Code: 6243

ENE TECHNOLOGY INC.

2024 Annual Report

http://mops.twse.com.tw
http://www.ene.com.tw

2025.February. 17th

Spokesperson:

Name: Sharon Jan

Title: Director

Tel: (03)666-2888 #3217

Email: investors@ene.com.tw

Acting Spokesperson

Name: Su Wu Lo

Title: VP

Tel: (03)666-2888 #3245

Email: investors@ene.com.tw

ENE Technology Inc. Headquarters

Address: 4F, No. 21, Lixing Rd, Hsinchu Science Industrial Park, Taiwan

Tel: (03) 666-2888

ENE Technology Inc. Taipei Office

Address: 9F, No. 66, Sanchung Rd., Nangang District, Taipei City, Taiwan

Tel: (02) 8913-1668

Transfer Agent

Company: Yuanta Securities, Stock Transfer and Registrar Department

B1, No. 67, Sec. 2, DuanHwa south Rd, Taipei

Tel: (02) 2718-5886

Website: http://www.yuanta.com.tw/eyuanta

Independent Auditor

Company: PWC Taiwan

Auditors: CPA Pei-Chuan Huang and CPA Chin-Chang Chen

Address: 27F, No. 333, Sec.1, Geelong Rd., Taipei City

Tel: (02)2729-6666

Website: http://www.pwc.tw

ENE Technology Inc. Official Website:

http://www.ene.com.tw

1. Letter to Shareholders

Dear Shareholders,

Thank you all for attending 2024 Shareholders' General Meeting. I would like to briefly summarize ENE's 2024 business result and business plan for 2025 as follows:

Operation and Financial Performance

For fiscal year 2024, total revenue comes to NT$721,222 thousands, a decrease of NT$154,120 thousands) over NT$875,342 thousands in 2023. Year 2024 gross margin is 35.9%, higher than 35.6% of 2023.

Total operation expense in 2024 is NT$265,952 thousands, an increase of NT$6,561 thousands over NT$259,391 thousands in 2023. The increase of operation expenses is due to the acquisition of real estate, plant and equipment and the increase of depreciation result from the acquisition.

Operation net loss is NT$6,880 thousands, comparing to the net profit of NT$52,509 thousands in Year 2023 (decrease $59,389). Other non-operating profit is NT$57,793 thousands. It is mainly due to foreign exchange earning of $44,238 thousands. Net profit before income tax is NT$50,913 thousands in comparison to net profit before income tax NT$64,886 thousands in 2023, a decrease of 21.5%.

Budget versus Actuals

The Company did not announce financial forecast of 2024. Please refer to the financial report for actual operation performance.

Analysis on Profitability

Item	Consolidated		Independent	
	2024	2022	2024	2022
Return on Assets (%)	4.49%	6.05%	4.49%	6.05%
Return on Equity (%)	5.99%	8.27%	5.99%	8.27%
Return on Capital Employed (%)	11.25%	14.33%	11.25%	14.33%
Net income to sales	6.92%	7.62%	6.92%	7.62%
Earnings per Share	1.12	1.50	1.12	1.50

Status on Research and Development

Our company specializes in designing integrated circuits (ICs) for embedded controllers (EC), touch microcontrollers (MCUs), and LED MCUs for PC and notebook (NB) applications. Since our establishment, we have been dedicated to continuous research and development while actively fostering top-tier R&D talent.

In 2024, our product development strategy remains aligned with our long-term vision, focusing on enhancing product performance, improving yield rates, and advancing niche products in computer peripherals. We are actively expanding our portfolio in gaming and industrial control applications, refining user interfaces, and enhancing microcontroller functionality and specifications to support the growth of consumer electronics.

Additionally, we are committed to developing integrated PD3.1 solutions for computer peripherals, addressing customized requirements, and ensuring seamless mass production through close collaboration with our customers. By continuously expanding our product portfolios, we strive to meet various demands in the computing industry and exceed customer expectations.

Key Planning of 2024

1. Strategic focus: For Mobile computer products- continuous R&D on EC and related applications for the NB, and further expand the NB customer bases. For Consumer and Peripheral products- continuous developing new products and explore niche applications to strengthen the collaboration with major customers.
2. Operational target: Artificial intelligence related topics have been growing recently, on top with the impact of regional political conflicts and global inflation, the impact on global notebook computers is still uncertain. Based on the current situation, the company has made the best prediction of keeping the full-year operating target flat.
3. Major logistic policy: Optimize the manufacturing process, reduce costs and increase gross profit margins, expand the application of existing products, and strengthen relationships with customers and manufacturers to maintain product market share and shorten product development cycle time.

Future development strategy

The Company has entered a strategic partnership in the second half of 2021 to further strengthen its finance and operation. NB will still be the mainframe of our product strategy but with extra emphasis to increase the penetration rate. In addition, the Company is continuously working on shortening the product development schedule, improving the product quality and after sale services. Supply chain relationship has become one of the strategic emphasis. The goal is to build a stable and in-depth relationship with the supplier and further leverage the Egis group resources to obtain manufacturing capacity and technical support.

Impact of external competition, legislations and macro economics

Electronic industry and technology development change rapidly nowadays. ENE not only keeps close eyes on the industry trends but also emphasizes on strengthening the R&D capability. The Company works closely with customers, plans products and fabricates mid to long term strategies.

ENE Technology has persistently improving the internal workflow as well as adjusting the operation hoshin. These efforts have gradually lead the Company into the positive direction with desirable outlook. With the rising attention on artificial intelligence in 2023, and the market is looking forward to integrating artificial intelligence into personal mobile devices. Due to macroeconomic factors and the impact of U.S.-driven tariff policies, uncertainty in market demand across Europe and the U.S. has increased. Additionally, global inflation remains a variable that requires ongoing observation, all of which present challenges to operations in 2025.

To navigate these uncertainties, the company will closely monitor developments in artificial intelligence and U.S. tariff policies, proactively positioning itself for the next wave of growth opportunities.

ENE TECHNOLOGY INC

Chairman

2. Corporate Governance

1. Directors

1.1 Information Regarding Board Members

2025.02.15

Title	Nationality Registry	Name	Gender Age	Date Elected	Term (Yrs)	Date First Elected	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholdings		Shareholding by Nominee arrangement		Selected Education and Experiences	Current positions at the Company and other companies	Managers who are Spouses or Within Two Degrees of Kinship			Note
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Chairman	Taiwan	Alcor Micro		2022.06.09	3	2022.06.09	8,000,000	17.65	8,000,000	17.67							-	-	-	
	Taiwan	Rep: Dylan Chung	Male 51~60	2022.06.09	3	2022.06.09	123,489	0.27	123,489	0.38	16,618	0.04			National Taiwan University, Master of Accounting Taiwan CPA/ Internal Auditor	The Company: CEO Janus power: General manager、Independent Director, Magnate Technology Inc Supervisor of Premtek, PigModel Animal Technology				5
Director	Taiwan	Alcor Micro		2022.06.09	3	2022.06.09	8,000,000	17.65	8,000,000	17.67										
	Taiwan	Rep: Steve Lo (Inauguration on 2024.12)	Male 61~70	2024.12.01	3	2024.12.01	-	-	-	-	-	-	-	-	MSCS, California State University Founder & Chairman of Egis Technology Inc.	Please refer to Chinese version for details				
Director	Taiwan	Siguard Microelectronics		2022.06.09	3	2016.6.14	665,543	1.47	665,543	1.47	-	-	-	-						
	Taiwan	Rep: Chi Chan Chen	Male 51~60	2022.06.09	3	2019.6.14	-	-	-	-	-	-	-	-	Fengjia University Department of International Trade Director of Accounting Department of Meige Technology Co., Ltd. Deputy Manager of Finance Department of Hongyu Semiconductor Head of Accounting and Director of Accounting Department	ENE：NA Others：Supervisor of Sixing (Suzhou) Integrated Circuit Technology Co., Ltd.	-	-	-	

Title	Nationality Registry	Name	Gender Age	Date Elected	Term (Yrs)	Date First Elected	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholdings		Shareholding by Nominee arrangement		Selected Education and Experiences	Current positions at the Company and other companies	Managers who are Spouses or Within Two Degrees of Kinship			Note
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Director	Taiwan	ASUSTEK Computer Inc		2022.06.09	3	2007.9.11	444,364	0.98	444,364	0.98	-	-	-	-						
	Taiwan	ASUSTEK Computer Inc Representative: Chin Chi Wu	Male 71~80	2022.06.09	3	2008.5.12	-	-	-		-	-	-	-	UCLA PhD in Material Science Alitech GM, CTO of Asus	ENE：NA Others： please refer to ASUS annual report	-	-	-	
Independent Director	Taiwan	Wen ji Chien	Male 51~60	2022.06.09	3	2022.06.09	-	-	-		-	-	-	-	National Taipei University, Master of Accounting	ENE:Member of Audit Committee & Remuneration Committee Others: Senior managers, Legal and stock affairs at Premtek International Inc	-	-	-	
Independent Director	Taiwan	Yi Fong Lin	Male 61~70	2022.06.09	3	2022.06.09	-	-	-	-	-	-	-	-	NCKU EE Masters, NTU EMBA, Intel Taiwan senior employee Founder of Migo Corp	ENE:Member of Audit Committee & Remuneration Committee Others:Director of Yu Hsin Tech, Focus Tech Chairman	-	-	-	
Independent Director	Taiwan	Chi Ming Wu	Male 61~70	2022.06.09	3	2022.06.09	-	-	-	-	-	-	-	-	Master of Engineering, University of Michigan	ENE:Member of Audit Committee & Remuneration Committee Others: Independent director, Remuneration and Audit committees member at SYNCOMM Technology Corp	-	-	-	

Major Shareholders' of Institutional Investor

Name	Top-10 Shareholders of Institutional Investors	%
Alcor Micro	Egis Technology Inc	20.42%
	Chien Shen Chen	3.27%
	Dennis Chang	2.16%
	Central Bank of Norway's special investment account in custody by Citi Taiwan - external manager Neuberger Berman Europe Ltd.	1.77%
	Tin Chien Kuo	1.42%
	Investment account of Nomura International (Hong Kong) Co., Ltd in custody by Citi Taiwan	1.36%
	UBS European SE investment account in custody by Citi Taiwan	1.24%
	Cham Je Yang	1.20%
	Mo Cheng Hung	1.10%
	Special investment account of JP Morgan Securities Co., Ltd. in custody by JP Morgan Chase Bank Taipei Branch	0.96%
Asustek	Cathay Pacific Taiwan ESG Perpetual High Dividend ETF Fund Account	4.12%
	Jonney Shih	4.05%
	Cathay United Bank managed Expert Union Limited Investment account	2.78%
	ASUS Depository Receipts in custody by Citi Taiwan	2.66%
	Yunta high dividend fund account	2.06%
	New Labor Pension Fund Trust	1.87%
	Fubon Life Insurance Co., Ltd.	1.73%
	HSBC hosts the trust investment account of Hillchester International Investors International Value Stock Group	1.45%
	Chase Custody Advanced Starlight Fund - advanced aggregate international stock index fund investment account	1.30%

Name	Top-10 Shareholders of Institutional Investors	%
	JPMorgan Chase Bank N.A. Taipei Branch in Custody for Vanguard Total International Stock Index Fund	1.27%
Siguard Microelectronics	Yen Yuan Investment	3.14%
	Chung Li Investment Ltd	2.17%
	Yuanta Taiwan Value High Interest ETF Securities Investment special account in custody by Hua Nan Commercial Bank.	1.73%
	Yuanta Taiwan High Dividend Low Volatility ETF Securities Investment Trust Fund Special Account in custody by bank of Taiwan	1.70%
	Hsin Young Huang	1.55%
	Fubon Life Insurance Co., Ltd.	1.43%
	Special investment account of Japan Securities Finance Co., Ltd. in custody by JPMorgan Chase Bank Taipei Branch	1.42%
	Taiwan Corporative Bank	1.32%
	JPMorgan Chase Bank N.A. Taipei Branch in Custody for Advanced Starlight fund, a series of advanced international stock index Funds	1.26%
	Ming Chun Chiu	1.25%

Major Shareholders of the Company’s major institutional shareholders

Name	Top-10 Shareholders of Institutional Investors	%
Egis Technology Inc	Steve Lo	12.13%
	Ching Chiang Hsieh	4.71%
	POINT72 United Co., Ltd. investment account in custody by HSBC (Taiwan) Commercial Bank	3.21%
	Norway Central Bank investment fund in custody by Citi Bank (TW)	2.57%
	Yen Fu Ho	1.77%
	JPMorgan Chase Bank N.A. Taipei Branch in Custody for Vanguard Total International Stock Index Fund	1.26%

Name	Top-10 Shareholders of Institutional Investors	%
	JPMorgan Chase Bank N.A. Taipei Branch in Custody for Advanced Starlight fund, a series of advanced international stock index Funds	1.21%
	Investment account of Morgan Stanley International in custody by HSBC (Taiwan) Commercial Bank	1.06%
	Tin Yun Hsieh	1.01%
	Ho Yun Hsieh	1.01%
Yen Yuan Investment	Spil investment	27.94%
	UMC	26.78%
	King Yuan ELECTRONICS CO., LTD.	14.55%
	UNIMICRON TECHNOLOGY CORP	11.64%
	Coretronic Corporation	11.06%
	Siguard	5.70%
	Sheun Jay Investment	2.33%
Chung Li Investment Ltd	Lan Ho investment LTd	100.00%
Fubon Life Insurance LTd	Fubon financial holding Co. Ltd	100.00%
Taiwan Cooperative Financial Holding Co.,Ltd.	Taiwan Cooperative Financial Holding Co.,Ltd.	100.00%

Board of Directors

1.Professional qualifications and independence of independent directors

(1)Professional qualifications

Criteria / Name	Professional background and experiences (Note1)
Chairman Alcor Micro Rep: Dylan Chung	Master of Accounting, NTU. Mr. Chung is the CEO of ENE with necessary experiences in commerce, legal, finance, accounting and sales. Mr. Chung also holds CPA and Certificate for internal auditor.. There are no matters as listed in Article 30 of the Company Act.
Chairman Alcor Micro Rep: Steve Lo	MSCS, California State University Mr. Lo is holding a position as Chairman of Egis Technology Inc with necessary experiences in commerce, finance, accounting and sales. There are no matters as listed in Article 30 of the Company Act.
Director Siguard Representative: Chi Chan Chen	Bachelor of International Trade, Feng jia University. Mr. Chen is currently the Head of Accounting and Comptroller of Siguard, with the necessary work experiences in commerce, legal, finance, accounting and corporate business。 There are no matters as listed in Article 30 of the Company Act
Director Asustek Representative: Chin Chi Wu	PHD of Material Science of USC. Mr. Wu is the CTO of Asustek, with the necessary work experiences in commerce and sales. There are no matters as listed in Article 30 of the Company Act
Independent Director Wen Ji Chien	Master of Accounting, NTPU. Mr. Chien is the member of Compensation Committee and head of Audit Committee. Mr. Chien is CPA of TW. Mr. Chien is holding a position at JTron Technology Corp. Mr. Chein is currently holding a position as Senior managers, Legal and stock affairs at Premtek International Inc. He has necessary work experience of finance, legal, business and accounting. There are no matters as listed in Article 30 of the Company Act. Not elected as representative of government or institution
Independent Director Yi Fong Lin	Master of EE, NCKU, EMBA of NTU. Mr. Lin is the member of Audit Committee and member of Compensation committee. Mr. Lin is the Chairman of Focus Ltd. Director of Yu-shin Technology Development Ltd. With necessary work experience in commerce, legal, finance accounting and sales. There are no matters as listed in Article 30 of the Company Act. Not elected as representative of government or institution
Independent Director Chi Ming Wu	Master of Engineering, University of Michigan. Mr. Wu is the member of Audit Committee and Head of Compensation committee. Mr. Wu has necessary work experiences in commerce, legal, finance, accounting and sales. There are no matters as listed in Article 30 of the Company Act. Not elected as representative of government or institution

(2)Independence of independent directors

<table>
<tr><th>Criteria
Name</th><th>Serve as independent director of other public companies</th><th>Status of independence (Note 2)</th></tr>
<tr><td>Independent Director
Wen Ji Chien</td><td>0</td><td rowspan="3">1. Not an employee of the company or any of its affiliates.
2. Not a director or supervisor of the company or any of its affiliates.
3. Not a natural-person shareholder who holds shares, together with those held by the person’s spouse, minor children, or held by the person under others’ names, in an aggregate of one percent or more of the total number of issued shares of the company or ranking in the top 10 in holdings.
4. Not a spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship, of a managerial officer under subparagraph 1 or any of the persons in the preceding two subparagraphs.
5. Not a director, supervisor, or employee of a corporate shareholder that directly holds five percent or more of the total number of issued shares of the company, or that ranks among the top five in shareholdings, or that designates its representative to serve as a director or supervisor of the company under Article 27, paragraph 1 or 2 of the Company Act.
6. Not a director, supervisor, or employee of the company which majority director seats or voting shares and those of any other company are controlled by the same person.
7. Not a director (or governor), supervisor, or employee of the company or institution which the chairperson, general manager, or person holding an equivalent position of the company and a person in any of those positions at another company or institution are the same person or are spouses.
8. Not a director, supervisor, officer, or shareholder holding five percent or more of the shares, of a specified company or institution that has a financial or business relationship with the company.
9. Not a professional individual who, or an owner, partner, director, supervisor, or officer of a sole proprietorship, partnership, company, or institution that, provides auditing services to the company or any affiliate of the company, or that provides commercial, legal, financial, accounting or related services to the company or any affiliate of the company for which the provider in the past 2 years has received cumulative compensation exceeding NT$500,000, or a spouse thereof; provided, this restriction does not apply to a member of the remuneration committee, public tender offer review committee, or special committee for merger/consolidation and acquisition, who exercises powers pursuant to the Act or to the Business Mergers and Acquisitions Act or related laws or regulations.</td></tr>
<tr><td>Independent Director
Yi Fong Lin</td><td>0</td></tr>
<tr><td>Independent Director
Chi Ming Wu</td><td>1</td></tr>
</table>

2.Diversity and independence:

（1）Diversity

In order to implement the diversity of board members, the company clearly stated in Article 19 of the "Code of Practice on Corporate Governance" that the composition of the board of directors should consider diversity, and formulated an appropriate diversity policy based on its own operation, operation type and long-term development needs. Board members should also possess the knowledge, skills and qualities necessary to perform their duties.

In order to achieve the ideal goals of corporate governance, the board of directors as a whole should have the following capabilities:

1. Operational judgment ability.
2. Accounting and financial analysis ability.
3. Operation and management ability.
4. Crisis handling capability.
5. Industrial knowledge.
6. The international market view.
7. Leadership.
8. Decision-making ability.

The Company also pays attention to the selection of board members according to the principle of meritocracy, with reference to gender, age, nationality and cultural diversity. Due to the characteristics of the industry and historical factors, the Company has historically prioritized professional competence and experience when selecting board members, without specifying gender ratio requirements. Although there are currently no female directors on the Board, the Company is committed to giving priority consideration to female candidates in future director nomination processes and will actively seek female professionals with relevant industry experience to join the Board. Additionally, the Company has established internal talent development programs aimed at fostering the career growth of senior female executives, thereby expanding the pipeline for future board candidates. The progress of board diversity initiatives will be reviewed on a regular basis. The implementation is as follows:

Diversity / Name		Basic Composition							Professionalism			Knowledge and Skills							
		Nationality	Gender	Employee	Age			Term of Independent Director (less than 3 yrs)	Finance & Accounting	Industry experience	Technology	Operational judgement	Analysis of accounting & Finance	Business Management skills	Risk handling skills	Industry knowledge	International viewpoint	Leadership	Decision Making
					<60	61-70	>70												
Board Member	Dylan Chung	Taiwan	M		✓				✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Steve Lo		M			✓				✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Chi Chan Chen		M		✓				✓	✓		✓	✓	✓	✓	✓	✓	✓	✓
	Ching Chi Wu		M				✓			✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Independent Directors	Wen Ji Chien		M		✓			✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Yi Fong Lin		M			✓			✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Chi Ming Wu		M			✓		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

（2）Independency: The current board of directors consists of 7 directors, including 3 independent directors, accounting for 1/3 of the seats on the board of directors. The number of directors with employee status does not exceed 1/3 of the number of directors. All directors and independent directors do not have the family relationship stipulated in Article 26-3, Paragraph 3 of the Securities and Exchange Law. All independent directors have issued a "Declaration of Independent Directors" when they are elected, confirming that they meet the independence qualifications stipulated by laws and regulations. Later, due to the introduction of strategic investors in the company's private placement, Shen Yuan Chen’s independent director's independence was insufficient, and he was naturally dismissed from the position.

General Manager, vice presidents, directors, functional heads

2025.02.15

Title	Nationality	Name	Gender	Date of Election	Share holding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience（Education）	Other Position	Managers who are Spouses or Within Two Degrees of Kinship		
					Shares	%	Shares	%	Shares	%			Title	Name	Relation
CEO	Taiwan	Dylan Chung	Male	2015.08.07	173,489	0.38	24,618	0.05	-	-	National Taiwan University, Master of Accounting Taiwan CPA/ Internal Auditor The Company: CEO	Independent Director, Magnate Technology Inc Supervisor of Premtek, Pig Model Animal Technology	-	-	-
General Manager	Taiwan	Vivian Hsu	Female	2024.01.02	-	-	-	-	-	-	National Taiwan University, Master of Industrial Engineering Alcor Micro Production control division	VP of Egis Technology Inc	-	-	-
FAE EVP	Taiwan	Dennis Lee	Male	2022.07.07	3,422	0.01	-	-	-	-	National Chiao Tung University, Bachelor of Computer Science	None	-	-	-
CTO	Taiwan	Kasper Tsai	Male	2022.07.07	20,564	0.05	-	-	-	-	NCTU, Master of Computer Science	None	-	-	-
Sales VP Sales II	Taiwan	Armingle Lee	Male	2020.01.01	198,434	0.44	-	-	-	-	NTUT, masters of EE ITE Technical manager	None	-	-	-
VP	Taiwan	SuWu Lo	Male	2022.07.07	15,000	0.03	-	-	-	-	NCTU, Bachelor of EE Faraday Technology, SiS	None	-	-	-
Senior Associate Sales I	Taiwan	Vic Chou	Male	2022.07.07	12,000	0.03	-	-	-	-	NTUT, Bachelor or Business Management Moai Green Power Corp. Scientro	None	-	-	-

Title	Nationality	Name	Gender	Date of Election	Share holding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience（Education）	Other Position	Managers who are Spouses or Within Two Degrees of Kinship		
					Shares	%	Shares	%	Shares	%			Title	Name	Relation
Associate Sales III	Taiwan	Kage Su	Male	2022.07.07	7,500	0.02	-	-	-	-	IShou University, Bachelor of EE TI, SIS	None			
Finance & Accounting	Taiwan	Cynthia Chao	Female	2018.05.11	14,135	0.03	-	-	-	-	Shi Chien University, Bachelor of Accounting EnWise CPAs & CO	None			

3. Remunerations Paid to Directors and Key Managers

3.1 Remuneration Paid to Directors (Including Independent Directors)

Unit: Thousands

<table>
<tr><th rowspan="4">Title</th><th rowspan="4">Name</th><th colspan="8">Remuneration for Directors</th><th colspan="2" rowspan="2">Ratio of Total Compensation (A+B+C+D) to Net Income (%)</th><th colspan="8">Relevant Compensation Received by Directors Who are Also Employees</th><th colspan="2" rowspan="2">Ratio of Total Compensation (A+B+C+D+E+F+G) to Net Income (%)</th><th rowspan="4">Compensation Paid to Directors from an Invested Company Other than the Company's Subsidiary or parent Company</th></tr>
<tr><th colspan="2">Salary (A)</th><th colspan="2">Pension (B)</th><th colspan="2">Remuneration (C)</th><th colspan="2">Allowances (D)</th><th colspan="2">Salary, Bonus and special allowance (E)</th><th colspan="2">Pension (F)</th><th colspan="4">Salary (G)</th></tr>
<tr><th rowspan="2">The Company</th><th rowspan="2">Consolidated Entities</th><th rowspan="2">The Company</th><th rowspan="2">Consolidated Entities</th><th rowspan="2">The Company</th><th rowspan="2">Consolidated Entities</th><th rowspan="2">The Company</th><th rowspan="2">Consolidated Entities</th><th rowspan="2">The Company</th><th rowspan="2">Consolidated Entities</th><th rowspan="2">The Company</th><th rowspan="2">Consolidated Entities</th><th rowspan="2">The Company</th><th rowspan="2">Consolidated Entities</th><th colspan="2">**The Company**</th><th colspan="2">**Consolidated Entities**</th><th rowspan="2">The Company</th><th rowspan="2">Consolidated Entities</th></tr>
<tr><th>Cash</th><th>Stock</th><th>Cash</th><th>Stock</th></tr>
<tr><td>Chairman</td><td>Alcor Micro</td><td rowspan="8">0</td><td rowspan="8">0</td><td rowspan="8">0</td><td rowspan="8">0</td><td rowspan="8">1,929</td><td rowspan="8">1,929</td><td rowspan="8">250</td><td rowspan="8">250</td><td rowspan="8">4.37</td><td rowspan="8">4.37</td><td rowspan="8">6,614</td><td rowspan="8">6,614</td><td rowspan="8">108</td><td rowspan="8">108</td><td rowspan="8">0</td><td rowspan="8">0</td><td rowspan="8">0</td><td rowspan="8">0</td><td rowspan="8">17.84%</td><td rowspan="8">17.84</td><td rowspan="8">NA</td></tr>
<tr><td>Institutional Director Rep</td><td>Dylan Chung (2022.06.09)</td></tr>
<tr><td>Institutional Director</td><td>Alcor Micro</td></tr>
<tr><td>Institutional Director Rep</td><td>Steve Lo (Inaugurated 2024.12.01)</td></tr>
<tr><td>Institutional Director</td><td>Siguard Microelectronics</td></tr>
<tr><td>Institutional Director Rep</td><td>Chi Chan Chen</td></tr>
<tr><td>Institutional Director</td><td>ASUSTEK Computer Inc</td></tr>
<tr><td>Institutional Director Rep</td><td>Chin Chi Wu</td></tr>
<tr><td>Independent Director</td><td>Wen Ji Chien</td><td rowspan="3">1,800</td><td rowspan="3">1,800</td><td rowspan="3">0</td><td rowspan="3">0</td><td rowspan="3">0</td><td rowspan="3">0</td><td rowspan="3">230</td><td rowspan="3">230</td><td rowspan="3">4.07</td><td rowspan="3">4.07</td><td rowspan="3">0</td><td rowspan="3">0</td><td rowspan="3">0</td><td rowspan="3">0</td><td rowspan="3">0</td><td rowspan="3">0</td><td rowspan="3">0</td><td rowspan="3">0</td><td rowspan="3">4.07</td><td rowspan="3">4.07</td><td rowspan="3">NA</td></tr>
<tr><td>Independent Director</td><td>Yi Fong Lin</td></tr>
<tr><td>Independent Director</td><td>Chi Ming Wu</td></tr>
</table>

Remuneration range chart

<table>
<tr><td rowspan="3">Range</td><td colspan="4">Names of Directors</td></tr>
<tr><td colspan="2">Total of first 4 items (A+B+C+D)</td><td colspan="2">Total of first 7 items (A+B+C+D+E+F+G)</td></tr>
<tr><td>The Company</td><td>All companies from the financial report</td><td>The Company (N8)</td><td>All companies from the financial report</td></tr>
<tr><td><$1,000,000</td><td>Alcor Micro rep: Dylan Chung
Alcor Micro Rep: Steve Lo
Asus Rep: Chin Chi Wu
Siguard rep: Chi Chan Chen
Wen Ji Chien, Yi-Fong Lin,
Chi Ming Wu</td><td>Alcor Micro rep: DS Chen
Alcor Micro Rep: Steve Lo
Asus Rep: Chin Chi Wu
Siguard rep: Chi Chan Chen
Wen Ji Chien, Yi-Fong Lin,
Chi Ming Wu</td><td>Alcor Micro rep: DS Chen
Alcor Micro Rep: Steve Lo
Asus Rep: Chin Chi Wu
Siguard rep: Chi Chan Chen
Wen Ji Chien, Yi-Fong Lin,
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Asus Rep: Chin Chi Wu
Siguard rep: Chi Chan Chen
Wen Ji Chien, Yi-Fong Lin,
Chi Ming Wu</td></tr>
<tr><td>$1,000,000（in）～$2,000,000（ex）</td><td></td><td></td><td></td><td></td></tr>
<tr><td>$2,000,000（in）～$3,500,000（ex）</td><td></td><td></td><td></td><td></td></tr>
<tr><td>$3,500,000（in）～$5,000,000（ex）</td><td></td><td></td><td></td><td></td></tr>
<tr><td>$5,000,000（in）～$10,000,000（ex）</td><td></td><td></td><td>Dylan Chung</td><td>Dylan Chung</td></tr>
<tr><td>$10,000,000（in）～$15,000,000（ex）</td><td></td><td></td><td></td><td></td></tr>
<tr><td>$15,000,000（in）～$30,000,000（ex）</td><td></td><td></td><td></td><td></td></tr>
<tr><td>$30,000,000（in）～$50,000,000（ex）</td><td></td><td></td><td></td><td></td></tr>
<tr><td>$50,000,000（in）～$100,000,000（ex）</td><td></td><td></td><td></td><td></td></tr>
<tr><td>>100,000,000</td><td></td><td></td><td></td><td></td></tr>
<tr><td>Total</td><td>7</td><td>7</td><td>7</td><td>8</td></tr>
</table>

Remunerations paid to GM and VPs

2024.12.31; NTD$K

<table>
<tr><th rowspan="3">Title</th><th rowspan="3">Name</th><th colspan="2">Salary
(A)</th><th colspan="2">Pension
(B)</th><th colspan="2">Bonus and allowances
(C)</th><th colspan="4">Employee Remuneration (D)</th><th colspan="2">Ratio of Total Compensation (A+B+C+D) to Net Income (%)</th><th rowspan="3">Compensation Paid to Directors from an Invested Company Other than the Company's Subsidiary or parent Company</th></tr>
<tr><th rowspan="2">The Company</th><th rowspan="2">Consolidated Entities</th><th rowspan="2">The Company</th><th rowspan="2">Consolidated Entities</th><th rowspan="2">The Company</th><th rowspan="2">Consolidated Entities</th><th colspan="2">The Company</th><th colspan="2">Consolidated Entities</th><th rowspan="2">The Company</th><th rowspan="2">Consolidated Entities</th></tr>
<tr><th>Cash</th><th>Stock</th><th>Cash</th><th>Stock</th></tr>
<tr><td>CEO</td><td>Dylan Chung</td><td rowspan="6">12,989</td><td rowspan="6">12,989</td><td rowspan="6">648</td><td rowspan="6">648</td><td rowspan="6">14,683</td><td rowspan="6">14,683</td><td rowspan="6">4,355</td><td rowspan="6">0</td><td rowspan="6">4,355</td><td rowspan="6">0</td><td rowspan="6">65.48</td><td rowspan="6">65.48</td><td rowspan="6">NA</td></tr>
<tr><td>GM</td><td>Vivian Hsu</td></tr>
<tr><td>EVP</td><td>Dennis Lee</td></tr>
<tr><td>CTO</td><td>Kasper Tsai</td></tr>
<tr><td>VP</td><td>Armingle Lee</td></tr>
<tr><td>VP</td><td>SuWu Lo</td></tr>
</table>

Remuneration range chart

Range	Names	
	Total of first 4 items(A+B+C+D)	
	The Company	Consolidated entities
<$1,000,000		
$1,000,000（in）～$2,000,000（ex）		
$2,000,000（in）～$3,500,000（ex）		
$3,500,000（in）～$5,000,000（ex）	Vivian Hsu	Vivian Hsu
$5,000,000（in）～$10,000,000（ex）	Dylan Chung, Dennis Lee, Kasper Tsai, Su Wu Lo, Armingle Lee	Dylan Chung, Dennis Lee, Kasper Tsai, Su Wu Lo, Armingle Lee
$10,000,000（in）～$15,000,000（ex）		
$15,000,000（in）～$30,000,000（ex）		
$30,000,000（in）～$50,000,000（ex）		
$50,000,000（in）～$100,000,000（ex）		
>100,000,000		
Total	6	6

Remuneration Paid to Key managers and others

2024.12.31

Unit：NT$ Thousands

	Title	Name	Stock	Cash	Total	% to the profit after tax
Managers	CEO	Dylan Chung	N.A.	6,000	6,000	12.02
	EVP	Dennis Lee				
	CTO	Kasper Tsai				
	VP	Shu Wu Lo				
	VP	Armingle Lee				
	Senior Associate	Vic Chou				
	Associate	Kage Su				
	Accounting & Finance head	Cynthia Chao				

Note1：The proposed employee remuneration for the year 2024 is based on the amount accrued by the Company for the year and is calculated with reference to the distribution ratio applied in the previous year.

