Stock code:6451

SHUNSIN TECHNOLOGY HOLDINGS LIMITED AND SUBSIDIARY

Consolidated Financial Statements

With Independent Auditors' Report

For the second quarter of 2025 and 2024

Address: **Grand Pavilion, Hibiscus Way, 802 West Bay Road, P.O. Box 31119, KY1-1205, Cayman Islands**

Telephone: **02-22688368**

Notes to Readers
The accompanying consolidated financial statements are intended only to present the consolidated statement of financial position, financial performance and cash flows in accordance with the accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such consolidated financial statements are those generally accepted and applied in the Republic of China. The independent auditors' audit report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' audit report and consolidated financial statements, the Chinese version shall prevail.

Menu

REPORT OF INDEPENDENT ACCOUNTANTS TRANSLATED FROM CHINESE

To the Board of Directors of ShunSin Technology Holdings Limited:

Audit Opinion

We have audited the consolidated financial statements of ShunSin Technology Holdings Limited and its subsidiaries ("the Group"), which comprise the consolidated balance sheet as of June 30, 2025 and 2024, and the related consolidated statement of comprehensive income for the three months and six months ended June 30, 2025 and 2024, changes in equity and cash flows from January 1 to June 30, 2025 and 2024, and notes to the consolidated financial statements, including a summary of significant accounting policy.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at June 30, 2025 and 2024, and its consolidated financial performance for the three months and six months ended June 30, 2025 and 2024 and its consolidated cash flows from January 1 to June 30, 2025 and 2024 in accordance with the Regulations Governing the Preparation of Financial Report by Securities Issuers and with the International Accounting Standards ("IASs") 34 "Interim Financial Reporting" by the International Financial Reporting Interpretations Committee ("IFRIC") or the former Standing Interpretations Committee ("SIC") endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audit in accordance with the Regulations Governing Auditing and Certification of Financial Statements by Certified Public Accountants and the auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Certified Public Accountants Code of Professional Ethics in Republic of China ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significant in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of consolidated financial statements taken as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Based on our judgements, the key audit matters that should be disclosed in this audit report are as follows:

1. Revenue recognition

Please refer to note 4 (13) for accounting policy related to revenue recognition, and note 6 (21) for the information related to revenue of the consolidated financial report of 2024.

Description of key audit matter:

Due to sales transactions of the Group are depending on contracts, we need to judge individually to confirm the adequacy of revenue recognition. Additionally, the Group adopts IFRSs 15, which involves complex accounting treatments and policy may result in inappropriate performance obligations and recognition of revenue close to balance sheet date under IFRSs 15. In addition, it is necessary to evaluate and verify the completeness and accuracy of the relevant materials used, as well as the new disclosure requirements revenue recognition is listed as one of the important items in the audit of the financial statements of this year.

Our audit procedures included:

- Assess the appropriateness of accounting policy in accordance with the requirements of the IFRSs 15 and the understanding of operating and industry characteristics.
- Testing the effectiveness of the design and implementation of internal control over sales and collection cycle, and to examine major contracts to assess revenue recognition.
- Performing comparison analysis on sale of the current period to last period, the same period last year and the latest quarter, and performing trend analysis on sales from each top ten customer to assess the existence of any exceptions, and further identify and analyze the causes if there is any significant exception.
- Check the sales transactions from January 1 to June 30, 2025 to evaluate the authenticity of the sales transactions, the correctness of the recognized amount of sales revenue and the reasonableness of the recording time.
- Performing sales cut-off test of a period before and after the financial position date by vouching relevant documents of sales transactions to determine whether the sales of goods, sales returns and allowances have been the appropriately recognized.

2. Financial Assets at Fair Value through Profit and Loss

Please refer to note 4 (7) “Financial Instrument” for the accounting policies of financial assets measured at fair value through profit and loss; note 5 for accounting assumptions and estimation uncertainties of impairment of financial assets measured at fair value through profit and loss, and note 6 (2) and (24) “Financial Instrument” for the property and evaluation statements of financial assets measured at fair value through profit and loss of the consolidated financial report of 2024.

Description of key audit matter:

The financial assets measured at fair value through profit and loss of the Group are susceptible to the operating conditions of the companies and the economic environment, resulting in greater changes in the subsequent profits or losses recognized as gains and losses at fair value re-measurement, thus adjusting the value of financial assets. Assessing the fair value of this financial asset often requires complicated evaluation techniques. Therefore, we listed the evaluation of financial assets measured at fair value of profits and losses as one of the key audit matters in the audit of Financial Statements of this year.

Our audit procedures included:

- Obtain the appraiser's appraisal report of the invested Company entrusted by the Group, and evaluate the appraiser's qualification and independence.
- Evaluate the rationalities of the assumptions used in the appraisal report in estimating the price of an investment.
- Evaluate the rationalities of the recognition of profit and loss of financial assets in the accounts of the Group.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" and the Guidelines and IAS 34 "Interim Financial Reporting" as endorsed by the Financial Supervisory Commission, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Accountant's Responsibility for Auditing Consolidated Financial Report

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a 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 ROC GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ROC GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may

involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal controls.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

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SHUNSIN TECHNOLOGY HOLDINGS LIMITED AND SUBSIDIARIES

Consolidated Balance Sheets

June 30 2025, December 31 2024 and June 30 2024

(Expressed in Thousands of New Taiwan Dollars, except for Earning Per Share)

		2025.6.30		2024.12.31		2024.6.30	
	Assets	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
11xx	**Current assets:**						
1100	Cash and cash equivalents (note 6 (1))	$ 5,210,045	29	6,928,431	41	6,613,735	42
1137	Financial assets at amortized costs- current (note 6 (3), (12), (13) and 8)	3,366,617	19	1,482,488	9	1,159,484	8
1140	Current contract assets (note 6 (21) and 7)	789,909	4	265,288	2	158,954	1
1151	Notes receivable (note 6 (4) and (21))	85,454	-	38,563	-	41,188	-
1170	Accounts receivable (note 6 (4) and (21))	1,095,595	6	902,357	5	1,101,769	7
1181	Accounts receivable－related parties (note 6 (4), (21) and 7)	15,373	-	19,480	-	19,883	-
1206	Other receivables (note 6 (5))	38,979	-	54,396	-	131,456	1
1210	Other receivables－related parties (note 6 (5) and 7)	2,776	-	-	-	-	-
1220	Current tax assets	31,231	-	37,922	-	6,753	-
1310	Inventories (note 6 (6))	947,004	6	589,817	5	597,403	4
1410	Prepayments	258,521	2	188,982	1	150,087	1
1470	Other current assets	2,440	-	4,122	-	3,067	-
		11,843,944	66	10,511,846	63	9,983,779	64
15xx	**Non-current assets:**						
1510	Financial assets measured at fair value through profit or loss-non-current (note 6 (2) and (14))	187,446	1	194,817	1	177,028	1
1535	Financial assets at amortized costs- non -current (note 6 (3), (12), (13) and 8)	2,527	-	2,903	-	-	-
1600	Property, plant and equipment (note 6 (8) and 9)	4,834,238	27	5,121,168	30	4,565,909	30
1755	Right-of-use assets (note 6 (9))	385,265	2	471,262	3	390,549	3
1760	Investment property, net (note 6 (10))	274,634	1	-	-	-	-
1780	Intangible assets (note 6 (11))	14,767	-	12,897	-	2,377	-
1840	Deferred tax assets	465,222	3	437,219	3	369,099	2
1915	Prepayments for business facilities (note 6 (8) and 9)	20,505	-	14,714	-	16,979	-
1920	Guarantee deposits paid	14,604	-	17,687	-	18,298	-
1960	Non-current prepayments for investments	-	-	-	-	70,272	-
		6,199,208	34	6,272,667	37	5,610,511	36
1xxx	**Total assets**	**$ 18,043,152**	**100**	**16,784,513**	**100**	**15,594,290**	**100**

		2025.6.30		2024.12.31		2024.6.30	
	Liabilities and equities	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
21xx	**Current liabilities:**						
2100	Short-term loans (note 6 (3), (12) and 8)	$ 4,965,763	28	4,653,480	28	4,539,218	29
2120	Financial liabilities measured at fair value through profit or loss-current (note 6 (2))	2,593	-	-	-	2,610	-
2130	Current contract liabilities (note 6 (21))	68,898	-	16,309	-	92,739	1
2170	Accounts payable	831,822	5	678,518	4	628,772	4
2180	Accounts payable to related parties (note 7)	2,509	-	12,610	-	7,880	-
2200	Other payables (note 6 (22))	688,158	4	616,445	4	643,667	4
2216	Dividends payable (note 6 (18) and 7)	38,223	-	-	-	261,187	2
2220	Other payables to related parties (note 7)	5,325	-	5,977	-	6,155	-
2230	Current tax liabilities	16,212	-	755	-	15,903	-
2280	Current lease liabilities (note 6 (15))	35,109	-	46,782	-	51,365	-
2322	Long-term borrowings, current portion (note 6 (3), (13) and 8)	709,875	4	-	-	1,266,716	8
2399	Other current liabilities	34,594	-	15,255	-	23,059	-
		7,399,081	41	6,046,131	36	7,539,271	48
25xx	**Non-current liabilities:**						
2530	Bonds payable (note 6 (14))	2,339,846	13	-	-	-	-
2540	Long-term loans (note 6 (3), (13) and 8)	1,822,625	11	2,619,750	16	-	-
2570	Deferred tax liabilities	214,733	1	237,947	1	252,098	2
2580	Non-current lease liabilities (note 6 (15))	2,690	-	6,118	-	48,284	-
2630	Long-term deferred revenue	81,165	-	90,380	1	101,471	1
2645	Guarantee deposits received	18,705	-	2,670	-	1,096	-
		4,479,764	25	2,956,865	18	402,949	3
2xxx	**Total liabilities**	11,878,845	66	9,002,996	54	7,942,220	51
31xx	**Total equity attributable to owners of parent (note 6 (7), (14), (18) and (19)):**						
3110	Ordinary share	1,074,648	6	1,074,648	6	1,074,648	7
3200	Capital surplus	3,227,130	18	2,946,912	18	2,944,520	19
3300	Retained earnings:						
3310	Legal reserve	581,806	3	577,540	4	577,540	4
3320	Special reserve	-	-	376,209	2	376,209	2
3350	Unappropriated retained earnings	1,827,502	10	1,667,845	10	1,628,488	11
		2,409,308	13	2,621,594	16	2,582,237	17
3400	Other equity interest:						
3410	Exchange differences on translation of foreign financial statements	(1,442,685)	(8)	129,907	1	75,884	-
3500	Treasury shares	(108,347)	(1)	(108,347)	(1)	(108,347)	(1)
	Total equity attributable to owners of parent	5,160,054	28	6,664,714	40	6,568,942	42
36xx	**Non-controlling interests (note 6 (7))**	1,004,253	6	1,116,803	6	1,083,128	7
3xxx	**Total equity**	6,164,307	34	7,781,517	46	7,652,070	49
2-3xxx	**Total liabilities and equity**	**$ 18,043,152**	**100**	**16,784,513**	**100**	**15,594,290**	**100**

See accompanying notes to consolidated financial statements

Chairman: Chiang, Shang-Yi **Manager: Hsu, Wen-Yi** **General Accountant: Wang, Yao-Wei**

SHUNSIN TECHNOLOGY HOLDINGS LIMITED AND SUBSIDIARIES

Consolidated Statements of Profit or Loss and Other Comprehensive Income

From April 1 to June 30, 2025 and 2024 and from January l to June 30, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars, except for Earning Per Share)

		From April to June 2025		From April to June 2024		From January to June 2025		From January to June 2024	
		Amount	**%**	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
4000	**Operating revenue (note 6 (21) and 7):**	$ 1,788,130	100	1,205,841	100	3,764,963	100	2,131,269	100
5000	**Operating costs (note 6 (6), (8), (9), (11), (15), (16), (19) and 7)**	1,528,311	85	962,424	80	3,382,621	90	1,743,134	82
5900	**Gross profit from operations**	259,819	15	243,417	20	382,342	10	388,135	18
6000	**Operating expenses (note 6 (4), (8), (9), (11), (15), (16), (19) and 7):**								
6100	Selling expenses	12,907	1	10,111	1	24,347	1	21,458	1
6200	Administrative expenses	141,682	8	114,708	9	277,616	7	228,796	11
6300	Research and development expenses	125,924	7	92,110	8	232,780	6	173,079	8
6450	Expected credit loss (gain)	19	-	-	-	(645)	-	-	-
	Total operating expenses	280,532	16	216,929	18	534,098	14	423,333	20
6900	**Net operating profits (losses)**	(20,713)	(1)	26,488	2	(151,756)	(4)	(35,198)	(2)
7000	**Non-operating income and expenses (note 6 (14), (15), (23)):**								
7100	Interest revenue	44,906	3	38,590	3	89,847	2	87,944	4
7010	Other income	39,579	2	13,473	1	68,077	2	32,487	1
7020	Other gains and losses	(149,130)	(8)	58,455	5	(112,729)	(3)	(9,328)	-
7050	Finance costs	(66,082)	(4)	(42,430)	(3)	(117,600)	(3)	(86,934)	(4)
	Total non-operating income and expenses	(130,727)	(7)	68,088	6	(72,405)	(2)	24,169	1
7900	**Profit (Loss) from continuing operations before tax**	(151,440)	(8)	94,576	8	(224,161)	(6)	(11,029)	(1)
7950	**Loss: Tax expense (benefit) (note 6 (17))**	(83,710)	(4)	2,174	-	(33,507)	(1)	(11,315)	(1)
8200	**Profit (Loss)**	(67,730)	(4)	92,402	8	(190,654)	(5)	286	-
8300	**Other comprehensive income:**								
8360	**Components of other comprehensive income that will be reclassified to profit or loss**								
8361	Exchange differences on translation of foreign financial statements	(1,885,048)	(105)	54,639	4	(1,688,161)	(45)	461,517	22
8399	Loss: Income tax related to components of other comprehensive income that will be reclassified to profit or loss	-	-	-	-	-	-	-	-
8300	**Other comprehensive income, net**	(1,885,048)	(105)	54,639	4	(1,688,161)	(45)	461,517	22
8500	**Total comprehensive income**	**$ (1,952,778)**	**(109)**	**147,041**	**12**	**(1,878,815)**	**(50)**	**461,803**	**22**
	Profit (Loss), attributable to:								
8610	Owners of parent	$ (62,867)	(4)	88,819	8	(174,063)	(5)	3,299	
8620	Non-controlling interests	(4,863)	-	3,583	-	(16,591)	-	(3,013)	-
		$ (67,730)	**(4)**	**92,402**	**8**	**(190,654)**	**(5)**	**286**	
	Comprehensive income attributable to:								
8710	Owners of parent	$ (1,819,521)	(102)	149,900	12	(1,746,655)	(46)	455,392	22
8720	Non-controlling interests	(133,257)	(7)	(2,859)	-	(132,160)	(4)	6,411	-
		$ (1,952,778)	**(109)**	**147,041**	**12**	**(1,878,815)**	**(50)**	**461,803**	**22**
	Basic earnings (losses) per share (expressed in New Taiwan Dollars) (note 6 (20))								

