Nextlink Technology Co., Ltd. and Subsidiaries

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

DECLARATION OF CONSOLIDATION OF FINANCIAL STATEMENTS OF AFFILIATES

The companies required to be included in the consolidated financial statements of affiliates in accordance with the "Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises" for the year ended December 31, 2024 are the same as the companies required to be included in the consolidated financial statements of parent and subsidiary companies as of and for the years ended December 31, 2024 and 2023, as provided in International Financial Reporting Standard 10 "Consolidated Financial Statements." Relevant information that should be disclosed in the consolidated financial statements of affiliates has all been disclosed in the consolidated financial statements of parent and subsidiary companies as of and for the years ended December 31, 2024 and 2023. Hence, we did not prepare a separate set of consolidated financial statements of affiliates for the year ended December 31, 2024.

Very truly yours,

NEXTLINK TECHNOLOGY CO., LTD.

By

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February 26, 2025

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Stockholders
Nextlink Technology Co., Ltd.

Opinion

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

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

Basis for Opinion

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

Key Audit Matters

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

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

<u>Occurrence of Operating Revenue from Specific Customers</u>

The Group's operating revenue mainly comes from the provision of information services. Considering that operating revenue is related to the management's performance, the occurrence of operating revenue involves higher inherent risk. Therefore, after evaluation, we have identified the occurrence of revenue from customers with specific characteristics as a key audit matter.

We have performed the following key audit procedures regarding the above matter:

1. Understand the internal control relevant to the occurrence of information service revenue from customers with specific characteristics, and test the design and operating effectiveness of these controls.

2. Perform sampling tests on relevant revenue transactions, including inspecting the evidence of service delivery, verifying whether the service recipient and the entity that paid for the service are the same, assessing the subsequent collection of accounts receivable related to the service provided, and reviewing the subsequent revenue sub-ledger to ensure no significant discounts occurred, to confirm that revenue from customers with specific characteristics indeed occurred.

Other Matter

We have also audited the parent company only financial statements of Nextlink Technology Co., Ltd. as of and for the years ended December 31, 2024 and 2023 on which we have issued an unmodified opinion.

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

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

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

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

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

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

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

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

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

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

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

The engagement partners on the audits resulting in this independent auditors' report are Yen-Chun Chen and Yung-Hsiang Chao.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 5, 2025

Notice to Readers

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

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

NEXTLINK TECHNOLOGY CO., LTD. AND SUBSIDIARIES

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

	2024		2023	
ASSETS	**Amount**	**%**	**Amount**	**%**
CURRENT ASSETS				
Cash and cash equivalents (Notes 4, 6 and 24)	$ 720,946	45	$ 640,349	42
Notes receivable, net (Notes 4, 5 and 7)	20,145	1	17,352	1
Accounts receivable, net (Notes 4, 5 and 7)	708,366	44	632,626	41
Accounts receivable - related parties (Notes 4, 5, 7 and 24)	42,144	3	43,476	3
Current Tax Assets (Note 4)	2,996	-	-	-
Inventories (Note 4)	114	-	110	-
Prepaid expenses (Note 8)	87,497	5	144,883	10
Other current assets	113	-	317	-
Total current assets	1,582,321	98	1,479,113	97
NONCURRENT ASSETS				
Property, plant and equipment (Notes 4 and 10)	1,069	-	4,548	-
Right-of-use assets (Notes 4 and 11)	2,325	-	16,061	1
Other intangible assets (Notes 4 and 12)	6	-	486	-
Deferred income tax assets (Notes 4 and 18)	3,701	-	4,288	-
Refundable deposits	8,965	1	7,992	1
Other financial assets - noncurrent (Notes 4 and 25)	290	-	290	-
Other noncurrent assets (Note 8)	8,473	1	18,650	1
Total noncurrent assets	24,829	2	52,315	3
TOTAL	$ 1,607,150	100	$ 1,531,428	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Contract liabilities - current (Note 16)	$ 224,024	14	$ 297,556	19
Accounts payable	531,111	33	695,116	45
Other payables (Notes 13 and 24)	102,968	6	85,082	6
Current tax liabilities (Note 4)	19,264	1	7,043	-
Lease liabilities - current (Notes 4 and 11)	1,925	-	14,966	1
Other current liabilities	22,938	2	22,660	2
Total current liabilities	902,230	56	1,122,423	73
NONCURRENT LIABILITIES				
Contract liabilities - noncurrent (Note 16)	15,189	1	29,180	2
Deferred income tax liabilities (Notes 4 and 18)	28,308	2	16,212	1
Net defined benefit liabilities - noncurrent (Notes 4 and 14)	484	-	-	-
Guarantee deposits received - noncurrent	32,651	2	27,124	2
Total noncurrent liabilities	76,632	5	72,516	5
Total liabilities	978,862	61	1,194,939	78
EQUITY (Notes 4 and 15)				
Common stock	221,005	14	200,115	13
Capital surplus	255,519	16	32,399	2
Retained earnings				
Legal reserve	20,632	1	11,599	1
Unappropriated earnings	123,175	8	90,431	6
Total retained earnings				
Other equity	7,957	-	1,945	-
Total equity	628,288	39	336,489	22
TOTAL	$ 1,607,150	100	$ 1,531,428	100

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

NEXTLINK TECHNOLOGY CO., LTD. AND SUBSIDIARIES

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

	2024		2023	
	Amount	**%**	**Amount**	**%**
OPERATING REVENUE (Notes 4, 16 and 24)	$ 4,002,787	100	$ 4,748,542	100
OPERATING COSTS (Notes 4, 17 and 24)	(3,509,063)	(88)	(4,327,051)	(91)
GROSS PROFIT	493,724	12	421,491	9
OPERATING EXPENSES (Notes 4, 17 and 24)				
Marketing	(204,265)	(5)	(177,418)	(4)
General and administrative	(111,761)	(3)	(103,871)	(2)
Research and development expenses	(24,996)	-	(17,531)	-
Expected credit gains (losses)	2,565	-	(8,437)	-
Total operating expenses	(338,457)	(8)	(307,257)	(6)
OPERATING INCOME	155,267	4	114,234	3
NONOPERATING INCOME AND EXPENSES (Notes 4, 17 and 24)				
Net foreign exchange (losses) gains	(3,712)	-	153	-
Interest income	9,598	-	6,879	-
Financial costs	(182)	-	(656)	-
Other gains and losses	137	-	416	-
Total nonoperating income and expenses	5,841	-	6,792	-
INCOME BEFORE INCOME TAX	161,108	4	121,026	3
INCOME TAX (Notes 4 and 18)	38,071	1	30,698	1
NET INCOME	123,037	3	90,328	2
OTHER COMPREHENSIVE INCOME (LOSS) (Notes 4, 14 and 18)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans	(18)	-	-	-
Income tax relating to items that will not be reclassified subsequently to profit or loss	4	-	-	-
	(14)	-	-	-

(Continued)

NEXTLINK TECHNOLOGY CO., LTD. AND SUBSIDIARIES

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

	2024		2023	
	Amount	**%**	**Amount**	**%**
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating the financial statements of foreign operations	$ 7,515	-	$ (755)	-
Income tax relating to items that may be reclassified subsequently to profit or loss	(1,503)	-	151	-
	6,012	-	(604)	-
Total other comprehensive income (loss), net of income tax	5,998	-	(604)	-
TOTAL COMPREHENSIVE INCOME	$ 129,035	3	$ 89,724	2
EARNINGS PER SHARE (Note 19)				
Basic	$ 6.11		$ 4.60	
Diluted	$ 6.09		$ 4.57	

