Stock Code: 3323

CELXPERT ENERGY CORPORATION AND SUBSIDIARIES

Consolidated Financial Statements with Independent Auditors' Review Report

For the Years Ended December 31, 2024 and 2023

Address: No.128, Gong 5th Rd., Longtan Dist., Taoyuan City, Taiwan (R.O.C.)
TEL: (03) 489-9054

Table of Contents

Declaration

For the fiscal year 2024 (from January 1, 2024, to December 31, 2024), the companies required to be included in the Consolidated Financial Report of Affiliated Enterprises, as stipulated under the "Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports, and Consolidated Financial Statements of Affiliated Enterprises," are identical to those required to be included in the Consolidated Financial Report of Parent and Subsidiary Companies under International Financial Reporting Standards (IFRS) No. 10, as recognized by the Financial Supervisory Commission (FSC). Additionally, all relevant information required to be disclosed in the Consolidated Financial Report of Affiliated Enterprises has already been disclosed in the aforementioned Consolidated Financial Report of Parent and Subsidiary Companies. Consequently, a separate Consolidated Financial Report of Affiliated Enterprises will not be prepared.

It is hereby declared.

Company name: Celxpert Energy Corporation

Chairman: Shih-Ming Huang

March 14, 2025

Independent Auditors' Review Report

To the Board of Directors of Celxpert Energy Corporation:

Audit Opinion

The Consolidated Balance Sheets of Celxpert Energy Corporation and its subsidiaries as of December 31, 2023, and 2024, along with the Consolidated Statements of Comprehensive Income, Consolidated Statements of Changes in Equity, and Consolidated Statements of Cash Flows for the periods from January 1, 2023, to December 31, 2023, and 2024, as well as the Notes to the Consolidated Financial Report (including a summary of significant accounting policies), have been audited by this CPA.

In the opinion of this CPA, the aforementioned Consolidated Financial Report, in all material respects, has been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, as well as the IFRS, International Accounting Standards (IAS), and interpretations and interpretive announcements recognized and promulgated by the FSC. It fairly presents the consolidated financial position of Celxpert Energy Corporation and its subsidiaries for 2024 and as of December 31, 2023, as well as their consolidated financial performance and consolidated cash flows for 2024 and from January 1, 2023, to December 31, 2023.

Basis for Audit Opinion

This CPA conducted the audit in accordance with the Rules Governing the Audit and Certification of Financial Statements by Accountants and applicable auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Consolidated Financial Statements. This CPA serves as an independent auditor with his accounting firm and complies with the professional ethical standards established by the Republic of China (R.O.C.) for CPAs. The CPA is independent of Celxpert Energy Corporation and its subsidiaries and has met all additional responsibilities specified by the code. This CPA believes the audit evidence obtained is sufficient and appropriate to provide a basis for the opinion.

Key Audit Matters

Key audit matters are those matters that, based on the professional judgment of this CPA, were of the greatest significance in the audit of the consolidated financial statements of Celxpert Energy Corporation and its subsidiaries for the year 2024. These matters were addressed in the context of our audit of the consolidated financial report as a whole and in forming our opinion thereon. As such, we do not provide a separate opinion on these matters. The CPA has determined that the key audit matters to be communicated in the audit report are as follows:

1. Inventory Valuation

   For the accounting policies related to inventory valuation, please refer to note 4(h) Inventories of the Consolidated Financial Report. For uncertainties related to inventory valuation, please refer to note 5 of the Consolidated Financial Report. For details of accounting items related to inventories, please refer to note 6(d) Inventories of the Consolidated Financial Report.

   Description of Key Audit Matter:

   The inventories of Celxpert Energy Corporation and its subsidiaries are measured at the lower cost or net realizable value. Due to the nature of the contract manufacturing business, which involves customized products, if a customer's projected order exceeds the actual purchase quantity, there is a risk of inventory obsolescence. Consequently, the assessment and testing of inventory impairment losses constitute a significant evaluation matter in the CPA's audit of the financial reports of Celxpert Energy Corporation and its subsidiaries.

   Audit Procedures Performed:

   The CPA's primary audit procedures for the above key audit matter include understanding the policy of Celxpert Energy Corporation and its subsidiaries for setting aside inventory impairment losses and evaluating whether such provisions have been made in accordance with the established accounting policy. Additionally, the CPA assessed the adequacy of management's inventory allowance, including performing sampling procedures to verify the accuracy of the inventory aging report. The CPA also reviewed the basis used by management to determine the net realizable value and selected appropriate samples for testing to validate the accuracy of the company's estimated inventory allowance valuation.

Other Matters

Celxpert Energy Corporation has prepared its Parent Company Only Financial Statements for the fiscal years 2024 and 2023, for which this CPA has issued an unqualified audit opinion in the respective audit reports, which are available for reference.

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

Management is responsible for preparing a Consolidated Financial Report that fairly presents the financial position in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the IFRS, IAS, interpretations, and interpretive announcements recognized and effective as issued by the FSC. Management is also responsible for maintaining the necessary internal controls related to the preparation of the Consolidated Financial Report to ensure it is free from material misstatement due to fraud or error.

In preparing the Consolidated Financial Report, management's responsibilities include assessing the ability of Celxpert Energy Corporation and its subsidiaries to continue as a going concern, disclosing related matters, and applying the going concern basis of accounting, unless management intends to liquidate Celxpert Energy Corporation and its subsidiaries, cease operations, or has no realistic alternative but to do so.

The governance body of Celxpert Energy Corporation and its subsidiaries (including the Audit Committee) is responsible for overseeing the financial reporting process.

CPA's Responsibilities for the Audit of the Consolidated Financial Report

The objective of this CPA's audit of the Consolidated Financial Report is to obtain reasonable assurance about whether the Consolidated Financial Report as a whole is free from material misstatement due to fraud or error and to issue an audit report. Reasonable assurance is a high level of assurance. However, an audit conducted in accordance with auditing standards does not guarantee the detection of all material misstatements in the Consolidated Financial Report. Misstatements may arise from fraud or error and are considered material. Individually or in the aggregate, misstatements could reasonably be expected to influence the economic decisions of users of the Consolidated Financial Report.

In conducting the audit in accordance with auditing standards, the CPA has exercised professional judgment and maintains professional skepticism. The CPA also performs the following tasks:

1. Identifies and assesses the risks of material misstatement in the Consolidated Financial Report due to fraud or error, designs and performs appropriate responses to those risks, and obtains sufficient and appropriate audit evidence to form the basis of the audit opinion. The risk of not detecting material misstatement due to fraud is higher than that due to error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or overrides of internal controls.

2. Obtains an understanding of internal controls relevant to the audit to design audit procedures appropriate to the circumstances, though not for the purpose of expressing an opinion on the effectiveness of the internal controls of Celxpert Energy Corporation and its subsidiaries.

3. Evaluates the appropriateness of accounting policies applied by management and the reasonableness of accounting estimates and related disclosures made by management.

4. Concludes, based on the audit evidence obtained, on the appropriateness of management's use of the going concern basis of accounting and whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of Celxpert Energy Corporation and its subsidiaries to continue as a going concern. If the CPA concludes that a material uncertainty exists, the CPA is required to draw attention in the audit report to the related disclosures in the Consolidated Financial Report or, if such disclosures are inadequate, to modify the audit opinion. The CPA's conclusions are based on the audit evidence obtained up to the date of the audit report. However, future events or conditions may cause Celxpert Energy Corporation and its subsidiaries to cease to continue as a going concern.

5. Evaluate the overall presentation, structure, and content of the Consolidated Financial Report (including related notes) and whether the Consolidated Financial Report fairly presents the underlying transactions and events.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of the entities within the group to express an opinion on the Consolidated Financial Report. The CPA is responsible for the direction, supervision, and performance of the group audit and for forming the group audit opinion.

The CPA communicates with those charged with governance regarding matters, including the planned scope and timing of the audit and significant audit findings (including any significant deficiencies in internal controls identified during the audit).

The CPA also provides those charged with governance with a statement that the personnel of the CPA's firm subject to independence requirements have complied with the relevant independence provisions of the Code of Professional Ethics for CPAs. The CPA further discusses with those charged with governance all relationships and other matters (including related safeguards) that may reasonably be thought to bear on the CPA's independence.

From the matters communicated with those charged with governance, the CPA determines the key audit matters for the audit of the Consolidated Financial Report of Celxpert Energy Corporation and its subsidiaries for 2024. These matters are described in the audit report unless laws or regulations preclude public disclosure of specific matters or, in extremely rare circumstances, the CPA decides not to communicate a specific matter in the audit 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 audit resulting in this independent auditors' report are Hsin, Yu-Ting and Wang, I-Wen.

KPMG
Taipei, Taiwan (Republic of China)
March 14, 2025

Notes to Readers

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

The independent auditors' report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' report and consolidated financial statements, the Chinese version shall prevail.

CELXPERT ENERGY CORPORATION AND SUBSIDIARIES

Consolidated Balance Sheets

For the Years Ended December 31, 2024 and 2023

(In Thousands of New Taiwan Dollars)

	Assets		December 31, 2024 Amount	%	December 31, 2023 Amount	%
	Current assets:					
1100	Cash and cash equivalents (note 6(a))	$	1,556,438	27.6	1,600,116	30.4
1120	Current financial assets at fair value through other comprehensive income (FVOCI) (note 6(b))		29,638	0.5	30,321	0.6
1170	Accounts receivable, net (notes 6(c) and 6(q))		1,572,560	27.9	1,594,760	30.3
1200	Other receivables		7,898	0.1	2,924	-
1310	Inventories (note 6(d))		929,324	16.5	845,019	16.1
1410	Prepayments and other current assets		50,453	0.9	27,620	0.6
1476	Other current financial assets (note 6(a))		775,928	13.8	455,946	8.7
			4,922,239	87.3	4,556,706	86.7
	Non-current assets:					
1510	Non-current financial assets at fair value through profit or loss (FVTPL) (note 6(j))		3,320	0.1	760	-
1600	Property, plant, and equipment (note 6(f))		486,267	8.6	566,747	10.8
1755	Right-of-use assets (note 6(g))		128,804	2.3	31,756	0.6
1780	Intangible assets		4,584	0.1	6,704	0.1
1840	Deferred income tax assets (note 6(m))		74,068	1.3	78,132	1.5
1900	Other non-current assets (note 8)		18,070	0.3	16,437	0.3
			715,113	12.7	700,536	13.3
	Total assets	**$**	**5,637,352**	**100.0**	**5,257,242**	**100.0**

	Total liabilities and equity		December 31, 2024 Amount	%	December 31, 2023 Amount	%
	Current liabilities:					
2100	Long-term borrowings (note 6(h))	$	658,244	11.7	563,082	10.7
2130	Current contract liabilities (note 6(q))		114,944	2.0	12,106	0.2
2170	Notes and accounts payable		1,257,710	22.3	995,965	18.9
2200	Other payables		207,413	3.7	259,094	4.9
2230	Current tax liabilities		40,893	0.7	55,056	1.1
2280	Current lease liabilities (note 6(k))		7,883	0.1	8,223	0.2
2300	Other current liabilities		76,221	1.4	56,107	1.1
2320	Long-term borrowings due within one year (notes 6(i))		100,000	1.8	-	-
			2,463,308	43.7	1,949,633	37.1
	Non-current liabilities:					
2530	Bonds payable (note 6(j))		203,134	3.6	330,871	6.3
2540	Long-term borrowings (note 6(i))		300,000	5.3	400,000	7.6
2560	Noncurrent tax liabilities		12,983	0.2	50,267	1.0
2570	Deferred income tax liabilities (note 6(m))		-	-	628	-
2580	Noncurrent lease liabilities (note 6(k))		12,371	0.2	17,033	0.3
2600	Other noncurrent liabilities (note 6(f))		2,660	0.1	5,564	0.1
2640	Noncurrent net defined benefit liabilities (note 6(l))		980	-	1,018	-
			532,128	9.4	805,381	15.3
	Total liabilities		2,995,436	53.1	2,755,014	52.4
	Equities:					
	Equity attributable to owners of parent(note 6(n)):					
3110	Ordinary share capital		935,536	16.6	883,059	16.8
3200	Capital surplus		963,436	17.1	860,717	16.4
3310	Legal reserves		378,829	6.7	378,829	7.2
3350	Unappropriated retained earnings		231,296	4.1	330,283	6.3
3400	Other equity interest		50,021	0.9	32,066	0.6
	Total equity attributable to owners of parent		2,559,118	45.4	2,484,954	47.3
	Non-controlling interests:					
36XX	Non-controlling interests		82,798	1.5	17,274	0.3
	Total equity		2,641,916	46.9	2,502,228	47.6
	Total liabilities and equity	**$**	**5,637,352**	**100.0**	**5,257,242**	**100.0**

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

Chairman: Shih-Ming Huang **General Manager: Shih-Ming Huang** **Accounting Supervisor: Chien-Yu Lin**

CELXPERT ENERGY CORPORATION AND SUBSIDIARIES

Consolidated Statements of Comprehensive Income

For the Years Ended December 31, 2024 and 2023

(In Thousands of New Taiwan Dollars)

		2024 Amount	2024 %	2023 Amount	2023 %
4000	Operating revenues (note 6(q))	$ 5,447,777	100.0	7,203,544	100.0
5110	Operating costs (notes 6(d), 6(k), and 12)	4,972,932	91.3	6,737,195	93.5
5900	**Gross profit from operations**	474,845	8.7	466,349	6.5
6000	Operating expenses (notes 6(l), 7 and 12):				
6100	Selling expenses	104,013	1.9	146,412	2.0
6200	Administrative expenses	303,562	5.6	315,758	4.4
6300	Research and development expenses	174,592	3.2	205,235	2.9
6450	Reversal of expected credit losses (note 6(c))	(5)	-	(2,856)	-
		582,162	10.7	664,549	9.3
6900	**Operating net loss**	(107,317)	(2.0)	(198,200)	(2.8)
	Non-operating income and expenses:				
7100	Interest income	33,556	0.6	20,991	0.3
7190	Other income	13,031	0.2	15,158	0.2
7050	Financial costs (notes 6(j) and 6(k))	(67,756)	(1.2)	(69,287)	(1.0)
7630	Net foreign exchange (losses) gains (note 6(t))	63,348	1.2	(2,960)	-
7635	Gains (losses) on financial assets at FVTPL (note 6(j))	2,560	-	(3,680)	-
7590	Other expenses (note 6(s))	(18,840)	(0.3)	(63,471)	(0.9)
		25,899	0.5	(103,249)	(1.4)
7900	**Pre-tax net loss**	(81,418)	(1.5)	(301,449)	(4.2)
7950	**Less: Income tax expenses (benefits)** (note 6(m))	7,550	0.1	(31,637)	(0.4)
8200	**Current net loss**	(88,968)	(1.6)	(269,812)	(3.8)
8300	**Other comprehensive income:**				
8310	**Items not reclassified to profit or loss**				
8311	Remeasurements of defined benefit plans (note 6(l))	(342)		(2,981)	
8349	Less: Income tax related to items not reclassified (note 6(m))	(69)	-	(596)	-
		(273)	-	(2,385)	-
8360	**Items that may be reclassified subsequently to profit or loss**				
8361	Exchange differences in the translation of foreign financial statements	20,636	0.3	(5,028)	(0.1)
8367	Unrealized losses from investments in debt instruments measured at FVOCI	(2,681)	-	(1,777)	-
8399	Less: Income tax related to components of other comprehensive income that may be reclassified to profit or loss	-	-	-	-
		17,955	0.3	(6,805)	(0.1)
8300	**Other comprehensive (loss) income for the current period**	17,682	0.3	(9,190)	(0.1)
8500	**Total comprehensive (loss) income for the current period**	**$ (71,286)**	**(1.3)**	**(279,002)**	**(3.9)**
	Current net (loss) profit attributable to:				
8610	Owners of parent	$ (98,413)	(1.8)	(270,647)	(3.8)
8620	Non-controlling interests	9,445	0.2	835	-
		$ (88,968)	**(1.6)**	**(269,812)**	**(3.8)**
	Total comprehensive (loss) income attributable to:				
8710	Owners of parent	$ (80,731)	(1.5)	(279,837)	(3.9)
8720	Non-controlling interests	9,445	0.2	835	-
		$ (71,286)	**(1.3)**	**(279,002)**	**(3.9)**
	Losses per share (note (p))				
9750	**Basic losses per share (in NT dollars)**	**$**	**(1.11)**		**(3.27)**
9850	**Diluted losses per share (in NT dollars)**	**$**	**(1.11)**		**(3.27)**

