Cyber Power Systems, Inc.

Parent Company Only Financial Statements for the Years Ended December 31, 2024 and 2023 and Independent Auditors' Report

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Cyber Power Systems, Inc.

Opinion

We have audited the accompanying parent company only financial statements of Cyber Power Systems, Inc. (the "Company"), which comprise the parent company only balance sheets as of December 31, 2024 and 2023, and the parent company only statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the parent company only financial statements, including material accounting policy information (collectively referred to as the "parent company only financial statements").

In our opinion, the accompanying parent company only financial statements present fairly, in all material respects, the parent company only financial position of the Company as of December 31, 2024 and 2023, and its parent company only financial performance and its parent company only cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the parent company only financial statements for the year ended December 31, 2024. These matters were addressed in the context of our audit of the parent company only financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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

Assessment of Inventory

As of December 31, 2024, the balance of inventory amounted to $1,047,056 thousand. As the Company sells its products to the American and European regions with a focus on the retail market, a sufficient level of safety stock is required to be maintained at the retail outlets, and this results in the net amount of inventory accounting for 7% of the Company's total assets. Since the assessment of the net realizable value of inventories is subject to management's judgment, it has been identified as the key audit matter for the year ended December 31, 2024.

Net realizable value is the estimated selling price of inventories less all estimated costs of completion and costs necessary to make the sale. When the net realizable value is lower than the cost of inventory, the Company recognizes the loss on the write-down; besides, the loss on obsolete inventory is estimated according to the aging and physical conditions of the inventory.

We obtained an understanding of the effectiveness of internal controls as follows:

1. Inventory valuation and obsolescence losses were regularly recognized based on the Company's policy.

2. The assessment of inventory valuation and obsolescence losses was reviewed by responsible personnel.

We selected samples from the inventory list on the balance sheet date, verified the data used to calculate the net realizable value, recalculated the inventory valuation loss amount and compared it to the recognized amount based on the data. We also analyzed the actual inventory turnover situation, assessed the sufficiency and appropriateness of the policy for the recognition of obsolescence losses, and we calculated the obsolescence losses based on the policy and compared the obsolescence losses to the recognized amount.

For other relevant disclosures, refer to Note 4(e): Summary of material accounting policy information and Note 10: Inventories.

Responsibilities of Management and Those Charged with Governance for the Parent Company Only Financial Statements

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

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

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

Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements

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

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

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

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

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

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

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

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

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

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

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

The engagement partners on the audits resulting in this independent auditors' report are Wen-Hsiang Chen and Te-Chen Cheng.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 11, 2025

<u>*Notice to Readers*</u>

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

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

CYBER POWER SYSTEMS, INC.

PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars)

	2024		2023	
ASSETS	**Amount**	**%**	**Amount**	**%**
CURRENT ASSETS				
Cash and cash equivalents (Notes 6 and 30)	$ 3,429,403	23	$ 2,652,022	21
Financial assets at amortized cost - current (Notes 8 and 30)	98,355	1	92,115	1
Notes receivable from unrelated parties (Notes 9, 24 and 30)	639	-	1,022	-
Trade receivables from unrelated parties (Notes 9, 24 and 30)	487,295	3	393,849	3
Trade receivables from related parties (Notes 9, 24, 30 and 31)	2,449,202	17	2,336,157	19
Other receivables from unrelated parties (Notes 9 and 30)	1,856	-	15,935	-
Other receivables from related parties (Notes 9, 30 and 31)	1,181	-	1,357	-
Inventories (Note 10)	1,047,056	7	1,087,967	9
Other current financial assets (Notes 30 and 32)	1,000	-	1,000	-
Other current assets (Notes 16 and 31)	98,054	1	63,780	-
Total current assets	7,614,041	52	6,645,204	53
NON-CURRENT ASSETS				
Investments accounted for using the equity method (Notes 11, 28 and 31)	4,017,382	28	3,033,119	24
Property, plant and equipment (Notes 12 and 32)	1,357,517	9	1,366,318	11
Right-of-use assets (Note 13)	29,272	-	17,862	-
Investment properties (Notes 14 and 32)	1,247,646	9	1,266,090	10
Other intangible assets (Note 15)	12,733	-	2,800	-
Deferred tax assets (Note 26)	297,603	2	225,415	2
Other non-current assets (Note 16)	4,727	-	2,287	-
Total non-current assets	6,966,880	48	5,913,891	47
TOTAL	$ 14,580,921	100	$ 12,559,095	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings (Notes 17, 30 and 32)	$ 2,400,000	17	$ 2,000,000	16
Financial liabilities at fair value through profit or loss - current (Notes 7 and 30)	-	-	4,404	-
Trade payables to unrelated parties (Notes 19 and 30)	358,157	3	343,747	3
Trade payables to related parties (Notes 19, 30 and 31)	1,223,889	8	1,437,311	12
Other payables (Notes 20, 30 and 31)	586,532	4	519,045	4
Current tax liabilities (Note 26)	266,421	2	249,431	2
Provisions - current (Note 21)	127,667	1	123,445	1
Lease liabilities - current (Notes 13 and 30)	12,577	-	9,965	-
Other current liabilities (Note 20)	55,332	-	43,110	-
Total current liabilities	5,030,575	35	4,730,458	38
NON-CURRENT LIABILITIES				
Bonds payable (Notes 18 and 30)	-	-	548,790	4
Deferred tax liabilities (Note 26)	20,787	-	186	-
Lease liabilities - non-current (Notes 13 and 30)	16,741	-	8,020	-
Net defined benefit liabilities - non-current (Note 22)	8,309	-	11,619	-
Other non-current liabilities (Notes 20 and 30)	7,863	-	7,517	-
Total non-current liabilities	53,700	-	576,132	4
Total liabilities	5,084,275	35	5,306,590	42
EQUITY (Note 23)				
Share capital				
Ordinary shares	941,660	7	904,329	7
Certificate of entitlement to new shares from convertible bonds	-	-	5,758	-
Capital surplus	2,964,377	20	2,442,688	20
Retained earnings				
Legal reserve	972,812	7	826,087	7
Special reserve	69,351	-	78,460	1
Unappropriated earnings	4,484,912	31	3,064,534	24
Other equity				
Exchange differences on translating foreign operations	63,534	-	(69,351)	(1)
Total equity	9,496,646	65	7,252,505	58
TOTAL	$ 14,580,921	100	$ 12,559,095	100

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

CYBER POWER SYSTEMS, INC.

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

	2024		2023	
	Amount	**%**	**Amount**	**%**
OPERATING REVENUE (Notes 24 and 31)	$ 7,562,873	100	$ 6,910,865	100
OPERATING COSTS (Notes 10, 22, 25 and 31)	5,292,951	70	5,142,739	74
GROSS PROFIT	2,269,922	30	1,768,126	26
UNREALIZED GAIN ON TRANSACTIONS WITH SUBSIDIARIES	(910,133)	(12)	(666,595)	(10)
REALIZED GAIN ON TRANSACTIONS WITH SUBSIDIARIES	666,595	9	481,065	7
REALIZED GROSS PROFIT	2,026,384	27	1,582,596	23
OPERATING EXPENSES (Notes 22, 25 and 31)				
Selling and marketing expenses	369,098	5	397,792	6
General and administrative expenses	312,902	4	270,212	4
Research and development expenses	395,626	6	365,663	5
Expected credit loss (gain)	1,423	-	(10,441)	-
Total operating expenses	1,079,049	15	1,023,226	15
PROFIT FROM OPERATIONS	947,335	12	559,370	8
NON-OPERATING INCOME AND EXPENSES (Notes 25 and 31)				
Interest income	146,029	2	72,998	1
Other income	88,706	1	61,604	1
Other gains and losses	304,392	4	5,570	-
Finance costs	(41,356)	(1)	(53,784)	(1)
Share of profit of subsidiaries	1,093,982	15	976,299	14
Total non-operating income and expenses	1,591,753	21	1,062,687	15
PROFIT BEFORE INCOME TAX	2,539,088	33	1,622,057	23
INCOME TAX EXPENSE (Notes 4 and 26)	(255,233)	(3)	(153,527)	(2)
NET PROFIT FOR THE YEAR	2,283,855	30	1,468,530	21

(Continued)

CYBER POWER SYSTEMS, INC.

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

	2024		2023	
	Amount	**%**	**Amount**	**%**
OTHER COMPREHENSIVE INCOME				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans (Note 22)	$ 2,781	-	$ (892)	-
Share of other comprehensive loss of subsidiaries, associates and joint ventures accounted for using the equity method	(16)	-	(36)	-
Income tax relating to items that will not be reclassified subsequently to profit or loss (Note 26)	(556)	-	178	-
	2,209	-	(750)	-
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating the financial statements of foreign operations	132,885	2	9,109	-
Other comprehensive income for the year, net of income tax	135,094	2	8,359	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	$ 2,418,949	32	$ 1,476,889	21
EARNINGS PER SHARE (Note 27)				
From continuing operations				
Basic	$ 24.75		$ 16.58	
Diluted	$ 24.17		$ 16.06	

The accompanying notes are an integral part of the parent company only financial statements. (Concluded)

CYBER POWER SYSTEMS, INC.

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

	Share Capital			Retained Earnings			Other Equity	
	Ordinary Shares	Certificate of Entitlement to New Shares from Convertible Bonds	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translating Foreign Operations	Total
BALANCE AT JANUARY 1, 2023	$ 809,510	$ 23,542	$ 1,709,797	$ 711,637	$ 196,762	$ 2,052,685	$ (78,460)	$ 5,425,473
Appropriation of 2022 earnings								
Legal reserve	-	-	-	114,450	-	(114,450)	-	-
Cash dividends distributed by the Company	-	-	-	-	-	(417,504)	-	(417,504)
Share dividends distributed by the Company	41,750	-	-	-	-	(41,750)	-	-
Special reserve	-	-	-	-	(118,302)	118,302	-	-
Other changes in capital surplus								
Equity component of convertible bonds issued by the Company	-	-	160,778	-	-	-	-	160,778
Actual acquisition of interests in subsidiaries (Note 28)	-	-	-	-	-	(529)	-	(529)
Net profit for the year ended December 31, 2023	-	-	-	-	-	1,468,530	-	1,468,530
Other comprehensive income for the year ended December 31, 2023, net of income tax	-	-	-	-	-	(750)	9,109	8,359
Total comprehensive income for the year ended December 31, 2023	-	-	-	-	-	1,467,780	9,109	1,476,889
Convertible bonds converted to ordinary shares	-	35,285	572,113	-	-	-	-	607,398
Certificate of entitlement to new shares from convertible bonds	53,069	(53,069)	-	-	-	-	-	-
BALANCE AT DECEMBER 31, 2023	904,329	5,758	2,442,688	826,087	78,460	3,064,534	(69,351)	7,252,505
Appropriation of 2023 earnings								
Legal reserve	-	-	-	146,725	-	(146,725)	-	-
Cash dividends distributed by the Company	-	-	-	-	-	(728,070)	-	(728,070)
Special reserve	-	-	-	-	(9,109)	9,109	-	-
Net profit for the year ended December 31, 2024	-	-	-	-	-	2,283,855	-	2,283,855
Other comprehensive income for the year ended December 31, 2024, net of income tax	-	-	-	-	-	2,209	132,885	135,094
Total comprehensive income for the year ended December 31, 2024	-	-	-	-	-	2,286,064	132,885	2,418,949
Convertible bonds converted to ordinary shares	-	31,573	521,689	-	-	-	-	553,262
Certificate of entitlement to new shares from convertible bonds	37,331	(37,331)	-	-	-	-	-	-
BALANCE AT DECEMBER 31, 2024	$ 941,660	$ -	$ 2,964,377	$ 972,812	$ 69,351	$ 4,484,912	$ 63,534	$ 9,496,646

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

CYBER POWER SYSTEMS, INC.

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

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	$ 2,539,088	$ 1,622,057
Adjustments to:		
Depreciation expenses	49,440	47,046
Amortization expense	1,737	-
Expected credit loss (reversed) recognized on trade receivables	1,423	(10,441)
Net (gain) loss on fair value changes of financial liabilities at fair value through profit or loss	(4,404)	4,044
Finance costs	41,356	53,784
Interest income	(146,029)	(72,998)
Share of profit of subsidiaries	(1,093,982)	(976,299)
Loss on disposal of property, plant and equipment	140	-
Write-down of inventories recognized (reversed)	(2,559)	30,647
Unrealized gain on transactions with subsidiaries	910,133	666,595
Realized gain on transactions with subsidiaries	(666,595)	(481,065)
Net (gain) loss on foreign currency exchange	(216,331)	13,059
Recognition (reversal) of provisions	4,222	(7,122)
Lease modification benefits	(57)	(10)
Changes in operating assets and liabilities		
Notes receivable	383	836
Trade receivables	(159,431)	601,032
Other receivables	14,239	75
Inventories	43,470	210,951
Other current assets	(32,459)	(6,905)
Other non-current assets	(1,022)	-
Trade payables	(212,312)	224,647
Other payables	68,904	13,077
Other current liabilities	12,448	38,092
Net defined benefit liabilities	(529)	8
Cash generated from operations	1,151,273	1,971,110
Interest received	146,045	73,590
Interest paid	(35,484)	(46,887)
Income tax paid	(290,386)	(85,955)
Net cash generated from operating activities	971,448	1,911,858
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at amortized cost	(6,240)	(92,115)
Net cash outflow on acquisition of subsidiary	(950)	(50)
Payments of property, plant and equipment	(11,042)	(22,015)
Increase in refundable deposits	(1,662)	(3)
Payment for intangible assets	(11,670)	-
Decrease in other current financial assets	-	6,622
Net cash used in investing activities	(31,564)	(107,561)

(Continued)

CYBER POWER SYSTEMS, INC.

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

	2024	2023
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term borrowings	$ 400,000	$ -
Repayments of short-term borrowings	-	(500,000)
Proceeds from issuance of convertible bonds	-	1,288,112
Repayment of bonds payable	(1,000)	(945,543)
Repayments of long-term borrowings	-	(83,132)
Proceeds from guarantee deposits received	346	-
Refund of guarantee deposits received	-	(687)
Repayment of the principal portion of lease liabilities	(11,313)	(10,128)
Dividends paid to owners of the Company	(728,070)	(417,504)
Net cash used in financing activities	(340,037)	(668,882)
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	177,534	(16,317)
NET INCREASE IN CASH AND CASH EQUIVALENTS	777,381	1,119,098
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	2,652,022	1,532,924
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	$ 3,429,403	$ 2,652,022

The accompanying notes are an integral part of the parent company only financial statements. (Concluded)

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1. GENERAL INFORMATION

Cyber Power Systems, Inc. (the "Company") was established in the Republic of China (ROC) in 1997. The Company mainly manufactures and sells uninterruptible power systems (UPS).

The Company's shares have been listed on the Taiwan Stock Exchange (TWSE) since December 2009.

The financial statements are presented in the Company's functional currency, the New Taiwan dollar.

2. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the Company's board of directors on March 11, 2025.

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

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

   The initial application of the IFRS Accounting Standards endorsed and issued into effect by the FSC did not have material impact on the Company's accounting policies.