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

NEXTLINK TECHNOLOGY CO., LTD. AND SUBSIDIARIES

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

	Share Capital Issued		Capital Surplus		Retained Earnings		Other Equity	
	Shares	Amount	Issuance of Ordinary Shares	Employee Share Options	Legal Reserve	Unappropriated Earnings	Exchange Differences on Translation of the Financial Statements of Foreign Operations	Total Equity
BALANCE AT JANUARY 1, 2023	15,949,000	$ 159,490	$ -	$ -	$ 5,533	$ 60,969	$ 2,549	$ 228,541
Appropriation of the 2022 earnings								
Legal reserve	-	-	-	-	6,066	(6,066)	-	-
Share dividends	3,288,000	32,880	-	-	-	(32,880)	-	-
Cash dividends	-	-	-	-	-	(21,920)	-	(21,920)
Share-based compensation	-	-	-	6,398	-	-	-	6,398
Share-based payment transactions-exercise of employee share options	774,500	7,745	30,840	(4,839)	-	-	-	33,746
Net income for the year ended December 31, 2023	-	-	-	-	-	90,328	-	90,328
Other comprehensive loss for the year ended December 31, 2023	-	-	-	-	-	-	(604)	(604)
BALANCE AT DECEMBER 31, 2023	20,011,500	200,115	30,840	1,559	11,599	90,431	1,945	336,489
Appropriation of the 2023 earnings								
Legal reserve	-	-	-	-	9,033	(9,033)	-	-
Cash dividends	-	-	-	-	-	(81,246)	-	(81,246)
Issuance of ordinary shares for cash	2,004,000	20,040	220,857	(6,713)	-	-	-	234,184
Share-based compensation	-	-	-	7,432	-	-	-	7,432
Share-based payment transactions-exercise of employee share options	85,000	850	3,822	(2,278)	-	-	-	2,394
Net income for the year ended December 31, 2024	-	-	-	-	-	123,037	-	123,037
Other comprehensive (loss) income for the year ended December 31, 2024	-	-	-	-	-	(14)	6,012	5,998
BALANCE AT DECEMBER 31, 2024	22,100,500	$ 221,005	$ 255,519	$ -	$ 20,632	$ 123,175	$ 7,957	$ 628,288

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

NEXTLINK TECHNOLOGY CO., LTD. AND SUBSIDIARIES

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

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	$ 161,108	$ 121,026
Adjustments for:		
Depreciation	22,683	21,045
Amortization	480	786
Expected credit (gains) losses	(2,565)	8,437
Financial costs	182	656
Interest income	(9,598)	(6,879)
Share-based compensation	7,432	6,398
Net changes in operating assets and liabilities		
Notes receivable	(2,793)	(5,649)
Accounts receivable	(74,022)	147,379
Accounts receivable - related parties	1,332	19,925
Inventories	(4)	191
Prepaid expenses	67,563	(12,394)
Other current assets	204	(159)
Contract liabilities	(87,523)	82,083
Accounts payable	(164,005)	(84,198)
Other payables	17,886	15,947
Other current liabilities	278	(705)
Net defined benefit liabilities	466	-
Cash (used in) generated from operations	(60,896)	313,889
Interest received	9,598	6,879
Interest paid	(182)	(753)
Income taxes paid	(17,662)	(23,298)
Net cash (used in) generated from operating activities	(69,142)	296,717
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(880)	(3,036)
Increase in refundable deposits	(973)	(1,288)
Increase in prepayments for equipment	-	(4,554)
Net cash used in investing activities	(1,853)	(8,878)
CASH FLOWS FROM FINANCING ACTIVITIES		
Decrease in short-term borrowings	-	(20,000)
Increase in guarantee deposits received	5,527	15,438
Repayment of the principal portion of lease liabilities	(17,690)	(17,375)
Cash dividends paid	(81,246)	(21,920)
Proceeds from issuance of ordinary shares	234,184	-
Exercise of employee share options	2,394	33,746
Net cash generated from (used in) financing activities	143,169	(10,111)

(Continued)

NEXTLINK TECHNOLOGY CO., LTD. AND SUBSIDIARIES

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

	2024	2023
EFFECT OF EXCHANGE RATE CHANGES	$ 8,423	$ (827)
INCREASE IN CASH AND CASH EQUIVALENTS	80,597	276,901
CASH AND CASH EQUIVALENTS, BEGINNING OF THE YEAR	640,349	363,448
CASH AND CASH EQUIVALENTS, END OF THE YEAR	$ 720,946	$ 640,349

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

NEXTLINK TECHNOLOGY CO., LTD. AND SUBSIDIARIES

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

1. ORGANIZATION AND OPERATIONS

Nextlink Technology Co., Ltd. (the “Company”) was established on October 13, 2006 with the approval of the competent authority. On June 23, 2015, the Company was renamed to Nextlink Technology Co., Ltd. The Company’s main businesses include data processing services, electronic information services and cloud services.

The Company applied to the Taipei Exchange (TPEx) for the public offering of its shares. The public offering registration became effective on August 29, 2023. The Company’s shares were approved by the TPEx to be traded on the Emerging Stock Board on January 9, 2024, and were approved to be listed on the TPEx on December 16, 2024.

The Company’s parent company is New Century Information Co., Ltd., which owned 58% and 67% of the Company’s shares as of December 31, 2024 and 2023, respectively. The Company’s ultimate parent company is Far Eastern New Century Corporation as of December 31, 2024 and 2023.

The consolidated financial statements are presented in New Taiwan Dollars, the functional currency of the Company.

2. APPROVAL OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were approved by the board of directors of the Company on February 26, 2025.

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

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

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

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

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

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

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

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

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

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

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

<u>IFRS 18 "Presentation and Disclosure in Financial Statements"</u>

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

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

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

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

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

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

4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

Statement of Compliance

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

Basis of Preparation

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

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

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

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

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

Classification of Current and Noncurrent Assets and Liabilities

Current assets include:

a. Assets held primarily for the purpose of trading;

b. Assets expected to be realized within 12 months after the reporting period; and

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

Current liabilities include:

a. Liabilities held primarily for the purpose of trading;

b. Liabilities due to be settled within 12 months after the reporting period; and

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

Assets and liabilities that are not classified as current are classified as noncurrent.

Basis of Consolidation

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

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

All intra-group transactions, balances, income and expenses are eliminated in full upon consolidation. Total comprehensive income of subsidiaries is attributed to the owners of the Company.

See Note 9 for detailed information on subsidiaries (including percentages of ownership and main businesses).

Foreign Currencies

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

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

Nonmonetary items denominated in a foreign currency and measured at historical cost are stated at the reporting currency as originally translated from the foreign currency.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations (including subsidiaries in other countries or subsidiaries that use currencies different from the ones used by the Company) are translated into the New Taiwan dollar using the exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period. The resulting currency translation differences are recognized in other comprehensive income.

Inventories

Inventories are stated at the lower of cost or net realizable value. Inventory write-downs are made by item, except where it may be appropriate to group similar or related items. The net realizable value is the estimated selling price under normal conditions less the costs necessary to make the sale. Cost is determined using the weighted-average method.

Property, Plant and Equipment

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

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

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

Intangible Assets

a. Intangible assets acquired separately

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

b. Derecognition of intangible assets

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

Impairment of Property, Plant and Equipment, Right-of-use Assets and Intangible Assets

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

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

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

Financial Instruments

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

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

a. Financial assets

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

1) Measurement category

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

<u>Financial assets at amortized cost</u>

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

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

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

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

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

a) Purchased or originated credit impaired financial assets, for which interest income is calculated by applying the credit adjusted effective interest rate to the amortized cost of such financial assets; and

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

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

a) Significant financial difficulty of the issuer or the borrower;

b) Breach of contract, such as a default;

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

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

2) Impairment of financial assets

The Group recognizes a loss allowance for expected credit losses on financial assets at amortized cost (including accounts receivable).

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

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

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

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

b) A financial asset is more than 180 days past due unless the Group has reasonable and corroborative information to support a more lagged default criterion.

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

3) Derecognition of financial assets

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

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

b. Equity instruments

Equity instruments issued by the Group are classified as equity in accordance with the substance of the contractual arrangements and the definitions of an equity instrument.

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

c. Financial liabilities

1) Subsequent measurement

All financial liabilities are measured at amortized cost using the effective interest method.

2) Derecognition of financial liabilities

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

Revenue Recognition

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

Information service revenue primarily comes from providing cloud services. When cloud services are provided to customers, the customers simultaneously receive and consume the performance benefits and have the right to make use of the cloud services. The Group recognizes revenue and accounts receivable after customers consume the services.

Revenue from the sale of goods primarily comes from the sale of information software-related products. The Group recognizes revenue and accounts receivable when the goods are provided to customers because it is the time when customers have full discretion over the manner of distribution and price to sell the goods, have the primary responsibility for sales to future customers and bears the risks of obsolescence.