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

Chairman: Shih-Ming Huang General Manager: Shih-Ming Huang Accounting Supervisor: Chien-Yu Lin

CELXPERT ENERGY CORPORATION AND SUBSIDIARIES

Consolidated Statements of Changes in Equity

For the Years Ended December 31, 2024 and 2023

(In Thousands of New Taiwan Dollars)

	Equity attributable to owners of parent										
			Retained Earnings			Other equity items					
	Ordinary share capital	Capital surplus	Legal reserves	Unappropriated retained earnings	Total	Exchange differences in the translation of foreign financial statements	Unrealized gains (losses) from financial assets at FVOCI	Total	Total equity attributable to owners of parent	Non-controlling interests	Total equity
Balance on January 1, 2023	$ 803,059	640,924	356,678	745,943	1,102,621	38,871	-	38,871	2,585,475	16,421	2,601,896
Current net (loss) income	-	-	-	(270,647)	(270,647)	-	-	-	(270,647)	835	(269,812)
Other comprehensive (loss) income for the current period	-	-	-	(2,385)	(2,385)	(5,028)	(1,777)	(6,805)	(9,190)	-	(9,190)
Total comprehensive (loss) income for the current period	-	-	-	(273,032)	(273,032)	(5,028)	(1,777)	(6,805)	(279,837)	835	(279,002)
Appropriation and distribution of retained earnings:											
Legal reserves appropriated	-	-	22,151	(22,151)	-	-	-	-	-	-	-
Cash dividends of ordinary shares	-	-	-	(120,459)	(120,459)	-	-	-	(120,459)	-	(120,459)
Cash capital increase	80,000	131,200	-	-	-	-	-	-	211,200	-	211,200
Equity component of convertible bonds issued	-	84,201	-	-	-	-	-	-	84,201	-	84,201
Changes in ownership interests in a subsidiary	-	-	-	(18)	(18)	-	-	-	(18)	18	-
Share-based payments	-	4,392	-	-	-	-	-	-	4,392	-	4,392
Balance on December 31, 2023	883,059	860,717	378,829	330,283	709,112	33,843	(1,777)	32,066	2,484,954	17,274	2,502,228
Current net (loss) income	-	-	-	(98,413)	(98,413)	-	-	-	(98,413)	9,445	(88,968)
Other comprehensive (loss) income for the current period	-	-	-	(273)	(273)	20,636	(2,681)	17,955	17,682	-	17,682
Total comprehensive (loss) income for the current period	-	-	-	(98,686)	(98,686)	20,636	(2,681)	17,955	(80,731)	9,445	(71,286)
Changes in ownership interests in a subsidiary	-	900	-	(301)	(301)	-	-	-	599	(599)	-
Share-based payments	-	249	-	-	-	-	-	-	249	789	1,038
Convertible bond conversion	52,477	101,570	-	-	-	-	-	-	154,047	-	154,047
Increase/ decrease in non-controlling interests	-	-	-	-	-	-	-	-	-	55,889	55,889
Balance on December 31, 2024	**$ 935,536**	**963,436**	**378,829**	**231,296**	**610,125**	**54,479**	**(4,458)**	**50,021**	**2,559,118**	**82,798**	**2,641,916**

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

Chairman: Shih-Ming Huang **General Manager: Shih-Ming Huang** **Accounting Supervisor: Chien-Yu Lin**

CELXPERT ENERGY CORPORATION 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 (used in) operating activities:		
Current net loss before tax	$ (81,418)	(301,449)
Adjustments:		
Adjustments to reconcile (loss) profit :		
Depreciation	147,634	169,084
Amortization	3,962	4,887
Reversal of expected credit losses	(5)	(2,856)
(Gain) loss on financial assets at FVTPL	(2,560)	3,680
Interest expense	67,756	69,287
Interest income	(33,556)	(20,991)
Share-based payments	1,038	4,392
Others	(3,850)	(1,176)
Total adjustments to reconcile (loss) profit	180,419	226,307
Changes in operating assets and liabilities:		
Decrease in accounts receivable	22,205	1,299,187
Decrease (increase) in other receivables	(4,897)	2,772
Decrease (increase) in inventories	(84,305)	897,526
Decrease (increase) in prepayments and other current assets	(26,925)	831
Increase (decrease) in current contract liabilities	102,838	(19,194)
Increase (decrease) in notes and accounts payable	261,745	(627,671)
Decrease in other payables and other current liabilities	(30,666)	(83,737)
Increase in net defined benefit liabilities	(380)	(450)
Total changes in operating assets and liabilities	239,615	1,469,264
Cash inflow generated from operations	338,616	1,394,122
Interest received	33,183	19,859
Interest paid	(38,823)	(54,464)
Income taxes paid	(51,288)	(37,731)
Net cash flows from operating activities	281,688	1,321,786
Cash flows from (used in) investing activities:		
Acquisition of financial assets at FVOCI	-	(32,098)
Acquisition of property, plant, and equipment	(44,314)	(47,157)
Proceeds from disposal of property, plant and equipment	83	56
Decrease (increase) in refundable deposits	(3,657)	3,752
Acquisition of intangible assets	(1,185)	(6,014)
Acquisition of right-of-use assets	(100,462)	(907)
Increase in other current financial assets	(319,982)	(445,259)
Increase (decrease) in other non-current assets	2,000	(2,024)
Net cash flows used in financing activities	(467,517)	(529,651)
Cash flows from (used in) investing activities:		
Increase (decrease) in short-term loans	81,336	(202,318)
Proceeds from the issuance of convertible bonds	-	395,820
Proceeds from long-term borrowings	300,000	200,000
Repayments of long-term borrowings	(300,000)	(800,000)
Payment of lease liabilities	(9,177)	(9,103)
Cash dividend paid	-	(120,459)
Cash capital increase	-	211,200
Change in non-controlling interests	55,889	-
Net cash inflow (outflow) from financing activities	128,048	(324,860)
Effect of exchange rate changes on cash and cash equivalents	14,103	1,834
Net increase (decrease) in cash and cash equivalents	(43,678)	469,109
Cash and cash equivalents at the beginning of the period	1,600,116	1,131,007
Cash and cash equivalents at the end of the period	**$ 1,556,438**	**1,600,116**

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

Chairman: Shih-Ming Huang **General Manager: Shih-Ming Huang** **Accounting Supervisor: Chien-Yu Lin**

CELXPERT ENERGY CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements
For the Years Ended December 31, 2024 and 2023
(Expressed in thousands of New Taiwan Dollars, Unless Otherwise Specified)

(I) Company history

Celxpert Energy Corporation (the ”Group”) was incorporated on November 20, 1997, and registered under the Ministry of Economic Affairs, R.O.C. The major business activities of the Company are manufacturing, processing, and trading of battery packs and power supply-related products for the 3C industry. Please refer to note 4(c) for related information about the primary business activities of the Company and its subsidiaries (together referred to as the ”Group”).

(II) Approval date and procedures of the consolidated financial statements

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

(III) New standards, amendments, and interpretations adopted

1. The impact of the International Financial Reporting Standards (”IFRSs”) endorsed by the Financial Supervisory Commission, R.O.C., which have already been adopted
   The Company has initially adopted the following new amendments, which do not have a significant impact on its consolidated financial statements, from January 1, 2024:
   - Amendments to IAS 1 "Classification of Liabilities as Current or Non-current"
   - Amendments to IAS 1 "Non-current Liabilities with Covenants"
   - Amendments to IAS 7 and IFRS 7 "Supplier Finance Arrangements"
   - Amendments to IFRS 16 "Lease Liability in a Sale and Leaseback"
2. The impact of not yet adopting the IFRS accounting standards recognized by the FSC.
   The Company has assessed that the application of the following newly amended IFRS accounting standards, effective from January 1, 2025, will not have a material impact on the Consolidated Financial Report.
   - Amendments to IAS 21 "Lack of Exchangeability"
3. The impact of IFRS issued by IASB but not yet endorsed by the FSC
   Below is a list of standards and interpretations amended and announced by International Accounting Standards Board (IASB) that are yet to be approved by FSC but may be relevant to the Company:

New or revised standards	Key amendments	Effective date of IASB announcement
IFRS 18 "Presentation and Disclosure in Financial Statements"	The new standards introduced three types of income, expense, and loss as well as two income statement subtotals and one footnote on management-defined performance measure. These three amendments and enhancements provide guidelines on how financial statement information can be classified to provide users with better and more consistent information, which will affect all companies. • More structured income statement: The existing standards allow companies to present business outcomes using different formats, which makes it difficult for investors to compare financial performance across companies. The new standards introduce a more structured income statement along with a newly defined subtotal of "operating profit" and the need to classify all income, expenses, and losses into three different categories based on the company's main business activities. • Management-defined performance measure (MPM): The new standards define the concept of MPM and require companies to explain in a financial statement footnote how each MPM provides useful information, how it is calculated, and how it can be reconciled with the amounts recognized according to IFRS/IAS. • More detailed classification: The new standards provide guidelines on how companies can improve the grouping of information in financial statements. These guidelines also address whether information should be included in the main statements or presented in footnotes.	January 1, 2027
Annual Improvements to IFRS Accounting Standards	The key content amendments are as follows: 1. IFRS 1 "First-time Adoption of IFRS" The amendments address hedge accounting for first-time adopters, revising inconsistencies between the terminology in paragraph B6 of IFRS 1 and the hedge accounting provisions in IFRS 9 "Financial Instruments." 2. IFRS 7 "Financial Instruments: Disclosures" This amendment resolves potential confusion arising from inconsistencies in terminology between IFRS 7 and IFRS 13, "Fair Value Measurement."	January 1, 2026

New or revised standards	Key amendments	Effective date of IASB announcement
	3. IFRS 9 “Financial Instruments” • Derecognition of Lessee Lease Liabilities The amendment clarifies that when derecognizing lease liabilities, the provisions for derecognition of financial liabilities under IFRS 9 should apply. Specifically, the difference between the carrying amount of the lease liabilities and the consideration paid should be recognized in profit or loss. However, when modifying lease liabilities, the provisions for lease modifications under IFRS 16 “Leases” should be followed. • Transaction Price This amendment requires that, upon initial recognition of accounts receivable that do not contain a significant financing component, entities measure them in accordance with IFRS 15 “Revenue from Contracts with Customers.” This eliminates conflicts between IFRS 9 and IFRS 15 regarding the initial measurement of accounts receivable. 4. IFRS 10 “Consolidated Financial Statements” The amendment clarifies the determination of a substantive agent under IFRS 10. 5. IAS 7 “Statement of Cash Flows” The amendment removes the term “cost method” from section 37 of IAS 7 to prevent confusion in its application.	

The Company continues to evaluate how revisions of the above standards and interpretations affect its financial position and business performance. The outcomes of these assessments will be disclosed upon completion.

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

- Amendments to IFRS 10 and IAS 28 ”Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture”
- IFRS 17 ”Insurance Contracts” and amendments to IFRS 17 ”Insurance Contracts”
- IFRS 19 “Subsidiaries without Public Accountability: Disclosures”
- Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments”
- Amendments to IFRS 9 and IFRS 7: “Reliance on Nature Power Contracts”

(IV) Summary of material accounting policies

The material accounting policies adopted in this Consolidated Financial Report are summarized as follows. Unless otherwise stated, the following accounting policies have been consistently applied to all periods presented in this Consolidated Financial Report.

1. Statement of compliance

   This Consolidated Financial Report has been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers (hereinafter referred to as the “Preparation Regulations”) and the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), Interpretations, and Interpretation Announcements (hereinafter collectively referred to as “IFRS Accounting Standards Recognized by the Financial Supervisory Commission”) endorsed and effective as issued by the Financial Supervisory Commission.

2. Basis of preparation

   (1) Measurement basis

   Unless otherwise specified for significant items in the asset and liability table below, this Consolidated Financial Report is prepared on a historical cost basis:

   A. Financial assets at FVTPL, measured at fair value.

   B. Financial assets at FVOCI, measured at fair value;

   C. Net defined benefit liabilities (or assets), measured as the fair value of pension fund assets less the present value of defined benefit obligations, adjusted for the ceiling effect as described in note 4(p).

   (2) Functional and presentation currency

   Each entity within the Company uses the currency of the primary economic environment in which it operates as its functional currency. This Consolidated Financial Report is presented in the Company’s functional currency, New Taiwan Dollars (NTD). All financial information expressed in NTD is presented in thousands of NTD.

3. Basis of Consolidation

   (1) Principles of Consolidated Financial Report Preparation

   The Consolidated Financial Report includes the Company and entities controlled by the Company (i.e., subsidiaries). The Company controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the investee and can affect those returns through its power over the investee.

The financial statements of subsidiaries are included in the Consolidated Financial Report from the date control is obtained until the date control ceases. Transactions, balances, and any unrealized income and expenses between consolidated entities have been fully eliminated in the preparation of the Consolidated Financial Report. The total comprehensive income of subsidiaries is attributed to the owners of the Company and non-controlling interests, even if this results in a deficit balance for non-controlling interests.

The financial statements of subsidiaries have been appropriately adjusted to align their accounting policies with those used by the Company.

Changes in the Company's ownership interest in a subsidiary that do not result in a loss of control are treated as equity transactions with owners. The difference between the adjustment to non-controlling interests and the fair value of consideration paid or received is recognized directly in equity and attributed to the owners of the Company.

(2) Subsidiaries included in the consolidated financial report

			Percentage of ownership	
Name of investor	**Name of subsidiary**	**Principal activities**	**December 31, 2024**	**December 31, 2023**
The Company	Celxpert Holdings Limited (BVI) (CHL)	Foreign investment holding	100%	100%
〃	PT. Celxpert Energy Indonesia(Celxpert (Indonesia)	Manufacturing, processing, and sales of battery packs and power supply-related products	100%	100%
〃	Keelgoal Energy Co., Ltd. (Keelgoal Energy)	Research and development and trading of lithium battery packs, energy storage systems, and others	63.81% (Note 2)	85.15% (Note 2)
CHL	Advance Smart Industrial Limited (BVI) (ASIL)	Import and export trade	100%	100%
〃	Celxpert Energy (H.K.) Limited (CHK)	Foreign investment holding	100%	100%
〃	Celxpert Energy International Limited (SAMOA) (CEIL)	Foreign investment holding	100% (Note 1)	100% (Note 1)
〃	Creative Power Enterprises Inc. (CPEI)	Foreign investment holding	100%	100%
CHK	Celxpert (Kunshan) Energy Co., Ltd. (Celxpert (Kunshan))	Manufacturing and trading of battery parts and battery packs	100%	100%
CPEI	Celxpert (Nantong) Energy Corporation Ltd. (Celxpert (Nantong))	Manufacturing and trading of battery parts and battery packs	100%	100%

Note 1: The registration procedures have been completed, and no capital has been injected yet.
Note 2: In 2024, Keelgoal Energy Co., Ltd. conducted its first and second cash capital increases.

Due to the Company not subscribing in proportion to its original shareholding, its ownership percentage decreased from 85.15% to 63.81%. Accordingly, retained earnings were reduced by NTD301 thousand, and capital surplus was increased by NTD900 thousand.

4. Foreign currency

(1) Foreign currency transactions

Foreign currency transactions are translated into functional currency using the exchange rates prevailing on the transaction dates. At the end of each subsequent reporting period (hereinafter referred to as the “reporting date”), monetary items denominated in foreign currencies are translated into the functional currency using the exchange rate on that date. Non-monetary items denominated in foreign currencies measured at fair value are translated into the functional currency using the exchange rate on the date the fair value is determined. In contrast, those measured at historical cost are translated using the exchange rate on the transaction date.

(2) Foreign operation organizations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising from acquisitions, are translated into New Taiwan Dollars (NTD) using the exchange rate on the reporting date. Income and expense items are translated into NTD using the average exchange rate for the period, with any resulting exchange differences recognized in other comprehensive income.

When the disposal of a foreign operation results in a loss of control, joint control, or significant influence, the cumulative exchange differences related to that foreign operation are fully reclassified to profit or loss. In the case of a partial disposal of a subsidiary that includes a foreign operation, the related cumulative exchange differences are proportionately reattributed to non-controlling interests. In the case of a partial disposal of an investment in an associate or joint venture that includes a foreign operation, the related cumulative exchange differences are proportionately reclassified to profit or loss.