3.4 Comparison of compensation for Directors, supervisors, CEO and VPs in the most recent two fiscal years and compensation

1. Directors', Supervisors', CEO's, VPs' compensation paid in the last two years as a percentage to net income:

Item	2024		2022	
	The Company	Consolidated Entities	The Company	Consolidated Entities
Net income（Thousands）	49,899	49,899	66,676	66,676
% of Compensation to Directors to Net income	8.51%	8.51%	7.44%	7.44%
% of Compensation to CEO and VPs to Net income	65.48%	65.48%	42.77%	42.77%

2. Policies, standards and combinations of remuneration payments, procedures for determining remuneration, and their relationship to business performance and future risks:

(1) Policy, standard and combination:

Directors:

1. Salary: in according to Article 32 of the articles of Incorporations, 3% of the net profit as compensations to the directors and supervisors. The BOD will decide how much the compensation will be paid in according to the contribution.
2. Remuneration: In according to Article 28, monthly remuneration shall be paid to the natural directors and supervisors that are not employees of the company.
3. Allowances: paid as resolution of the Remuneration and Compensation Committee, including company car, special allowances and service fee.

CEO, President and VPs:

1. Regular salary: paid in according to the standards set by the Remuneration and Compensation Committee.
2. Flexible remuneration: including MBO, quarterly bonus, employee remuneration. MBO bonus shall be paid in accordance to the personal performance, department performance and overall revenue achievement rate. Quarterly bonus shall be paid in accordance to the quarterly revenue achievement. Employee remuneration shall be paid in according to the Article 32 of Articles of Incorporations.

(2) Procedure for determining remuneration: The Company has established Remuneration and Compensation Committee on December 6th, 2011. The committee review directors, supervisors, and managers' compensation and related policies. Compensation to the Directors and Managers of the subsidiaries will be proposed at the parent Remuneration and Compensation Committee then submit to BOD for discussions.

(3) Correlation between operating performance and future risks: The performance evaluation and remuneration of the directors and managers of the company shall not only refer to the usual level of payment in the industry, but also consider the operating results and their contribution to departmental performance and company performance, and comprehensively

consider the amount of remuneration, payment method and the company's future risks and other matters, which are highly related to the company’s operating responsibilities and overall performance

4. Status of corporate governance:

4.1 Board meeting attendance

The Board meetings were held 8 times in 2024 (A)

Title	Name(Note1)	Attendance in Person (B)	Attendance by Proxy	Rate of attendance in person (%)	Note
Chairman	Alcor Micro Rep: Dylan Chung	8	0	100%	
Director	Alcor Micro Rep: Steve Lo	2	1	25%	
Director	Siguard Microelectronics Representative: Chi Chan Chen	8	0	100%	
Director	ASUSTEK Computer Inc. Representative: Ching Chi Wu	6	0	75%	
Independent Director	Wen Ji Chien	8	0	100%	
Independent Director	Yi Fong Lin	7	0	88%	
Independent Director	Chi Ming Wu	8	0	100%	

1. If any of the following circumstances occur, the dates of the meetings, sessions, contents of motion, all independent directors’ opinions and the company’s response should be specified: (1) Matters referred to in Article 14-3 of the Securities and Exchange Act: please refer to the following section on Opinions or resolution of Independent Directors towards significant issues.

1.2024.02.27 9th Committee 11th meeting

Agenda	Opinions of Independent directors	Company’s subsequent action	Resolution
Amendments of “Procedures for Board Meeting”	Agree	NA	Passed unanimously

2. 2024.04.16th Committee 12th meeting

Agenda	Opinions of Independent directors	Company’s subsequent action	Resolution
Proposal to issue 2024 employee stock warrants at an exercise price below fair market value	Agree	NA	Passed unanimously
Proposal to conduct a cash capital increase through a private placement of new shares	Agree	NA	Passed unanimously
Proposal to engage an affiliate of the Company's attesting CPA firm to provide non-assurance services	Agree	NA	Passed unanimously

Title	Name(Note1)	Attendance in Person (B)	Attendance by Proxy	Rate of attendance in person (%)	Note

3. 2024.04.30 9th Committee 13th meeting

Agenda	Opinions of Independent directors	Company's subsequent action	Resolution
Proposal to conduct a cash capital increase through the issuance of new shares and the domestic issuance of the third unsecured convertible bonds	Agree	NA	Passed unanimously

4. 2024.08.19 9th Committee 16th meeting

Agenda	Opinions of Independent directors	Company's subsequent action	Resolution
Proposal for the cancellation of the 2024 cash capital increase plan	Agree	NA	Passed unanimously

5. 2024.10.30 9th Committee 17th meeting

Agenda	Opinions of Independent directors	Company's subsequent action	Resolution
Amendment to the Audit Committee Charter	Agree	NA	Passed unanimously
Amendment to the Company's Accounting System	Agree	NA	Passed unanimously
Proposal for the Establishment of the Company's Risk Management Policies and Procedures	Agree	NA	Passed unanimously
Proposal to Establish the Company's Internal Control and Internal Audit Mechanisms	Agree	NA	Passed unanimously
Proposal to Conduct the Retroactive Public Offering and Apply for Listing of the Company's Privately Placed Common Shares Issued in 2021	Agree	NA	Passed unanimously

(2) Other matters involving objections or expressed reservations by independent directors that were recorded or stated in writing that require a resolution by the board of directors : None

2. If there are any concerns of conflict of interests in the motions, the directors' names, contents of motion, causes for avoidance and voting should be specified: None

3. A TWSE listed company should disclose information such as the evaluation cycle and period, evaluated scope, methodology, and content of the board's self (or peer) evaluation. The company has completed the evaluate for the period of 2024.01.01~2024.12.31. The result was Marked "exceptional". The aforementioned result has been reported to the Board on 2024.02.25.

4. The objectives of strengthening the functionality of the Board of Directors for the present year and the most

Title	Name(Note1)	Attendance in Person (B)	Attendance by Proxy	Rate of attendance in person (%)	Note
recent year and assessment on the implementation: (1) The company has followed the regulation to stipulate BOD operation policy and disclose related information on MOPS. (2) The Company has arranged directors to attend training sessions which covered commerce, legal, finance, accounting and governance related topics and disclosed the results in annual report and MOPS. (3) The company has taken out Directors and Officers Liability Insurance for Director and Key Managers. (4) Remuneration Committee was established, and a charter was stipulated on December 6th, 2011. The main responsibilities of the committee are to review and assess the performance of directors and managers and their remuneration packages. There were 3 Remuneration Meeting in 2024. (5) Audit Committee was established to replace supervisors on the Board on 2022.06.09. Audit committee is responsible for reviewing financial reports, the appointment and remuneration of certified accountants, the effectiveness of internal control systems, etc. The Audit Committee held 5 meetings in 2024. During the meetings, all relevant personnel attended the meeting for inquiries and discussions, and the operation and communication were in good condition.					

Evaluation of BOD

Evaluation Cycle	Evaluation Period	Evaluation Scope	Evaluation Methods	Evaluation Content
Once a year	2024/01/01 to 2024/12/31	Performance evaluations on BOD, individual directors, audit committee members, Remuneration Committee members	1. Performance of BOD 2. Self - evaluation of Board members 3. Performance of Audit committee 4. Performance of Remuneration Committee	A. The performance of the board of directors covered the following five aspects: 1.Participation in the operation of the company; 2.Improvement of the quality of the board of directors' decision making; 3.Composition and structure of the board of directors; 4.Election and continuing education of the directors; and 5.Internal control. B. The criteria for self-evaluation of the Board members includes the following six aspects: 1.Familiarity with the goals and missions of the company; 2.Awareness of the duties of a director; 3.Participation in the operation of the company; 4.Management of internal relationship and communication; 5.The director's professionalism and continuing education; and 6.Internal control. C. The criteria for evaluating Audit Committee: 1.Participation in the operation of the Company, 2.Awareness on the responsibilities of the functional committees, 3.Improvement on the quality of decisions, 4.Composition and election of the committee members, 5.Internal audit D. The criteria for evaluating Remuneration Committee: 1.Participation in the operation of the Company, 2.Awareness on the responsibilities of the functional committees, 3.Improvement on the quality of decisions, 4.Composition and election of the committee members, 5.Internal audit

4.2 Audit Committee

5 meetings were held in 2024: attendance rate of independent directors are as follows:

Title	Name	Attendance in Person	By Proxy	Attendance rate in person	Note
Independent Director	Wen Ji Chien	5	0	100％	2024.06.09 inaugurated
Independent Director	Yi Fong Lin	5	0	100％	2024.06.09
Independent Director	Chi Ming Wu	5	0	100％	2024.06.09 inaugurated

Title	Name	Attendance in Person	By Proxy	Attendance rate in person	Note

Other noteworthy items:

1. If any of the following circumstances occur, the dates of meetings, sessions, contents of motion, resolutions of the Audit Committee and the Company's response to the Audit Committee's opinion should be specified:

(1) Matters referred to in Article 14-5 of the Securities and Exchange Act: Please refer to the Major Resolutions of Board Meetings in the following table

1.1 2024.02.27 2nd Committee 8th Meeting:

Agenda	Independent directors' objections, reserved opinions or major suggestions	Resolutions of Audit Committee	Subsequent actions of the Company
2023 Internal Control Report	None	Passed unanimously	NA
2023 Business report, independent and consolidated financial reports	None	Passed unanimously	NA

1.2 2024.04.15 2st Committee 9th Meeting:

Agenda	Independent directors' objections, reserved opinions or major suggestions	Resolutions of Audit Committee	Subsequent actions of the Company
Proposal to Issue 2024 Employee Stock Warrants at an Exercise Price Below Fair Market Value	None	Passed unanimously	NA
Proposal to Conduct a Cash Capital Increase through a Private Placement of Common Shares	None	Passed unanimously	NA
Proposal to Engage an Affiliate of the Attesting CPA Firm to Provide Non-Assurance Services to the Company	None	Passed unanimously	NA

1.3 2024.04.30 2nd Committee 10th Meeting:

Agenda	Independent directors' objections, reserved opinions or major suggestions	Resolutions of Audit Committee	Subsequent actions of the Company
Proposal to Conduct a Cash Capital Increase via the Issuance of New Shares and the Third Domestic Issuance of Unsecured Convertible Corporate Bonds	None	Passed unanimously	NA

Title	Name	Attendance in Person	By Proxy	Attendance rate in person	Note

2024Q2 Consolidated Financial Report	None	Passed unanimously	NA
Pre-approved visa accountants, their firms and firm-affiliated companies may provide non-certified service cases to our company	None	Passed unanimously	NA

1.4 2024.07.31 2nd Committee 11th Meeting:

Agenda	Independent directors' objections, reserved opinions or major suggestions	Resolutions of Audit Committee	Subsequent actions of the Company
2024Q2 Consolidated Financial Report	None	Passed unanimously	NA

1.5 2024.10.30 2nd Committee 12th Meeting:

Agenda	Independent directors' objections, reserved opinions or major suggestions	Resolutions of Audit Committee	Subsequent actions of the Company
Amendment to the Audit Committee Charter	None	Passed unanimously	NA
Amendment to the Company's Accounting System	None	Passed unanimously	NA
Proposal for the Establishment of the Company's Risk Management Policies and Procedures	None	Passed unanimously	NA
Proposal to Establish the Company's Internal Control and Internal Audit Mechanisms	None	Passed unanimously	NA
Proposal to Conduct the Retroactive Public Offering and Apply for Listing of the Company's Privately Placed Common Shares Issued in 2021	None	Passed unanimously	NA

(2) Other matters which were not approved by the Audit Committee but were approved by two-thirds or more of all directors: None

Title	Name	Attendance in Person	By Proxy	Attendance rate in person	Note

2. If there are independent directors' avoidance of motions in conflict of interest, the directors' names, contents of motion, causes for avoidance and voting should be specified: NA

3. Communications between the independent directors, the Company's chief internal auditor and CPAs (e.g. the material items, methods and results of audits of corporate finance or operations, etc.)

(1) Internal auditor presents audit report to independent directors within one month after the audit is completed. Abstract of communications:

Date	Communication Contents	Recommendation and results
2024/02/27	2023 audit report on Nov to Dec. 2023 Annual internal audit report	Passed unanimously and sent to BOD meeting for approval
2024/04/16	2024 audit report on Jan	Passed unanimously
2024/04/30	2024 audit report on Feb to Mar	Passed unanimously
2024/07/31	2024 audit report on April to June	Passed unanimously
2024/08/07	2024 audit report on July	Passed unanimously
2024/08/19	2024 audit report on July	Passed unanimously
2024/10/30	2024 audit report on Aug to Sept 2024 annual audit plan	Passed unanimously and sent to BOD meeting for approval
2024/12/10	2024 audit report on Oct	Passed unanimously

(2) Internal auditor sits in BOD meetings and present audit reports

(3) Accountant shall communicate with the Audit committee on financial report audit result, key auditing matters and material legislation amendments at least once a year

Date	Communication Contents	Recommendation and results
2024/02/27	2023 audit report on annual consolidated and parent only financial reports 2024 audit plan and explanation on key review items Updates on recent legislations	Passed unanimously and sent to BOD for approval
2024/04/30	2024 Q1 financial report audit report	Passed unanimously and sent to BOD for approval
2024/07/31	2024 Q2 financial report audit report	Passed unanimously and sent to BOD for approval
2024/10/30	2024 Q3 financial report audit report	Passed unanimously and sent to BOD for approval

4.3 Corporate Governance Status and Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and Reasons

Items of Evaluation	Implementation			Deviations from " the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Y	N	Summaries	
1. Does Company follow "Corporate Governance Best Practice Principles for TWSE/ TPEx Listed Companies" to establish and disclose its corporate governance practices?	✓		The company has not yet stipulated Corporate Governance Charter, but has incorporate corporate governance principles into its daily operation.	No discrepancy

Items of Evaluation	Implementation			Deviations from " the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Y	N	Summaries	
2. Shareholding Structure & Shareholders' Rights (1) Does Company have Internal Operation Procedures for handling shareholders' suggestions, concerns, disputes and litigation matters. If yes, has these procedures been implemented accordingly? (2) Does Company possess a list of major shareholders and beneficial owners of these major shareholders? (3) Has the Company built and executed a risk management system and "firewall" between the Company and its affiliates? (4) Has the Company established internal rules prohibiting insider trading on undisclosed information?	✓ ✓ ✓ ✓		(1) The company has designed Investor Relationship Window and Spokesperson system to be responsible for shareholder related affairs. (2) The company has sufficient knowledge of major shareholders and has good relationship with the major shareholders.. (3) ENE and its subsidiaries and affiliates have established an effective internal risk management system on the important internal control regulations. (4) The company has stipulated Rules for Handling Material Information to prohibit insider trading. Any violation against the rules leads to damages of company property and interests shall be brought to the legal authority.	No discrepancy
3. Composition and Responsibilities of the Board of Directors (1) Has the Company established a diversification policy for the composition of its Board of Directors and has it been implemented accordingly? (2) Other than the Compensation Committee and the Audit Committee which are required by law, does the Company plan to set up the Board committees? (3) Has the Company established a methodology for evaluating the performance of its Board of Directors, performed evaluations on an annual basis, submitted the results of the performance evaluation to the board, and use it as a reference for individual directors' remuneration and renomination? (4) Does the Company regularly evaluate its external auditors' independence?	✓ ✓ ✓ ✓		(1) There are 7 BOD members including 3 independent directors. Please refer to credentials of directors for details. (2) ESG Committee has established on 2024.02.27. (3) Performance Evaluation of the Board of Directors was stipulated. The 2024 evaluation result was "outstanding" and has been reported to the BOD on 2025.02.25. It will be the future reference when determining remuneration and nomination of directors. (4) The finance department evaluates the eligibility and individuality of CPA once a year. The result has been reported to the BOD.	No discrepancy

Items of Evaluation	Implementation			Deviations from " the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Y	N	Summaries	
4. Has a TWSE/TPEx listed company appointed an appropriate number of suitable corporate governance personnel, and designated a corporate governance officer to be in charge of corporate governance affairs (including, but not limited to, providing directors and supervisors with the information necessary to execute business, assisting directors and supervisors in complying with laws, handling matters related to board meetings and shareholders meetings in accordance with the laws, processing corporate registration and amendment registration, and preparing minutes of board meetings and shareholders meetings)?	✓		The board of directors appointed the senior manager of the finance department as the director of corporate governance to lead the corporate governance working group to manage corporate governance-related matters. The main responsibilities are to provide directors with the information needed to perform business, maintain the company's articles of association and important rules and regulations, assist directors to comply with laws, arrange director training courses and handle company registration, and handle matters related to board of directors and shareholders' meetings in accordance with the law, and ensure that information is fully disclosed. , to protect the due rights and interests of shareholders and interested parties. The execution of matters related to corporate governance implementation in 2024 is as follows: 1.2024 held 8 meetings of the Board of Directors and 5 meetings of the Audit Committee. 2. Convene the 2024 Annual General Meeting of Shareholders. 3. Board members complete a 6-hour course. 4. Corporate governance managers have completed more than 12 hours of courses for new hires. 5. Insure liability insurance for directors and senior managers and report to the board of directors. 6. Handled the performance evaluation of the board of directors and functional committees. The self-evaluation results were all "exceeding standards" and were reported to the board of directors on February 25, 2025. 7. 4 communication meetings between independent directors and accountants, internal audit, etc.	

Items of Evaluation	Implementation			Deviations from " the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Y	N	Summaries	
5. Whether the company has established channels of communication with Stakeholders (including but not limited to shareholders, employees, customers and suppliers), and open the Stakeholders section on the company's website, and respond appropriately to Stakeholders' interests/ concerns regarding corporate social responsibility.	✓		The company has established channels of communication with stakeholders including bi-lingual company website with Stakeholder Section and contact window.	No discrepancy
6. Has the Company appointed a professional registrar for its Shareholders' Meetings?	✓		The company has appointed Yuanta Securities for its Shareholder's Meeting.	No discrepancy
7. Information Disclosure (1) Has the Company established a corporate website to disclose information regarding its financials, business and corporate governance status? (2) Does the Company use other information disclosure channels (e.g. maintaining an English-language website, designating staff to handle information collection and disclosure, appointing spokespersons, webcasting investors conference etc.)? (3) Does the Company announce and report the annual financial report within two months of the fiscal year end, and announce and report the financial reports for the first, second and third quarter and each month's operating performance ahead of the required deadline?	✓ ✓	✓	(1) The company has set up a website containing the information regarding financials, business and corporate governance status. www.ene.com.tw (2) The company has a spokesperson and an acting spokesperson responsible for gathering and disclosing the information. Investors Seminars will be publicized on company website as well as on MOPS. (3) The company announces and reports the annual financial reports within the regulated deadline.	No discrepancy
8. Has the Company disclosed other information to facilitate a better understanding of its corporate governance practices (e.g. including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, directors' training records, the implementation of risk management policies and risk evaluation measures, the implementation of customer relations policies, and purchasing insurance for directors)?	✓		1. Employee benefits and rights: Employees are able to express opinions and defend its right through email and quarterly employee meetings. 2. Employment relationship: human resource regulations are complete and efficient. Employee Welfare Committee was established to enhance employee benefits and welfare. 3. Investor relationship: the company sets up multi-lingual company website, emails and spokesperson system as investors communication channel. 4. Supplier relationship: the company maintains good relationship with vendors and endeavors to achieve better CSR and ensure products comply with	No discrepancy

Items of Evaluation	Implementation			Deviations from " the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Y	N	Summaries	
			RoHS and REACH regulations. 5. Stakeholder's right: the company has established company website with information on contact window and spokesperson system as stakeholder's communication channel. 6. Continuing education of Directors and managers: please refer table below for details. 7. Implementation of risk management policy risk evaluation measure: please refer to Section 7 item 6 Risk items for details. 8. The implementation of customer relations policies: the company is in a good relationship to be responsive to the market change. 9. Insurance for directors: the company has purchased Director and Officer Liability Insurance since April 21st, 2003.	
9. Please indicate the improvement of the results of the corporate governance evaluation issued by the Company's Center for Corporate Governance in the last year of the TWSE and provide priority measures and measures for those who have not yet improved. (1) Improved: 1. Safeguard the rights and interests of shareholders and treat them equally: Cooperate with the formulation of "Management Procedures for Preventing Insider Trading" and strengthen publicity to directors and insiders about the stock trading closed period and related regulations. 2. Strengthen the structure and operation of the board of directors: Disclose the specific management goals and implementation status of the board member diversity policy on the company website and annual report. 3. Strengthen the structure and operation of the board of directors: Establish a corporate governance manager and disclose his/her annual business execution and learning status on the company website and annual report (2) Future improvement plan: 1. Safeguard the rights and interests of shareholders and treat them equally: Formulate written standards for financial business operations with related parties, submit relevant major transactions to the board of directors for approval, and submit a report to the shareholders' meeting 2. Strengthen the structure and operation of the board of directors: Establish an information security risk management structure, specific management plans and other information, and strengthen disclosure on the company website 3. Strengthen the structure and operation of the board of directors: Establish ESG committee and disclose its composition, responsibilities and operations on the company website and annual report				

2024 evaluation of eligibility and independency of independent auditors:

Item	Evaluation	Results
1	Do the accountants have direct or indirect financial interest with the Company?	No
2	Do the accountants have no fund lending with the Company?	No
3	Do the accountants have close commercial relationships or potential employment relationship?	No

Item	Evaluation	Results
4	Do the accountants serve the Company within two years before the practice?	No
5	Do the accountants provide non-audit services that may affect the auditing activities for the company?	No
6	Do the accountants and the members of audit team have shares of the Company?	No
7	Do the accountant represent the company to arbitrate conflict with others?	No
8	Do the accountants are spouse, lineal relative, direct relative by marriage, or a collateral relative within the second degree of kinship of any responsible person or managerial officer of the Company?	No
9	Whether the accountants have being the audit accountants of the Company over 7 years?	No
10	Do the accountants permit others to practice under their name?	No
11	Do the accountants have relationship of collective investment or profit sharing with the company?	No
Scale and service quality		
1	Whether the accountant has not been punished by the competent authority	Yes
2	Whether the scale and resources of the accounting firm can meet the needs of the audit company.	Yes
3	Whether the accounting firm has established a quality control system	Yes
4	Whether the accounting firm has not been involved in litigation in the past three years.	Yes
5	Whether there are no major errors in the professional service reports provided by other members of the accounting firm	Yes
6	Whether to communicate with corporate governance units on a quarterly basis.	Yes
Level of professionalism		
1	Whether the members of the audit service team have an accountant license	Yes
2	Has the accountant reached the required number of training hours per year?	Yes
3	Whether members of the audit service team regularly participate in on-the-job training.	Yes
4	Professional Attention of Accountants	Due professional care has been exercised when performing the verification work and issuing the verification/review report.
Timeliness of Financial Reporting		
1	Whether the annual financial report is completed within two months after the end of the year	Yes
2	Are quarterly financial reports due within one month of the quarter end	Yes
3	Whether the tax visa report is completed within the reporting period	Yes
4	Whether the audit of financial status and internal control is completed on schedule	Yes

2024 continuing education of Directors and Managers:

Title	Name	Date	Hosted by	Course Content	Hours
Institutional director Representative	Dylan Chung	2024/03/22	Please refer to Chinese version for details	Please refer to Chinese version for details or contact IR contact window for details.	3
Institutional director Representative	Dylan Chung	2024/06/21			3
Institutional director Representative	Steve Lo	2024/10/25			3
Institutional director Representative	Steve Lo	2024/11/13			3
Institutional director Representative	Chi Chan Chen	2024/01/29 2024/01/30			12
Institutional director Representative	Ching Chi Wu	2024/10/01			3
Independent Director	Yi Fong Lin	2024/03/22			2
Independent Director	Yi Fong Lin	2024/07/03			3
Independent Director	Chi Ming Wu	2024/03/22			3
Independent Director	Chi Ming Wu	2024/04/26			3
Independent Director	Wen Ji Chien	2024/03/22			3
Independent Director	Wen Ji Chien	2024/08/13			
Independent Director	Wen Ji Chien	2024/12/17			3

4.4 Remuneration Committee

4.4.1.Composition of Remuneration Committee

Criteria / Name		Qualification & Experience (Note 2)	Independence (Note 3)	Serve as Remuneration committee member in other listed company
Convenor Independent Director	Chi Ming Wu	Master of Engineering, University of Michigan. Mr. Wu was Chairman of Cathay Securities and Chairman of Yi Fu Investment. He has necessary experience in commerce, legal, finance, accounting and sales.	1. Oneself, one's spouse or relative within the second degree of kinship, does not hold position as director, supervisors or employee of ENE. 2. Oneself, one's spouse or relative within the second degree of kinship, does not hold any shares of the company. 3. One does not hold position as director, supervisor or employee of companies that has specific relations to the company 1. One does not obtain remuneration (commerce, legal, finance, accounting or other services) from the company or related companies.	1
Independent Director	Yi Fong Lin	Master of EE, NCKU, EMBA NTU, Chairman of Focus Ltd with necessary experience in commerce, legal, finance, accounting and sales.	2. Oneself, one's spouse or relative within the second degree of kinship, does not hold position as director, supervisors or employee of ENE。 3. One, one's spouse or lineal relative within second degree of kinship hold any shares of the company. 4. One does not hold position as director, supervisor or employee of companies that has specific relations to the company. 5. One does not obtain remuneration (commerce, legal, finance, accounting or other services) from the company or related companies.	0
Independent Director	Wen Ji Chien	Master of Engineering. Mr. Chien is the partner of Yun-Der Accounting firm Associate of Jtron Technology with necessary experience in commerce, legal, finance, accounting and sales.	1. Oneself, one's spouse or relative within the second degree of kinship, does not hold position as director, supervisors or employee of ENE. 2. Oneself, one's spouse or relative within the second degree of kinship, does not hold any shares of the company. 3. One does not hold position as director, supervisor or employee of companies that has specific relations to the company 4. One does not obtain remuneration (commerce, legal, finance, accounting or other services) from the company or related companies.	0

4.4.2.Operation of Remuneration Committee

(1) The committee consists of three members.