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

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

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

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

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

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

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB (Note)
Annual Improvements to IFRS Accounting Standards - Volume 11	January 1, 2026
Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments" - the amendments to the application guidance of derecognition of financial liabilities	January 1, 2026
Amendments to IFRS 9 and IFRS 7 "Contracts Referencing Nature-dependent Electricity"	January 1, 2026
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"	To be determined by IASB
IFRS 17 "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments to IFRS 17 "Initial Application of IFRS 17 and IFRS 9 - Comparative Information"	January 1, 2023
IFRS 18 "Presentation and Disclosure in Financial Statements"	January 1, 2027
IFRS 19 "Subsidiaries without Public Accountability: Disclosures"	January 1, 2027

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

IFRS 18 "Presentation and Disclosure in Financial Statements"

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

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

- The statement of profit or loss shall present totals and subtotals for operating profit or loss, profit or loss before financing and income taxes and profit or loss.

- Provides guidance to enhance the requirements of aggregation and disaggregation: The Company shall identify the assets, liabilities, equity, income, expenses and cash flows that arise from individual transactions or other events and shall classify and aggregate them into groups based on shared characteristics, so as to result in the presentation in the primary financial statements of line items that have at least one similar characteristic. The Company shall disaggregate items with dissimilar characteristics in the primary financial statements and in the notes. The Company labels items as "other" only if it cannot find a more informative label.

- Disclosures on Management-defined Performance Measures (MPMs): When in public communications outside financial statements and communicating to users of financial statements management's view of an aspect of the financial performance of the Company as a whole, the Company shall disclose related information about its MPMs in a single note to the financial statements, including the description of such measures, calculations, reconciliations to the subtotal or total specified by IFRS Accounting Standards and the income tax and non-controlling interests effects of related reconciliation items.

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

4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

a. Statement of compliance

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

b. Basis of preparation

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

1) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities;

2) Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

3) Level 3 inputs are unobservable inputs for an asset or liability.

When preparing these financial statements, the Company used the equity method to account for its investment in subsidiaries, associates and joint ventures. In order for the amounts of the net profit for the year, other comprehensive income for the year and total equity in the parent company only financial statements to be the same as the amounts attributable to the owner of the Company in this financial statements, adjustments arising from the differences in accounting treatments between the parent company only basis and the basis were made to investments accounted for using the equity method, the share of profit or loss of subsidiaries, associates and joint ventures, the share of other comprehensive income of subsidiaries, associates and joint ventures and related equity items, as appropriate, in these parent company only financial statements.

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

Current assets include:

1) Assets held primarily for the purpose of trading;

2) Assets expected to be realized within 12 months after the reporting period; and

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

Current liabilities include:

1) Liabilities held primarily for the purpose of trading;

2) Liabilities due to be settled within 12 months after the reporting period, even if an agreement to refinance, or to reschedule payments, on a long-term basis is completed after the reporting period and before the financial statements are authorized for issue; and

3) Liabilities for which the Company does not have the substantial right at the end of the reporting period to defer settlement for at least 12 months after the reporting period.

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

d. Foreign currencies

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

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

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

Non-monetary item denominated in a foreign currency and measured at historical cost is stated at the reporting currency as originally translated from the foreign currency.

For the purpose of presenting the Company’s financial statements, the functional statements of the Company and its foreign operations (including subsidiaries, associates, joint ventures and branches in other countries) that are prepared using functional currencies which are different from the currency of the Company are translated into the presentation currency, the New Taiwan dollar, as follows: Assets and liabilities are translated at the exchange rates prevailing at the end of the reporting period; and income and expense items are translated at the average exchange rates for the period. The resulting currency translation differences are recognized in other comprehensive income.

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

e. Inventories

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

f. Investments in subsidiaries

The Company uses the equity method to account for its investments in subsidiaries.

A subsidiary is an entity that is controlled by the Company.

Under the equity method, an investment in a subsidiary is initially recognized at cost and adjusted thereafter to recognize the Company's share of the profit or loss and other comprehensive income of the subsidiary. The Company also recognizes the changes in the Company's share of equity of subsidiaries attributable to the Company.

Changes in the Company's ownership interest in a subsidiary that do not result in the Company losing control of the subsidiary are accounted for as equity transactions. The Company recognizes directly in equity any difference between the carrying amount of the investment and the fair value of the consideration paid or received.

When the Company's share of loss of a subsidiary exceeds its interest in that subsidiary (which includes any carrying amount of the investment accounted for using the equity method and long-term interests that, in substance, form part of the Company's net investment in the subsidiary), the Company continues recognizing its share of further loss, if any.

Any excess of the cost of acquisition over the Company's share of the net fair value of the identifiable assets and liabilities of a subsidiary that constitutes a business at the date of acquisition is recognized as goodwill, which is included within the carrying amount of the investment and is not amortized. Any excess of the Company's share of the net fair value of the identifiable assets and liabilities of a subsidiary that constitutes a business over the cost of acquisition is recognized immediately in profit or loss.

The Company assesses its investment for any impairment by comparing the carrying amount with the estimated recoverable amount as assessed based on the investee's financial statements as a whole. Impairment loss is recognized when the carrying amount exceeds the recoverable amount. If the recoverable amount of the investment subsequently increases, the Company recognizes a reversal of the impairment loss; the adjusted post-reversal carrying amount should not exceed the carrying amount that would have been recognized (net of amortization or depreciation) had no impairment loss been recognized in prior years. An impairment loss recognized on goodwill cannot be reversed in a subsequent period.

Profit or loss resulting from downstream transactions is eliminated in full only in the parent company only financial statements. Profit and loss resulting from upstream transactions and transactions between subsidiaries is recognized only in the parent company only financial statements and only to the extent of interests in the subsidiaries that are not related to the Company.

g. Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost less accumulated depreciation and accumulated impairment loss.

Except for freehold land which is not depreciated, the depreciation of property, plant and equipment is recognized using the straight-line method. Each significant part is depreciated separately. The estimated useful lives, residual values and depreciation methods are reviewed at the end of each reporting period, with the effects of any changes in the estimates accounted for on a prospective basis.

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

h. Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation.

Investment properties are initially measured at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at cost less accumulated depreciation and accumulated impairment loss. Depreciation is recognized using the straight-line method.

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

i. Intangible assets

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

Intangible assets with indefinite useful lives that are acquired separately are measured at cost less accumulated impairment loss.

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

j. Impairment of property, plant and equipment, right-of-use assets, and intangible assets

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

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually and whenever there is an indication that the asset may be impaired.

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

k. Financial instruments

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

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

1) Financial assets

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

a) Measurement category

Financial assets are classified into the following categories: Financial assets at amortized cost.

Financial assets at amortized cost

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

i. The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and

ii. The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

Interest income is calculated by applying the effective interest rate to the gross carrying amount of such a financial asset.

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

i. Significant financial difficulty of the issuer or the borrower;

ii. Breach of contract, such as a default;

iii. It is becoming probable that the borrower will enter bankruptcy or undergo a financial reorganization; or

iv. The disappearance of an active market for that financial asset because of financial difficulties.

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

b) Impairment of financial assets

The Company recognizes a loss allowance for expected credit losses on financial assets at amortized cost (including trade receivables).

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

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

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

i. Internal or external information show that the debtor is unlikely to pay its creditors.

ii. When a financial asset is more than 360 days past due unless the Company has reasonable and corroborative information to support a more lagged default criterion.

The impairment loss of all financial assets is recognized in profit or loss by a reduction in their carrying amounts through a loss allowance account.

c) Derecognition of financial assets

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

On derecognition of a financial asset at amortized cost in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss.

2) Financial liabilities

a) Subsequent measurement

Except the following situations, all financial liabilities are measured at amortized cost using the effective interest method:

Financial liabilities at FVTPL

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

Financial liabilities held for trading are stated at fair value, any remeasurement gains or losses on such financial liabilities are recognized in other gains or losses.

See Note 30 for the method of determining fair value.

b) Derecognition of financial liabilities

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

3) Convertible bonds

The component parts of compound instruments (i.e., convertible bonds) issued by the Company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

On initial recognition, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recorded as a liability on an amortized cost basis using the effective interest method until extinguished upon conversion or upon the instrument's maturity date. Any embedded derivative liability is measured at fair value.

The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognized and included in equity, net of income tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised; in which case, the balance recognized in equity will be transferred to capital surplus - share premiums. When the conversion option remains unexercised at maturity, the balance recognized in equity will be transferred to capital surplus - share premiums.

Transaction costs that relate to the issuance of the convertible notes are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognized directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component.

l. Provisions

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

m. Revenue recognition

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

For contracts where the period between the date on which the Company transfers a promised good or service to a customer and the date on which the customer pays for that good or service is one year or less, the Company does not adjust the promised amount of consideration for the effects of a significant financing component.

Revenue from the sale of goods

Revenue from the sale of goods comes from sales of uninterruptible power systems. Sales of uninterruptible power systems are recognized as revenue when the goods are delivered to the customer's specific location because it is the time when the customer has full discretion over the manner of distribution and price to sell the goods, has the primary responsibility for sales to future customers and bears the risks of obsolescence. Trade receivables are recognized concurrently.

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

n. Leasing

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

For a contract that contains a lease component and non-lease components, the Company allocates the consideration in the contract to each component on the basis of the relative stand-alone price and accounts for each component separately.

1) The Company as lessor

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

   Lease payments (less any lease incentives payable) from operating leases are recognized as income on a straight-line basis over the terms of the relevant leases. Initial direct costs incurred in obtaining operating leases are added to the carrying amounts of the underlying assets and recognized as expenses on a straight-line basis over the lease terms.

   Variable lease payments that do not depend on an index or a rate are recognized as income in the periods in which they are incurred.

2) The Company as lessee

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

   Right-of-use assets are initially measured at cost, which comprises the initial measurement of lease liabilities adjusted for lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs needed to restore the underlying assets, and less any lease incentives received. Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses and adjusted for any remeasurement of the lease liabilities. Right-of-use assets are presented on a separate line in the balance sheets.

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

   Lease liabilities are initially measured at the present value of the lease payments, which comprise fixed payments, in-substance fixed payments, variable lease payments which depend on an index or a rate, residual value guarantees, the exercise price of a purchase option if the Company is reasonably certain to exercise that option, and payments of penalties for terminating a lease if the lease term reflects such termination, less any lease incentives receivable. The lease payments are discounted using the interest rate implicit in a lease, if that rate can be readily determined. If that rate cannot be readily determined, the lessee’s incremental borrowing rate.

   Subsequently, lease liabilities are measured at amortized cost using the effective interest method, with interest expense recognized over the lease terms. When there is a change in a lease term, a change in the amounts expected to be payable under a residual value guarantee, a change in the assessment of an option to purchase an underlying asset, or a change in future lease payments resulting from a change in an index or a rate used to determine those payments, the Company remeasures the lease liabilities with a corresponding adjustment to the right-of-use assets. However, if the carrying amount of the right-of-use assets is reduced to zero, any remaining amount of the remeasurement is recognized in profit or loss. Lease liabilities are presented on a separate line in the balance sheets.

   Variable lease payments that do not depend on an index or a rate are recognized as expenses in the periods in which they are incurred.

o. Borrowing costs

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

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

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

p. Employee benefits

1) Short-term employee benefits

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

2) Retirement benefits

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

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

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

q. Taxation

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

1) Current tax

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

According to the Income Tax Act in the ROC, an additional tax on unappropriated earnings is provided for in the year the shareholders approve to retain earnings.

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

2) Deferred tax

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

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

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

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

3) Current and deferred taxes

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

5. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

When developing material accounting estimates, the Company considers the possible impact of climate change and related government policies and regulations, inflation, interest rate fluctuations and volatility in energy markets on the cash flow projection, growth rates, discount rates, profitabilities and other relevant material estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

6. CASH AND CASH EQUIVALENTS

	December 31	
	2024	2023
Cash on hand	$ 676	$ 700
Checking accounts and demand deposits	3,428,727	2,651,322
	$ 3,429,403	$ 2,652,022

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	December 31	
	2024	2023
Financial liabilities - current		
Financial liabilities mandatorily classified as at FVTPL		
Derivative financial liabilities (not under hedge accounting) - redemption right and put option of convertible corporate bonds (Note 18)	$ -	$ 4,404

8. FINANCIAL ASSETS AT AMORTIZED COST

	December 31	
	2024	2023
Current		
Time deposits with original maturities of more than 3 months	$ 98,355	$ 92,115

The market rate intervals of financial assets at amortized cost at the end of the reporting period were as follows:

	December 31	
	2024	2023
Time deposits with original maturities of more than 3 months	4.15%	4.89%

9. NOTES RECEIVABLE, TRADE RECEIVABLES AND OTHER RECEIVABLES

	December 31	
	2024	2023
Notes receivable		
At amortized cost		
Gross carrying amount	$ 639	$ 1,022
Less: Allowance for impairment loss	-	-
	$ 639	$ 1,022
Notes receivable - operating	$ 639	$ 1,022
Trade receivables		
At amortized cost		
Gross carrying amount	$ 498,570	$ 403,945
Gross carrying amount from related parties	2,449,202	2,336,157
Less: Allowance for impairment loss	(11,275)	(10,096)
	$ 2,936,497	$ 2,730,006

(Continued)

	December 31	
	2024	2023
Other receivables		
Tax refund receivables	$ 798	$ 1,714
Other receivables of related parties	1,181	1,357
Others	1,058	14,221
	$ 3,037	$ 17,292

(Concluded)

Trade Receivables

At amortized cost

The Company has a set credit period for the sale of goods, and no interest was charged on trade receivables. The Company uses other publicly available financial information or its own trading records to rate its major customers. In order to minimize credit risk, the management of the Company has delegated a team responsible for determining credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Company reviews the recoverable amount of each individual trade debt at the end of the reporting period to ensure that adequate allowance is made for possible irrecoverable amounts. In this regard, the management believes the Company's credit risk was significantly reduced.

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

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

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

December 31, 2024

	Up to 90 Days Credit Classification	91 to 180 Days Credit Classification	181 to 270 Days Credit Classification	271 to 364 Days Credit Classification	1 Year or More Credit Classification	Total
Expected credit loss rate	0%-1%	0%-5%	0%-30%	0%-100%	0%-100%	
Gross carrying amount	$ 441,595	$ 45,107	$ 1,108	$ 164	$ 11,235	$ 499,209
Loss allowance (Lifetime ECLs)	(39)	(1)	-	-	(11,235)	(11,275)
Amortized cost	$ 441,556	$ 45,106	$ 1,108	$ 164	$ -	$ 487,934

December 31, 2023

	Up to 90 Days Credit Classification	91 to 180 Days Credit Classification	181 to 270 Days Credit Classification	271 to 364 Days Credit Classification	1 Year or More Credit Classification	Total
Expected credit loss rate	0%-1%	0%-5%	0%-30%	0%-100%	0%-100%	
Gross carrying amount	$ 354,052	$ 41,120	$ 1,208	$ -	$ 8,587	$ 404,967
Loss allowance (Lifetime ECLs)	(295)	(1,214)	-	-	(8,587)	(10,096)
Amortized cost	$ 353,757	$ 39,906	$ 1,208	$ -	$ -	$ 394,871

The above aging schedule was based on the invoice date.