For monetary receivables or payables related to a foreign operation with no settlement plan and unlikely to be settled in the foreseeable future, the resulting foreign exchange gains or losses are considered part of the net investment in that foreign operation and recognized in other comprehensive income.

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

   The Company classifies assets meeting one of the following conditions as current assets, while all other assets not classified as current assets are classified as non-current assets:

   (1) It is expected that the asset will be realized, or is intended to be sold or consumed, within its normal operating cycle;

   (2) It is held primarily for the purpose of trading;

   (3) It is realized within twelve months after the reporting period; or

   (4) The asset is cash or a cash equivalent (as defined in IAS 7) unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

   A liability is classified as current under one of the following criteria, and all other liabilities are classified as non-current by the Company.

   (1) It is expected to be settled in its normal operating cycle;

   (2) It is held primarily for the purpose of trading

   (3) The liability is due for settlement within twelve months after the reporting period; or

   (4) At the end of the reporting period, there is no right to defer the settlement of the liability for at least twelve months after the reporting period.

6. Cash and cash equivalents

   Cash includes cash on hand and demand deposits. Cash equivalents refer to short-term, highly liquid investments that are readily convertible to a fixed amount of cash and subject to an insignificant risk of changes in value. Time deposits, repurchase agreements, and bonds that meet the aforementioned definition and are held to meet short-term cash commitments rather than for investment or other purposes are presented as cash equivalents.

7. Financial instruments

   Accounts receivable and debt securities issued are recognized as they are incurred. Accounts receivable and debt securities issued are initially recognized when they arise. Financial assets not classified as FVTPL (except for accounts receivable without a significant financing component) and financial liabilities are initially measured at fair value plus transaction costs directly attributable to their acquisition or issuance. Accounts receivable without a significant financing component are initially measured at the transaction price.

(1) Financial assets

Purchases or sales of financial assets that qualify as regular-way transactions are accounted for using trade date accounting consistently applied by the Company for all financial assets classified in the same manner.

At initial recognition, financial assets are classified as either financial assets measured at amortized cost or debt instrument investments at FVOCI.

The Company reclassifies all affected financial assets from the beginning of the next reporting period only when it changes its business model for managing financial assets.

A. Financial assets at amortized cost

Financial assets that meet the following conditions and are not designated as measured at FVTPL are measured at amortized cost:

- The financial asset is held within a business model whose objective is to collect contractual cash flows.
- The contractual terms of the financial asset give rise to cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding.

Such assets are subsequently measured at their initial recognition amount plus or minus accumulated amortization calculated using the effective interest method, adjusted for any allowance for losses, resulting in amortized cost. Interest revenue, foreign exchange net gain or loss, and impairment loss are recognized in profit or loss. Upon derecognition, the gain or loss is included in profit or loss.

B. Financial assets at FVOCI

Debt instrument investments that meet the following conditions and are not designated as FVTPL are measured at fair value through other comprehensive income:

- The financial asset is held within a business model whose objective includes both collecting contractual cash flows and selling the asset.
- The contractual terms of the financial asset give rise to cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding.

Such debt instrument investments are subsequently measured at fair value. Interest revenue calculated using the effective interest method, foreign exchange net gain or loss, and impairment loss are recognized in profit or loss, with the remaining net gain or loss recognized in other comprehensive income. Upon derecognition, the cumulative amount in other comprehensive income is reclassified to profit or loss.

C. Financial assets at FVTPL

Financial assets not classified as measured at amortized cost or FVOCI (e.g., those held for trading or managed and evaluated on a fair value basis) are measured at FVTPL, including derivative financial assets. At initial recognition, the Company may irrevocably designate a financial asset that otherwise qualifies for measurement at amortized cost or FVOCI as at FVTPL to eliminate or significantly reduce an accounting mismatch.

These assets are subsequently measured at fair value, with net gains or losses (including any dividends and interest income) recognized in profit or loss.

D. Impairment of financial assets

The Company recognizes an allowance for expected credit losses (ECL) on financial assets measured at amortized cost (including cash and cash equivalents, financial assets at amortized cost, notes receivable, accounts receivable, other receivables, refundable deposits, and other financial assets), debt instrument investments measured at FVOCI, and contract assets.

The following financial assets are measured based on 12-month ECL, while others are measured based on lifetime ECL:

- Debt securities determined to have low credit risk at the reporting date; and
- Other debt securities and bank balances whose credit risk (i.e., the risk of default over the expected life of the financial instrument) has not increased significantly since initial recognition.

The allowance for losses on accounts receivable and contract assets is measured based on lifetime ECL.

Lifetime ECL represents the expected credit losses resulting from all possible default events over the expected life of a financial instrument.

12-month ECL represents the portion of lifetime ECL expected to result from default events within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered for measuring ECL is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether credit risk has increased significantly since initial recognition, the Company considers reasonable and supportable information (available without undue cost or effort), including qualitative and quantitative data, as well as analyses based on historical experience, credit assessments, and forward-looking information.

If a financial instrument's credit rating is equivalent to the globally recognized definition of "investment grade" (e.g., Standard & Poor's BBB-, Moody's Baa3, or Taiwan Ratings twA, or higher), the Company considers the debt security to have low credit risk.

If contractual payments are overdue by more than 30 days, the Company assumes that the credit risk of the financial asset has increased significantly.

If contractual payments are overdue by more than 365 days, or if it is unlikely that the borrower will fulfill its credit obligations by paying the full amount to the Company, the financial asset is considered in default.

ECL is a probability-weighted estimate of credit losses over the expected life of a financial instrument. Credit losses are measured as the present value of all cash shortfalls, i.e., the difference between the cash flows due to the Company under the contract and the cash flows the Company expects to receive. ECL is discounted at the effective interest rate of the financial asset.

At each reporting date, the Company assesses whether financial assets measured at amortized cost are credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the asset have occurred. Evidence of credit impairment includes observable data regarding:

- Significant financial difficulty of the borrower or issuer;
- A breach of contract, such as a default or delinquency exceeding 365 days;
- Due to economic or contractual reasons related to the borrower's financial difficulties, the Company granted concessions to the borrower that it would not otherwise have considered;
- The borrower will probably enter bankruptcy or undergo other financial reorganization; or

- The allowance for losses on financial assets measured at amortized cost is deducted from the carrying amount of the asset.

The allowance for losses on financial assets measured at amortized cost is deducted from the carrying amount of the asset. The allowance for losses on debt instrument investments measured at FVOCI is adjusted through profit or loss and recognized in other comprehensive income (without reducing the carrying amount of the asset).

When the Company has no reasonable expectation of recovering all or part of a financial asset, the gross carrying amount of the financial asset is directly reduced. For corporate clients, the Company individually analyzes the timing and amount of write-offs based on whether recovery is reasonably expected. The Company expects that the amounts written off will not be materially reversed. However, written-off financial assets may still be subject to enforcement actions to comply with the Company’s procedures for recovering overdue amounts.

E. Derecognition of financial assets

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire when the financial asset is transferred. Substantially, all the risks and rewards of ownership are transferred to another entity, or when substantially all risks and rewards of ownership are neither transferred nor retained, and control of the financial asset is not retained.

If the Company enters into a transaction to transfer a financial asset but retains substantially all the risks and rewards of ownership of the transferred asset, the asset continues to be recognized in the balance sheet.

(2) Financial liabilities and equity instruments

A. Classification as liabilities or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or equity based on the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

B. Equity transactions

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recognized at the proceeds received, net of direct issuance costs.

C. Treasury shares

When the Company repurchases its recognized equity instruments, the consideration paid (including directly attributable costs) is recognized as a reduction in equity. Repurchased shares are classified as treasury shares. Upon subsequent sale or re-issuance of treasury shares, the amount received is recognized as an increase in equity, and any surplus or deficit resulting from the transaction is recognized in capital surplus or retained earnings (if the capital surplus is insufficient to offset the deficit).

D. Compound financial instruments

Compound financial instruments issued by the Company, such as convertible corporate bonds (denominated in NTD) that grant holders the option to convert into equity, where the number of shares issued does not vary with changes in fair value, are accounted for as follows:

The liability component of a compound financial instrument is initially recognized at the fair value of a similar liability, excluding the equity conversion option. The equity component is initially recognized as the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.

After initial recognition, the liability component of the compound financial instrument is measured at amortized cost using the effective interest method. The equity component of the compound financial instrument is not remeasured after initial recognition.

Interest related to financial liability is recognized as profit or loss. Upon conversion, the financial liability is reclassified to equity, with no gain or loss recognized on the conversion.

E. Financial liabilities

Financial liabilities measured at FVTPL. Financial liabilities classified as held for trading, derivatives, or designated as such upon initial recognition are measured at FVTPL. Financial liabilities at FVTPL are measured at fair value, with related net gains and losses, including any interest expense, recognized in profit or loss.

Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains or losses are recognized in profit or loss. Any gain or loss upon derecognition is also recognized in profit or loss.

F. Derecognition of Financial Liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged, canceled, or expire. When the terms of a financial liability are modified, and the cash flows of the modified liability are substantially different, the original financial liability is derecognized, and a new financial liability is recognized at fair value based on the modified terms.

Upon derecognition of a financial liability, the difference between its carrying amount and the total consideration paid or payable (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss.

G. Offsetting of Financial Assets and Liabilities

Financial assets and financial liabilities are offset and presented net in the balance sheet only when the Company currently has a legally enforceable right to offset and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

8. Inventories

   Inventories are measured at the lower of cost or net realizable value. Cost includes acquisition, production, or processing costs, as well as other costs incurred to bring the inventories to a usable location and condition, calculated using the weighted average method. The cost of finished goods and work-in-progress inventories includes overhead allocated on a reasonable basis under normal production capacity.

   Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

9. Property, plant and equipment

   (1) Recognition and measurement

   Items of property, plant, and equipment are measured at cost (including capitalized borrowing costs) less accumulated depreciation and any accumulated impairment losses.

   When significant components of property, plant, and equipment have different useful lives, they are treated as separate items (major components) of property, plant, and equipment.

   Gains or losses on the disposal of property, plant, and equipment are recognized in profit or loss.

   (2) Subsequent costs

   Subsequent expenditure is capitalized only when it is probable that the future economic benefits associated with the expenditure will flow to the Company.

   (3) Depreciation

   Depreciation is calculated as the cost of an asset less its residual value and is recognized in profit or loss using the straight-line method over the estimated useful lives of each component.

   Land is not subject to depreciation.

   The estimated useful lives for the current and comparative periods are as follows:

   A. Buildings and structures: 1～31 years
   B. Machinery and equipment: 1～10 years
   C. Office, transportation equipment, and other: 1～10 years
   D. Significant components of plant and equipment, such as main factory buildings, electromechanical power equipment, and elevator systems, are depreciated separately based on their respective useful lives.

   The Company reviews the depreciation method, useful lives, and residual values at each annual reporting date and makes appropriate adjustments when necessary.

10. Leases

The Company assesses whether a contract is, or contains, a lease at the inception of a contract. A contract is, or contains, a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

(1) As a Lessee

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which includes the initial measurement of the lease liability, adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle, remove, or restore the underlying asset or its site, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. Additionally, the Company periodically assesses whether the right-of-use asset is impaired and addresses any impairment losses incurred, adjusting the right-of-use asset accordingly when the lease liability is remeasured.

The lease liability is initially measured at the present value of lease payments that have not yet been paid at the commencement date. The discount rate used is the interest rate implicit in the lease if readily determinable; otherwise, the Company's incremental borrowing rate is used. Generally, the Company applies its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise:

A. Fixed payments, including in-substance fixed payments;

B. Variable lease payments dependent on an index or rate, initially measured using the index or rate as of the commencement date;

C. Amounts expected to be paid under residual value guarantees; and

D. The exercise price of a purchase option or penalties for terminating the lease if it is reasonably certain that such options will be exercised.

Lease liabilities are subsequently accrued with interest using the effective interest method and are remeasured when the following circumstances occur:

A. The lease liability is subsequently increased by interest calculated using the effective interest method and remeasured when:
B. There is a change in future lease payments resulting from a change in an index or rate used to determine those payments;
C. There is a change in the amounts expected to be paid under residual value guarantees;
D. There is a change in the assessment of a purchase option for the underlying asset;
E. Changes in the subject matter, scope or other terms of the lease.

When the lease liability is remeasured due to changes in an index or rate, residual value guarantees, or the assessment of purchase, extension, or termination options, the carrying amount of the right-of-use asset is adjusted accordingly. If the carrying amount of the right-of-use asset is reduced to zero, any remaining remeasurement amount is recognized in profit or loss.

For lease modifications that reduce the scope of the lease, the carrying amount of the right-of-use asset is decreased to reflect the partial or full termination of the lease, and the difference between this and the remeasured lease liability is recognized in profit or loss.

For short-term leases of video equipment, the Company elects not to recognize right-of-use assets and lease liabilities, instead recognizing the related lease payments as an expense on a straight-line basis over the lease term.

11. Intangible assets

(1) Recognition and measurement

Goodwill arising from the acquisition of subsidiaries is measured at cost less accumulated impairment losses.

Expenditure related to research activities is recognized in profit or loss as incurred.

Development expenditure is capitalized only if it can be reliably measured, the technical or commercial feasibility of the product or process has been established, future economic benefits are probable to flow to the Company, and the Company intends and has sufficient resources to complete the development and use or sell the asset. Other development expenditure is recognized in profit or loss as incurred.

After initial recognition, capitalized development expenditure is measured at cost less accumulated amortization and accumulated impairment losses.

Other intangible assets with finite useful lives acquired by the Company are measured at cost less accumulated amortization and accumulated impairment losses.

(2) Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits of the specific asset to which it relates. All other expenditure, including internally developed goodwill and brands, is recognized in profit or loss as incurred.

(3) Amortization

Except for goodwill, amortization is calculated as the cost of an asset less its estimated residual value. It is recognized in profit or loss on a straight-line basis over the estimated useful life of the intangible asset from the date it is available for use. The amortization period for computer software costs is 1–5 years.

The Company reviews the amortization method, useful lives, and residual values of intangible assets at each annual reporting date and makes appropriate adjustments when necessary.

12. Impairment of non-financial assets

The Company assesses at each reporting date whether there is any indication that the carrying amount of non-financial assets (other than inventories, deferred tax assets, and assets arising from employee benefits) may be impaired. If any such indication exists, the recoverable amount of the asset is estimated. Goodwill is tested for impairment annually on a regular basis.

For impairment testing purposes, a group of assets whose cash inflows are largely independent of those of other individual assets or groups of assets is considered the smallest identifiable asset group. Goodwill acquired in a business combination is allocated to each cash-generating unit or group of cash-generating units expected to benefit from the synergies of the combination.

The recoverable amount is the higher of an individual asset's or cash-generating unit's fair value minus the costs of disposal and its value in use. If the recoverable amount of an individual asset or cash-generating unit is less than its carrying amount, an impairment loss is recognized. Impairment losses are immediately recognized in profit or loss, reducing the carrying amounts of the other assets within the unit on a pro-rata basis.

Goodwill impairment losses are not reversed. Non-financial assets other than goodwill are reversed only to the extent that the carrying amount does not exceed the carrying amount that would have been determined (net of depreciation or amortization) had no impairment loss been recognized in prior years.

13. Provisions for liabilities

A provision is recognized when a present obligation arises from a past event. It is probable that an outflow of economic resources will be required to settle the obligation, and the amount of the obligation can be reliably estimated.

(1) Warranties

Provisions for warranties are recognized at the time of sale of goods or services. These provisions are measured based on historical warranty data and a weighted assessment of all possible outcomes according to their associated probabilities.

14. Revenue recognition

(1) Revenue from contracts with customers

Revenue is measured based on the consideration to which the consolidated company expects to be entitled in exchange for transferring goods. The Company recognizes revenue when it satisfies a performance obligation by transferring control of goods to a customer. The following describes the Company’s primary revenue streams:

A. Sale of goods

The Company manufactures battery packs and power supply-related products for the 3C industry and sells them to customers. Revenue is recognized when control of the products is transferred. Transfer of control occurs when the products are delivered to the customer, the customer has full discretion over the sales channels and pricing, and there are no remaining obligations that could affect the customer’s acceptance of the products. Delivery occurs when the products are shipped to a specified location, the risks of obsolescence and loss have transferred to the customer, and the customer has accepted the products under the sales contract, or when the Company has objective evidence that all acceptance criteria have been met.