(2) Tenure of the Committee: 2022.06.09 to 2025.06.08. The Committee convened 3 times in 2022:

Title	Name	Attendance in person	By Proxy	Attendance Rate (%)	Note
Member	Wen Ji Chien	3	0	100%	
Member	Yi Fong Lin	3	0	100%	
Convener	Chi Ming Wu	3	0	100%	

1. If the board of directors declines to adopt or modifies a recommendation of the compensation committee, it should specify the date of the meeting, session, content of the motion, resolution by the board of directors, and the Company's response to the compensation committee's opinion (eg., the compensation passed by the Board of Directors exceeds the recommendation of the compensation committee, the circumstances and cause for the difference shall be specified):None.
2. Resolutions of the compensation committee objected to by members or expressed reservations and recorded or declared in writing, the date of the meeting, session, content of the motion, all members' opinions and the response to members' opinion should be specified: None.
3. Discussion items and resolutions are listed in the table below.
4. Responsibilities of the Remuneration Committee:
   Pursuant to Article 6 of the Company's "Compensation Committee Charter" the Compensation Committee has the following responsibilities:
   (1) Design and periodically review the performance review and remuneration policy, system, standards, and structure for directors, supervisors and managerial officers.
   (2) Periodically evaluate and determine the remuneration of directors, supervisors, and managerial officers.

Discussion, resolutions and implantation from Remuneration Committee:

Remuneration Committee	Discussion	Resolution	Follow up actions from the Company	Implementation
2024/04/10 5th Committee 7th Meeting	1.2024 manager salary adjustment 2. 2023 employee remuneration distribution and its measures. 3. Directors' remuneration distribution case for 2023.	Approved unanimously	NA	Reported to and approved by the BOD on 2024/04/16
2024/7/11 5th Committee 8th Meeting	1. Proposal for Employee Subscription to New Shares Issued through the 2024 Cash Capital Increase and the Related Measures 2. Proposal on the Remuneration for Members of the ESG Committee 3. Proposal on the Remuneration for the Company's key Executives	Approved unanimously	NA	Reported to and approved by the BOD on 2024/07/31
2024/10/09 5th Committee 9th Meeting	1. Proposal on the Remuneration for the Company's key Executive. 2. Proposal on the Remuneration for the Company's key Executive. 3. Proposal for the 2025 Employee Salary Adjustment	Approved unanimously	NA	Reported to and approved by the BOD on 2024/10/30

4.5 Social responsibility performance and deviations from "corporate social responsibility best practice principles for TWSE/TPEX Listed Companies" and reasons

Item	Implementation			Deviations from "the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies" and Reasons
	Y	N	Summary	
1. Whether the company has established a governance structure to promote sustainable development, and set up a dedicated (part-time) unit to promote sustainable development, which is authorized by the board of directors to handle senior management, and the supervision of the board of directors		✓	The company established the ESG Committee on February 27, 2024, which is responsible for designing systems, relevant management policies, and the proposal, implementation, and review of specific promotion plans and to support the Board of Directors in continuously promoting corporate social responsibility (CSR) and enhancing corporate governance to achieve the goal of sustainable operations, the Committee is authorized to perform the following duties:	No discrepancy

<table>
<tr><th rowspan="2">Item</th><th colspan="3">Implementation</th><th rowspan="2">Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons</th></tr>
<tr><th>Y</th><th>N</th><th>Summary</th></tr>
<tr><td></td><td></td><td></td><td>1.Formulate the Company’s CSR and sustainability development strategies and goals, and propose corresponding management plans.
2.Promote and implement initiatives related to ethical business practices and risk management.
3.Monitor, review, and revise the execution and effectiveness of corporate sustainability initiatives.
4.Handle other matters as resolved by the Board of Directors.
The Sustainability Committee is appointed by the Board of Directors and comprises senior management and independent directors. In 2024, a committee meeting was held on October 9 to report on the implementation status of sustainability-related matters for the year.
The members of the Sustainable Development Committee are appointed by the Board of Directors and are composed of senior managers and independent directors of the company. They report the implementation results to the Board of Directors at least once a year.
<table>
<tr><th>Member</th><th>Name</th><th>Attendance</th></tr>
<tr><td>Chairman (chair)</td><td>Dylan Chung</td><td>100%</td></tr>
<tr><td>Director</td><td>Chi Chan Chen</td><td>100%</td></tr>
<tr><td>Independent director</td><td>Wen ji Chien</td><td>100%</td></tr>
<tr><td>Independent director</td><td>Chi Ming Wu</td><td>100%</td></tr>
</table>
The Company has established a part-time ESG Task Force, which regularly reports ESG-related initiatives to the members of the ESG Committee on an annual basis. In 2024, the Task Force presented its report to the Committee on October 9:
<table>
<tr><th>Unit</th><th>Content</th></tr>
<tr><td>Corporate governance team

Environmental team

Product and custome service team</td><td>1.ESG report
2. 2. To enhance the Company’s overall information security, the short-term goal is to implement ISO 27001. External audit is expected to be completed by mid-December 2024. Internal cybersecurity measures will be continuously reviewed and updated.
3. As part of the Company’s ESG practices, locally grown agricultural products</td></tr>
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</table>

<table>
<tr><td rowspan="2">Item</td><td colspan="3">Implementation</td><td rowspan="2">Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons</td></tr>
<tr><td>Y</td><td>N</td><td>Summary</td></tr>
<tr><td></td><td></td><td></td><td><table><tr><td>Employee care Team</td><td>and goods produced by social welfare organizations are purchased. Future efforts will gradually expand to include rural education, support for disadvantaged children, and promotion of local culture and community engagement
4. Formulated the “Risk Management Policy” and the “Sustainable Information Management Procedures” as part of the internal control system.
5. Greenhouse Gas (GHG) Inventory Report
6. Human rights, talent development, talent attraction and retention, and occupational safety-related initiatives.</td></tr></table>The Company’s Sustainability Committee reports to the Board of Directors at least once a year on the execution results of its initiatives. On October 30, 2024, the Committee presented its report to the Board, outlining the outcomes of the past year's efforts and the strategic direction for the coming year.</td><td></td></tr>
<tr><td>2. Does the Company conduct risk assessments of environmental, social and corporate governance issues related to the company’s operations and formulate relevant risk management policies or strategies in accordance with the materiality principle?</td><td>✓</td><td></td><td>The company communicates with internal and external stakeholders by reviewing domestic and foreign research reports, documents, and integrating assessment data from various departments, and conducts analysis based on the principle of materiality, and formulates risk management policies and measures for effective identification, measurement, evaluation, supervision, and control. Specific action plans to reduce the impact of related sustainability risks.<table><tr><td>Major Issue</td><td>Risk Item</td><td>Description</td></tr><tr><td rowspan="2">Environment</td><td>Waste management</td><td>The company strictly controls the disposal of waste to ensure that it will not cause any environmental pollution, and try its best not to affect the ecology and diversity of any species.</td></tr><tr><td>Greenhouse Gas</td><td>Strengthen the development of</td></tr></table></td><td>No discrepancy</td></tr>
</table>

<table>
<tr><td rowspan="2">Item</td><td colspan="3">Implementation</td><td rowspan="2">Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons</td></tr>
<tr><td>Y</td><td>N</td><td>Summary</td></tr>
<tr><td></td><td></td><td></td><td>
<table>
<tr><td></td><td>Reduction and Climate Change Actions</td><td>green products, continue to promote green manufacturing processes, implement environmental protection policies, strengthen cooperation with supply chain partners, ensure industrial competitiveness, and conduct education and training to enable employees to understand the impact of climate change.</td></tr>
<tr><td>Social</td><td>Human right</td><td>In order to improve human rights management, in addition to formulating relevant measures to protect employees, we also plan education on human rights, ethics and corporate social responsibility to enhance employees' human rights awareness and ensure that there are no cases of human rights violations.</td></tr>
<tr><td rowspan="3">Governance</td><td>legislation</td><td>Through the establishment of a governance organization and the implementation of an internal control system, ensure that the company's personnel and operations do comply with relevant laws and regulations.</td></tr>
<tr><td>Strengthen the functions of directors</td><td>Set up corporate governance supervisors and purchase liability insurance for directors and managers.</td></tr>
<tr><td>Stakeholder</td><td>Establish various communication channels and windows, actively communicate with stakeholders, and reduce confrontation and</td></tr>
</table>
</td><td></td></tr>
</table>

<table>
<tr><td rowspan="2">Item</td><td colspan="3">Implementation</td><td rowspan="2">Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons</td></tr>
<tr><td>Y</td><td>N</td><td>Summary</td></tr>
<tr><td></td><td></td><td></td><td><table><tr><td></td><td></td><td>misunderstanding. The company website sets up a Chinese and English version of the interested person area。</td></tr></table></td><td></td></tr>
<tr><td>3. Environmental Issues
(1) Has the Company set an Environmental management system designed to industry characteristics?
(2) Is the Company committed to improving resource efficiency and to the use of renewable materials with low environmental impact?
(3) Does the Company assess the current and future potential risks and opportunities of climate change for the company, and take measures in reaction to climate-related issues?
(4) Has the Company counted greenhouse gas emissions, water consumption and total weight of waste in the past two years, and formulated policies for energy conservation and carbon reduction, greenhouse gas reduction, water consumption or other waste management?</td><td>✓
✓
✓
✓</td><td></td><td>(1)The company has been certified with ISO9001:2015 and is complied with RoHS Directive, REACH, China RoHS Packaging Directive regulations. The Company also complies with the restrictions on harmful materials to decrease the impact on environment.
(2) The company does not have a factory building, only administrative office space, and attaches great importance to internal water resources management, resource recycling, garbage disposal, reducing the use of disposable tableware and paper cups, green procurement and the use of green building materials and other environmental protection measures to improve Usage efficiency of various resources (3)The company has assessed the potential risks and opportunities of climate change to the company now and in the future, and formulated and implemented various strategies, such as resource waste classification, sanitary consumables control, reduction in the use of disposable tableware and paper cups, air conditioning temperature limit control, automatic Induction lighting and inspection, electric power factor adjustment, using rechargeable batteries for more than 80%, and through the renewal of LED lamps and the use of frequency conversion operating equipment and other measures.
(4)The company has collected relevant information. As the company does not have a manufacturing facility, only administrative office space, and the above management policy has been formulated to respond. In the future, it is expected to maintain the same carbon emissions every year as the goal of energy conservation, carbon reduction and greenhouse gas reduction.
1. GHG emission :
(unit: mt CO_2e)<table><tr><td></td><td>2023</td><td>2024</td></tr><tr><td>Direct (scope 1)</td><td>5.8993</td><td>5.4396</td></tr><tr><td>Indirect (Scope 2)</td><td>128.8069</td><td>171.6139</td></tr><tr><td>Total</td><td>134.7062</td><td>177.0535</td></tr></table></td><td>No discrepancy</td></tr>
</table>

<table>
<tr><th rowspan="2">Item</th><th colspan="3">Implementation</th><th rowspan="2">Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons</th></tr>
<tr><th>Y</th><th>N</th><th>Summary</th></tr>
<tr><td></td><td></td><td></td><td>2.Water usage and waste
<table>
<tr><th>yr / item</th><th>2023</th><th>2024</th></tr>
<tr><td>water</td><td>516 unit</td><td>879 unit</td></tr>
<tr><td>Wasted material</td><td>0 Kg</td><td>338.79 Kg</td></tr>
<tr><td>Daily wastes</td><td>296.05 Ton kms</td><td>352.28 Ton kms</td></tr>
</table>
The company destroyed business waste in 2022 and entrusted Wanjixing Environmental Protection Engineering Co., Ltd., which holds a Class A waste removal license, to assist in processing and verification. Ensure that no environmental pollution is caused and efforts are made not to affect the ecology and diversity of any species. Business waste has not been destroyed in 2024.
3. In 2024, the Company conducted climate-related financial disclosures. We are committed to aligning with Taiwan’s “Sustainability Development Roadmap” and “Sustainability Action Plan” by continuously complying with relevant environmental regulations, minimizing resource waste, and promoting resource recycling and reuse. The Company has also established greenhouse gas (GHG) reduction targets, strategies, and specific action plans, along with assurance procedures. The implementation timeline is as follows:
<table>
<tr><th colspan="2">Type</th><th>Description</th></tr>
<tr><td>Short term goal</td><td>Next 2 years</td><td>- Energy-saving labels will be required for all newly procured office equipment.
- Gradual replacement of office lighting with energy-efficient LED lights. (In 2025, as halogen tube inventories are depleted, an LED replacement plan will be implemented in parallel.)
- Promote electricity-saving awareness in the office to achieve low-carbon operations.。</td></tr>
<tr><td>Mid-long term goal</td><td>Beyond 3 years</td><td>- 2027: Gradually develop carbon reduction action plans and target a 1% reduction in carbon emissions compared to 2026 levels.
- 2028: Conduct third-party verification of the Company’s 2027 greenhouse gas (GHG) inventory.</td></tr>
</table>
</td><td></td></tr>
<tr><td>4. Social Issues
(1) Does the Company set policies and procedures in compliance with</td><td>✓</td><td></td><td>(1) The company respect the variety of human resource compositions. All appointment policies</td><td>No discrepancy</td></tr>
</table>

<table>
<tr><th rowspan="2">Item</th><th colspan="3">Implementation</th><th rowspan="2">Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons</th></tr>
<tr><th>Y</th><th>N</th><th>Summary</th></tr>
<tr><td>regulations and internationally recognized human rights principles?
(2) Has the Company established and implemented a reasonable employee benefit policy (including remuneration, vacation and other benefits, etc.) where operating performance or results are appropriately reflected in employee compensation?
(3) Does the Company provide employees with a safe and healthy working environment, with regular safety and health training?
(4) Has the Company established effective career development training plans?
(5) Does the Company comply with relevant laws, regulations and international standards regarding customer health and safety, customer privacy, and marketing and labeling of products and services, and develop relevant consumer protection policies and complaint procedures?
(6) Has the Company formulated a supplier management policy that requires suppliers to follow relevant guidelines on issues such as environmental protection, occupational safety and health or labor rights, and their implementation?</td><td>✓
✓
✓
✓
✓</td><td></td><td>abide by the international human rights conventions, including the International Human Rights Code, the International Labor Organization-Declaration of Fundamental Principles and Rights at Work, and the Ten Principles of the United Nations Global Covenant. The Company has stipulated a Human Rights Policy stating regardless of the following but not limited to factors such as race, color, gender, sexual orientation, age, language, marital status, political stance, religious belief, physical and mental disability, socioeconomic class, etc., all employees, contract and temporary personnel, interns, etc. shall be treated equally.
In order to let each employee understand their own rights and the company's management policies and procedures, the company provides newcomers with education and training on the day they arrive, including human rights-related courses: 86 hours of new recruit training in 2024.
(2)
2.1 The company stipulates renumeration policy and states clearly in the article 32 of Articles of Corporation that no less than 20% of the profits after offsetting the accumulated deficit shall be allocated as employee compensation.
2.2 In accordance with the Regulations of Compensation, the average salary adjustment for 2024 is 1~3%.
2.3 Please refer to Section 5 Labor relations for details on the employee benefits.
(3) The company endeavors to provide safe and comfortable working environment. The offices are equipped with access controls and monitoring system, conducts annual fire inspections, and convenes labor safety and hazards prevention seminars. Daily cleaning and tidying up of the offices as well as quarterly sanitization are performed. New employees are provided with basic medical examinations. Annual health examinations are also conducted to all employees. In addition, the Company stipulates female protection plan to ensure safety at work and physical/psychological wellbeing for female employees. Employee health and safety training hours: 77 hours in 2024 (total 24 people)</td><td></td></tr>
</table>

<table>
<tr><td rowspan="2">Item</td><td colspan="3">Implementation</td><td rowspan="2">Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons</td></tr>
<tr><td>Y</td><td>N</td><td>Summary</td></tr>
<tr><td></td><td></td><td></td><td>(4) The company develops a variety of cultivation and training programs based on operational objectives combined with employee career development. Through the systematic construction of a blueprint for learning and development, the development of an education and training system creates a diverse and all-round continuous learning and growth environment for employees..
<table>
<tr><td>New recruit training</td><td>Understand corporate management policies and human rights ethics</td><td>Company profile, management system, regulations, company policies, employee rights, human rights and ethics, and work-related laws and regulations</td></tr>
<tr><td>Compulsory</td><td>Deepen relevant system expertise</td><td>Training in competencies or knowledge necessary for specific occupations</td></tr>
<tr><td>On job training</td><td>Training required for specific positions</td><td>Training in competencies or knowledge necessary for specific occupations</td></tr>
<tr><td>ESG training</td><td>Promote sustainable management training</td><td>In accordance with relevant laws and regulations, policies promoted by the company, and relevant domestic and foreign norms, to improve employees and the company's sustainability and business related training.</td></tr>
</table>
The total number of training hours arranged by the company in 2024 is 731 hours, 272 man hours for male employees; 321 hours for female employees, 100% of the employees have received training
(5) The company has established a system of customer services to serve our customers.
(6) The Company has established the Supplier Management Procedures, which require</td><td></td></tr>
</table>

Item	Implementation			Deviations from "the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies" and Reasons
	Y	N	Summary	
			suppliers such as wafer fabs, packaging houses, and testing service providers—subject to pilot engagement—to conduct self-assessments based on the Supplier Quality System Audit Checklist. Suppliers must evaluate their own quality management systems as well as their environmental and hazardous substance-free (HSF) management systems. The evaluation tools include: Supplier Quality System Audit Checklist; Supplier Self-Assessment Sheet 8.0; Corporate Social and Environmental Responsibility Self-Assessment. A passing score is set at 80% or above for qualification. Prior to engaging in any business with a supplier, the Company conducts a thorough evaluation of the supplier's relevant records in accordance with internal guidelines. Once a supplier is included in the Approved Vendor List (AVL), the Company implements ongoing management measures based on factors such as quality audits, ISO certifications, and transaction volumes. Through a regular supplier evaluation system, the Company seeks to identify and eliminate suppliers with potential concerns related to environmental protection, occupational health and safety, or labor and human rights issues. The Company has also established the Organizational Context and Stakeholder Requirements Management Procedures, which require all suppliers to comply with the standards set forth in the Responsible Business Alliance (RBA) Code of Conduct. Suppliers are requested to sign the Declaration of Compliance with the RBA Code of Conduct as a formal commitment to these principles. Suppliers are required to sign and return the Declaration of Compliance. If a supplier has conducted an RBA self-assessment or obtained relevant certifications, the Company will also request the supplier to provide supporting documentation.	
5. Does the Company refer to internationally accepted reporting standards or guidelines for compiling reports on corporate non-financial information such as corporate social		✓	The Company has prepared the 2023 Sustainability Report in accordance with the GRI 2021 Standards issued by the Global Sustainability Standards Board (GSSB). The report was reviewed and approved by the Board of Directors on July 31, 2024	No discrepancy

<table>
<tr><td rowspan="2">Item</td><td colspan="3">Implementation</td><td rowspan="2">Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons</td></tr>
<tr><td>Y</td><td>N</td><td>Summary</td></tr>
<tr><td>responsibility reports? Has the aforementioned report obtained an assurance opinion of a third-party verification organization?</td><td></td><td></td><td></td><td></td></tr>
<tr><td colspan="5">6. If the Company has established its corporate social responsibility code of practice according to “Code of Practice for Listed Companies Sustainable Development,” please describe the operational status and differences.
The company has not prepared the Code of Practice for Sustainable Development but has incorporated the principles into the daily operation.</td></tr>
<tr><td colspan="5">7. Other important information to facilitate better understanding of the company’s implementation of corporate social responsibility:
(1) Environment: certified with ISO9001:2015 and is complied with RoHS Directive, REACH, China RoHS, and Packaging Directive regulations.
(2) Customer rights: the company frequently communicates with customers and create task force to tackle major RMA issues.
(3) Supporting Social Welfare
ENE Technology Inc is committed to corporate social responsibility, upholding the principle of "giving back to society what is taken from society." In response to key sustainability issues that matter to the community, the Company actively promotes long-term social welfare initiatives across multiple dimensions and encourages employees to participate personally.
Bringing Educational Resources and Warmth to Local Schools in 2024
Ding-dong, ding-dong—Merry Christmas!
During the holiday season, the COO of ENE Technology, together with colleagues and in collaboration with the DenEr Foundation, visited two rural schools—Baoshan Elementary School and its Shanhu Branch Campus—to deliver Christmas gifts to the children.
The joy on the children’s faces as they received their gifts was priceless. Watching the students dance with excitement while holding their presents, our colleagues were deeply touched by the warm atmosphere, the heartfelt smiles, and the cheerful voices saying, "Thank you, aunties and uncles! Merry Christmas!".
Both Baoshan Elementary School and its Shanhu Branch Campus are located near the Baoshan Reservoir and are small schools with relatively low student populations.
We are honored to support the educational resource needs of these local schools. In addition to donating a variety of practical stationery items to approximately 100 students across the two campuses, we also provided multiple sets of sports equipment—including badminton gear and pickleball sets—to help the children thrive in a well-rounded learning environment and develop healthy exercise habits.</td></tr>
</table>

Climate related information

1. Implementation of climate-related information

Item	Implementation
1.Describe board and management oversight and governance of climate-related risks and opportunities	Climate Governance and Risk Management Following the conclusion of COP29 in 2024, global progress in reducing reliance on fossil fuels remains slow. The year 2024 recorded the highest temperatures in history, accelerating the trend of global warming and increasing the frequency of extreme climate events such as heavy rainfall and droughts. These risks have posed significant operational challenges for many businesses, making climate governance a critical issue that companies can no longer ignore. As a responsible global corporate citizen, ENETechnology actively addresses the potential risks of climate change by formulating response strategies and action plans to enhance climate resilience. To mitigate climate change, the Company is also planning to gradually transition its operations toward a low-carbon model. > Board of Directors The Board of Directors serves as ENE highest governing body for climate-related matters. It is responsible for driving and making strategic decisions on climate-related issues and supervising the overall implementation of climate actions across the Company. The Board plays a key role in approving climate commitments and setting targets, and it periodically reviews the latest trends in climate risks and opportunities, formulating strategic responses to ensure the Company's long-term sustainability. >Sustainability Committee To strengthen the management and identification of climate-related risks and opportunities, ENE established its Sustainability Committee in 2024. The Committee reports at least once a year to the Board on the progress of sustainability strategies and projects, including the assessment and execution of climate-related initiatives. The Committee is responsible for staying attuned to stakeholder expectations and emerging climate trends, coordinating with relevant departments to assess and manage climate risks, and reporting recommended actions or goals to management for review and approval.
2. Describe how the identified climate and opportunities will affect the company's business, strategy and finances (short-term, medium-term, long-term)	In formulating key climate strategies, ENE first identifies material climate risks and opportunities annually. In 2024, the Sustainability Committee convened five ESG task forces to review climate-related topics relevant to ENE by referencing climate disclosures of listed companies, peer benchmarking, and international trends. Six climate topics were initially identified, including three transition risks, one physical risk, and two opportunities. Through cross-functional discussions and impact assessments based on likelihood and severity, four material issues were finalized: Two transition risks, One physical risk, One opportunity. The following table summarizes each issue, including its timeline, current status, and ENE's response strategy:

<table>
<tr><th>Item</th><th>Implementation</th></tr>
<tr><td></td><td>

Category	Issue	Impact Timeline	Current Status	Response Strategies & Management Measures
Transition Risk	Changes in Customer Behavior	Medium Term (3–5 years)	In recent years, customers have increased focus on the environmental performance of suppliers. Clients now require disclosure, evaluation, and management of environmental risks as a condition for collaboration. ENE must also consider the environmental practices of its own suppliers. To meet these demands, the Company may need to increase management personnel and adopt new systems, potentially raising operational costs.	-Continuously monitor supply chain responses to climate risk and integrate climate factors into daily operations. - Disclose and manage environmental risks per client requirements. - Collaborate with environmentally responsible partners and offer products that meet industry regulations and standards. ◦
Transition Risk	Tightening Emissions Reporting Requirements	Medium Term (3–5 years)	Regulatory authorities require ENE to complete GHG inventories and assurance by designated years, and to set reduction targets. Ongoing compliance will increase resource and operational costs.	- Implement ISO 14064-1 for GHG inventory and promote emission reduction and continuous improvement.
Physical Risk	Increased Severity of Extreme Weather (Typhoons, Floods)	Medium Term (3–5 years)	- Extreme and abnormal weather events are becoming more frequent, posing direct or indirect risks to operational continuity, revenue, and profitability. -Power outages, water disruptions, and heavy rainfall may impact operations, leading to delays in production and reduced customer confidence.	- Establish backup systems (e.g., UPS and HVAC) for critical servers. - Enable remote work capabilities to reduce disruption. - Create internal disaster communication protocols and emergency response plans. - Purchase insurance coverage for climate-related risks.
Opportunity	Enhanced Supply Chain Resilience	Medium Term (3–5 years)	ENE is committed to working closely with its supply chain to build sustainable production and operations, reducing the risks of regulatory noncompliance and climate-induced disruptions.	- Conduct regular supplier evaluations, including on-site or document-based audits. - Diversify supply chain production locations to mitigate disruption risks.

Impact Timeline Definitions: Short Term: Within 3 years; Medium Term: 3 to 5 years; Long Term: More than 5 years
</td></tr>
<tr><td>3.Describing the financial impact of extreme climate events and transition actions Describing the financial impact of extreme climate events and</td><td>If extreme weather occurs frequently and affects suppliers' ability to produce or distribute goods normally, it will increase the possibility of operational interruptions that will cause factories to be unable to produce smoothly, resulting in a decline in the company's revenue.

Therefore, the Sustainability Committee is working as quickly as possible to identify the financial impact of extreme climate events and transitional behaviors.</td></tr>
</table>

Item	Implementation
transition actions	
4.Describe how climate risk identification, assessment and management processes are integrated into the overall risk management system	To ensure the Company remains informed of current key climate risks and opportunities, the Sustainability Committee conducts annual benchmarking by reviewing the sustainability reports of industry peers. The Committee also convenes the five major ESG task forces on a regular basis. Each ESG task force gathers information from relevant departments regarding the Company's annual climate risk response measures. Through interviews with departments responsible for climate-related topics, the task forces assess the perceived likelihood and severity of each issue. This process enables the Company to consolidate and identify ENE's material climate risks and opportunities for the year. The final results are reported to the Board of Directors, which is responsible for making decisions and formulating strategic directions accordingly. Topic Collection: - Review of sustainability reports from industry peers ➔ Risk & Opportunity Identification: - Interviews with departments ➔ Response Planning: - Evaluate the current status of departmental responses ➔ Monitoring & Management: - Departments submit annual progress reports on target achievement
5.If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and main financial impacts used should be explained.	Scenario analysis has not yet been used to assess resilience to climate change risks。
6.If there is a transformation plan to manage climate-related risks, describe the content of the plan, and the indicators and targets used to identify and manage physical and transformation risks.	There is currently no transformation plan to manage climate-related risks。
7.If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated	There are currently no planning tools using carbon pricing。
8.If climate-related goals are set, the activities covered, the scope of greenhouse corporate emissions, the planning schedule, annual achievement progress and	No climate-related targets have been set yet

Item	Implementation
other information should be explained; if carbon offsets or renewable energy certificates (RECs) are used to achieve relevant goals, the information should be explained. The source and quantity of carbon reduction credits or the quantity of renewable energy certificates (RECs) being redeemed.	
9.Greenhouse gas inventory and assurance, reduction targets, strategies and specific action plans	Please refer to "2. Company Greenhouse Gas Inventory and Confirmation Situation in the Last Two Years"

2. Company Greenhouse Gas Inventory and Confirmation Situation in the Last Two Years

2.1 Greenhouse gas inventory information

Describe the emission volume (metric tons CO2e), intensity (metric tons CO2e/million dollars) and data coverage of greenhouse gases in the past two years.

The scope of the current GHG inventory primarily covers the Company's headquarters, with the organizational boundary defined based on operational control. The main intended users of this disclosure are the Financial Supervisory Commission (FSC) and the Company's parent company.
The inventory was conducted in accordance with the ISO 14064-1:2018 standard. The original base year was set as 2022; however, with the inclusion of the Taipei office within the organizational boundary in 2024, the base year has been adjusted to 2024.
The following table presents the verified GHG emissions data for 2023 and 2024::

Scope (category) / **year**	**2023**	**2024**
Scope (category) 1	**5.8993**	**5.4396**
Scope (category) 2	**128.8069**	**171.6139**
Total emission (unit: mt CO_2e)	**134.7063**	**373.825**
Emission intensity	**0.1539**	**0.4737**
Scope (category) 3	**36.0166**	**104.4573**
Scope (category) 4	**95.1239**	**92.3142**

※Explanation

1. Emission intensity＝scope 1＋scope 2 greenhouse gas emission volume (mtCO_2e/revenue (NT$ millions)
2. Scope 2 includes: Indirect GHG emissions from transportation (raw material transportation/employee commuting/business transportation)
3. Scope 4 includes: Indirect GHG emissions of products used (purchased energy/purchased wafers/waste disposal/waste transportation)

2.2. Greenhouse Gas verification information

Describe the confidence situation in the last two years as of the publication date of the annual report, including the scope of the confidence, the organization of the confidence, the criteria for the confidence and the opinion of the confidence.
In order to improve the credibility of greenhouse gas inventory information and reports and improve data quality, an external verification operation will be carried out in 2022, and a third-party impartial unit [Taiwan Inspection Technology Co., Ltd. (SGS)] will be appointed to verify the greenhouse gas inventory. Verify the assurance level of the statement. Direct and energy indirect emissions (categories 1 and 2) adopt the reasonable assurance level, and other indirect emissions (categories 3 to 6) adopt the limited assurance level. Scope of verification: ENE TECHNOLOGY INC (headquarters), address: left wing of 4F, No.21, Lixin Rd, Hsinchu Science Park, 9F, No.66, Sanchung Rd., Nangang, Taipei. In order to maintain greenhouse gas management operations and comply with the information management requirements of the international standard ISO 14064-1:2018, starting from 2024, the internal greenhouse gas inventory of the previous year will be completed before the second quarter of the next year to confirm the previous year's emissions. And serve as a reference for management's decision-making.