Leases

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

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

<u>The Group as lessee</u>

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

Right-of-use assets are initially measured at cost, which comprises the initial measurement of lease liabilities. Right-of-use assets are subsequently measured at cost less accumulated depreciation and adjusted for any remeasurement of the lease liabilities. Right-of-use assets are presented on a separate line in the consolidated balance sheets.

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

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

Subsequently, lease liabilities are measured at amortized cost using the effective interest method, with interest expense recognized over the lease terms. When there is a change in a lease term resulting in a change in future lease payments, the Group remeasures the lease liabilities with a corresponding adjustment to the right-of-use assets. However, if the carrying amount of the right-of-use assets is reduced to zero, any remaining amount of the remeasurement is recognized in profit or loss. For a lease modification that is not accounted for as a separate lease, the Group accounts for the remeasurement of the lease liability by (a) decreasing the carrying amount of the right-of-use asset of lease modifications that decreased the scope of the lease, and recognizing in profit or loss any gain or loss on the partial or full termination of the lease; (b) making a corresponding adjustment to the right-of-use asset of all other lease modifications. Lease liabilities are presented on a separate line in the consolidated balance sheets.

Borrowing Costs

All borrowing costs are recognized in profit or loss in the period in which they are incurred, except for those that meet the capitalization criteria.

Employee Benefits

a. Short-term employee benefits

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

b. Retirement benefits

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

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

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

Share-based Payment Arrangements

Employee share options granted to employees

The fair value at the grant date of the employee share options is expensed on a straight-line basis over the vesting period, based on the Group’s best estimates of the number of shares or options that are expected to ultimately vest, with a corresponding increase in capital surplus - employee share options. The expense is recognized in full at the grant date if the grants are vested immediately. The grant date of issued ordinary shares for cash which are reserved for employees is the date on which the employees are informed.

At the end of each reporting period, the Group revises its estimate of the number of employee share options that are expected to vest. The impact of the revision of the original estimates is recognized in profit or loss such that the cumulative expenses reflect the revised estimate, with a corresponding adjustment to capital surplus - employee share options.

Taxation

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

a. Current tax

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

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

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

b. Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities and the corresponding tax bases used in the computation of taxable profit. If a temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit, and at the time of the transaction, does not give rise to equal taxable and deductible temporary differences, the resulting deferred tax asset or liability is not recognized.

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences and unused loss carryforwards to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

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

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

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

c. Current and deferred taxes

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

5. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

The estimates and underlying assumptions are reviewed on an ongoing basis.

Key Sources of Estimation Uncertainty

Estimated impairment of financial assets

The provision for impairment of notes receivable and accounts receivable is based on assumptions on probability of default and loss given default. The Group uses judgment in making these assumptions and in selecting the inputs to the impairment calculation, based on the Group's historical experience, existing market conditions as well as forward looking estimates as of the end of each reporting period. For details of the key assumptions and inputs used, see Note 7. Where the actual future cash inflows are less than expected, a material impairment loss may arise.

6. CASH AND CASH EQUIVALENTS

	December 31	
	2024	**2023**
Cash on hand	$ 152	$ 178
Checking and demand deposits	623,931	512,434
Cash equivalents (investments with original maturities of 3 months or less)		
Certificates of deposits	96,863	127,737
	$ 720,946	$ 640,349

The interest rate ranges for the certificates of deposits as of December 31, 2024 and 2023 were 4.18%-4.3% and 4.3%-5.15%, respectively.

7. NOTES RECEIVABLE AND ACCOUNTS RECEIVABLE

	December 31	
	2024	**2023**
Notes receivable		
At amortized cost		
Gross carrying amount	$ 20,145	$ 17,352
Less: Allowance for impairment loss	-	-
	$ 20,145	$ 17,352
Occurred due to operating activities	$ 20,145	$ 17,352

(Continued)

	December 31	
	2024	2023
Accounts receivable (including related parties)		
At amortized cost		
Gross carrying amount	$ 764,710	$ 703,079
Less: Allowance for impairment loss	(14,200)	(26,977)
	$ 750,510	$ 676,102

(Concluded)

The Group's average credit period of sales of goods and the rendering of services is 60 days. No interest is charged on accounts receivable.

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

The Group measures the loss allowance for all notes receivable and accounts receivable at an amount equal to lifetime expected credit losses (ECLs). The expected credit losses on notes receivable and accounts receivable are estimated using a provision matrix prepared by reference to the past default experience of the customer, the customer's current financial position, economic condition of the industry in which the customer operates, as well as the GDP forecasts and industry outlook. As the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on the past due status is not further distinguished according to different customer base.

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

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

December 31, 2024

	Not Past Due	1 to 60 Days Past Due	61 to 120 Days Past Due	Over 120 Days Past Due	Total
Expected credit loss rate	0.00%-3.20%	0.08%-5.23%	12.83%-20.19%	36.88%-100%	-
Gross carrying amount	$ 664,316	$ 88,698	$ 29,212	$ 2,629	$ 784,855
Loss allowance (Lifetime ECLs)	(4,811)	(3,893)	(3,778)	(1,718)	(14,200)
Amortized cost	$ 659,505	$ 84,805	$ 25,434	$ 911	$ 770,655

December 31, 2023

	Not Past Due	1 to 60 Days Past Due	61 to 120 Days Past Due	Over 120 Days Past Due	Total
Expected credit loss rate	0.00%-8.86%	2.49%-6.53%	13.04%-23.30%	37.06%-100%	-
Gross carrying amount	$ 605,079	$ 76,048	$ 24,034	$ 15,270	$ 720,431
Loss allowance (Lifetime ECLs)	(4,757)	(3,785)	(4,836)	(13,599)	(26,977)
Amortized cost	$ 600,322	$ 72,263	$ 19,198	$ 1,671	$ 693,454

The movements of the loss allowance of notes receivable and accounts receivable were as follows:

	For the Year Ended December 31	
	2024	2023
Balance at January 1	$ 26,977	$ 39,375
Add: Amounts recovered	952	620
Add: Net remeasurement of loss allowance	(2,565)	8,437
Less: Amounts written off	(12,011)	(21,649)
Foreign exchange gains and losses	847	194
Balance at December 31	$ 14,200	$ 26,977

8. PREPAID EXPENSES

	December 31	
	2024	2023
Current		
Prepayments for operating costs	$ 82,203	$ 140,726
Other	5,294	4,157
	$ 87,497	$ 144,883
Noncurrent		
Prepayments for equipment	$ -	$ 6,334
Prepayments for operating costs	8,473	12,316
	$ 8,473	$ 18,650

9. SUBSIDIARIES

Subsidiaries Included in the Consolidated Financial Statements

Main businesses and percentages of ownership are shown as follows:

Investor Company	Investee Company	Main Businesses and Products	Percentage of Ownership (%) December 31 2024	2023
Nextlink Technology	Microfusion Technology Co., Ltd.	Electronic information services	100	100
	Nextlink (HK) Technology Co., Ltd.	Electronic information services	100	100
	Microfusion (HK) Technology Co., Ltd.	Electronic information services	100	100
	MICROFUSION TECHNOLOGY (MY) SDN. BHD.	Electronic information services	100	100
	NEXTLINK (SG) TECHNOLOGY PTE. LTD.	Electronic information services	100	100
Nextlink (HK) Technology	Nextlink (Shanghai) Technology Co., Ltd.	Electronic information services	100	100

To align with the future operational layout and strategic planning, the Company established MICROFUSION TECHNOLOGY (MY) SDN. BHD. on January 13, 2023 with an investment amount of MYR 1,000,000 for 100% ownership.

To align with the future operational layout and strategic planning, the Company established NEXTLINK (SG) TECHNOLOGY PTE. LTD. on March 31, 2023 with an investment amount of USD 100,000 for 100% ownership.