The Company offers commercial discounts to customers. Revenue is recognized based on the contract price net of estimated commercial discounts, with the number of commercial discounts estimated using accumulated experience and the expected value method. Revenue is recognized only to the extent that it is highly probable a significant reversal will not occur. As of the reporting date, amounts expected to be paid to customers due to commercial discounts related to sales are recognized as refund liabilities.

The Company recognizes accounts receivable upon delivery of goods, as it has an unconditional right to consideration at that point.

B. Engineering contracts

The Company undertakes construction contracts for above-ground energy storage systems. Since the customer controls the asset as it is constructed, revenue is recognized progressively over time based on the proportion of engineering costs incurred to date relative to the estimated total contract costs. Contracts include both fixed and variable consideration. Customers pay fixed amounts according to an agreed schedule. Certain variable considerations are estimated using accumulated past experience and the expected value method; other variable considerations are estimated using the most likely amount. The Company recognizes revenue only to the extent that it is highly probable a significant reversal of cumulative revenue will not occur. When the recognized revenue amount has not yet been billed, a contract asset is recognized, which is reclassified to accounts receivable when the right to consideration becomes unconditional.

If the degree of completion of a performance obligation under an engineering contract cannot be reasonably measured, contract revenue is recognized only to the extent of costs expected to be recoverable.

When the Company expects that the unavoidable costs of fulfilling an obligation under an engineering contract will exceed the economic benefits expected from the contract, a provision for the loss-making contract is recognized.

If circumstances change, estimates of revenue, costs, and completion are revised, with resulting increases or decreases reflected in profit or loss in the period when management becomes aware of the change.

C. Financing components

The Company expects that the interval between the transfer of goods or services to customers and the payment by customers for all customer contracts will not exceed one year. Therefore, the Company does not adjust the transaction price to match the time value of the money.

15. Cost from contracts with customers

Costs incurred to fulfill a customer contract are recognized as an asset only if they are not within the scope of other standards (e.g., IAS 2 "Inventories," IAS 16 "Property, Plant and Equipment," or IAS 38 "Intangible Assets"), are directly related to a contract or an anticipated contract that can be specifically identified, generate or enhance resources that will be used to satisfy (or continue satisfying) performance obligations in the future, and are expected to be recoverable.

General and administrative costs, costs of wasted raw materials, labor, or other resources used to fulfill a contract that is not reflected in the contract price, costs related to satisfied (or partially satisfied) performance obligations, and costs that cannot be distinguished as relating to unsatisfied or satisfied (or partially satisfied) performance obligations are recognized as expenses when incurred.

16. Government grants

For government grants related to assets, the Company recognizes them at fair value as unearned revenue when there is reasonable assurance that the conditions attached to the grant will be complied with and the grant will be received. The deferred income is systematically recognized as non-operating income over the useful life of the asset. Government grants intended to compensate the Company for expenses or losses incurred are recognized in profit or loss on a systematic basis in the periods in which the related expenses are recognized.

17. Employee benefits

(1) Defined contribution plans

Obligations for contributions to defined contribution plans are recognized as an expense during the period in which employees render services.

(2) Defined benefit plans

The Company's net obligation under defined benefit plans is calculated separately for each plan by discounting the future benefit amounts earned by employees from current or prior service periods to their present value, less the fair value of any plan assets.

The defined benefit obligation is actuarially determined annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential benefit to the Company, the recognized asset is limited to the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan. The present value of economic benefits is calculated considering any minimum funding requirements.

Remeasurements of the net defined benefit liability, including actuarial gains and losses, the return on plan assets (excluding interest), and any changes in the effect of the asset ceiling (excluding interest), are recognized immediately in other comprehensive income and accumulated in retained earnings. The Company determines the net interest expense (income) on the net defined benefit liability (asset) using the net defined benefit liability (asset) and discount rate determined at the start of the annual reporting period. Net interest expense and other expenses related to defined benefit plans are recognized in profit or loss.

When a plan is amended or curtailed, changes in benefits related to past service costs or gains or losses on curtailment are recognized immediately in profit or loss. The Company recognizes gains or losses on the settlement of a defined benefit plan when the settlement occurs.

(3) Short-term employee benefits

Short-term employee benefit obligations are recognized as an expense when services are provided. If the Company has a present legal or constructive obligation to pay an amount due to past services provided by employees, and the obligation can be reliably estimated, the amount is recognized as a liability.

18. Share-based payment transaction

For equity-settled share-based payment arrangements, the fair value at the grant date is recognized as an expense over the vesting period of the award, with a corresponding increase in equity. The recognized expense is adjusted based on the expected number of awards that will meet service and non-market vesting conditions, with the final amount recognized based on the number of awards that vest on the vesting date meeting service and non-market vesting conditions.

Non-vesting conditions related to share-based payment awards are reflected in the measurement of the fair value at the grant date, and no true-up adjustment is required for differences between expected and actual outcomes.

The grant date for the Company’s share-based payment is the date on which the Company confirms the number of shares subscribed by employees.

19. Income taxes

Income tax comprises current and deferred taxes. Except for items related to business combinations or items recognized directly in equity or other comprehensive income, current and deferred taxes are recognized in profit or loss.

The Company determines that interest or penalties related to income taxes (including uncertain tax treatments) do not meet the definition of income taxes and are, therefore, accounted for under IAS 37.

The Company has determined that the top-up tax payable under the global minimum tax-Pillar Two rules falls within the scope of IAS No. 12, "Income Taxes," and has applied the temporary mandatory exemption from deferred tax accounting related to the top-up tax, recognizing the actual top-up tax incurred as current income tax.

Current income tax includes the estimated tax payable or receivable based on taxable income (loss) for the year, as well as any adjustments to tax payable or receivable from prior years. The amount reflects any uncertainties related to income tax. It is measured using the statutory tax rate or substantially enacted tax rate at the reporting date, representing the best estimate of the amount expected to be paid or received.

Deferred income tax is recognized based on temporary differences between the carrying amounts of assets and liabilities at the reporting date and their tax bases. Deferred income tax is not recognized for temporary differences arising from:

(1) Initial recognition of assets or liabilities in a transaction that is not a business combination and, at the time of the transaction, (i) affects neither accounting profit nor taxable income (loss) and (ii) does not give rise to equal taxable and deductible temporary differences;

(2) Temporary differences related to investments in subsidiaries, associates, and joint ventures where the Company can control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and

(3) Taxable temporary differences arising from the initial recognition of goodwill.

Deferred tax assets are recognized for unused tax losses, unused tax credits carried forward, and deductible temporary differences to the extent that future taxable income will probably be available against which they can be utilized. Deferred tax assets are reassessed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realized or increased to the extent that it becomes probable that sufficient taxable income will be available to recover the previously reduced amount.

Deferred income tax is measured at the tax rates expected to apply when the temporary differences reverse, based on statutory or substantially enacted tax rates at the reporting date, reflecting any uncertainties related to income tax.

The Company offsets deferred tax assets and deferred tax liabilities only if both of the following conditions are met:

(1) It has a legally enforceable right to offset current tax assets against current tax liabilities; and

(2) The deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either:

   A. The same taxable entity; or

   B. Different taxable entities that intend, in each future period in which significant amounts of deferred tax assets are expected to be recovered or deferred tax liabilities settled, to settle tax liabilities and assets on a net basis or realize the assets and settle the liabilities simultaneously.

The additional income tax on undistributed earnings is recognized as a current income tax expense in the period following the shareholders' meeting when the earnings distribution proposal is approved.

20. Business consolidations

The Company applies the acquisition method to each business combination. Goodwill is measured as the fair value of the consideration transferred on the acquisition date, including any amounts attributable to non-controlling interests in the acquiree, less the net amount (typically fair value) of the identifiable assets acquired and liabilities assumed. If the result is negative after this deduction, the Company reassesses whether all acquired assets and assumed liabilities have been correctly identified before recognizing a gain on a bargain purchase transaction in profit or loss.

Transaction costs related to business combinations, except those associated with the issuance of debt or equity instruments, are recognized immediately as an expense of the Company when incurred.

21. Earnings per share

The Company presents basic and diluted earnings per share attributable to equity holders of the Company's common shares. Basic earnings per share is calculated by dividing the profit or loss attributable to equity holders of the Company's common shares by the weighted average number of common shares outstanding during the period. Diluted earnings per share is calculated by adjusting the profit or loss attributable to equity holders of the Company's common shares and the weighted average number of common shares outstanding for the effects of all potentially dilutive common shares. Potentially dilutive common shares of the Company include employee compensation yet to be resolved for issuance in stock.

22. Segment information

Operating segments are components of the Company that engage in business activities from which they may earn revenues and incur expenses (including revenues and expenses related to transactions with other components of the Company). The operating results of all operating segments are regularly reviewed by the Company's chief operating decision-maker to make decisions about resource allocation to the segment and assess its performance. Each operating segment has discrete financial information.

(V) Significant accounting assumptions, judgments, and major sources of estimation uncertainty

In preparing this Consolidated Financial Report, management must make judgments and estimates about the future (including climate-related risks and opportunities) that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

Management continually reviews estimates and underlying assumptions, consistent with the Company's risk management and climate-related commitments, with changes in estimates recognized in the period of change and affected future periods.

The accounting policies of the Company do not involve significant judgments that materially affect the amounts recognized in this Consolidated Financial Report.

The following assumptions and estimation uncertainties pose a significant risk of resulting in material adjustments to the carrying amounts of assets and liabilities within the next financial year, with related information as follows:

Valuation of inventories

Since inventories must be measured at the lower of cost or net realizable value, the valuation of inventories is primarily based on the estimated demand for products within a specific future period. This may result in valuation differences due to industry-specific characteristics. Details of inventory valuation estimates are provided in note 6(d).

(VI) Explanation of significant accounts

1. Cash and cash equivalents

		December 31, 2024	December 31, 2023
Petty cash and cash on hand	$	701	905
Checking accounts and demand deposits		1,455,737	1,230,751
Time deposits		100,000	368,460
	$	**1,556,438**	**1,600,116**

For the years ended December 31, 2024 and 2023, the amounts of bank time deposits with maturities exceeding three months, reported under other financial assets—current, were NTD775,532 thousand and NTD455,769 thousand, respectively.

For disclosures regarding the interest rate risk and sensitivity analysis of the Company’s financial assets and liabilities, please refer to note 6(t).

2. Financial assets at FVOCI

		December 31, 2024	December 31, 2023
Debt investments at FVOCI:			
Corporate bonds	**$**	**29,638**	**30,321**

(1) Debt investments at FVOCI

The Company has assessed that the following securities were held within a business model whose objective was achieved by both collecting contractual cash flows and trading securities. Therefore, they have been classified as financial assets at FVOCI.

A. The Company acquired 30-year USD corporate bonds of Taiwan Semiconductor Manufacturing Co., Ltd (TSMC), with a consideration of NTD32,098 thousand in January 2023. The bonds have a coupon rate of 4.5%, with interest that is payable semiannually, and will mature in April 2052.

(2) For information on credit risk and market risk, please refer to note 6(t).

(3) For the years ended December 31, 2024 and 2023, the Company’s financial assets at FVOCI were not pledged as collateral.

3. Accounts receivable

		December 31, 2024	December 31, 2023
Accounts receivable - measured at amortized cost	$	1,572,682	1,594,887
Less: Loss allowance		(122)	(127)
	$	**1,572,560**	**1,594,760**

The Company applies the simplified approach to provide for its expected credit losses, i.e., the use of lifetime expected loss provision for its receivables. In order to measure the expected credit losses, accounts receivable have been grouped based on shared credit risk characteristics and the days past due, and forward-looking information has been incorporated, including the experience of historical credit loss and reasonable forecast of future economic conditions. The loss allowances were determined as follows:

	December 31, 2024			
Credit rating		**Gross carrying amount**	**Weighted-average loss rate**	**Loss allowance**
A	$	655,444	0.001%	7
B		851,842	0.005%	43
C		63,487	0.100%	63
D		1,909	0.470%	9
	$	**1,572,682**		**122**

	December 31, 2023			
Credit rating		**Gross carrying amount**	**Weighted-average loss rate**	**Loss allowance**
A	$	379,259	0.001%	4
B		1,146,685	0.005%	57
C		4,376	0.100%	4
D		64,567	0.095%	62
	$	**1,594,887**		**127**

The aging analysis of accounts receivable was as follows:

		December 31, 2024	December 31, 2023
Current	$	1,572,036	1,594,771
1 to 30 days overdue		615	88
31 to 60 days overdue		31	28
	$	**1,572,682**	**1,594,887**

The movements in the allowance for impairment loss were as follows:

		2024	2023
Beginning balance	$	127	2,983
Reversal of Impairment Loss		(5)	(2,856)
Ending balance	**$**	**122**	**127**

For the years ended December 31, 2024 and 2023, the Company's notes receivable and accounts receivable were not pledged as collateral.

4. Inventories

		December 31, 2024	December 31, 2023
Raw materials	$	408,228	358,950
Work in progress		29,635	23,875
Finished goods		491,461	462,194
	$	**929,324**	**845,019**

(1) For the fiscal years 2024 and 2023, the inventory costs recognized as cost of sales and expenses were NTD4,957,794 thousand and NTD6,678,444 thousand, respectively.

(2) The details of inventory-related operating costs and expenses were as follows:

		2024	2023
Inventory write-down (reversal gain) loss	$	(12,781)	22,265
Unallocated production overheads		27,733	27,682
Inventory obsolescence		186	8,804
		15,138	**58,751**

The Company wrote down inventory to the net realizable value and recognized write-down losses on the inventory. Furthermore, due to the sale of slow-moving inventory, the net asset value of inventory recovered, resulting in the recognition of gains on the reversal of inventory write-down.

(3) For the years ended December 31, 2024 and 2023, the Company's inventories were not pledged as collateral.

5. Changes in ownership interests in a subsidiary

In April 2024, Keelgoal Energy conducted a cash capital increase. Due to the Company not subscribing in proportion to its original shareholding, its ownership percentage decreased from 85.15% to 65.65% and retained earnings were reduced by NTD301 thousand.

In October 2024, Keelgoal Energy conducted another cash capital increase. The Company increased its investment by NTD25,111 thousand; however, due to not subscribing in proportion to its original shareholding, its ownership percentage decreased from 65.65% to 63.81%, and capital surplus was increased by NTD900 thousand.

6. Property, plant and equipment

Details of change in property, plant, and equipment of the Company for the years ended December 31, 2024 and 2023:

	Land	Buildings and construction	Machinery and equipment	Office, transportation equipment, and others	Construction in progress and equipment pending inspection	Total
Cost:						
Balance on January 1, 2024	$ 46,636	633,538	712,897	137,835	95,157	1,626,063
Addition	-	4,286	12,944	9,905	13,655	40,790
Disposal	-	-	(13,516)	(2,014)	-	(15,530)
Reclassifications	-	3,361	13,307	658	(18,930)	(1,604)
Effect of movements in exchange rates	-	22,153	23,015	5,669	4,478	55,315
Balance on December 31, 2024	**$ 46,636**	**663,338**	**748,647**	**152,053**	**94,360**	**1,705,034**
Balance on January 1, 2023	$ 46,636	643,102	708,190	132,299	107,253	1,637,480
Addition	-	2,567	16,780	9,736	13,782	42,865
Disposal	-	(6,016)	(23,632)	(5,148)	-	(34,796)
Reclassifications	-	1,102	19,617	2,782	(24,375)	(874)
Effect of movements in exchange rates	-	(7,217)	(8,058)	(1,834)	(1,503)	(18,612)
Balance on December 31, 2023	**$ 46,636**	**633,538**	**712,897**	**137,835**	**95,157**	**1,626,063**

	Land	Buildings and construction	Machinery and equipment	Office, transportation equipment, and others	Construction in progress and equipment pending inspection	Total
Depreciation:						
Balance on January 1, 2024	$ -	418,567	537,210	103,539	-	1,059,316
Depreciation for the period	-	41,429	77,997	17,791	-	137,217
Disposal	-	-	(13,439)	(2,013)	-	(15,452)
Effect of exchange rate changes	-	16,171	16,874	4,641	-	37,686
Balance on December 31, 2024	**$ -**	**476,167**	**618,642**	**123,958**	**-**	**1,218,767**
Balance on January 1, 2023	$ -	386,276	468,660	91,320	-	946,256
Depreciation for the period	-	43,286	96,949	18,375	-	158,610
Disposal	-	(6,016)	(22,885)	(4,751)	-	(33,652)
Effect of exchange rate changes	-	(4,979)	(5,514)	(1,405)	-	(11,898)
Balance on December 31, 2023	**$ -**	**418,567**	**537,210**	**103,539**	**-**	**1,059,316**
Carrying amount:						
December 31, 2024	**$ 46,636**	**187,171**	**130,005**	**28,095**	**94,360**	**486,267**
January 1, 2023	**$ 46,636**	**256,826**	**239,530**	**40,979**	**107,253**	**691,224**
December 31, 2023	**$ 46,636**	**214,971**	**175,687**	**34,296**	**95,157**	**566,747**

(1) The Company received a government grant of CNY2,100 thousand for a factory renovation project in 2021, which was presented as deferred income (under other non-current liabilities)and recognized as non-operating income on a systematic basis based on the useful life of the asset.