4.6 Ethic management performance and deviations from “Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies” and Reasons

Item	Implementation			Deviations from “the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Y	N	Summary	
1. Establishment of Corporate Conduct and Ethics Policy and Implementation Measures (1) Has the Company formulated a policy of ethical management approved by the board of directors, and clearly state, in the bylaw and external documents, the policies and practices of ethical management and the commitment of the board and senior management to actively implement the operating policy? (2) Has the Company established a mechanism for evaluating the risk of unethical behavior, regularly analyzed and evaluated business activities with a higher risk of unethical behavior in the business scope, and formulated a plan, which covers at least the precautionary measures in the second paragraph of Article 7 of “Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies”, to prevent unethical behavior? (3) Has the Company clearly defined the operating procedures, behavior guidelines, punishment and appeal systems for violations in the unethical conduct prevention plan, and does it implement and regularly review and revise the aforementioned plan?	✓ ✓ ✓		1.Codes of Ethics and Conduct has been established on November 7th, 2014 and released in the Company website. 2.The company has clearly states the codes of ethics and conducts in various documents and manuals. 3.The company periodically reviews and evaluates operations that might incur unethical behavior as well as emphasis the importance of ethical conduct to employees whenever necessary.	No Discrepancy
2. Ethic Management Practice (1) Does the Company assess the ethics records		✓		(1) The company has

Item	Implementation			Deviations from "the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies" and Reasons
	Y	N	Summary	
of whom it has business relationship with and include business conduct and ethics related clauses in the business contracts? (2) Has the Company established a unit affiliated with the board to promote corporate ethical management, and regularly (at least once a year) report to the board its ethical management policies and plans to prevent unethical conduct and monitor implementation? (3) Does the Company establish policies to prevent conflict of interests, provide appropriate communication and complaint channels and implement such policies properly? (4) Has the Company established an effective accounting system and internal control system for the implementation of ethical management, where the internal audit unit prepared relevant audit plans based on the result of risk assessment of unethical conducts, and checked the compliance with the plan to prevent unethical conducts, or delegated an accountant to perform the verification? (5) Does the Company provide internal and external ethical conduct training programs on any regular basis?	✓ ✓ ✓ ✓		(1) Trading partners are able to follow the code of ethics of the company. (2) HR and legal departments are assigned as the responsible units and prepares quarterly reports to BOD. (3) Directors comply with the codes carefully and avoid conflict of interests whenever necessary. (4) The company has established an effective accounting system and internal control system, internal auditor checks the internal systems periodically. (5) Directors participate ethic related training course to enforce the related knowledge and practice. Employees also participate internal training regarding ethics. Total number of employees participate in the internal ethical training course is 69 in 2022. Total number of employees participate in the internal anti-insider trading course is 69 in 2022. BOD members participate in insider training course is 6 people.	not signed official documents with trading partners. (2) (3) (4) (5) No discrepancy
3. Implementation of Complaint Procedures. (1) Does the Company establish specific complaint and reward procedures, set up conveniently accessible complaint channels, and designate responsible individuals to handle the complaint received? (2) Has the Company established standard operating procedures for investigating the complaints received, take corresponding measures after investigation, and ensuring such complaints are handled in a confidential manner? (3) Does the Company adopt proper measures to prevent a complainant from retaliation for his/her filing a complaint?	✓ ✓ ✓		(1) The company has stipulated work regulation that includes codes of ethics. Any violation shall be punished. (2) The company has established SOP for investigating the complaints received, HR and legal are responsible for taking corresponding measures after investigation. (3) The company shall adopt proper measures to prevent complainant from retaliation for filing a complaint.	No discrepancy
4. Information Disclosure Does the Company disclose its guidelines on business ethics as well as information about implementation of such guidelines on its website and Market Observation Post System ("MOPS")?	✓		The company prepares quarterly reports for the BOD as well disclose related information on the company websites and MOPS.	No discrepancy
5. If the Company has established corporate governance policies based on TSE Corporate Conduct and Ethics Best Practice Principles, please describe any discrepancy between the policies and their implementation.				

Item	Implementation			Deviations from “the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Y	N	Summary	
No discrepancy.				
6. Other important information to facilitate better understanding of the company’s corporate conduct and ethics compliance practices (e.g., review the company’s corporate conduct and ethics policy). (1) The company follows all the related legislations and incorporated into daily operation. (2) The company “Regulations for Board of Directors Meeting” has outlined clauses for conflicts of interests and related behavioral obligations.				

4.7 Other information material to the understanding of corporate governance within the company:

4.7.1 Key managers participate in corporate governance related training course:

Title	Name	Date	Host	Course title	Course hours
CEO	Dylan Chung	2024/03/22	Please refer to Chinese version for details	Please refer to Chinese version for details	3
CEO	Dylan Chung	2024/06/21			3
VP	Su wu Lo	2024/06/21			3
Accounting manager	Cynthia Chao	2024/06/21			3
Corporate Governance manger	Cynthia Chao	2024/07/23			3
Corporate Governance manger	Cynthia Chao	2024/08/08~ 2024/08/09			12
Corporate Governance manger	Cynthia Chao	2024/09/25			6
Corporate Governance manger	Cynthia Chao	2024/10/01			6

4.7.2 Operating Procedures for Internal Material Information: "Internal Material Information Handling Operating Procedures" have been established and disclosed on the company's website www.ene.com.tw, and a "Corporate Responsibility and Corporate Governance" section has been set up to enhance investors' understanding of the company's corporate governance.

4.8 Internal Control System Execution Status

A. Statement on Internal Control:

ENE TECHNOLOGY INC.

Statement on Internal Control

Date: 2025.02.25

Based on the findings of a self-assessment, ENE TEHCNOLOGY INC. states the following with regards to its internal control system during the year 2024:

1. ENE TECHNOLOGY INC’s board of directors and management are responsible for establishing, implementing, and maintaining an adequate internal control system. Our internal control is a process designed to provide reasonable assurance over the effectiveness and efficiency of our operations (including profitability, performance and safeguarding of assets), reliability, timeliness, transparency of our reporting, and compliance with applicable rulings, laws and regulations.

2. An internal control system has inherent limitations. No matter how perfectly designed, an effective internal control system can provide only reasonable assurance of accomplishing its stated objectives. Moreover, the effectiveness of an internal control system may be subject to changes due to extenuating circumstances beyond our control. Nevertheless, our internal control system contains self-monitoring mechanisms, and ENE TECHNOLOGY INC takes immediate remedial actions in response to any identified deficiencies.

3. ENE TECHNOLOGY INC evaluates the design and operating effectiveness of its internal control system based on the criteria provided in the Regulations Governing the Establishment of Internal Control Systems by Public Companies (herein below, the Regulations). The criteria adopted by the Regulations identify five key components of managerial internal control: (1) control environment, (2) risk assessment, (3) control activities, (4) information and communication, and (5) monitoring activities.

4. ENE TECHNOLOGY INC has evaluated the design and operating effectiveness of its internal control system according to the aforesaid Regulations.

5. Based on the findings of such evaluation, ENE TECHNOLOGY INC believes that, as of December 31, 2024, it has maintained, in all material respects, an effective internal control system (that includes the supervision and management of our subsidiaries), to provide reasonable assurance over our operational effectiveness and efficiency, reliability, timeliness, transparency of reporting, and compliance with applicable rulings, laws and regulations.

6. This Statement is an integral part of ENE TECHNOLOGY INC’s annual report for the year 2020 and Prospectus, and is publicly disclosed. Any falsehood, concealment, or other illegality in the content made public will entail legal liability under Articles 20, 32, 171, and 174 of the Securities and Exchange Act.

7. This statement was approved by the board of directors in their meeting held on 2025.02.27, with none of the seven attending directors expressing dissenting opinions. All attending directors have affirmed the content of this Statement.

ENE TECHNOLOGY INC

Chairman: Dylan Chung

General Manager: Vivian Hsu

B. If CPA was retained to conduct a special audit of the internal control system, disclose the audit report: None.

4.9 Major Resolutions of Shareholder's Meeting and Board Meetings

1.Resolutions for shareholder's Meeting on 2024.05.28:

Item	Resolutions	Implementation Status
To adopt 2023 Business Report and Financial Statements	Approved as proposed Please refer to Chinese version for details	Implemented accordingly
To approve the Proposal for 2023 Profit Appropriation	Approved as proposed Please refer to Chinese version for details	Implemented accordingly
Proposal for cash dividends from capital surplus	Approved as proposed Please refer to Chinese version for details	Implemented accordingly
Proposal for amendment of Articles of Incorporation	Approved as proposed Please refer to Chinese version for details	Implemented accordingly
Proposal to Issue 2024 Employee Stock Warrants at an Exercise Price Below Fair Market Value	Approved as proposed Please refer to Chinese version for details	Implemented accordingly
Proposal to Conduct a Cash Capital Increase through a Private Placement of New Shares	Approved as proposed Please refer to Chinese version for details	Implemented accordingly

2.Major Resolutions of the BOD Meetings in 2025:

Dates	Important Resolutions	Implementation
2024/02/27 9th Committee 11th meeting	1. Proposal for the 2023 Statement on Internal Control System 2. Proposal to Amend the Company's Rules of Procedure for Board Meetings 3. Proposal for the Allocation of 2023 Employee Compensation and Directors' Remuneration 4. Proposal to Procure Wafers and Related Equipment/Services from Related Parties 5. Proposal to Establish the Sustainability Committee and Formulate its Charter 6. Proposal for the 2023 Business Report, Standalone Financial Statements, and Consolidated Financial Statements 7. Proposal for the 2023 Earnings Distribution Plan 8. Proposal for Cash Distribution from Capital Surplus 9. Proposal for the Date, Venue, and Agenda of the 2024 Annual General Shareholders' Meeting 10. Proposal Regarding the Procedures for Accepting Shareholder Proposals 11. Proposal for Renewal of Liability Insurance for Directors and Senior Officers	Approved unanimously

Dates	Important Resolutions	Implementation
2024/04/16 9th Committee 6th meeting	1. Proposal to Amend the Company's Articles of Incorporation 2. Proposal to Issue 2024 Employee Stock Warrants at an Exercise Price Below Fair Market Value 3. Proposal to Conduct a Cash Capital Increase through a Private Placement of New Shares 4. Proposal to Amend the Agenda of the 2024 Annual General Shareholders' Meeting in Response to the Addition of New Proposals 5. Proposal for the 2024 Salary Adjustment Plan for Managerial Officers 6. Proposal for the Allocation and Implementation of 2023 Employee Compensation 7. Proposal for the Distribution of 2023 Directors' Remuneration 8. Proposal to Release the General Manager from the Non-Competition Restriction 9. Proposal to Engage an Affiliate of the Attesting CPA Firm to Provide Non-Assurance Services to the Company	Approved unanimously
2024/4/30 9th Committee 13th meeting	1. Proposal for the First Quarter 2024 Consolidated Financial Statements 2. Proposal to Conduct a Cash Capital Increase through the Issuance of New Shares and the Third Domestic Issuance of Unsecured Convertible Bonds	
2024/07/31 9th Committee 14th meeting	1. Proposal for the Second Quarter 2024 Consolidated Financial Statements 2. Proposal to Lease Office Space and Two Parking Spaces from a Related Party 3. Proposal for the Appointment and Remuneration of the First-Term Members of the Sustainability Committee 4. Proposal on the 2023 Sustainability Implementation Status 5. Proposal to Release the General Manager from the Non-Competition Restriction 6. Proposal for the 2024 Employee Subscription to New Shares Issued through Cash Capital Increase and the Related Measures 7. Proposal for the Appointment of the Company's Chief Operating Officer (COO)	
2024/08/07 9th Committee 15th meeting	1. Proposal to Extend the Payment Deadline for Specific Persons in the 2024 Cash Capital Increase	
2024/08/19 9th Committee 16th meeting	1. Proposal to Apply for the Cancellation of the 2024 Cash Capital Increase with the Financial Supervisory Commission (FSC	
2024/10/30 9th Committee 17th meeting	1. Proposal for the Q3r 2024 Consolidated Financial Statements 2. Proposal to Amend the Company's Audit Committee Charter 3. Proposal to Revise the Company's Accounting Policies and Procedures 4. Proposal to Establish the Company's Risk Management Policy 5. Proposal to Establish the Company's Internal Control and Internal Audit Systems 6. Proposal to Approve the 2025 Internal Audit Plan 7. Proposal to Conduct Retroactive Public Offering and Listing of the Company's 2021 Privately Placed Common Shares 8. Proposal for Adjustment of Senior Management Compensation	
2024/12/10 9th Committee 18th meeting	1. 2025 Business plan	

Dates	Important Resolutions	Implementation
2025/01/20 9th Committee 19th meeting	2. Proposal for the Full Re-Election of Directors 3. Proposal to Release Newly Elected Directors from the Non-Competition Restriction 4. Proposal for the Date, Venue, and Agenda of the 2025 Annual General Shareholders' Meeting 5. Proposal Regarding the Acceptance of Shareholder Proposals and the Nomination of Director and Independent Director Candidates	

4.10 Major Issues of Record or Written Statements Made by Any Director or Supervisor Dissenting to Important Resolutions Passed by the Board of Directors: None.

5. Information Regarding the Company's Audit Fee and Independence

(1) Audit fee details

Unit: NTD Thousands

Accounting Firm	Name of CPA	Period	Audit Fee (Note 1)	Non-audit Fee (Note 3)	Total	Note
PWC Tawian	Pei-Chuan Huang Chin Chang Chen	2024/01/01 ～ 2024/12/31	1,820 (N1)	870 (N2)	2,690	

Note 1: Audit fee for annual consolidated and independent financial reports and income tax auditing.

Note 2: The non-audit fees refer to professional service fees paid by the Company for services related to the issuance of convertible bonds, cash capital increase, retroactive public offering of privately placed securities, and advisory services for the preparation of the sustainability report.

(2) Change of Accounting firm and the Audit fee paid is less than previous year, please disclose the former audit fee paid and the reason for change: NA

(3) Decrease ratio of audit fee is more than 10%, please disclose the amount decreased, ration and reason: NA

6. Replacement of CPA:

Replacement of CPA within 2 years:

(1) Former CPA

<table>
<tr><td>Replacement date</td><td colspan="4">2024.08.02</td></tr>
<tr><td>Reason and descriptions</td><td colspan="4">For internal management and operational needs</td></tr>
<tr><td rowspan="3">Termination by the Company or appointment declined by CPA</td><td colspan="2">Status</td><td>CPA</td><td>The Company</td></tr>
<tr><td colspan="2">Termination by Company</td><td>NA</td><td>NA</td></tr>
<tr><td colspan="2">Declined by CPA</td><td>NA</td><td>NA</td></tr>
<tr><td>Other issues (except for unqualified issues) in the audit reports within the last two years</td><td colspan="4">None</td></tr>
<tr><td rowspan="5">Opinions differ from the Company</td><td rowspan="4">Y</td><td></td><td colspan="2">Accounting principles or practices</td></tr>
<tr><td></td><td colspan="2">Disclosure of Financial Statements</td></tr>
<tr><td></td><td colspan="2">Audit scope or steps</td></tr>
<tr><td></td><td colspan="2">Others</td></tr>
<tr><td>N</td><td colspan="3">✓</td></tr>
</table>

	Description
Other disclosures	None

(2)Successor CPA

Name of accounting firm	NA
Name of CPA	NA
Date of appointment	NA
Consultation results and opinions on accounting treatments or principles with respect to specified transactions and the company's financial reports that the CPA might issue prior to the engagement.	None
Succeeding CPA's written opinion of disagreement toward the former CPA	None

(3) Reply from the former accountant on matters 1 and 3 of paragraph 6 of Article 10 of these Standards: None

7. Changes in Shareholding of Directors, Supervisors, Managers and Major Shareholders

(1) Changes in shareholdings

Title	Name	2024		As of 2025.02.15	
		Holding increase (decrease)	Pledged holding increase (decrease)	Holding increase (Decrease)	Pledged holding increase (decrease)
Chairman	Alcor Micro	-	-	-	-
	Rep: Dylan Chung	30,000	-		-
Director	Alcor Micro	-	-	-	-
	Rep: Steve Lo (inaugurated 2024.12.02)	-	-		
Director	Asustek	-	-	-	-
	Rep: Chin Chi Wu	-	-	-	-
Director	Siguard	(72,000)	-	-	-
	Re: Chi Chan Chen	-	-	-	-
Independent Director	Wen Ji Chien	-	-	-	-
Independent Director	Yi Fong Lin	-	-	-	-
Independent Director	Chi Ming Wu	-	-	-	-
GM	Vivian Hsu (inaugurated 2024.01.02)	-	-	-	-
VP	Dennis Lee	(9,000)	-	-	-
VP	Kasper Tsai	-	-	-	-
VP	Armingle Lee	15,000	-	-	-
VP	Su Wu Lo	9,000	-	-	-

Senior Associate	Vic Chou	12,000	-	-	-
Associate	Kage Su	5,000	-	-	-
Finance and Accounting head	Cynthia Chao	7,500	-	-	-

Note: The table only discloses the changes occurred during the period of employment.

(2) Transfer of shareholdings and changes in pledges: none

8. Relationship among the top ten shareholders

2025.02.15

NAME	Current Shareholding		Spouse's/ minor's Shareholding		Shareholding by Nominee Arrangement		Name and Relationship Between the Company Top Ten Shareholders, or Spouses or kinship Within Two Degrees	
	Shares	%	Shares	%	Shares	%	Name	Relationship
Alcor Micro	8,000,000	17.76%	-	-	-	-	NA	NA
Alcor Micro Rep: Steve Lo	0	0.00%	-	-	-	-	NA	NA
Siguard	593,543	1.31%	-	-	-	-	NA	NA
Siguard representative-Hsin young Huang	0	0.00%	-	-	-	-	NA	NA
Shuen Chung Lin	483,052	1.07%	-	-	-	-	NA	NA
Taipei Fubon Bank trust fund in custody	467,500	1.03%	-	-	-	-	NA	NA
Asustek	444,364	0.98%	-	-	-	-	NA	NA
Asustek representative-Johnny Shih	0	0.00%	-	-	-	-	NA	NA
Chih Chuan Chen	416,000	0.92%	-	-	-	-	NA	NA
Kuo Yuan Chiang	323,000	0.71%					NA	NA
Mei Chun Yang	300,000	0.66%	-	-	-	-	NA	NA
Mei Yao Huang	300,000	0.66%	-	-	-	-	NA	NA
MasterLink Securities	0	0.00%	-	-	-	-	NA	NA
MasterLink Securities Rep: Chuen Hon Chen	299,000	0.66%	-	-	-	-	NA	NA
President Securities Corporations Derivative Products Hedge Account	8,000,000	17.76%	-	-	-	-	NA	NA

9. Ownership of Shares in Affiliated Enterprises

2025.02.15 (Unit: Thousand shares; %)

Investment (Note)	Ownership by the Company		Direct or indirect ownership by Directors, Supervisors, Manager		Total Ownership	
	Shares	%	Shares	%	Shares	%
None	-	-	-	-	-	-

Note: Equity Method

3. **Fund Raising**

3.1 Capital and Shares

(1) Changes in share capital

1.Issued Shares

Month/Year	Par Value NT$	Authorized Capital		Actual Capital		Remark		
		Shares (K)	Amount (K $)	Shares (K)	Amount (K $)	Source of Capital	Capital increased by assets other than cash	Other
2016. 06	10	95,000	950,000	74,977	749,767	Cancellation of treasury stock NT$ 3,210 ,000	None	Note 1
2021.09	10	95,000	950,000	36,323	363,228	Capital reduction to compensate accumulated losses 38,654 thousand shares	None	Note 2
2021.11	31.6	95,000	950,000	44,323	443,228	Private placement new shares 8,000 thousands shares	None	Note 3
2022.04	10	95,000	950,000	45,303	453,028	Restricted employee shares 980 thousands shares	None	Note 4
2022.05	10	95,000	950,000	45,323	453,228	Restricted employee shares 20 thousands shares	None	Note 5
2024.03	10	95,000	950,000	45,313	453,128	Cancellation of Restricted employee shares10 thousands shares	None	Note 6
2023.08	10	95,000	950,000	45,305	453,048	Cancellation of Restricted employee shares 8 thousands shares	None	Note7
2023.11	10	95,000	950,000	45,269	452,688	Cancellation of Restricted employee shares 36 thousands shares	None	Note8

Note 1: 2016.06.30 #1050017515
Note 2: 2021.09.28 #1100027912
Note 3: 2021.11.03 #1100032074
Note 4: 2022.04.08 #1110011416
Note 5: 2022.05.19 #20240015713
Note 6: 2023.03.13 #1120007600
Note 7: 2023.08.16 #1120027236
Note 8: 2023.11.22 #11200038530

2.Type of Stock

Shares / Category	Authorized Capital (Thousands)			Note
	Issued Shares（note）	Non-Issued	Total	
Common Shares	45,269	49,731	95,000	-

Note: the company shares are listed shares.

(2) List of major shareholders

Shareholdings more than 5 % of total capital and top ten shareholders:

2025.02.15

Major Shareholders	Shareholdings	%
Alcor Micro	8,000,000	17.67%
Siguard	593,543	1.31%
Shun Chung Lin	483,052	1.07%
Taipei Fubon Bank Trust Fund in custody	467,500	1.03%
Asustek	444,364	0.98%
Chi Chuan Chen	416,000	0.92%
Kuo Yuan Chiang	323,000	0.71%
Mei Chun Yang	300,000	0.66%
MasterLink Securities	300,000	0.66%
President Securities Corporations	299,000	0.66%
Total	11,626,459	25.68%

(3) Dividend Policy and Implementation Status

1.Dividend Policy:

Article 33 of Articles of Company: No less than 50% of net earnings shall be allocated to the dividends. No less than 50% shall be cash dividends, rest shall be stock dividends. The proposal shall be prepared by the BOD and sent to Shareholder’s Meeting for approval.

It is proposed to 2025 shareholders' meeting on the 2024 cash dividend accounted for 67.89% of the current year's net profit

2.Proposed Distribution of Dividends:

On 2025.02.27, the BOD decided to distribute cash dividend of NT$45,268,841 to shareholders for the 2024, with a cash dividend of NT$1 per share, and NT$0.2 from capital surplus. After the resolution of this shareholders' meeting, it is proposed to request the shareholders' meeting to authorize the chairman to set the base date, and calculate and adjust the distribution based on the number of outstanding shares on the day.

(4) Impact of company operation and earnings per shares from the proposed bonus shares issuance: none

(5) Remuneration of employees, directors and supervisors

1. Remuneration of employees, directors and supervisors as regulated in Articles of Corporation:

   1.1 If there is profit, no less than 20% shall be allocated for employees and no more than 3 % for directors as remuneration.

   1.2 The remuneration can be in form of stocks or cash. Eligibility for the allocation shall be decided by the BOD.

   1.3 The term "profit" as referred to in Item (1) shall mean the pre-tax earnings of the year before the deduction of employee compensation and directors' remuneration.

   1.4 BOD remunerations shall be in form of cash and employees remuneration can be in stock or cash. 2/3 of BOD shall be present and the decision shall be approved by 50% of the presenting directors and report at the shareholder's meeting.

2. The estimated basis for the remuneration of employees, directors and supervisors in the current period, the calculation basis for the number of shares of employee remuneration distributed by stocks, and the accounting treatment if the actual distribution amount is different from the estimated amount:

   2.1 The estimated employee remuneration for 2024 is NT$13,210,551 and BOD remuneration is NT$1,929,159, which is based on the profit before tax for 2024 deducted from 20% and 3% of the profit before distribution of employee remuneration and BOD remuneration in accordance with the provisions of the company's articles of incorporation.

   2.2 The company does not distribute employee remuneration in the form of stocks in 2024. If the calculation basis for employee compensation is based on stock distribution, it is calculated based on the closing price on the day before the shareholders' meeting and taking into account the impact of ex-rights and dividends.

   2.3 If the company calculates the basis for the distribution of employee compensation by shares and the actual distribution amount is different from the estimated amount, the difference is the change in accounting estimates, which will be included in the profit and loss of the actual distribution year

3.Remunerations approved by BOD:

   3.1 BOD 2025.02.25 has approved to distribute employees' remuneration of $13,210,551 and directors' remuneration of $1,929,159. It is the same as estimation.

   3.2 The amount of employee compensation distributed by stocks and its proportion to the total amount of individual or individual financial report after-tax net profit and employee compensation in the current period: not applicable

4. The actual distribution of the remuneration of employees, directors and supervisors in the previous year, and the difference between the remuneration of recognized employees, directors and supervisors, and the number of differences, reasons and handling circumstances should be stated:

NTD$

	BOD resolution	Actual	Differences	Reason for differences
BOD remuneration	2,528,011	2,528,011	0	NA
Employee cash remuneration	16,853,406	16,853,406	0	NA

(6) Buy-back of treasury stock: None.

4.2 Corporate Bonds:

<table>
<tr><th colspan="2">Bond Type</th><th>Third Unsecured Convertible Corporate Bond</th></tr>
<tr><td colspan="2">Issuance Date</td><td>June 25, 2024</td></tr>
<tr><td colspan="2">Denomination</td><td>NT$100,000 per bond</td></tr>
<tr><td colspan="2">Issuance & Trading Location</td><td>Domestic</td></tr>
<tr><td colspan="2">Issue Price</td><td>Issued at par</td></tr>
<tr><td colspan="2">Total Amount</td><td>NT$300,000,000</td></tr>
<tr><td colspan="2">Coupon Rate</td><td>0%</td></tr>
<tr><td colspan="2">Tenor</td><td>3 years</td></tr>
<tr><td colspan="2">Maturity Date: June 25, 2027</td><td></td></tr>
<tr><td colspan="2">Guarantor</td><td>None</td></tr>
<tr><td colspan="2">Trustee</td><td>Taipei Fubon Commercial Bank Co., Ltd., Trust Department</td></tr>
<tr><td colspan="2">Underwriter</td><td>Fubon Securities Co., Ltd.</td></tr>
<tr><td colspan="2">Legal Advisor</td><td>Ya-Wen Chiu</td></tr>
<tr><td colspan="2">Attesting CPAs</td><td>Pei-Chuan Huang, Chin-Chang Chen</td></tr>
<tr><td colspan="2">Repayment Method</td><td>Unless converted pursuant to Article 10 or redeemed early pursuant to Article 18 of the Issuance and Conversion Rules, the principal will be repaid in full in cash at maturity.</td></tr>
<tr><td colspan="2">Outstanding Principal</td><td>NT$300,000,000</td></tr>
<tr><td colspan="2">Call / Early Redemption Terms</td><td>From September 26, 2024 (the day after 3 months from the issuance date) to May 16, 2027 (40 days before maturity), if the closing price of the Company’s common shares exceeds 130% of the then-effective conversion price for 30 consecutive trading days, the Company may, within the following 30 trading days, send a 30-day bond redemption notice via registered mail. Redemption will be based on the bondholder registry as of 5 business days before the notice date. Holders acquiring bonds after that date will be notified by public announcement. Redemption will be executed in cash within 5 business days after the redemption date. The period must not fall within the conversion suspension period as defined in Article 9.</td></tr>
<tr><td colspan="2">Restrictive Clauses</td><td>None</td></tr>
<tr><td rowspan="2">Credit Rating Agency / Rating Result Additional Rights</td><td>Not applicable</td><td>Credit Rating Agency / Rating Result</td></tr>
<tr><td>Amount converted into common shares, GDRs, or other securities as of the date of this annual report: NT$0</td><td>Additional Rights</td></tr>
<tr><td colspan="2">Conversion / Exchange / Subscription Plan</td><td>None</td></tr>
<tr><td colspan="2">Potential Dilution and Impact on Shareholders' Equity</td><td>No material impact</td></tr>
</table>

(1) Outstanding Corporate Bonds

<table>
<tr><th colspan="2">Bond Type</th><th colspan="2">Third Unsecured Convertible Corporate Bond</th></tr>
<tr><td colspan="2">Year
Item</td><td>2024</td><td>Current Year
Up to 2025/02/15</td></tr>
<tr><td rowspan="3">Price for convertible CB</td><td>Highest</td><td>112.90</td><td>96.90</td></tr>
<tr><td>Lowest</td><td>95.00</td><td>94.15</td></tr>
<tr><td>Average</td><td>107.31</td><td>94.97</td></tr>
<tr><td colspan="2">Convertible Price</td><td>65.80</td><td>65.80</td></tr>
<tr><td colspan="2">Issuance Date and Price at the time of issuance</td><td colspan="2">113/06/25
65.8</td></tr>
<tr><td colspan="2">Manner of Fulfilling Conversion Obligations</td><td colspan="2">Issue new shares</td></tr>
</table>

(2) Corporate Bonds Under Issuance Process: none

4.3 Special Shares: None

4.4 Global Depository Receipts: None

4.5 Employee Stock Option: None

4.6 Restricted Employee Stock

(1) For all restricted employee shares that have not yet fully met the vesting conditions, the Company shall disclose the status of such shares as of the date of the annual report publication, as well as their potential impact on shareholders' equity.