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

	For the Year Ended December 31	
	2024	2023
Balance at January 1	$ 10,096	$ 20,537
Add: Expected credit loss (reversed) recognized	1,423	(10,441)
Foreign exchange gains and losses	(244)	-
Balance at December 31	$ 11,275	$ 10,096

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

	For the Year Ended December 31	
	2024	2023
Balance at January 1	$ 3,596	$ 3,596
Foreign exchange gains and losses	244	-
Balance at December 31	$ 3,840	$ 3,596

Overdue receivables were classified under other assets and an allowance for doubtful accounts was recognized.

10. INVENTORIES

	December 31	
	2024	2023
Finished goods	$ 411,761	$ 463,593
Work in process	138	1,873
Semi-finished goods	99,100	100,842
Raw materials	536,057	521,659
	$ 1,047,056	$ 1,087,967

The cost of inventories recognized as cost of goods sold for the years ended December 31, 2024 and 2023 amounted to $5,292,951 thousand and $5,142,739 thousand, respectively.

The cost of goods sold included inventory (reversed) write-downs of $(2,559) thousand and $30,647 thousand for the years ended December 31, 2024 and 2023, respectively.

11. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

Name of Subsidiaries	December 31 2024	December 31 2023
Unlisted companies		
Cyber Power Systems (USA), Inc.	$ 1,343,207	$ 832,087
Broad Win International Investment Co., Ltd.	1,822,923	1,472,168
Fast Wind International Limited	782,063	671,068
Cliquefie Co., Ltd.	21,921	18,990
Cyber Power Systems Manufacturing, Inc.	46,634	38,806
AT Holding Philippines Corporation	634	-
	$ 4,017,382	$ 3,033,119

As of the end of the reporting period, the proportions of ownership and voting rights in subsidiaries held by the Company were as follows:

Name of Subsidiaries	December 31 2024	December 31 2023
Cyber Power Systems (USA), Inc.	100%	100%
Broad Win International Investment Co., Ltd.	100%	100%
Fast Wind International Limited	100%	100%
Cliquefie Co., Ltd.	100%	100%
Cyber Power Systems Manufacturing, Inc.	100%	100%
AT Holding Philippines Corporation	100%	-

In 2024, AT Holding Philippines Corporation was established by the Company through a cash investment of $650 thousand.

Refer to Table 4 of Note 36 for the details of the subsidiaries indirectly held by the Company.

The share of profit or loss and other comprehensive income of the investments accounted for using the equity method for the years ended December 31, 2024 and 2023 was based on the subsidiaries' audited financial statements for the same years.

12 PROPERTY, PLANT AND EQUIPMENT

	Freehold Land	Buildings	Machinery Equipment	Office Equipment	Leasehold Improvements	Other Equipment	Total
Cost							
Balance at January 1, 2024	$ 895,623	$ 541,251	$ 71,362	$ 53,838	$ 1,447	$ 100,665	$ 1,664,186
Additions	-	361	2,907	3,218	110	4,446	11,042
Disposals	-	(528)	(923)	(2,439)	(202)	-	(4,092)
Reclassifications	5,981	3,157	-	-	-	-	9,138
Balance at December 31, 2024	$ 901,604	$ 544,241	$ 73,346	$ 54,617	$ 1,355	$ 105,111	$ 1,680,274
Accumulated depreciation and impairment							
Balance at January 1, 2024	$ -	$ 97,520	$ 57,402	$ 47,042	$ 1,196	$ 94,708	$ 297,868
Depreciation expense	-	14,972	6,004	3,905	256	3,224	28,361
Disposals	-	(388)	(923)	(2,439)	(202)	-	(3,952)
Reclassifications	-	480	-	-	-	-	480
Balance at December 31, 2024	$ -	$ 112,584	$ 62,483	$ 48,508	$ 1,250	$ 97,932	$ 322,757
Carrying amounts at December 31, 2024	$ 901,604	$ 431,657	$ 10,863	$ 6,109	$ 105	$ 7,179	$ 1,357,517

(Continued)

	Freehold Land	Buildings	Machinery Equipment	Office Equipment	Leasehold Improvements	Other Equipment	Total
Cost							
Balance at January 1, 2023	$ 888,638	$ 537,435	$ 63,309	$ 51,991	$ 1,447	$ 145,608	$ 1,688,428
Additions	-	130	10,343	4,490	-	7,052	22,015
Disposals	-	-	(2,290)	(2,643)	-	(51,995)	(56,928)
Reclassifications	6,985	3,686	-	-	-	-	10,671
Balance at December 31, 2023	$ 895,623	$ 541,251	$ 71,362	$ 53,838	$ 1,447	$ 100,665	$ 1,664,186
Accumulated depreciation and impairment							
Balance at January 1, 2023	$ -	$ 82,000	$ 54,234	$ 45,808	$ 923	$ 144,362	$ 327,327
Depreciation expense	-	15,063	5,458	3,877	273	2,341	27,012
Disposals	-	-	(2,290)	(2,643)	-	(51,995)	(56,928)
Reclassifications	-	457	-	-	-	-	457
Balance at December 31, 2023	$ -	$ 97,520	$ 57,402	$ 47,042	$ 1,196	$ 94,708	$ 297,868
Carrying amounts at December 31, 2023	$ 895,623	$ 443,731	$ 13,960	$ 6,796	$ 251	$ 5,957	$ 1,366,318

(Concluded)

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

Buildings	5-47 years
Machinery equipment	3-4 years
Office equipment	3-6 years
Leasehold improvements	2-3 years
Other equipment	3 years

Reclassifications are mainly transfers from investment properties.

The material components of buildings primarily include office and interior construction which are depreciated on a straight-line basis over their estimated useful lives of 5-47 years.

All of the Company’s property, plant and equipment are held under freehold interests. Property, plant and equipment pledged as collateral for bank borrowings are set out in Note 32.

13. LEASE ARRANGEMENTS

a. Right-of-use assets

	December 31	
	2024	2023
Carrying amount		
Buildings	$ 22,829	$ 12,903
Transportation equipment	6,443	4,959
	$ 29,272	$ 17,862

	For the Year Ended December 31	
	2024	2023
Additions to right-of-use assets	$ 24,337	$ 5,320
Depreciation charge for right-of-use assets		
Buildings	$ 8,875	$ 8,395
Transportation equipment	2,418	1,804
	$ 11,293	$ 10,199

b. Lease liabilities

	December 31	
	2024	2023
Carrying amount		
Current	$ 12,577	$ 9,965
Non-current	$ 16,741	$ 8,020

Range of discount rates for lease liabilities was as follows:

	December 31	
	2024	2023
Buildings	0.95%-1.80%	0.80%-0.95%
Transportation equipment	1.80%-2.70%	0.80%-2.70%

c. Material lease activities and terms (the Company is lessee)

The Company also leases buildings for the use of plants and offices and lease official cars for business activities with lease terms of 1 to 4 years. The Company does not have bargain purchase options to acquire the leasehold land and buildings and official cars at the end of the lease terms. In addition, the Company is prohibited from subleasing or transferring all or any portion of the underlying assets without the lessor's consent.

d. Other lease information

Lease arrangements for the leasing out of investment properties under operating leases are set out in Note 14.

	For the Year Ended December 31	
	2024	2023
Expenses relating to short-term leases	$ 2,669	$ 2,406
Expenses relating to low-value asset leases	$ 540	$ 279
Total cash outflow for leases	$ (14,786)	$ (13,058)

The Company's leases of certain rental cars qualify as short-term leases and certain office equipment qualify as low-value asset leases. The Company has elected to apply the recognition exemption and thus, did not recognize right-of-use assets and lease liabilities for these leases.

14 INVESTMENT PROPERTIES

	Completed Investment Properties
Cost	
Balance at January 1, 2024	$ 1,341,510
Reclassified as property, plant and equipment	(9,138)
Balance at December 31, 2024	$ 1,332,372
Accumulated depreciation and impairment	
Balance at January 1, 2024	$ 75,420
Depreciation expenses	9,786
Reclassified as property, plant and equipment	(480)
Balance at December 31, 2024	$ 84,726
Carrying amount at December 31, 2024	$ 1,247,646
Cost	
Balance at January 1, 2023	$ 1,352,181
Reclassified as property, plant and equipment	(10,671)
Balance at December 31, 2023	$ 1,341,510
Accumulated depreciation and impairment	
Balance at January 1, 2023	$ 66,042
Depreciation expenses	9,835
Reclassified as property, plant and equipment	(457)
Balance at December 31, 2023	$ 75,420
Carrying amount at December 31, 2023	$ 1,266,090

The investment properties were leased out for 3 to 6 years. The lease contracts contain market review clauses in the event that the lessees exercise their options to extend. The lessees do not have bargain purchase options to acquire the investment properties at the expiry of the lease periods.

The maturity analysis of lease payments receivable under operating leases of investment properties was as follows:

	December 31	
	2024	2023
Year 1	$ 29,822	$ 29,479
Year 2	25,748	16,273
Year 3	23,070	15,856
Year 4	15,080	13,595
Year 5	5,152	5,688
	$ 98,872	$ 80,891

The investment properties held by the Company are depreciated using the straight-line method over their estimated useful lives of 47 years.

The fair values of the Company's investment properties as of December 31, 2024 and 2023 were $1,276,837 thousand and $1,350,875 thousand, respectively. Management of the Company used the valuation model that market participants would use in determining the fair value. The valuation was arrived at by reference to market evidence of transaction prices for similar properties.

All of the Company's investment properties were held under freehold interests. The investment properties pledged as collateral for bank borrowings are set out in Note 32.

15. OTHER INTANGIBLE ASSETS

	Computer Software	Others	Total
Cost			
Balance at January 1, 2024	$ -	$ 2,800	$ 2,800
Additions	11,670	-	11,670
Balance at December 31, 2024	$ 11,670	$ 2,800	$ 14,470
Accumulated amortization and impairment			
Balance at January 1, 2024	$ -	$ -	$ -
Amortization expense	1,737	-	1,737
Balance at December 31, 2024	$ 1,737	$ -	$ 1,737
Carrying amount at December 31, 2024	$ 9,933	$ 2,800	$ 12,733

(Continued)

	Computer Software	Others	Total
Cost			
Balance at January 1, 2023	$ -	$ 2,800	$ 2,800
Additions	-	-	-
Balance at December 31, 2023	$ -	$ 2,800	$ 2,800
Accumulated amortization and impairment			
Balance at January 1, 2023	$ -	$ -	$ -
Amortization expense	-	-	-
Balance at December 31, 2023	$ -	$ -	$ -
Carrying amount at December 31, 2023	$ -	$ 2,800	$ 2,800

(Concluded)

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

Computer software cost	3-4 years

Other intangible assets that are considered to have an indefinite useful life will not be amortized until its useful life is determined to be finite. Instead, it will be tested for impairment annually whether or not there are any indications of impairment.

16 OTHER ASSETS

	December 31	
	2024	2023
Current		
Prepayments	$ 82,624	$ 46,427
Others	15,430	17,353
	$ 98,054	$ 63,780
Non-current		
Refundable deposits	$ 3,949	$ 2,287
Overdue receivables	3,840	3,596
Allowance for impairment loss - overdue receivables	(3,840)	(3,596)
Prepayments for equipment	778	-
	$ 4,727	$ 2,287

17. BORROWINGS

Short-term Borrowings

	December 31	
	2024	2023
Unsecured borrowings		
Line of credit borrowings	$ 2,400,000	$ 1,800,000
Secured borrowings (Note 32)		
Bank loans	-	200,000
	$ 2,400,000	$ 2,000,000

The range of weighted average effective interest rates on bank loans was 1.7%-2.14% and 1.57%-1.71 per annum as of December 31, 2024 and 2023, respectively.

18. BONDS PAYABLE

	December 31	
	2024	2023
Unsecured domestic convertible bonds	$ -	$ 548,790
Less: Current portion	-	-
	$ -	$ 548,790

a. The first batch of unsecured domestic convertible bonds

On January 15, 2020, the Company issued 12 thousand units of 0% NTD-denominated unsecured convertible bonds in Taiwan, with an aggregate principal amount of $1,200,000 thousand.

At the time of issuance of the bonds, each bond entitles the holder to convert it into ordinary shares of the Company at a conversion price of $122. After the conversion price is determined, in the event of ex-rights or ex-dividends, it shall be adjusted according to the conversion price adjustment formula. Conversion may occur at any time between April 16, 2020 and January 15, 2023. If the bonds have not been converted, they will be redeemed at 101.5075% of face value on January 15, 2023.

The convertible bonds include liabilities and equity components, which are expressed as capital surplus-stock options under equity. The effective interest rate initially recognized for the liability component was 1.1935%.

Proceeds from issuance (less transaction costs of $3,745 thousand)	$ 1,259,004
Equity component (less transaction costs allocated to the equity component of $241 thousand)	(83,747)
Account on current financial assets at fair value through profit or loss at the date of issue	240
Liability component at the date of issue (less transaction costs allocated to the liability component of $3,504 thousand)	1,175,497
Interest charged at an effective interest rate of 1.1935%	42,306
Convertible bonds converted into ordinary shares	(272,260)
Repayments of bond payables	(945,543)
Liability component at December 31, 2023	$ -

The convertible bonds had been converted or redeemed and were taken off the market in January 2023.

b. The second batch of unsecured domestic convertible bonds

On June 16, 2023, the Company issued 12 thousand units of 0% NTD-denominated unsecured convertible bonds in Taiwan, with an aggregate principal amount of $1,200,000 thousand.

At the time of issuance of the bonds, each bond entitles the holder to convert it into ordinary shares of the Company at a conversion price of $200. After the conversion price is determined, in the event of ex-rights or ex-dividends, it shall be adjusted according to the conversion price adjustment formula. Conversion may occur at any time between September 17, 2023 and June 16, 2028. If the bonds have not been converted, they will be redeemed at 102.5251% of their face value on June 16, 2028.

The convertible bonds include liabilities and equity components, which are expressed as capital surplus-stock options under equity. The effective interest rate initially recognized for the liability component was 1.7699%.

Proceeds from issuance (less transaction costs of $3,595 thousand)	$ 1,288,112
Equity component (less transaction costs allocated to the equity component of $410 thousand)	(160,778)
Current financial liabilities at fair value through profit or loss at the date of issue	(360)
Liability component at the date of issue (less transaction costs allocated to the liability component of $3,185 thousand)	1,126,974
Interest charged at an effective interest rate of 1.7699%	13,775
Convertible bonds converted into ordinary shares	(1,139,749)
Repayments of bond payables	(1,000)
Liability component at December 31, 2024	$ -

As of December 31, 2023, the bondholders had applied to convert the bonds into 3,333 thousand ordinary shares at the conversion price of $186.5 per share, or $621,600 thousand at face value.

As of December 31, 2024, the bondholders had applied to convert the bonds into 6,490 thousand ordinary shares at the conversion price of $186.5 per share, or $1,199,000 thousand at face value.