See accompanying notes to consolidated financial statements

Chairman: Chiang, Shang-Yi **Manager: Hsu, Wen-Yi** **General Accountant: Wang, Yao-Wei**

9750	Basic earnings (losses) per share	**$ (0.59)**	**0.84**	**(1.64)**	**0.03**
9850	Diluted earnings (losses) per share	**$ (0.59)**	**0.84**	**(1.64)**	**0.03**

See accompanying notes to consolidated financial statements

Chairman: Chiang, Shang-Yi **Manager: Hsu, Wen-Yi** **General Accountant: Wang, Yao-Wei**

SHUNSIN TECHNOLOGY HOLDINGS LIMITED AND SUBSIDIARIES

Consolidated Statements of Changes in Equity

January 1 to June 30, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars)

	Equity attributable to owners of parent										
			Retained earnings								
	Ordinary share	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Total	Exchange differences on translation of foreign financial statements	Treasury shares	Total equity attributable to owners of parent	Non-controlling interests	Total equity
Balance as of January 1, 2024	$ 1,074,648	2,903,693	534,118	162,447	2,143,560	2,840,125	(376,209)	(108,347)	6,333,910	907,919	7,241,829
Appropriation and distribution of retained earnings:											
Legal reserve	-	-	43,422	-	(43,422)	-	-	-	-	-	-
Special reserve	-	-	-	213,762	(213,762)	-	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(261,187)	(261,187)	-	-	(261,187)	-	(261,187)
Profit	-	-	-	-	3,299	3,299	-	-	3,299	(3,013)	286
Other comprehensive income (loss)	-	-	-	-	-	-	452,093	-	452,093	9,424	461,517
Total comprehensive income (loss)	-	-	-	-	3,299	3,299	452,093	-	455,392	6,411	461,803
Changes in ownership interests in subsidiaries	-	40,827	-	-	-	-	-	-	40,827	(40,827)	-
Share-based payment transactions	-	-	-	-	-	-	-	-	-	42,654	42,654
Increase in non-controlling interests	-	-	-	-	-	-	-	-	-	166,971	166,971
Balance as of June 30, 2024	**$ 1,074,648**	**2,944,520**	**577,540**	**376,209**	**1,628,488**	**2,582,237**	**75,884**	**(108,347)**	**6,568,942**	**1,083,128**	**7,652,070**
Balance as of January 1, 2025	$ 1,074,648	2,946,912	577,540	376,209	1,667,845	2,621,594	129,907	(108,347)	6,664,714	1,116,803	7,781,517
Appropriation and distribution of retained earnings:											
Legal reserve	-	-	4,266	-	(4,266)	-	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(38,223)	(38,223)	-	-	(38,223)	-	(38,223)
Reversal of special reserve	-	-	-	(376,209)	376,209	-	-	-	-	-	-
Loss	-	-	-	-	(174,063)	(174,063)	-	-	(174,063)	(16,591)	(190,654)
Other comprehensive income (loss)	-	-	-	-	-	-	(1,572,592)	-	(1,572,592)	(115,569)	(1,688,161)
Total comprehensive income (loss)	-	-	-	-	(174,063)	(174,063)	(1,572,592)	-	(1,746,655)	(132,160)	(1,878,815)
Due to recognition of equity component of convertible bonds issued	-	278,173	-	-	-	-	-	-	278,173	-	278,173
Changes in ownership interests in subsidiaries	-	2,045	-	-	-	-	-	-	2,045	(2,045)	-
Share-based payment transactions	-	-	-	-	-	-	-	-	-	21,655	21,655
Balance as of June 30, 2025	**$ 1,074,648**	**3,227,130**	**581,806**	**-**	**1,827,502**	**2,409,308**	**(1,442,685)**	**(108,347)**	**5,160,054**	**1,004,253**	**6,164,307**

See accompanying notes to consolidated financial statements

Chairman: Chiang, Shang-Yi **Manager: Hsu, Wen-Yi** **General Accountant: Wang, Yao-Wei**

SHUNSIN TECHNOLOGY HOLDINGS LIMITED AND SUBSIDIARIES

Consolidated Statements of Cash Flows

January 1 to June 30, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars)

	From January to June, 2025	From January to June, 2024
Cash flows from operating activities:		
Loss before tax	$ (224,161)	(11,029)
Adjustments:		
Adjustments to reconcile profit (loss)		
Depreciation expense	353,130	296,957
Amortization expense	1,428	455
Expected credit gain	(645)	-
Net profit on financial assets and liabilities at fair value through profit or loss	(3,781)	(18,608)
Interest expense	117,600	86,934
Interest income	(89,847)	(87,944)
Share-based payments	21,655	42,654
Net gain on disposal of property, plant and equipment	(3,836)	(395)
Property, plant and equipment transferred to expenses	63	65
Total adjustments to reconcile profit (loss)	395,767	320,118
Changes in operating assets and liabilities:		
Changes in operating assets:		
Contract assets	(524,621)	121,505
Notes receivable	(46,891)	(41,188)
Accounts receivable	(192,593)	(383,586)
Accounts receivable－related parties	4,107	(19,817)
Other receivables	(10,717)	538
Other receivables－related parties	(2,776)	-
Inventories	(357,187)	(225,807)
Prepayments	(69,539)	(50,566)
Other current assets	1,682	(1,289)
Total changes in operating assets	(1,198,535)	(600,210)
Changes in operating liabilities:		
Contract liabilities	52,589	25,175
Accounts payable	153,304	308,084
Accounts payable－related parties	(10,101)	3,225
Other payable	(49,029)	41,073
Other payable－related parties	(652)	(426)
Other current liabilities	19,339	(2,774)
Long-term deferred income	(9,215)	(7,712)
Total changes in operating liabilities	156,235	366,645
Total changes in operating assets and liabilities	(1,042,300)	(233,565)
Total adjustments	(646,533)	86,553
Cash (outflow) inflow generated from operations	(870,694)	75,524
Interest received	115,981	81,893
Interest paid	(97,834)	(86,745)
Income taxes paid	(13,110)	(47,995)
Net cash flows from (used in) operating activities	(865,657)	22,677
Cash flows from (used in) investing activities:		
Acquisition of financial assets at amortized costs	(2,036,364)	(1,138,351)
Increase in prepayments for investments	-	(70,272)
Acquisition of property, plant and equipment	(815,231)	(545,951)
Proceeds from disposal of property, plant and equipment	4,005	395
Decrease in guarantee deposits paid	3,083	1,661
Acquisition of intangible assets	(4,850)	(1,271)
Increase in prepayments for business facilities	(11,854)	(14,272)
Net cash flows from (used in) investing activities	(2,861,211)	(1,768,061)
Cash flows from (used in) financing activities:		
Increase in short-term loans	1,303,312	1,695,949
Decrease in short-term loans	(991,029)	(1,595,244)
Proceeds from issuing bonds	2,592,011	-
Repayments of long-term loans	-	(316,537)
Increase in guarantee deposits received	18,207	-
Decrease in guarantee deposits received	-	(3,865)
Payments of lease liabilities	(11,289)	(24,537)
Changes in non-controlling interests	-	166,971
Net cash flows from (used in) financing activities	2,911,212	(77,263)
Effect of exchange rate changes on cash and cash equivalents	(902,730)	365,874
Net increase (decrease) in cash and cash equivalents	(1,718,386)	(1,456,773)
Cash and cash equivalents at beginning of period	6,928,431	8,070,508
Cash and cash equivalents at end of period	$ 5,210,045	6,613,735

See accompanying notes to consolidated financial statements

Chairman: Chiang, Shang-Yi **Manager: Hsu, Wen-Yi** **General Accountant: Wang, Yao-Wei**

ShunSin Technology Holdings Limited and Its Subsidiaries

Notes to Consolidated Financial Statements

For the second quarter of 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars, Unless Otherwise Specified)

1. History of the Company

ShunSin Technology Holdings Limited (formerly known as Amtec Holdings Limited, hereinafter referred to as "the Company") was established in the Cayman Islands on January 8, 2008, and set up a branch in Taiwan on July 4, 2013. On Approval dates August 28, 2013, the Company was renamed as ShunSin Technology Holdings Limited and changed the Chinese name of Amtec Holding Limited to ShunSin Technology Holdings Limited through the Board of Directors resolution. The Company's stock was listed on the Taiwan Stock Exchange on January 26, 2015. The Company and its subsidiaries (hereinafter referred to as "the Group") are mainly engaged in the assembly, testing and sales of various integrated circuits related to semiconductors.

2. Approval dates and procedures of consolidated financial statements

The consolidated financial statements were authorized for issuance by the Board of Directors on August 27, 2025.

3. New standards, amendments and interpretations adopted:

(1) The impact of the International Financial Reporting Standards ("IFRSs") endorsed by the Financial Supervisory Commission, R.O.C. ("FSC") which have already been adopted.

The Group's adoption of the newly revised International Financial Reporting Standards from January 1, 2025, and it does not cause significant impact on consolidated financial report.

・Amendments to IAS21 "Lack of Exchangeability"

(2) The impact of IFRS issued by the FSC but not yet effective

The Group assesses that the adoption of the following new amendments, effective for annual period beginning on January 1, 2026, would not have a significant impact on its consolidated financial statements.

・IFRS 17 " Insurance Contracts" and amendments to IFRS 17 " Insurance Contracts"

・Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments"

・Annual Improvements to IFRS Accounting Standards—Volume 11

・Amendments to IFRS 9 and IFRS 7 "Contracts Referencing Nature-dependent Electricity"

(3) The impact of IFRS issued by IASB but not yet endorsed by FSC

As of the date, the following IFRSs that have been issued by the International Accounting Standards Board (IASB), but have yet to be endorsed by the FSC:

New or Amended Standards	Main revision contents	Effective date per IASB
IFRS 18 "Presentation and Disclosure in Financial Statements"	The new standard introduces three categories of income and expenses, two income statement subtotals and one single note on management performance measures. The three amendments, combined with enhanced guidance on how to disaggregate information, set the stage for better and more consistent information for users, and will affect all the entities. • A more structured income statement: under current standards, companies use different formats to present their results, making it difficult for investors to compare financial performance across companies. The new standard promotes a more structured income statement, introducing a newly defined 'operating profit' subtotal and a requirement for all income and expenses to be allocated between three new distinct categories based on a company's main business activities. • Management performance measures (MPMs): the new standard introduces a definition for management performance measures, and requires companies to explain in a single note to the financial statements why the measure provides useful information, how it is calculated and reconcile it to an amount determined under IFRS Accounting Standards. • Greater disaggregation of information: the new standard includes enhanced guidance on how companies group information in the financial statements. This includes guidance on whether information is included in the primary financial statements or is further disaggregated in the notes.	2027/1/1

The Group is evaluating the impact of its initial adoption of the above mentioned standards or interpretations on its consolidated financial position and consolidated financial performance. The results thereof will be disclosed when the Group completes its evaluation.

The Group does not expect the following other new and amended standards, which have yet to be endorsed by the FSC, to have a significant impact on its consolidated financial statements:

(Expressed in Thousands of New Taiwan Dollars, Unless Otherwise Specified)

- Amendments to IFRS 10 and IAS 28 "sale or contribution of Assets Between an Investor and Associate or Joint Venture"
- IFRS 19 "Subsidiaries without Public Accountability: Disclosures"

4. Summary of Major Accounting Policies

The major accounting policies adopted in this consolidated financial report are the same as those in 2024, except for the following. Please refer to the note 4 in consolidated financial report of 2024 for relative information.

(1) Statement on compliance

This consolidated financial report is prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers (hereinafter referred to as "the Guidelines" and the International Financial Reporting Standards, International Accounting Standards, Interpretation and Interpretation Bulletin (hereinafter referred to as the "International Financial Reporting Standards Accredited by the Financial Supervisory Commission").

(2) Basic of consolidation

The principles for preparing consolidated financial report are consistent with those in 2024, please refer to note 4 (3) in consolidated financial report of 2024 for relative information.