10. PROPERTY, PLANT AND EQUIPMENT

	Machinery Equipment	Office Equipment	Leasehold Improvements	Total
Cost				
Balance at January 1, 2024	$ 3,580	$ 4,450	$ 11,259	$ 19,289
Additions	-	880	-	880
Effects of foreign currency exchange difference	15	9	-	24
Balance at December 31, 2024	$ 3,595	$ 5,339	$ 11,259	$ 20,193
Accumulated depreciation				
Balance at January 1, 2024	$ 3,328	$ 3,371	$ 8,042	$ 14,741
Depreciation expense	238	1,057	3,065	4,360
Effects of foreign currency exchange difference	15	8	-	23
Balance at December 31, 2024	$ 3,581	$ 4,436	$ 11,107	$ 19,124
Carrying amount at December 31, 2024	$ 14	$ 903	$ 152	$ 1,069

(Continued)

	Machinery Equipment	Office Equipment	Leasehold Improvements	Total
Cost				
Balance at January 1, 2023	$ 3,247	$ 3,996	$ 9,715	$ 16,958
Additions	333	454	1,544	2,331
Disposals	-	-	-	-
Effects of foreign currency exchange difference	-	-	-	-
Balance at December 31, 2023	$ 3,580	$ 4,450	$ 11,259	$ 19,289
Accumulated depreciation				
Balance at January 1, 2023	$ 2,448	$ 2,068	$ 5,242	$ 9,758
Depreciation expense	880	1,304	2,800	4,984
Disposals	-	-	-	-
Effects of foreign currency exchange difference	-	(1)	-	(1)
Balance at December 31, 2023	$ 3,328	$ 3,371	$ 8,042	$ 14,741
Carrying amount at December 31, 2023	$ 252	$ 1,079	$ 3,217	$ 4,548

(Concluded)

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

Machinery equipment	2-3 years
Office equipment	2-4 years
Leasehold improvements	2-3 years

11. LEASE ARRANGEMENTS

a. Right-of-use assets

	December 31	
	2024	2023
Carrying amount		
Buildings	$ 2,325	$ 16,061

	For the Year Ended December 31	
	2024	2023
Additions to right-of-use assets	$ 4,489	$ -
Depreciation charge for right-of-use assets		
Buildings	$ 18,323	$ 16,061

b. Lease liabilities

	December 31	
	2024	2023
Carrying amount		
Current	$ 1,925	$ 14,966
Noncurrent	$ -	$ -

Discount rate ranges for lease liabilities were as follows:

	December 31	
	2024	2023
Buildings	1.58%	0.59%-1.54%

c. Material lease activities and terms

The Group leased certain buildings as offices with lease terms of 1.5 to 3 years. The Group does not have bargain purchase options to acquire the buildings at the end of the lease terms.

d. Other lease information

	For the Year Ended December 31	
	2024	2023
Expenses relating to short-term leases	$ 1,374	$ 5,612
Total cash outflow for leases	$ (19,182)	$ (23,490)

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

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

	December 31	
	2024	2023
Lease commitments	$ 4,547	$ -

12. INTANGIBLE ASSETS

	Computer Software
Cost	
Balance at January 1, 2024	$ 3,356
Additions	-
Balance at December 31, 2024	$ 3,356

(Continued)

	Computer Software
Accumulated amortization	
Balance at January 1, 2024	$ 2,870
Amortization	480
Balance at December 31, 2024	$ 3,350
Carrying amount at December 31, 2024	$ 6
Cost	
Balance at January 1, 2023	$ 3,356
Additions	-
Balance at December 31, 2023	$ 3,356
Accumulated amortization	
Balance at January 1, 2023	$ 2,084
Amortization	786
Balance at December 31, 2023	$ 2,870
Carrying amount at December 31, 2023	$ 486

(Concluded)

Intangible assets are amortized on a straight-line basis over their estimated useful lives as follows:

Computer software	3 years

13. OTHER PAYABLES

	December 31	
	2024	2023
Other payables		
Salaries and bonuses	$ 64,807	$ 55,168
Service fees	13,906	10,514
Others	24,255	19,400
	$ 102,968	$ 85,082

14. RETIREMENT BENEFIT PLANS

a. Defined contribution plan

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

Employees of the subsidiaries of the Group in China, Hong Kong, Malaysia, and Singapore are members of the retirement benefit plans operated by the local governments. These subsidiaries are required to allocate a specific percentage of wages and salaries to the retirement benefit plans to fund the program. The Group's obligation with regard to these government-operated retirement benefit plans is limited to contributing a specified amount.

b. Defined benefit plan

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

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

	December 31	
	2024	**2023**
Present value of defined benefit obligation	$ 657	$ -
Fair value of plan assets	(173)	-
Net defined benefit liabilities (assets)	$ 484	$ -

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

	Present Value of the Defined Benefit Obligation	**Fair Value of the Plan Assets**	**Net Defined Benefit Liabilities (Assets)**
Balance at January 1, 2024	$ -	$ -	$ -
Service cost			
Current service cost	207	-	207
Past service cost	427	-	427
Net interest expense (income)	6	(1)	5
Recognized in profit or loss	640	(1)	639
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	1	1
Actuarial gain - changes in financial assumptions	(83)	-	(83)
Actuarial loss - experience adjustments	100	-	100
Recognized in other comprehensive income	17	1	18
Contributions from the employer	-	(173)	(173)
Balance at December 31, 2024	$ 657	$ (173)	$ 484

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

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

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

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

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

	December 31, 2024
Discount rate	1.75%
Expected rate of salary increase	4.00%

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

	December 31, 2024
Discount rates	
0.25% increase	$ (50)
0.25% decrease	$ 54
Expected rates of salary increase	
0.25% increase	$ 53
0.25% decrease	$ (49)

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

	December 31, 2024
Expected contributions to the plan for the next year	$ 249
Average duration of the defined benefit obligation	33.1 years

15. EQUITY

a. Capital stock

	December 31	
	2024	2023
Stock authorized (in thousands)	30,000	30,000
Capital authorized	$ 300,000	$ 300,000
Issued and fully paid stock (in thousands)	22,101	20,012
Issued capital	$ 221,005	$ 200,115

On June 9, 2023, the Company's stockholders' meeting resolved to appropriate $32,880 thousand as share dividends and issue 3,288 thousand new shares with a par value of $10. The record date for the capital increase was June 26, 2023, and the registration was completed on July 18, 2023.

In 2023, the Company issued 775 thousand ordinary shares with a par value of $10, due to the exercise of employee share options. The registration was completed on August 10, 2023.

In August and December of 2024, the Company issued 44 thousand and 41 thousand ordinary shares, with a par value of $10, respectively, due to the exercise of employee share options. The registration was completed on October 11, 2024 and February 5, 2025, respectively.

In December 2024, the Company conducted a cash capital increase and issued 2,004 thousand new shares. The Company received the full subscription proceeds for the cash capital increase amounting to $234,184 thousand by December 12, 2024. The record date for the cash capital increase was December 12, 2024. The registration was completed on January 24, 2025.

b. Capital surplus

	December 31	
	2024	2023
May be used to offset a deficit, distributed as cash dividends, or transferred to share capital*		
Issuance of ordinary shares	$ 255,519	$ 30,840
May not be used for any purpose		
Employee share options	-	1,559
	$ 255,519	$ 32,399

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

c. Retained earnings and dividend policy

The stockholders of the Company held their regular meeting on November 7, 2023 and in that meeting, resolved the amendments to the Company's Articles of Incorporation (the "Articles"). According to the amended Articles, where the Company made a profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting losses of previous years, and then, if there is any remaining profit, setting aside as legal reserve 10% of the net profit after tax plus the items other than the net profit after tax which are included in the current year's retained earnings, setting aside or reversing a special reserve. The remaining profit, after paying dividends and retaining portions for business needs, together with any undistributed retained earnings from previous years, shall be used by the Company's board of directors as the basis for proposing a distribution plan, which should be resolved in the stockholders' meeting for the distribution of dividends to stockholders.

Under the Articles before the amendments, where the Company made a profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting losses of previous years, setting aside as legal reserve 10% of the remaining profit, setting aside or reversing a special reserve, and then any remaining profit, together with any undistributed retained earnings from previous years, shall be used by the Company's board of directors as the basis for proposing a distribution plan, which should be resolved in the stockholders' meeting for the distribution of dividends to stockholders.

For the policies on the distribution of compensation of employees and remuneration of directors and supervisors, refer to compensation of employees and remuneration of directors and supervisors in Note 17-d.

