there will be no branch companies or repatriated profits in the foreseeable future.

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

(22) Earnings per share

	2024		
	Amount after taxes	Weighted average number of ordinary share outstanding (shares in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Net income for the period	$ 625,196	86,817	$ 7.20
Diluted earnings per share			
Net income for the period	625,196		
Assumed conversion of all dilutive potential ordinary shares:			
- Employees’ compensation	-	285	
Net income plus assumed conversion of all dilutive potential ordinary shares	$ 625,196	87,102	$ 7.18

	2023		
	Amount after taxes	Weighted average number of ordinary share outstanding (shares in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Net income for the period	$ 287,177	89,822	$ 3.20
Diluted earnings per share			
Net income for the period	287,177		
Assumed conversion of all dilutive potential ordinary shares:			
- Employees’ compensation	-	462	
Net income plus assumed conversion of all dilutive potential ordinary shares	$ 287,177	90,284	$ 3.18

(23) Changes in liabilities from financing activities

For the Group's 2024 and 2023 changes in liabilities arising from financing activities, short-term borrowings, long-term borrowing (including current potion) and lease principal repayments, please refer to the impact of the cash flow statement.

7. Related Party Transactions

(1) Names and relationship of related parties

Names of related parties	Relationship with the Group
XVision Technology Inc.	Other related party
Shanghai URight Technology Co., Ltd	Affiliated companies
Kuang-Cheng Tai	CEO of the Group

(2) Significant transactions and balances with related parties

A. Operating revenue

	2024	2023
Sales of goods:		
- Other related party	$ 41,193	$ 30,574
- Affiliated company	128	739
	$ 41,321	$ 31,313

Transactions with the above-mentioned related parties are handled according to the agreed sales price and conditions.

B. Receivables from related parties:

	December 31, 2024	December 31, 2023
Account receivable:		
- Other related party	$ 7,741	$ 8,671
- Affiliated company	14	26
	$ 7,755	$ 8,697

The collection period for the above-mentioned related parties is 45-60 days after the sale of the goods, which is considered market condition, therefore the collection period is longer than the average collection period of 0-30 days for general customers.

C. Endorsement guarantee

As of December 31, 2024 and 2023, the Group's CEO serves as the joint guarantor for the Group's short-term loans.

(3) Key management compensation

	2024	2023
Salaries and other short term employees; benefit	$ 18,549	$ 18,851
Post-employment benefits	597	585
	$ 19,146	$ 19,436

8. Pledged Assets

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

	Book Value		
Assets items	December 31,2024	December 31, 2023	Pledge purpose
Financial assets measured at fair value - stocks	$ 215,000	$ 118,600	Bank guaranteed borrowings
Financial assets measured at amortized cost - pledged deposits	11,548	10,757	Options guaranteed borrowings
	$ 226,548	$ 129,357	

9. Significant Contingent Liabilities and Unrecognized Contract Commitments

A. Contingencies

None.

B. Commitment

None.

10. Significant Disaster Loss

None.

11. Significant Events after the Balance Sheet Date

None.

12. Others

(1) Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimalcapital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, issue new shares or sell assets to reduce debt.

(2) Financial instruments

A. Financial instruments by category

The types of the Group's financial instruments include cash and cash equivalents, financial assets and liabilities measured at fair value through profit and loss, financial assets measured at amortized cost, accounts receivable, other receivables, deposits, short-term borrowing, accounts payable and other payables. The related amounts and information, please refer to Note 6 and the consolidated balance sheet.

B. Financial risk management policies

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

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

(c) For information on undertaking derivatives to avoid financial risks, please refer to Note 6 (2).