A. List of subsidiaries in the consolidated financial statements

			Shareholding Ratio		
Investor	**Name of subsidiary**	**Primary Business**	**2025.6.30**	**2024.12.31**	**2024.6.30**
The Company	ShunSin Technology Holdings (Hong Kong) Limited (hereinafter referred to as ShunSin (Hong Kong))	Holding Company	95.55% (Note 1)	93.82% (Note 1)	92.59% (Note 1)
The Company	ShunSin Technology (Samoa) Corporation Limited (hereinafter referred to as ShunSin (Samoa))	Overseas material and equipment purchase	100.00%	100.00%	100.00%
ShunSin (Samoa)	ShunSin (Hong Kong)	Holding Company	4.45% (Note 1)	6.18% (Note 1)	7.41% (Note 1)
ShunSin (Hong Kong)	ShunSin Technology (Zhongshan) Limited (hereinafter referred to as ShunSin (Zhongshan))	Assembly, testing and sales of high-frequency wireless communication module and various integrated circuits	100.00%	100.00%	100.00%
ShunSin (Hong Kong)	ShunYun Technology (Zhongshan) Limited (hereinafter referred to as ShunYun (Zhongshan))	High-speed optical transceivers manufacturing	78.05%	78.05%	78.05%
ShunSin (Hong Kong)	ShunSin Technology (Vietnam) Company Limited (hereinafter referred to as ShunSin	Assembly, testing and sales of high-frequency wireless	100.00%	100.00%	100.00%

(Expressed in Thousands of New Taiwan Dollars, Unless Otherwise Specified)

	(Vietnam))	communication module and various integrated circuits			
ShunSin (Hong Kong)	SFA SEMICON (SUZHOU) CO., LTD (hereinafter referred to as SFA (SUZHOU))	Packaging and testing OEM services based on lead frame	100.00% (Note 2)	100.00% (Note 2)	- %
ShunSin (Zhongshan)	Talentek Microelectronics (Hefei) Limited (hereinafter referred to as Talentek (Hefei))	Design, R&D, measurement and sales of electrical equipment, communication equipment and automation	34.29% (Note 3)	34.29% (Note 3)	34.49% (Note 3)
ShunYun (Zhongshan)	ShunYun Technology Holdings (Hong Kong) Limited (hereinafter referred to as ShunYun (Hong Kong))	Holding Company	100.00%	100.00%	100.00%
ShunYun (Hong Kong)	ShunYun Technology Holdings Limited (hereinafter referred to as ShunYun (Cayman))	Sales of high-speed optical transceiver module	100.00%	100.00%	100.00%
ShunYun (Cayman)	ShunYun Technology (Ha Noi, Vietnam) Limited (hereinafter referred to as ShunYun (HaNoi))	High-speed optical transceivers manufacturing	100.00%	100.00%	100.00%
ShunYun (Cayman)	ShunYun Technology (Bac Giang, Vietnam) Company Limited (hereinafter referred to as ShunYun (Bac Giang)) (Note 4)	High-speed optical transceivers manufacturing	100.00%	100.00%	100.00%
Talentek (Hefei))	Talentek Microelectronics (Zhongshan) Limited (hereinafter referred to as Talentek (Zhongshan))	Design, R&D, measurement and sales of electrical equipment, communication equipment and automation	100.00%	100.00%	100.00%

Note 1: The company increased its capital in ShunSin (Hong Kong) in the first half of 2025 and 2024, resulting in the company's shareholding ratio in ShunSin (Hong Kong) increased 1.73% and 0.79%, while the shareholding ratio of ShunSin (Samoa) to ShunSin (Hong Kong) decreased 1.73% and 0.79% respectively.

Note 2: ShunSin (Hong Kong) was approved by Board of Directors on January 29, 2024 to acquire SFA SEMICON (SUZHOU) CO., LTD. ShunSin (Hong Kong) paid the amount of USD 17,890 thousand in July, 2024 to acquire 100% of the equity of SFA (SUZHOU), and completed the amendment registration of SFA (SUZHOU) on July 29, 2024.

Note 3: Non-controlling shareholders of Talentek (Hefei) expect to continue to invest. The actual shareholding ratio ShunSin (Zhongshan) hold is 34.29% according to invested capital as of June 30, 2025. Although the shareholding ratio of ShunSin (Zhongshan) in Talentek (Hefei) is less than 50%, according to the overall shareholding ratio of ShunSin (Zhongshan) and its related parties which is still the largest shareholder, it is still considered to have control over Talentek (Hefei).

Note 4: ShunSin Technology (Bac Giang, Vietnam) Limited was renamed as ShunYun Technology (Bac Giang, Vietnam) Company Limited on March 3, 2025, and the statutory change procedures have been completed.

B. Subsidiaries not included in the consolidated financial report: None.

(3) Investment property

Investment property is property held to earn rentals or capital appreciation, or both, and not for sale in the operating business or for producing goods or services, or for administrative purposes. Investment property is initially measured at cost and subsequently measured at cost less accumulated depreciation and impairment losses. The depreciation method, useful life, and residual value are determined using the same methods as those for property, plant, and equipment. Gains or losses on the disposal of investment property (difference between the net disposal price and the carrying amount of the property) are recognized in profit or loss.

Rental income from investment property is recognized in other income on a straight-line basis over the lease term. Lease incentives granted are recognized as part of rental income over the lease term.

(4) Income tax

The Group measured and disclose midterm income tax expense in accordance with the Guidelines and section B12 of IAS 34 “Interim Financial Reporting”.

Income tax expense are recognized as current tax expense and defer tax expense under the calculation with the interim reported income before tax times the best estimation of effective tax rate from Management.

Income tax which are recognized in equity or other comprehensive income are measured with applicable tax rate base on the temporary difference between booking amount and taxable basis when expected to be realized or paid off.

5. Major Sources of Uncertainty in Accounting Judgments, Estimates and Assumptions

While preparing consolidated financial report based on the Guidelines and IAS 34 “Interim Financial Reporting”, management has to make judgements and estimates of future (including climate-related risks and opportunities) that will affect the adoption of accounting policies and the reported amounts of assets, liabilities, earnings and expenses. Actual consequence may differ from those estimated.

Major sources of uncertainty in accounting judgments, estimates and assumptions are consistent with note 5 in the consolidated financial report of 2024 while preparing.

6. Description of important accounting items

There is no material difference the description of material accounting subjects in the consolidated financial report with those in the 2024. Please refer to note 6 of the consolidated financial report in

(Expressed in Thousands of New Taiwan Dollars, Unless Otherwise Specified)

2024 for relative information.

(1) Cash and cash equivalents

	2025.6.30	2024.12.31	2024.6.30
Cash on hand	$ 6	83	25
Current deposit	2,280,523	4,705,363	4,348,639
Time deposits with original maturity within three months	2,929,516	2,222,985	2,265,071
Cash and cash equivalents as shown in the consolidated cash flow statement	$ 5,210,045	6,928,431	6,613,735

For the disclosure of interest rate risk and sensitivity analysis of the Group's financial assets, please refer to note 6 (24) for details.

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

A. Current

	2025.6.30	2024.12.31	2024.6.30
Financial liabilities held for trading:			
Non hedging derivatives			
Forward foreign exchange contract	$ (2,593)	-	(2,610)

The Group engages in derivative financial commodity transactions to avoid exchange rate risks and interest rate risks exposed by business activities. The details of the Group's derivative instruments reported as financial assets measured at fair value through profit or loss due to the absence of hedge accounting on June 30, 2025 and 2024 are as follows:

Forward foreign exchange contract:

2025.6.30

Contract amount	Currency	Period	Fair value asset (liability)
USD 8,000	USD to VND	2025.11.28-2026.3.2	$ (2,593)

2024.6.30

Contract amount	Currency	Period	Fair value asset (liability)
USD 8,000	USD to RMB	2024.7.3	$ (2,610)

B. Non-current

	2025.6.30	2024.12.31	2024.6.30
Financial assets designated at fair value through profit and loss:			

Derivative financial assets				
The right to redeem the bonds payable	$	2,000	-	-
Non-derivative financial assets				
Stocks of foreign unlisted companies		185,446	194,817	177,028
	$	187,446	194,817	177,028

Please refer to note 6 (23) for the amount recognized as profit or loss in the fair value re-measurement.

The financial assets at fair value through profit or loss arising from the issuance of unsecured convertible bonds by the Group, please refer to note 6 (14).

(3) Financial assets at amortized cost

A. Current

		2025.6.30	2024.12.31	113.6.30
Restricted bank deposits	$	-	-	19,539
Time deposits with original maturity exceeding three months		3,366,617	1,482,488	1,139,945
	$	3,366,617	1,482,488	1,159,484

The Group used the bank loans on June 30, 2024. According to the deal of bank, the Group saved NTD 19,539 thousand into the syndicated loan interest custody account.

On June 30, 2025, December 31, 2024 and June 30, 2024, the Group held a foreign currency time deposits with original maturity exceeding three months amounting to 3,366,617 thousand (RMB 711,000 thousand and VND 410,000,000 thousand), 1,482,488 thousand (RMB 325,000 thousand) and 1,139,945 thousand (RMB 250,000 thousand and VND 1,300,000 thousand) respectively, with effective rate of 1.5% to 5%, 1.5% to 1.95% and 1.95% to 4.5% respectively. The time deposit matures in August, 2025 to May, 2026, February, 2025 to May, 2025 and November, 2024 to May, 2025 respectively.

B. Non-current

		2025.6.30	2024.12.31	2024.6.30
Restricted bank deposits	$	2,527	2,903	-

The Group recognized as financial assets measured at amortized cost, whose intension is to hold the asset to maturity to collect contractual cash flow which is solely payment of principal and interest on the principal amount outstanding.

For details of the power guarantee mortgage and collateral for long-term loans, please refer to note 8 as of June 30, 2025, December 31, 2024 and June 30, 2024.

(Expressed in Thousands of New Taiwan Dollars, Unless Otherwise Specified)

(4) Notes receivable and accounts receivable

	2025.6.30	2024.12.31	2024.6.30
Notes receivable	$ 85,454	38,563	41,188
Accounts receivable	1,095,951	903,425	1,101,769
Accounts receivable-related party	15,373	19,480	19,883
Less: Loss allowance	(356)	(1,068)	-
	$ 1,196,422	960,400	1,162,840

Accounts receivable of the Group is not discounted or provided as collateral.

The Group uses the simplified method of estimating the anticipated credit loss for all notes receivable and accounts receivable, that is to say, the Group estimates anticipated credit losses based on the duration of those. In order to measure the abovementioned, the Group categorized its clients based on common credit risk about the ability to pay off the due amount, considered foresighted information which includes information on the overall economy and related industries. According to historical experience on the credit loss of the Group, there is no significant difference in the loss patterns of different client groups, so the Group does not further classify clients into groups.

The anticipated credit loss of notes receivable and accounts receivable of the Group on June 30, 2025, December 31, 2024 and June 30, 2024, are analyzed as follows:

	2025.6.30		
	Gross carrying amount	Weighted average loss rate (%)	Loss allowance provision
Not overdue	$ 1,171,401	-	-
Past due 1-30 days	12,738	-	-
Past due 31-60 days	12,283	-	-
	$ 1,196,422	-	-

On June 30, 2025, the Group has recognized whole amount of $356 thousand toward the accounts receivable with evidence showing that it cannot reasonably be expected to be recovered.

	2024.12.31		
	Gross carrying amount	Weighted average loss rate (%)	Loss allowance provision
Not overdue	$ 915,880	-	-
Past due 1-30 days	29,791	-	-

(Expressed in Thousands of New Taiwan Dollars, Unless Otherwise Specified)

Past due 31-60 days	2,861	-	-
Past due 61-90 days	10,043	-	-
Past due 121-365 days	1,825	-	-
	$ 960,400	-	-

On December 31, 2024, the Group has recognized whole amount of $1,068 thousand toward the accounts receivable with evidence showing that it cannot reasonably be expected to be recovered.

	2024.6.30		
	Gross carrying amount	**Weighted average loss rate (%)**	**Loss allowance provision**
Not overdue	$ 1,026,653	-	-
Past due 1-30 days	110,266	-	-
Past due 31-60 days	16,360	-	-
Past due 61-90 days	396	-	-
Past due 91-120 days	1,038	-	-
Past due 121-365 days	8,127	-	-
	$ 1,162,840	-	-

There is no need to recognize anticipated credit losses during the duration after assessment on June 30, 2024.

The Group's statement of allowance of uncollectible accounts receivable is as follows:

	From January to June 2025	**From January to June 2024**
Opening balance	$ 1,068	-
Expected credit gain	(645)	-
Exchange gains (losses)	(67)	-
Ending balance	$ 356	-

Financial assets aforementioned are not used as guarantees for short-term loans and line of credit.

(5) Other receivables

	2025.6.30	**2024.12.31**	**2024.6.30**
Other receivables	$ 38,979	54,396	131,456
Other receivables-related party	2,776	-	-
	$ 41,755	54,396	131,456

Other receivables of the Group were not overdue on June 30, 2025, December 31, 2024 and June 30, 2024.

(Expressed in Thousands of New Taiwan Dollars, Unless Otherwise Specified)

(6) Inventories

	2025.6.30	2024.12.31	2024.6.30
Raw materials	$ 888,673	469,337	345,297
Work-in-process	34,959	77,368	221,820
Finished products (including semi-finished products)	23,372	43,112	30,286
	$ 947,004	589,817	597,403

Operating costs recognized by the Group:

	From April to June 2025	From April to June 2024	From January to June 2025	From January to June 2024
Cost of inventories sold	$ 1,542,087	946,842	3,408,005	1,728,629
Allowance for inventory valuation and obsolescence losses (reversal income)	(17,909)	10,986	(32,893)	6,555
Loss on inventory write-off	4,785	2,347	5,985	3,194
Unallocated manufacturing overhead	1,643	2,273	4,525	4,780
Revenue from sale of scraps	(2,295)	(24)	(3,001)	(24)
	$ 1,528,311	962,424	3,382,621	1,743,134

As of June 30, 2025, December 31, 2024 and June 30, 2024, the inventory of the Group has not been provided as a pledge guarantee.