(2) For the years ended December 31, 2024 and 2023, the Company's property, plant, and equipment were not pledged as collateral.

7. Right-of-use assets

The Company leases many assets, including leasehold land, buildings, and other equipment. Information about leases for which the Company is a lessee is presented below:

	Right-of-use of land	Buildings and construction	Other equipment	Total
Cost:				
Balance on January 1, 2024	$ 8,323	35,788	5,372	49,483
Addition	99,604	10,185	271	110,060
Reduction	-	(10,352)	(404)	(10,756)
Effect of movements in exchange rates	2,815	(864)	-	1,951
Balance on December 31, 2024	**$ 110,742**	**34,757**	**5,239**	**150,738**
Balance on January 1, 2023	$ 8,464	27,205	7,051	42,720
Addition	-	10,482	2,628	13,110
Reduction	-	(1,070)	(4,307)	(5,377)
Effect of movements in exchange rates	(141)	(829)	-	(970)
Balance on December 31, 2023	**$ 8,323**	**35,788**	**5,372**	**49,483**
Depreciation:				
Balance on January 1, 2024	$ 1,559	13,973	2,195	17,727
Depreciation for the period	321	8,381	1,715	10,417
Reduction	-	(5,031)	(404)	(5,435)
Effect of movements in exchange rates	89	(864)	-	(775)
Balance on December 31, 2024	**$ 1,969**	**16,459**	**3,506**	**21,934**
Balance on January 1, 2023	$ 1,268	7,635	4,580	13,483
Depreciation for the period	316	8,236	1,922	10,474
Reduction	-	(1,070)	(4,307)	(5,377)
Effect of movements in exchange rates	(25)	(828)	-	(853)
Balance on December 31, 2023	**$ 1,559**	**13,973**	**2,195**	**17,727**
Carrying amount:				
December 31, 2024	**$ 108,773**	**18,298**	**1,733**	**128,804**
January 1, 2023	**$ 7,196**	**19,570**	**2,471**	**29,237**
December 31, 2023	**$ 6,764**	**21,815**	**3,177**	**31,756**

Celxpert (Kunshan) signed a contract with the Kunshan Land Administration Bureau of Jiangsu Province, People's Republic of China, on November 16, 2000, to obtain land use rights, with the land use period from February 15, 2001, to February 15, 2051, totaling fifty years, and the total land use rights transfer fee amounting to NTD14,940 thousand (CNY3,597 thousand).

Celxpert (Nantong) signed a contract with the Hai'an City Natural Resources and Planning Bureau, People's Republic of China, on October 28, 2024, to obtain land use rights, with the land use period from November 17, 2024, to November 17, 2074, totaling 50 years. The total land use rights transfer fee is NTD99,604 thousand (CNY22,361 thousand).

8. Short-term borrowings

The details of short-term borrowings were as follows:

	December 31, 2024	December 31, 2023
Credit loans	$ 658,244	563,082
Unused credit lines	$ 3,671,921	3,755,563
Range of interest rates	1.95%~6.56%	1.95%~6.91%

For the years ended December 31, 2024 and 2023, the Company did not provide any assets as collateral for bank loans or credit limit guarantees.

9. Long-term borrowings

The details of long-term borrowings were as follows:

	December 31, 2024	December 31, 2023
Unsecured bank loans	$ 400,000	400,000
Less: Current portion	(100,000)	-
Total	$ 300,000	400,000
Unused credit lines	$ 1,500,000	1,600,000
Range of interest rates	2.08%~2.48%	1.95%~2.28%
Maturity period	2025.12~2026.9	2025.3~2025.12

(1) Additions or deductions of borrowings

The Company's new borrowings in 2024 and 2023 amounted to NTD300,000 thousand and NTD200,000 thousand, respectively, while the repayments (including early repayments) of borrowings in 2024 and 2023 amounted to NTD300,000 thousand and NTD800,000 thousand, respectively.

(2) The Company did not provide any assets as collaterals for bank borrowings and credit limits.

(3) For information regarding the Company’s exposure to interest rate and liquidity risks, please refer to note 6(t).

10. Bonds payable

(1) The Company issued the third domestic unsecured convertible bonds at 100% of the par value, with a total amount of NTD400,000 thousand on June 2, 2023.

A. The main issuance terms are as follows:

a. Face interest rate: 0%

b. Term: Three years (June 2, 2023, to June 2, 2026)

c. Conversion method:

i. Bondholders may, from the day following three months after the issuance date of this convertible corporate bond (September 3, 2023) until the maturity date (June 2, 2026), except during (1) the period when common shares are legally suspended from transfer; (2) the period from fifteen business days prior to the suspension of transfer for gratis share distribution, cash dividend distribution, or cash capital increase subscription until the rights distribution record date; (3) the period from the capital reduction record date until the day before trading of the new shares issued upon capital reduction begins; (4) the period from the start of the suspension of conversion due to a change in par value of shares until the day before trading of the new shares begins, request the Company at any time to convert this convertible corporate bond into the Company’s common shares in accordance with these terms.

ii. Conversion price: The conversion price at the time of issuance of this convertible corporate bond was set at NTD35 per share. From September 12, 2023, following adjustments for the 2022 profit distribution and the 2023 cash capital increase, the conversion price was adjusted to NTD33.1 per share.

d. Redemption method: The Company may redeem the bonds under the following circumstances:

i. From the day following three months after the issuance date of this convertible corporate bond (September 3, 2023) until forty days before the end of the issuance period (April 23, 2026), if the closing price of the Company's common shares exceeds the then-current conversion price by 30% (inclusive) for thirty consecutive business days, the Company may redeem the bonds at their face value within the subsequent thirty business days.

ii. From the day following 3 months after the issuance date of this convertible corporate bond (September 3, 2023) until forty days before the end of the issuance period (April 23, 2026), if the outstanding balance of this convertible corporate bond falls below 10% of the original issuance amount, the Company may redeem the bondholders' convertible corporate bonds at their face value in cash at any time thereafter.

(2) The details of bonds payable were as follows:

	December 31, 2024	December 31, 2023
Total convertible bonds issued	$ 400,000	400,000
Unamortized discounted bonds payable	(23,166)	(69,129)
Cumulative converted amount	(173,700)	-
Balance of bonds payable at the reporting date	**$ 203,134**	**330,871**
Embedded derivative - call options, presented as non-current financial assets at FVTPL	**$ 3,320**	**760**
Equity component - conversion options, presented as capital surplus - share options	**$ 47,637**	**84,201**

	2024	2023
Embedded derivative instruments - gains (losses) resulting from remeasurement of call option at fair value, presented as gains (losses) on financial assets at FVTPL	**$ (2,560)**	**3,680**
Interest expense	**$ 26,310**	**14,812**

(3) The Company separated the conversion option from the liabilities and recognized them separately as equity and liabilities, with related information as follows:

Compound present value of the convertible corporate bond principal at issuance	$	316,059
Embedded derivative financial asset at issuance—redemption right		(4,440)
Equity component at issuance		84,201
Bonds payable amount at issuance	**$**	**395,820**

The effective interest rate of the third convertible corporate bond is 8.1676%.

The related costs of issuing the above convertible corporate bond totaled NTD4,180 thousand, allocated to the liability and equity components based on their relative fair values. Transaction costs related to the liabilities amounted to NTD3,301 thousand, amortized over the life of the convertible corporate bond using the effective interest rate. Transaction costs related to the equity component amounted to NTD879 thousand, not remeasured after initial recognition.

In 2024, the convertible corporate bonds converted into the Company's common shares had a face value of NTD173,700 thousand, converted into ordinary shares totaling NTD52,477 thousand, generating a capital surplus—premium on share issuance of NTD138,134 thousand (including NTD36,564 thousand reclassified from stock options to share issuance premium and NTD19,653 thousand of unamortized discount on bonds payable).

(4) For the years ended December 31, 2024 and 2023, the Company's bonds payable were not pledged as collateral.

(5) For information regarding the Company's exposure to liquidity risks, please refer to note 6(t).

11. Lease liabilities

The details of lease liabilities were as follows:

		December 31, 2024	**December 31, 2023**
Current	**$**	**7,883**	**8,223**
Non-current	**$**	**12,371**	**17,033**

For maturity analysis, please refer to note 6(t) Financial Instruments.

The amounts recognized in profit or loss were as follows:

		2024	2023
Interest on lease liabilities	**$**	**369**	**458**
Expenses relating to short-term leases	**$**	**858**	**901**
Variable lease payments not included in the measurement of lease liabilities	**$**	**1,042**	**1,385**
Expense relating to leases of low-value assets, excluding short-term leases of low-value assets	**$**	**10**	**9**

The amounts recognized in the consolidated statements of cash flows were as follows:

		2024	2023
Total cash outflow for leases	**$**	**11,456**	**11,856**

(1) Building leases

The Company leases buildings and structures for office premises and parking lots, with lease terms ranging from one to six years.

(2) Other leases

The Company leases office equipment and transportation equipment; lease tenor ranges from two to five years.

The Company also leases office equipment and video equipment with a lease tenure of less than one year. These leases are short-term leases or leases of low-value assets. The Company has elected not to recognize right-of-use assets and lease liabilities for these leases.

12. Employee benefits

(1) Defined benefit plans

The reconciliation of the present value of the Company's defined benefit obligation and the fair value of plan assets is as follows:

		December 31, 2024	December 31, 2023
Present value of defined benefit obligation	$	(7,106)	(9,223)
Fair value of plan assets		6,126	8,205
Net defined benefit assets (liabilities)	**$**	**(980)**	**(1,018)**

The Company's defined benefit plan contributions are deposited into a dedicated labor retirement reserve account at the Bank of Taiwan. Retirement payments for each employee subject to the Labor Standards Act are calculated based on the base units earned through years of service and the average salary of the six months prior to retirement.

A. Plan asset composition

The retirement fund contributed by the Company under the Labor Standards Act is centrally managed by the Bureau of Labor Funds, Ministry of Labor (hereinafter referred to as the Labor Funds Bureau). According to the "Regulations for the Management and Utilization of the Labor Retirement Fund Income and Expenditure," the fund's utilization must achieve a minimum annual income upon settlement that is not less than the income calculated based on the two-year time deposit interest rate of local banks.

As of the reporting date, the balance of the Company's labor retirement reserve account at the Bank of Taiwan was NTD6,126 thousand. Data on the utilization of labor retirement fund assets, including the fund's income rate and asset allocation, are detailed in the information published on the Labor Funds Bureau website.

B. Changes in the present value of the defined benefit obligation

The changes in the present value of the Company's defined benefit obligation for 2024 and 2023 are as follows:

	2024	2023
Defined benefit obligation as of January 1	$ (9,223)	(8,287)
Current service cost	-	-
Interest cost	(118)	(107)
Remeasurement of net defined benefit assets (liabilities)	(1,083)	(3,047)
Benefits paid by the plan	3,318	2,218
Defined benefit obligation as of December 31	**$ (7,106)**	**(9,223)**

C. Changes in the fair value of plan assets

The changes in the fair value of the Company's defined benefit plan assets for 2024 and 2023 are as follows:

	2024	2023
Fair value of plan assets as of January 1	$ 8,205	9,800
Expected return on plan assets	108	130
Remeasurement of net defined benefit assets (liabilities)	741	66
Amounts contributed to the plan	390	427
Benefits paid by the plan	(3,318)	(2,218)
Fair value of plan assets as of December 31	**$ 6,126**	**8,205**

D. Expenses recognized in profit or loss

The expenses recognized in profit or loss by the Company for 2024 and 2023 are as follows:

		2024	2023
Net interest on net defined benefit liabilities	**$**	**10**	**(23)**
Operating costs	$	116	9
Selling expenses		94	10
Administrative expenses		(322)	(54)
Research and development expenses		122	12
	$	**10**	**(23)**

E. Remeasurement of net defined benefit assets (liabilities) recognized in other comprehensive income

The remeasurement of net defined benefit assets (liabilities) recognized in other comprehensive income by the Company for 2024 and 2023 is as follows:

		2024	2023
Cumulative balance as of January 1	$	(6,538)	(3,557)
Amount recognized in the current period		(342)	(2,981)
Cumulative balance as of December 31	**$**	**(6,880)**	**(6,538)**

F. Actuarial assumptions

The significant actuarial assumptions used by the Company to determine the present value of the defined benefit obligation at the financial reporting date are as follows:

	December 31, 2024	December 31, 2023
Discount rate	1.30%	1.28%
Future salary increases	1.50%	1.50%

The Company expects to contribute NTD363 thousand to the defined benefit plan within one year following the reporting date in 2024.

The weighted average duration of the defined benefit plan is 2 years.

G. Sensitivity analysis

The impact of changes in the primary actuarial assumptions adopted for the years ended December 31, 2024 and 2023, on the present value of the defined benefit obligation is as follows:

		Impact on the defined benefit obligation	
		Increase of 0.25%	**Decrease of 0.25%**
December 31, 2024			
Discount rate	$	(97)	99
Future salary increases		81	(80)
December 31, 2023			
Discount rate		(134)	137
Future salary increases		114	(112)

The above sensitivity analysis assesses the impact of a change in a single assumption while holding other assumptions constant. In practice, changes in many assumptions may be interrelated. The sensitivity analysis uses the same method that was applied to calculate the net pension liabilities in the balance sheet.

The methods and assumptions used to prepare the sensitivity analysis in the current period are consistent with those used in the prior period.

(2) Defined contribution plans

The Company and its domestic subsidiaries' defined contribution plans comply with the Labor Pension Act, contributing 6% of each employee's monthly wages to individual labor pension accounts at the Bureau of Labor Insurance. Under this plan, after the Company and its domestic subsidiaries contribute a fixed amount to the Bureau of Labor Insurance, there is no legal or constructive obligation to pay additional amounts.

The pension expenses under the defined contribution plans of the Company and its domestic subsidiaries for 2024 and 2023 were NTD13,989 thousand and NTD14,583 thousand, respectively, which have been contributed to the Bureau of Labor Insurance.

(3) The other subsidiaries included in the consolidated financial statements

The pension expenses and basic pension contributions recognized for 2024 and 2023 totaled NTD15,219 thousand and NTD17,214 thousand, respectively.

13. Income taxes

(1) Income tax expenses (benefits)

A. The details of the Company's income tax expenses (benefits) for 2024 and 2023 are as follows:

	2024	2023
Current income tax expense (benefit)		
Current period	$ -	-
Additional tax on unappropriated retained earnings	253	-
Adjustment for prior periods	3,792	(1,428)
	4,045	(1,428)
Deferred income tax expense (benefit)		
Occurrence and reversal of temporary differences	3,505	(30,209)
Income tax expenses (benefits)	**$ 7,550**	**(31,637)**

B. The details of income tax expenses (benefits) recognized in other comprehensive income by the Company for 2024 and 2023 are as follows:

	2024	2023
Items not reclassified to profit or loss:		
Remeasurement of defined benefit plans	**$ (69)**	**(596)**

The reconciliation of the Company's income tax expenses (benefits) and profit before tax for 2024 and 2023 is as follows:

	2024	2023
Profit (loss) before tax	$ (81,418)	(301,449)
Income tax is calculated based on the domestic tax rates of each consolidated entity's location	$ (12,024)	(59,334)
Net profit or loss of domestic investments recognized under the equity method	(4,335)	(958)
Overestimation (underestimation) from prior periods	3,792	(1,428)
Changes in unrecognized temporary differences	16,001	23,557
Recognition of previously unrecognized tax losses	(6,489)	(1,290)
Non-deductible expenses	4,486	3,698
Additional tax on unappropriated retained earnings	253	-
Others	5,866	4,118
	$ 7,550	**(31,637)**

(2) Deferred income tax assets and liabilities

A. Unrecognized deferred tax assets (liabilities)

The items not recognized as deferred tax assets by the Company are as follows:

a. The Company assessed that certain deductible temporary differences are not highly probable to be realized and thus were not recognized as deferred tax assets. Additionally, tax losses, as stipulated by the Income Tax Act, may be deducted from the current year's net income for the preceding ten years as approved by the tax authorities before assessing income tax. These items were not recognized as deferred tax assets because it is not highly probable that the Company will have sufficient taxable income in the future to utilize the tax losses.