These convertible bonds were fully converted or redeemed early and were taken off the market on September 19, 2024.

19. TRADE PAYABLES

	December 31 2024	December 31 2023
Trade payables		
Operating	$ 1,582,046	$ 1,781,058

The Company has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.

20. OTHER LIABILITIES

	December 31 2024	December 31 2023
Current		
Other payables		
Payables for employees' compensation and remuneration of directors	$ 114,780	$ 100,660
Payables for salaries and bonuses	132,674	112,189
Payables for freight	80,840	34,379
Others	258,238	271,817
	$ 586,532	$ 519,045
Other liabilities		
Advance receipts	$ 51,672	$ 39,282
Receipts under custody	3,660	3,828
	$ 55,332	$ 43,110
Non-current		
Other liabilities		
Guarantee deposits received	$ 7,863	$ 7,517

21. PROVISIONS

	December 31 2024	December 31 2023
Current		
Warranties	$ 127,667	$ 123,445

	Warranties
Balance at January 1, 2024	$ 123,445
Additional provisions recognized	4,222
Balance at December 31, 2024	$ 127,667
Balance at January 1, 2023	$ 130,567
Amount used	(7,122)
Balance at December 31, 2023	$ 123,445

The provision for warranty claims represents the present value of management's best estimate of the future outflow of economic benefits that will be required under the Company's obligations for warranties under the legislation on the local sale of goods. The estimate had been made on the basis of historical warranty trends and may vary as a result of new materials, altered manufacturing processes or other events affecting product quality.

22. RETIREMENT BENEFIT PLANS

a. Defined contribution plan

The Company adopted a pension plan under the Labor Pension Act (LPA), which is a state-managed defined contribution plan. Under the LPA, the Company makes monthly contributions to employees' individual pension accounts at 6% of monthly wages and salaries.

b. Defined benefit plan

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

The amounts included in the balance sheets in respect of the Company's defined benefit plan were as follows:

	December 31	
	2024	2023
Present value of defined benefit obligation	$ 13,523	$ 15,711
Fair value of plan assets	(5,214)	(4,092)
Net defined benefit liabilities	$ 8,309	$ 11,619

Movements in net defined benefit liabilities were as follows:

	Present Value of the Defined Benefit Obligation	Fair Value of the Plan Assets	Net Defined Benefit Liabilities
Balance at January 1, 2023	$ 14,602	$ (3,883)	$ 10,719
Service cost			
Current service cost	-	-	-
Interest expense (income)	219	(58)	161
Recognized in profit or loss	219	(58)	161
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	2	2
Actuarial loss			
Changes in financial assumptions	700	-	700
Experience adjustments	190	-	190
Recognized in other comprehensive income	890	2	892
Contributions from the employer	-	(153)	(153)
Balance at December 31, 2023	15,711	(4,092)	11,619
Service cost			
Current service cost	-	-	-
Interest expense (income)	216	(61)	155
Recognized in profit or loss	216	(61)	155
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	(377)	(377)
Actuarial gain			
Changes in financial assumptions	(201)	-	(201)
Experience adjustments	(2,203)	-	(2,203)
Recognized in other comprehensive income	(2,404)	(377)	(2,781)
Contributions from the employer	-	(684)	(684)
Balance at December 31, 2024	$ 13,523	$ (5,214)	$ 8,309

An analysis by function of the amounts recognized in profit or loss in respect of the defined benefit plan is as follows:

	For the Year Ended December 31	
	2024	2023
Cost of goods sold	$ 7	$ -
Selling and marketing expenses	21	29
General and administrative expenses	26	30
Research and development expenses	101	102
	$ 155	$ 161

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

1) Investment risk: The plan assets are invested in domestic and foreign equity and debt securities, bank deposits, etc. The investment is conducted at the discretion of the Bureau or under the mandated management. However, in accordance with relevant regulations, the return generated by plan assets should not be below the interest rate for a 2-year time deposit with local banks.

2) Interest risk: A decrease in the government bond interest rate will increase the present value of the defined benefit obligation; however, this will be partially offset by an increase in the return on the plan's debt investments.

3) Salary risk: The present value of the defined benefit obligation is calculated by reference to the future salaries of plan participants. As such, an increase in the salaries of the plan participants will increase the present value of the defined benefit obligation.

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

	December 31	
	2024	**2023**
Discount rate	1.50%	1.375%
Expected rate of salary increase	3.50%	3.50%

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

	December 31	
	2024	**2023**
Discount rate		
0.25% increase	$ (390)	$ (481)
0.25% decrease	$ 406	$ 501
Expected rate of salary increase		
0.25% increase	$ 391	$ 482
0.25% decrease	$ (378)	$ (466)

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

	December 31	
	2024	**2023**
Expected contributions to the plan for the next year	$ 2,910	$ 728
Average duration of the defined benefit obligation	11.77 years	12.5 years

23. EQUITY

a. Share capital

Ordinary shares

	December 31	
	2024	2023
Shares authorized (in thousands of shares)	360,000	360,000
Shares authorized (in thousands of dollars)	$ 3,600,000	$ 3,600,000
Shares issued and fully paid (in thousands of shares)	94,166	90,433
Shares issued and fully paid (in thousands of dollars)	$ 941,660	$ 904,329

Fully paid ordinary shares, which have a par value of $10, carry one vote per share and carry a right to dividends. The authorized shares include 20,000 thousand shares allocated for the exercise of employee share options.

The Company's first unsecured domestic convertible bonds were converted into 2,354 thousand and 196 thousand ordinary shares with a face value of $247,900 thousand and $20,600 thousand presented in certificates of entitlement to new shares from convertible bonds in 2022 and January 2023. The base dates were resolved to be January 30, 2023 and March 23, 2023, and the change registrations were completed on February 21, 2023 and April 6, 2023.

On June 13, 2023, the Company's shareholders resolved to issue $41,750 thousand from retained earnings in their meetings. The Company's board of directors set August 22, 2023 as the share capital ex-right base date.

The Company's second unsecured domestic convertible bonds were converted into 3,333 thousand ordinary shares with a face value of $621,600 thousand presented in certificates of entitlement to new shares from convertible bonds in 2023. The base date were resolved to be November 9, 2023 and January 18, 2024, respectively, and the change registrations were completed on December 6, 2023 and January 31, 2024, respectively.

The Company's second unsecured domestic convertible bonds were converted into 3,157 thousand ordinary shares with a face value of $577,400 thousand presented in certificates of entitlement to new shares from convertible bonds in 2024. The base dates were resolved to be May 10, 2024, August 8, 2024 and November 7, 2024, respectively, and the change registration were completed on May 27, 2024, September 20, 2024 and November 25, 2024, respectively.

b. Certificate of entitlement to new shares from convertible bonds

The Company's second unsecured domestic convertible bonds were converted into 576 thousand ordinary shares with a face value of $107,400 thousand and presented in certificates of entitlement to new shares from convertible bonds in October 2023. Moreover, the base date has been resolved to be January 18, 2024 by the Company's board of directors, and the change registration will be completed.

	December 31	
	2024	2023
Number of shares requested for conversion but change in registration has not yet been completed (in thousands)	-	576
Shares requested for conversion but change in registration has not yet been completed (in thousands)	$ -	$ 5,758

c. Capital surplus

	December 31	
	2024	2023
May be used to offset a deficit, distributed as cash dividends, or transferred to share capital*		
Issuance of ordinary shares	$ 1,398,242	$ 1,398,242
Conversion of bonds	1,566,135	966,951
May not be used for any purpose		
Convertible bonds with warrants attached	-	77,495
	$ 2,964,377	$ 2,442,688

* Such capital surplus may be used to offset a deficit; in addition, when the Company has no deficit, such capital surplus may be distributed as cash dividends or transferred to share capital (limited to a certain percentage of the Company's capital surplus and once a year).

d. Retained earnings and dividends policy

The proposal for profit distribution or offsetting of losses should be made at the end of every six months of the fiscal year. The board of directors shall prepare a proposal for profit distribution and submit it to the audit committee for inspection, after which it is submitted to the board of directors for approval.

Under the dividends policy as set forth in the amended Articles, where the Company made a profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting losses of previous years, setting aside as legal reserve 10% of the remaining profit, setting aside or reversing a special reserve in accordance with the laws and regulations, and then any remaining profit together with any undistributed retained earnings shall be used by the Company's board of directors as the basis for proposing a distribution plan, which should be resolved in the shareholders' meeting for the distribution of dividends and bonuses to shareholders. The aforementioned distribution of dividends and bonuses from the legal reserve or capital surplus shall be authorized by the board of directors in their meeting attended by at least two-thirds of all directors and resolved by more than half of the directors present, and reported to the shareholders in their meeting.

For the policies on the distribution of employees' compensation and remuneration of directors after the amendment, refer to employees' compensation and remuneration of directors in Note 25-g.

Appropriation of earnings to the legal reserve shall be made until the legal reserve equals the Company's paid-in capital. The legal reserve may be used to offset deficits. If the Company has no deficit and the legal reserve has exceeded 25% of the Company's paid-in capital, the excess may be transferred to capital or distributed in cash.

When a special reserve is appropriated for cumulative net debit balance reserves from prior period, the special reserve is only appropriated from the prior unappropriated earnings.

The appropriations of earnings for 2023 and 2022 were as follows:

	Appropriation of Earnings For the Year Ended December 31	
	2023	**2022**
Legal reserve	$ 146,725	$ 114,450
Special reserve	$ (9,109)	$ (118,302)
Cash dividends	$ 728,070	$ 417,504
Share dividends	$ -	$ 41,750
Cash dividends per share (NT$)	$ 8	$ 5
Share dividends per share (NT$)	$ -	$ 0.5

The above appropriations of cash dividends were resolved by the Company's board of directors on March 12, 2024 and March 23, 2023, respectively; the other proposed appropriations were resolved by the shareholders in their meetings on May 28, 2024 and June 13, 2023, respectively.

The appropriation of earnings for 2024 which were proposed by the Company's board of directors on March 11, 2025, was as follows:

	Appropriation of Earnings
	For the Year Ended December 31, 2024
Legal reserve	$ 228,606
Special reserve	$ (69,351)
Cash dividends	$ 1,412,491
Cash dividends per share (NT$)	$ 15

The above appropriation for cash dividends has been resolved by the Company's board of directors; the other proposed appropriations will be resolved by the shareholders in their meeting to be held on May 28, 2025.

e. Special reserve

	For the Year Ended December 31	
	2024	**2023**
Balance at January 1	$ 78,460	$ 196,762
Appropriation in respect of:		
Reversal of the debits to other equity items	(9,109)	(118,302)
Balance at December 31	$ 69,351	$ 78,460

24. REVENUE

	For the Year Ended December 31	
	2024	2023
Revenue from contracts with customers		
Revenue from the sale of goods	$ 7,562,873	$ 6,910,865

a. Contract information

For information about warranty liabilities on defective electronic equipment, refer to Notes 4 and 21.

b. Contract balances

	December 31	
	2024	2023
Trade receivables (Note 9)	$ 2,937,136	$ 2,731,028

25. NET PROFIT FROM CONTINUING OPERATIONS

a. Interest income

	For the Year Ended December 31	
	2024	2023
Bank deposits	$ 145,999	$ 72,970
Others	30	28
	$ 146,029	$ 72,998

b. Other income

	For the Year Ended December 31	
	2024	2023
Rental income	$ 35,612	$ 35,143
Others	53,094	26,461
	$ 88,706	$ 61,604

c. Other gains and losses

	For the Year Ended December 31	
	2024	2023
Net foreign exchange gains	$ 312,993	$ 11,389
Gain (loss) on valuation of financial liabilities at FVTPL	4,404	(4,044)
Lease modification benefits	57	10
Others	(13,062)	(1,785)
	$ 304,392	$ 5,570

d. Finance costs

	For the Year Ended December 31	
	2024	2023
Interest on bank loans	$ 35,485	$ 45,121
Interest on convertible bonds	5,472	8,302
Interest on lease liabilities	264	245
Others	135	116
	$ 41,356	$ 53,784

e. Depreciation and amortization

	For the Year Ended December 31	
	2024	2023
Property, plant and equipment	$ 28,361	$ 27,012
Right-of-use assets	11,293	10,199
Investment properties	9,786	9,835
Intangible assets	1,737	-
	$ 51,177	$ 47,046
An analysis of depreciation by function		
Operating costs	$ 10,176	$ 9,280
Operating expenses	39,264	37,766
	$ 49,440	$ 47,046
An analysis of amortization by function		
Operating costs	$ -	$ -
Operating expenses	1,737	-
	$ 1,737	$ -

f. Employee benefits expense

	For the Year Ended December 31	
	2024	2023
Post-employment benefits (Note 22)		
Defined contribution plan	$ 19,879	$ 18,430
Defined benefit plan	155	161
	20,034	18,591
Short-term benefits	642,385	583,901
Total employee benefits expense	$ 662,419	$ 602,492
An analysis of employee benefits expense by function		
Operating costs	$ 14,594	$ 12,287
Operating expenses	647,825	590,205
	$ 662,419	$ 602,492

g. Employees' compensation and remuneration of directors

The Company accrued employees' compensation and remuneration of directors at rates of no less than 2% and no higher than 2%, respectively, of net profit before income tax, employees' compensation, and remuneration of directors. The employees' compensation and remuneration of directors for the years ended December 31, 2024 and 2023, which were approved by the Company's board of directors on March 11, 2025 and March 12, 2024, respectively, are as follows:

Accrual rate

	For the Year Ended December 31	
	2024	**2023**
Employees' compensation	4.07%	5.24%
Remuneration of directors	0.21%	0.33%

Amount

	For the Year Ended December 31	
	2024	**2023**
	Cash	**Cash**
Employees' compensation	$ 108,000	$ 90,000
Remuneration of directors	5,600	5,600

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

The appropriations of employees' compensation and remuneration of directors that were resolved by the board of directors and the amounts recognized in the consolidated financial statements for the year ended December 31, 2024, are as shown below:

	For the Year Ended December 31, 2024	
	Compensation of Employees	**Remuneration of Directors and Supervisors**
Amounts approved in the board of directors' meeting	$ 108,000	$ 5,950
Amounts recognized in the annual consolidated financial statements	108,000	5,600

The differences will be adjusted to profit and loss for the year ended December 31, 2025.

The appropriations of employees' compensation and remuneration of directors that were resolved by the board of directors and the amounts recognized in the consolidated financial statements for the years ended December 31, 2023, are as shown below:

	For the Year Ended December 31, 2023	
	Compensation of Employees	**Remuneration of Directors and Supervisors**
Amounts approved in the board of directors' meeting	$ 90,000	$ 5,600
Amounts recognized in the annual consolidated financial statements	90,000	6,500

The differences were adjusted to profit and loss for the year ended December 31, 2024.