(7) Changes in ownership interests in subsidiaries and subsidiaries with significant non-controlling interests

A. Subsidiary issues new shares for cash capital increase, and the Company still maintains control over it.

ShunYun (Zhongshan) issued 37,550 thousand shares for the cash capital increase in 2023. In order to encourage outstanding employees to continue working in the Group, the Company gave up subscription and reserved them for employees of 100% owned subsidiary. Hence the shareholding rate of the Company toward ShunYun (Zhongshan) decreased by 8.72%. The Company and its subsidiary paid a one-time compensation payment to ShunYun (Zhongshan) in the second quarter of 2023, and recognized payroll cost base on restricted right of employee shares, resulting in a change of 2,045 thousand and 4,085 thousand in Capital surplus in the first half of 2025 and 2024 respectively.

Talentek (Hefei) has finished the cash capital increase in 2024, hence the shareholding rate of the Company toward Talentek (Hefei) decreased by 4.92%.

(Expressed in Thousands of New Taiwan Dollars, Unless Otherwise Specified)

The impact of changes in the Group's ownership interest in the aforementioned subsidiary to equity attributable to parent company is listed below:

	From January to June 2025	From January to June 2024
ShunYun (Zhongshan)	$ 2,045	4,085
Talentek (Hefei)	-	36,742
	$ 2,045	40,827

B. The non-controlling interests of subsidiaries that are significant to the Group are as follows:

Subsidiaries	Bussiness location/ Country of company registeration	Proportion of ownership interests and voting rights of non-controlling interests		
		2025.6.30	2024.12.31	2024.6.30
ShunYun (Zhongshan)	China	21.95%	21.95%	21.95%
Talentek (Hefei)	China	65.71%	65.71%	65.51%

The following information on the aforementioned subsidiaries has been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers. This information has reflected the fair value adjustments made and the relevant difference in accounting principles on the acquisition date. Intra-group transactions were not eliminated in this information.

The summary of financial information of ShunYun (Zhongshan) is as follows:

	2025.6.30	2024.12.31	2024.6.30
Current assets	$ 422,328	534,031	618,242
Non-current assets	1,730,352	2,041,419	1,984,932
Current liabilities	(86,421)	(83,706)	(78,970)
Non-current liabilities	(37,448)	(50,416)	(58,844)
Net asset	$ 2,028,811	2,441,328	2,465,360
Book value of ending balance on non-controlling interests	$ 620,912	694,557	677,127

	From April to June 2025	From April to June 2024	From January to June 2025	From January to June 2024
Operating revenue	$ -	33,340	18,564	56,507
Profit (Loss)	(38,394)	820	(97,375)	(35,131)

(Expressed in Thousands of New Taiwan Dollars, Unless Otherwise Specified)

Other comprehensive income	(358,629)	(46,069)	(327,479)	(21,014)
Total comprehensive income	**$ (397,023)**	**(45,249)**	**(424,854)**	**(56,145)**
Profit (Loss) attributable to non-controlling interests	**$ (8,427)**	**180**	**(21,373)**	**(7,711)**
Comprehensive income attributable to non-controlling interests	**$ (87,086)**	**(10,156)**	**(93,255)**	**(12,547)**

The summary of financial information of Talentek (Hefei) is as follows:

	2025.6.30	**2024.12.31**	**2024.6.30**
Current assets	$ 155,094	296,176	444,346
Non-current assets	532,392	496,755	463,511
Current liabilities	(89,341)	(126,929)	(250,913)
Non-current liabilities	(14,761)	(23,412)	(37,190)
Net asset	**$ 583,384**	**642,590**	**619,754**
Book value of ending balance on non-controlling interests	**$ 383,341**	**422,246**	**406,001**

	From April to June 2025	**From April to June 2024**	**From January to June 2025**	**From January to June 2024**
Operating revenue	**$ 58,443**	**90,962**	**112,873**	**235,379**
Profit	5,424	5,197	7,278	7,327
Other comprehensive income (loss)	(75,689)	5,942	(66,485)	22,995
Total comprehensive income (loss)	**$ (70,265)**	**11,139**	**(59,207)**	**30,322**
Profit attributable to non-controlling interests	**$ 3,564**	**3,403**	**4,782**	**4,698**
Comprehensive income (loss) attributable to non-controlling interests	**$ (46,171)**	**7,297**	**(38,905)**	**18,958**

(8) Property, plant and equipment

The changes in the costs, depreciation and impairment losses of the real estate, plant and equipment of the Group from January 1 to June 30, 2025 and 2024 are as follows:

	Buildings	**Machinery and equipment**	**Office equipment (including computer communication equipment)**	**Inspection equipment**	**Other equipment**	**Lease improvement**	**Unfinished construction and equipment to be inspected**	**Total**
Cost:								
Balance as of January 1, 2025	$ 3,680,649	4,612,105	150,924	801,653	855,099	54,345	444,164	10,598,939
Acquisition	-	170,444	4,016	11,364	39,962	145	712,372	938,303

(Expressed in Thousands of New Taiwan Dollars, Unless Otherwise Specified)

Disposal	-	-	(70)	(66,430)	(7,474)	(630)	-	(74,604)
Re-classification (Note 1)	-	188,436	2,243	31,583	66,935	-	(286,039)	3,158
Reclassified into investment property	(291,335)	-	-	-	-	-	-	(291,335)
Impact of exchange rate changes	(421,464)	(542,098)	(16,861)	(82,852)	(102,133)	(5,533)	(87,149)	(1,258,090)
Balance as of June 30, 2025	$ 2,967,850	4,428,887	140,252	695,318	852,389	48,327	783,348	9,916,371
Balance as of January 1, 2024	$ 3,099,861	3,203,681	79,251	683,490	482,258	50,938	70,992	7,670,471
Acquisition	-	136,504	2,825	25,590	9,067	635	358,914	533,535
Disposal	-	(48,182)	(95)	(9,098)	(1,356)	-	-	(58,731)
Re-classification (Note 2)	-	15,280	-	6,825	1,263	-	(22,113)	1,255
Impact of exchange rate changes	72,191	150,743	4,460	23,140	27,176	2,573	13,685	293,968
Balance as of June 30, 2024	$ 3,172,052	3,458,026	86,441	729,947	518,408	54,146	421,478	8,440,498
Accumulated depreciation and impairment losses:								
Balance as of January 1, 2025	$ 758,130	3,337,167	125,577	644,090	576,216	36,591	-	5,477,771
Depreciation	58,903	188,876	2,708	28,910	40,967	3,053	-	323,417
Disposal	-	-	(70)	(66,430)	(7,474)	(461)	-	(74,435)
Reclassified into investment property	(16,701)	-	-	-	-	-	-	(16,701)
Impact of exchange rate changes	(84,193)	(397,168)	(13,427)	(64,377)	(64,835)	(3,919)	-	(627,919)
Balance as of June 30, 2025	$ 716,139	3,128,875	114,788	542,193	544,874	35,264	-	5,082,133
Balance as of January 1, 2024	$ 398,362	2,088,817	69,499	561,776	362,233	28,718	-	3,509,405
Depreciation	55,211	155,763	2,675	30,028	20,559	3,065	-	267,301
Disposal	-	(48,182)	(95)	(9,098)	(1,356)	-	-	(58,731)
Impact of exchange rate changes	20,122	81,957	4,132	22,691	26,175	1,537	-	156,614
Balance as of June 30, 2024	$ 473,695	2,278,355	76,211	605,397	407,611	33,320	-	3,874,589
Carrying amount:								
Balance as of June 30, 2025	$ 2,251,711	1,300,012	25,464	153,125	307,515	13,063	783,348	4,834,238
Balance as of January 1, 2025	2,922,519	1,274,938	25,347	157,563	278,883	17,754	444,164	5,121,168
Balance as of June 30, 2024	$ 2,698,357	1,179,671	10,230	124,550	110,797	20,826	421,478	4,565,909

Note 1: From January 1 to June 30, 2025, the amounts reclassified from prepayments for business facilities are $6,063 thousand and the amounts reclassified from unfinished construction and equipment into expenses is $63 thousand. The amounts of unfinished construction and equipment is $2,842 thousand. And the aforementioned unfinished construction and equipment under acceptance was reversed because the quality of the equipment failed to meet the acceptance conditions. After negotiation between the two parties, it was confirmed that the Company did not need to pay for the equipment, hence it was reversed.

Note 2: From January 1 to June 30, 2024, the amounts reclassified from prepayments for business facilities are $1,320 thousand and the amounts of reclassifying into expenses is $65 thousand.

(9) Right-of-use asset

The cost and depreciation of the Group's leased land, building and transportation equipment, etc., and its changes are as follows:

	Land	Building	Vehicle	Total
Cost:				
Balance as of January 1, 2025	$ 444,223	136,688	3,701	584,612
Acquisition	-	-	1,145	1,145
Impact of exchange rate changes	(57,995)	(15,607)	(486)	(74,088)
Balance as of June 30, 2025	$ 386,228	121,081	4,360	511,669
Balance as of January 1, 2024	$ 314,699	213,121	1,916	529,736
Acquisition	-	11,524	1,613	13,137
Impact of exchange rate changes	3,392	4,185	165	7,742
Balance as of June 30, 2024	$ 318,091	228,830	3,694	550,615

(Expressed in Thousands of New Taiwan Dollars, Unless Otherwise Specified)

Accumulated depreciation of right-of-use assets:				
Balance as of January 1, 2025	$ 46,501	65,295	1,554	113,350
Depreciation	6,519	22,498	696	29,713
Impact of exchange rate changes	(6,801)	(9,651)	(207)	(16,659)
Balance as of June 30, 2025	$ 46,219	78,142	2,043	126,404
Balance as of January 1, 2024	$ 29,662	98,786	590	129,038
Depreciation	4,709	24,541	406	29,656
Impact of exchange rate changes	454	876	42	1,372
Balance as of June 30, 2024	$ 34,825	124,203	1,038	160,066
Carrying amount:				
Balance as of June 30, 2025	$ 340,009	42,939	2,317	385,265
Balance as of January 1, 2025	$ 397,722	71,393	2,147	471,262
Balance as of June 30, 2024	$ 283,266	104,627	2,656	390,549

(10) Investment property

Investment property comprises office buildings that are leased to third parties under operating leases, including properties that are held as right-of-use assets, as well as properties that are owned by the Group. The leases of investment properties contain an initial non-cancellable lease term of 5 to 10 years. Some leases provide the lessees with options to extend at the end of the term.

For all investment property leases, the rental income is fixed under the contracts, but some leases require the lessee to reimburse the insurance costs. When this is the case, the amounts of insurance costs are determined annually.

The detail of the Group' investment property is as follows:

	Own assets
	House and building
Cost:	
From property, plant and equipment transfer into	291,335
Balance as of June 30, 2025	$ 291,335
Depreciation and impairment losses:	
From property, plant and equipment transfer into	16,701
Balance as of June 30, 2025	$ 16,701
Carrying amount:	
Balance as of June 30, 2025	$ 274,634

(Expressed in Thousands of New Taiwan Dollars, Unless Otherwise Specified)

Fair value:		
Balance as of June 30, 2025	$	288,366

The fair value of the Group's investment properties located in the Guangzhou Industrial Park in Bac Ninh, Vietnam was assessed by the Group with reference to market evidence of transaction prices of similar properties.

(11) Intangible assets

The cost, amortization and impairment losses of the Group' intangible assets from January 1 to June 30, 2025 and 2024 are as follows:

		Software	Customer relation	Total
Cost:				
Balance as of January 1, 2025	$	139,861	11,145	151,006
Acquisition		4,850	-	4,850
Impact of exchange rate changes		(14,688)	(1,144)	(15,832)
Balance as of June 30, 2025	$	130,023	10,001	140,024
Balance as of January 1, 2024	$	32,332	-	32,332
Acquisition		1,271	-	1,271
Impact of exchange rate changes		1,661	-	1,661
Balance as of June 30, 2024	$	35,264	-	35,264

		Software	Customer relation	Total
Amortization and impairment losses:				
Balance as of January 1, 2025	$	137,529	580	138,109
Amortization		758	670	1,428
Impact of exchange rate changes		(14,176)	(104)	(14,280)
Balance as of June 30, 2025	$	124,111	1,146	125,257
Balance as of January 1, 2024	$	30,871	-	30,871
Amortization		455	-	455
Impact of exchange rate changes		1,561	-	1,561
Balance as of June 30, 2024	$	32,887	-	32,887
Carrying amount:				
Balance as of June 30, 2025	$	5,912	8,855	14,767
Balance as of January 1, 2025	$	2,332	10,565	12,897
Balance as of June 30, 2024	$	2,377	-	2,377

(Expressed in Thousands of New Taiwan Dollars, Unless Otherwise Specified)

The amortization expenses of intangible assets are reported under the consolidated income statement as follows:

		From April to June 2025	From April to June 2024	From January to June 2025	From January to June 2024
Operating costs	$	10	28	19	56
Operating expenses		801	215	1,409	399
	$	**811**	**243**	**1,428**	**455**

(12) Short-term loans

The details of the short-term loans of the Group are as follows:

		2025.6.30	2024.12.31	2024.6.30
Unsecured bank loans	**$**	**4,965,763**	**4,653,480**	**4,539,218**
Line of credit	**$**	**3,910,857**	**5,107,380**	**5,271,432**
Interest rate range (%)		**2.02%-5.15%**	**0.90%-2.38%**	**1.97%~2.35%**

The Group started to use bank loans on June 30, 2024. According to the contract, an amount of interest equivalent to six months is required to be deposited in the custody account. The amount should be deposited in the custody account please refer to note 6 (3). And please refer to note 8 for more information on the collateral loans.