C. Significant financial risks and degrees of financial risks

(a) Market risk

Foreign exchange risk

i. The Group operates internationally and is exposed to foreign exchange risk arising fromthe transactions of the Group in various functional currency primarily with respect to the USD and EUR. Foreign exchange risk arises from future commercial transactionsand recognized assets and liabilities.

ii. Management has set up a policy to require companies to manage their foreign exchange risk against their functional currency. Every company should hedge against the overall exchange rate risk through the Group's finance department. The exchange rate risk is measured through the expected transactions of highly probable US dollar expenditures and the use of forward foreign exchange contracts to reduce the impact of exchange rate fluctuations on the expected cost of purchasing inventories.

iii. The Group use forward exchange rate transactions to avoid exchange rate risk, but this does not apply hedging accounting. For the detail of financial assets or liabilities at fair value through profit or loss, please refer to Note 6 (2).

iv. The Group's businesses involve some non-functional currency operations (the Company and some subsidiaries' functional currency is NTD, some subsidiaries' functional currency is USD, CZK and JPY.) 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		
(Foreign currency: functional currency)	Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)
Financial assets			
Monetary items			
USD:NTD	15,278	32.78	$ 500,813
EUR:NTD	6,083	34.13	207,613
Non-monetary items			
Foreign operating organizations			
USD:NTD	11,041	32.78	$ 361,924

	December 31, 2023		
(Foreign currency: functional currency)	Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)
Financial assets			
Monetary items			
USD:NTD	23,472	30.74	$ 721,412
EUR:NTD	5,566	34.01	189,300
Non-monetary items			
Foreign operating organizations			
USD:NTD	12,676	30.74	$ 389,597

v. Analysis of foreign currency market risk arising from significant foreign exchange variation:

	2024		
	Sensitivity analysis		
(Foreign currency: functional currency)	Degree of variation	Effect on profit loss	Effect on other comprehensive income
Financial assets			
Monetary items			
USD:NTD	1%	$ 5,008	$ -
EUR:NTD	1%	2,076	-

	2023		
	Sensitivity analysis		
(Foreign currency: functional currency)	Degree of variation	Effect on profit loss	Effect on other comprehensive income
Financial assets			
Monetary items			
USD:NTD	1%	$ 7,214	$ -
EUR:NTD	1%	1,893	-

vi. In 2024 and 2023, due to the significant impact of exchange rate fluctuations, the total exchange gains and losses (including realized and unrealized) recognized by the Group's monetary items are $43,013 and 20,643, respectively.

Price risk

i. The equity instruments that the Group is exposed to price risk are financial assets held at fair value through profit or loss. In order to manage the price risk of equity instrument investment, the Group disperses its investment portfolio, and the diversification method is based on the limit set by the Group.

ii. The Group mainly invests in equity instruments and open-end funds issued by domestic companies. The prices of these equity instruments will be affected by the uncertainty of the future value of the investment target. If the prices of these equity instruments increase or decrease by 1%, and all other factors remain unchanged, the losses for 2024 and 2023 will increase or decrease by $9,170 and $5,117, respectively.

Cash flow and fair value interest rate risk

i. The Group's interest rate risk comes from short-term borrowings. Borrowings issued at floating rates expose the Group to cash flow interest rate risk, part of which is offset by cash and cash equivalents held at floating rates. Borrowings issued at fixed rates expose the Group to fair value interest rate risk.

ii. If the interest rates on NT dollar and US dollar loans were to increase or decrease by 1%, with all other factors remaining unchanged, the after-tax net profit for the years 2024 and 2023 would increase or decrease by NT$760, respectively. This is primarily due to the change in interest expenses resulting from floating-rate borrowings.

(b) Credit risk

i. The Group's credit risk refers to the risk of financial loss due to customers or counterparties in financial instrument transactions failing to fulfill their contractual obligations. This risk mainly arises from counterparties' inability to settle accounts receivable based on payment terms and from contract cash flows classified as measured at amortized cost.

ii. When the Group conducts daily sales transactions, The transactions are usually in the form of advance payment or cash collection for new customers and most existing customers; If there is a need for a transaction credit line, in addition to considering the customer's past transaction records with the Group, external agencies are used to investigate or measure the current economic and financial conditions to reduce the credit risk of a specific customer.

iii. When the contract payment is more than 90 days overdue according to the agreed payment terms, the Group considers that the credit risk of the financial asset has increased significantly since the original recognition. When the contract payment is overdue for more than 365 days according to the agreed payment terms, it is deemed to have breached the contract.

iv. The Group evaluates the expected credit loss individually for the accounts receivable that have been individually materially breached; The rest of the amount uses a simplified method to estimate the expected credit loss based on the provision matrix, and incorporates the Taiwan Economic Research Institute's Prosperity Observation Report into future forward-looking considerations to adjust the loss rate established based on historical and current information for a specific period to estimate accounts receivable loss allowance. On December 31, 2024 and 2023, the estimated allowance loss of accounts receivable based on individual or reserve matrix is as follows:

	Individual	Not past due	1-90 days past due	91-180 days past due	181-360 days past due	Over 360 days past due	Total
December 31,2024							
Expected loss rate	100%	0.05%~ 19.75%	0.05%~ 26.90%	0.05~ 51.75%	0.05%~ 100%	100%	
Total book value	$ 6,559	$ 105,547	$ 47,057	$ 6,523	$ 1,975	$ 18	$ 167,679
Loss allowance	$ 6,559	$ 4,320	$ 3,074	$ 1,509	$ 1,340	$ 18	$ 16,820

	Individual	Not past due	1-90 days past due	91-180 days past due	181-360 days past due	Over 360 days past due	Total
December 31,2023							
Expected loss rate	100%	0.05%~ 29.51%	0.05%~ 44%	0.05~ 85.92%	0.05%~ 100%	100%	
Total book value	$ 6,150	$ 100,114	$ 48,933	$ 7,738	$ 3,343	$ 1,657	$ 167,935
Loss allowance	$ 6,150	$ 12,207	$ 8,231	$ 6,352	$ 3,074	$ 1,657	$ 37,671

v. The aging analysis of accounts receivable is as follows:

	December 31, 2024	December 31, 2023
Not past due	$ 105,547	$ 100,114
Within 90 days	47,057	48,933
91 – 181 days	6,523	7,738
181 – 360 days	1,975	3,343
Over 361 days	6,577	7,807
	$ 167,679	$ 167,935

Aging analysis based on the number of days overdue.

vi. The Group adopts the simplified method, which the table of changes in the allowance for losses of accounts receivable is as follows:

		2024
At January 1	$	37,671
Write-off	(	22,947)
Effect on exchange rate		2,096
At December 31	$	16,820

		2023
At January 1	$	38,372
Write-off	(	733)
Effect on exchange rate		32
At December 31	$	37,671

The amount mentioned above is the impairment loss recognized in the accounts receivable arising from the customer contract.

vii. The Group's financial instruments measured at amortized cost are held with financial institutions of high credit quality. There is no significant concern of default; therefore, no material credit risk is considered to exist.

(c) Liquidity risk

i. Cash flow forecasting is performed in the operating entities of the Group and aggregatedby Company finance department. Company finance department monitors rolling forecasts of the Group’s liquidity requirements to ensure it has sufficient cash to meet operational needs.

ii. The following table shows the Group's non-derivative financial liabilities and derivative financial liabilities delivered on a net or gross basis, which are grouped according to the relevant maturity date. Non-derivative financial liabilities are analyzed based on the remaining period from the balance sheet date to the contract maturity date; Derivative financial liabilities are analyzed based on the remaining period from the balance sheet date to the expected maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows of other financial liabilities:

December 31, 2024	Less than 1 year	Between 1 and 2 years	Between 2 to 5 years	Total
Non-derivative financial liabilities:				
Lease liabilities	$ 37,100	$ 34,474	$ 30,609	$ 102,183

December 31, 2023	Less than 1 year	Between 1 and 2 years	Between 2 to 5 years	Total
Non-derivative financial liabilities:				
Lease liabilities	$ 35,491	$ 32,602	$ 51,365	$ 119,458

Except as stated above, the Group's non-derivative financial liabilities and derivative financial liabilities are all due within the next year.

iii. The Group does not expect that the cash flow of maturity analysis will be significantly earlier, or the actual amount will be significantly different.

(3) Fair value information

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

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. A market is regarded as active 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.

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

Level 3: Unobservable inputs for the asset or liability. The fair value of the Group's investment in equity investment without active market and investment property is included in Level 3.

B. For those financial instruments of the Group that are not measured by fair value, the book value is a reasonable approximation of the fair value. Please refer to Note 12(2) for details.