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

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

h. Gains on foreign currency exchange

	For the Year Ended December 31	
	2024	2023
Foreign exchange gains	$ 420,622	$ 231,110
Foreign exchange losses	(107,629)	(219,721)
	$ 312,993	$ 11,389

26. INCOME TAXES RELATING TO CONTINUING OPERATIONS

a. Income tax recognized in profit or loss

Major components of tax expense are as follows:

	For the Year Ended December 31	
	2024	2023
Current tax		
In respect of the current year	$ 300,828	$ 183,504
Income tax on unappropriated earnings	30,078	34,455
Adjustments for prior years	(23,530)	6,655
	307,376	224,614
Deferred tax		
In respect of the current year	(52,143)	(71,087)
Income tax expense recognized in profit or loss	$ 255,233	$ 153,527

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

	For the Year Ended December 31	
	2024	2023
Profit before tax from continuing operations	$ 2,539,088	$ 1,622,057
Income tax expense calculated at the statutory rate	$ 507,818	$ 324,411
Permanent differences	1,764	986
Income tax on unappropriated earnings	30,078	34,455
Unrecognized deductible temporary differences	(260,897)	(212,980)
Adjustments for prior years' tax	(23,530)	6,655
Income tax expense recognized in profit or loss	$ 255,233	$ 153,527

b. Income tax expense (benefit) recognized in other comprehensive income

	For the Year Ended December 31	
	2024	2023
Deferred tax		
In respect of the current year		
Remeasurement of defined benefit plan	$ 556	$ (178)
Total income tax recognized in other comprehensive income	$ 556	$ (178)

c. Current tax assets and liabilities

	December 31	
	2024	2023
Current tax liabilities		
Income tax payable	$ 266,421	$ 249,431

d. Deferred tax assets and liabilities

The movements of deferred tax assets and deferred tax liabilities were as follows:

For the year ended December 31, 2024

	Opening Balance	Recognized in Profit or Loss	Recognized in Other Compre-hensive Income	Closing Balance
Deferred tax assets				
Temporary differences				
Unrealized profit from subsidiaries	$ 160,527	$ 90,875	$ -	$ 251,402
Defined benefit obligations	2,497	-	(556)	1,941
Unrealized loss on write-down of inventories	32,789	(512)	-	32,277
Unrealized exchange losses	16,045	(16,045)	-	-
Loss on valuation of financial assets	809	(809)	-	-
Bonds payable discount amortization	1,609	(1,609)	-	-
Unrealized warranty provisions	11,139	844	-	11,983
	$ 225,415	$ 72,744	$ (556)	$ 297,603

(Continued)

	Opening Balance	Recognized in Profit or Loss		Recognized in Other Compre-hensive Income	Closing Balance
Deferred tax liabilities					
Temporary differences					
Unrealized loss from subsidiaries	$ 186	$ 66		$ -	$ 252
Unrealized exchange gains	-	20,535		-	20,535
	$ 186	$ 20,601	$ 20,601	$ -	$ 20,787

(Concluded)

For the year ended December 31, 2023

	Opening Balance	Recognized in Profit or Loss	Recognized in Other Compre-hensive Income	Closing Balance
Deferred tax assets				
Temporary differences				
Unrealized profit from subsidiaries	$ 105,513	$ 55,014	$ -	$ 160,527
Defined benefit obligations	2,319	-	178	2,497
Unrealized loss on write-down of inventories	26,660	6,129	-	32,789
Unrealized exchange losses	700	15,345	-	16,045
Loss on valuation of financial assets	48	761	-	809
Bonds payable discount amortization	6,161	(4,552)	-	1,609
Unrealized warranty provisions	12,563	(1,424)	-	11,139
	$ 153,964	$ 71,273	$ 178	$ 225,415
Deferred tax liabilities				
Temporary differences				

	Opening Balance	Recognized in Profit or Loss	Recognized in Other Compre-hensive Income	Closing Balance
Unrealized loss from subsidiaries	$ -	$ 186	$ -	$ 186

e. No deferred tax liabilities were recognized as the share of profit associated with investments in subsidiaries was not distributed.

f. Income tax assessments

The Company's tax returns through 2022 have been assessed by the tax authorities.

27. EARNINGS PER SHARE

Unit: NT$ Per Share

	For the Year Ended December 31	
	2024	2023
Basic earnings per share	$ 24.75	$ 16.58
Diluted earnings per share	$ 24.17	$ 16.06

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

Net Profit for the Year

	For the Year Ended December 31	
	2024	2023
Earnings used in the computation of basic earnings per share	$ 2,283,855	$ 1,468,530
Effect of potentially dilutive ordinary shares		
Interest on convertible bonds (after tax)	4,378	6,642
Net (gain) loss on financial liabilities at fair value through profit or loss	(4,404)	4,044
Earnings used in the computation of diluted earnings per share	$ 2,283,829	$ 1,479,216

Weighted Average Number of Ordinary Shares Outstanding

Unit: In Thousands of Shares

	For the Year Ended December 31	
	2024	2023
Weighted average number of ordinary shares used in the computation of basic earnings per share	92,292	88,583
Effect of potentially dilutive ordinary shares:		
Compensation of employees	357	619
Convertible bonds	1,843	2,914

Weighted average number of ordinary shares used in the computation of diluted earnings per share	94,492	92,116

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

28. ACQUISITION OF SUBSIDIARY - WITHOUT LOSS OF CONTROL

For the year ended December 31, 2023, the Company subscribed for additional shares of Cliquefie Co., Ltd., increasing its continuing interest from 96.7% to 100%.

The above transaction was accounted for as equity transactions since the Company did not cease to have control over this subsidiary, refer to Note 29 to the Company's consolidated financial statements for the year ended December 31, 2024.

29. CAPITAL MANAGEMENT

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximizing the return to stakeholders through the optimization of the debt and equity balance. The Company's overall strategy remains unchanged.

The capital structure of the Company consists of net debt (borrowings offset by cash and cash equivalents) and equity attributable to owners of the Company (comprising issued capital, reserves, retained earnings and other equity).

The Company is not subject to any externally imposed capital requirements.

30. FINANCIAL INSTRUMENTS

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

Management believes the carrying amounts of financial assets and financial liabilities recognized in the financial statements which are not measured at fair value approximate their fair values.

b. Fair value of financial instruments measured at fair value

1) Fair value hierarchy

December 31, 2024: None

December 31, 2023

	Level 1	Level 2	Level 3	Total
Financial liabilities at FVTPL				
Redemption right and put option of convertible corporate bonds	$ -	$ 4,404	$ -	$ 4,404

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

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

Financial Instrument	Valuation Technique and Inputs
Redemption right and put option of convertible corporate bonds	Binary tree convertible bond evaluation model: According to the evaluation date, stock price, stock price volatility, risk-free interest rate equivalent to the duration of the convertible bond, risk discount rate considering credit risk discount and liquidity reduction factor.

c. Categories of financial instruments

	December 31	
	2024	**2023**
<u>Financial assets</u>		
Amortized cost (1)	$ 6,468,133	$ 5,491,743
<u>Financial liabilities</u>		
Amortized cost (2)	4,358,305	4,661,546
Financial liabilities at fair value through profit or loss	-	4,404

1) The balances include financial assets at amortized cost, which comprise cash and cash equivalents, notes receivable and trade receivables, other receivables, financial assets at amortized cost, and other financial assets.

2) The balances include financial liabilities measured at amortized cost, which comprise short-term borrowings, notes and trade payables, other payables, guarantee deposits received and lease liabilities.

d. Financial risk management objectives and policies

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

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

1) Market risk

The Company's activities exposed it primarily to the financial risks of changes in foreign currency exchange rates (see (a) below) and interest rates (see (b) below).

There has been no change to the Company's exposure to market risk or the manner in which these risks were managed and measured.

a) Foreign currency risk

The Company had foreign currency sales and purchases, which exposed the Company to foreign currency risk. Exchange rate exposures were managed within approved policy parameters utilizing foreign exchange forward contracts.

The Company uses foreign exchange forward contracts to reduce foreign currency risk. It is the Company's policy to negotiate the terms of the hedge derivatives to match the terms of the hedged item to maximize hedge effectiveness.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities are set out in Note 35.

Sensitivity analysis

The Company is mainly exposed to the U.S. dollar and the Chinese Yuan.

The following table details the Company's sensitivity to a 5% increase and decrease in the New Taiwan dollar (the functional currency) against the relevant foreign currencies. The sensitivity rate used when reporting foreign currency risk internally to key management personnel and representing management's assessment of the reasonably possible change in foreign exchange rates is 5%. A positive (negative) number indicates an increase (decrease) in pre-tax profit associated with the New Taiwan dollar weakening (strengthening) 5% against the relevant foreign currencies. Conversely, there would be an equal and opposite impact on pre-tax profit for a 5% strengthening (weakening) of the New Taiwan dollar against the relevant foreign currencies.

	USD Impact		**CNY Impact**	
	For the Year Ended December 31		**For the Year Ended December 31**	
	2024	**2023**	**2024**	**2023**
Profit or loss	$ 259,618 (i)	$ 187,867 (i)	$ (40,705) (ii)	$ (27,778) (ii)

i. This was mainly attributable to the exposure on outstanding USD bank deposits, and receivables and payables which were not hedged at the end of the reporting period.

ii. This was mainly attributable to the exposure on outstanding CNY bank deposits and payables which were not hedged at the end of the reporting period.

b) Interest rate risk

The Company was exposed to interest rate risk because the Company borrowed funds at both fixed and floating interest rates. The risk is managed by the Company based on the management's knowledge and insight obtained from the financial markets to maintain an appropriate mix of fixed and floating rate borrowings.

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

	December 31	
	2024	**2023**
Cash flow interest rate risk	$ 500,000	$ 2,000,000
Fair value interest rate risk	1,900,000	-

The Company was also exposed to cash flow interest rate risk in relation to variable-rate bank borrowings.

Sensitivity analysis

The sensitivity analysis below was based on the Company's exposure to interest rates for non-derivative instruments at the end of the reporting period. For floating-rate liabilities, the analysis was prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 100-basis point increase or decrease was used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 100-basis points higher/lower and all other variables were held constant, the Company's pre-tax profit for the years ended December 31, 2024 and 2023 would decrease/increase by $5,000 thousand and $20,000 thousand, respectively.

2) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Company. As at the end of the reporting period, the Company's maximum exposure to credit risk (without consideration of the collaterals held as security or other credit enhancements, and irrevocable maximum exposure amounts), which would cause a financial loss to the Company due to the failure of the counterparty to discharge its obligation and due to the financial guarantees provided by the Company, could be equal to the total of the following:

a) The carrying amount of the respective recognized financial assets as stated in the balance sheets; and

b) The maximum amount the entity would have to pay if the financial guarantee is called upon, irrespective of the likelihood of the guarantee being exercised.

In order to minimize credit risk, the management of the Company has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Company reviews the recoverable amount of each individual trade debt at the end of the reporting period to ensure that adequate allowance is made for irrecoverable amounts.

The counterparties of trade receivables cover a large number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of the counterparties of the trade receivables and credit insurance will be purchased if necessary.

The Company's credit risk was mainly concentrated on their largest customers. As of December 31, 2024 and 2023, the proportion of total trade receivables - non-related parties from Customer A was 19% and 14%, respectively.

3) Liquidity risk

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

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

The following tables detail the Company's remaining contractual maturities for its non-derivative financial liabilities with agreed upon repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities from the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows. Specifically, bank loans with a repayment on demand clause were included in the earliest time band regardless of the probability of the banks choosing to exercise their rights. The maturity dates for other non-derivative financial liabilities were based on the agreed repayment dates.

To the extent that interest flows are at floating rates, the undiscounted amount was derived from the interest rate curve at the end of the reporting period.

December 31, 2024

	Less than 1 Year	1-2 Years	2-5 Years	More than 5 Years	Total
Non-derivative financial liabilities					
Non-interest bearing liabilities	$ 1,923,500	$ 147	$ 5,340	$ -	$ 1,928,987
Lease liabilities	12,577	9,481	7,260	-	29,318
Variable interest rate liabilities	500,000	-	-	-	500,000
Fixed interest rate liabilities	1,900,000	-	-	-	1,900,000
	$ 4,336,077	$ 9,628	$ 12,600	$ -	$ 4,358,305

December 31, 2023

	Less than 1 Year	1-2 Years	2-5 Years	More than 5 Years	Total
Non-derivative financial liabilities					
Non-interest bearing liabilities	$ 2,090,764	$ 292	$ 3,715	$ -	$ 2,094,771
Lease liabilities	9,965	6,070	1,950	-	17,985
Bonds payable	-	-	548,790	-	548,790
Variable interest rate liabilities	2,000,000	-	-	-	2,000,000
	$ 4,100,729	$ 6,362	$ 554,455	$ -	$ 4,661,546

b) Financing facilities

	December 31	
	2024	2023
Unsecured bank loan facilities		
Amount used	$ 2,400,000	$ 1,800,000
Amount unused	3,073,625	3,717,625
	$ 5,473,625	$ 5,517,625

(Continued)

	December 31	
	2024	2023
Secured bank loan facilities		
Amount used	$ -	$ 200,000
Amount unused	2,500,000	1,704,000
	$ 2,500,000	$ 1,904,000

(Concluded)

31. TRANSACTIONS WITH RELATED PARTIES

Details of transactions between the Company and other related parties are disclosed below.

a. Related party name and category

Related Party Name	Related Party Category
Cyber Power Systems (USA), Inc.	Subsidiary
Cyber Power Systems B.V.	Subsidiary
Nitram SAS	Subsidiary
Cyber Power Systems GmbH	Subsidiary
Cyber Power Systems S.A. DE C.V.	Subsidiary
Cyber Power Systems (INDIA) PVT, Ltd.	Subsidiary
Cyber Power Systems K. K.	Subsidiary
Dongguan Cyber Energy Co., Ltd.	Subsidiary
Cyber Power Systems (HK) Limited	Subsidiary
Cyber Power (Shenzhen), Inc.	Subsidiary
Cyber Power Systems Manufacturing, Inc.	Subsidiary
CliqueFie Co., Ltd.	Subsidiary
Phisonic Technology Corporation	Subsidiary
AT Holding Philippines Corporation	Subsidiary
Ascend Target Development Corporation	Subsidiary
Best Top (Shenzhen), Inc.	Substantive related party
Cyber Energy Co., Ltd.	Substantive related party

b. Sales of goods

		For the Year Ended December 31	
Line Items	Related Party Category/Name	2024	2023
Sales	Subsidiary/Cyber Power Systems (USA), Inc.	$ 4,218,365	$ 3,494,932
	Subsidiary/others	1,197,084	944,433
	Substantive related parties/others	125	-
		$ 5,415,574	$ 4,439,365

The Company's pricing strategy for the sale of goods to related parties varies according to their scope of the market and competitiveness. The period of collection of trade receivables from the related parties is 90-180 days. The situation of the use of funds by associates is also taken into consideration when deciding the collection period of receivables from associates, while the collection period for third parties is 30-120 days.

c. Purchases of goods

Related Party Category/Name	For the Year Ended December 31	
	2024	2023
Subsidiary/Cyber Power Systems (HK) Limited	$ 861,129	$ 1,108,138
Subsidiary/others	26,950	26,183
Substantive related parties/others	5,456	4,583
	$ 893,535	$ 1,138,904

Subsidiary: Prices are determined through negotiations after referring to the market prices, and the payment term is 60 days.