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

The appropriations of earnings for 2023 and 2022, which have been approved in the stockholders' meetings on June 17, 2024 and June 9, 2023, respectively, were as follows:

	For the Year Ended December 31	
	2023	**2022**
Legal reserve	$ 9,033	$ 6,066
Share dividends	$ -	$ 32,880
Cash dividends	$ 81,246	$ 21,920
Share dividends per share (NT$)	$ -	$ 2.062
Cash dividends per share (NT$)	$ 4.060	$ 1.374

The appropriation of earnings for 2024, which had been proposed by the Company's board of directors on February 26, 2025, was as follows:

	For the Year Ended December 31, 2024
Legal reserve	$ 12,302
Cash dividends	$ 110,503
Cash dividends per share (NT$)	$ 5.00

The appropriation of earnings for 2024 is subject to the resolution of the stockholders in the stockholders' meeting which is to be held on June 17, 2025.

16. REVENUE

	For the Year Ended December 31	
	2024	2023
Contract revenue		
Sales of goods	$ 506	$ 1,513
Information service revenue	4,002,281	4,747,029
	$ 4,002,787	$ 4,748,542

a. Contract information

Refer to Note 4 - revenue recognition for information on revenue recognition for contracts.

b. Contract balances

	December 31, 2024	December 31, 2023	January 1, 2023
Accounts receivable (including related parties) (Note 7)	$ 764,710	$ 703,079	$ 891,142
Contract liabilities			
Information service	$ 239,213	$ 326,736	$ 244,653
Contract liabilities - current	$ 224,024	$ 297,556	$ 221,860
Contract liabilities - noncurrent	15,189	29,180	22,793
	$ 239,213	$ 326,736	$ 244,653

The changes in the balances of contract liabilities primarily resulted from the timing difference between the Group’s satisfaction of performance obligations and the respective customer’s payment.

Revenue in the current year that was recognized from the contract liability balance at the beginning of the year is as follows:

	For the Year Ended December 31	
	2024	2023
Information service	$ 283,862	$ 211,930

c. Partially completed contracts

The transaction prices allocated to the performance obligations that are not fully satisfied and the expected timing for recognition of revenue are as follows:

	For the Year Ended December 31	
	2024	2023
Information service		
Fulfillment in 2024	$ -	$ 297,556
Fulfillment in 2025	224,024	21,935
Fulfillment in 2026	11,586	5,351
Fulfillment in 2027	2,794	1,085
Fulfillment in 2028	809	809
	$ 239,213	$ 326,736

17. CONSOLIDATED NET INCOME

a. Financial costs

	For the Year Ended December 31	
	2024	2023
Interest on bank loans	$ 64	$ 406
Interest on lease liabilities	118	250
	$ 182	$ 656

b. Depreciation and amortization

	For the Year Ended December 31	
	2024	2023
Property, plant and equipment	$ 4,360	$ 4,984
Right-of-use assets	18,323	16,061
Intangible assets	480	786
	$ 23,163	$ 21,831
Depreciation expense categorized by function		
Operating costs	$ 238	$ 880
Operating expenses	22,445	20,165
	$ 22,683	$ 21,045
Amortization expense categorized by function		
General and administrative expenses	$ 480	$ 786

c. Employee benefits expense

	For the Year Ended December 31	
	2024	2023
Retirement benefits		
Defined contribution plans	$ 9,793	$ 8,914
Defined benefit plans	639	-
	10,432	8,914
Other employee benefits		
Salary	250,813	221,580
Insurance	16,819	15,442
Others	9,599	9,581
	277,231	246,603
	$ 287,663	$ 255,517
Categorized by function		
Operating costs	$ 29,044	$ 24,797
Operating expenses	258,619	230,720
	$ 287,663	$ 255,517

d. Compensation of employees and remuneration of directors and supervisors

According to the Company's Articles, the Company accrues compensation of employees and remuneration of directors at rates of 1%-2% and no higher than 2%, respectively, of net profit before income tax, compensation of employees, and remuneration of directors.

The compensation of employees and the remuneration of directors for the years ended December 31, 2024 and 2023, which were approved by the Company's board of directors on February 26, 2025 and March 13, 2024, respectively, are as follows:

Accrual rate

	For the Year Ended December 31	
	2024	2023
Compensation of employees	1.00%	1.00%
Remuneration of directors	0.37%	0.37%

Amount

	For the Year Ended December 31	
	2024	2023
Compensation of employees	$ 1,394	$ 1,082
Remuneration of directors	$ 516	$ 400

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

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

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

e. Gains or losses on foreign currency exchange

	For the Year Ended December 31	
	2024	**2023**
Foreign exchange gains	$ 97,312	$ 48,659
Foreign exchange losses	(101,024)	(48,506)
	$ (3,712)	$ 153

18. INCOME TAX

a. Income tax recognized in profit or loss

The major components of income tax expense were as follows:

	For the Year Ended December 31	
	2024	**2023**
Current tax		
In respect of the current year	$ 28,833	$ 22,836
Adjustments for prior year	(1,946)	153
	26,887	22,989
Deferred tax		
In respect of the current year	11,167	7,828
Adjustments for prior year	17	(119)
	11,184	7,709
Income tax expense recognized in profit or loss	$ 38,071	$ 30,698

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

	For the Year Ended December 31	
	2024	**2023**
Income before tax	$ 161,108	$ 121,026
Income tax expense computed at the statutory tax rate	$ 53,927	$ 35,352
Nondeductible items in determining taxable income	(13,894)	(4,705)
Adjustments for prior years' tax	(1,929)	34
Others	(33)	17
Income tax expense recognized in profit or loss	$ 38,071	$ 30,698

b. Income tax recognized in other comprehensive income

	For the Year Ended December 31	
	2024	2023
Deferred tax		
In respect of the current year		
Exchange differences on translating the financial statements of foreign operations	$ (1,503)	$ 151
Remeasurement of defined benefit plan	4	-
	$ (1,499)	$ 151

c. Deferred income tax assets and liabilities

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

For the year ended December 31, 2024

	Opening Balance	Recognized in Profit or Loss	Recognized in Other Comprehensive Income	Closing Balance
Deferred income tax assets				
Temporary differences				
Payables for annual leave	$ 716	$ 98	$ -	$ 814
Allowance for impairment loss	1,977	149	-	2,126
Exchange loss	1,505	(914)	-	591
Others	90	76	4	170
	$ 4,288	$ (591)	$ 4	$ 3,701
Deferred income tax liabilities				
Temporary differences				
Equity investment	$ 14,328	$ 10,746	$ -	$ 25,074
Exchange gain	1,398	(153)	-	1,245
Exchange differences on translating the financial statements of foreign operations	486	-	1,503	1,989
	$ 16,212	$ 10,593	$ 1,503	$ 28,308

For the year ended December 31, 2023

	Opening Balance	Recognized in Profit or Loss	Recognized in Other Comprehensive Income	Closing Balance
Deferred income tax assets				
Temporary differences				
Payables for annual leave	$ 701	$ 15	$ -	$ 716
Allowance for impairment loss	1,015	962	-	1,977
Exchange loss	781	724	-	1,505
Others	79	11	-	90
	$ 2,576	$ 1,712	$ -	$ 4,288
Deferred income tax liabilities				
Temporary differences				
Equity investment	$ 6,305	$ 8,023	$ -	$ 14,328
Exchange gain	-	1,398	-	1,398
Exchange differences on translating the financial statements of foreign operations	637	-	(151)	486
	$ 6,942	$ 9,421	$ (151)	$ 16,212

d. Income tax assessments

Income tax returns of the Company and Microfusion Technology have been assessed by the tax authorities through 2022.