(13) Long-term loans

The details of the long-term loans of the Group are as follows:

	2025.6.30			
	Currency	Period		Amount
Unsecured loan from China CITIC Bank	NTD	2024.11~2027.11	$	600,000
Unsecured loan from Taipei Fubon Bank	NTD	2024.12~2027.12		500,000
Unsecured loan from Taishin Bank	NTD	2024.12~2027.12		700,000
Unsecured loan from E.SUN Bank	USD	2024.12~2027.12		439,500
Unsecured loan from Taiwan Cooperative Bank	USD	2024.12~2027.12		293,000
Subtotal				2,532,500
Less: past due within one year				(709,875)
Total			**$**	**1,822,625**
Line of credit			**$**	**-**
Interest rate range (%)				**2.43-5.41**

(Expressed in Thousands of New Taiwan Dollars, Unless Otherwise Specified)

	2024.12.31		
	Currency	**Period**	**Amount**
Unsecured loan from China CITIC Bank	NTD	2024.11~2027.11	$ 600,000
Unsecured loan from Taipei Fubon Bank	NTD	2024.12~2027.12	500,000
Unsecured loan from Taishin Bank	NTD	2024.12~2027.12	700,000
Unsecured loan from E.SUN Bank	USD	2024.12~2027.12	491,850
Unsecured loan from Taiwan Cooperative Bank	USD	2024.12~2027.12	327,900
Subtotal			2,619,750
Less: past due within one year			-
Total			**$ 2,619,750**
Line of credit			**$ -**
Interest rate range (%)			**2.43-5.64**

	2024.6.30		
	Currency	**Period**	**Amount**
Syndicated loan from China CITIC Bank	NTD	2022.12~2024.12	$ 397,380
Unsecured loan from MUFG Bank	USD	2021.12~2024.12	843,700
Unsecured loan from E.SUN Bank	USD	2021.12~2024.12	25,636
Subtotal			1,266,716
Less: past due within one year			(1,266,716)
Total			**$ -**
Line of credit			**$ -**
Interest rate range (%)			**2.35-6.49**

As the Group failed to meet the financial ratio commitment with CTBC Bank Co., Ltd. on June 30, 2025, the loan amount of 600,000 thousand was reclassified as long-term loans due within one year.

The Group started to use syndicated loan from China CITIC Bank in October 2020. According to the contract, an amount of interest equivalent to six months is required to be deposited in the custody account. The amount should be deposited in the custody account please refer to note 6 (3). And please refer to note 8 for more information on the collateral loans.

Other related information please refer to note 6 (13) in the consolidated financial report of the Company for the year of 2024.

(14) Convertible bonds payable

	2025.6.30	**2024.12.31**	**2024.6.30**
The total amount of convertible bonds issued	$ 2,500,000	-	-

(Expressed in Thousands of New Taiwan Dollars, Unless Otherwise Specified)

Less: amount of discount on issuing convertible bonds	179,438	-	-
Compound present value of bonds converted at issuance	2,320,562	-	-
Amortization of Company debt payable at discount	19,284	-	-
Ending balance of convertible bonds payable	**$ 2,339,846**	**-**	**-**

The Group issued the second domestic unsecured convertible corporate bonds on January 9, 2025, with the letter of the Financial Supervisory Commission No. 1130367924.

The convertible bonds issued by the Group shall be separated from the liabilities and shall be recognized as equity and liabilities in accordance with the provisions of IFRS 9.

The total amount of convertible bonds issued	$	2,602,049
Underwriting expenses		(10,038)
Proceeds from issuing bonds	**$**	**2,592,011**
The value of the convertible bonds at the time of issue	$	2,320,562
Embedded derivative financial product at issue (i.e., call)		(6,724)
Composition of equity at issue (i.e. conversion rights)		278,173
	$	**2,592,011**

A. The main terms of issuance of the above convertible bonds are as follows:

Second unsecured convertible bonds

(a) The total amount of convertible bonds issued: 2,500,000 thousand.

(b) Coupon rate: 0%.

(c) Duration: three years (from February 27, 2025 to February 27, 2028).

(d) Re-payment method: In addition to the redemption by the Group and the request of the creditors to sell back or convert into stocks, the maturity of the bond will be repaid in cash at one time according to the face value of the bond.

(e) Conversion period: from the next day after the third months of the issuance of the convertible bonds (May 28, 2025) to the maturity date (February 27, 2028), the creditor shall, in accordance with the conversion method, request the Group to convert the convertible bonds into common shares.

(f) Redemption of the Group on the convertible bonds: from the next day after the third months of the issuance of the convertible bonds (May 28, 2025) to the maturity date (January 18, 2028), if the closing price of the common stock of the Company exceeds 30% of the conversion price at that time for 30 consecutive business days, or if the total amount of the bond that has not yet been converted is less than 10% of the total amount of the bond issued, the Group may send to the creditor a notice of bond recovery at the expiration of 30 days, and request the OTC to make a public announcement to exercise the right to redeem the convertible bonds.

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(g) Conversion price: The conversion price of the converted Company's bonds shall be determined on February 7, 2025 as the base date of the conversion price. The simple arithmetic average of the closing price of the Company's common shares shall be the base price, multiplied by the conversion premium of 103.5%. This is the basis for calculating the conversion price (calculated to $ 0.1, and rounded below). In the case of ex-dividend before the datum for determining the conversion price, the ex-dividend price shall be calculated as the closing price of the conversion price after the adoption; The conversion price shall be adjusted according to the conversion price adjustment formula in the event of deduction or interest deduction from the decision to the actual issuance date. The conversion price of the convertible bonds is $241.2 per share. Starting from August 2, 2025 (the ex-dividend date), the conversion price will be adjusted to NT$240.6 per share.

B. Financial assets at fair value through profit or loss-non-current, the details are as follows:

	2nd time 2025.6.30
Initial balance of embedded derivative financial commodity (call)	$ -
Issue in the current period	6,724
Less: valuation loss in the current period	4,724
	$ 2,000

C. Equity composition item under capital reserve-stock option, the details are as follows:

	2nd time 2025.6.30
Initial balance	$ -
Plus: Composition of equity at issue−conversion rights	278,173
Closing balance	$ 278,173

During January 1 to June 30, 2024, the Group did not issue and repurchase the bonds.

(15) Lease Liability

The Group's booking value of lease liabilities are as follows:

	2025.6.30	2024.12.31	2024.6.30
Current	$ 35,109	46,782	51,365
Non-current	2,690	6,118	48,284
Total	$ 37,799	52,900	99,649

Please refer to note 6 (24) for analysis of expiration.

Amounts recognized in profit or loss are as follows:

(Expressed in Thousands of New Taiwan Dollars, Unless Otherwise Specified)

	From April to June 2025	From April to June 2024	From January to June 2025	From January to June 2024
Interest expense from lease liabilities	$ 463	1,210	1,029	2,468
Expense of short-term lease	$ 4,961	8,577	9,531	10,555
Expense of low-value leasing asset (not include low-value short-term lease)	$ 9	10	19	19

Amounts recognized in cash flow statement are as follows:

	From January to June 2025	From January to June 2024
Total cash used in operating activity	$ 10,579	13,042
Total cash used in financing activity	11,289	24,537
Total cash used in lease	$ 21,868	37,579

A. Lease of land, buildings and constructions

The Group leases land, houses and buildings as operating site and factory. The leasing periods of land is usually 30 to 50 years, the leasing periods of buildings and constructions are usually 1 to 3 years, and some leases include the option to extend the same period as the original contract when the lease period expires.

B. Other leases

The Group leases transportation equipment for a period of 2 to 4 years.

Besides, the rental periods of office, parking lot, staff dorm, machinery and transportation equipment are 1 to 3 years, which are short term or low value lease, the Group chose to apply exemption recognition requirements instead of recognizing its relative right-of-use assets and lease liabilities.

(16) Employee benefit

The pension expenses of the Group from January 1 to June 30, 2025 and 2024 have been allocated to the labor insurance bureau and the local competent authority of the consolidated foreign subsidiaries. The details of the expenses reported by the Group are as follows:

	From April to June 2025	From April to June 2024	From January to June 2025	From January to June 2024
Operating costs	$ 11,812	9,331	24,781	17,617
Operating expenses	8,179	7,440	16,774	13,686

(Expressed in Thousands of New Taiwan Dollars, Unless Otherwise Specified)

	$ 19,991	16,771	41,555	31,303

(17) Income tax

A. The income tax expense (benefit) details of the Group from January 1 to June 30, 2025 and 2024 are as follows:

	From April to June 2025	From April to June 2024	From January to June 2025	From January to June 2024
Current				
Current period	$ (21,518)	7,429	31,691	16,854
Adjustment of previous period	32	73	294	73
	(21,486)	7,502	31,985	16,927
Deferred income tax benefit				
Occurrence and reversal of temporary differences	(62,224)	(5,328)	(65,492)	(28,242)
Income tax expense (benefit)	**$ (83,710)**	**2,174**	**(33,507)**	**(11,315)**

B. Examination and approval of income tax

The Company is exempt from income tax and do not need to declare profit-making enterprise income tax according to the law of the country where the Company is established.

The income tax return of the Company's Taiwan Branch and the ShunYun (Cayman)'s Taiwan Branch have been approved by the taxation authorities until 2022.

(18) Capital and other equities

The Group has no significant changes in capital and other equity in the period of January 1 to June 30 for 2025 and 2024, except for the following. Please refer to note 6 (18) in the consolidated financial report of 2024 for relative information.

A. Capital surplus

The capital surplus balance of the Company is as follows:

	2025.6.30	2024.12.31	2024.6.30
Share premium	$ 2,689,050	2,689,050	2,689,050
Changes in ownership interests in subsidiaries	82,653	80,608	78,216
Employee stock option-expired	4,841	4,841	4,841
Treasury share transactions	37,810	37,810	37,810
Share payment transactions of its subsidiaries	5,603	5,603	5,603
Issuance of stock option embedded in expired	129,000	129,000	129,000

(Expressed in Thousands of New Taiwan Dollars, Unless Otherwise Specified)

convertible bonds			
Issuance of stock option embedded in convertible bonds	278,173	-	-
	$ 3,227,130	2,946,912	2,944,520

B. Retained earnings distribution

The Company's earnings distribution for 2024 and 2023 were decided by the Board of Directors on May 14, 2025 and May 14, 2024 respectively. The dividend distribution are as follows:

	2024		2023	
	Dividend per share	**Amount**	**Dividend per share**	**Amount**
Dividend distributed to ordinary shareholders:				
Cash	$ 0.36	38,223	2.46	261,187

As of June 30, 2025 and 2024, the cash dividend amounting to $38,223 thousand and $261,187 thousands of retained earnings distribution approved by the Board of Directors is listed in the account of dividend payable.

Information on the earnings distribution determined by the Board of Directors can be obtained from MOPS.

(19) Share-based payment

The share-based payment of the Group from January 1 to June 30, 2025 has no significant changes except for the following mentioned. Please refer to the note 6 (19) in the consolidated financial report of 2024 for relative information.

A. The information about restricted stock plan for employees is as follows:

The details of the restricted stock plan for employees of ShunYun (Zhongshan), a subsidiary of the Company, are as follow:

Unit: 1,000

	From January to June 2025		From January to June 2024	
	1st time share granted	**2nd time share granted**	**1st time share granted**	**2nd time share granted**
Outstanding stock as of January 1	44,450	37,550	44,450	37,550
Grant quantity in current period	-	-	-	-
Vested during the year	-	-	-	-
Quantity lost in current period	-	-	-	-
Outstanding stock as of June 30	44,450	37,550	44,450	37,550

(Expressed in Thousands of New Taiwan Dollars, Unless Otherwise Specified)

B. Expenses for employees of the share-based payment

The expenses incurred by the Group in the period of January 1 to June 30, 2025 and 2024 due to the share-based payment are as follows:

	From April to June 2025	From April to June 2024	From January to June 2025	From January to June 2024
Expense from restricted stock plan for employees	$ 10,654	14,536	21,655	42,654

(20) Earnings (Losses) per share

The Company's basic earnings (losses) per share are calculated as follows:

Unit: 1,000

	From April to June 2025	From April to June 2024	From January to June 2025	From January to June 2024
Basic earnings (losses) per share of the Company				
Net profit (loss) for the current period	$ (62,867)	88,819	(174,063)	3,299
Weighted average number of outstanding shares	106,174	106,174	106,174	106,174
Basic earnings (losses) per share (NT$)	$ (0.59)	0.84	(1.64)	0.03
Diluted earnings (losses) per share of the Company				
Net profit (loss) for the current period	$ (62,867)	88,819	(174,063)	3,299
Weighted average number of outstanding shares	106,174	106,174	106,174	106,174
The impact of potential common stocks with diluting effect				
Employees' remuneration	-	-	-	50
Weighted average number of outstanding shares	106,174	106,174	106,174	106,224
Diluted earnings (losses) per share (NT$)	$ (0.59)	0.84	(1.64)	0.03

The convertible bonds of the Group are potential common stocks during reporting period, but due to their anti-dilution effect, they are not included in the calculation of diluted losses per share during reporting period.