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:

(a) The related information of natures of the assets is as follows:

December 31,2024	Level 1	Level 2	Level 3	Total
Assets:				
Recurring fair value				
Financial assets at fair value through profit or loss				
- Equity instrument	$ 1,144,109	$ -	$ 2,202	$ 1,146,311

Liabilities:	Level 1	Level 2	Level 3	Total
Recurring fair value				
Financial assets at fair value through profit or loss				
- Derivatives	$ -	$ 204	$ -	$ 204

December 31,2023	Level 1	Level 2	Level 3	Total
Assets:				
Recurring fair value				
Financial assets at fair value through profit or loss				
Equity instrument	$ 637,632	$ -	$ 1,956	$ 639,588

(b) The methods and assumptions that the Group used to measure fair value are as follows:

i. The Group adopts market quotations as fair prices (that is, Level 1), which are classified according to the characteristics of the instruments as follows:

	Listed (OTC) stock	Open-end fund
Market quotations	Closing price	Net value

ii. Except for the above-mentioned financial instruments with active markets, the fair value of other financial instruments is obtained by evaluation techniques or referring to quotations from counterparties. The fair value obtained through evaluation techniques can refer to the current fair value of other financial instruments with substantially similar conditions and characteristics, discounted cash flow method, or other evaluation techniques, including calculations based on the market information available on the consolidated balance sheet date using models (such as the reference yield curve of the counter shopping center, the average quotation of Reuters commercial paper interest rates).

iii. When assessing non-standard and low-complexity financial instruments, such as exchange rate contract, the Group and its subsidiaries adopts valuation technique that is widelyused by market participants. The inputs used in the valuation method to measure these financial instruments are normally observable in the market.

iv. The evaluation of derivative financial instruments is based on evaluation models widely accepted by market users, such as discount method and option pricing model. Forward foreign exchange contracts are usually evaluated based on the current forward exchange rate.

v. The output of valuation model is an estimated value and the valuation technique may not be able to capture all relevant factors of the Group's financial and non-financial instruments. Therefore, the estimated value derived using the valuation model is adjustedaccordingly with additional inputs, for example, model risk or liquidity risk and etc... In accordance with the Group'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 consolidated balance sheet. The inputs and pricing information used during valuation are carefully assessed and adjusted based on current market conditions.

vi. The Group 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 Group's credit quality.

D. There was no movement between Level 1 and Level 2 for the year of 2024 and 2023.

E. The movement of Level 3 in 2024 and 2023 is as follows:

	Equity Securities	
	2024	2023
At January 1	$ 1,956	$ 2,165
Recognized in current net income as profit or loss	246	(209)
At December 31	$ 2,202	$ 1,956

F. The Group’s valuation process for financial instruments classified within Level 3 of the fair value hierarchy is carried out by the Finance and Accounting Department, which is responsible for independently verifying the fair values. This involves using independent data sources to ensure that the valuation reflects market conditions, confirming that the data sources are independent, reliable, consistent with other sources, and represent executable prices. The inputs and data used in the valuation models, as well as any necessary fair value adjustments, are reviewed and updated regularly to ensure the reasonableness of the valuation results.

In addition, the Finance and Accounting Department establishes policies and procedures for the fair value measurement of financial instruments and ensures that such valuations comply with the relevant requirements of the International Financial Reporting Standards.

G. 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	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instruments:					
Non listed, non OTC stocks	$ 2,202	Comparable Listed OTC Companies Act	Price-to-book ratio multiplier	0.87~7.83 (3.012)	The higher the multiplier and control premium, the higher the fair value
			Lack of market liquidity discount	30%	The higher the discount for lack of market liquidity, the lower the fair value

	Fair value at December 31, 2023	Valuation technique	Significant unobservable	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instruments:					
Non listed, non OTC stocks	$ 1,956	Comparable Listed OTC Companies Act	Price-to-book ratio multiplier	0.97~4.05 (2.208)	The higher the multiplier and control premium, the higher the fair value
			Lack of market liquidity discount	30%	The higher the discount for lack of market liquidity, the lower the fair value

H. The Group has carefully assessed the valuation models and assumptions used to measure fair value. 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:

Financial assets	Period	Input	Change	Favorable change	Unfavorable change
Equity instrument	December 31, 2024	Lack of market liquidity discount	±1%	$ 31	($ 31)
Equity instrument	December 31, 2023	Lack of market liquidity discount	±1%	$ 28	($ 28)

13. Supplementary Disclosures

(1) Significant transactions information

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

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

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

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

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

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 3.