	December 31, 2024	**December 31, 2023**
Deductible temporary differences	$ 450	234
Tax losses	3,859	10,348
	$ 4,309	**10,582**

As of December 31, 2024, the expiration dates of the Company's unrecognized tax losses from various years are as follows:

Loss year	**Unutilized losses**	**Final year deductible**
Keelgoal Energy:		
2021 (approved amount)	$ 19,293	2031

b. For the years ended December 31, 2024 and 2023, temporary differences related to investments in subsidiaries were not recognized as deferred tax assets (liabilities) because the Company controls the timing of the reversal of these temporary differences and has assurance that they will not reverse in the foreseeable future. The related amounts are as follows:

	December 31, 2024	**December 31, 2023**
Total temporary differences related to investments in subsidiaries	**$ 508,689**	**429,763**
Amount not recognized as deferred tax assets (liabilities)	**$ 101,738**	**85,953**

B. Recognized Deferred Tax Assets and Liabilities

The changes in deferred tax assets and liabilities for 2024 and 2023 are as follows:

		Defined benefit plans
Deferred tax liabilities		
Balance on January 1, 2024	$	628
Debit/(credit) to profit or loss		(628)
Balance on December 31, 2024	**$**	**-**
Balance on January 1, 2023	$	538
Debit/(credit) to profit or loss		90
Balance on December 31, 2023	**$**	**628**

		Inventory write-down and obsolescence losses	Loss carryforwards	Unrealized foreign exchange losses and others	Total
Deferred tax assets					
Balance on January 1, 2024	$	35,119	28,862	14,151	78,132
(Debit)/credit to profit or loss		(2,676)	(2,470)	1,013	(4,133)
(Debit)/credit to other comprehensive income		-	-	69	69
Balance on December 31, 2024	**$**	**32,443**	**26,392**	**15,233**	**74,068**
Balance on January 1, 2023	$	30,742	-	16,495	47,237
(Debit)/credit to profit or loss		4,377	28,862	(2,940)	30,299
(Debit)/credit to other comprehensive income		-	-	596	596
Balance on December 31, 2023	**$**	**35,119**	**28,862**	**14,151**	**78,132**

C. Tax losses are deductible from the current year's net income for the preceding ten years as approved by the tax authorities, in accordance with the Income Tax Act, before assessing income tax. As of December 31, 2024, the tax losses recognized by the Company as deferred tax assets and their expiration dates are as follows:

Loss year	Loss amount	Unutilized losses	Final year deductible
Celxpert:			
2023	**$ 171,399 (Reported amount)**	**131,958**	2033

D. The income tax of the Company shall be reported separately by each Group entity according to the laws of the respective registering countries. It cannot be consolidated for reporting purposes.

E. Except for 2021, the Company's income tax returns have been approved by the tax authorities up to 2022, and the tax authorities have approved Keelgoal Energy's income tax returns up to 2022.

14. Capital and other equity

(1) Ordinary share capital

For the years ended December 31, 2024 and 2023, the Company's authorized share capital totaled NTD1,500,000 thousand, with a par value of NTD10 per share, amounting to 150,000 thousand shares, of which 93,554 thousand shares and 88,306 thousand shares were issued, respectively, and all proceeds from the issued shares have been collected.

On March 10, 2023, the Company's Board of Directors resolved to issue 8,000 thousand new shares with a par value of NTD10 per share. The new shares were issued at NTD26.4 per share, and the total proceeds raised amounted to NTD211,200 thousand. 15% of the total number of shares issued were reserved for subscription by employees, with September 12, 2023, being the base date for the capital increase. The relevant statutory registration procedures have been completed, and all issued shares were paid up upon issuance.

In 2024, the Company issued 5,248 thousand new shares at par value due to the exercise of conversion rights by convertible bondholders, totaling NTD52,477 thousand. The capital increase record date was March 14, 2025, and as of the reporting date, the registration of the change has not yet been completed.

(2) Capital surplus

The details of capital surplus of the Company were as follows:

	December 31, 2024	December 31, 2023
Additional paid-in capital	$ 861,734	723,600
Cash issue reserved for employee subscription	4,392	4,392
Capital surplus from redemption of convertible bonds－treasury shares	46	46
Capital surplus from the recognition of equity items related to the buyback of convertible bonds	48,478	48,478
Issuance of convertible bonds	47,637	84,201
Others	1,149	-
	$ 963,436	**860,717**

In 2024, the Company, due to the conversion of convertible corporate bonds into common shares, generated a capital surplus—premium on share issuance of NTD138,134 thousand (including NTD36,564 thousand reclassified from stock options to share issuance premium and NTD19,653 thousand of unamortized discount on bonds payable).

In accordance with the Company Act, capital surplus must first be used to offset losses before realized capital surplus can be distributed as new shares or cash in proportion to the shareholders’ original shareholdings. The realized capital surplus referred to in the preceding paragraph includes the premium from issuing shares above par value and income from received donations. In accordance with the Regulations Governing the Offering and Issuance of Securities by Securities Issuers, the total amount of capital surplus allocated to capital each year must not exceed 10% of the paid-in capital.

The capital surplus recognized by the Company due to the issuance of convertible corporate bonds, which is an equity item, does not fall under the capital surplus items stipulated in Article 241 of the Company Act and, by law, cannot be used for capital increases.

For the years ended December 31, 2024 and 2023, in accordance with Article 241 of the Company Act, the Company’s realized capital surplus available for distribution as new shares or cash was NTD866,126 thousand and NTD727,992 thousand, respectively.

(3) Retained earnings

In accordance with the Company's Articles of Incorporation, if there are earnings in the annual financial statements of the Company, the Director's remuneration and employee benefits shall be provided first, and after being approved for distribution by the Board of Directors, the income taxes shall be paid, and then set aside the legal reserves at 10% of the remaining earnings. However, if the accumulated legal reserves are equal to the Company's paid-in capital, this limit shall not apply. In addition, a special reserve of the same amount as the reduction in shareholders' equity items that occurred in the current year shall be allocated. When the reduction in shareholders' equity items is reversed, a portion of it may be transferred to the current year's earning distribution. If there are still earnings, along with undistributed earnings accumulated from the previous year, the Board of Directors shall prepare a proposal for profit distribution, and when issuing new shares, it shall be submitted to the shareholders' meeting for approval of distribution.

In accordance with the provisions of Paragraph 5 of Article 240 of The Company Act, the Company authorized the Board of Directors to distribute all or part of the dividends and bonuses or all or part of the legal reserves and capital surplus as stipulated in Paragraph 1 of Article 241 of The Company Act in the form of cash distribution with the presence of more than two-thirds of the directors and the resolution of more than half of the directors, and report to the shareholders' meeting.

The industry to which the Company belongs is currently in a growth stage. The dividend distribution policy should take into account factors such as the Company's current and future investment environment, capital requirements, domestic and international competition, and capital budgeting, while considering shareholders' interests, balancing dividends, and the Company's long-term financial planning. The Board of Directors shall formulate a distribution proposal each year under the law and report in a shareholders' meeting. The Company may consider factors such as financial, business, and operational performance when determining the dividend distribution. If the Company has earnings available for distribution in the current year, the general principle is to allocate an amount not less than 30% of the current year net profit after tax for dividends, and the cash dividends to be distributed are expected to account for at least 50% of total dividends for shareholders.

A. Legal reserves

When the Company has no losses, it may, upon resolution of the shareholders' meeting, distribute new shares or cash from the legal reserve, limited to the portion of the reserve exceeding 25% of the paid-in capital.

B. Special reserve

When the Company distributes distributable earnings, the net deduction in other shareholders' equity occurring in the current year, along with the difference from the balance of the previously set aside special reserve, shall be supplemented from the current year's net profit after tax plus items other than net profit after tax included in the current year's undistributed earnings, and from prior undistributed earnings to set aside a special reserve; for the accumulated amounts of other shareholders' equity deductions from prior periods, the special reserve shall be supplemented from prior undistributed earnings and shall not be distributed. Subsequently, when the amount of other shareholders' equity deductions is reversed, earnings may be distributed from the reversed portion.

C. Earnings distribution

The Company, through board resolutions on March 15, 2024, and March 10, 2023, approved the cash dividend amounts for the 2023 and 2022 earnings distribution plans, respectively, and through shareholders' meeting resolutions on June 13, 2024, and June 15, 2023, approved other earnings distribution items for 2023 and 2022, respectively, with the amounts of dividends distributed to owners as follows:

	2023		**2022**	
	Payout per share (in NT dollars)	**Amount**	**Payout per share (in NT dollars)**	**Amount**
Dividends distributed to ordinary shareholders:				
Cash	$ -	-	1.5	120,459

The Company, through a board resolution on March 14, 2025, determined that due to a net loss after tax in 2024, no cash dividends would be distributed.

Related information on owners' dividends resolved in shareholders' meetings can be accessed through the Market Observation Post System website.

15. Share-based payments

(1) The Company's cash capital increases through share-based payments.

A. On March 10, 2023, the Company issued new shares through the resolution of the Board of Directors to increase capital in cash while reserving 15% of the new shares, amounting to 1,200 thousand shares, to be preemptively subscribed by the employees, and the actual number of shares subscribed by the employees was 1,112 thousand shares.

	December 31, 2023
	Cash issue reserved for employee subscription
Grant date	August 10, 2023
Number of shares granted	1,112 thousand shares
Eligible Recipients	Limited to employees of the Company and its subsidiaries.
Vesting conditions	Instantly vested

B. Fair value at grant date

The Company provides the following information regarding the fair value of share-based payments as of the grant date:

	August 10, 2023
	Cash issue reserved for employee subscription
Fair value at grant date	NTD6.75
Stock price on grant date	NTD33.15
Exercise Price	NTD26.4
Duration of stock options (years)	Instantly vested

C. In 2023, the Company incurred an expense of NTD4,392 thousand due to share-based payments.

(2) Share-Based Payment of Keelgoal Energy via Cash Capital Increase

In 2024, Keelgoal Energy, through board resolutions, conducted its first and second cash capital increases by issuing new shares, reserving a portion of the shares for subscription by group employees, with the Company's employees subscribing to 426 thousand shares and 299 thousand shares, respectively. The share-based payment is estimated using the Black-Scholes option pricing model to determine its fair value as of the date of the grant. The input values for the model are as follows:

	First	**Second**
Grant date	April 10, 2024	October 7, 2024
Number of shares granted	450 thousand shares	450 thousand shares
Vesting conditions	Instantly vested	Instantly vested
Fair value at grant date	NTD 12.1	NTD 18.33
Subscription price	NTD 12	NTD 15
Expected volatility	25.12%	29.44%
Risk-free interest rate	1.26%	1.31%

In 2024, the share-based payment expenses incurred by Keelgoal Energy for the first and second cash capital increases allocated for group employee subscriptions were NTD42 thousand and NTD996 thousand, respectively.

16. Losses per share

(1) Basic loss per share

The Company's basic loss per share is calculated based on the net loss attributable to the common shareholders of the Company and the weighted average number of common shares outstanding, with the related calculations as follows:

A. Net loss attributable to ordinary shareholders of the Company

	2024	**2023**
Net loss attributable to the common shareholders of the Company for the period	**$ (98,413)**	**(270,647)**

B. Weighted-average number of outstanding ordinary shares (in thousands)

	2024	2023
Weighted average number of shares outstanding (thousands)	**$ 88,726**	**82,739**

	2024	2023
C. Basic loss per share (NTD)	**$ (1.11)**	**(3.27)**

(2) Diluted loss per share

Diluted earnings per share is calculated based on the net profit attributable to the common shareholders of the Company and the weighted average number of common shares outstanding adjusted for the dilutive effect of all potential common shares, with the related calculations as follows:

A. Net gain (loss) attributable to ordinary shareholders of the Company (diluted)

	2024	2023
Net gain (loss) attributable to ordinary shareholders of the Company (diluted)	**$ (98,413)**	**(270,647)**

B. Weighted-average number of outstanding ordinary shares (diluted) (thousand shares)

	2024	2023
Weighted-average number of outstanding ordinary shares (basic)	88,726	82,739
Impacts of convertible bond conversion	-	-
Weighted-average number of outstanding ordinary shares (diluted)	**88,726**	**82,739**

	2024	2023
C. Dilute earnings per share (NTD)	**$ (1.11)**	**(3.27)**

In 2024 and 2023, the Company incurred a net loss after tax, and potential common shares had no dilutive effect.

17. Revenue from contracts with customers

(1) Disaggregation of revenue

		2024	2023
Primary geographical markets:			
Taiwan	$	1,759,095	1,607,423
Mainland China		3,054,557	4,948,272
Others		634,125	647,849
	$	**5,447,777**	**7,203,544**
Major products:			
Lithium battery packs	$	5,422,916	7,142,937
Others		24,861	60,607
	$	**5,447,777**	**7,203,544**

(2) Contract balances

		December 31, 2024	December 31, 2023	January 1, 2023
Accounts receivable	$	1,572,682	1,594,887	2,894,074
Less: Loss allowance		(122)	(127)	(2,983)
	$	**1,572,560**	**1,594,760**	**2,891,091**
Contract liabilities - advanced receipts	**$**	**114,944**	**12,106**	**31,300**

For the details of accounts receivable and loss allowance, please refer to note 6(c).

The beginning balances of contract liabilities as of January 1, 2024, and January 1, 2023, recognized as revenue in 2024 and 2023, were NTD3,135 thousand and NTD19,463 thousand, respectively.

Changes in contract liability were mainly attributed to differences between the timing at which the Company is deemed to have fulfilled its obligations by delivering merchandise or service to customers and the timing at which payment is collected from customers.

18. Remuneration of employees and directors

In accordance with the articles of the Company, if the Company is making a profit for the year, the Company should appropriate 3%~12% as remuneration to employees and remuneration to directors not exceeding 3%. However, if the Company has accumulated deficits, the profits shall first be offset against any deficit. The aforementioned employee remuneration may be distributed in shares or in cash to employees of subsidiaries who meet specific conditions; the method of distribution is determined by the Board of Directors.

In 2024 and 2023, the Company incurred a net loss before tax, and no estimates for employee and director remuneration were made.

The amounts of employee and director remuneration resolved by the board as mentioned above showed no differences from the amounts estimated in the Company's Consolidated Financial Reports for 2024 and 2023. Related information can be accessed on the Market Observation Post System.

19. Other expenses

The details of the Company's miscellaneous expenditures for 2024 and 2023 are as follows:

	2024	**2023**
Losses from compensation	$ 18,067	61,971
Others	773	1,500
	$ 18,840	**63,471**

20. Financial instruments

(1) Credit risk

A. Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure amount.

B. Credit risk concentration status

The Company's customers are concentrated in a broad group of high-tech computer industry clients, and to reduce the credit risk of accounts receivable, the Company continuously evaluates the financial condition of its customers, requiring guarantees or assurances when necessary. The Company still periodically assesses the recoverability of accounts receivable and sets aside an allowance for losses, with impairment losses always within management's expectations. For the years ended December 31, 2024 and 2023, 81% and 79% of the Company's accounts receivable balances, respectively, were comprised of two major customers, resulting in a significant concentration of credit risk for the Company.

C. Credit risk of receivables and debt securities

For credit risk exposure information on notes receivable and accounts receivable, please refer to note 6(c).

Financial assets measured at amortized cost, including other receivables and time deposits, are low credit-risk financial assets. Thus, the allowance for losses for the period is measured based on the 12-month expected credit loss amount (for an explanation of how the Company determines low credit risk, please refer to note 4(g)).