2025.02.15

Type of restricted stock	1st Grant of Restricted Employee Shares	2nd Grant of Restricted Employee Shares
Effective date	January 5, 2022 – 1,000,000 shares	January 5, 2022 – 1,000,000 shares
Issuance date	March 16, 2022	May 10, 2022
No. of shares issued	980,000 shares	20,000 shares
No. of shares to be issued	20,000 shares	0 shares
Issuance price	Issued at NT$0 per share, free of charge	Issued at NT$0 per share, free of charge
% of New restricted shares to total shares issued	2.16%	0.04%

Criteria and eligibility	1. Employees must meet both tenure and performance requirements: (1)1st year: Still employed after one year; individual performance reaches at least 70% of company-wide and departmental goals, or with special contribution approved by the Compensation Committee → 20% shares vested. (2)2nd year: Same criteria after two years → 30% shares vested. (3)3rd year: Same criteria after three years → 50% shares vested. 2.If an employee commits serious misconduct (e.g., breach of employment contract or company rules), the Company may revoke and cancel any unvested shares without compensation. 3.The vesting period is calculated from the capital increase base date for each issuance.	
Restricted rights of the employee restricted stock	1. Before vesting, employees may not sell, transfer, donate, pledge, or otherwise dispose of the allocated shares, except through inheritance. 2.The restricted shares are held in trust; rights such as attending shareholders' meetings, making proposals, speaking, and voting are exercised through the trust custodian in accordance with the trust agreement. Before vesting, restricted shares carry the same rights as ordinary shares (e.g., dividends, capital surplus/earnings distribution, rights issue participation, and voting rights)	
Custody of employee restricted shares	Restricted employee shares are immediately transferred into trust custody upon issuance.	
Handle of employees who fail to meet the vested conditions after being allotted or subscribed for new shares	If vesting conditions are not met, the Company will reclaim and cancel the shares free of charge in accordance with the law.	
No. of shares withdraw	50,000 shares	4,000 shares
Shares released from restriction	470,000 shares	8,500 shares
Shares not released from restriction	460,000 shares	7,500 shares
% Restricted shares to the total issued shares	0.46%	0.0075%
Impact to the shareholders’ equity	There is currently no material impact on shareholders’ equity.	

Note: As of February 15, 2025, the total number of issued shares was 45,268,841.

(2) List of Mangers and top ten employees acquired restricted shares:

<table>
<tr><th rowspan="2"></th><th rowspan="2">Title</th><th rowspan="2">Name</th><th rowspan="2">No. of shares allotted</th><th rowspan="2">% of restricted shares to the total shares issued</th><th colspan="4">Shares released from restriction</th><th colspan="4">Shares not released from restriction</th></tr>
<tr><th>No. shares released from restriction</th><th>Issuance price</th><th>amount</th><th>% to the total shares issued</th><th>No. shares not released from restriction</th><th>Issuance price</th><th>amount</th><th>% to the total shares issued</th></tr>
<tr><td rowspan="8">Manager</td><td>CEO</td><td>Dylan Chung</td><td rowspan="8">390,000</td><td rowspan="8">0.86%</td><td rowspan="8">195,000</td><td rowspan="8">0</td><td rowspan="8">0</td><td rowspan="8">0.195%</td><td rowspan="8">195,000</td><td rowspan="8">0</td><td rowspan="8">0</td><td rowspan="8">0.195%</td></tr>
<tr><td>EVP</td><td>Dennis Lee</td></tr>
<tr><td>CTO</td><td>Kasper Tsai o</td></tr>
<tr><td>VP</td><td>Su Wu L</td></tr>
<tr><td>VP</td><td>Armingle Lee</td></tr>
<tr><td>Senior Associate</td><td>Vic Chou</td></tr>
<tr><td>Associate</td><td>Kage Su</td></tr>
<tr><td>Finance manager</td><td>Cynthia Chao</td></tr>
<tr><td rowspan="9">Employee</td><td>Director</td><td>W L Lee</td><td rowspan="9">275,000</td><td rowspan="9">0.61%</td><td rowspan="9">125,500</td><td rowspan="9">0</td><td rowspan="9">0</td><td rowspan="9">0.1255%</td><td rowspan="9">113,500</td><td rowspan="9">0</td><td rowspan="9">0</td><td rowspan="9">0.1135%</td></tr>
<tr><td>Director</td><td>H Y Chen</td></tr>
<tr><td>Director</td><td>Nick Hsieh</td></tr>
<tr><td>Director</td><td>Sharon Jan</td></tr>
<tr><td>Special assistant</td><td>Jerry Peng</td></tr>
<tr><td>Senior Manager</td><td>S C Lee</td></tr>
<tr><td>Senior Technical Manager</td><td>Wallace Tu</td></tr>
<tr><td>Technical Manager</td><td>B R Wang</td></tr>
<tr><td>Assistant Technical Manager</td><td>Nick Huang</td></tr>
</table>

Note: up till 2025.2.15, total shares issued 45,266,841 shares

4.7 New Shares Issuance relating to Mergers and Acquisitions: None

4.8 Financing Plans and Implementation:

1. As of the quarter before the publication date of the annual report, the company’s previous issuance or private placement of securities has not been completed or has been completed within the last three years and the planned benefits have not yet emerged: none
2. As of the quarter before the date of publication of the annual report, the company's previous securities issuance plans for the use of funds have been completed

4. Operation Highlights

A. Business Activities

(1) Business Scope

1.Distribution of Revenue

Major Division	%
Computer peripheral and consumer electronics related IC	99.92%
Others	0.08%
Total	100.00%

2.Products and services

(1) NB related IC

(2) Computer peripherals and consumer electronics ICs

(3) ASICs

3.New products in planning

Two major product lines are namely the Mobile Computing (embedded controller, EC) product line and Consumer and Peripheral Products. EC is highly correlated to NB products, and the Company aims to continuously working closely with NB customers. The research and development of Consumer and Peripheral products focuses on providing application platforms that meet customer needs and broaden product portfolios.

(1) Chromebook EC series ARM M4

(2) Gaming MB ASIC

(3) Gaming MB ambient light control MCU

(4) Low power industrial touch application MCU (new process)

(2) Industry Overview

1.Current Status and development

The Company operates in the upstream segment of the semiconductor industry, specializing in integrated circuit (IC) design, including the research and development, design, and sales of ICs.

The Company focuses primarily on the design of embedded controllers (ECs), touch microcontrollers (MCUs), and LED MCUs for PCs and notebooks, serving a range of portable information and computing devices.
Its main end-product application is keyboard controller ICs for notebook computers, which integrate functionalities such as power management, display status control, and peripheral I/O operations.

Given the above, the following section outlines the industry landscape, product applications, and key operational risks associated with the Company's line of business:

A. Integrated Circuit (IC) Design Industry

In 2024, due to weak global macroeconomic conditions, end-market demand declined significantly. As a result, the combined revenues of major publicly listed and emerging IC design companies in Taiwan generally showed a downward trend. The sluggish global economy weakened consumer spending, leading to reduced demand in end markets and elevated inventory levels across the supply chain. This, in turn, dampened order volumes from customers of IC design companies, resulting in reduced order sizes for industry players.

Nevertheless, some companies benefited from steady growth in emerging application fields, helping them maintain stronger operational momentum despite the downturn.

Looking ahead to 2025, as global wafer foundries gradually ramp up production capacity, it is expected that mature-node foundry pricing will ease, thereby enhancing the bargaining power of IC design companies. This improvement will likely support better cost structures and profitability. Additionally, Taiwanese IC design firms continue to invest in emerging applications such as AI and electric vehicles (EVs). Meanwhile, Chinese IC design companies have gradually disbanded their domestic chip development teams, which is expected to boost the adoption of high-end Taiwanese chips in the China market.

Despite lingering market uncertainties and subdued pull-in momentum from certain customers in 2024, causing visibility of future orders to remain limited, inventory reduction efforts across the industry have shown progress. The inventory adjustment cycle is gradually concluding, paving the way for recovery.

In 2025, Taiwan’s IC design industry is expected to show signs of improvement. The combination of eased inventory pressure, recovery in end-market consumption, and demand growth from AI, edge computing, intelligent cockpits, and ADAS will create new growth drivers. The exit of China-based in-house chip development teams further enhances the market opportunity for Taiwanese firms.

Taiwan’s broader semiconductor industry—including IC design, manufacturing, and packaging and testing—is projected to rebound in 2025 as inventory levels normalize and consumer demand picks up. Key growth momentum will stem from emerging application sectors such as AI, automotive electronics, and IoT. The rising adoption of AI across industries—including generative AI, autonomous driving, smart cockpits, smart homes, healthcare, and industrial automation—is expected to drive demand for high-performance, low-power chips, and application-specific integrated circuits (ASICs) tailored to specific use cases.

B. Notebook Computer Manufacturing Industry

In reviewing the global notebook computer market in 2024, although the world gradually emerged from the shadow of the pandemic beginning in 2023 and returned to normalcy, several uncertainties—including inflation, interest rate hikes, U.S.-China tech tensions, and geopolitical risks—continued to weigh on global economic growth.

While global economic growth in 2025 is projected to be slightly weaker compared to 2024, the notebook industry is expected to benefit from a healthier supply chain environment following inventory adjustments that took place between 2022 and 2024. Inventory levels have normalized, setting the stage for potential market recovery.

Moreover, with Microsoft's planned end of support for Windows 10 in October 2025, demand from the business sector for device upgrades is beginning to emerge. In addition, new notebook processors—such as Intel's Core Ultra series and AMD's Ryzen 8040 series—emphasize AI computing capabilities. The release of more AI-powered notebook models is anticipated in 2025, and consumer demand for AI PCs is expected to materialize.

Given this positive outlook, most major notebook brands are optimistic about shipment growth in 2025. A recovering global notebook market will likely benefit domestic industry players in terms of order volume and revenue performance. Consequently, Taiwan's notebook computer manufacturing industry is projected to see an increase in production value and overall market improvement in 2025.

2.Correlation of the industry supply chain

Please refer to the Chinese version for information.

3.Product development trend and competition

NB can be mainly categorized into commercial, consumer, educational and gaming notebooks. Among these, gaming notebooks have remained a key market focus over the past couple of years and represent the primary growth driver within the NB industry. Manufacturers are placing increasing emphasis on gaming-related products, investing heavily in areas such as aesthetic design, performance upgrades, and feature diversification to enhance user experience and meet evolving consumer expectations.

Given these trends, the Company believes that the development of gaming-related peripheral products and the continued expansion of this market segment hold strong potential.

Across all NB product categories, however, one shared R&D priority stands out — the protection of data security. As cyber threats and user privacy concerns grow, ensuring robust data security has become a core focus in notebook product development.

2024 Market share information:

Product	Vendor	Nationality	Market share
Keyboard Controller	ENE	Taiwan	20%~30%
	Nuvoton	Taiwan	70%~80%
	ITE	Taiwan	
	Others	Japan, USA	

(consolidated by ENE)

(3)Technology and RD development

1.R&D expenses

Unit: NTD thousands

	2024	2025.02.17 (Self-assessed under IFRSs)
R&D expenses	114,006	10,571
Consolidated Revenue	721,222	(3,202)
%	15.81%	(330.14%)

2.Recent products development

	Result
Mobile Products	eSPI EC series large capacity version
	Gaming NB EC series ARM M3
Peripherals and consumer products	DDR5 Gaming ambient light MCU
	Capacitive touch button with 12 bit ADC MCU

(4)Mid to long term sales development plan

Mid Term sales development plan:

1. To fulfill the demand requested by NB customers as much as possible
2. To accelerate development of gaming related products
3. To expand customer base of consumer related products and aiming for more design-in with branded customers

Long term sales development plan:

1. Cultivate core technology and provide customers with competitive solutions
2. Adjust the organization and improve the operating efficiency

B. Market and Sales Overview

（1）Market analysis

1.Sales Region

Unit: Thousand dollars; %

Year / Region	2024		2022	
	Revenue	%	Revenue	%
China	437,506	60.66	564,747	64.52
Taiwan	267,250	37.06	300,960	34.38
Others	16,466	2.28	9,635	1.10
Total	721,222	100.00	875,342	100.00

2.Market share

Product	2024	2023
NB shipment	Approx. 160~174 million units	Approx. 160~ 180 million units
NB Market share of the Consolidated Company	20%~30%	20%~30%

Source: consolidated estimation of market research institutes and the Company

3.Market analysis and future outlook

Although global economic growth momentum remained sluggish in 2024, the emergence of device replacement demand in the commercial sector—combined with the launch of AI-powered laptops featuring Intel’s Core Ultra series processors—offered positive signals for the notebook market. Additionally, the relatively low base period in 2024 further supports a favorable year-on-year comparison.

As most domestic manufacturers in this industry operate on an ODM basis for major global brands, their performance is closely tied to global notebook shipment trends. In recent years, Taiwanese companies have accounted for over 70% of global notebook shipments, underscoring their significant role in the global supply chain.

Overall, increasing restocking demand from end customers and the ongoing wave of business device upgrades are expected to drive shipment momentum for computer peripheral products. The growing AI PC trend has attracted strong investments from leading domestic and international technology companies, further boosting sales potential in this sector.

At the same time, the resumption of major eSports events has spurred demand in the gaming market. In response, industry players have actively developed gaming-related peripherals, such as keyboards and mice, and are offering customized solutions to capture niche market demand—contributing to overall market growth.

Furthermore, rising 5G penetration, along with accelerating trends in digital transformation, and expanding adoption of emerging technologies such as artificial intelligence, cloud computing, the Internet of Things (IoT), and blockchain, are driving up demand for high-performance computing, faster data transmission, and efficient system integration. These factors are expected to continue fueling strong sales momentum for related computer peripheral products.

4.Competitive factors

(1) The management team has accumulated many years of product research and development experience and can master the performance and schedule of product development, and fully grasp the market opportunities.

(2) Maintain a good cooperative relationship with customers, endeavor to provide good product quality, yield, delivery and after-sales service.

5.Advantages and unfavorable factors to long run development and responding measures

A. Advantages

(1)The eco system of semiconductor industry is complete, and the effect of industrial clustering is conducive to shortening the product launch time.

(2)The fabs are committed to expanding production capacity and upgrading processes, which is conducive to improving product quality and reducing costs.

(3)Ability to design and research and develop products tailored to customer needs.

B. Unfavorable factors

(1) Short product life cycle, fierce competition

(2) High concentration of application markets and customer base.

C. Responding measures

(1) Enhancing personnel training, improve product development capabilities and respond to rapid product changes。

(2) Seek market opportunities, plan and develop products that fits customer needs.

(3) Expand non-NB related products and applications.

（2）Core applications of major products and manufacturing processes:

2.1 Core applications of major products

Major products	Core application
Embedded controller IC	For personal computers (NB, AIO PC, Industrial PC), consumer electronic products, personal mobile devices

2.2 Manufacturing process

Market demand > Stipulate specification > IC design > IC manufacturing > IC Packaging > IC testing

（3）Supply status of major materials

The main material is wafer. The company continues to cooperate closely with wafer manufacturing partners to secure stable supply of wafer.

(4) Major accounts in the last two years

1.Key customers

thousands; %

	2024				2023			
	Name	Amount	%	Relation with Issuer	Name	Amount	%	Relation with Issuer
1	C	282,518	39	NA	C	387,540	44	NA
2	Asus	119,175	17	Related Party	F	160,958	18	NA
3	F	117,453	16	NA	Asus	106,538	12	Related Party
4	Others	202,075	28		Others	387,540	44	
	Total	721,221	100		Total	875,342	100	

2. Major suppliers

Reasons for changes: To follow the centralized procurement strategy of the Group, the Company has to submit wafer procurement request to the ultimate parent company- Egis Technology Inc.

thousands; %

	2024				2023			
	Name	Amount	%	Relation with Issuer	Name	Amount	%	Relation with Issuer
1	Egis	181,689	99	Ultimate parent	SA	256,908	86	NA
2	SB	1,971	1	NA	Egis	39,174	13	Ultimate parent
3	Others	78	0	NA	Others	3,122	1	NA
	Total	183,738	100		Total	299,204	100	

C. Employee Data

Year		2022	2023	2024
Employee Number	Direct	—	—	—
	Indirect	69	69	83
	Total	69	69	83
Average age		44.98	45.74	45.91
Average seniority		9.42	9.76	10.31
Academic	PHD	—	—	—

Year		2022	2023	2024
demographic	Master	44%	43%	48%
	Bachelor	55%	54%	49%
	High school	1%	3%	2%
	Others	—	—	—

D. Environmental related information

(1) The loss or penalty caused by environmental pollution during the latest year and up to the printing date of this annual report: None

(2) Countermeasures and possible disbursements to be made in the future: Major expenses relating to environment is for domestic waste cleaning fee and IC scrap disposal fee. Total of NTD$720 thousands in 2024. It is estimated to be NT$750 thousands every year hereinafter.

E. Labor relations

(1) Detailed descriptions of employee benefits, training and development, retirement plan and each of the implementation, as well as the labor management agreement and employee rights protection policies are listed in the following:

A. Employee benefits: please refer to company website for information.

B. Training and development:

The company has formulated the "Employee Training Regulations" as the basis for planning employee development and implementing training operations. In order to enable the employees of the company to understand the company's history and goals, and to be familiar with the working environment and related rules and regulations, the company provides orientation training for new employees. In addition to formulating an annual education and training plan and implementing internal training according to the company's development goals, and sending staff to participate in-person courses, there are also online courses and foreign language learning subsidies, providing employees with rich and diverse learning opportunities

2024 training information for the employees are:

Type	No. of employees	Hours	Amount $
Job related	49	311.5	55,740
Common category	372	419.5	600
Total	421	731	56,340

C. Retirement

The company has set up "Retirement Management Measures", and established the Labor Retirement Reserve Supervision Committee, and held 3 meetings in 2024. If a colleague meets the retirement conditions stipulated in Article 53 of the Labor Standards Law, one can apply for retirement according to the relevant regulations. The outstanding part of the pension is deposited in the Taiwan Bank retirement pension account for 2% of the total salary. 6% of the employee salaries are allocated to the Labor Insurance Bureau ’s personal pension account for employees according to the insurance coverage set by the Labor Insurance Bureau to ensure labor rights.

D.Labor relations：

Quarterly Labor Meetings were held for communications between the management and employees. No major disputes.

(2) At the time of printing this publication, loss incurred by labor dispute and the amounts of anticipated losses and countermeasures: none.

F. Information security management

(A) Information security risk management framework, Information security policy, specific management plan and resources invested in Information security management：

1. Information security risk management framework

The company established the information security committee in 2019, which is responsible for the formulation of information security policies and the promotion of information security measures, and performs regular reviews. The Information Security Committee assigns one information security supervisor, who is concurrently held by the head of the information department; the committee also has information security personnel, who, when any information security incident occurs, will work with the relevant departments to handle crisis management.

The Information Security Committee reports to the BOD on a regular basis on the establishment and maintenance of the information security management system.

The internal auditor also reviews the information securities items on regular basis and submits the report to BOD.

2. Information security policy

The information security policy clearly defines the regulations, standards and specifications for information security management operations, including but not limited to electronic hardware equipment security management, operating system and application software installation, e-mail management and control, firewall settings, Internet user authorization settings, wireless network usage specifications, antivirus software settings, system program data access control, internal server update and maintenance, and system development security monitoring, etc.

3. Specific management plan

(1) Equipment safety management:

A. Servers and other major equipment are placed in a designated computer room. The computer room is equipped with strict access control.

B. Computer equipment is installed with constantly updated protection software to ensure that viruses can be effectively detected. ◦

(2) Installation, management and control of operating system and application softwares:

A. The user applies for the required software. After the approval from user department head and the MIS head, MIS will set the requested softwares.

B. In case of personnel change or departure, MIS will immediately modify their account and access accordingly to ensure information security。

(3) Internet authorization：

A. Firewall control for external network, install endpoint protection and intrusion detection software to detect and block external intrusions and attacks.

B. The internal network is equipped with attack detections, which regularly detects abnormal behaviors of computers on the internal network.

(4) Monitoring of system security

A. The server room is equipped with uninterruptible power supply and voltage stabilization equipment to prevent system damage caused by power failure or abnormal power supply.

B. Fortify the data backup and recovery mechanism, and regularly schedules backups to enhance the integrity and efficiency of system recovery。

4. Resources invested in Information security management

(1) The Information Security Committee regularly reviews the internal information security management operations, provides reports and recommendations to the management, and reports to BOD on an annual basis.

(2) Internal auditor regularly reports to BOD on the audit results.

(3) Each employee signs an information management agreement and complete an information security training session.

5. Current status of implementation of information security management

(1) Regular report to BOD: 2022.11.01 and 2023.08.03 and 2024.10.30.

(2) Regular review meeting on information security: 2023.01.10, 2023.07.05 and 2024.02.22., 2024.05.29., 2024.09.18., 2024.12.13.

(3) Information security insurance is in planning process.

(B) Losses, possible impacts and countermeasures of major information security incidents in the most recent year and up to the date of publication of the annual report：None

G. Important contracts:

Contract Type	Contractor	Contract period	Major content	Limitations
Technical authorization contract	ARM LIMITED	2022/09～ 2025/09	Technical authorization	NA
Service contract	Egis Technology	2022/11～	Product development	NA
Entrusted manufacturing and procurement contract	Egis Technology Inc	2023.07~	Entrusted procurement	NA

5. **Financial Standing**

5.1 Financial Status

Unit: thousands dollars

Item \ Year	2024	2023年	Differences	
			Amount	%
Current Assets	1,144,813	1,033,881	110,932	10.73
Investment by equity method	0	0	0	0.00
Real estate, plant and equipment	53,189	30,021	23,168	77.17
Other non current assets	49,706	67,609	(17,903)	(26.48)
Total Assets	1,267,007	1,147,427	119,580	10.42
Current liabilities	121,973	306,677	(184,704)	(60.23)
Non-current liabilities	300,276	20,762	279,514	1,346.28
Total liabilities	422,249	327,439	94,810	28.96
Capital	452,688	452,688	0	0.00
Capital Surplus	289,058	277,236	11,822	4.26
Retained earnings	104,723	100,093	4,630	4.63
Total Equity	844,758	819,988	24,770	3.02

Descriptions on major differences:

1. Real estate, Plant and Equipment: The increase was mainly due to higher acquisitions of other equipment in 2024.
2. Other Non-Current Assets: The increase was primarily attributable to the addition of right-of-use assets in 2023.
3. Current Liabilities: The decrease was mainly due to the repayment of bank loans in 2024.
4. Non-Current Liabilities: The increase was primarily due to the issuance of the third unsecured convertible bonds in 2024.

5.2 Financial performance

Unit: Thousands

Item \ Year	2024	2023	Differences	%
Revenue	721,222	875,342	(154,120)	(17.61%)
Operating cost	462,150	563,442	(101,292)	(17.98%)
Gross margin	259,072	311,900	(52,828)	(16.94%)
Operating expenses	265,952	259,391	6,561	2.53%
Net profit	(6,880)	52,509	(59,389)	(113.10%)
Non operating revenue and exp	57,793	12,377	45,416	366.94%
EBIT	50,913	64,886	(13,973)	(21.53%)
Net earning	49,899	66,676	(16,777)	(25.16%)

Explanation of Material Changes (Changes where the amount exceeds NT$10 million and the variation exceeds 20%)
1.Operating Profit: The significant decrease in operating profit was mainly due to a decline in overall operating revenue and higher research and development expenses.
2. Non-operating Income and Expenses: The increase was primarily attributable to foreign exchange gains resulting from exchange rate fluctuations compared to the previous year.
3. Profit Before and After Tax: The decline in profit before tax by 21.53% compared to the previous year was mainly due to reduced market demand leading to a decrease in operating revenue in 2024 (Year 113 in ROC calendar). However, this was partially offset by a substantial increase in foreign exchange gains under non-operating income.
4. Potential Impact on Future Financial and Business Operations & Response Plans: The company currently maintains sufficient operating capital and does not face any liquidity issues.

5.3 Cash flow statement………………………

(1) Analysis of Cash Flow Changes in the Most Recent Fiscal Year

Unit: Thousands

Item \ Year	2024	2023	%
CF from operating activities	260,807	154,409	68.91
CF from investing activities	41,945	(24,941)	(268.18)
CF from fund raising activities	78,644	(101,314)	(177.62)
Net inflow (outflow)	381,396	28,118	1,256.41

Net cash inflows from operating activities amounted to NT$260,807 thousand, primarily due to a decrease in inventory levels leading to a reduction in accounts payable, as well as an increase in cash collections from accounts receivable during the year.
Net cash inflows from investing activities totaled NT$41,945 thousand, mainly attributable to the disposal of financial assets measured at amortized cost.
Net cash inflows from financing activities reached NT$78,644 thousand, primarily resulting from the issuance of convertible bonds, repayment of bank loans, and the distribution of cash dividends.

(2) Analysis of Cash Flow liquidity

Item \ Year	2024	2023	%
Cash Flow Ratio (%)	213.82	50.34	163.48
Cash Flow Adequacy Ratio (%)	84.85	(8.96)	93.81
Cash Reinvestment Ratio (%)	17.56	10.97	6.59

In 2024, the Company experienced a decline in sales performance. However, a reduction in inventory levels led to a decrease in accounts payable, while an increase in cash collections from accounts receivable improved overall cash flow from operating activities. As a result, Cash Flow Ratio increased by 163.48%, Cash Flow Adequacy Ratio increased by 93.81%, and Cash Reinvestment Ratio increased by 6.59%.

These improvements indicate enhanced liquidity, stronger internal financing capacity, and a stable reinvestment capability, despite the year's weaker sales performance.

(3) Liquidity improvement plan: The Company has no liquidity shortfall, and thus no improvement plan is necessary

(4) Cash Flow Liquidity Forecast for the Next 12 Months

Cash balance at the beginning of the period	Total Net Cash from operating activities	Total cash flow from investing and fund raising activities	Remaining Cash	Remedial Measures for Cash Shortfalls	
				Investment	Financial management
638,638	50,000	(40,000)	648,638	—	—

5.4 Impact of Major Capital Expenditures on Financial and Business Operations in the Most Recent Fiscal Year: There were no major capital expenditures incurred during the most recent fiscal year. As a result, there was no significant impact on the Company's financial position or business operations.

5.5 Investment Policy, Profit or Loss Analysis, Improvement Measures, and Future Investment Plans:

In 2019, the Company established a 100%-owned subsidiary, ENE Touch Technology (Shenzhen) Co., Ltd., in Shenzhen, China. The subsidiary was primarily engaged in the wholesale of electronic materials. Its main business model involved receiving orders from customers in China and procuring capacitive touch controller ICs from the parent company to fulfill those orders.

However, due to intensified price competition from local manufacturers in Southern China, the impact of COVID-19 lockdown measures in the region, and the increasing promotion of "localization" policies by the Chinese government, the subsidiary experienced a gradual loss of customers.

As a result, the Company decided to divest from the subsidiary and completed the full disposal of its equity stake on April 20, 2023

5.6 Risk items:

(1) Effects of changes in interest rates, foreign exchange rates and inflation on finance status of the company and future response measures:

1. Interest rate: For the company's cash and cash equivalents, short-term loans, other financial assets-

current and long-term bank loans (including long-term loans due in one year), if the interest rate increases or decreases by 1%, all other variables remain unchanged. Under the changed circumstances, the net profit after tax in 2024 will increase or decrease by $1,280 thousands respectively, which will not have a significant impact on the company's operations and profit or loss. The company always pays attention to the trend of interest rates in the financial market, regularly evaluates bank interest rates, and keeps in touch with banks to strive for more favorable interest rates.

2. Exchange rate: The operating income of the consolidated company is mainly denominated in US dollars. The exchange rate risk mainly comes from the equivalent cash, receivables, other financial assets, accounts payable and other current liabilities denominated in US dollars. Exchange gains and losses. If the NT dollar depreciates or appreciates by 1% against foreign currencies, and all other factors remain unchanged, the net profit before tax in 2024 will increase or decrease by $6,919 thousands respectively. Therefore, in addition to continuously strengthening natural hedging and making good use of various hedging tools as a priority, the company also pays attention to changes in the international financial market at any time, maintains close contact with banks, and collects exchange rate fluctuations and financial market-related information to fully grasp exchange rate trends and changes, and adjust foreign currency positions in a timely manner to reduce the risk of exchange rate changes.
3. Inflation: The annual growth rate of the Consumer Price Index (CPI) for the whole year of 2025 is forecast to be 2.16%, according to the Bureau of Accounting and Statistics. If the company's purchase cost increases due to inflation, the product price will be adjusted to the customer appropriately to reduce the impact on the company's profit and loss. In the future, we will continue to observe the changes in the price index and pay attention to the price trend of the raw material market to formulate strategies to control costs and inventory. And continue to maintain good interaction with suppliers and customers, hoping to reduce the impact of inflation on the company's profit and loss.

(2) Policies, main sources of gain or loss and future response measures with respect to high-risk, high-leveraged investments, lending or endorsement guarantees, and derivatives transactions

1. The company has not engaged in any high risk, high-leverage investments, lending or endorsement and guarantee in 2024 and 2025Q1.
2. Policy for lending funds to others: Except for inter-company business dealings and short-term financing is necessary, funds shall not be loaned to others. For single party, the limit shall not exceed 10% of the net value of the most recent financial statement, and the total amount of loans shall not exceed 20% of the net value of the most recent financial statement.
3. Policy for endorsement and guarantee: Except for the company's business dealings and the ones which company holds more than 50% of the voting shares directly or indirectly, it is not allowed to endorse or guarantee to others. The amount of endorsement guarantee for single party shall not exceed 10% of the net value of the most recent financial statement, and the total amount of endorsement shall not exceed 20% of the net value of the most recent financial statement
4. Derivatives transactions: The maximum for such transactions shall no more than 80% of the most recent quarterly revenue. The company did not engage any derivative transactions in 2024 and in the first quarter of 2025.

(3) Future R&D projects and budgets:

Product	Name
Mobile products	1. Chromebook EC: ARM M4F version 2. Gaming MB ASIC
Peripheral and consumer products	1. Gaming related consolidated IC 2. Multi-function industrial IC

Total RD expenses in 2024 were NT$108,079 thousands, approximately 12% of the total revenue. Projected RD expenses in 2025 will be approximately NT$110,000 thousands

(4) Effects of and response to changes in policies and regulations relating to corporate finance and sales: the company watches closely on the related policies and regulations and operate accordingly.