H. Receivables from related parties reaching $100 million or 20% of paid-in capital or more: Please refer to table 4.

I. Trading in derivative instruments undertaken during the reporting periods: Please refer to note 6(2)

J. Significant inter-company transactions during the reporting periods: Please refer to table 5.

(2) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China): Please refer to table 6.

(3) Information on investments in Mainland China

A. Basic information: Please refer to table 7

B. Significant transactions that occur directly or indirectly through enterprises in third regions and investee companies reinvested in mainland China: Neither the Group nor the invested company has this situation.

(4) Major shareholders information

Major shareholders information: Please refer to table 8.

14. Segment Information

(1) General information

The main business items of the Group are the research and development, sales and after-sales service of digital security monitoring systems. The operating decision-makers operate various businesses from the perspective of legal persons in each region, and develop differentiated products to expand business according to the market attributes and needs of each region. At present, mainly in Taiwan, the United States, the Czech Republic and Japan. Among them, Taiwan, the United States, and the Czech Republic are the departments that should be reported, while the subsidiaries in other regions are not separately disclosed because the operating scale has not reached the quantitative threshold of the departments that should be reported. The information of each operating department is prepared in accordance with the Group's accounting policies. The chief operating decision maker of the Group mainly uses the revenue and pre-tax profit and loss of each operating department as indicators for evaluating performance and allocating resources.

(2) Segment information

The segment information provided to the chief operating decision-maker for the reportable segments is as follows:

	Taiwan	United States	Czech Republic	Total
Year of 2024				
Revenue from external customers	$ 154,093	$ 808,348	$ 191,426	$ 1,153,867
Internal income	488,107	51,442	-	539,549
Segment income	$ 642,200	$ 859,790	$ 191,426	$ 1,693,416
Segment loss	$ 737,220	($ 58,196)	$ 2,883	$ 681,907
Depreciation and amortization	$ 19,883	$ 11,274	$ 4,894	$ 36,051

	Taiwan	United States	Czech Republic	Total
Year of 2023				
Revenue from external customers	$ 168,508	$ 874,650	$ 178,328	$ 1,221,486
Internal income	386,973	70,305	-	457,278
Segment income	$ 555,481	$ 944,955	$ 178,328	$ 1,678,764
Segment loss	$ 367,546	($ 28,900)	($ 17,332)	$ 321,314
Depreciation and amortization	$ 19,739	$ 11,214	$ 4,877	$ 35,830

(3) Reconciliation information for reportable segment income (loss)

The sales between each segment are carried out in accordance with the principle of fair value transactions. External revenue reported to the chief operating decision maker is measured in the same way as revenue in the income statement.

In 2024 and 2023, the profit and loss of the department and the pre-tax profit and loss of the continuing operation department are adjusted as follows:

Revenue	2024	2023
Total reportable segment income	$ 1,693,416	$ 1,678,764
Other operating segment income	80,611	79,182
Elimination of intersegment revenue	(576,180)	(493,852)
Total revenue	$ 1,197,847	$ 1,264,094

Profit (loss)	2024	2023
Reportable segment profit (loss)	$ 681,907	$ 321,314
Other operating segment profit (loss)	(712)	8,667
Profit (loss) before tax of continuing operations	$ 681,195	$ 329,981

(4) Information on products and services

The details of the income balance are as follows:

Profit (loss)	2024	2023
Digital surveillance system and related product	$ 1,197,847	$ 1,264,094

(5) Geographical information

Geographical information for the years ended December 31, 2024 and 2023 is as follows:

	2024		2023	
	Revenue	Non-current assets	Revenue	Non-current assets
United States	$ 741,015	$ 22,943	$ 802,029	$ 32,309
Taiwan	52,773	60,044	58,875	79,598
Japan	49,391	4,850	47,079	1,856
France	46,902	-	51,890	-
Other	307,766	18,741	304,221	10,863
Total	$ 1,197,847	$ 106,578	$ 1,264,094	$ 124,626

The Group's revenue by region is based on the country where the customers are located. Non-current assets refer to investments using the equity method, property, plant and equipment, right-of-use assets and intangible assets.