19. EARNINGS PER SHARE

The earnings and weighted average number of common stock used in the calculation of earnings per share were as follows:

Net Income for the Year

	For the Year Ended December 31 2024	For the Year Ended December 31 2023
Net income attributable to the owners of the Company	$ 123,037	$ 90,328

Weighted Average Number of Common Stock Outstanding

(In Thousands of Shares)

	For the Year Ended December 31	
	2024	**2023**
Weighted average number of common stock used in the calculation of basic earnings per share	20,138	19,617
Effect of potentially dilutive common stock:		
Employee share options	38	53
Compensation of employees	12	79
Weighted average number of common stock used in the calculation of diluted earnings per share	20,188	19,749

Since the Company offered to settle the compensation paid to employees in cash or stock, the Company assumed the entire amount of the compensation would be settled in stock and the resulting potential stock were included in the weighted average number of common stock outstanding used in the calculation of diluted earnings per share, if the effect was dilutive. Such dilutive effect of the potential stock was included in the calculation of diluted earnings per share until the number of stock to be distributed to employees is resolved in the following year.

20. SHARE-BASED PAYMENT ARRANGEMENTS

Employee share option plan

Grant Date	Number of Units Granted	Number of Shares Exercisable Per Unit	Term of Validity	Vesting Period of Share Options	Percentage of Share Options Exercisable (%)
2023.05	212,500	1 share	19 months	After 15 days	20
				After 12 months	60
				After 18 months	100
2023.05	867,000	1 share	1.5 months	After 15 days	100

The Company's board of directors resolved to issue employee share options in July 2022. The Company granted 1,079,500 options in May 2023 to employees of the Company and its subsidiaries who meet specific criteria. Each option entitles the holder with the right to subscribe for one ordinary share of the Company. The options granted are valid for 0.1 to 1.6 years and exercisable at certain percentages after 15 days from the grant date. The options were granted at an exercise price not lower than the net asset value per share according to the latest financial statements audited and certified by an accountant at the grant date. When employees exercise their share options, it will be done through the issuance of ordinary shares. For any subsequent changes in the Company's paid-in capital, the exercise price is adjusted accordingly.

Information on employee share options was as follows:

	For the Year Ended December 31			
	2024		2023	
	Number of Options	Weighted-average Exercise Price ($)	Number of Options	Weighted-average Exercise Price ($)
Balance at January 1	118,500	$ 29.20	-	$ -
Options granted	-	-	1,079,500	41.25
Options forfeited	(31,500)	29.12	(180,500)	39.09
Options exercised	(85,000)	28.16	(774,500)	43.57
Options expired	(2,000)	27.90	(6,000)	44.20
Balance at December 31	-	-	118,500	29.20
Options exercisable, end of the year	-	-	500	29.20
Weighted-average fair value of options granted ($)	$ -		$ 9.38	

Information on outstanding options was as follows:

	December 31	
	2024	2023
Range of exercise price ($)	$ -	$ 29.20
Weighted-average remaining contractual life (in years)	-	0.98

Options granted were priced using the binomial option pricing model, and the inputs to the model were as follows:

	Granted on May 2023
Grant-date share price	$62.90
Exercise price	$39.00-$59.00
Expected volatility	42.00%-46.00%
Expected life (in years)	0.10-1.60
Risk-free interest rate	0.88%-0.99%

Compensation costs arising from employee share options recognized were $719 thousand and $6,398 thousand for the years ended December 31, 2024 and 2023, respectively.

Cash capital increase with a reserved portion for employee share options

In December 2024, the Company carried out a cash capital increase, with 15% of the shares reserved for employee subscription as required by the Company law. The recipients include employees of the Company and its subsidiaries. The stock options granted to employees are priced using the Black-Scholes pricing model. The inputs to the model were as follows:

	Granted on December 2024
Grant-date share price	$126.70
Exercise price	$101
Expected volatility	42.31%
Expected life (in days)	5
Risk-free interest rate	1.36%

Compensation cost recognized was $6,713 thousand for the year ended December 31, 2024.

21. CASH FLOW INFORMATION

Changes in liabilities arising from financing activities

For the years ended December 31, 2024 and 2023, changes in liabilities arising from financing activities, including noncash transactions, were as follows:

For the year ended December 31, 2024

	Balance on January 1, 2024	**Cash Flows from Financing Activities**	**Changes in Noncash Transactions**		**Cash Flows from Operating Activities - Interest Paid**	**Balance on December 31, 2024**
			New Leases	**Others**		
Lease liabilities (including the current and noncurrent portion)	$ 14,966	$ (17,690)	$ 4,489	$ 278	$ (118)	$ 1,925

For the year ended December 31, 2023

	Balance on January 1, 2023	**Cash Flows from Financing Activities**	**Changes in Noncash Transactions**		**Cash Flows from Operating Activities - Interest Paid**	**Balance on December 31, 2023**
			New Leases	**Others**		
Lease liabilities (including the current and noncurrent portion)	$ 32,341	$ (17,375)	$ -	$ 250	$ (250)	$ 14,966

22. CAPITAL MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximizing the return to stakeholders through the optimization of the debt and equity balance. The Group’s overall strategy remains unchanged in the past three years.

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

Key management personnel of the Group review the capital structure on a periodic basis. As part of this review, the key management personnel consider the cost of capital and the risks associated with each class of capital. In general, the Group adopts a prudent risk management strategy.

23. FINANCIAL INSTRUMENTS

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

The key management of the Group believes that the carrying amounts of financial assets and financial liabilities not measured at fair value approximate their fair values, or their fair values cannot be reliably measured.

b. Categories of financial instruments

	December 31	
	2024	**2023**
<u>Financial assets</u>		
Financial assets at amortized cost (Note 1)	$ 1,500,856	$ 1,342,085
<u>Financial liabilities</u>		
Financial liabilities at amortized cost (Note 2)	666,730	807,322

Note 1: The balances include financial assets at amortized cost, which comprise cash and cash equivalents, notes receivable, accounts receivable (including related parties), other receivables (including related parties), refundable deposits and other financial assets.

Note 2: The balances include financial liabilities at amortized cost, which comprise short-term borrowings, accounts payable (including related parties), other payables (including related parties), and guarantee deposits received.

c. Financial risk management objectives and policies

The Group's major financial instruments include cash and cash equivalents, notes receivable, accounts receivable, other receivables, other financial assets, refundable deposits, short-term borrowings, accounts payable, other payables, and guarantee deposits. The Group's corporate treasury function provides services to the business, coordinates access to domestic and international financial markets, and monitors and manages the financial risks relating to the operations of the Group through internal risk reports that analyze exposures by degree and magnitude of risks. These risks include market risk (including foreign currency risk and interest rate risk), credit risk and liquidity risk.

1) Market risk

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

a) Foreign currency risk

The Group engages in foreign currency-denominated sales and purchases, which expose the Group to foreign currency risk. The Group does not engage in derivative financial instrument transactions for speculative purposes.

The carrying amounts of the Group's foreign currency-denominated monetary assets and monetary liabilities at the end of the year are set out in Note 26.

Sensitivity analysis

The Group was mainly exposed to the U.S. dollar.

The following table details the Group's sensitivity to a 3% increase and decrease in the New Taiwan dollar (NTD) against the U.S. dollar. The sensitivity analysis includes only outstanding foreign currency-denominated monetary items, for which their translation at the end of the reporting period is adjusted for a 3% change in foreign currency rates. The positive number shown in the currency impact table below indicates an increase in pre-tax profit associated with the NTD strengthening 3% against the U.S. dollar. For a 3% weakening of the NTD against the U.S. dollar, there would be an equal and opposite impact on pre-tax profit, and the balances below would be negative.

	USD Impact	
	For the Year Ended December 31	
	2024	**2023**
Profit or loss*	$ 4,918	$ 10,696

* The result was mainly attributable to the exposure on outstanding deposits, receivables, payables and guarantee deposits in USD that were not hedged at the end of the year.

b) Interest rate risk

The Group is exposed to interest rate risk because entities in the Group hold financial assets and financial liabilities with floating interest rates. The Group's management monitors changes in market interest rates on a periodic basis and adjusts the positions of floating-rate financial assets and liabilities to align the Group's interest rates with market rates, in order to manage the risks arising from fluctuations in market interest rates.

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

	December 31	
	2024	**2023**
Fair value interest rate risk		
Financial assets	$ 106,118	$ 136,019
Financial liabilities	34,576	42,090
Cash flow interest rate risk		
Financial assets	623,437	511,940

Sensitivity analysis

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

If interest rates had been 50 basis points higher and all other variables were held constant, the Group’s pre-tax profit for the years ended December 31, 2024 and 2023 would have increased by $3,117 thousand and $2,560 thousand, respectively, which was mainly a result of the exposure from variable-rate deposits and borrowings.

2) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations, resulting in a financial loss to the Group. As at the end of the reporting period, the Group’s maximum exposure to credit risk which will cause a financial loss to the Group due to the failure of the counterparties to discharge their obligation and due to the financial guarantees provided by the Group arises from the carrying amounts of the respective recognized financial assets as stated in the consolidated balance sheets.

The Group has a policy of dealing only with creditworthy counterparties, and, when necessary, obtains sufficient collateral to mitigate the financial loss risks arising from defaults. The Group assesses the creditworthiness of key customers based on public and non-public financial information, as well as transaction records. The Group continuously monitors credit exposure and the credit ratings of counterparties, and diversifies the total transaction amounts among customers with qualified credit ratings.

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

Apart from the customers listed below, the Group did not have significant credit risk exposure to any single counterparty or any group of counterparties with similar characteristics. The notes receivable and accounts receivable (including related parties) from customers with receivables accounting for more than 10% of the Group’s total receivables amounted to $100,044 thousand and $112,606 thousand, representing 13% and 16% of the Group’s total receivables, as of December 31, 2024 and 2023, respectively.

3) Liquidity risk

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

The Group relies on bank borrowings as a significant source of liquidity. The Group’s unutilized overdraft and bank loan facilities amounted to $90,000 thousand as of December 31, 2024 and 2023, respectively.

The following table details the Group's maturity of financial liabilities based on undiscounted contractual payments including interest. The following table does not include the financial liabilities with carrying amounts that approximate contractual cash flows:

	Carrying Amount	Contractual Cash Flows	Within 1 Year	1-5 Years	More than 5 Years
December 31, 2024					
Lease liabilities	$ 1,925	$ 1,935	$ 1,935	$ -	$ -
December 31, 2023					
Lease liabilities	$ 14,966	$ 15,045	$ 15,045	$ -	$ -

24. TRANSACTIONS WITH RELATED PARTIES

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

a. The Group's related parties and their relationships

Related Party	Relationship with the Group
Far Eastern New Century Corporation (FENC)	Ultimate parent company
New Century InfoComm Tech Co., Ltd. (NCIC)	Parent company
Far EasTone Telecommunications Co., Ltd.	The parent company of NCIC
Information Security Service Digital United Inc.	Subsidiary of FENC
Yuanshi Digital Technology Co., Ltd.	Subsidiary of FENC
ARCOA Communication Co., Ltd.	Subsidiary of FENC
Ding Ding Integrated Marketing Service Co., Ltd.	Subsidiary of FENC
Yuan Cing Co., Ltd.	Subsidiary of FENC
DING DING HOTEL CO., LTD.	Subsidiary of FENC
DataExpress Infotech Co., Ltd.	Subsidiary of FENC
YDT Technology International Co., Ltd.	Subsidiary of FENC
FETC International Co., Ltd.	Subsidiary of FENC
Pacific Sogo Department Stores Co., Ltd.	Other related party
Asia Cement Co., Ltd.	Other related party
Far Eastern Hospital	Other related party
Ding & Ding Management Consultant Co., Ltd.	Other related party
Far Eastern Big City Shopping Malls Co., Ltd.	Other related party
Systex Corporation	Other related party
Far Eastern International Bank (FEIB)	Other related party
Yuan Long Stainless Steel Corporation	Other related party
Oriental Securities Corporation Ltd.	Other related party
Yuan-Ze University	Other related party

b. Operating revenue

	For the Year Ended December 31	
	2024	2023
Parent company	$ 210,422	$ 200,698
Subsidiaries of FENC	4,049	5,405
Other related parties	39,971	15,059
	$ 254,442	$ 221,162

Sales to related parties are conducted at prices and terms consistent with those applied in arm's length transactions.

c. Operating costs

	For the Year Ended December 31	
	2024	2023
Parent company	$ 4,931	$ -
Subsidiaries of FENC	-	145
Other related parties	43	95
	$ 4,974	$ 240

Purchases from related parties are conducted at prices and terms consistent with those applied in arm's length transactions.

d. Operating expenses

	For the Year Ended December 31	
	2024	2024
Parent company	$ 351	$ 385
Other related parties	202	327
	$ 553	$ 712

e. Interest income

	For the Year Ended December 31	
	2024	2023
Other related parties		
FEIB	$ 1,657	$ 305

f. Bank deposits

	December 31	
	2024	2023
Other related parties		
FEIB	$ 272,706	$ 32,630

g. Receivables from related parties

	December 31	
	2024	2023
Parent company	$ 37,361	$ 31,696
Subsidiaries of FENC	388	1,780
Other related parties	4,395	10,000
	$ 42,144	$ 43,476

The outstanding receivables from related parties are unsecured.

h. Other payables to related parties

	December 31	
	2024	2023
Parent company	$ 8	$ 15
Other related parties	70	3
	$ 78	$ 18

The outstanding payables to related parties are unsecured.

i. Remuneration of key management personnel

	For the Year Ended December 31	
	2024	2023
Short-term benefits	$ 35,822	$ 29,640
Post-employment benefits	845	816
Share-based payments	104	1,577
	$ 36,771	$ 32,033

The remuneration of directors and key management personnel is determined based on the performance of individuals and market trends.

25. ASSETS PLEDGED OR MORTGAGED AS COLLATERAL

The following assets were provided as collateral for performance guarantees.

	December 31	
	2024	2023
Other financial assets - noncurrent	$ 290	$ 290

26. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The following information was aggregated by the foreign currencies other than functional currencies of the entities in the Group and the exchange rates between the foreign currencies and the respective functional currencies were disclosed. The significant assets and liabilities denominated in foreign currencies were as follows:

(In Thousands, Except Exchange Rate)

	December 31, 2024		
	Foreign Currency	**Exchange Rate**	**Carrying Amount**
Financial assets			
Monetary items			
USD	$ 5,934	32.785 (USD:NTD)	$ 194,551
USD	5,457	7.765 (USD:HKD)	178,923
USD	1	4.640 (USD:MYR)	36
USD	62	1.359 (USD:SGD)	2,043
Financial liabilities			
Monetary items			
USD	9,884	32.785 (USD:NTD)	324,053
USD	6,570	7.765 (USD:HKD)	215,389
USD	2	4.640 (USD:MYR)	50

	December 31, 2023		
	Foreign Currency	**Exchange Rate**	**Carrying Amount**
Financial assets			
Monetary items			
USD	$ 6,408	30.705 (USD:NTD)	$ 196,761
USD	4,125	7.815 (USD:HKD)	126,658
USD	5	4.789 (USD:MYR)	152
USD	100	1.318 (USD:SGD)	3,063
Financial liabilities			
Monetary items			
USD	9,357	30.705 (USD:NTD)	287,321
USD	12,892	7.815 (USD:HKD)	395,855

For the years ended December 31, 2024 and 2023, realized and unrealized net foreign exchange gains (losses) were $(3,712) thousand and $153 thousand, respectively. It is impractical to disclose net foreign exchange gains (losses) by each significant foreign currency due to the variety of the foreign currency transactions and functional currencies of the entities in the Group.

27. SEPARATELY DISCLOSED ITEMS

a. Information about significant transactions

1) Financing provided to others: None

2) Endorsements/guarantees provided: None

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

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

5) Acquisition of individual real estate at costs of at least NT$300 million or 20% of the paid-in capital: None

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

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

8) Receivables from related parties amounting to at least NT$100 million or 20% of the paid-in capital: None

9) Trading in derivative instruments: None

10) Significant transactions between the Company and its subsidiaries and among subsidiaries: Schedule B

b. Information on investees: Schedule C

c. Information on investments in mainland China

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

2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses: None

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

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

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

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

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

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

d. Information on major stockholders: List all stockholders with ownership of 5% or greater showing the name of the stockholder, the number of shares owned, and percentage of ownership of each stockholder: Schedule E

28. SEGMENT INFORMATION

a. Information by product and service

The information provided to the Group's chief operating decision maker in order to allocate resources to the segments and assess their performance focuses on the type of goods or services delivered or provided. According to IFRS 8 "Operating Segments," the Group is organized and managed as a single operating segment, with resources allocated on a company-wide basis. The Group's operating activities are related to cloud services, from which the revenue accounts for more than 90% of the Group's total revenue. Therefore, the Group reports only one operating segment with profit and loss, assets, and liabilities information consistent with those stated in the consolidated financial statements.

b. Geographical information

The Group operates in five principal geographical areas: Taiwan, Hong Kong, China, Malaysia, and Singapore.