(5) Effects of and response to changes in technology and the industry relating to corporate finance and sales:

1. Technology change: By fortifying research and development capabilities, the company shall closely watch domestic and foreign technology and market development trends to respond to changes in technology and industries. On the other hand, facing changes in technology can also be a business opportunity. In addition to improving product functions and cost control, the company shall invest more in researching and developing new products to meet the unpredictable changes of the industry.
2. Information security organization: Information Security Committee is established to be in charge of stipulating policies and regulations and perform regular reviews. Head of MIS shall be responsible for the information security incidents and work closely with related departments. Head of MIS shall report to BOD on regular basis.
3. Information security policies: The policy clearly defines the requirements, standards, specifications and other categories of information security management operations, and informs employees to abide by the information security policy by email, electronic bulletins and signing the agreement of the information security policy.
4. Information security risk assessment and contingency plan: Facing complicated and ever-changing information security threats and challenges, the company regularly reviews and evaluates risks that may affect the normal operation of the company, strengthens various information security protection capabilities, and formulates contingency plans.
5. Information security risk control: In order to strengthen information security protection operations, other than using a variety of software and hardware equipment, the company also adopts measures such as advance prevention, monitoring, recording, backup and enforce the information security awareness of all employees to reduce the risk of information security breach.
6. Information security breach incident: none.

(6) The impact of corporate image change on corporate crisis management and countermeasures: ENE is a professional IC design company, adhering to the spirit of "providing products, technologies and services with added value in the market; creating a win-win situation for customers, shareholders, and employees". We continue to research and develop technologies and strive to improve customer services, winning more international long-term and stable cooperative relations with industry big names. The Company discloses information through various communication channels and media, to deliver messages to the public for

better understanding and recognition of the company status and promote the company image in a positive way.

(7) Expected benefits from, risk relating to and response to merger and acquisition plans: none

(8) Expected benefits from, risk relating to and response to factory expansion plan: none

(9) Risk relating to and response to excessive concentration of purchasing sources and excessive customer concentration:

A. Risks and countermeasures for the concentration of purchases: As most domestic professional IC design companies do not have their own fabs, they will choose professional wafer foundries. Two companies are chosen currently for long-term cooperative purpose. In order to avoid full capacity of fabs during the peak season, the company is planned to divert some products to other professional foundries.

B. Risks and countermeasures for the concentration of sales: The main products are NB-related application ICs. As Taiwan 's notebook computer vendors account for approximately 90% of the global market share, sales are concentrated in big names such as Compal etc. In the future, the company will continue to maintain good relations with its current customers, and actively establish other product lines and improve marketing channels to diversify risks.

(10) Effects of, risk relating to and response to large share transfers or changes in shareholdings by directors, supervisors, or shareholders with shareholdings of over 10%: none.

(11) Effects of, risk relating to and response to the changes in management ownership: none.

(12) Litigation or non-litigation matters: none.

(13) Other risky matters: none.

5.7 Other important items: none

6. Special Disclosure

1. Affiliation report:

ENE TECHNOLOGY INC

(Stock Code：6243)

Affiliation Report

2024

ENE Technology Inc.

Declaration on Affiliation Report

The 2024 affiliation report is prepared in accordance with the “Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises”, and the disclosed information is the same as those disclosed in the periodical financial report.

Company：ENE Technology Inc.

Representative：Dylan Chung

2025.02.25

<u>ENE TECHNOLOGY INC</u>

<u>Review on Affiliation Report</u>

PWC #24010425

TO ENE TECHNOLOGY INC：

The 2024 affiliation report of ENE TECHNOLOGY INC is prepared in accordance with the "Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises". We have reviewed the disclosed financial information and the notes from the periodical financial reports.

It is our findings that the ENE TECHNOLOGY INC 2024 affiliation report discloses information in accordance with the "Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises", and the financial information is unanimous with the financial report, thus no major amendment is required.

PwC Taiwan

Pei-Chuan Huang

CPA

Chin Chang Chen

FSC
Approval doc #1100348083
Reviewed #1060025060

2025.02.25

ENE TECHNOLOGY INC

Affiliation Report

A. Relationship between controlling company and subsidiary

The Company is a subsidiary of Alcor Micro Corporation Ltd and Egis Technology Inc., details as following:

Unit: Shares; %

Controlling Company	Controlling factor	Controlling company share holdings and shares pledge for collateral			Controlling company appoints Directors or Key managers	
		Shares	Holding %	Collateral	Title	Name
Alcor Micro Corporation Ltd	The single largest shareholder of the company, and directly or indirectly controls the company's personnel, finance or business operations, and is judged to have control。	80,000,000	17.65%	-	Chairman Director	Dylan Chung Steve Lo
Egis Technology Inc	The single largest shareholder of the Company's controlling company (Alcor Micro Corporation Ltd), and directly or indirectly controls Alcor Micro's personnel, finance or business operations, and is judged to have control	-	-	-	GM	Vivian Hsu

B. Transactions

Transactions between the Company and Alcor Micro Corporation Ltd and Egis Technology Inc. are as following:

1. Purchase and sales between Egis:

Transactions with controlling companies				Trading conditions with controlling companies		General trading conditions		Reason for differences	Account payable, notes		Over due amount			Notes
Purchase/ Sales	Amount	%	Gross margin	ASP (NT$)	Term	ASP (NT$)	Term		Balance	%	Amount	Handling method	Allowances for bad debt	
Purchase	$181,689	55%	-	Subject to terms agreed upon by both parties	Net 30 days	Subject to terms agreed upon by both parties	Net 30-40 days	Not significant to ordinary transactions difference	$16,718	46%	-	-	-	-

2. Assets transactions between Egis:

Type (Acquisition or disposal)	Asset item	Transaction date or date of occurrence	Amount	Delivery or payment terms	Payment situation	P & L from disposal	Reason to choose controlling company	Former transferred data				Decision process	Basis for pricing	Purpose for acquisition or disposal	Others
								Owner	Relationship	Transfer date	Amount				
Acquisition	Equipment (listed under Property plant and equipment)	2024/01/01~ 2024/12/31	$32,829	Net 30 days	Subject to payment terms	-	Purchasing other equipment on behalf of ENE	-	-	-	-	Approved by GM	Subject to terms agreed upon by both parties	Product manufacturi ng	NA
Acquisition	Computer software	2024/06/25	$7,500	30 days after contract signing	prepaid		IP design outsourced	-	-	-	-	Approved by Chairman	Subject to terms agreed upon by both parties	Product manufacturi ng	NA

3. Financing: no major transactions
4. Lease on assets: no major transactions
5. Other significant transactions with Alcor Micro: R&D expenses $1,365 thousands
6. Other significant transactions with Egis Technology Inc: R&D expenses $34 thousands and prepaid payment $1,284 thousands and other account payables $438 thousands.

C. Endorsement and guarantee:
  1. The Company does not provide endorsement and guarantee for Alcor Micro and Egis Technology as of 2024.12.31.
  2. Alcor Micro and Egis Technology have not provided endorsement and guarantees for the Company as of 2024.12.31.

D. Other items with significant impact on finance and sales: none

2. Updates on the private placement for the most recent year and as of the publication date of the annual report: none

3. Other supplementary notes: none

7. <u>Items have significant impact on the shareholder’s equity or security price</u>

Up till the date of the report printed, there is no occurrence of events defined in Securities Transaction Law Article 36.2.2 that has great impact on shareholder’s equity or security price in the most recent year.

Stock Code：6243

ENE TECHNOLOGY INC AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS AND REVIEW REPORT OF INDEPENDENT ACCOUNTANTS

December 31st, 2024 AND 2023

This document is a translated version from the Chinese version for the convenience of reader and for information purpose only. Any discrepancy between the English and Chinese version, the Chinese version shall prevail.

ADDRESS：4F, No.21, LIXING RD. HSINCHU SCIENCE PARK
Contact Number：886-3-666-2888

Representation Letter

The entities included in the consolidated financial statements as of December 31st, 2024, and for the year then ended prepared under the International Financial Reporting Standards, No.10 as recognized by the FSC are the same as the entities to be included in the combined financial statements of the Company, if any to be prepared, pursuant to the Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises (referred to as “Combined Financial Statements”). Also, the footnotes disclosed in the Consolidated Financial Statements have fully covered the required information in such Combined Financial Statements. The Company did not prepare any other set of Combined Financial Statements than the Consolidated Financial Statements.

ENE TECHNOLOGY INC
Dylan Chung
February 25th , 2025

Translated Independent Auditor's Review Report

To the Board of Directors of ENE TECHNOLOGY INC. :

Opinion

We have audited the accompanying consolidated financial statements of ENE TECHNOLOGY INC and subsidiaries (the "Company"), which comprise the consolidated balance sheets as of December 31, 2024 and 2023, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the consolidated financial statements, including a summary of significant accounting policies.

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

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing stands generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of ENE Technology INC. and its subsidiaries in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

Key audit matters for the Company's consolidated financial statements for the year ended December 31, 2024 are stated as follows:

1. Key Audit Matters - Allowance to reduce inventory to market

Description of matters:

ENE TECHNOLOGY INC. designs, manufactures, and sells integrated circuit-related products. Due to the short lifecycle of electronic products and intense market competition, there is a higher risk of inventory obsolescence and losses from price declines. For information regarding the accounting policies, accounting estimates, and assumption uncertainty of the valuation of inventory, as well as allowance to reduce inventory to market, please refer to Notes 4(12), 5(2), and 6(5).

Due to the rapid change of technologies industry in which ENE TECHNOLOGY INC operates, and the subjectivity involved in assessing the net realizable value of obsolete inventory and the basis for evaluating inventory obsolescence losses, there is a high degree of estimation uncertainty. Given the significant impact of inventory and its allowances for declines in value on the consolidated financial statements, the auditor has identified the assessment of inventory allowances for declines in value as the most critical area for audit in the current year.

Our key audit procedures performed in respect of the mentioned item included the following:

The auditor has performed the following procedures regarding the critical audit area mentioned above:

1. Based on the auditor's understanding of ENE TECHNOLOGY INC's business and industry characteristics, evaluating the policy on inventory valuation and obsolescence loss as well as the reasonableness of allowances on inventory valuation and obsolescence loss.

2. Verify the accuracy and completeness of the inventory aging report and its underlying system logic.

3. Test the market value basis for individual inventory item's net realizable value, and select samples to confirm the accuracy of their net realizable value calculations.

Other Matter - Individual financial statements

ENE TECHNOLOGY INC has prepared the parent company only financial statements as of and for the years ended December 31, 2024 and 2023, on which we have issued an unqualified audit opinion.

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

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

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

Those charged with governance (including members of the Audit Committee) are responsible for overseeing the ENE TECHNOLOGY INC’s financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

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

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

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

PricewaterhouseCoopers Taiwan

Pei-Chuan Huang

CPA

Chin-Chang Chen

2025.02.25th

ENE Technology Inc. and Subsidiaries

Consolidated Balance Sheet
January 1st to December 31st, 2024 & 2023

Unit: NTD thousands

	Assets	Note	2024.12.31 Amount	2024.12.31 %	2023.12.31 Amount	2023.12.31 %
	Current Assets					
1100	Cash & cash equivalents	6(1)	$ 638,638	50	$ 257,242	23
1110	Financial assets at fair value through P&L- current	6(2)	90	-	-	-
1136	Financial asset after amortization current	6(3) & 8	124,671	10	230,682	20
1170	Net accounts receivables	6(4)	158,776	13	210,965	18
1180	Accounts receivable- related parties	7	51,748	4	35,161	3
130X	Inventories	6(5)	162,725	13	290,265	25
1410	Pre-payments	7	3,412	-	4,683	-
1479	Other current assets-others		4,753	-	4,883	1
11XX	**Total Current Assets**		1,144,813	90	1,033,881	90
	Non-Current Asset					
1535	Financial assets after amortization －non current	6(3)&8	1,076	-	1,060	-
1600	Property, plant and equipment	6(6)&7	53,189	4	30,021	3
1755	Right-of-use asset	6(7)&7	20,011	2	27,498	3
1780	Intangible asset	6(8)&7	26,550	2	23,862	2
1840	Deferred tax asset	6(21)	19,299	2	15,916	1
1900	Other non-current assets	6(12)&7	2,069	-	15,189	1
15XX	**Total Non-current assets**		122,194	10	113,546	10
1XXX	**Total Assets**		$ 1,267,007	100	$ 1,147,427	100

(Continue next page)

ENE Technology Inc. and Subsidiaries
Consolidated Balance Sheet
January 1st to December 31st, 2024 & 2023

Unit: NTD thousands

	Liabilities and Equity	Note	2024.12.31 Amount	%	2023.12.31 Amount	%
	Current Liabilities					
2100	Short term loan	6(9)	$ -	-	$ 160,000	14
2170	Account payables		18,148	1	45,348	4
2180	Account payable - related parties	7	18,308	1	23,088	2
2200	Other account payables	6(10)	43,976	3	42,772	4
2220	Other account payables-related party	7	3,191	-	478	-
2280	Lease liabilities-current	6(7)	6,180	1	6,101	1
2399	Other current liabilities-others	6(14)	32,170	3	28,890	2
21XX	**Total current liabilities**		121,973	9	306,677	27
	Non-Current liabilities					
2530	Corporate bonds payables	6(11)	283,315	23	-	-
2570	Deferred income tax liabilities	6(21)	3,661	-	-	-
2580	Lease liabilities－non current	6(7)	13,297	1	20,759	2
2600	Other non current liabilities	6(5)	3	-	3	-
25XX	**Non current liabilities**		300,276	24	20,762	2
2XXX	**Total liabilities**		422,249	33	327,439	29
	Equity					
	Equity attributed to Parent					
	Capital	6(15)				
3110	Ordinary share capital		452,688	36	452,688	39
	Capital surplus	6(16)				
3200	Capital surplus		289,058	23	277,236	24
	Retained earnings	6(17)				
3310	Legal reserve		19,879	1	13,215	1
3350	Undistributed earnings		84,844	7	86,878	8
	Other equity					
3400	Other equity		(1,711)	-	(10,029)	(1)
3XXX	**Total equity attributed to Parent company**		844,758	67	819,988	71
	Significant or liable and unrecognized committed contract	9				
	Significant subsequent events	11				
3X2X	**Total liabilities and equity**		$ 1,267,007	100	$ 1,147,427	100

ENE Technology Inc. and Subsidiaries
Consolidated Statement of Comprehensive Income
January 1st to December 31st, 2024 & 2023

	Item	Note	2024 Amount	2024 %	2023 Amount	2023 %
4000	Operating revenue	6(18) &7	$ 721,222	100	$ 875,342	100
5000	Operating cost	6(5)	(462,150)	(64)	(563,442)	(64)
5900	Gross margin		259,072	36	311,900	36
	Operating expense	6(20)&7				
6100	Selling expense		(76,269)	(11)	(76,343)	(9)
6200	General & admin expense		(75,871)	(10)	(75,417)	(9)
6300	R & D expense		(114,006)	(16)	(108,079)	(12)
6450	Expected credit loss	6(4)	194	-	448	-
6000	Total operating expense		(265,952)	(37)	(259,391)	(30)
6900	Operating profit (loss)		(6,880)	(1)	52,509	6
	Non-operating income and expense					
7100	Interest income		18,830	3	17,678	2
7010	Other income		442	-	1,491	-
7020	Other profit and loss	6(19)	43,863	6	(2,723)	-
7050	Financial cost		(5,342)	(1)	(4,069)	-
7000	Total of non operating income and expense		57,793	8	12,377	2
7900	**Profit before income tax**		50,913	7	64,886	8
7950	Income tax expense	6(21)	(1,014)	-	1,790	-
8200	**Net profit for the period**		$ 49,899	7	$ 66,676	8
	Other comprehensive profit and loss (net)					
8311	Gain/Loss of remeasurement of defined benefit plan	6(12)	$	-	($ 35)	-
	Items may be reclassified to profit and loss					
8361	Cumulative translation differences of foreign operation			-	(201)	-
8399	Income tax relating to items may be reclassified	6(21)		-	40	-
8300	**Other comprehensive profit and loss (net)**		$	-	($ 196)	-
8500	**Total comprehensive profit and loss**		$ 49,899	7	$ 66,480	8
	Net profit attributed to:					
8610	Parent company		$ 49,899	7	$ 66,676	8
	Comprehensive P&L attributed to:					
8710	Parent company		$ 49,899	7	$ 66,480	8
			$			
	Earning per share	6(22)				
9750	Basic earning per share			1.12		1.50
9850	Diluted earning per share		$	1.10	$	1.42

ENE Technology Inc. & Subsidiaries
Consolidated Statements of Changes in Equity
January 1st to December 31st, 2024 & 2023

Unit：NTD$ Thousands

	Note	Equity attributed to Parent Company								Total equity
			Capital surplus		Retained earnings		Others			
	Note	Ordinary shares capital	Capital Surplus —Premium	Capital Surplus — Others	Legal reserve	Undistributed earning	Cumulative translation differences of foreign operation	Unrealized P&L from financial assets measured at fair value through P&L	Other equity — Others	Total equity
2023										
Balance as of 0101		$ 453,228	$ 232,218	$ 44,549	$ -	$ 6,007	$ 81,820	$ 161	($ 25,099)	$ 792,884
Net profit of the period		-	-	-	-	-	66,676	-	-	66,676
Comprehensive P & L of the period		-	-	-	-	-	(35)	(161)	-	(196)
Total of comprehensive P&L of the period		-	-	-	-	-	66,641	(161)	-	66,480
2022 earning distributions and allotment	6(17)									
Legal reserve		-	-	-	-	7,208	(7,208)	-	-	-
Cash dividends		-	-	-	-	-	(54,375)	-	-	(54,375)
Share-based payment transaction	6(13)	(540)	6,112	(5,643)	-	-	-	-	15,070	14,999
Balance as of 1231		$ 452,688	$ 238,330	$ 38,906	$ -	$ 13,215	$ 86,878	$ -	($ 10,029)	$ 819,988
2024										
Balance as of 0101		$ 452,688	$ 238,330	$ 38,906	$ -	$ 13,215	$ 86,878	$ -	($ 10,029)	$ 819,988
Net profit of the period		-	-	-	-	-	49,899	-	-	49,899
Total of comprehensive P&L of the period		-	-	-	-	-	49,899	-	-	49,899
2023 earnings distribution and allotment	6(17)									
Legal reserve		-	-	-	-	6,664	(6,664)	-	-	-
Cash dividends		-	-	-	-	-	(45,269)	-	-	(45,269)
Cash dividends from capital surplus	6(16)	-	(9,054)	-	-	-	-	-	-	(9,054)
Share-based payment transaction	6(13)	-	8,658	(8,658)	-	-	-	-	8,318	8,318
Convertible CB recognized as equity- stock options	6(11)	-	-	-	20,876	-	-	-	-	20,876
Balance as of 1231		$ 452,688	$ 237,934	$ 30,248	$ 20,876	$ 19,879	$ 84,844	$ -	($ 1,711)	$ 844,758

ENE Technology Inc. and Subsidiaries
Consolidated Statements of Cash Flows
January 1st to December 31st, 2024 & 2023

Unit: NTD$ Thousands

	Notes	20240101~1231	20230101~1231
Cash flow from operating activities:			
Income before income tax		$ 50,913	$ 64,886
Adjustments			
Income and expenses/loss items			
Depreciation	6(20)	23,379	18,773
Amortization	6(20)	32,776	20,393
Expected credit impairment loss	6(4)	(194)	(448)
Net financial asset at fair value through P&L (profit) loss	6(2)(19)	376	(177)
Interest expenses		5,342	4,069
Interest income		(18,830)	(17,678)
Cost for share-based payment compensation	6(13)(20)	8,318	14,999
Loss from disposal of real estate, plant and equipment	6(19)	-	1,109
Loss from disposal of investment	6(19)	-	1,160
Unrealized foreign exchange profit (loss)		1,075	(702)
Profit from change of lease	6(7)(19)	-	(143)
Other revenue		-	(1,340)
Changes in operating assets and liabilities			
Net changes in operating related assets			
Current financial assets at fair value through profit or loss		44	177
Account receivables (include related parties)		35,796	(44,037)
Inventories		127,540	84,979
Prepaid payments		1,271	15,142
Net defined benefit assets		5,706	(113)
Other current assets		1,134	958
Net changes in operating related liabilities			
Account payables (include related parties)		(31,980)	(18,394)
Other account payables (include related parties)		(136)	(1,101)
Other current liabilities		3,280	-
Cash flows from operating activities (outflow) inflow		245,810	142,512
Interest received		18,934	17,656
Interest paid		(2,093)	(4,040)
Income tax paid		(1,844)	(1,719)
Net cash outflow from operating activities		260,807	154,409
Cash flow from investment activities			
Acquisition of financial asset after amortization		(119,173)	(15,422)
Disposal of financial assets after amortization		224,093	46,883
Acquisition of real estate, plant and equipment	6(23)	(38,741)	(21,367)
Acquisition of intangible assets	6(23)	(24,148)	(23,890)
Net cash inflow from the disposal of a subsidiary		-	(2,817)
Increase of guarantee deposits (other non-current asset)		(86)	(828)
Increase of other non-current asset		-	(7,500)
Net cash inflow from investment activities (outflow)		41,945	(24,941)
Cash flow from financing activities			
Short term loan repayments	6(24)	(160,000)	(36,000)
Corporate bonds	6(24)	300,350	-
Long term loan repayment	6(24)	-	(3,636)
Lease liabilities principle repayment	6(24)	(7,383)	(7,300)
Cash dividends from capital surplus	6(16)	(9,054)	-
Cash dividends	6(17)	(45,269)	(54,375)
Refundable deposits (decrease) increase		-	(3)
Net cash outflow from financing activities		78,644	(101,314)
FX impact on cash and cash equivalent		-	(36)
Net (decrease) increase in cash and cash equivalent		381,396	28,118
Cash and cash equivalent at beginning of period		257,242	229,124
Cash and cash equivalent at end of period		$ 638,638	$ 257,242

ENE Technology Inc. and Subsidiaries
Notes to Consolidated Financial Statements
January 1st to December 31st, 2024 & 2023

Unit：NTD$ thousands
(except otherwise indicated)

1. Company history

ENE TECHNOLOGY INC. (the “Company”) was incorporated as a company by shares on May 20th, 1998. The Company and its subsidiaries (the “Group”) is focused on the R&D, design, development, production and sales of electronic components, information software and circuit design services.

Alcor Micro Corp. is the parent company since June 9th, 2021, the ultimate controlling parent company is Egis Technology Inc.

2. The date and procedure of authorization for issuance of the consolidated financial statements

These consolidated financial statements were approved and authorized by the Board of Directors on February 25th, 2025.

3. Application of New Standards, Amendments, Principles and Interpretations

(1) Effects of the adoption of new issuances of or amendments to International Financial Reporting Standards (IFRS) as endorsed by the Financial Supervisory Commission (FSC)

The new standards, amendments, principles and interpretations endorsed by the FSC effective from 2024 adopted by the Company are as follows

New Standards／Amendments／Principles and Interpretations	Effective date by IASB
Amendments to IFRS 16 “Lease liabilities in a sale and leaseback”	2024.01.01
Amendments to IAS 1 “To classify debt as current or non-current”	2024.01.01
Amendments to IAS 1 “Non-current liabilities with contractual terms”	2024.01.01
Amendments to IAS 7 and IFRS 7 “Supplier finance arrangements”	2024.01.01

After assessing the above standards and interpretations, the Group found no major impact on the consolidated financial report.

(2) The impact of IFRSs issued by IASB and endorsed by the FSC

As of the date the following IFRSs that have been issued by the IASB, and endorsed by the FSC:

New, Revised or Amended Standards and Interpretations	Effective date by IASB
Amendments to IAS 21 “Lack of exchangeability”	2025.01.01

After assessing the above standards and interpretations, the Group found no major impact on the consolidated financial report.

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

As of the date the following IFRSs that have been issued by the IASB, but not yet endorsed by the FSC:

New, Revised or Amended Standards and Interpretations	Effective date by IASB
Amendments to IFRS 9 and IFRS 7 “Classification and measurements of financial instruments”	2026.01.01
Amendments to IFRS 9 and IFRS 7 “Contracts that reference nature dependent electricity”	2026.01.01
Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets Between an Investor and its Associate or Joint Venture”	TBD
IFRS 17 “Insurance Contracts”	2023.01.01
Amendments to IFRS 17 “Insurance Contracts”	2023.01.01
Amendments to IFRS 17 “Initial application of IFRS 17 and IFRS 9 – Comparative information”	2023.01.01
IFRS 18 “presentation and disclosure in Financial Statements	2027.01.01
IFRS 19 Subsidiaries without Public Accountability: Disclosures	2027.01.01
Improvements to IFRS 2010s- Version 11th	2026.01.01

Except for IFRS 18 "Presentation and Disclosure in Financial Statements," which is still under evaluation, the Group has assessed that the above standards and interpretations do not have a material impact on its financial position and financial performance.

IFRS 18 "Presentation and Disclosure in Financial Statements" replaces IAS 1 and updates the structure of the statement of profit or loss and other comprehensive income. It introduces new disclosures on management-defined performance measures and enhances the principles for aggregation and disaggregation used in the primary financial statements and the notes.

4. Summary of Significant Accounting Policies

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

(1) Statement of Compliance

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

(2) Preparation basis

Other than the items below, the consolidated report is prepared based on historical cost:

(1) Financial asset and liability at fair value through profit and loss, financial asset and liability at fair value through other comprehensive income.

(2) Defined benefit asset measured by pension asset less present value of defined benefit obligation.

Please refer to Note 5 for significant assumptions and estimations.

(3) Basis of consolidation

1. Preparation of the consolidated financial report

(1) The Group includes all subsidiaries (including structured entities) that are controlled by the Group in the preparation of the consolidated financial statements. The Group controls a entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are included in the consolidated financial statements from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is lost.

(2) Transactions, balances, and unrealized gains or losses between companies within the Group have been eliminated. The accounting policies of subsidiaries have been adjusted where necessary to ensure consistency with the policies adopted by the Group.

(3) Components of income and other comprehensive income are attributed to the owners of the parent company and non-controlling interests. The total comprehensive income is also attributed to the owners of the parent company and non-controlling interests, even if it results in a deficit in non-controlling interests

(4) Changes in the parent company's holdings of subsidiaries that do not result in loss of control (transactions with non-controlling interests) are treated as equity transactions, i.e. transactions with owners. The adjustment amount of non-controlling interests between the fair value of consideration paid or received is directly recognized in equity.

(5) When the Group loses control of a subsidiary, the remaining investment in the subsidiary is remeasured at fair value and recognized as the fair value of the originally recognized financial asset, or the cost of originally recognized investment in an associated enterprise or joint venture. The difference between the fair value and the carrying amount is recognized in the current income statement. For all amounts related to the subsidiary previously recognized in other comprehensive income, the accounting treatment is the same as the basis for disposing of related assets or liabilities directly by the Group. That is, if the previously recognized benefit or loss in other comprehensive income is reclassified to income when disposing of

related assets or liabilities, then when the Group loses control of the subsidiary, the benefit or loss will be reclassified from equity to income.

2. List of subsidiaries in the consolidated financial statements:

The company has sold subsidiary ENE Touch on 2024.04.20th There is no subsidiaries to be listed into the financial report.

3. List of subsidiaries which are not included in the consolidated financial statement: None.
4. Adjustment and treatment for subsidiaries with different accounting periods: None.
5. Significant restrictions: None.
6. Subsidiaries with significant non-controlling interests in the Group: None.

(4) Foreign currency translation

All items presented in the financial statements of each entity within the Group are measured using the functional currency of that entity's primary economic environment. The functional currency is the currency in which an entity primarily generates and expends cash. The consolidated financial statements are presented in the functional currency of the Company, which is the New Taiwan Dollar (NTD).

1. Foreign currency transactions and balances

(1) Foreign currency transactions are translated into the functional currency using the exchange rates on the transaction or measurement date, and any resulting translation differences are recognized in the current period's income statement.

(2) Foreign currency monetary assets and liabilities are remeasured at the exchange rates on the balance sheet date, and any resulting translation differences are recognized in the current period's income statement.

(3) The balances of non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value through profit or loss are adjusted to reflect the spot exchange rates as of the balance sheet date. The resulting exchange differences from the adjustments are recognized in the current period's profit or loss. For those denominated in foreign currencies that are measured at fair value through other comprehensive income, the resulting exchange differences from the adjustments are recognized in the other comprehensive income section of the statement of comprehensive income. For those not measured at fair value, they are measured at the historical exchange rates on the initial transaction date.

(4) All other exchange gains or losses are reported in the "Other gains and losses" section of the statement of profit or loss based on the nature of the transactions.

2. Conversion of operating agencies overseas

Conversion of functional currency and presentation currency for all entities, related companies, and joint agreements that have different functional currency and presentation currency. The operating results and financial status are converted to presentation currency as follows:

(1) Assets and liabilities on each balance sheet are converted using the closing exchange rate on the date of the balance sheet

(2) Revenue and expenses on each income statement are converted using the average exchange rate for the current period

(3) Any exchange differences arising from the conversion are recognized as other comprehensive income.

(5) Standards for Assets and Debts Classified as Current and Non-Current

1. An asset is classified as current when:

(1) The Company expects to realize the asset, or intends to sell or consume it, in its normal operating cycle.

(2) The Company holds the asset primarily for the purpose of trading.

(3) The Company expects to realize the asset within twelve months after the reporting period.

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

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

2. A liability is classified as current when:

(1) The Company expects to settle the liability in its normal operating cycle.

(2) The Company holds the liability primarily for the purpose of trading.

(3) The liability is due to be settled within twelve months after the reporting period.

(4) The Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Group classifies all assets that do not meet the above criteria as non-current liability

(6) Cash equivalent

Cash equivalents refer to short-term, highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value. Time deposits that meet the above definition and are held for the purpose of meeting short-term cash commitments in operations are classified as cash equivalents.