(6) Major customer information

The details of the Group's customers accounting for more than 10% of the operating income of the consolidated income statement in 2024 and 2023 are as follows:

	2024		2023	
	Revenue	Segment	Revenue	Segment
A customer	$ 117,662	United States	$ 134,767	United States

GeoVision Inc. and subsidiaries

Loans to others

Year Ended December 31, 2024

Table 1

Expressed in thousands of NTD

(Except as otherwise indicated)

No.	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance for current period	Balance at December 31, 2024	Actual amount drawn down	Interest rate	Nature of loan	Amount of transaction with the borrower	Reason for shore-term financing	Allowance for doubtful accounts	Collateral Item	Collateral Value	Limit on loans granted to a single party (note 1)	Ceiling on total loans granted (note1)	Footnote
0	GeoVision Inc.,	GeoVision Japan Inc.,	Other receivables	Yes	$ 19,158	$ 12,588	$ 12,588	2.1%	Business operation	$ 25,719	None	$ -	None	$ -	$ 25,719	$ 462,877	
0	GeoVision Inc.,	Europe Vision System s.r.o	Other receivables	Yes	35,520	34,130	34,130	4.3%	Business operation	83,369	None	-	None	-	83,369	462,877	

Note 1: Fund loans to companies that need short-term financing, the Group’s ceiling on total amount of loans to others shall not exceed 20% of the Group’s net assets value; the limit on loans granted to a single party shall not exceed 10% of the Group’s net assets value.
Fund loans to companies with business contacts, the Group’s ceiling on total amount of loans to others shall not exceed 20% of the Group’s net assets value; the limit on loans granted to a single party shall not exceed the amount of business transactions between the two parties in the most recent year

Note 2: The interest rate is based on the current rate of the Group's transaction bank at the time of the actual loan

GeoVision Inc. and subsidiaries

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

Year Ended December 31, 2024

Table 2

Expressed in thousands of NTD
(Except as otherwise indicated)

				As at 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
GeoVision Inc.,	Ultracker Technology Co., Ltd	None	Financial assets at fair value through profit or loss - non-current	460,000	$ 2,202	2.28%	$ 2,202	
GeoVision Inc.,	Taiwan Semiconductor Manufacturing Co., Ltd. Listed company	None	Financial assets at fair value through profit or loss - current	960,000	1,032,000	-	1,032,000	
GeoVision Inc.,	ECOVE Environment Corporation, Listed company	None	Financial assets at fair value through profit or loss - current	5,000	1,430	0.01%	1,430	
GeoVision Inc.,	Hon Hai Precision Industry Co., Ltd. Listed company	None	Financial assets at fair value through profit or loss - current	10,000	1,840	-	1,840	
GeoVision Inc.	Cathay Financial Holding Co., Ltd. Listed company	None	Financial assets at fair value through profit or loss - current	100,000	6,830		6,830	
GeoVision Inc.,	China Petrochemical Corporation , H stock	None	Financial assets at fair value through profit or loss - current	440,000	8,267	-	8,267	
GeoVision Inc.,	Bank of China Limited, H stock	None	Financial assets at fair value through profit or loss - current	400,000	6,705	-	6,705	
GeoVision Inc.,	Ping An Insurance (Group) Company of China, Ltd., H stock	None	Financial assets at fair value through profit or loss - current	12,000	2,334	-	2,334	
GeoVision Inc.,	Tencent Holdings Limited, H stock	None	Financial assets at fair value through profit or loss - current	15,100	26,586	-	26,586	
GeoVision Inc.,	China Construction Bank Corporation, H stock	None	Financial assets at fair value through profit or loss - current	160,000	4,377	-	4,377	
GeoVision Inc.,	Apple Inc., US stock	None	Financial assets at fair value through profit or loss - current	2,200	18,060	-	18,060	
GeoVision Inc.,	Ganfeng Lithium Co.,Ltd., H stock	None	Financial assets at fair value through profit or loss - current	89,000	7,554	0.02%	7,554	
GeoVision Inc.,	Meituan Co. Ltd., H stock	None	Financial assets at fair value through profit or loss - current	180	115	-	115	
GeoVision Inc.,	China Overseas Land & Investment Ltd., H stock	None	Financial assets at fair value through profit or loss - current	95,000	4,974	-	4,974	
GeoVision Inc.,	Zijin Mining Group Co., Ltd.	None	Financial assets at fair value through profit or loss - current	18,000	1,075	-	1,075	
GeoVision Inc.,	JD.com, Inc. H stock	None	Financial assets at fair value through profit or loss - current	85	49	-	49	
GeoVision Inc.,	Alphabet Inc, US stock	None	Financial assets at fair value through profit or loss - current	1,750	10,860	-	10,860	
GeoVision Inc.,	Microsoft Corporation, US stock	None	Financial assets at fair value through profit or loss - current	800	11,053	-	11,053	