As the counterparties and the performing parties of the Company's bank deposits and fixed-income investments are banks with good credits or financial institutions with investment grades and above, these are considered to have low credit risk.

The changes in the allowance for losses for the years ended December 31, 2024 and 2023 are as follows:

	Other receivables	
	2024	**2023**
Beginning balance	$ 2,261	2,261
The amount written off for the year due to inability to recover	(2,261)	-
Ending balance	**$ -**	**2,261**

(2) Liquidity risk

The following table shows the contractual maturities of financial liabilities, including estimated interest payments:

		Contractual cash flows	Within a year	1-5 years
December 31, 2024				
Non-derivative financial liabilities:				
Short-term borrowings	$	(671,129)	(671,129)	-
Accounts payable		(1,257,710)	(1,257,710)	-
Other payables		(207,413)	(207,413)	-
Lease liabilities (including current & non-current)		(20,995)	(8,171)	(12,824)
Long-term borrowings (Including the portion due within one year)		(411,680)	(107,288)	(304,392)
Bonds payable		(226,300)	-	(226,300)
	$	**(2,795,227)**	**(2,251,711)**	**(543,516)**
December 31, 2023				
Non-derivative financial liabilities:				
Short-term borrowings	$	(572,669)	(572,669)	-
Accounts payable		(995,965)	(995,965)	-
Other payables		(259,094)	(259,094)	-
Lease liabilities (including current & non-current)		(26,082)	(8,573)	(17,509)
Long-term borrowings (Including the portion due within one year)		(414,409)	(8,501)	(405,908)
Bonds payable		(400,000)	-	(400,000)
	$	**(2,668,219)**	**(1,844,802)**	**(823,417)**

The Company does not expect that the cash flows included in the maturity analysis to occur significantly earlier or at significantly different amounts.

(3) Currency risk

A. Exposure to foreign currency risk

The Company's significant exposure to foreign currency risk was as follows:

	December 31, 2024			December 31, 2023		
	Foreign currency	**Exchange rate**	**NTD**	**Foreign currency**	**Exchange rate**	**NTD**
Financial assets						
Monetary items						
USD	$ 55,604	USD/NTD=32.785	1,822,977	73,417	USD/NTD=30.705	2,254,269
USD	3,803	USD/CNY=7.1884	124,681	1,109	USD/CNY=7.0961	34,052
Financial liabilities						
Monetary items						
USD	51,036	USD/NTD=32.785	1,673,215	44,274	USD/NTD=30.705	1,359,433
USD	8,305	USD/CNY=7.1884	272,279	6,289	USD/CNY=7.0961	193,104

B. Sensitivity analysis

The Company's exposure to foreign currency risk arises from the translation of the foreign currency exchange gains and losses on cash and cash equivalents, accounts receivable, other receivables, financial assets at FVOCI, short-term borrowings, accounts payable, and other payables that are denominated in foreign currencies. When foreign currencies depreciate or appreciate by 5% against the New Taiwan Dollar and Renminbi for the years ended December 31, 2024 and 2023, with all other factors remaining constant, the impact on the pre-tax net loss for 2024 and 2023 is as follows, with both periods analyzed on the same basis.

	2024	2023
	Decrease (increase) in net loss	**Decrease (increase) in net loss**
USD (against the NTD)		
Strengthening 5%	$ 7,488	44,742
Weakening 5%	(7,488)	(44,742)
USD (against the CNY)		
Strengthening 5%	(7,380)	(7,953)
Weakening 5%	7,380	7,953

C. Foreign exchange gains and losses on monetary items

The exchange gain (loss) on monetary items of the Company (including realized and unrealized) is translated into the amount in the functional currency and the exchange rate information for translating to the functional currency of the parent company, NTD (i.e., the currency expressed in the consolidated financial statements), is as follows:

	2024		2023	
	Exchange gains and losses (thousands of foreign currency)	**Average exchange rate**	**Exchange gains and losses (thousands of foreign currency)**	**Average exchange rate**
NTD	59,464	-	(3,166)	-
CNY	872	CNY/NTD=4.4543	47	CNY/NTD=4.3954

(4) Interest rate analysis

The details of the Company's interest rate exposure for financial assets and financial liabilities are as follows:

	Carrying amount	
	December 31, 2024	**December 31, 2023**
Variable rate instruments:		
Financial assets	$ 1,455,789	1,230,484
Financial liabilities	(1,054,251)	(963,082)
	$ 401,538	**267,402**

Please refer to the notes on liquidity risk management for the interest rate exposure of the Company's financial assets and liabilities.

The following sensitivity analysis is based on the exposure to the interest risk on the non-derivative financial instruments at the reporting date. Regarding the assets and liabilities with variable interest rates, the analysis is based on the assumption that the amount of assets and liabilities outstanding at the reporting date was outstanding throughout the year. The rate of change is expressed as the interest rate increases or decreases by 0.25% when reporting to management internally, which also represents the Company management's assessment of the reasonably possible interest rate change.

If interest rates increase or decrease by one basis point, with all other variables remaining constant, the Company's pre-tax net loss for 2024 and 2023 would decrease or increase by NTD1,004 thousand and NTD669 thousand, respectively, primarily due to the Company's variable-rate demand deposits and bank loans.

(5) Fair Value

A. Types and fair value of financial instruments

The Company's financial assets and liabilities at FVTPL and financial assets at FVOCI are measured on a recurring basis. The carrying amount and fair value of the Company's financial assets and liabilities, including the information on fair value hierarchy, were as follows; however, except as described in the following paragraphs, for financial instruments not measured at fair value whose carrying amount is reasonably close to the fair value and lease liabilities, the disclosure of fair value information is not required:

	December 31, 2024				
		Fair value			
	Carrying amount	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL:					
Derivative financial instruments-convertible bonds-embedded derivatives	$ 3,320	-	-	3,320	3,320
Financial assets at FVOCI					
Domestic bonds	29,638	-	29,638	-	29,638
Financial assets at amortized cost					
Cash and cash equivalents	1,556,438	-	-	-	-
Accounts receivable, net	1,572,560	-	-	-	-
Other receivables	7,898	-	-	-	-
Other current financial assets	775,928	-	-	-	-
Refundable deposits (presented as other non-current financial assets)	18,070	-	-	-	-
	3,930,894				
	$ 3,963,852				
Financial liabilities measured at amortized cost:					
Short-term borrowings	$ 658,244	-	-	-	-
Accounts payable	1,257,710	-	-	-	-
Other payables	207,413	-	-	-	-
Bonds payable	203,134	-	-	220,145	220,145
Lease liabilities (including current & non-current)	20,254	-	-	-	-
Long-term borrowings (Including the portion due within one year)	400,000	-	-	-	-
	$ 2,746,755				

	December 31, 2023				
		Fair value			
	Carrying amount	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL:					
Derivative financial instruments-convertible bonds-embedded derivatives	$ 760	-	-	760	760
Financial assets at FVOCI					
Domestic bonds	30,321	-	30,321	-	30,321
Financial assets at amortized cost					
Cash and cash equivalents	1,600,116	-	-	-	-
Accounts receivable, net	1,594,760	-	-	-	-
Other receivables	2,924	-	-	-	-
Other current financial assets	455,946	-	-	-	-
Other non-current financial assets	2,000	-	-	-	-
Refundable deposits (presented as other non-current financial assets)	14,413	-	-	-	-
	3,670,159	-	-	-	-
	$ 3,701,240				
Financial liabilities measured at amortized cost:					
Short-term borrowings	$ 563,082	-	-	-	-
Accounts payable	995,965	-	-	-	-
Other payables	259,094	-	-	-	-
Bonds payable	330,871	-	-	377,640	377,640
Lease liabilities (including current portion)	25,256	-	-	-	-
Long-term borrowings	400,000	-	-	-	-
	$ 2,574,268				

B. Valuation technique for financial instruments measured at fair value

a. Non-derivative financial instruments

Financial instruments that are openly quoted in an active market will have fair value determined at the openly quoted price. Fair values of public-listed (OTC-traded) equity instruments and debt instruments openly quoted in active markets are determined using market prices quoted on major exchange and OTC center for actively traded government bonds.

Except for financial instruments traded in active markets, as described above, fair values of all other financial instruments are obtained either by applying valuation techniques or by making reference to counterparties' quotations. Fair value through valuation technique may be obtained by making reference to the prevailing fair value of financial instruments that share similar terms and characteristics or using valuation techniques such as the discounted cash flow method in conjunction with market information available as at the reporting date.

b. Derivative financial instruments are evaluated based on valuation models that are widely accepted by market users, such as the binomial options pricing model.

C. There was no transfer of fair value hierarchy for the periods for 2024 and 2023.

D. Reconciliation of Level 3 fair values

	FVTPL
	Derivative financial instruments - convertible bonds
January 1, 2024	$ 760
Total profit or loss	
Recognized in profit or loss	2,560
December 31, 2024	**$ 3,320**
January 1, 2023	$ -
Issuance	4,440
Total profit or loss:	
Recognized in profit or loss	(3,680)
December 31, 2023	**$ 760**

The total gains or losses mentioned above are reported under financial gains (losses) at FVTPL. Of which, those related to assets still held for the years ended December 31, 2024 and 2023 are as follows:

	2024	2023
Total losses:		
Recognized in profit or loss (presented as "gains (losses) on financial assets at FVTPL")	**$ 2,560**	**(3,680)**

E. Quantitative information on significant unobservable inputs (Level 3) used in fair value measurement

The Company's financial instruments that use Level 3 inputs to measure fair value include "Financial assets at FVTPL - call option of convertible bonds." Most of the fair value measurements of the Company categorized within Level 3 used single significant unobservable input.

Quantified information of significant unobservable inputs was as follows:

Content	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Financial assets at FVTPL - call options of convertible bonds	Binomial convertible bonds pricing models	Volatility (36.34% and 22.2% for the years ended December 31, 2024 and 2023, respectively)	• The higher the volatility, the higher the fair value.

F. Level 3 Sensitivity of reasonable, possible alternative assumptions on fair value, for items that are subject to Level 3 fair value input

The Company considers its fair value assessment of financial instruments to be reasonable, but uses of different valuation model or parameter may lead to different results. For financial instruments that involve the use of Level 3 input, impacts on current profit level 3 or loss in the event of a change in valuation parameter are explained below:

	Input value	Move up or down variation	Impacts of fair value change on current profit or loss	
			Favorable	Unfavorable
December 31, 2024				
Financial assets at FVTPL - call options of convertible bonds	Volatility	5%	**$ 3,800**	**(2,480)**
December 31, 2023				
Financial assets at FVTPL - call options of convertible bonds	Volatility	5%	**$ 480**	**(760)**

The favorable and unfavorable effects represent changes in fair value, and fair value is based on a variety of unobservable inputs calculated using a valuation technique. The analysis above only reflects the effects of changes in a single input, and it does not include the interrelationships with another input.

21. Financial risk management

(1) Overview

The Company is exposed to the following risks due to the use of financial instruments:

A. Credit risk

B. Liquidity risk

C. Market risk

This note presents the Company's exposure information for the aforementioned risks, as well as the Company's objectives, policies, and procedures for measuring and managing risks. For further quantitative disclosures, please refer to the respective notes in the Consolidated Financial Report.

(2) Risk management framework

The Company's financial management department provides services to each business unit, coordinates access to domestic and international financial markets, and monitors and manages financial risks related to the Company's operations through internal risk reports that analyze exposure by risk degree and scope. The Company uses natural hedging to mitigate exposure and reduce the impact of these risks. The use of financial instruments is governed by policies approved by the Company's board of directors, which provide written principles for foreign exchange risk, interest rate risk, credit risk, the use of non-derivative financial instruments, and the investment of excess liquidity funds. Internal auditors continuously review compliance with policies and exposure limits. The Company does not engage in financial instrument transactions for speculative purposes.

(3) Credit risk

Credit risk is the risk of financial loss to the Company arising from the failure of customers or counterparties to financial instruments to meet their contractual obligations, primarily from the Company's receivables from customers and bond investments.

A. Accounts receivable and other receivables

The Company has established a credit policy under which it must individually analyze the credit rating of each new customer before offering standard payment and shipping terms and conditions. The Company's review includes, where available, external ratings and, in some cases, bank references. Purchase limits are established for individual customers, representing the maximum outstanding amount that does not require approval from the general manager. These limits are periodically reviewed. Customers who do not meet the Company's baseline credit rating may only transact with the Company on a prepayment basis.

The Company's credit risk exposure is primarily influenced by the individual circumstances of each customer. However, management also considers statistical data on the Company's customer base, including the default risk of the industries and countries to which the customers belong, as these factors may affect credit risk. The Company's customers are concentrated in a broad group of high-tech computer industry clients, and to reduce the credit risk of accounts receivable, the Company continuously evaluates the financial condition of its customers, requiring guarantees or assurances when necessary. The Company still periodically assesses the recoverability of accounts receivable and sets aside an allowance for losses, with impairment losses always within management's expectations.

When monitoring customer credit risk, customers are grouped based on their credit characteristics, including whether they are individuals or juridical entities; whether they are distributors, retailers, or end customers; and by region, industry, aging, maturity dates, and any pre-existing financial difficulties. Customers assessed as high risk are placed on a restricted customer list, and future sales to such customers must be on a prepayment basis.

The Company maintains an allowance for losses account to reflect estimated losses on accounts receivable, other receivables, and investments that have occurred. The allowance account primarily consists of a specific loss component related to individually significant exposures and a collective loss component established for losses that have occurred but are not yet identified in groups of similar assets. The collective loss allowance account is determined based on historical payment statistics for similar financial assets.

B. Investments

The credit risk of cash in banks, fixed-income investments, and other financial instruments is measured and monitored by the Company's finance department. Since the Company's counterparties and performing parties are banks and financial institutions with good credit standing and investment-grade ratings or higher, there are no significant performance concerns. Thus, no significant credit risk exists.

C. Guarantees

The Company's policy allows financial guarantees to be provided only to subsidiaries. As of the years ended December 31, 2024 and 2023, for information on the Company's endorsement guarantees to subsidiaries, please refer to note 13(a).

(4) Liquidity risk

Liquidity risk is the risk that the Company will be unable to deliver cash or other financial assets to settle financial liabilities and fail to fulfill related obligations.

The Company manages and maintains sufficient levels of cash and cash equivalents to support its operations and mitigate the effects of cash flow fluctuations. The Company's management oversees the usage of bank financing limits and ensures compliance with borrowing agreement terms.

Bank loans are an important source of liquidity for the Company. For the unused bank financing limits of the Company for the years ended December 31, 2024 and 2023, please refer to notes 6(h) and 6(i).

(5) Market risk

Market risk refers to the risk that changes in market prices, such as exchange rates, interest rates, and equity instrument prices, will affect the Company's income or the value of its financial instruments held. The objective of market risk management is to control market risk exposure within an acceptable range while optimizing investment returns.

A. Currency risk

The Company is exposed to exchange rate risk arising from sales, purchases, and borrowings not denominated in the Company's functional currency. The Company's functional currencies are primarily New Taiwan Dollars, with some in U.S. Dollars, Renminbi, and Indonesian Rupiah. The primary currencies for these transactions are New Taiwan Dollars, U.S. Dollars, Renminbi, and Indonesian Rupiah.

The Company hedges at least its foreign currency accounts receivable and accounts payable. The Company mostly uses foreign currency deposits or borrowings with maturities within one year from the reporting date to hedge exchange rate risk.

B. Interest rate risk

The Company incurs cash flow risk due to borrowing funds at floating interest rates.

C. Other market price risk

The Company does not hold equity securities and, therefore, has no risk from equity instrument price fluctuations.

22. Capital management

The Company plans its capital management based on the characteristics of the current operating industry, the company's future development, and changes in the external environment, ensuring the company has the necessary financial resources and operational plans to support future needs for working capital, capital expenditures, research and development expenses, debt repayment, and dividend expenditures. Management uses an appropriate total liabilities-to-equity ratio to determine the optimal capital structure for the Company. While maintaining a sound capital base, the consolidated company optimizes its debt and equity balances to enhance shareholder returns. The liabilities-to-equity ratio as of the reporting date is as follows:

	December 31, 2024	**December 31, 2023**
Total liabilities	$ 2,995,436	2,755,014
Total equity	2,641,916	2,502,228
Liabilities-to-equity ratio	113%	110%

23. Non-cash investing and financing activities

(1) The Company's non-cash investment activities in 2024 and 2023 involved acquiring right-of-use assets through leases; for details, please refer to notes 6(g) and 6(k).