Substantive related party: Prices are determined through negotiations after referring to the market prices. Prepayment of the current estimated merchandise cost is made at the beginning of each month, and then the amount is offset against the actual processing cost at the end of each month.

d. Operating costs

Line Item	Related Party Category/Name	For the Year Ended December 31	
		2024	2023
Processing cost	Subsidiary/Cyber Power (Shenzhen), Inc.	$ 664,109	$ 573,007
	Subsidiary/Cyber Power Systems Manufacturing, Inc.	173,182	119,984
	Subsidiary/PHISONIC	103,047	95,810
		$ 940,338	$ 788,801

Subsidiary: Managed by the cost-plus method, and the estimated processing cost is prepaid at the beginning of each month, and offset against the actual processing cost at the end of month.

e. Other operating costs

Line Item	Related Party Category/Name	For the Year Ended December 31	
		2024	2023
Inventory processing cost	Subsidiary/Cyber Power (Shenzhen), Inc.	$ 24,181	$ 23,366
	Substantive related party/others	1,713	1,944
		$ 25,894	$ 25,310

The price is set according to the contract. The Company prepays the estimated amount at the beginning of every month, and then offset against the actual processing cost at the end of every month.

f. Operating expenses

Line Item	Related Party Category/Name	For the Year Ended December 31 2024	2023
Research and development expenses	Subsidiary/others	$ 662	$ 1,817
Research and development expenses	Subsidiary/Nitram	1,416	-
Selling expenses	Subsidiary/Nitram	28	-
General and administrative expenses	Subsidiary/Nitram	145	-
		$ 2,251	$ 1,817

The price is set in accordance with the contract specifications set by both parties, and the actual amount payable will be offset at the end of the month.

g. Other income

Related Party Category/Name	For the Year Ended December 31 2024	2023
Subsidiary/Cyber Power Systems B.V.	$ 37,890	$ 15,854
Subsidiary/others	-	155
Substantive related party/Cyber Energy Co., Ltd.	6,760	8,118
	$ 44,650	$ 24,127

h. Other expenses

Related Party Category/Name	For the Year Ended December 31 2024	2023
Subsidiary/Cyber Power Systems (USA), Inc.	$ 107	$ 263

i. Receivables from related parties (excluding loans to related parties)

Line Item	Related Party Category/Name	December 31 2024	2023
Trade receivables	Subsidiary/Cyber Power Systems (USA), Inc.	$ 2,211,137	$ 2,130,512
	Subsidiary/others	238,029	205,639
	Substantive related party/others	36	6
		$ 2,449,202	$ 2,336,157

The outstanding trade receivables from related parties are unsecured. For the years ended December 31, 2024 and 2023, no impairment loss was recognized on trade receivables from related parties.

Line Item	Related Party Category/Name	December 31	
		2024	2023
Other receivables	Substantive related party/Cyber Energy Co., Ltd.	$ 1,181	$ 1,357

j. Payables to related parties (excluding borrowings from related parties)

Line Item	Related Party Category/Name	December 31	
		2024	2023
Trade payables	Subsidiary/Cyber Power (Shenzhen), Inc.	$ 818,383	$ 571,019
	Subsidiary/Cyber Power Systems (HK) Limited	390,046	861,544
	Subsidiary/PHISONIC	15,460	4,748
		$ 1,223,889	$ 1,437,311

k. Prepayments

Related Party Category/Name	For the Year Ended December 31	
	2024	2023
Subsidiary/Cyber Power Systems Manufacturing, Inc.	$ 54,064	$ 27,387

l. Endorsements and guarantees

Endorsements and guarantees provided by the Company

Related Party Category/Name	December 31	
	2024	2023
Subsidiary	EUR -	EUR 150

m. Other transactions

In May 2024, the Company increased the capital of Cliquefie Co., Ltd., by $300 thousand in cash, remaining its continuing interest at 100%.

n. Remuneration of key management personnel

	For the Year Ended December 31	
	2024	2023
Short-term employee benefits	$ 29,843	$ 24,702

The remuneration of directors and key executives was determined by the remuneration committee based on the performance of individuals and market trends.

32. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

	December 31	
	2024	2023
Pledged time deposits (other financial assets - current)	$ 1,000	$ 1,000
Property, plant and equipment and investment properties	2,217,690	2,234,904
	$ 2,218,690	$ 2,235,904

33. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

a. The Company issued checks as guarantees for loan commitments; the amounts as of December 31, 2024 and 2023 were as follows:

	December 31	
	2024	2023
Financial guarantees to banks		
USD	$ 27,000	$ 26,000
NTD	$ 5,814,000	$ 5,514,000

b. As of December 31, 2024, the Company's contingent liabilities, including customs guarantees, amounted to $1,000 thousand.

34. SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

a. On January 9, 2025, the board of directors of the Company resolved to issue 2,000 units of employee stock options, each unit entitles the holder to subscribe for 1,000 shares. The options will have a validity period of five years. Upon approval and effectiveness by the relevant regulatory authorities, the issuance may be carried out in a single tranche or in multiple phases based on actual needs, with the chairman authorized to determine the specific issuance date.

b. The Company has filed for the fundraising and issuance of the third domestic unsecured convertible corporate bond, with an upper limit of 15,000 units, each with a par value of 100 thousand, amounting to a total maximum issuance of $1,500,000 thousand. This filing was approved and became effective under the letter No. 1130366033 issued by the Financial Supervisory Commission dated December 18, 2024. Given the recent volatility in the domestic capital market caused by international geopolitical shifts, the merged company seeks to secure a more favorable issuance timing. In consideration of overall corporate interests and shareholder rights, the Company intends to apply for a three-month extension of the fundraising period, extending the deadline to June 18, 2025.

35. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

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

December 31, 2024

	Foreign Currency	Exchange Rate	Carrying Amount
Financial assets			
Monetary items			
USD	$ 187,627	32.785	$ 6,151,342
EUR	3,783	34.14	129,140
CNY	958	4.478	4,280
Non-monetary items			
Investments accounted for using the equity method			
USD	40,970	32.785	1,343,207
EUR	22,908	34.14	782,063
CNY	407,084	4.478	1,822,923
PHP	83,365	0.567	47,268
Financial liabilities			
Monetary items			
USD	29,251	32.785	958,984
HKD	3,124	4.222	13,191
CNY	182,756	4.478	818,383

December 31, 2023

	Foreign Currency	Exchange Rate	Carrying Amount
Financial assets			
Monetary items			
USD	$ 168,596	30.705	$ 5,176,753
EUR	5,567	33.98	189,169
CNY	4,204	4.327	18,192
Non-monetary items			
Investments accounted for using the equity method			
USD	27,099	30.705	832,087
EUR	19,749	33.98	671,068
CNY	340,228	4.327	1,472,168
PHP	69,984	0.5545	38,806
Financial liabilities			
Monetary items			
USD	46,227	30.705	1,419,409
HKD	2,126	3.929	8,353
CNY	132,596	4.327	573,742

For the years ended December 31, 2024 and 2023, realized and unrealized net foreign exchange gains were $312,993 thousand and $11,389 thousand, respectively. It is impractical to disclose net foreign exchange losses by each significant foreign currency due to the variety of the foreign currency transactions and functional currencies.

36. SEPARATELY DISCLOSED ITEMS

a. Information about significant transactions and investees:

   1) Financing provided to others: Table 6

   2) Endorsements/guarantees provided: Table 1 (attached)

   3) Marketable securities held (excluding investments in subsidiaries, associates and joint ventures): None

   4) Marketable securities acquired or disposed of at costs or prices of at least NT$300 million or 20% of the paid-in capital: None

   5) Acquisition of individual real estate at costs of at least NT$300 million or 20% of the paid-in capital: Table 8

   6) Disposal of individual real estate at prices of at least NT$300 million or 20% of the paid-in capital: None

   7) Total purchases from or sales to related parties amounting to at least NT$100 million or 20% of the paid-in capital: Table 2 (attached)

   8) Receivables from related parties amounting to at least NT$100 million or 20% of the paid-in capital: Table 3 (attached)

   9) Trading in derivative instruments: None

   10) Information on investees: Tables 4 to 8 (attached)

b. Information on investments in mainland China

   1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, net income of investees, investment income or loss, carrying amount of the investment at the end of the period, repatriations of investment income, and limit on the amount of investment in the mainland China area: Table 9 (attached)

   2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses: Table 10 (attached)

      a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period.

      b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period.

c) The amount of property transactions and the amount of the resultant gains or losses.

d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes.

e) The highest balance, the end of period balance, the interest rate range, and total current period interest with respect to the financing of funds.

f) Other transactions that have a material effect on the profit or loss for the period or on the financial position, such as the rendering or receipt of services.

c. Information of major shareholders:

List all shareholders with ownership of 5% or greater showing the name of the shareholder, the number of shares owned, and percentage of ownership of each shareholder: Table 11 (attached).

TABLE 1

CYBER POWER SYSTEMS, INC.

ENDORSEMENTS/GUARANTEES PROVIDED
FOR THE YEAR ENDED DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars, In Thousands of Foreign Currencies)

No.	Endorser/Guarantor	Endorsee/Guarantee		Limits on Endorsement/ Guarantee Given on Behalf of Each Party	Maximum Amount Endorsed/ Guaranteed During the Period	Outstanding Endorsement/ Guarantee at the End of the Period	Actual Borrowing Amount	Amount Endorsed/ Guaranteed by Collateral	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements (%)	Aggregate Endorsement/ Guarantee Limit	Endorsement/ Guarantee Given by Parent on Behalf of Subsidiaries	Endorsement/ Guarantee Given by Subsidiaries on Behalf of Parent	Endorsement/ Guarantee Given on Behalf of Companies in Mainland China
		Name	Relationship										
0	Cyber Power Systems, Inc.	CyberPower Systems GmbH	A company in which the Company directly holds 100 percent of the voting shares	The limit is 30% of the net value of the financing company based on the latest audited financial statements.	$ 5,328 (Euro 150)	$ - (Euro -)	$ -	$ -	-	Note	Y	N	N

Note: Aggregate endorsement/guarantee limit is 50% of the net value of the financing company = $9,496,646 x 50% = $4,748,323.

CYBER POWER SYSTEMS, INC.

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

Buyer	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)			Note
			Purchases/Sales	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance		% of Total	
Cyber Power Systems, Inc.	Cyber Power Systems (USA), Inc.	Subsidiary	Sales	$ (4,218,365)	(56)	Note	Note	Note	Accounts receivable	$ 2,211,137	75	
	Cyber Power Systems B.V.	Third-tier subsidiary	Sales	(365,568)	(5)	Note	Note	Note	Accounts receivable	-	-	
	Nitram SAS	Third-tier subsidiary	Sales	(187,602)	(2)	Note	Note	Note	Accounts receivable	61,522	2	
	Cyber Power System S.A.DE C.V.	Third-tier subsidiary	Sales	(454,807)	(6)	Note	Note	Note	Accounts receivable	131,439	4	
	Cyber Power Systems (HK) Limited	Third-tier subsidiary	Purchases	861,129	20	Note	Note	Note	Accounts payable	(390,046)	(25)	
	Cyber Power (Shenzhen), Inc.	Third-tier subsidiary	Processing cost	664,109	71	Note	Note	Note	Accounts payable processing cost	(760,251)	(48)	
	Cyber Power Systems Manufacturing, Inc.	Subsidiary	Processing cost	173,182	18	Note	Note	Note	Prepayment processing cost	54,064	89	
	Phisonic Technology Corporation	Second-tier subsidiary	Processing cost	103,047	11	Note	Note	Note	Accounts payable	(15,460)	(1)	

Note: Refer to the attached Table 4 of the consolidated financial statements.

TABLE 3

CYBER POWER SYSTEMS, INC.

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT$100 MILLION OR 20% OF THE PAID-IN CAPITAL
DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Company Name	Related Party	Relationship	Ending Balance		Turnover Rate	Overdue		Amounts Received in Subsequent Period	Allowance for Impairment Loss
						Amount	Actions Taken		
Cyber Power Systems, Inc.	Cyber Power Systems (USA), Inc.	Subsidiary	Accounts receivable	$ 2,211,137	1.94	$ -	-	$ 761,013	$ -
	Cyber Power Systems S.A.DE C.V.	Third-tier subsidiary	Accounts receivable	131,439	4.80	-	-	40,106	-

CYBER POWER SYSTEMS, INC.

INFORMATION ON INVESTEES
FOR THE YEAR ENDED DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of December 31, 2024			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				December 31, 2024	December 31, 2023	Number of Shares	%	Carrying Amount			
Cyber Power Systems, Inc.	Broad Win International Investment Co., Ltd.	Samoa.	Investment	$ 687,712	$ 687,712	22,495,329	100	$ 1,822,923	$ 287,316	$ 287,316	Subsidiary
	Cyber Power Systems (USA), Inc.	U.S.A.	Selling of uninterruptible power systems	412,870	412,870	13,000,000	100	1,343,207	600,898	600,898	Subsidiary
	Fast Wind International Limited	Mauritius	Investment	165,900	165,900	4,438,245	100	782,063	196,758	196,758	Subsidiary
	Cliquefie Co., Ltd.	Taiwan	Selling of electronic products	17,950	17,650	1,850,000	100	21,921	2,174	2,174	Subsidiary
	Cyber Power Systems Manufacturing, Inc.	Philippines	Production of uninterruptible power systems	9,181	9,181	15,600	100	46,634	6,867	6,867	Subsidiary
	AT Holding Philippines Corporation	Philippines	Investment	650	-	113,100	100	634	(31)	(31)	Subsidiary
Cliquefie Co., Ltd.	Phisonic Technology Corporation	Philippines	Production of uninterruptible power systems	6,224	6,224	10,000	100	21,644	2,234		Second-tier subsidiary
AT Holding Philippines Corporation	Ascend Target Development Corporation	Philippines	Real estate lease	650	-	113,100	100	651	(14)		Second-tier subsidiary
Broad Win International Investment Co., Ltd.	Planet Technology Limited	Samoa.	Investment	24,638	24,638	1,000,000	100	549,661	55,860		Second-tier subsidiary
	Join Master Co., Ltd.	British Virgin Islands	Investment	13,235	13,235	3,944	100	38,088	3,944		Second-tier subsidiary
	Portal Star Co., Ltd.	Mauritius	Investment	222,040	222,040	7,338,000	100	1,056,471	266,053		Second-tier subsidiary
	Cyber Power Systems (HK) Limited	Hong Kong	Selling of uninterruptible power systems	373	373	100,000	100	216,657	17,733		Second-tier subsidiary
	Shining Pearl Co., Ltd.	Mauritius	Investment	427,426	427,426	14,000,000	100	(29,445)	(56,274)		Second-tier subsidiary
Join Master Co., Ltd.	Cyber Power Systems K.K.	Japan	Selling of uninterruptible power systems	13,235	13,235	3,800	100	38,088	3,944		Third-tier subsidiary
Shining Pearl Co., Ltd.	Cyber Power Systems (INDIA) PVT, Ltd.	India	Selling of uninterruptible power systems	427,426	427,426	91,665,685	100	(29,445)	(56,274)		Third-tier subsidiary
Fast Wind International Limited	Global Way Co., Ltd.	Mauritius	Investment	20,674	20,674	430,000	100	269,639	49,352		Second-tier subsidiary
	Full Star Co., Ltd.	Mauritius	Investment	80,747	80,747	1,870,400	100	235,037	15,672		Second-tier subsidiary
	Grown Tech Co., Ltd.	Mauritius	Investment	1,058	1,058	25,000	100	108,091	30,191		Second-tier subsidiary
	Global Win Co., Ltd.	Belize City	Investment	63,421	63,421	1,700,831	100	311,774	101,543		Second-tier subsidiary
Global Way Co., Ltd.	Cyber Power Systems B.V.	Netherlands	Selling of uninterruptible power systems	20,674	20,674	7,000	100	269,639	49,352		Third-tier subsidiary
Full Star Co., Ltd.	Nitram SAS	France	Selling of uninterruptible power systems	80,747	80,747	1,819	100	235,037	15,672		Third-tier subsidiary
Grown Tech Co., Ltd.	Cyber Power Systems GmbH	Germany	Selling of uninterruptible power systems	1,058	1,058	1	100	108,091	30,191		Third-tier subsidiary
Global Win Co., Ltd.	Cyber Power Systems S.A. DE C.V.	Mexico	Selling of uninterruptible power systems	63,421	63,421	28,293,802	100	311,774	101,543		Third-tier subsidiary

CYBER POWER SYSTEMS, INC.