(Expressed in Thousands of New Taiwan Dollars, Unless Otherwise Specified)

(21) Revenues from customers' contract

A. Disaggregation of revenue

	From April to June 2025	From April to June 2024	From January to June 2025	From January to June 2024
Primary geographical markets:				
US	$ 956,756	527,006	2,157,818	850,104
China	393,342	362,002	768,442	683,340
Taiwan	175,161	89,288	391,575	174,867
Singapore	142,593	160,514	219,117	279,296
Other countries	120,278	67,031	228,011	143,662
	$ 1,788,130	1,205,841	3,764,963	2,131,269

B. Remaining balance of contracts

	2025.6.30	2024.12.31	2024.6.30
Notes receivable	$ 85,454	38,563	41,188
Accounts receivable (including related party)	1,111,324	922,905	1,121,652
Less: Loss allowance	(356)	(1,068)	-
Total amount	$ 1,196,422	960,400	1,162,840
Contract assets	$ 789,909	265,288	158,954
Contract liabilities	$ 68,898	16,309	92,739

The Group has assessed that there is no need to recognize loss allowance for contract assets as of June 30, 2025, December 31 and June 30, 2024.

The amounts of the balance of contract liabilities on January 1, 2025 and 2024 recognized as revenue in second quarter of 2025 and 2024, and from January 1 to June 30, 2025 and 2024 are 1,330 thousand, 31,354 thousand, 6,367 thousand and 66,146 thousand, respectively.

The variation of contract liabilities comes from the difference between meeting performance obligations and payment timing of customers.

(22) Profit sharing bonus of employees and directors

According to the Company's Articles of Association, the Company shall allocate profit sharing bonus to the employees with no less than 3% of the current year's profits before the payment of employees' and the directors' profit sharing bonus. The Company may allocate no more than 0.1% of the profits of the current year for the profit sharing bonus of directors.

(Expressed in Thousands of New Taiwan Dollars, Unless Otherwise Specified)

The Company suffered losses in the first half of both 2025 and 2024, therefore no profit sharing bonus of employees and directors are recognized.

The Company accrued profit sharing bonus to employees for 2024 and 2023 are $1,446 thousand and $24,801 thousand respectively, and $48 thousand and $441 thousand for the directors. There is no difference between the estimated amount and the amount of determined by the Board of Directors for the year of 2024 and the year of 2023. Related information is available at the MOPS.

(23) Non-operating gains and losses

A. Interest income

Interest incomes of the Group are as follows:

	From April to June 2025	From April to June 2024	From January to June 2025	From January to June 2024
Bank deposit interest	$ 44,906	38,590	89,847	87,944

B. Other income

Other incomes of the Group are as follows:

	From April to June 2025	From April to June 2024	From January to June 2025	From January to June 2024
Incomes from government subsidy	$ 25,237	7,566	34,461	18,125
Other incomes	14,342	5,907	33,616	14,362
Total amount of other incomes	$ 39,579	13,473	68,077	32,487

C. Other profits and losses

Other profits and losses of Group are as follows:

	From April to June 2025	From April to June 2024	From January to June 2025	From January to June 2024
Net foreign exchange profits (losses)	$ (147,037)	1,260	(116,351)	(26,556)
Profits from disposal of property, plant and equipment	3,624	5	3,836	395

(Expressed in Thousands of New Taiwan Dollars, Unless Otherwise Specified)

Profits (Losses) from financial assets/liabilities at fair value through profit and loss	(2,091)	58,518	3,781	18,608
Other losses	(3,626)	(1,328)	(3,995)	(1,775)
	$ (149,130)	58,455	(112,729)	(9,328)

D. Financial costs

The financial costs of the Group are as follows:

	From April to June 2025	From April to June 2024	From January to June 2025	From January to June 2024
Interest expenses from bank loans	$ 51,141	41,220	97,287	84,466
Interest expenses of convertible bonds	14,478	-	19,284	-
Interest expenses of lease liabilities	463	1,210	1,029	2,468
	$ 66,082	42,430	117,600	86,934

(24) Financial instruments

The fair value of financial instrument and the situation of credit risk and market risk resulted from financial instrument have no significant changes compared with the consolidated financial report of 2024, except for the following mentioned. Please refer to the note 6 (24) in the consolidated financial report of 2024 for relative information.

A. Credit risks

(a) Credit exposure risk

The book value of financial assets and contract assets represent the maximum amount of credit exposure risk.

(b) Concentration of credit risk

On June 30, 2025, December 31, 2024 and June 30, 2024, 71%, 67% and 81% of the accounts receivable balance of the Group were composed of several customers respectively, which made the Group have a significant concentration of credit risk.

(c) Credit risks of receivables

For credit exposure risk information of notes receivable and accounts receivable, please refer to note 6 (4) for details and note 6 (5) for details of other receivables. The other receivables listed above are all financial assets with low credit risk. Therefore, the allowance loss during the period is measured by the amount of anticipated credit loss for 12 months.

(Expressed in Thousands of New Taiwan Dollars, Unless Otherwise Specified)

B. Liquidity risk

The following table shows the contract maturity date of financial liabilities, which includes estimated interest.

	Book value	Cash flow of the contract	Within 1 year	1-2 years	2-5 years	More than 5 years
June 30, 2025						
Non-derivative financial liabilities						
Short-term loans	$ 4,965,763	4,974,876	4,974,876	-	-	-
Accounts payable (including related parties)	834,331	834,331	834,331	-	-	-
Other payables (including related parties)	693,483	693,483	693,483	-	-	-
Dividends payable	38,223	38,223	38,223	-	-	-
Bonds payable	2,339,846	2,500,000	-	-	2,500,000	-
Long-term loans	2,532,500	2,693,677	786,752	593,171	1,313,754	-
Lease liabilities	37,799	38,491	35,761	2,730	-	-
Guarantee deposits received	18,705	18,705	-	2,883	-	15,822
Subtotal	11,460,650	11,791,786	7,363,426	598,784	3,813,754	15,822
Derivative financial liabilities						
Forward foreign exchange contract:						
Outflow	2,593	(232,982)	(232,982)	-	-	-
Inflow	-	230,389	230,389	-	-	-
Subtotal	2,593	(2,593)	(2,593)	-	-	-
Total	$ 11,463,243	11,789,193	7,360,833	598,784	3,813,754	15,822
December 31, 2024						
Non-derivative financial liabilities						
Short-term loans	$ 4,653,480	4,662,723	4,662,723	-	-	-
Accounts payable (including related parties)	691,128	691,128	691,128	-	-	-
Other payables (including related parties)	622,422	622,422	622,422	-	-	-
Long-term loans	2,619,750	2,885,211	89,982	89,982	2,705,247	-
Lease liabilities	52,900	54,701	48,475	6,127	99	-
Guarantee deposits received	2,670	2,670	-	2,670	-	-
	$ 8,642,350	8,918,855	6,114,730	98,779	2,705,346	-
June 30, 2024						
Non-derivative financial liabilities						
Short-term loans	$ 4,539,218	4,551,149	4,551,149	-	-	-
Accounts payable (including related parties)	636,652	636,652	636,652	-	-	-
Other payables (including related parties)	649,822	649,822	649,822	-	-	-
Dividends payable	261,187	261,187	261,187	-	-	-
Long-term loans	1,266,716	1,297,738	1,297,738	-	-	-
Lease liabilities	99,649	103,643	54,472	43,990	5,181	-
Guarantee deposits received	1,096	1,096	-	1,096	-	-
Subtotal	7,454,340	7,501,287	7,451,020	45,086	5,181	-
Derivative financial liabilities						
Forward foreign exchange contract:						
Outflow	2,610	(259,511)	(259,511)	-	-	-
Inflow	-	256,901	256,901	-	-	-

Subtotal	2,610	(2,610)	(2,610)	-	-	-
Total	$ 7,456,950	7,498,677	7,448,410	45,086	5,181	-

C. Exchange rate risk

(a) Exchange rate exposure risk

The financial assets and liabilities of the Group exposed to significant foreign currency exchange rate risks are as follows:

	2025.6.30			2024.12.31			2024.6.30		
	Foreign currency (in thousands)	Exchange rate (NT$)	NT$	Foreign currency (in thousands)	Exchange rate (NT$)	NT$	Foreign currency (in thousands)	Exchange rate (NT$)	NT$
Financial assets									
Monetary items									
RMB	365,766	4.0910	1,496,349	408,302	4.4780	1,828,377	440,451	4.4450	1,957,807
USD	17,636	29.2888	516,537	13,616	32.7705	446,203	13,901	32.4155	450,608
Yen	5,064	0.2026	1,026	2,580,810	0.2099	541,598	6,766	0.2009	1,359
VND	1,099,523,676	0.0011	1,224,210	110,473,871	0.0013	141,275	65,348,908	0.0031	201,044
Financial liabilities									
Monetary items									
USD	1,782	29.2991	52,211	3,035	32.7779	99,481	3,740	32.3955	121,159
Yen	11,687	0.2031	2,374	2,588,659	0.2098	543,224	12,133	0.2004	2,432
VND	79,952,899	0.0011	89,020	11,451,024	0.0013	14,644	4,138,928	0.0013	5,238

(b) Sensitivity analysis

The exchange rate risk of the Group mainly comes from the foreign currency-denominated cash and the cash equivalents, accounts receivable and other receivables, accounts payable and other payables, etc., which generate foreign currency exchange gains and losses during the conversion. On June 30, 2025 and 2024, when the Taiwan dollar depreciates by 0.25% against the US dollar, the Chinese Yuan, the Yen Yuan and the VND, while all other factors remain unchanged, the net profit before tax from January 1 to June 30, 2025 and 2024 will increase by approximately $7,736 thousand and $6,205 thousand, respectively.

(c) Exchange gains and losses of monetary items

Due to the variety of functional currencies in the Group, the exchange gains and losses of monetary items are disclosed by the method of exchange consolidation. The exchange gains (losses) of foreign currencies from April 1 to June 30, 2025 and 2024, and from January 1 to June 30, 2025 and 2024 including realized and unrealized ones, are ($147,037) thousand, $1,260 thousand, ($116,351) thousand and ($26,556) thousand, respectively.

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D. Interest rate analysis

The time deposits and short-term loans of the Company are fixed interest rates, which have no interest rate fluctuation risk. The significant financial liabilities of the Group that are sensitive to interest rates are long-term loans calculated using floating interest rates, exposing the Group to cash flow interest rate risk. From January 1 to June 30, 2025 and 2024, the floating rate borrowings of the Group are denominated in New Taiwan Dollars and U.S. Dollars.

The Group simulated multiple scenarios to analyze interest rate risk, including refinancing, renewal of existing positions, other available financing and hedging, etc., to calculate the impact of changes in certain interest rates on profit and loss.

When the benchmark interest rate for floating rate loans rises or falls by 0.25%, and all other factors remain unchanged, the tax before net profit from January 1 to June 30, 2025 and 2024 will decrease or increase by $3,166 and $1,087 thousand, respectively.

E. Information on fair value

(a) Types and fair value of financial instruments

The book amount and fair value (including fair value-grade information, but not a reasonable approximation of fair value to the book value of financial instruments measured by fair value, and investment in equity instruments without quotation and reliable measurement of fair value in the flexible market, there is no need to disclose fair value information according to regulations.) of the financial assets and financial liabilities of the Group are listed as follows:

	2025.6.30				
		Fair value			
	Book value	**Grade 1**	**Grade 2**	**Grade 3**	**Total amount**
Financial assets at fair value through profit or loss					
Derivative financial assets –non-current	$ 2,000	-	2,000	-	2,000
Non-listed foreign shares	185,446	-	-	185,446	185,446
Subtotal	187,446	-	2,000	185,446	187,446
Financial assets measured at amortized costs					
Cash and cash equivalents	5,210,045	-	-	-	-
Financial assets measured at amortized costs	3,366,617	-	-	-	-
Notes receivable and accounts receivable (including related parties)	1,196,422	-	-	-	-
Other receivables (including related parties)	41,755	-	-	-	-
Guarantee deposits paid	14,604	-	-	-	-

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Subtotal	9,829,443	-	-	-	-
Total amounts	$ 10,016,889	-	2,000	185,446	187,446
Financial liabilities at fair value through profit or loss					
Derivative financial liabilities-current	$ 2,593	-	2,593	-	2,593
Financial liabilities measured at amortized costs					
Short-term loans	4,965,763	-	-	-	-
Accounts payable (including related parties)	834,331	-	-	-	-
Other payables (including related parties)	693,483	-	-	-	-
Dividends payable	38,223	-	-	-	-
Convertible bond-liability component	2,339,846	-	-	-	-
Long-term loans	2,532,500	-	-	-	-
Lease liabilities	37,799	-	-	-	-
Guarantee deposits received	18,705	-	-	-	-
Subtotal	11,460,650	-	-	-	-
Total amounts	$ 11,463,243	-	2,593	-	2,593

	2024.12.31				
		Fair value			
	Book value	**Grade 1**	**Grade 2**	**Grade 3**	**Total amount**
Financial assets at fair value through profit or loss					
Non-listed foreign shares	$ 194,817	-	-	194,817	194,817
Financial assets measured at amortized costs					
Cash and cash equivalents	6,928,431	-	-	-	-
Financial assets measured at amortized costs	1,485,391	-	-	-	-
Notes receivable and accounts receivable (including related parties)	960,400	-	-	-	-
Other receivables	54,396	-	-	-	-
Guarantee deposits paid	17,687	-	-	-	-
Subtotal	9,446,305	-	-	-	-
Total amounts	$ 9,641,122	-	-	194,817	194,817
Financial liabilities measured at amortized costs					
Short-term loans	$ 4,653,480	-	-	-	-
Accounts payable (including related parties)	691,128	-	-	-	-
Other payables (including related parties)	622,422	-	-	-	-
Long-term loans	2,619,750	-	-	-	-
Lease liabilities	52,900	-	-	-	-
Guarantee deposits received	2,670	-	-	-	-
Total amounts	$ 8,642,350	-	-	-	-

	2024.6.30				
		Fair value			
	Book value	**Grade 1**	**Grade 2**	**Grade 3**	**Total amount**

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Financial assets at fair value through profit or loss					
Non-listed foreign shares	$ 177,028	-	-	177,028	177,028
Financial assets measured at amortized costs					
Cash and cash equivalents	6,613,735	-	-	-	-
Financial assets measured at amortized costs	1,159,484	-	-	-	-
Notes receivable and accounts receivable (including related parties)	1,162,840	-	-	-	-
Other receivables	131,456	-	-	-	-
Guarantee deposits paid	18,298	-	-	-	-
Subtotal	9,085,813	-	-	-	-
Total amounts	**$ 9,262,841**	**-**	**-**	**177,028**	**177,028**
Financial liabilities at fair value through profit or loss					
Derivative financial liabilities -current	$ 2,610	-	2,610	-	2,610
Financial liabilities measured at amortized costs					
Short-term loans	4,539,218	-	-	-	-
Accounts payable (including related parties)	636,652	-	-	-	-
Other payables (including related parties)	649,822	-	-	-	-
Dividends payable	261,187	-	-	-	-
Long-term loans	1,266,716	-	-	-	-
Lease liabilities	99,649	-	-	-	-
Guarantee deposits received	1,096	-	-	-	-
Subtotal	7,454,340	-	-	-	-
Total amounts	**$ 7,456,950**	**-**	**2,610**	**-**	**2,610**

(b) Fair value assessment technique for measuring financial instruments at fair value

(I) Non-derivative financial instruments

The financial instrument held by the Group without an active market is an equity instrument or beneficiary certificate without open price, and its fair value is listed as the following by its kind and attributes:

(i) Equity instrument without open price: to use comparable company method and comparable transaction method. The main assumption of comparable company method is based on the profit after tax or the enterprise value of the investee and the listed earnings and enterprise value-to-sales multiplier derived from the market prices of comparable companies. This estimate has adjusted for the discounted effect of the lack of marketability of the equity securities.