(2) Reconciliation of liabilities arising from financing activities was as follows:

			Non-cash changes	
	January 1, 2024	**Cash flow**	**Changes in lease payments and others**	**December 31, 2024**
Short-term borrowings	$ 563,082	81,336	13,826	658,244
Lease liabilities	25,256	(9,177)	4,175	20,254
Bonds payable	330,871	-	(127,737)	203,134
Long-term borrowings (Including the portion due within one year)	400,000	-	-	400,000
	$ 1,319,209	**72,159**	**(109,736)**	**1,281,632**

	January 1, 2023	Cash flow	Non-cash changes: Changes in lease payments and others	December 31, 2023
Short-term borrowings	$ 765,400	(202,318)	-	563,082
Lease liabilities	22,156	(9,103)	12,203	25,256
Bonds payable	-	395,820	(64,949)	330,871
Long-term borrowings (Including the portion due within one year)	1,000,000	(600,000)	-	400,000
	$ 1,787,556	**(415,601)**	**(52,746)**	**1,319,209**

(VII) Related-party transactions

1. Transactions with key management personnel

Key management personnel compensation comprised of:

	2024	2023
Short-term employee benefits	$ 18,117	18,948
Post-employment benefits	566	574
Share-based payments	466	498
	$ 19,149	**20,020**

For information regarding share-based payments, please refer to note 6(o).

(VIII) Pledged assets

Carrying amount of assets that the Company had placed as collateral is explained below:

Name of asset	Pledged collateral	December 31, 2024	December 31, 2023
Time deposit (presented as other non-current financial assets)	Customs bond	**$ -**	**2,000**

(IX) Commitments and contingencies

1. As of the years ended December 31, 2024 and 2023, the Company had signed contracts for engineering and equipment payments yet to be paid, amounting to NTD73,784 thousand and NTD69,252 thousand, respectively.
2. As of December 31, 2024, the Company had a performance guarantee of NTD2,000 thousand provided by a bank for customs duties.

(X) Losses due to major disasters: None.

(XI) Subsequent events: None.

(XII) Others

1. A summary of current-period employee benefits, depreciation, and amortization function is as follows:

By function / By nature	2024			2023		
	Presented as operating cost	**Presented as operating expense**	**Total**	**Presented as operating cost**	**Presented as operating expense**	**Total**
Employee benefits						
Salary	158,555	267,170	425,725	184,651	278,076	462,727
Labor and health insurance	10,616	23,267	33,883	10,719	24,178	34,897
Pension	14,649	14,569	29,218	16,743	15,031	31,774
Directors' remuneration	-	863	863	-	102	102
Others	150,308	16,942	167,250	153,713	17,922	171,635
Depreciation	83,154	64,480	147,634	99,893	69,191	169,084
Amortization	324	3,638	3,962	576	4,311	4,887

CELXPERT ENERGY CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements (Continued)

(XIII) Other disclosures

1. Information on significant transactions

In accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, the Company is required to disclose the following information regarding significant transactions in 2024:

(1) Loans to other parties:

Unit: Thousands in foreign currency

Serial No. (Note 1)	Lender of funds	Borrower of funds	Subject	Are they related parties	Maximum balance for the period Amount	Ending balance	Actual amount utilized	Range of interest rates	Nature of loan (Note 2)	Business transaction amount	Reasons for necessity of short- term financing	Amount of provision for bad debt allowance	Collateral		Loan limit amount for each individual (Note 3)	Total limit on financing amount (Note 3)
													Name	Value		
0	The Company	Celxpert (Nantong)	Other receivables	Yes	98,355 (US$3,000)	98,355 (US$3,000)	98,355 (US$3,000)	1.78%	2	-	Operation needs	-	None	-	255,911	511,823

Note 1: The numbers filled in as follows:
1. 0 represents the parent company.
2. 1 represents the subsidiaries.

Note 2:
1. Indicates business transactions.
2. Indicates the necessity for short-term financing.

Note 3: According to the "Operating Procedures for Loans to Other Parties," the total amount of funds lent by the Company shall not exceed twenty percent of the net worth as stated in the most recent financial statements audited or reviewed by CPAs. For companies or businesses that require short-term funding from the Company, the loan amount to each individual entity shall not exceed ten percent of the Company's net worth.

Note 4: The above-mentioned transactions had been eliminated in the consolidated financial statements.

Note 5: The USD is converted to NTD using the exchange rate of 32.785 at the end of the period.

(2) Guarantees and endorsements for other parties:

(In Thousands of New Taiwan Dollars/foreign currencies)

Serial No.	Name of guarantor	Counter-party of guarantee and endorsement		Limitation on amount of guarantees and endorsements for a single enterprise	Highest balance of guarantees and endorsements during the period	Ending balance of guarantees and endorsements	Actual amount utilized	Amount endorsed/ guaranteed by collateral	Cumulative amount of endorsement/ guarantee as a percentage of net worth stated in the latest financial statements	Endorsement/ guarantee limit	Parent company's guarantee/ endorsement to subsidiary	Subsidiary's guarantee/ endorsement to parent company	Guarantee/ endorsement to the Mainland area
		Name of entity	Relationship										
0	The Company	Celxpert (Kunshan)	2nd-tier subsidiary	1,023,647	426,205 (US$13,000)	426,205 (US$13,000)	327,850 (US$10,000)	-	16.65%	1,023,647	Y	-	Y
0	The Company	Celxpert (Nantong)	2nd-tier subsidiary	1,023,647	229,495 (US$7,000)	229,495 (US$7,000)	131,140 (US$4,000)	-	8.97%	1,023,647	Y	-	Y
0	The Company	Keelgoal Energy	Subsidiary	255,911	240,000	24	99,151	-	9.38%	1,023,647	Y	-	-

Note 1: The total amount of endorsements and guarantees provided by the Company to third parties shall not exceed 40% of the latest net worth as reported in the financial statements. The maximum limit for endorsements and guarantees provided to a single enterprise, except for subsidiaries in which the Company directly or indirectly holds more than 90% of the ordinary shares, shall not exceed 40% of the current net worth. For all other enterprises, the maximum limit shall not exceed 10% of the latest net worth as reported in the financial statements.

Note 2: The endorsers mentioned above are entities included in the consolidated financial statements.

Note 3: The USD is converted to NTD using the exchange rate of 32.785 at the end of the period.

(3) Securities held at period-end (excluding investment in subsidiaries, associates and joint ventures):

Holder	Category and name of security	Relationship with company	Account	End of period				Maximum holding during the period		Note
				Shares	Carrying amount	Percentage of ownership (%)	Fair Value	Unit (thousands)	Percentage of ownership (%)	
The Company	TSMC 30-year USD corporate bonds	-	Current financial assets at FVOCI	-	29,638	-	29,638	-	- %	

(4) Individual securities acquired or disposed of with accumulated amount exceeding the lower of NTD300 million or 20% of the capital stock: None.

(5) Acquisition of real estate with amount exceeding the lower of NTD300 million or 20% of the capital stock: None.

(6) Disposal of real estate with amount exceeding the lower of NTD300 million or 20% of the capital stock: None.

(7) Related-party purchases and sales with amounts exceeding the lower of NTD100 million or 20% of the capital stock:

(In Thousands of New Taiwan Dollars)

Purchaser/ Seller	Name of counterparty	Relationship	Transaction details				Transactions with terms different from others		Notes and accounts receivable (payable)		Note
			Purchase/ Sale	Amount	Percentage of total purchases/ sales	Payment terms	Unit price	Payment terms	Balance	Percentage of total notes/ accounts receivable (payable)	
The Company	Celxpert (Kunshan)	Subsidiary	Processing fee	551,286	13%	Based on funding needs	Under the Company	Adjustment based on funding needs	Accounts payable (60,269)	(4)%	(Notes 1 and 2)
Celxpert (Kunshan)	The Company	Parent company	(Processing income	(551,286)	(100)%	〃	〃	〃	Accounts receivable 60,269	100%	(Note 1)
The Company	Keelgoal Energy	Subsidiary	(Sales)	(171,290)	(3)%	60 days	No significant difference	No significant difference	Accounts receivable 59,954	4%	(Notes 1 and 3)

Note 1: The transactions listed on the left had been eliminated in the consolidated financial statements.
Note 2: The remaining balance is the net value of processing outsourced and sales of raw material.
Note 3: Keelgoal Energy has been determined to be an agent and thus is not treated as engaging in purchase and sale transactions.

(8) Receivables from related parties with amounts exceeding the lower of NTD100 million or 20% of the capital stock:

Name of company	Counterparty	Relationship	Balance of related party receivables	Turnover rate	Amounts received in		Amounts received in subsequent period (Note 1)	Allowance for bad debts
					Amount	Actions taken		Amount
ASIL	The Company	Parent company	103,618	-	-		-	-

Note 1: The data is updated as of February 18, 2025.

(9) Engaging in Derivative Transactions: Please refer to note 6(j).

(10) Business relationships and significant intercompany transactions between the parent company and subsidiaries:

Serial No. (Note 1)	Name of company	Name of counter-party	Relationship with the counterparty (Note 2)	Transactions details			
				Account	Amount	Trading terms	Percentage of the consolidated net revenue or total assets
0	The Company	ASIL	1	Accounts payable	103,618	According to the Company's pricing policies; payment term is granted based on capital requirement	1.84%
0	The Company	Celxpert (Kunshan)	1	Operating costs	551,286	〃	10.12%
0	The Company	Celxpert (Kunshan)	1	Accounts payable	60,269	〃	1.07%
0	The Company	Keelgoal	1	Sales revenue	105,855	60 days	1.94%
0	The Company	Keelgoal	1	Processing income	66,633	〃	1.22%
0	The Company	Keelgoal	1	Accounts receivable	59,954	〃	1.06%
0	The Company	Celxpert (Nantong)	1	Other receivables	98,754	According to the Company's pricing policies; payment term is granted based on capital requirement	1.75%

Note 1: The numbers filled in as follows:
1. 0 represents the parent company.
2. Subsidiaries are numbered sequentially by company, starting from Arabic numeral 1.

Note 2: Transactions labeled as follows:
1. Parent company to subsidiary.
2. Subsidiary to parent company.
3. Subsidiary to subsidiary.

2. Information on investees

The following is the information on investees for the period from January 1 to December 31, 2024 (excluding information on investees in Mainland China):

(In thousands of shares/USD thousands)

Name of investor	Name of investee	Location	Main businesses and products	Original investment amount		End-of-period holding position			Maximum holding during the period		Current profit (loss) of the investee	Profit (loss) recognized in the current period	Note
				End of current period	End of previous year	Shares	Percentage of ownership	Carrying amount	Shares	Percentage of ownership			
The Company	CHL	British Virgin Islands	Foreign investment holding	752,490	752,490	24,631	100%	343,735	24,631	100%	(59,122)	(76,036)	Subsidiary (Note 3)
〃	Celxpert (Indonesia)	Indonesia	Manufacturing, processing, and sales of battery packs and power supply related products	40,767	40,767	18	100%	3,419	18	100%	(2,891)	(2,891)	Subsidiary (Note 3)
〃	Keelgoal Energy	Taiwan	Research and development and trading of lithium battery packs, energy storage systems, and others	183,401	158,290	10,274	63.81%	145,524	10,274	85.15%	31,114	21,678	Subsidiary (Note 3)
CHL	ASIL	British Virgin Islands	Import and export trade	1,639 (US$50)	1,639 (US$50)	50	100%	1,672 (US$51)	50	100%	19 (US$1)	Investment gain or loss is recognized through CHL	2nd-tier subsidiary (Note 3)
〃	CHK	Hong Kong	Foreign investment holding	466,203 (US$14,220)	466,203 (US$14,220)	14,220	100%	90,224 (US$2,752)	14,220	100%	(20,327) (US$(633))	〃	〃
〃	CEIL	SAMOA	〃	US$-	US$-	(Note 1)	100%	US$-	(Note 1)	100%	US$-	〃	〃
〃	CPEI	〃	〃	327,850 (US$10,000)	327,850 (US$10,000)	10,000	100%	162,843 (US$4,967)	10,000	100%	(39,369) (US$(1,226))	〃	〃
Keelgoal Energy	VoltaEdge Holdings Limited	British Virgin Islands	〃	-	-	(Note 1)	40%	-	(Note 1)	40%	-	Recognized by Keelgoal Energy	Associate

Note 1: The registration procedures have been completed, and no capital has been injected yet.
Note 2: The USD is converted to NTD using the exchange rate of 32.785 at balance sheet date or the average exchange rate of 32.112.
Note 3: The transactions listed on the left had been eliminated in the consolidated financial statements.

3. Information on investment in Mainland China:

(1) Information on business investments in Mainland China:

(In thousands of shares/USD thousands)

Name of Mainland investee	Main businesses and products	Capital stock (Note 2)	Method of Investment flows	Opening cumulative balance of investment capital invested from Taiwan (Note 2)	Investment capital contributed or recovered during the current period		Closing cumulative balance of investment capital invested from Taiwan (Note 2)	Current profit (loss) of the investee	The Company's direct or indirect holding percentage	Profit (loss) recognized in the current period (Note 1)	Closing carrying amount of investment	Investment gains recovered to date
					Outflow	Inflow						
Celxpert (Kunshan)	Manufacturing and trading of battery parts and battery packs	Verified amount of capital: 491,775 (US$15,000)	Indirect investment through CHK	465,711 (US$14,205)	-	-	465,711 (US$14,205)	(20,359) (US$(634))	100%	-	100%	(20,359) (US$(634))
Celxpert (Nantong)	Manufacturing and trading of battery parts and battery packs	Verified amount of capital: 327,850 (US$10,000)	Indirect investment through CPEI	327,850 (US$10,000)	-	-	327,850 (US$10,000)	(39,369) (US$(1,226))	100%	-	100%	(30,369) (US$(1,226))
Celxpert (Changchun)	Business of recycling automotive batteries and electronic components	(Note 3)	Indirect investment through CEIL	-	-	-	-	-	-%	-	-%	-

(2) Limitation on investment in Mainland China:

(In Thousands of U.S. Dollars)

Closing cumulative balance of investment capital transferred from Taiwan into the Mainland	Investment limit authorized by the Investment Commission, Ministry of Economic Affairs	Limits authorized by the Investment Commission, Ministry of Economic Affairs, for investing in Mainland China
793,561 (US$24,205)	805,855 (US$24,580)	1,535,470

Note 1: Investment income (loss) for the current period is recognized based on the Financial Statements audited by the CPA of the Taiwan parent company.

Note 2: The USD is converted to NTD using the exchange rate of 32.785 at balance sheet date or the average exchange rate of 32.112.

Note 3: The registration procedures have been completed, and no capital has been injected yet.

(3) Significant transactions:

For significant transactions in 2024 between the Company and its mainland China investees, directly or indirectly (which have been eliminated in the preparation of the Consolidated Financial Report), please refer to the explanations in "Information on Significant Transactions" and "Business Relationships and Significant Transactions Between Parent and Subsidiaries."

4. Information about major shareholders: None.

(XIV) Segment information

1. The Company has only one reportable segment, the battery pack segment, primarily engaged in the manufacturing, processing, and trading of battery packs and power supply-related products. The Company's other operating segments, primarily engaged in the design, development, and trading of lithium battery packs and energy storage systems, did not meet any quantitative threshold for reportable segments in 2024 or 2023.

2. Product category information

   For information on the Company's revenue from external customers, please refer to note 6(q).

3. Geographical information

   The Company's geographical information is as follows: revenue is categorized based on the geographical location of customers, and non-current assets are categorized based on the geographical location of the assets.

   (1) For revenue information from external customers, please refer to note 6(q).

(2) Non-current assets:

Region	2024	2023
Taiwan	$ 200,398	224,061
Mainland China	437,168	397,345
Indonesia	116	198
Others	43	40
	$ 637,725	**621,644**

Non-current assets include property, plant and equipment, right-of-use assets, intangible assets, refundable deposits, and other non-current assets, but exclude financial instruments and deferred tax assets.

4. Major customer information

The sales revenue from external customers of the Company, accounting for 10% or more of the revenue amount on the consolidated statement of comprehensive income, is detailed as follows:

	2024	2023
1242 companies	$ 2,287,582	3,986,772
1000 companies	1,300,945	844,656
1204 companies	507,985	611,877
	$ 4,096,512	**5,443,305**