(7) Financial assets through profit & loss at fair value

1. Refers to financial assets that are not measured at amortized cost or at fair value through other comprehensive profit or loss. ◦
2. The Company adopts transaction date accounting for financial assets measured at fair value through profit or loss that are consistent with conventional transactions. ◦
3. The company measures it at fair value at the time of initial recognition, and the relevant transaction costs are recognized in profit and loss. Subsequently, it is measured at fair value, and its profits or losses are recognized in profit and loss. ◦

(8) Financial assets measured at amortized cost

1. Refers to items that meet all of the following criteria:

   (1) The financial asset is held within a business model whose objective is to both collect contractual cash flows and to sell the financial asset.

   (2) The contractual terms of the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

2. The Group applies the trade date accounting for financial assets measured at fair value through other comprehensive income in accordance with market conventions.

3. The Group initially measures these financial assets at fair value plus transaction costs. Subsequently, interest income is recognized over the holding period using the effective interest method under the amortized cost approach, and impairment losses are recognized as incurred. Upon derecognition, any resulting gain or loss is recognized in profit or loss.

4. The Group holds time deposits that do not qualify as cash equivalents. However, due to their short holding periods and the immaterial effect of discounting, they are measured at the investment amount.

(9) Accounts Receivable

1. Refers to the amount receivable for goods or services transferred under a. contract, which has an unconditional right to receive.

2. Short-term accounts receivable that have not yet accrued interest are measured at their original invoice amounts as the effect of discounting is not significant.

(10) Impairment of Financial Assets

On each balance sheet date, the Group considers all reasonable and. supportable information (including forward-looking information) to assess the credit risk of debt instrument investments measured at fair value through other comprehensive income and financial assets measured at amortized cost. For financial assets for which credit risk has not increased significantly since initial recognition, the Group measures the expected credit loss amount over 12 months as the provision for impairment losses. For financial assets for which credit risk has increased significantly since initial recognition, the Group measures the expected credit loss amount over the remaining life of the financial asset as the provision for impairment losses. For trade receivables or contract assets that do not contain a significant financing component, the Group measures the provision for impairment losses based on the expected credit loss amount over the remaining life of the financial asset.

(11) Derecognition of financial assets

When the contractual rights to receive cash flows from a financial asset have expired, the Group derecognizes the financial asset

(12) Inventory

Inventory is measured at cost or net realizable value, whichever is lower, using the weighted average method for cost determination. When comparing cost and net realizable value, the lower amount is recognized. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary selling expenses.

(13) Property, Plants and Equipment

1. Property, plant and equipment are recorded at cost of acquisition.

2. Subsequent costs are included in the carrying amount of an asset only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. Any replaced part's carrying amount is derecognized. All other maintenance expenses are recognized in profit or loss as incurred.

3. Property, plant and equipment are measured using the cost model and depreciated using the straight-line method over their estimated useful lives. Depreciation of significant components of property, plant and equipment is recognized separately.

4. The Group reviews the residual values, useful lives, and depreciation methods of all assets at the end of each financial year. If there is a difference in the expected residual value or useful life compared to previous estimates, or there is a significant change in the expected consumption pattern of future economic benefits of an asset, the change is accounted for in accordance with the provisions of International Accounting Standard 8 "Accounting Policies, Changes in Accounting Estimates and Errors" from the date of the change. The estimated useful lives of each asset are as follows:

Research & development equipment	2~8 years
Office and miscellaneous equipment	2~10 years
Lease improvement	5~10 years

(14) Lease Transactions of Lessee - Right-of-Use Assets/Lease Liabilities

1.Lease assets are recognized as right-of-use assets and lease liabilities on the date they become available for use by the company. When the lease contract is a short-term lease or relates to a low-value underlying asset, lease payments are recognized as expenses on a straight-line basis over the lease term.

2. Lease liabilities are recognized on the lease commencement date at the. present value of lease payments not yet paid, discounted at the incremental borrowing rate of the company. Lease payments include fixed payments, less any lease incentives receivable.

Subsequently, the interest method is used to measure the lease. Liabilities at amortized cost and interest expense is recognized over the lease term. When a lease modification does not qualify as a separate contract and results in a change in the lease term or lease payments, the lease liabilities are remeasured, and the right-of-use assets are adjusted accordingly.

3. Right-of-use assets are recognized at cost on the lease commencement date, which includes:

(1) the initial measurement of lease liabilities.

(2) any lease payments made before or on the lease commencement date. Subsequently, the cost model shall be used to measure the right-of-use asset, and depreciation expense shall be recognized when the asset reaches the end of its useful life or at the end of the lease term, whichever comes earlier. Any adjustment to the lease liability's remeasurement shall result in an adjustment to the right-of-use asset.

4. For lease modifications that reduce the scope of the lease, the lessee shall reduce the carrying amount of the right-of-use asset to reflect the partial or full termination of the lease and recognize the difference between the adjusted lease liability and the right-of-use asset as a gain or loss in profit or loss.

(15) Intangible Assets

Computer software is recognized as costs and amortized using the straight-line method over the estimated useful lives of 1 to 3 years.

(16) Impairment of non-financial assets

For assets showing impairment indicators, the Group estimates their recoverable amounts on the balance sheet date. If the recoverable amount is lower than the carrying amount, impairment losses are recognized. The recoverable amount refers to the higher of the fair value of an asset less disposal costs or its value in use. Impairment losses are reversed when there is an indication that the impairment loss recognized in prior years has decreased or no longer exists. However, the carrying amount of an asset increased by the reversal of an impairment loss cannot exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset, less any depreciation or amortization charged in subsequent periods.

(17) Loan

This refers to long-term and short-term borrowings obtained from banks. When initially recognized, the Group measures these borrowings at fair value less transaction costs, and subsequently any difference between the carrying amount and the redemption value, net of transaction costs, is recognized as interest expense over the period of the borrowings using the effective interest method and an amortization schedule in the statement of comprehensive income.

(18) Account payable and Guarantee Notes

1. This refers to the liabilities arising from purchasing raw materials, goods, or services on credit, as well as the notes payable arising from both operating and non-operating activities.

2. These are short-term accounts payable and notes payable with unpaid interest, which are measured by the original invoice amount as the discount effect is not significant to the Group.

(19) Convertible company bonds

The convertible bonds issued by the Group contain embedded features, including a conversion option (i.e., the holder's right to convert the bonds into the Group's ordinary shares at a fixed amount for a fixed number of shares) and a put option. At initial recognition, the issuance proceeds are allocated between financial assets or equity instruments in accordance with the terms of the instrument, as follows:

1. Embedded Put Option: Initially recognized at fair value and accounted for as a financial asset at fair value through profit or loss (FVTPL). Subsequent changes in fair value are measured at each reporting date, with gains or losses recognized in profit or loss under FVTPL.

2. Host Debt Component: Recognized initially at fair value. The difference between the fair value and the redemption amount is recorded as a bond premium or discount. This component is subsequently measured using the effective interest method, with interest expense recognized in profit or loss as part of finance costs over the term of the bond.

3. Embedded Conversion Option (classified as equity): If the conversion option meets the definition of equity, the residual amount of the issuance proceeds, after deducting the fair value of the put option and the host debt component, is recognized in equity under "Capital Surplus – Stock Warrants." This equity component is not subsequently remeasured.

4. Transaction Costs: Any directly attributable transaction costs are allocated to each component (financial assets, liabilities, and equity) in proportion to their initial carrying amounts.

5. Conversion by Bondholders: Upon conversion, the carrying amounts of the liability components (including both the host debt and the FVTPL financial asset) are derecognized in accordance with their respective measurement bases. The total of these amounts, together with the carrying amount of the "Capital Surplus – Stock Warrants," is transferred to equity as the cost of the ordinary shares issued upon conversion.

(20) Derecognition of financial liabilities

The Group derecognizes financial liabilities when they are fulfilled, cancelled, or expire according to the terms of the contract.

(21) Liability provision

A provision is recognized when the Group has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the present value of the best estimate of the expenditures required to settle the obligation at the balance sheet date. The discount rate used reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as interest expense. Provisions are not recognized for future operating losses

(22) Employee Benefits

1. Short-term employee benefits

Short-term employee benefits are measured at the undiscounted amount expected to be paid, and are recognized as an expense when the related service is provided.

2. Pension

(1) Defined contribution plans

For defined benefit plans, the amount of retirement benefits to be accrued is recognized as retirement benefit costs in the current period based on the occurrence of obligations and responsibilities. Prepaid contribution is recognized as an asset within the scope of refundable cash or reduced future benefits.

(2) Defined benefit plans

1. The net obligation under a defined benefit plan is calculated by discounting the future benefit payments earned by employees for their current or past service, using the present value of the defined benefit obligation as of the balance sheet date less the fair value of plan assets. The net obligation under the defined benefit plan is calculated annually by an actuary using the projected unit credit method, and the discount rate used is determined based on the market yields of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid and have terms to maturity that match the expected cash flows of the obligations. In countries where there is no deep market for high-quality corporate bonds, the

discount rate is based on the market yields of government bonds as of the balance sheet date.

2. The remeasurement amount arising from defined benefit plans is recognized in other comprehensive income in the period in which it occurs and presented in retained earnings.
3. Expenses related to prior service costs are recognized immediately in the income statement.

3. Remuneration to employee and directors

Employee compensation and remuneration to directors and supervisors are recognized as expenses and liabilities when a legal or constructive obligation exists and the amount can be reasonably estimated. If the actual amounts subsequently approved differ from the estimates, the difference is accounted for as a change in accounting estimate. For employee compensation settled in shares, the number of shares to be issued is calculated based on the closing price of the Company's stock on the day before the resolution of the Board of Directors.

(23) Employee Share-Based Payment

1. The equity-settled share-based payment arrangement is a method of providing employee compensation by granting equity instruments at fair value on the grant date. The fair value of the equity instruments should reflect the effects of vesting conditions and non-vesting conditions. The related compensation cost is recognized as an expense over the vesting period, and the equity is correspondingly adjusted. The recognized compensation cost is adjusted for the expected number of awards that will ultimately vest, including the effects of non-market-based vesting conditions, until the amount recognized is based on the number of awards that actually vest on the vesting date.

2. Restricted Stock for Employees

(1) Recognize the cost of employee compensation over the vesting period based on the fair value of the equity instruments granted on the grant date.

(2) For employees who are not prohibited from participating in dividend distributions and are not required to return dividends already received upon resignation during the vesting period, the portion of dividends expected to be received by employees who are expected to resign within the vesting period is recognized as compensation cost at the fair value of the dividends on the date of the dividend announcement.

(3) Employees do not need to pay a purchase price to obtain restricted stock. If employees resign during the vesting period, the company will reclaim the shares at no cost and cancel them.

(24) Income Tax

1.Income tax expense includes current and deferred income tax. Except for income taxes related to items included in other comprehensive income or directly in equity, income tax is recognized in income.

2. The Group calculates the current income tax based on the tax rates that have been legislated or substantively enacted in the countries where the Group operates and generates taxable income as of the balance sheet date. Management assesses the status of income tax filings periodically in accordance with the applicable income tax regulations and estimates income tax liabilities based on expected tax payments to be made to tax authorities when applicable. Income tax expense on undistributed earnings, as required by income tax laws, is recognized when a resolution for the distribution of earnings is passed by the shareholders' meeting in the year following the year in which the earnings are generated and based on the actual distribution of earnings.

3. The deferred income tax is calculated based on the balance sheet method, recognizing temporary differences between the tax base of assets and liabilities and their carrying amounts on the consolidated balance sheet. The applicable tax rate (and tax law) expected to be used upon realization of the deferred income tax assets or settlement of the deferred income tax liabilities is based on the tax rates that have been enacted or substantively enacted at the balance sheet date.

4. Deferred income tax assets may be recognized for the temporary differences that are likely to be utilized to offset future taxable income, and the unrecognized and recognized deferred income tax assets are re-evaluated on each balance sheet date.

(25) Capital

Common stock is classified as equity. The net amount after deducting income tax of the incremental cost attributed to the issuance of new shares or stock options is directly allocated to equity as a deduction from proceeds.

(26) Dividend distribution

Dividends distributed to the shareholders of this company are recognized in the financial statements when they are approved for distribution at the shareholders' meeting. Cash dividends are recognized as liabilities.

(27) Recognition of Revenue

Sale of Goods

1. The Group designs and sells products related to integrated circuits, and sales revenue is recognized when control of the products is transferred to customers, that is, when the products are delivered to the customers, and the customers have the discretion over the sales channel and price of the products. The Group has no remaining performance obligations that may affect the customers' acceptance of the products. When the products are shipped to the designated location, the risks of obsolescence, damage, and loss have been transferred to the customers, and the revenue recognition occurs when the customer accepts the products in accordance with the sales contract or when there is objective evidence that all acceptance criteria have been met.

2. Sales revenue is recognized as the net amount of contract price, excluding. business tax, sales return, quantity discount and allowance. The amount of revenue recognition is limited to the portion that is highly probable not to be subject to significant reversals in the future and is updated at each balance sheet date based on estimation. Payment terms for sales transactions are typically 40 to 190 days after shipment, which is consistent with market practice, and therefore it is determined that there is no significant financing component included in the contracts.

3. Accounts receivable are recognized when goods are delivered to customers, as the Group has an unconditional right to payment for the contract price from that point in time, with only the passage of time required before the customer pays.

(28) Operating Segments

The operational information of this group is reported in a consistent manner in the internal management report provided to the main operational decision makers. The main operational decision makers are responsible for allocating resources to the operating departments and evaluating their performance. It has been identified that the board of directors is the main decision maker of this group.

5. Critical Accounting Judgements, Estimations and Key Sources of Assumption Uncertainty

The preparation of the Group's consolidated financial statements, the management. of this group has exercised its judgment to determine the accounting policies adopted and made accounting estimates and assumptions based on its reasonable expectations of future events as of the date of the balance sheet. Significant accounting estimates and assumptions made may differ from actual results, which will be continuously evaluated and adjusted based on historical experience and other factors. These estimates and assumptions carry the risk of significant adjustments to the amounts of assets and liabilities in the next financial year. Please refer to the following explanation regarding the uncertainties associated with significant accounting judgments, estimates, and assumptions:

(1) Accounting policy adoption significant judgments

None.

(2) Significant accounting estimates and assumptions

Inventory evaluation

Inventories are stated at the lower of cost or net realizable value., this group. must exercise judgment and estimation to determine the net realizable value of inventory as of the balance sheet date. This group evaluates the amount of inventory that has normal wear and tear, is obsolete or has no market sales value as of the balance sheet date and reduces the inventory cost to its net realizable value. Because the determination of the net realizable value used in the inventory valuation and the estimation of inventory obsolescence losses often involve subjective judgment and have a high degree of estimation uncertainty and because inventory and the provision for inventory obsolescence losses have a significant impact on the financial statements, significant changes may occur

6. Contents of significant accounts

(1) Cash and Cash Equivalent

	2024.12.31	2023.12.31
Cash	$ 30	$ 30
Cash in Bank and Cheque	205,635	154,024
Term Deposit	432,973	103,188
	$ 638,638	$ 257,242

1. The above said term deposit is deemed as high liquidation investment matured within 3 months.
2. The Group deals with a number of financial institutions with good credibility, to lower credit risks. Thus, the risk to contract breach is deemed very low.
3. Cash and cash equivalents were not pledged for collateral. ◦

(2) Financial assets valued through profit and loss

	2024.12.31	2023.12.31
Financial assets valued at P&L		
Derivative tools- buy back option of convertible bonds	$ 510	$ -
Value adjustments	(420)	-
	$ 90	$ -

1. The Group recognized net (losses) gains on financial assets at fair value through profit or loss in the amounts of ($376) and $177 for the years ended 2024 and 2023, respectively.
2. The Group did not pledge any financial assets at fair value through profit or loss as collateral.
3. For further information on the fair value of financial assets at fair value through profit or loss, please refer to N12(3).

(3) Financial assets at amortized cost

	2024.12.31	2023.12.31
Current		
>3 months Term deposit	$ 124,671	$ 5,000
Term deposit pledged for collateral	-	225,682
Total	$ 124,671	$ 230,682
Non current		
Term deposit pledged for collateral	$ 1,076	$ 1,060

1. Regardless of the collateral held or other credit enhancements, it is the most representative of the Group's holdings of financial assets measured at amortized cost, the largest credit risk on December 31, 2024 and 2023. The insurance amount is the book value of the recognized financial assets.
2. Please refer to Note 8 for details on financial asset at amortized cost pledged as collateral.
3. Please refer to Note 12(2) for the credit risks on financial assets at amortized. cost. It is deemed that the possibility of contract breach is very low.

(4) Account receivables

	2024.12.31	2023.12.31
Account receivables	$ 159,665	$ 212,048
Less: allowances for doubtful accounts	(889)	(1,083)
	$ 158,776	$ 210,965

1. Age analysis:

	2024.12.31	2023.12.31
	Account receivables	Account receivables
Not past due	$ 158,822	$ 208,274
Past due 0~30 days	-	2,786
Past due 31-90 days	-	-
Past due over 91 days	843	988
	$ 159,665	$ 212,048

2. Balance of account receivables as of 2024.12.31, 2023.12.31 and 2023.01.01 are $159,665, $212,048 and $168,809.

3. The Group adopts a simplified approach to estimate expected credit. losses based on the provision matrix. The loss rate is adjusted based on historical and current information for a specific period to estimate the provision loss of accounts receivable.

4.Expected loss for the Group as of 2024.12.31, 2023.12.31 areas following:

	Not past due	Past due 30 days	Past due 31-90 days	Past due over 91	Total
2024.12.31					
Expected loss %	0%~0.03%	0%~0.16%	1.49%~13.58%	100%	
AR total	$ 158,822	$ -	$ -	$ 843	$159,665
Allowance for credit impairment loss	$ 46	$ -	$ -	$ 843	$ 889

	Not past due	Past due 30 days	Past due 31-90 days	Past due over 91	Total
2023.12.31					
Expected loss %	0%~0.03%	0%~0.81%	0%~30.56%	100%	
AR total	$ 208,274	$ 2,786	$ -	$ 988	$212,048
Allowance for credit impairment loss	$ 73	$ 22	$ -	$ 988	$ 1,083

5.The Group has adapted simplified measure for changes in allowance for impairment loss:

	2024	2023
	Account receivable	Account receivable
01.01	$ 1,083	$ 1,649
Allowance for impairment loss	(194)	(448)
Impact of consolidated/parent change	-	(118)
12.31	$ 889	$ 1,083

6. Please refer to Note 12(2) for details on AR credit risk.

(5) Inventory

	2024.12.31				
	Costs		Allowance for inventory valuation loss		Book Value
Raw material	$	109,435	($ 62,129)	$	47,306
Work in process		112,027	(17,557)		94,470
Finished goods		21,423	(474)		20,949
	$	242,885	($ 80,160)	$	162,725

	2023.12.31				
	Costs		Allowance for inventory valuation loss		Book Value
Raw material	$	126,217	($ 22,158)	$	104,059
Work in process		190,614	(28,817)		161,797
Finished goods		30,273	(5,864)		24,409
	$	347,104	($ 56,839)	$	290,265

1.Inventory cost recognized as loss for the period

	2024		2023	
Cost of good sold	$	428,271	$	533,867
Inventory valuation loss		30,810		28,761
Others		3,069		814
	$	462,150	$	563,442

2. Inventory was not pledged for collateral.

3. The Group enters a long-term contract with the supplier, which stipulates the minimum amount or quantity to be purchased. If the Group fails to fulfill the contractual amount, the loss shall be recognized as the cost of the current period. N6(14).

(6) Real estate, plant and equipment

2024	R&D equipment	Office equipment	Improvement on lease	Equipment to be verified	Total
2024.01.01					
Cost	$ 91,537	$ 19,739	$ 5,247	$ -	$ 116,523
Accumulated depreciation	(71,473)	(13,505)	(1,524)	-	(86,502)
	$ 20,064	$ 6,234	$ 3,723	$ -	$ 30,021
2024.01.01	$ 20,064	$ 6,234	$ 3,723	$ -	$ 30,021
Acquisition	36,036	1,823	130	1,071	39,060
Depreciation expense	(12,590)	(2,436)	(866)	-	(15,892)
2024.12.31	$ 43,510	$ 5,621	$ 2,987	$ 1,071	$ 53,189
2024.12.31					
Cost	$ 126,778	$ 21,438	$ 5,377	$ 1,071	$ 154,664
Accumulated depreciation	(83,268)	(15,817)	(2,390)	-	(101,475)
	$ 43,510	$ 5,621	$ 2,987	$ 1,071	$ 53,189

2023	R&D equipment	Office equipment	Improvement on lease	Total
2023.01.01				
Cost	$ 73,591	$ 17,970	$ 3,417	$ 94,978
Accumulated depreciation	(63,263)	(11,211)	(1,232)	(75,706)
	$ 10,328	$ 6,759	$ 2,185	$ 19,272
2023.01.01	$ 10,328	$ 6,759	$ 2,185	$ 19,272
Acquisition	17,946	1,838	3,181	22,965
Disposal	-	-	(1,109)	(1,109)
Depreciation expense	(8,210)	(2,363)	(534)	(11,107)
2023.12.31	$ 20,064	$ 6,234	$ 3,723	$ 30,021
2023.12.31				
Cost	$ 91,537	$ 19,739	$ 5,247	$ 116,523
Accumulated depreciation	(71,473)	(13,505)	(1,524)	(86,502)
	$ 20,064	$ 6,234	$ 3,723	$ 30,021

The real estate, plant and equipment were not pledged for collateral.

(7) Lease－lessee

	2024.12.31		2023.12.31	
Right-of-use assets:				
buildings	$	18,558	$	25,248
Transportation vehicles		1,453		2,250
	$	20,011	$	27,498
Lease liabilities:				
Current	$	6,180	$	6,101
Non current		13,297		20,759
	$	19,477	$	26,860

1. The lease include building and transportation vehicle. The contracts are normally 2~5 years. The lease contracts are negotiated separately with different terms and conditions. There are no other restrictions other than leased assets shall not be pledged for collaterals.
2. Depreciation expenses for right-of-use assets:

	2024		2023	
Building	$	6,689	$	7,003
Transport vehicle		798		663
	$	7,487	$	7,666

3. Acquisition of right-of-use asset for 01.01 to 12.31, 2024 and 2023 are $0 and $32,042.
4. Car park lease contract does not exceed 12 months. Office printer is regarded as low value lease asset.
5. P& L items related to lease contracts:

	2024		2023	
Interest expense from lease liabilities	$	642	$	567
Expenses of short term lease		630		261
Expenses of low-value lease		97		125
Expenses of changes in lease payment		-	(	143)

Note: the company terminated the office lease in June, 2024.

6. Cash outflow from lease for the period 01.01 to 12.31 of 2024 and 2023are $8,752 and $8,253.

7. Due to changes in lease contract during 2023, the amounts for right-of-use asset are decreased by $7,344; and lease liabilities are decreased by $7,487.

(8) Intangible asset

	2024	2023
	Computer software	Computer software
01.01		
Cost	$ 44,255	$ 25,204
Accumulated amortization	(20,393)	(4,369)
	$ 23,862	$ 20,835
01.01	$ 23,862	$ 20,835
Acquisition	35,464	23,890
Reclassified (note)	-	(470)
Amortization expenses	(32,776)	(20,393)
12.31	$ 26,550	$ 23,862
12.31		
Cost	$ 79,719	$ 44,255
Accumulated amortization	(53,169)	(20,393)
	$ 26,550	$ 23,862

Note: Reclassify computer software to prepaid items

Intangible assets amortization expenses:

	2024	2023
	Computer software	Computer software
Administration expenses	$ 2,478	$ 1,912
R&D expenses	30,298	18,481
	$ 32,776	$ 20,393

(9) Short term loan

	2024.12.31
Guarantee bank loan	$ 160,000
Range of interests	1.71%~1.99%

Not applicable for 2024.12.31.

1. Unused quota as of 2024.12.31 and 2023.12.31 are $350,000 and $220,000.
2. Please refer to Note 8 for details on short term loan pledged for collateral.

(10) Other account payables

	2024.12.30	2023.12.31
Salary and bonus	$ 15,458	$ 13,462
Compensation to employee and directors	15,139	19,381
Intangible assets	3,816	-
Computer software royalty	2,400	1,978
Equipment	247	2,371
Others	6,916	5,580
	$ 43,976	$ 42,772

(11) Corporate bond

	2024.12.31
Corporate bond	$ 300,000
Less: discount	(16,685)
	$ 283,315

1. Not applicable for 2023.12.31.
2. Domestic corporate bond

2.1 conditions for 3rd domestic unsecured convertible corporate bond:

a. With the approval of the competent authority, the Company has issued the third unsecured domestic convertible bonds in total amount of NT$300,000 thousands. The bonds bear a zero percent (0%) coupon rate and have a maturity of three (3) years, commencing from June 25, 2024, and maturing on June 25, 2027. Upon maturity, the bonds will be redeemed in full at par value in cash. The bonds are scheduled to be listed on the Taipei Exchange (TPEx) and commence trading on June 25, 2024

b. Holders of these convertible bonds may, at any time starting from the day following the expiry of three months from the issuance date (i.e., September 26, 2024) and up to forty (40) days prior to the maturity date (i.e., May 16, 2027), request conversion of the bonds into the Company's common shares, except during book closure periods as stipulated by applicable laws or regulations. The common shares issued upon conversion shall carry the same rights and obligations as the existing issued common shares of the Company.

c. The conversion price of these convertible bonds is determined in accordance with the pricing model set forth in the Conversion Rules. In the event of any anti-dilution adjustments as stipulated in the Conversion Rules, the conversion price shall be adjusted accordingly using the prescribed pricing model. Furthermore, on the reference dates specified in the Conversion Rules, the conversion price may be re-determined in accordance with the same pricing model. The initial conversion price for these convertible bonds is set at NT$65.8 per share.

d. From the day following one month after the issuance date until 40 days prior to the maturity date, if the closing price of the Company’s common shares exceeds 150% of the then-effective conversion price for 30 consecutive trading days, or from the day following three months after the issuance date until 40 days prior to the maturity date, if the outstanding balance of the convertible bonds falls below 10% of the original total issuance amount, the Company may, at its discretion and at any time thereafter, redeem all outstanding bonds in cash at par value.

e. In accordance with the regulations, all convertible bonds that are redeemed by the Company (including those repurchased through the Taipei Exchange), repaid, or converted shall be cancelled, and all rights and obligations attached to such bonds shall be extinguished accordingly. No reissuance of such bonds will be made.

2.2 As of December 31, 2024, there had been no conversions of the convertible bonds into common shares, nor any repurchases of the bonds by the Company.

3. In accordance with IAS 32 “Financial Instruments: Presentation,” at the time of issuance of the convertible bonds, the Company separated the equity component of the embedded conversion right from the liability component and recognized it under “Capital surplus – stock options from convertible bonds” in the amount of NT$20,876 thousands.

In addition, the embedded call option was separated in accordance with IFRS 9 “Financial Instruments,” as its economic characteristics and risks are not closely related to those of the host debt instrument. Accordingly, it was recognized under “Financial assets at fair value through profit or loss.”

After the separation, the effective interest rate of the host liability component was determined to be 2.03%.

(12) Pension

1. Defined benefit

(1) The company and its domestic subsidiaries have established a retirement. method with defined benefits in accordance with the provisions of the "Labor Standards Law", which is applicable to the full-time employees before the implementation of the "Labor Pension Regulations" on July 1, 1994, and after the implementation of the "Labor Pension Regulations", the employees who choose to continue to apply the Labor Standards Law have their subsequent years of service. For employees who meet the retirement requirements, the pension payment is calculated based on the years of service and the average salary of the six months before

retirement. The service years within 15 years (inclusive) will be given two bases for each full year, and the service years exceeding 15 years will be paid every year. A base is given for one full year, maximum payout base is 45. The company allocates 2% of the total salary to the retirement fund on a monthly basis in a special account in the name of the Labor Retirement Reserve Fund Supervisory Committee in the Bank of Taiwan. In addition, estimation of the balance of the special account for labor retirement reserves will be made at the end of the year. If the balance is insufficient to cover the estimated amount of pensions calculated for employees who meet the retirement requirements in the next year, the balance will be calculated again before the end of March the following year.

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

	2023.12.31
Defined benefit obligation.	($ 1,542)
Plan assets at fair value	7,248
Net defined benefit asset (Note).	$ 5,706

Note: Classified as other non-current assets.

(3) The changes in net defined benefit liability are as follows:

	2024		
	Defined benefit obligation	Plan assets at fair value	Net defined benefit asset
2024.01.01	($ 1,542)	$ 7,248	$ 5,706
Interest (expense) income	(460)	460	-
	(2,002)	7,708	5,706
Remeasurements:			
Plan assets return (note)	-	-	-
Financial assumption sensitivity	-	-	-
Experience adjustment	-	-	-
	-	-	-
Pension payments	2,002	(1,800)	202
Collect plan assets	-	(5,908)	(5,908)
2024,12,31	$ -	$ -	$ -

	2023		
	Defined benefit obligation	Plan assets at fair value	Net defined benefit asset
2023.01.01	($ 1,462)	$ 7,090	$ 5,628
Interest (expense) income	(29)	142	113
	(1,491)	7,232	5,741
Remeasurements:			
Plan Assets Return (note)	-	16	16
Financial assumption sensitivity	(34)	-	(34)
Experience adjustment	(17)	-	(17)
	(51)	16	(35)
Pension payments	-	-	-
2023,12,31	($ 1,542)	$ 7,248	$ 5,706

Note: The amount included in interest income or expenses is not included.