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

Buyer	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)			Note
			Purchases/Sales	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance		% of Total	
Cyber Power Systems (USA), Inc.	Cyber Power Systems, Inc.	Investments accounted for using the equity method	Purchases	$ 4,218,365	100	Note	Note	Note	Accounts payable	$ (2,211,137)	(100)	
Cyber Power Systems B.V.	Cyber Power Systems, Inc.	Investments accounted for using the equity method	Purchases	365,568	100	Note	Note	Note	Accounts payable	-	-	
Nitram SAS	Cyber Power Systems, Inc.	Investments accounted for using the equity method	Purchases	187,602	100	Note	Note	Note	Accounts payable	(61,522)	(100)	
Cyber Power Systems S.A. DE. C.V.	Cyber Power Systems, Inc.	Investments accounted for using the equity method	Purchases	454,807	100	Note	Note	Note	Accounts payable	(131,439)	(99)	
Cyber Power (Shenzhen), Inc.	Cyber Power Systems, Inc.	Investments accounted for using the equity method	Processing revenue	(664,109)	(100)	Note	Note	Note	Accounts receivable processing cost	760,251	100	
Cyber Power Systems (HK) Limited	Cyber Power Systems, Inc.	Investments accounted for using the equity method	Sales	(861,129)	(95)	Note	Note	Note	Accounts receivable	390,046	98	
Cyber Power Systems Manufacturing, Inc.	Cyber Power Systems, Inc.	Investments accounted for using the equity method	Processing revenue	(173,182)	(100)	Note	Note	Note	Unearned revenue processing cost	(54,064)	100	
Phisonic Technology Corporation	Cyber Power Systems, Inc.	Investments accounted for using the equity method	Processing revenue	(103,047)	(100)	Note	Note	Note	Accounts receivable processing cost	15,460	100	
Cyber Power Systems B.V.	Cyber Power Systems GmbH	The same parent company	Sales	(112,274)	(100)	Note	Note	Note	Accounts receivable	28,722	45	
Cyber Power Systems (HK) Limited.	Ning Yuan Xian Cyber Power, Inc.	The same parent company	Purchases	233,600	26	Note	Note	Note	Accounts payable	(51,788)	(17)	
Dongguan Cyber Energy Co., Ltd.	Cyber Energy Co., Ltd.	Substantive related party	Sales	(644,538)	(40)	Note	Note	Note	Accounts receivable	151,091	35	
	Cyber Power Systems (HK) Limited	The same parent company	Sales	(598,359)	(37)	Note	Note	Note	Accounts receivable	254,342	59	
Cyber Power Systems GmbH	Cyber Power Systems B.V.	The same parent company	Purchases	112,274	98	Note	Note	Note	Accounts payable	(28,722)	(100)	
Ning Yuan Xian Cyber Power, Inc.	Cyber Power Systems (HK) Limited	The same parent company	Sales	(233,600)	(72)	Note	Note	Note	Accounts receivable	51,788	48	
Cyber Energy Co., Ltd.	Dongguan Cyber Energy Co., Ltd.	Substantive related party	Purchases	644,538	100	Note	Note	Note	Accounts payable	(151,091)	(100)	
Cyber Power Systems (HK) Limited	Dongguan Cyber Energy Co., Ltd.	The same parent company	Purchases	598,359	52	Note	Note	Note	Accounts payable	(254,342)	(81)	
Cyber Power (Shenzhen), Inc.	Best Top (Shenzhen), Inc.	Substantive related party	Processing cost	100,505	52	Note	Note	Note	Accounts payable - processing cost	(145)	-	
Best Top (Shenzhen), Inc.	Cyber Power (Shenzhen), Inc.	Substantive related party	Processing revenue	(100,505)	(91)	Note	Note	Note	Accounts receivable processing cost	145	-	

Note: Please refer to the attached Table 4 of the consolidated financial statements.

CYBER POWER SYSTEMS, INC.

INVESTEE'S FINANCING PROVIDED TO OTHERS
FOR THE YEAR ENDED DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No.	Lender	Borrower	Financial Statement Account	Related Party	Highest Balance for the Period	Ending Balance	Actual Amount Borrowed	Interest Rate (%)	Nature of Financing	Business Transaction Amount	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower	Aggregate Financing Limit	Note
													Item	Value			
1	Cyber Power Systems (HK) Limited	Ascend Target Development Corporation	Other receivables - relative	Yes	$ 917,780	$ 917,780	$ 98,355	1.75	Short-term financing	$ -	Operating capital and acquisition of factory premises and land	$ -	None	$ -	$ 10,364,067	$ 10,364,067	

Note A: Numbered as follows:

1. Parent company: 0.
2. Subsidiaries are numbered starting from 1.

Note B: The "Financing Limit for Each Borrower" and "Aggregate Financing Limit" are 50 times the net worth of Cyber Power Systems (HK) Limited.

CYBER POWER SYSTEMS, INC.

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT$100 MILLION OR 20% OF THE PAID-IN CAPITAL
DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Company Name	Related Party	Relationship	Ending Balance		Turnover Rate	Overdue		Amounts Received in Subsequent Period	Allowance for Impairment Loss
						Amount	Actions Taken		
Cyber Power (Shenzhen), Inc.	Cyber Power Systems, Inc.	Investments accounted for using the equity method	Accounts receivable - processing cost	$ 760,251	1.00	$ -	-	$ 457,338	$ -
Cyber Power Systems (HK) Limited	Cyber Power Systems, Inc.	Investments accounted for using the equity method	Accounts receivable	390,046	1.38	-	-	103,928	-
Dongguan Cyber Energy Co., Ltd.	Cyber Energy Co., Ltd.	Substantive related party	Accounts receivable	151,091	4.06	-	-	102,439	-
Dongguan Cyber Energy Co., Ltd.	Cyber Power Systems (HK) Limited	The same parent company	Accounts receivable	254,342	1.34	-	-	-	-

TABLE 8

CYBER POWER SYSTEMS, INC.

ACQUISITION OF INDIVIDUAL REAL ESTATE AT COSTS OF AT LEAST NT$300 MILLION OR 20% OF THE PAID-IN CAPITAL
DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Buyer	Property	Event Date	Transaction Amount	Payment Status	Counterparty	Relationship	Information on Previous Title Transfer If Counterparty Is A Related Party				Pricing Reference	Purpose of Acquisition	Other Terms
							Property Owner	Relationship	Transaction Date	Amount			
Ascend Target Development Corporation	Land and plant	2024/11/07	PHP 781,614 (Note B)	PHP 49,132	Just realty incorporated and many others	No	N/A	N/A	N/A	N/A	Based on the mutually agreed-upon price and professional valuation report	To serve as a production hub for the Group	None
	Self-plant	2024/11/07	PHP 605,000 (Note C)	-	Not yet agreed upon	No	N/A	N/A	N/A	N/A	Self-owned land development and commissioned construction	To serve as a production hub for the Group	None

Note A: Date of board resolution.

Note B: Agreed amount as of December 31, 2024.

Note C: Estimated transaction amount as approved by the board of directors.

CYBER POWER SYSTEMS, INC.

INFORMATION ON INVESTMENTS IN MAINLAND CHINA
FOR THE YEAR ENDED DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars, In Thousands of Foreign Currencies)

Investee Company	Main Businesses and Products	Paid-in Capital	Method of Investment	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2024	Investment Flows		Accumulated Outward Remittance for Investments from Taiwan as of December 31, 2024	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note F)	Carrying Amount as of December 31, 2024	Accumulated Repatriation of Investment Income as of December 31, 2024
					Outflow	Inflow						
Cyber Power (Shenzhen), Inc.	Production of uninterruptible power systems	$ 34,025 (US$ 1,000)	Note A	$ 24,638 (US$ 750)	$ -	$ -	$ 24,638 (US$ 750)	$ 55,860	100	$ 55,860	$ 549,661	$ -
Cyber Energy (Shenzhen), Inc.	Production of uninterruptible power systems	149,533 (US$ 5,000)	Note B	150,716 (US$ 5,037)	-	-	150,716 (US$ 5,037)	264,968	100	264,968	1,045,361	-
Ning Yuan Xian Cyber Power, Inc.	Production of uninterruptible power systems	286,619 (CNY 62,000)	Note C	- -	-	-	- -	14,515	100	15,918	270,166	-
Cyber Power Technology (Shenzhen), Inc.	Selling of uninterruptible power systems	72,526 (US$ 2,338)	Note D	71,324 (US$ 2,301)	-	-	71,324 (US$ 2,301)	1,085	100	1,085	11,110	-
Dongguan Cyber Energy Co., Ltd.	Production of uninterruptible power systems	121,161 (CNY 27,000)	Note E	- -	-	-	- -	255,598	100	255,598	986,778	-

Note A: Parent company: Cyber Power Systems, Inc.; subsidiary: Broad Win International Investment Co., Ltd.; second-tier subsidiary: Planet Technology Limited; third-tier subsidiary: Cyber Power (Shenzhen), Inc.

Note B: Parent company: Cyber Power Systems, Inc.; subsidiary: Broad Win International Investment Co., Ltd.; second-tier subsidiary: Portal Star Co., Ltd.; third-tier subsidiary: Cyber Energy (Shenzhen), Inc.

Note C: The investment was made directly from Cyber Power (Shenzhen), Inc.

Note D: Parent company: Cyber Power Systems, Inc.; subsidiary: Broad Win International Investment Co., Ltd.; second-tier subsidiary: Portal Star Co., Ltd.; third-tier subsidiary: Cyber Power Technology (Shenzhen), Inc.

Note E: Dongguan Cyber Energy Co., Ltd. was established by Cyber Energy (Shenzhen), Inc. from its own fund.

Note F: Financial statements of these companies, which were audited by the accounting firm of the parent company.

Accumulated Outward Remittance for Investments in Mainland China as of December 31, 2024	Investment Amounts Authorized by the Investment Commission, MOEA	Upper Limit on the Amount of Investment Stipulated by the Investment Commission, MOEA
$ 246,678 (US$ 8,088)	$ 301,823 (US$ 10,088)	$ 5,697,988

TABLE 10

CYBER POWER SYSTEMS, INC.

SIGNIFICANT TRANSACTIONS WITH INVESTEE COMPANIES IN MAINLAND CHINA, EITHER DIRECTLY OR INDIRECTLY THROUGH A THIRD PARTY, AND THEIR PRICES, PAYMENT TERMS, AND UNREALIZED GAINS OR LOSSES
FOR THE YEAR ENDED DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investee Company	Relationship	Transaction Type	Amount	Transaction Details			Notes/Accounts Receivable (Payable)		Unrealized (Gain) Loss	Note
				Price	Payment Terms	Comparison with Normal Transactions	Ending Balance	%		
Cyber Power Systems, Inc. and Cyber Power (Shenzhen), Inc.	Investments accounted for using the equity method	Processing cost	$ 664,109	Note	Note	Note	Accounts payable - processing cost $ (760,251)	(100)	$ -	
				Note	Note	Note	Accounts payable (58,132)	(100)	-	
		Inventory processing cost	24,181	Note	Note	Note	Prepayments -	-	-	
Cyber Power Systems, Inc. and Dongguan Cyber Energy Co., Ltd.	Investments accounted for using the equity method	Purchases	26,490	Note	Note	Note	Accounts payable -	-	-	
Cyber Power (Shenzhen), Inc. and Best Top (Shenzhen), Inc.	Substantive related party	Processing cost	100,505	Note	Note	Note	Accounts payable - processing cost (145)	-	-	
		Purchases	13,966	Note	Note	Note	Accounts payable -	-	-	
Cyber Power (Shenzhen), Inc. and Ning Yuan Xian Cyber Power, Inc.	The same parent company	Processing cost	92,543	Note	Note	Note	Accounts payable - processing cost (57,109)	(57)	-	
Cyber Power Systems (HK) Limited and Ning Yuan Xian Cyber Power, Inc.	The same parent company	Sales	(22,064)	Note	Note	Note	Accounts receivable 4,540	1	-	
		Purchases	233,600	Note	Note	Note	Accounts payable (51,788)	(17)	15,873	
Dongguan Cyber Energy Co., Ltd. and Cyber Energy (Shenzhen), Inc.	The same parent company	Operating expenses	62,524	Note	Note	Note	Other payables (16,658)	(100)	-	
Dongguan Cyber Energy Co., Ltd. and Cyber Energy Co., Ltd.	Substantive related party	Sales	(644,538)	Note	Note	Note	Accounts receivable 151,091	35	-	
Dongguan Cyber Energy Co., Ltd. and Cyber Power Systems (HK) Limited	The same parent company	Sales	(598,359)	Note	Note	Note	Accounts receivable 254,342	59	-	
		Purchases	25,183	Note	Note	Note	Accounts payable (5,395)	(2)	-	
Dongguan Cyber Energy Co., Ltd and Cyber Power Technology (Shenzhen), Inc.	The same parent company	Sales	(52,927)	Note	Note	Note	Accounts receivable 22,619	5	-	

Note: Refer to the attached Table 4 of the consolidated financial statements.

TABLE 11

CYBER POWER SYSTEMS, INC.

INFORMATION OF MAJOR SHAREHOLDERS
DECEMBER 31, 2024

Name of Major Shareholder	Shares	
	Number of Shares	Percentage of Ownership (%)
Hsien Yueh Investment Co., Ltd.	5,688,993	6.04
Ning Yuan Investment Co., Ltd.	5,670,000	6.02
Chih Yuan investment Co., Ltd.	5,609,974	5.95

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

CYBER POWER SYSTEMS, INC.

THE CONTENTS OF STATEMENTS OF MAJOR ACCOUNTING ITEMS

CYBER POWER SYSTEMS, INC.