(II) Derivative financial instruments

The right of conversion and redemption of convertible bonds payable is estimated at fair value according to the appraisal report of external experts. The evaluation model is a binary tree convertible bond evaluation model, which uses market basis including stock price volatility, risk-free interest rate, risk discount rate and liquidity risk to observe the input value to reflect the fair value of options.

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Forward foreign exchange contract is usually evaluated based on the bank statement.

(c) Statement of changes of Grade 3

	From January to June 2025	From January to June 2024		
	Non-listed foreign company shares	**Domestic unlisted stocks**	**Non-listed foreign company shares**	**Total**
Balance on January 1	$ 194,817	7,237	140,340	147,577
Gains/ Losses:				
Evaluate gains (losses)	11,399	(7,518)	28,735	21,217
The impact of exchange rate	(20,770)	281	7,953	8,234
Balance on June 30	**$ 185,446**	**-**	**177,028**	**177,028**

The above mentioned profits/ losses are recognized in other profits and losses.

(d) Quantified information on significant unobservable inputs (Grade 3) used in fair value measurement

Main composition of fair value classified as Grade 3 of the Group is financial assets at fair value through profit or loss.

Investments in equity instruments classified as the Grade 3 non-active market have significant unobservable input values in the plural. The significant unobservable input values of equity instruments investment in non-active markets are independent of each other, so there is no correlation between them.

The quantitative information of significant unobservable input values is listed as follows:

Items	Evaluation method	Significant unobservable input value	The relationship between significant unobservable input values and fair value
Financial assets at fair value through profit or loss－equity investment	Refer to Listed (OTC) Company method and Comparable	• Price-to-Revenue ratio (3.86 on 2025.6.30, 3.21 on 2024.12.31 and 3.78 on	• The higher the multiplier, the higher the fair

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without active market	transaction method	2024.6.30)	value
		• Lack of market liquidity discounts: Price-to-Revenue ratio (30% on 2025.6.30, 24% on 2024.12.31 and 21% on 2024.6.30)	• The higher the discount for lack of market liquidity, the lower the fair value

(e) A sensitivity analysis of the fair value of the Grade 3 to reasonable alternative assumptions

The fair value measurement of financial instruments by Group is reasonable, but different evaluation models or parameters may lead to different evaluation results. For financial instruments classified as the Grade 3, if the evaluation parameters change, the impact on current profits and losses is as follows:

			Changes in fair value reflecting in current profits and losses	
	Input value	**Move up or down**	**Favorable change**	**Unfavorable change**
June 30, 2025				
Financial assets measured at fair value through profit and loss				
Equity instrument investment in non-active market	Price-to-Revenue ratio	5%	9,881	(9,881)
December 31, 2024				
Financial assets measured at fair value through profit and loss				
Equity instrument investment in non-active market	Price-to-Revenue ratio	5%	9,493	(9,493)
June 30, 2024				
Financial assets measured at fair value through profit and loss				
Equity instrument investment in non-active market	Price-to-Revenue ratio	5%	8,597	(8,597)

The favorable and unfavorable changes of the Group refer to the fluctuations of the fair value, which is calculated based on the evaluation technology according to the varying degrees of unobservable input parameters. If the fair value of a financial instrument is affected by more than one input value, the above table only reflects the impact of changes in a single input value and does not take into account the correlation and variability between input values.

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(25) Financial risk management

The target and policy of financial risk management of the Group has no significant changes compared with note 6 (25) in the consolidated financial report of 2024.

(26) Capital management

The target, policy, and procedure of capital management of the Group are consistent with note 6 (26) in the consolidated financial report of 2024.

As of June 30, 2025, the way of capital management of the Group has no changes.

(27) Investment and financing activities in non-cash transactions

For the year ended June 30, 2025 and 2024, the Group's non-cash investing and financing activities were derived from acquisition right-of-use asset through finance leasing and the amortization of convertible bonds discount. Please refer to notes 6 (9), (14) and (15) for related information.

The adjustment of liabilities from financing activities are as follows:

			Non-cash changes					
	2025.1.1	Cash flow	Discount and amortization	Exchange rate changes	Acquire	Reduce	Others	2025.6.30
Short-term loans	$ 4,653,480	312,283	-	-	-	-	-	4,965,763
Long-term loans	2,619,750	-	-	(87,250)	-	-	-	2,532,500
Bonds payable	-	2,592,011	19,284	-	-	-	(271,449)	2,339,846
Lease liabilities	52,900	(11,289)	-	(4,957)	1,145	-	-	37,799
Total liabilities from financing activities	$ 7,326,130	2,893,005	19,284	(92,207)	1,145	-	(271,449)	9,875,908

			Non-cash changes					
	2024.1.1	Cash flow	Discount and amortization	Exchange rate changes	Acquire	Reduce	Others	2024.6.30
Short-term loans	$ 4,438,513	100,705	-	-	-	-	-	4,539,218
Long-term loans	1,528,536	(316,537)	-	54,717	-	-	-	1,266,716
Lease liabilities	107,916	(24,537)	-	3,133	13,137	-	-	99,649
Total liabilities from financing activities	$ 6,074,965	(240,369)	-	57,850	13,137	-	-	5,905,583

7. Related-party transactions:

(1) Parent Company and ultimate controlling party

Foxconn (Far East) Limited is the parent company of the Group, holding 59.52% of the outstanding common shares of the Group as of June 30, 2025, December 31, 2024 and June 30, 2024. Hon Hai Precision Industry Co., Ltd. is the ultimate controller of the Group to which the Group belongs. Hon Hai Precision Industry Co., Ltd. has prepared a consolidated financial report for public use.

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(2) Names and relationship with related parties

During the period covered by this consolidated financial report, the following persons have business relations with the Group:

Name of related parties	Relation with Group
Hon Hai Precision Industry Co., Ltd.	Ultimate controller
Foxconn OE Technologies Singapore Pte. Ltd.	Its ultimate controller is the same as that of Group
Foxconn Interconnect Technology Limited	Its ultimate controller is the same as that of Group
Fortunebay Technology Pte. Ltd.	Its ultimate controller is the same as that of Group
Shenzhen Fu Neng New Energy Technology Co., Ltd.	Its ultimate controller is the same as that of Group
Futaihua Industry (Shenzhen) Co., Ltd.	Its ultimate controller is the same as that of Group
Foxcavity Precision Industry (ShenZhen) Co., Ltd.	Its ultimate controller is the same as that of Group
Shenzhen Fertile Plan International Logistics Co., Ltd.	Its ultimate controller is the same as that of Group
Shenzhen Fulian Fugui Precision Industry Co.,Ltd	Its ultimate controller is the same as that of Group
Fulian Yuzhan Technology (ShenZhen) Co., Ltd.	Its ultimate controller is the same as that of Group
Icana Technology Limited	Its ultimate controller is the same as that of Group

(3) Significant transactions with related parties

A. Sales

The significant sales amount of the Group to the related parties is as follows:

	From April to June 2025	From April to June 2024	From January to June 2025	From January to June 2024
Ultimate controller	$ 108,452	-	257,224	-
Other related parties	53	2,118	16,409	16,829
	$ 108,505	2,118	273,633	16,829

The selling price for related parties approximated the market price. The credit terms are within four months, which is approximated to that with the general customer.

B. Purchase

The purchase amount of the Group from the related parties is as follows:

(Expressed in Thousands of New Taiwan Dollars, Unless Otherwise Specified)

	From April to June 2025	From April to June 2024	From January to June 2025	From January to June 2024
Other related parties	$ 15,453	9,958	30,947	21,018

The terms and pricing of purchase transactions with related parties were not significantly different from those offered by other vendors. Payment terms are all within four months, and there is no significant difference with the general vendors.

C. Expenses for professional services

The details of management service fees and legal fees paid by the Group to the related parties are as follows:

	From April to June 2025	From April to June 2024	From January to June 2025	From January to June 2024
Ultimate controller	$ 150	50	730	290

D. Accounts receivable from related parties

Details of the receivables of the related parties of the Group are as follows:

Account items	Related-party categories	2025.6.30	2024.12.31	2024.6.30
Accounts receivable	Ultimate controller	$ 15,352	4,980	-
Accounts receivable	Other related parties	21	14,500	19,883
Subtotal		15,373	19,480	19,883
Other receivable	Ultimate controller	2,776	-	-
		$ 18,149	19,480	19,883

As of June 30, 2025, December 31, 2024 and June 30, 2024, no allowance for loss is required for the above-mentioned related parties.

E. Contract assets

The details of the contract assets of the Group to related parties are as follows:

Account items	Types of related parties	2025.6.30	2024.12.31	2024.6.30
Contract assets	Ultimate controller	$ 103,239	1,813	-
Contract assets	Other related parties	11	12	586

(Expressed in Thousands of New Taiwan Dollars, Unless Otherwise Specified)

Total	$ 103,250	1,825	586

F. Payables to related parties

The details of the amount payable by the Group to its related parties are as follows:

Account items	Related-party categories	2025.6.30	2024.12.31	2024.6.30
Accounts payable to related parties	Other related parties	$ 2,509	12,610	7,880
Other payables to related parties	Other related parties	5,325	5,977	6,155
		$ 7,834	18,587	14,035

G. Dividends payable

As of June 30, 2025 and 2024, the cash dividend for parent company Foxconn (Far East) Limited amounting to $23,027 thousand and $157,353 thousands of retained earnings distribution approved by Board of Directors is listed in the account of dividend payable.

(4) Remuneration of major management personnel

Key management personnel compensation comprised:

	From April to June 2025	From April to June 2024	From January to June 2025	From January to June 2024
Short-term employee benefits	$ 2,759	3,035	5,507	6,106
Post-employment benefits	52	68	112	140
	$ 2,811	3,103	5,619	6,246

8. Pledged assets

Book value list of pledged assets of the Group is as follows:

Pledged asset	Object	2025.6.30	2024.12.31	2024.6.30
Restricted bank deposit (recognized as financial assets measured at amortized cost-current)	Short-term loans and long-term loans (including current portion)	$ -	-	19,539
Restricted bank deposit (recognized as financial assets measured at amortized cost-non-current)	Power guarantee	2,527	2,903	-
Total		$ 2,527	2,903	19,539

9. Significant commitments and contingencies

(Expressed in Thousands of New Taiwan Dollars, Unless Otherwise Specified)

As of June 30, 2025, December 31, 2024 and June 30, 2024, the Group has signed contracts for the purchase of property, plant and equipment with a price of 1,503,706 thousand, 894,462 thousand and 752,195 thousand, respectively, and the paid amounts are 670,983 thousand, 271,832 thousand and 330,916 thousand respectively, which are recognized as property, plant and equipment.

10. Losses due to major disasters: None.

11. Subsequent events: None.

12. Others

(1) A summary of personnel benefit costs, depreciation, depletion and amortization is as follows:

Functions / Account	From April to June 2025			From April to June 2024		
	Operating costs	Operating expenses	Total	Operating costs	Operating expenses	Total
Personnel benefit costs						
Salaries	177,970	129,728	307,698	148,493	101,468	249,961
Health insurance	9,368	5,463	14,831	5,834	3,402	9,236
Pension	11,812	8,179	19,991	9,331	7,440	16,771
Other personnel expense	5,630	6,379	12,009	4,774	5,303	10,077
Depreciation	124,281	49,015	173,296	119,058	30,000	149,058
Amortization	10	801	811	28	215	243

Functions / Account	From January to June 2025			From January to June 2024		
	Operating costs	Operating expenses	Total	Operating costs	Operating expenses	Total
Personnel benefit costs						
Salaries	340,571	250,894	591,465	265,017	207,692	472,709
Health insurance	18,011	10,492	28,503	10,245	6,942	17,187
Pension	24,781	16,774	41,555	17,617	13,686	31,303
Other personnel expense	12,016	12,602	24,618	9,304	10,589	19,893
Depreciation	256,420	96,710	353,130	236,683	60,274	296,957
Amortization	19	1,409	1,428	56	399	455

(2) Seasonal characteristic:

The operation of the Group is not affected by seasonal or cyclical factors.