The Group's revenue from external customers by location of operations and information on its noncurrent assets by location of assets are detailed below.

	Revenue from External Customers		Noncurrent Assets	
	For the Year Ended December 31		December 31	
	2024	2023	2024	2023
Taiwan	$ 2,496,475	$ 2,104,427	$ 8,026	$ 38,277
Hong Kong	1,500,741	2,640,412	3,847	1,468
China	1,544	2,074	-	-
Malaysia	1,993	895	-	-
Singapore	2,034	734	-	-
	$ 4,002,787	$ 4,748,542	$ 11,873	$ 39,745

Noncurrent assets exclude deferred tax assets, refundable deposits, and other noncurrent financial assets.

c. Information on major customers

Single customers contributing 10% or more to the Group's revenue were as follows:

	For the Year Ended December 31			
	2024		2023	
	Operating Revenue	Percentage of Operating Revenue (%)	Operating Revenue	Percentage of Operating Revenue (%)
Customer A	$ -	-	$ 1,368,506	29

NEXTLINK TECHNOLOGY CO., LTD. AND SUBSIDIARIES

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

Purchaser (Seller) of Goods	Related Party	Relationship	Transaction Details				Abnormal Transaction		Accounts/Other Receivables (Payables)	
			Purchase/Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total
Nextlink Technology Co., Ltd.	New Century InfoComm Tech Co., Ltd.	Parent company	Operating revenue	$ (131,352)	(10)	Based on agreement	-	-	Accounts receivable $ 23,548	13
Microfusion Technology Co., Ltd.	New Century InfoComm Tech Co., Ltd.	Parent company	Operating revenue	(73,028)	(5)	Based on agreement	-	-	Accounts receivable 13,653	4

NEXTLINK TECHNOLOGY CO., LTD. AND SUBSIDIARIES

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

Number (Note A)	Company Name	Counterparty	Flow of Transactions (Note B)	Transaction Details			
				Financial Statement Account	Amount	Payment Terms	% of Consolidated Assets/Revenue (Note C)
0	Nextlink Technology Co., Ltd.	Microfusion Technology Co., Ltd.	1	Accounts payable - related parties	$ 1,837	Note E	-
				Operating costs	10,873	Note E	-
				Nonoperating income and gains	40,834	Note E	1
		Nextlink (HK) Technology Co., Ltd.	1	Accounts receivable - related parties	2,746	Note E	-
				Operating revenue	16,011	Note E	-
				Nonoperating income and gains	44,400	Note E	1
		Microfusion (HK) Technology Co., Ltd.	1	Nonoperating income and gains	6,480	Note E	-
1	Microfusion Technology Co., Ltd.	Nextlink (HK) Technology Co., Ltd.	3	Accounts receivable - related parties	4,493	Note E	-
				Operating revenue	41,220	Note E	1
				Accounts receivable - related parties	6,061	Note E	-
		Microfusion (HK) Technology Co., Ltd.	3	Operating revenue	35,927	Note E	1
2	Nextlink (HK) Technology Co., Ltd.	Microfusion (HK) Technology Co., Ltd.	3	Operating costs	2,839	Note E	-

Note A: Parties to the intercompany transactions are identified and numbered as follows:

1. "0" for Nextlink Technology Co., Ltd. (the "Company").
2. "1" onward for subsidiaries.

Note B: The flow of related-party transactions is as follows:

1. From the parent company to its subsidiary.
2. From a subsidiary to its parent company.
3. Between subsidiaries.

Note C: For assets and liabilities, amount is shown as a percentage of consolidated total assets as of December 31, 2024; while revenues, costs and expenses are shown as a percentage of consolidated total operating revenues for the year ended December 31, 2024.

Note D: The information shown in the schedule represents the eliminated material intercompany transactions.

Note E: Payment terms varied depending on the related agreements.

SCHEDULE C

NEXTLINK TECHNOLOGY CO., LTD. AND SUBSIDIARIES

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

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of December 31, 2024			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note	Highest Shares/Units Held During the Year
				December 31, 2024 (MYR/US$ in Thousands)	December 31, 2023 (MYR/US$ in Thousands)	Number of Shares	Percentage of Ownership (%)	Carrying Amount				
Nextlink Technology Co., Ltd.	Microfusion Technology Co., Ltd.	Taiwan	Electronic information services	$ 17,000	$ 17,000	5,933,400	100.00	$ 133,852	$ 65,457	$ 65,457	Note A	5,933,400
	Nextlink (HK) Technology Co., Ltd.	Hong Kong	Electronic information services	973	973	-	100.00	131,919	48,190	48,190	Note A	-
	Microfusion (HK) Technology Co., Ltd.	Hong Kong	Electronic information services	1,494	1,494	-	100.00	12,692	9,355	9,355	Note A	-
	MICROFUSION TECHNOLOGY (MY) SDN. BHD.	Malaysia	Electronic information services	6,896 (MYR 1,000)	6,896 (MYR 1,000)	1,000,000	100.00	1,711	(3,331)	(3,331)	Note A	1,000,000
	NEXTLINK (SG) TECHNOLOGY PTE. LTD.	Singapore	Electronic information services	3,205 (US$ 100)	3,205 (US$ 100)	100,000	100.00	2,465	(485)	(485)	Note A	100,000

Note A: Subsidiary.

Note B: Investments in mainland China are shown in Schedule D.

NEXTLINK TECHNOLOGY CO., LTD. AND SUBSIDIARIES

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

Investee Company	Main Businesses and Products	Paid-in Capital (US$ in Thousands)	Method of Investment (Note A)	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2024 (US$ in Thousands)	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of December 31, 2024 (US$ in Thousands)	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss)	Carrying Amount as of December 31, 2024 (HK$ in Thousands)	Accumulated Repatriation of Investment Income as of December 31, 2024
					Outward	Inward						
Nextlink (Shanghai) Technology Co., Ltd.	Electronic information services	$ 2,361 (US$ 72)	2	$ 2,361 (US$ 72)	$ -	$ -	$ 2,361 (US$ 72)	$ 230	100	$ 230	$ 3,104 (HK$ 730)	$ -

Company Name	Accumulated Investments in Mainland China as of December 31, 2024 (US$ in Thousands)	Investment Amounts Authorized by the Investment Commission, MOEA (US$ in Thousands)	Limit on Investments (Note B)
Nextlink Technology Co., Ltd.	$ 2,361 (US$ 72)	$ 2,361 (US$ 72)	$ 376,973

Note A: Method of investment is as follows:

1. The Company made the investment directly.
2. The Company made the investment indirectly through a company registered in a third region. The company registered in a third region is Nextlink (HK) Technology Co., Ltd.
3. Others.

Note B: The limit is up to 60% of the higher of the investor’s net worth or consolidated net worth as stated in the Principles Governing the Review of Investment or Technical Cooperation in mainland China, which was issued on August 29, 2008 by the Investment Commission of the MOEA.

SCHEDULE E

NEXTLINK TECHNOLOGY CO., LTD.

INFORMATION ON MAJOR STOCKHOLDERS
DECEMBER 31, 2024

Name of Major Stockholder	Shareholding	
	Number of Shares	Percentage of Ownership (%)
New Century InfoComm Tech Co., Ltd.	12,737,907	57.63
Avalion Enterprises Limited (Incorporated in British Virgin Islands)	4,443,093	20.10

Note: The information on major stockholders presented in the above table lists the major stockholders whose combined shareholdings of ordinary and preference shares are at least 5% of the Company's total shares, as calculated by the Taiwan Depository & Clearing Corporation based on the number of dematerialized shares (including treasury shares) which have been registered and delivered on the last working day of the current quarter. The number of shares recorded in the Company's consolidated financial statements may be different from the number of dematerialized shares which have completed registration and delivery due to differences in the basis of preparation and calculation.