GeoVision Inc. and subsidiaries

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

Year Ended December 31, 2024

Table 3

Expressed in thousands of NTD
(Except as otherwise indicated)

			Transaction situation				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
GeoVision Inc.,	USA Vision System Inc.	Subsidiary of the Group	Sales	$ 372,297	58%	90 days	Note 1	Note 2	$ 295,866	82%	

Note 1: Considering the local operating cost of related parties, the business discount would be given according to performance achievement status, therefore, the selling price is lower than unrelated parties.
Note 2: Considering the local market condition, the receiving term may be extended as appropriate, therefore, receiving term is longer than the average term of 0-30 days for general customers.

GeoVision Inc. and subsidiaries

Receivables from related parties reaching $100 million or 20% of the Group's paid-in capital or more
December 31, 2024

Table 4

Expressed in thousands of NTD
(Except as otherwise indicated)

Creditor	Counterparty	Relationship with the counterparty	Balance of receivables from related parties	Turnover rate	Overdue receivables		Amount collected subsequent to the balance date	Allowance for doubtfulaccounts
					Amount	Action taken		
GeoVision Inc.,	USA Vision System Inc.	Subsidiary of the Group	$ 295,866	1.07	$ 189,156	Payments after the balance sheet date	$ 40,484	$ -

GeoVision Inc. and subsidiaries

Significant inter-company transactions during the reporting period
Year Ended December 31, 2024

Table 5

Expressed in thousands of NTD
(Except as otherwise indicated)

				Transaction				
Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	General ledger account		Amount (Note 5)	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)
0	GeoVision Inc.,	USA Vision System Inc.	1	Sales revenue	$	372,297	Note 4	31%
0	GeoVision Inc.,	USA Vision System Inc.	1	Accounts receivable		295,866	Note 4	11%

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: There are three ways of relationship with the counterparty, represented by type
(1) Parent to subsidiaries.
(2) Subsidiaries to Parent.
(3) Subsidiaries to Subsidiaries.

Note 3: The transaction amount is calculated as a percentage of the consolidated total revenue or total assets. If it is an asset-liability item, it is calculated as the ending balance in the consolidated total assets; if it is a profit and loss item, it is calculated as the accumulated amount in the consolidated total revenue.

Note 4: Considering the local operating cost of related parties, the business discount would be given according to performance achievement status, therefore, the selling price is lower than unrelated parties; Considering the local market condition, the receiving term may be extended as appropriate, therefore, receiving term is longer than the average term of 0-30 days for general customers.

Note 5: The disclosure requirement for the above disclosed amount of purchases and sales and receivables (payments) to related parties amount to NT$50 million or 20% of the paid-in capital.

GeoVision Inc. and subsidiaries
Information on investees
Year Ended December 31, 2024