13. Disclosure of Note

(1) Information on major transactions

(Expressed in Thousands of New Taiwan Dollars, Unless Otherwise Specified)

From January 1 to June 30, 2025, the Group shall disclose the information on the major transactions subject to the Guidelines:

A. Loan to other parties: none.

B. Endorsement/Guarantee provided: none.

C. Marketable securities held as of June (excluding investment in subsidiaries, associates and joint ventures):

Holding company	Types and names of marketable securities	Relations with securities issuers	Account subjects	Closing period				Remarks
				Number of share	Book value	Shareholding ratio	Fair value	
ShunSin (Samoa)	Stocks: Dyna Image Corp	—	Financial assets measured at fair value through profit or loss-non-current	270,000	-	5.56%	-	
ShunSin (Zhongshan)	Stocks: Lansus Technologies Corporation Limited	—	〃	3,044,625	185,446	0.72%	185,446	

D. The amount of goods purchased and sold reaches $100 million or more than 20% of the paid-in capital with the related parties:

Companies purchasing and selling goods	Counter party	relation	Transaction situation				Reason of trading terms differs from normal transaction		Notes receivable (payable), accounts receivable (payable)		Remarks
			Purchase/ (sale)	Amount	Ratio of total purchase (sales)	Credit period	Unit price	Credit period	Balance	Ratio to total notes receivable, accounts receivable (payable)	
ShunSin (Zhongshan)	The Company	Parent and subsidiary	Sale	(242,724)	35.20%	4 months			117,787	44.04%	Note 2
ShunYun (Ha Noi)	ShunYun (Cayman)	Affiliate	Sale	(666,420)	100.00%	4 months			51,134	100.00%	Note 2
ShunYun (Bac Giang)	ShunYun (Cayman)	Affiliate	Sale	(307,751)	32.02%	4 months			-	- %	Note 2
ShunYun (Bac Giang)	ShunYun (Ha Noi)	Affiliate	Sale	(651,408)	67.78%	4 months			528,036	99.67%	Note 2
The Company	ShunSin (Zhongshan)	Parent and subsidiary	Purchase	242,724	48.25%	4 months			117,787	58.65%	Note 2
ShunYun (Cayman)	ShunYun (Ha Noi)	Affiliate	Purchase	666,420	11.89%	4 months			51,134	3.42%	Note 2
ShunYun (Cayman)	ShunYun (Bac Giang)	Affiliate	Purchase	307,751	5.49%	4 months			-	- %	Note 2
ShunYun (Ha Noi)	ShunYun (Bac Giang)	Affiliate	Purchase	651,408	34.29%	4 months			528,036	99.46%	Note 2

Note 1: The price is calculated at the agreed price.

Note 2: The above transactions with the consolidated entities have been written off at the time of preparing the consolidated financial statements.

E. Receivables of related parties amounted to $100 million or more than 20% of the capital receivable:

Companies that	Name of transaction objects	Relation	Related parties of	Turnover	Overdue receivables of related parties		Related parties of receivables	Setting aside for allowance
					Amount	Treatment		

account for receivables			receivables Balance of amounts	rate %			Amount recovered after the period (Note 2)	for bad debt
ShunSin (Zhongshan)	The Company	Parent and subsidiary company	Accounts receivable (Note 1): 117,787	4.70	-		-	-
ShunYun (Bac Giang)	ShunYun (Ha Noi)	Affiliate	Accounts receivable (Note 1): 528,036	1.57	-		-	-
ShunSin (Zhongshan)	The Company	Parent and subsidiary company	Other receivable (Note 1): 1,487,299	-	-		85,732	-
ShunYun (Zhongshan)	ShunYun (Cayman)	Affiliate	Other receivable (Note 1): 319,859	-	-		-	-
ShunYun (Ha Noi)	ShunYun (Cayman)	Affiliate	Other receivable (Note 1): 302,792	-	-		-	-
ShunYun (Bac Giang)	ShunYun (Cayman)	Affiliate	Other receivable (Note 1): 147,349	-	-		-	-

Note 1: The aforementioned transactions between consolidated entities have been written off in the preparation of consolidated financial statements.

Note 2: As of August 27, 2025.

F. Business relations and important transactions between parent and subsidiary companies:

				Transaction situation			
No. (Note 1)	**Trader's name**	**Business trading objects**	**Relation between trader (Note 2)**	**Subject**	**Amount**	**Transaction conditions**	**Ratio to consolidated total operating income or total assets (Note 3)**
0	The Company	ShunSin (Zhongshan)	1	Other payables	1,487,299	Pay/receive on behalf, no general customers for comparison	8.24
1	ShunYun (Cayman)	ShunYun (Zhongshan)	3	Other payables	319,859	Pay/receive on behalf, no general customers for comparison	1.77
1	〃	ShunYun (Ha Noi)	3	Purchases	666,420	The price is based on the price agreed by both	17.70
1	〃	〃	3	Other payables	302,792	Pay/receive on behalf, no general customers for comparison	1.68
2	ShunYun (Bac Giang)	ShunYun (Cayman)	3	Contract assets	360,220	Recognition by completion ratio	2.00
3	ShunYun (Ha Noi)	ShunYun (Cayman)	3	Contract assets	468,718	Recognition by completion ratio	2.60
3	〃	ShunYun (Bac Giang)	3	Purchases	651,408	The price is based on the price agreed by both	17.30
3	〃	〃	3	Accounts payable	528,036	Within 4 months	2.93

Note 1: The information of business transactions between the parent company and the subsidiary company shall be indicated in the No. column respectively. The No. shall be entered as follows:

1. Fill in 0 for parent company.
2. Subsidiaries are numbered in sequence starting with 1.

Note 2: There are three types of relationships with a trader, which can be labeled as follows:

1. Parent company to subsidiary company.
2. Subsidiary company to parent company.
3. Subsidiary company to subsidiary company.

Note 3: The calculation of the transaction amount to the consolidated total revenue or the ratio of total assets shall be carried out in the form of the closing balance to the consolidated total assets if it belongs to the subject of assets and liabilities. In the case of subject of profit and loss, the cumulative amount at closing period shall be calculated on the basis of the consolidated total revenue.

Note 4: It is hereby disclosed that the balance sheet accounts for more than 1% of the consolidated total assets and the subject of profit and loss accounts for more than 10% of the total revenue.

Note 5: The aforementioned transactions between consolidated entities have been written off in the preparation of consolidated financial statements.

(Expressed in Thousands of New Taiwan Dollars, Unless Otherwise Specified)

(2) Information on investees:

The information on investees of the Group from January 1 to June 30, 2025, is as follows (investees in mainland China are excluded):

Name of investment company	Name of invested company	Location	Main business contents	Original investment amounts (Note 3)		Shareholding at the closing period			Net income (losses) of investee (Note 1)	Share of profits/ losses of investee (Note 1 and 2)	Note
				June 30, 2025	December 31, 2024	Shares	Percentage of ownership	Carrying value (Note 1 and 2)			
The Company	ShunSin (Hong Kong)	Hong Kong	Holding Company	6,303,566 (Note 6)	4,354,242	1,592,725,497	95.55%	12,318,231	(154,203)	(145,657)	subsidiary
The Company	ShunSin (Samoa)	Samoa	Overseas material and equipment procurement	472,575	472,575	15,516,327	100.00%	566,128	(8,570)	(8,570)	subsidiary
ShunSin (Samoa)	ShunSin (Hong Kong)	Hong Kong	Holding Company	287,622	287,622	74,183,976	4.45%	573,670	(154,203)	(8,546)	affiliate
ShunYun (Cayman)	ShunYun (Ha Noi)	Vietnam	Produce high speed optical transceiver	180,234	180,234	Note 4	100.00%	814,774	108,154	108,154	affiliate
ShunYun (Cayman)	ShunYun (Bac Giang)	Vietnam	Produce high speed optical transceiver	2,415,871	2,415,871	Note 4	100.00%	1,942,561	(80,382)	(80,382)	affiliate
ShunYun (Zhongshan)	ShunYun (Hong Kong)	Hong Kong	Holding Company	1,206,830	1,206,830	39,000,000	100.00%	1,551,285	(7,630)	(7,630)	affiliate
ShunSin (Hong Kong)	ShunSin (Vietnam)	Vietnam	Assembly, testing and sales of high-frequency wireless communication module and various integrated circuits	2,587,031 (Note 5)	637,707	(Note 5)	100.00%	2,163,298	(101,201)	(101,201)	affiliate
ShunYun (Hong Kong)	ShunYun (Cayman)	Cayman	Sell high speed optical transceiver	1,699,090	1,699,090	58,279,661	100.00%	1,548,130	(7,883)	(7,883)	affiliate

Note 1: According to the financial statements reviewed by CPA of the parent company, the invested company shall be appraised and recognized at equity.

Note 2: Long-term and current investment gains and losses at the closing period have been written off in the preparation of consolidated financial statements.

Note 3: The above original investment amount is calculated at historical exchange rate.

Note 4: ShunYun (Ha Noi) and ShunYun (Bac Giang) does not issue shares due to it is limited corporation thus it has no shares.

Note 5: ShunSin (Hong Kong) set up ShunSin (Vietnam) in Bac Giang Province, Vietnam on January 18, 2024. The authorized capital is US$ 80,000 thousand. As of June 30, 2025, ShunSin (Hong Kong) has finished investing and the shareholding ratio is 100%. ShunSin (Vietnam) does not issue shares due to it is limited corporation thus it has no shares.

Note 6: From January 1 to June 30, 2025, the Company has invested US$ 60,000 thousand and the shareholding ratio is 95.55%.

(3) Information on investment in Mainland China:

A. Name of mainland invested company, main business contents and other related information:

Unit: NT$ 1,000

Name of investee	Main business and products	Paid-in- capital	Method of investment (Note 1)	Accumulated outflow of investment from Taiwan as of January 1, 2025	Investment flows		Accumulated outflow of investment from Taiwan as of June 30, 2025	Net income (losses) of investee	Percentage of ownership	Share of profits/ losses of investee (Note 2 and 3)	Carrying value as of June 30, 2025 (Note 2 and 3)	Accumulated inward remittance of earnings as of June 30, 2025
					Outflow	Inflow						
ShunSin (Zhongshan)	Assembly, testing and sales of high-frequency wireless communication module and various integrated circuits	3,030,692 (RMB 722,637)	(2)	Note 4	Note 4	Note 4	Note 4	51,111 (RMB 11,654)	100.00%	51,111 (RMB 11,654) (Note 5)	8,791,891 (RMB 2,152,002) (Note 5)	Note 4
Talentek (Hefei)	Design, R&D, testing and sales of electrical equipment, communication equipment and automation equipment	227,634 (RMB 51,520)	(3)	Note 4	Note 4	Note 4	Note 4	7,278 (RMB 1,659)	34.29%	2,496 (RMB 569)	200,043 (RMB 48,874)	Note 4
Talentek (Zhongshan)	Design, R&D, testing and sales of electrical equipment, communication equipment and automation equipment	157,081 (RMB 35,000) (Note 7)	(3)	Note 4	Note 4	Note 4	Note 4	16,157 (RMB 3,684)	34.29%	5,540 (RMB 1,263)	61,403 (RMB 15,002)	Note 4
ShunYun (Zhongshan)	Produce high speed optical transceiver	1,645,231 (RMB 373,496)	(2)	Note 4	Note 4	Note 4	Note 4	(97,375) (RMB (22,202))	78.05%	(76,002) (RMB (17,329))	1,407,899 (RMB 343,977)	Note 4

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SFA (SUZHOU)	Complete packaging and testing OEM services based on lead frame	2,253,126 (RMB 506,093)	(2)	Note 4	Note 4	Note 4	Note 4	(22,408) (RMB (5,109))	100.00%	(22,408) (RMB (5,109))	600,504 (RMB 146,715)	Note 4

Note 1: The investment modes can be divided into the following three categories, which can be labeled as categories.

(1) Direct investment in mainland China.

(2) Indirect investment in mainland China through investment in ShunSin (Hong Kong).

(3) Indirect investment in mainland China through investment in ShunSin (Zhongshan).

Note 2: According to the financial statements reviewed by CPA of the parent company, the invested company is evaluated and listed at equity.

Note 3: Long-term and current investment gains and losses at closing period have been written off at the time of compiling the consolidated financial statements.

Note 4: The amount of investment is not outflow or inflow Taiwan, so there is no such amount.

Note 5: The book value of the investment at the end of the period of 8,791,891 thousand has deducted the unrealized benefits of the fixed assets sold to affiliated companies which amounting to 16,253 thousand. This unrealized benefit has been recognized in the book value of the investment at the end of the period and the investment profit or loss recognized in the current period.

Note 6: The above paid-in capital is calculated at historical exchange rate, the book value held at the closing period is calculated at the exchange rate of June 30, 2025 (exchange rate at closing period RMB: NTD = 1: 4.0930), and the remainder is calculated at the average exchange rate (RMB: NTD = 1: 4.3858).

Note 7: The authorized capital is RMB 40,000 thousand. The expected shareholding ratio of Talentek (Hefei) is 100%. As of June 30, 2025, Talentek (Hefei) has invested RMB 3,500 thousand.

B. Investment limits in China: Not applicable.

C. Significant transactions in China:

For the major direct or indirect transactions between the Group and the mainland invested company from January 1 to June 30, 2025 (which were written off at the time of compiling the consolidated financial report), please refer to “Information on Major Transactions”.

14. Information on Departments

There is only one reporting department in the Group, so please refer to the consolidated balance sheet and consolidated income statement for the information on operating department.