STATEMENT OF CASH AND CASH EQUIVALENTS
DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars)

Item	Description	Amount
Cash on hand		$ 526
Petty cash		150
		$ 676
Bank deposits		
Demand deposits		$ 207,579
Foreign currency deposits	US$96,035 thousand @32.785 exchange rate of	3,148,491
	JPY978 thousand @0.2099 exchange rate of	205
	HK$100 thousand @4.222 exchange rate of	423
	EUR1,978 thousand @34.1400 exchange rate of	67,539
	CNY916 thousand @4.478 exchange rate of	4,102
	AUD9 thousand @20.39 exchange rate of	175
	THD221 thousand @0.9623 exchange rate of	213
		$ 3,428,727

CYBER POWER SYSTEMS, INC.

STATEMENT OF TRADE RECEIVABLES FROM UNRELATED PARTIES
DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars)

Client Name	Description	Amount
Company A	Payment of goods	$ 93,721
Company B	Payment of goods	64,176
Company C	Payment of goods	55,740
Company D	Payment of goods	47,723
Company E	Payment of goods	43,079
Company F	Payment of goods	26,623
Others (Note)	Payment of goods	167,508
		498,570
Less: Allowance for impairment loss		(11,275)
		$ 487,295

Note: The amounts from individual clients included in others each do not exceed 5% of the account balance.

CYBER POWER SYSTEMS, INC.

STATEMENT OF TRADE RECEIVABLES FROM RELATED PARTIES
DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars)

Client Name	Description	Amount
Cyber Power Systems (USA), Inc.	Payment of goods	$ 2,211,137
Cyber Power Systems S.A. DE C.V.	Payment of goods	131,439
Others (Note)	Payment of goods	106,626
		2,449,202
Less: Allowance for impairment loss		-
		$ 2,449,202

Note: The amounts from individual clients included in others each do not exceed 5% of the account balance.

CYBER POWER SYSTEMS, INC.

STATEMENT OF OTHER RECEIVABLES FROM UNRELATED PARTIES
DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars)

Item	Description	Amount
Receivables from tax refunds	Receivables from tax refunds - business tax	$ 798
Others	Receivables from rents and interest etc.	1,058
		$ 1,856

STATEMENT 5

CYBER POWER SYSTEMS, INC.

STATEMENT OF OTHER RECEIVABLES FROM RELATED PARTIES
DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars)

Item	Description	Amount
Cyber Energy Co., Ltd.	Receivables from rents etc.	$ 1,181

CYBER POWER SYSTEMS, INC.

STATEMENT OF INVENTORIES
DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars)

Items	Description	Amount Cost	Amount Fair Value
Raw materials		$ 661,771	$ 536,057
Work in process		138	138
Semi-finished goods		106,171	99,100
Finished goods		440,359	411,761
		1,208,439	$ 1,047,056
Less: Allowance for loss due to market price decline and obsolete and slow-moving inventories		(161,383)	
		$ 1,047,056	

Note: Inventories are measured at the lower of cost and net realizable value, and the Company inspects the inventories on an item-by-item basis.

STATEMENT 7

CYBER POWER SYSTEMS, INC.

STATEMENT OF OTHER CURRENT ASSETS
DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars)

Item	Description	Amount
Prepayments	Prepaid vendor payments	$ 82,624
Others	Tax credits, payment on behalf of others and provisional payments etc.	15,430
		$ 98,054

CYBER POWER SYSTEMS, INC.

STATEMENT OF CHANGES IN INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD
FOR THE YEARS ENDED DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars)

	Balance, January 1, 2024		Increase in the Current Year		Decrease in the Current Year			Accumulated Exchange Differences on Translating	Balance, December 31, 2024			Market Price or Net Asset Value		
Name of Investee Company	Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount	Investment Gain (Loss)	Foreign Operations	Number of Shares	%	Amount	Unit Price (Dollars)	Total Value	Collateral
Broad Win International Investment Co., Ltd. (Note 1)	22,495,329	$ 1,472,168	-	$ 13,280	-	$ (8,903)	$ 287,316	$ 59,062	22,495,329	100	$ 1,822,923	$ 81	$ 1,822,549	None
Cyber Power Systems (USA), Inc. (Note 2)	13,000,000	832,087	-	561,497	-	(757,357)	600,898	106,082	13,000,000	100	1,343,207	102	1,329,723	None
Fast Wind International Limited (Note 3)	4,438,245	671,068	-	91,818	-	(143,889)	196,758	(33,692)	4,438,245	100	782,063	176	780,650	None
Cliquefie Co., Ltd. (Note 4)	1,820,000	18,990	30,000	300	-	-	2,174	457	1,850,000	100	21,921	12	21,925	None
Cyber Power Systems Manufacturing, Inc.	15,600	38,806	-	-	-	-	6,867	961	15,600	100	46,634	2,989	46,634	None
AT Holding Philippines Corporation (Note 5)	-	-	113,100	650	-	-	(31)	15	113,100	100	634	6	634	None
		$ 3,033,119		$ 667,545		$ (910,149)	$ 1,093,982	$ 132,885			$ 4,017,382		$ 4,002,115	

Note 1: The increase in the current year is due to the realized gain on transactions with subsidiaries, associates and joint ventures of $13,280 thousand, while the decrease in the current year is due to the unrealized gain on transactions with subsidiaries, associates and joint ventures of $8,887 thousand and share of the other comprehensive income of subsidiaries, for using the equity method of $16 thousand.

Note 2: The increase in the current year is due to the realized gain on transactions with subsidiaries, associates and joint ventures of $561,497 thousand, while the decrease in the current year is due to the unrealized gain on transactions with subsidiaries, associates and joint ventures of $757,357 thousand.

Note 3: The increase in the current year is due to the realized gain on transactions with subsidiaries, associates and joint ventures of $91,818 thousand, while the decrease in the current year is due to the unrealized gain on transactions with subsidiaries, associates and joint ventures of $143,889 thousand.

Note 4: The increase in the current year is due to the investment profits amounting to a cash capital increase of $300 thousand.

Note 5: The increase in the current year is due to the establishment of a new company through a cash investment of $650 thousand.

CYBER POWER SYSTEMS, INC.

STATEMENT OF RIGHT-OF-USE ASSETS
FOR THE YEARS ENDED DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars)

Item	Buildings	Transportation Equipment	Total	Remark
Cost				
Balance at January 1, 2024	$ 25,184	$ 7,835	$ 33,019	
Additions	20,435	3,902	24,337	
Disposals	(8,072)	(2,513)	(10,585)	
Balance at December 31, 2024	$ 37,547	$ 9,224	$ 46,771	
Accumulated depreciation				
Balance at January 1, 2024	$ 12,281	$ 2,876	$ 15,157	
Additions	8,875	2,418	11,293	
Disposals	(6,438)	(2,513)	(8,951)	
Balance at December 31, 2024	$ 14,718	$ 2,781	$ 17,499	
Carrying amount at December 31, 2024	$ 22,829	$ 6,443	$ 29,272	

CYBER POWER SYSTEMS, INC.

STATEMENT OF SHORT-TERM BORROWINGS
DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars)

Creditor	Description	Ending Balance	Contract Period	Range of Interest Rate (%)	Credit Limit	Collateral
Shin Kong Bank	Unsecured loan	$ 300,000	2024.12.18-2025.1.17	1.95	$ 300,000	None
Citibank Taiwan	Unsecured loan	200,000	2024.10.29-2025.1.23	1.70	822,625 (Note)	None
Citibank Taiwan	Unsecured loan	100,000	2024.11.1-2025.1.23	1.70	822,625 (Note)	None
Taishin International Bank	Unsecured loan	300,000	2024.12.23-2025.1.23	1.96	1,500,000	None
CTBC Bank Co., Ltd.	Unsecured loan	400,000	2024.12.31-2025.1.24	2.14	401,000	None
Citibank Taiwan	Unsecured loan	100,000	2024.11.13-2025.2.11	1.75	822,625 (Note)	None
DBS Bank Limited	Unsecured loan	200,000	2024.12.5-2025.3.5	1.87	400,000	None
Citibank Taiwan	Unsecured loan	300,000	2024.12.12-2025.3.12	1.78	822,625 (Note)	None
Cathay United Bank	Unsecured loan	500,000	2024.12.17-2025.3.17	1.96	800,000	None
		$ 2,400,000				

Note: It is a shared single quota with a total of $822,625 thousand.

CYBER POWER SYSTEMS, INC.

STATEMENT OF TRADE PAYABLES TO UNRELATED PARTIES
DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars)

Client Name	Description	Amount
Company A	Payable for goods	$ 105,655
Company B	Payable for goods	39,815
Company C	Payable for goods	28,694
Company D	Payable for goods	26,412
Company E	Payable for goods	24,337
Company F	Payable for goods	19,547
Others (Note)	Payable for goods	113,697
		$ 358,157

Note: The amount from each individual vendor in others does not exceed 5% of the account balance.

CYBER POWER SYSTEMS, INC.

STATEMENT OF TRADE PAYABLES TO RELATED PARTIES
DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars)

Client Name	Description	Amount
Cyber Power (Shenzhen), Inc.	Payables for goods and processing cost	$ 818,383
Cyber Power Systems (HK) Limited	Payables for goods	390,046
Others (Note)		15,460
		$ 1,223,889

Note: The amount from subject does not exceed 5% of the accounts balance.

CYBER POWER SYSTEMS, INC.

STATEMENT OF LEASE LIABILITIES
DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars)

Item	Description	Lease Term	Discount Rate (%)	Balance, End of Year	Remark
Buildings	Mainly for the use of plants and offices	1-3 years	0.95-1.80	$ 22,793	
Transportation equipment	For operating use	1-4 years	1.80-2.70	6,525	
				29,318	
Less: Current portion				(12,577)	
Lease liabilities - non-current				$ 16,741	

CYBER POWER SYSTEMS, INC.

STATEMENT OF OPERATING REVENUE
FOR THE YEARS ENDED DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars)

Item	Description	Amount
Sales revenue		$ 7,580,940
Less: Sales returns		(5,677)
Sales allowances		(12,390)
		$ 7,562,873

CYBER POWER SYSTEMS, INC.

STATEMENT OF COST OF GOODS SOLD
FOR THE YEARS ENDED DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars)

Item	Amount
Raw materials	
Balance, beginning of the year	$ 642,183
Add: Raw materials purchased	3,218,645
Less: Raw materials, end of the year	(661,771)
Raw materials transferred to expenses	(19,764)
	3,179,293
Manufacturing expenses	1,028,839
Manufacturing cost	4,208,132
Add: Work in process and semi-finished goods, beginning of the year	115,611
Work in process and semi-finished goods purchased	49,769
Less: Work in process and semi-finished goods, end of the year	(106,309)
Transferred to other segments	(3,655)
Cost of work in process	4,263,548
Cost of finished goods	
Add: Finished goods, beginning of the year	494,115
Finished goods purchased	988,155
Less: Finished goods, end of the year	(440,359)
Transferred to other segments	(9,949)
Cost of finished goods sold	5,295,510
Write-down of inventories (reversed)	(2,559)
	$ 5,292,951

STATEMENT 16

CYBER POWER SYSTEMS, INC.

STATEMENT OF MANUFACTURING EXPENSES
FOR THE YEARS ENDED DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars)

Name	Total
Processing cost	$ 991,317
Salary expenses	11,632
Pensions	474
Meal expenses	789
Employee benefits	439
Depreciation	10,176
Consumables	4,583
Miscellaneous purchases	98
Miscellaneous expenses	9,331
	$ 1,028,839

CYBER POWER SYSTEMS, INC.

STATEMENT OF OPERATING EXPENSES
FOR THE YEARS ENDED DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars)

Name	Description	Selling Expense	General and Administrative Expense	Research and Development Expense	Total
Payroll and related expenses		$ 128,793	$ 172,908	$ 270,808	$ 572,509
Rental expenses		2,178	1,008	23	3,209
Stationery expenses		89	204	7	300
Traveling expenses		3,361	2,291	2,727	8,379
Shipping expenses		52,806	4,476	2,343	59,625
Postage expenses		449	705	252	1,406
Repair and maintenance expenses		5	501	142	648
Advertisement expenses		99,890	39	-	99,929
Utilities expenses		85	3,820	403	4,308
Insurance expenses		7,040	22,628	20,411	50,079
Entertainment expenses		3,046	3,109	76	6,231
Taxes		6,051	12,353	-	18,404
Traffic expenses		412	83	316	811
Depreciation expenses		296	30,867	8,101	39,264
Amortization expense		-	1,737	-	1,737
Sampling		705	-	13	718
Meal expenses		2,187	2,961	6,644	11,792
Employee benefits		1,377	1,943	4,155	7,475
Testing expenses		-	-	20,642	20,642
Consumables expenses		-	-	12,310	12,310
Pension expenses		4,124	4,433	11,003	19,560
Internet expenses		-	8,929	-	8,929
Professional service fees		6,071	16,339	12,173	34,583
After-sales service maintenance fees		37,349	-	-	37,349
Miscellaneous purchases		260	3,545	2,069	5,874
Tooling model expenditure		-	-	427	427
Overtime pay		77	110	985	1,172
Books and magazines		-	4	6	10
Commission expenses		9,282	-	-	9,282
Training expenses		-	187	18	205
Others		3,165	17,722	19,572	40,459
		$ 369,098	$ 312,902	$ 395,626	1,077,626
Expected credit loss					1,423
					$ 1,079,049

CYBER POWER SYSTEMS, INC.

STATEMENT OF LABOR, DEPRECIATION AND AMORTIZATION BY FUNCTION
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars)

Classified By Function / Classified By Nature	2024			2023		
	Classified as Operating Costs	Classified as Operating Expenses	Total	Classified as Operating Costs	Classified as Operating Expenses	Total
Labor cost						
Salaries and bonuses	$ 11,632	$ 558,522	$ 570,154	$ 9,868	$ 509,610	$ 519,478
Labor and health insurance	1,260	35,112	36,372	1,020	33,432	34,452
Pensions	474	19,560	20,034	455	18,136	18,591
Board compensation	-	15,159	15,159	-	9,170	9,170
Others	1,228	19,472	20,700	944	19,857	20,801
Depreciation expenses	10,176	39,264	49,440	9,280	37,766	47,046
Amortization expense	-	1,737	1,737	-	-	-

Note:

1. For the years ended December 31, 2024 and 2023, the Company had an average of 392 and 382 and employees, respectively, which included 6 non-employee directors for both years.

2. Average labor cost for the years ended December 31, 2024 and 2023 was $1,677 thousand and $1,578 thousand, respectively.

3. Average salaries and bonuses for the years ended December 31, 2024 and 2023 were $1,477 thousand and $1,382 thousand, respectively.

4. Average salaries and bonuses increase by 6.87% year over year.

The Company’s remuneration and compensation policies are as follows:

1. Remuneration of directors and executive officers: Regularly assessed and inspected by the compensation committee.

2. Compensation of employees: Salaries are adjusted based on market salary levels that are reviewed annually, and the salaries and bonuses are distributed based on the Company’s operating results.