Table 6

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 current period	Investment income (loss) for current period	Footnote
GeoVision Inc.,	USA Vision System Inc.	U.S.A.	Sales of digital surveillance system	$ 448,135	$ 448,135	1,450,645	100	$ 94,410	($ 52,163)	($ 52,163)	
GeoVision Inc.,	Europe Vision System s.r.o	Czech Republic	Sales of digital surveillance system	101,523	101,523	-	100	15,635	2,883	2,883	Note 1
GeoVision Inc.,	GeoVision Japan Inc.,	Japan	Sales of digital surveillance system	21,663	21,663	2,280	95	(4,991)	(6,135)	(5,828)	
GeoVision Inc.,	Cyber Surveillance co., Ltd	Samoa	Investment company	48,197	48,197	1,460,000	100	5,211	(1,780)	(1,780)	
GeoVision Inc.,	GeoVision Vietnam Systems Co., Ltd	Vietnam	Sales of digital surveillance system	18,453	18,453	-	100	15,249	296	296	Note 1
GeoVision Inc.,	IDI Signage Inc.	Taiwan	R & D of electronic digital panel	23,741	33,941	1,020,000	51	11,173	4,956	2,528	
USA Vision System Inc.	GeoVision Surveillance Canada Inc.	Canada	Sales of digital surveillance system	62,694	62,694	2,593,650	100	(624)	(7,530)	(7,530)	
USA Vision System Inc.	GVInstall., LLC	U.S.A.	Sales of digital surveillance system	5,820	5,820	176,000	88	15,169	12,245	10,776	
USA Vision System Inc.	GuardVision Monitoring, LLC	U.S.A.	Sales of digital surveillance system	4,288	4,288	490	49	4,573	-	-	
GeoVision Vietnam Systems Co., Ltd	GV ENGINEERING SOLUTIONS Co., Ltd.	Vietnam	Sales of digital surveillance system	1,600	-	-	100	1,637	24	24	Note 1

Note 1: The investee company has not issued shares, so there is no number of shares held

GeoVision Inc. and subsidiaries

Information on investments in Mainland China

Year Ended December 31, 2024

Table 7

Expressed in thousands of NTD

(Except as otherwise indicated)

Name of invested	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated outflow of investment from Taiwan as of January 1, 2024	Investment flows: Outflow	Investment flows: Inflow	Accumulated outflow of investment from Taiwan as of December 31, 2024	Net income (losses) of the investee	Percentage of ownership	Investment income (losses) (Note 2)	Book value	Accumulate remittance of earnings in current period	Footnote
GeoVision Technology (Shanghai) Co., Ltd	Digital surveillance system	$ 31,470	2	$ 31,470	$ -	$ -	$ 31,470	$ 86	100	$ 86	$ 25	$ -	Note 4
Shanghai URight Technology Co., Ltd	Digital surveillance system	26,948	2	14,821	-	-	14,821	(4,239)	45	(1,908)	4,528	-	Note 4

Note 1: There are three ways of investment methods, represented by type:

(1) Directly invest in mainland China

(2) Investing in the mainland through companies in another country(Specify the investment company in the third region)

(3) Other methods

Note 2: The investment income or loss of the Company's subsidiary, GeoVision Technology (Shanghai) Co., Ltd , for the current period was recognized based on the financial statements audited by the Company's certifying CPA. The investment income or loss of Shanghai URight Technology Co., Ltd for the current period was recognized based on the financial statements audited by another certifying CPA.

Note 3: Relevant figures in this table are expressed in NTD, and those involving foreign currencies are converted into NTD at the exchange rate on the financial reporting date.

Note 4: Transfer the investment through CYBER SURVEILLANCE CO., LTD.

Company name	Accumulated Investment in Mainland China as of December 31, 2024	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on Investment
GeoVision Inc.,	$ 46,291	$ 46,291	$ 1,388,630

GeoVision Inc. and subsidiaries

Major Shareholders Information

December 31, 2024

Table 8

Name of Major Shareholders	Number of shares hold	Ownership (%)
CHEN-YUAN Co., Ltd.	4,346,806	5.43

Note 1: The major shareholders information was from the data that the Group issued common shares (including treasury shares) and preference shares in dematerialized form which were registered and held by the shareholders above 5% on the last operating date of each quarter and was calculated by Taiwan Depository & Clearing Corporation. The share capital which was recorded on the financial statements may be different from the actual number of shares in dematerialized form due to the difference of calculation basis.

Note 2: If the aforementioned data contains shares which were kept at the trust by the shareholders, the data was disclosed as separate account of client which was set by the trustee. As for the shareholder who reports share equity as an insider whose shareholding ratio greater than 10% in accordance with Securities and Exchange Act, the shareholding ratio including the self-owned shares and trusted shares, at the same time, persons who have power to decide how to allocate the trust assets. For the information of reported share equity of insider, please refer to Market Observation Post System.