(4) The assets of our company's defined benefit retirement plan fund are. managed by the Bank of Taiwan according to the proportion and amount range of entrusted operating items specified in the investment and utilization plan for that fund's fiscal year. The entrusted operations are carried out in accordance with Article 6 of the Labor Retirement Fund Income and Expenditure Custody and Utilization Regulations (i.e., depositing funds in domestic and foreign financial institutions, investing in equities traded on domestic and foreign stock exchanges or over-the-counter markets, or privately placed, and investing in securities of securitized products of domestic and foreign real estate, etc.). The related utilization situation is supervised by the Labor Retirement Fund Supervisory

Committee. For the fund's utilization, the minimum return for annual settlement and distribution shall not be lower than the interest rate calculated based on the two-year fixed deposit rate of local banks. If there is any shortfall, it shall be supplemented by the national treasury upon approval by the competent authority. Because our company has no right to participate in the operation and management of the fund, we are unable to disclose the classification of the fair value of plan assets as required by paragraph 142 of International Accounting Standard No. 19. Please refer to the annual labor retirement fund utilization reports announced by the government for the fair value of the total assets of that fund as of December 31, 2024 and 2023.

(5) The summary of actuarial assumptions regarding retirement benefits is as follows:

	2023
Discount rate.	1.88%
Future salary growth rate	2.50%

The assumption for future mortality rates is estimated based on the Taiwan life insurance industry's sixth experience life table. The impact on the determination of the present value of defined benefit obligations due to changes in the main actuarial assumptions used is analyzed as follows:

	Discount rate		Future salary growth rate	
	Increase 0.25%	Decrease 0.25%	Increase 0.25%	Decrease 0.25%
2023.12.31				
The impact on the present value of defined benefit obligations.	($ 67)	$ 70	$ 69	($ 66)

The sensitivity analysis described above analyzes the impact of a single assumption change while holding other assumptions constant. However, in practice, changes in many assumptions may be interrelated. Sensitivity analysis is consistent with the method used to calculate the net retirement benefit liability on the balance sheet.

The method and assumptions used in the sensitivity analysis prepared for the current period are the same as those used in the previous period.

(6) This group plans to stop making contributions in the fiscal year 2024 as the retirement reserve is fully funded.

2. Determination of Provision Plan.

(1) According to the "Labor Pension Act", the Company and its domestic subsidiaries have established a retirement method with definite contribution,

which is applicable to employees of their nationality. The company and domestic subsidiaries choose to apply the part of the labor pension system stipulated in the "Labor Pension Regulations" for employees and contribute labor pensions to the individual accounts of employees of the Labor Insurance Bureau at the rate of 6% of salary every month. The payment of employee pensions is based on the employee's personal pension special account and accumulated income is collected in monthly pension or one-time pension。

(2) According to the pension insurance system stipulated by the government of the People's Republic of China, ENE Touch allocates pension insurance funds according to a certain percentage of the total salary of local employees every month. The pension of each employee is managed and arranged by the government, and the Group has no further obligations other than the monthly allocation.

(3) Amount recognized for the pension in according to the above method for the period ending 01.01~12.31 of 2024 and 2023 are $5,346 and $4,673.

(13) Share-based payments

1.Share based payment as of 2024.12.31:

Issuer	Type	Issuance date	Quantity	No. shares available for subscription per unit (shares)	Contract Period	Condition
ENE	Restricted employee stock	2022.05.10	20 thousands unit	1	3years	Continuous employment for 1 year and meet the set KPI, one can exercise in a certain portion (note)
"	"	2022.03.16	980 thousands unit	1	3years	Continuous employment for 1 year and meet the set KPI, one can exercise in a certain portion (note)

New shares with limited employee rights issued by the company may not be sold, pledged, transferred, gifted to others, encumbered, or disposed of in other ways before the vested conditions are met.

Note: For those who meet the service years and performance conditions stipulated in the Regulations on Employee Restricted Shares, the conditions are as follows:

Service with one year: 20%, Service with two years: 30%, Service with three years: 50%

2. Details for the above said share-based payments are as follows:

Restricted Employee Stock (RES) plan

	2024 Quantity (thousands)	2023 Quantity (thousands)
RES at the beginning of the period	748	1,000
Share acquired	(281)	(198)
Ineffective shares	-	(54)
RES at the end of the period	467	748

3. The par value of new shares issued by the Group to restrict employee shares is NT$10 per share, and the issue price per share is NT$0 (free for employees). The closing price on the date of grant ($41.5 and $40.25) is used to measure fair value.

4. The cost for above said RES for the period ending 2024.01.01~12.31 and 2023.01.01~2023.12.31 are $8,318 and $14,999.

(14) Other current liabilities- others

	2024.12.31	2023.12.31
Liability provisions	$ 30,725	$ 27,656
others	1,445	1,234
	$ 32,170	$ 28,890

Liability provisions

	2024.12.31	2023.12.31
2024.01.01	$ 27,656	$ 27,656
Liability provision for the current period	3,069	-
2024.12.31	$ 30,725	$ 27,656

The Group has entered into long-term agreements with certain suppliers, which include minimum purchase commitments in terms of amount or quantity for outsourced production. Management has assessed that failure to meet such minimum commitments may result in compensation for related losses; accordingly, a provision has been recognized. The related loss has been accounted for as a cost in the current period.

(15) Capital

1. As of 2024.12.31, the registered capital is $950,000, total of 95,000 thousand shares. Actual capital is $452,688 with par value of NT$10. The adjustment of shares for the period as following:

	2024	2023
01.01	45,268,841	45,322,841
RES	-	(54,000)
12.31	45,268,841	45,268,841

2. Restricted employee shares (RES)

In order to attract and retain professional talents and create the best interests of the company and shareholders, the company has passed the resolution of the BOD in March 2022 and May 2022 to issue new shares with restricted employee rights for free. The base date of issuance is March 16, 2022. And on May 10, 2022, the total amount was 1,000,000 shares. The employee's personal retention and annual performance evaluation standards have all met the vested conditions. If the vested conditions are not met, the company has the right to take back its shares without compensation and cancel them. As of December 31, 2024, 1,000,000 shares have been issued, 479 thousands shares are vested and 54 thousands shares canceled.

3. On April 30, 2024, the Board of Directors resolved to conduct a cash capital increase through the issuance of 2,000 thousand new common shares with a par value of NT$10 per share. The record date for subscription rights was set as July 1, 2024. However, in light of recent significant volatility in the capital markets and after considering the overall capital planning and shareholders' interests, the Company obtained approval from the Financial Supervisory Commission (FSC) on August 22, 2024, to cancel the proposed cash capital increase.

4. On November 18, 2021, the Company conducted a private placement of 8,000 thousand common shares. In accordance with Article 68 of the "Regulations Governing the Offering and Issuance of Securities by Securities Issuers," the Company applied for retroactive public issuance and listing upon the expiration of the three-year restriction period on November 17, 2024. The application was approved and became effective on January 10, 2025, by the TWSE.

(16) Capital surplus

In accordance with the provisions of the Company Law, the surplus from the issuance of shares exceeding the par value and the capital reserve from the receipt of gifts may be used to make up for losses. When the company has no accumulated losses, new shares or cash. In addition, in accordance with the relevant provisions of the Securities and Exchange Act, when the above-mentioned capital reserve is allocated to capital, the total amount shall not exceed 10% of the paid-in capital each year. When the company still has insufficient surplus reserves to make up for capital losses, it may not use capital reserves to compensate it.

(17) Retained earning/Subsequent events

1. According to the company's Articles, if the company has a surplus in its annual final accounts, in addition to paying taxes in accordance with the law, it should first make up for the accumulated losses, and then allocate 10% of the balance as the statutory surplus reserve, but the statutory surplus reserve This is not the case when the total paid-in capital of the company has been reached; in addition, depending on the company's operating needs and legal requirements, the special surplus reserve shall be appropriated or reversed. If there is still a surplus, and the undistributed surplus at the beginning of the same period, the board of directors shall propose a shareholder dividend Proposal on distribution, after submitting to the shareholders' meeting for resolution.
2. The company's dividend policy is formulated in accordance with the company law and the company's Articles, and is determined based on factors such as the company's capital and financial structure, operating conditions, earnings, and the nature and cycle of the industry to which it belongs. 50% of the surplus, cash dividends shall be withdrawn at no less than 50% of the total dividends for the year.
3. The statutory surplus reserve shall not be used except to make up for the company's losses and to issue new shares or cash in proportion to the shareholders' original shares.
4. When the company distributes the surplus, according to laws and regulations, the debit balance of other equity items on the balance sheet must be allocated as a special surplus reserve.
5. (1)Earning distributed as approved in Shareholders Meeting on 2024.05.28 and 2023.05.30 are:

	2023		2022	
	Amount	EPS	Amount	EPS
Legal reserve	$ 6,664		$ 7,208	
Cash dividends	45,269	$ 1.00	54,375	$ 1.20
	$ 51,933		$ 61,583	
	Amount	Cash distribution	Amount	Cash distribution
Distribution from capital surplus				
cash	$ 9,054	$ 0.20	$ -	$ -

(2)On February 25, 2025, the Board of Directors proposed the earnings appropriation plan for fiscal year 2024 and the distribution of cash from capital surplus as follows

	2024	
	Amount	EPS
Legal reserve	$ 4,990	
Cash dividends	45,269	$ 1.00
	$ 50,259	

		Per share
	Amount	Cash distribution
Cash distribution from capital surplus	$ 9,054	$ 0.20

The 2024 profit appropriation and dividend distribution from capital surplus is not yet resolved by the shareholders meeting.

(18) Operation revenue

The Group's revenue is mainly derived from goods transferred at a certain point in time, and revenue can be broken down into the following geographical areas：

2024	China	Taiwan	Others	Total
External customer contract	$ 437,506	$ 267,250	$ 16,466	$ 721,222

2023	China	Taiwan	Others	Total
External customer contract	$ 564,747	$ 300,960	$ 9,635	$ 875,342

(19) Other profit and loss

	2024	2023
Foreign exchange (loss)gain	$ 44,239	($ 513)
(loss) Gain from financial asset at fair value through P&L	(376)	177
Loss of investment disposal	-	(1,160)
Disposal of real estate, plant and equipment	-	(1,109)
Gain from lease change	-	143
Others	-	(261)
	$ 43,863	($ 2,723)

(20) Additional information on cost and expense

	2024		
	Operation costs	Operation expense	Total
Employee benefit expense			
Salary expense	$ -	$ 130,458	$ 130,458
Share based payment	-	8,318	8,318
Labor and health insurance expense	-	9,014	9,014
Pension expense	-	5,346	5,346
Other HR	-	4,587	4,587
	$ -	$ 157,723	$ 157,723
Depreciation expense	$ -	$ 23,379	$ 23,379
Amortization expense	$ -	$ 32,776	$ 32,776

	2023		
	Operation costs	Operation expense	Total
Employee benefit expense			
Salary expense	$ -	$ 126,771	$ 126,771
Share based payment	-	14,999	14,999
Labor and health insurance expense	-	8,242	8,242
Pension expense	-	4,673	4,673
Other HR	-	4,105	4,105
	$ -	$ 158,790	$ 158,790
Depreciation expense	$ -	$ 18,773	$ 18,773
Amortization expense	$ -	$ 20,393	$ 20,393

1. According to the company's Articles, the company shall allocate no less than 20% of the employee's remuneration and no more than 3% of the BOD's remuneration if there is a balance after deducting the accumulated losses.
2. Remuneration for BOD and employees are as follows:

	2024	2023
Remuneration to BODs	$ 1,929	$ 2,528
Remuneration to employees	13,210	16,853
	$ 15,139	$ 19,381

The estimation of profits is recognized in according to the Articles. For the period 01.01~12.31 of 2024 and 2023.

3. The remuneration for directors and employees for the fiscal year 2024, which was approved by the board of directors on February 25, 2025, is consistent with the estimated amount. The employee remuneration will

be paid in cash.

4. The remuneration of directors and employees approved by the board of directors in 2023 is consistent with the amount recognized in the financial report of 2023.
5. Please see MOPS for related information.

(21) Income tax

1. Income tax expense

(1) Components of income tax expense:

	2024	2023
Current income tax:		
Current income tax expense	$ -	$ -
Undistributed profits	736	498
Under-estimation from prior year	-	209
	736	707
Deferred income tax:		
Origination and reversal of temporary differences	278	(2,497)
Income tax	$ 1,014	($ 1,790)

(2) Amount of income tax related to other comprehensive income:

	2024	2023
Foreign operations translation differences	-	(40)

2.The relationship between income tax benefit and accounting profit:

	2024	2023
Income tax calculated at statutory tax rate on income before income taxes (Note)	$ 10,182	$ 12,977
Expenses to be deducted in accordance with tax laws and regulations	9	-
Income exempted from taxation according to tax law	-	(58)
Undistributed profits	736	498
Under/Over estimation from prior year	-	209

Unrecognized deferred tax assets due to temporary differences	1,303	(209)
Changes in the assessment of realizability of deferred tax assets	(11,216)	(15,207)
Income tax benefit	$ 1,014	($ 1,790)

Note: The applicable tax rates are calculated based on the tax rates in the countries where the Company and its subsidiaries are located.

3. The amounts of deferred income tax assets or liabilities resulting from temporary differences and tax loss. carryforwards are as follows:

2024	01.01	Recognized in income statement.	Recognized in other comprehensive income (OCI).	12.31
Deferred income tax asset				
-Temporary difference				
Unrealized loss from inventory value	$ 11,368	$ 4,664	$ -	$ 16,032
Unrealized gross profit on sales	3,260	7	-	3,267
Foreign investment accounted for using the equity method	1,288	(1,288)	-	-
	$ 15,916	$ 3,383	$ -	$ 19,299
Deferred income tax liabilities:				
-Temporary differences:				
Foreign exchange differences - operational entity	$ -	($ 84)	$ -	($ 84)
Unrealized translation gains.	-	(3,577)	-	(3,577)
	$ -	($ 3,661)	$ -	($ 3,661)

2023	01.01	Recognized in income statement.	Recognized in other comprehensive income (OCI).	12.31
Deferred income tax asset				
- Temporary difference				
Unrealized inventory loss	$ 5,616	$ 5,752	$ -	$ 11,368
Unrealized gross profit on sales.	7,566	(4,306)	-	3,260
Foreign investment accounted for using the equity method	1,891	(1,891)	-	-
Unrealized exchange loss	-	1,288	-	1,288
	$ 15,073	$ 843	$ -	$ 15,916
Deferred income tax liabilities.				
- Temporary difference				
Foreign exchange differences - operational entity	($ 40)	$ -	$ 40	$ -
Unrealized translation gains.	(1,654)	1,654	-	-
	($ 1,694)	$ 1,654	$ 40	$ -

4. The effective period of unused tax losses and the amount of unrecognized deferred tax assets related to. the Company and its domestic subsidiaries are as follows:

2024.12.31

Year	Verified amount	Unutilized amount	Unrecognized deferred tax assets	Final deduction year
2014	$ 205,755	$ 80,936	$ 80,936	2024
2015	119,209	119,209	119,209	2025
2016	121,815	121,815	121,815	2026
2017	92,739	92,739	92,739	2027
2018	70,963	70,963	70,963	2028
2019	50,962	50,962	50,962	2029
2020	32,271	32,271	32,271	2030
		$ 568,895	$ 568,895	

2023.12.31

Year	Verified amount	Unutilized amount	Unrecognized deferred tax assets	Final deduction year
2013	$ 68,245	$ -	$ -	2023
2014	205,755	129,720	129,720	2024
2015	119,209	119,209	119,209	2025
2016	121,815	121,815	121,815	2026
2017	92,739	92,739	92,739	2027
2018	70,963	70,963	70,963	2028
2019	50,962	50,962	50,962	2029
2020	32,271	32,271	32,271	2030
		$ 617,679	$ 617,679	

5. The deductible temporary differences that have not been recognized as deferred tax assets

	2024.12.31	2023.12.31
Deductible temporary differences	$ 11,786	$ 5,271

6. Our company's income tax for operating businesses has been verified by the tax collection agency until fiscal year 2022.

(22) Earnings per share

	2024		
	$ after tax	Weighted average Outstanding shares (thousand shares)	EPS (Dollar)
Basic EPS			
Net profit attributed to common shareholders of the parent company	$ 49,899	44,742	$ 1.12
Diluted EPS			
Net profit attributed to common shareholders of the parent company	$ 49,899	44,742	
Potential dilution impact	-	494	
RES	-	314	
Employee remuneration	$ 49,899	45,550	$ 1.10
Potential dilution impact attributed to the parent company	$ 49,899	44,742	$ 1.12

	2023		
	$ after tax	Weighted average Outstanding shares (thousand shares)	EPS (Dollar)
Basic EPS			
Net profit attributed to common shareholders of the parent company	$ 66,676	44,480	$ 1.50
Diluted EPS			
Net profit attributed to common shareholders of the parent company	$ 66,676	44,480	
Potential dilution impact			
RES	-	504	
Employee remuneration	-	321	
Potential dilution impact attributed to the parent company	$ 66,676	45,305	$ 1.47

(23) Additional information to cash flow

Investment activity with partial cash payment:

	2024	2023
Acquisition of real estate, plant and equipment	$ 39,060	$ 22,965
Add: equipment payment at the beginning of the period	2,371	773
Less: equipment payment at the beginning of the period	(2,690)	(2,371)
Cash payment of the period	$ 38,741	$ 21,367

	2024	2023
Acquisition of intangible assets	$ 35,464	$ 23,890
Add: prepayment at end of the period	-	7,500
Less: payable intangible assets at the end of the period	(3,816)	-
Prepayment at the beginning of the period	(7,500)	(7,500)
Cash payment of the period	$ 24,148	$ 23,890

(24) Changes in liabilities from financing activities

2024

	Short term loan	Corporate bond	Lease liabilities	Total liabilities from financing activities
01.01	$160,000	$ -	$ 26,860	$ 186,860
Changes in financing cash flow	(160,000)	300,350	(7,383)	132,967
Other non-cash changes (N1)	-	(17,035)	-	(17,035)
12.31	$ -	$283,315	$ 19,477	$ 302,792

2023

	Short term loan	Long term loan	Lease liabilities	Total liabilities from financing activities
01.01	$196,000	$ 3,636	$ 10,201	$ 209,837
Changes in financing cash flow	(36,000)	(3,636)	(7,300)	(46,936)
Other non-cash changes (N2)	-	-	23,959	23,959
12.31	$160,000	$ -	$ 26,860	$ 186,860

Note 1: amortization of corporate bond and capital surplus-corporate bond options
Note 2: impact of foreign exchange

7. Related party transactions

(1) Related party

Related party	Relationship
ASUSTek Computer Inc. (Asus)	Key personnel of the Company (Institutional Director)
Siguard Microelectronic Corp. (Siguard)	Key personnel of the Company (Institutional Director)
Egis Technology Inc. (EgisTec)	Ultimate parent entity
Alcor Micro	Parent entity
Algoltek	Related company
Visubi	Related company

(2) Significant transactions with related parties

1.Sales

	2024	2023
Sales:		
ASUSTek	$ 119,175	$ 106,538

Product prices quoted to the related parties were determined by the product. specification. Therefore, prices quoted to the related parties were of no big difference to other customers.

2.Purchasing

	2024	2023
Outsourcing product purchase		
Egis	$ 181,689	$ 39,174

The trading conditions between the Company and related parties are no different to those with general suppliers.

	2024	2023
Service purchase		
Siguard	$ 11,828	$ 16,145

The trading conditions between the Company and related parties are no different to those with general suppliers.

3.R&D expenses

	2024	2023
Eqig	$ 34	$ 4,306
Alcor Micro	1,365	2,730
Visubi	363	-
	$ 1,762	$ 7,036

Expenses for IC research and development and masks.

4.Account receivable

	2024.12.31	2023.12.31
Service purchase		
ASUSTek	$ 51,748	$ 35,161

There is no bad debt allowances for the related party AR. The AR is mainly from product sales.

5.Account payable

	2024.12.31	2023.12.31
Account payable		
Egis	$ 16,718	$ 19,755
Siguard	1,590	3,333
	$ 18,308	$ 23,088
Other payable-equipment		
Egis	$ 2,443	$ -
Other payable-others		
Egis	$ 438	$ -
Siguard	310	-
Alcor micro	-	478
	$ 748	$ 478

Related party AP is mainly from purchasing transactions and masks, no interests incurred. Other payables are mainly from purchasing technology.

6.Prepaid account

	2024.12.31	2023.12.31
Egis	$ 1,284	$ -

7.Assets trading

(1)Acquisition of real estate, plant and equipment

	Accounting Subject	2024	2023
Egis	Purchase other equipment	$ 32,829	$ 6,707
Visubi	Purchase other equipment	2,528	-
		$ 35,357	$ 6,707

The trading conditions between the Company and related parties are no different to those with general suppliers.

(2) Acquisition of intangible assets

Accounting Subject	2024	2023

Egis	Purchase computer software	$ 7,500	$ -

8.Other non-current assets

	2024.12.31	2023.12.31
Deposits		
Algoltek	$ 688	$ 595
Prepayment intangible assets		
Egis	$ -	$ 7,500

Note: The company has signed a product development contract. The unpaid payment for the period ending 2024.12.31 is $7,500.

9.Lease -leasee

(1)The company rents office from Algoltek. The contract is for 5 years. The right-of-use asset for the period is $14,340. The company pays the rent on monthly basis.

(2)Lease liabilities

A.Amount at the end of the period:

	2024.12.31	2023.12.31
Algoltek	$ 9,605	$ 12,459

B.Interest expenses

	2024.12.31	2023.12.31
Algoltek	$ 343	$ 269

(3) Key personnel remuneration information

	2024	2023
Salary and other short term employee benefit	$ 31,941	$ 32,500
Post employment benefit	833	798
Share based payment	3,612	5,769
Total	$ 36,386	$ 39,067

8. Pledged Asset

Details of the assets provided as collateral by the Group are as follows:

	Book value		
Asset	2024.12.31	2023.12.31	Purpose
Term deposit(Note1)	$ -	$ 225,682	Note 3
Term deposit(Note2)	1,076	1,060	Note 4
	$ 1,076	$ 226,742	

Note1: financial asset at amortized cost -current

Note2: financial asset at amortized cost -non current

Note3: guarantee for short term loan

Note4: guarantee for tariff on imported raw material

9. Significant commitments

1. The group has signed a software licensing contract. As of December 31, 2024, the amount not yet paid is $5,607.
2. Please refer to Note7 for details on the unrecognized contractual commitments with related parties.

10. Losses due to major disasters

None.

11. Significant subsequent events

Please refer to Note6 (15)4 and Note6 (17)5 for details.

12. Others

(1) Capital management

The capital management objective of this group is to ensure the continued operation of the group, maintain the optimal capital structure to reduce the cost of funds, and provide returns to shareholders. In order to maintain or adjust the capital structure, the group may adjust the number of dividends paid to shareholders, return capital to shareholders, issue new shares of common stock in private placement, or sell assets to reduce debt. The group uses the debt-to-capital ratio to monitor its capital, which is calculated by dividing net debt by total capital. Net debt is calculated as total borrowings minus cash and cash equivalents. Total capital is calculated as equity reported on the consolidated balance sheet plus net debt.

In 2024, the capital management strategy of this group remains the same as in 2023, which is to maintain the debt-to-equity ratio within a reasonable range.

(2) Financial instruments

1.Types

For details regarding the amounts and information of the Group's financial assets (including cash and cash equivalents, financial assets at fair value through profit or loss, financial assets measured at amortized cost, accounts receivable (including related parties), other receivables, and refundable deposits) and financial liabilities (including short-term borrowings, accounts payable (including related parties), other payables (including related parties), corporate bonds payable, deposits received, and lease liabilities), please refer to the consolidated balance sheet and Note 6

2.Risk management policy

(1) The daily operations of the Group are subject to various financial risks, including market risks (including exchange rate risk, interest rate risk, and price risk), credit risk, and liquidity risk.

(2) The risk management work is carried out by the Finance Department of the Company in accordance with policies approved by the Board of Directors. The Finance Department works closely with the various operating units within the Company to identify, assess and mitigate financial risks. The Board of Directors has established written principles for overall risk management and also provides written policies for specific areas and matters, such as currency risk, interest rate risk, credit risk, the use of derivative and non-derivative financial instruments, and the investment of excess cash.

3.Significana financial risks

(1) Market risks

Exposure to currency risk

A. The Group operates globally, therefore, it is exposed to. various currency exchange rate risks, mainly from the US dollar. The exchange rate risks arise from future business transactions and recognized assets and liabilities.

B. The Company financial assets and liabilities exposed to. exchange rate risk were as following:

	2024.12.31				
	Foreign currency		Book value	Sensitivity analysis	
	($thousands)	FX rate	(NTD)	Change %	Impact on P&L
Financial asset					
Monetary item					
USD: NTD	$ 16,256	32.79	$533,034	1%	$ 5,330
Financial liabilities					
Monetary item					
USD: NTD	849	32.79	27,839	1%	278

	2023.12.31				
	Foreign currency		Book value	Sensitivity analysis	
	($thousands)	FX rate	(NTD)	Change %	Impact on P&L

<u>Financial asset</u>					
Monetary item					
USD: NTD	$ 21,740	30.71	$667,635	1%	$ 6,676
<u>Financial liabilities</u>					
Monetary item					
USD: NTD	791	30.71	24,292	1%	243

Recognized FX translation (loss)gains (realized and unrealized) are $44,239 and ($513) for period of 2024 and 2023.

<u>Price risk</u>

A. The Group is exposed to equity price risk arising from equity instruments classified as financial assets at fair value through profit or loss (FVTPL). To manage the price risk associated with equity investments, the Group diversifies its investment portfolio in accordance with internally established limits.

B. The Group primarily invests in open-end funds. The prices of these equity instruments are subject to volatility due to uncertainties regarding the future value of the underlying investments. The Group did not recognize any gains or losses arising from equity instruments measured at FVTPL during the years ended December 31, 2024 and 2023

<u>Cash flow and fair value interest rate risk</u>

A. The Group's interest rate risk primarily arises from borrowings issued at floating interest rates, exposing the Group to cash flow interest rate risk. In 2024 and 2023, the Group's borrowings issued at floating interest rates were denominated in NTD.

B. When the interest rate of NTD-denominated loans increases or decreases by 1% while all other factors remain unchanged, the profit before tax of the Company for the years 2024 and 2023 will decrease or increase by $0 and $1,280, respectively, mainly due to the change in interest expenses caused by the floating rate loans.

(2) Credit risk

A. The credit risk of the Group refers to the risk of financial loss caused by customers or counterparties of financial instruments being unable to fulfill contractual obligations. It mainly comes from counterparties being unable to settle accounts receivable according to payment conditions, and debt instruments investment contracts with cash flow measured at amortized cost, fair value through other comprehensive income, and fair value through profit or loss.

B. The Group establishes credit risk management from a group perspective. According to the internal credit policy, each operating unit within the group and each new customer must be managed and analyzed for credit risk before setting payment and delivery terms and conditions. Internal risk control is carried out by assessing the credit quality of customers by considering their financial condition, past experience, and other factors. The individual risk limit is set by the board of directors based on internal or external ratings and regularly monitors the use of credit limits.

C. The group adopts the following premise assumptions under IFRS 9 as a basis for determining whether there has been a significant increase in credit risk of financial instruments since initial recognition:

(A) When the contractual payment terms of a financial asset are overdue for more than 30 days, it is considered that the credit risk of the financial asset has significantly increased since initial recognition.

(B) Financial assets that are rated as investment grade by any external credit rating agency on the balance sheet date are considered to have low credit risk.

D. When the payment terms of a contract are overdue for more than 90 days according to the agreed terms, it is considered a default.

E. The Group considers the characteristics of trade credit risk and categorizes accounts receivable from customers into groups. A simplified approach is used to estimate expected credit losses based on a matrix.

F. The indicators used by the Group to determine credit impairment of debt instrument investments are as follows:

(A) Significant financial difficulties of the issuer and a high probability of bankruptcy or other financial restructuring.
(B) The active market for the financial asset disappears due to the issuer's financial difficulties.
(C) The issuer delays or fails to pay interest or principal.
(D) Changes in national or regional economic conditions that are unfavorable and lead to the issuer's default.

G. After the collection process, the Group wrote off the amount of financial assets that cannot be reasonably expected to be recovered. However, the Group will continue to pursue legal proceedings to preserve its rights to the receivables.

H. The Group adjusts its forward-looking assessment to estimate the allowance for doubtful accounts by using loss rates established based on a specific historical and current information period. Please refer to Note6(4) for details.

(3) Liquidity Risk

A. Cash flow forecasts are prepared by individual operating entities within the Group and consolidated by the Group's finance department. The finance department monitors the forecasted cash needs of the Group to ensure that sufficient funds are available to support its operations.

B. Please refer to Note6(9) for loan un-used quota.

C. The non-derivative financial liabilities of the Group, except for those listed in the table below, are due within one year and represent significant cash flow amounts within one year from December 31, 2024 and December 31, 2023, including short-term borrowings, accounts payable, and other payables. These amounts are undiscounted and consistent with the balances of each item in the balance sheet.

2024.12.31	within one year	over one year	total
Non-derivative financial liabilities:			
lease liabilities	$ 6,634	$ 13,649	$ 20,283
Corporate bond payables	-	300,000	300,000
2023.12.31	within one year	over one year	total
Non-derivative financial liabilities:			
lease liabilities	$ 6,742	$ 23,007	$ 29,749

(3) Fair value of financial instruments

1. Categories of financial instruments and fair value

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included in level 1 that are observable for the asset or liability (directly or indirectly).

Level 3: Assets or liabilities that are not observable market information (unobservable parameters).

2. Financial instrument not measured by fair value

(1) Other than items listed below, the carrying amount of the financial instruments not measured by fair value (cash and cash equivalent, financial assets at amortized cost, account receivables, other account receivables, account payables, other account payables, refundable deposits, short term loan, long term loan and lease liabilities) is regarded as reasonable fair value.

2024.12.31		Fair Value		
	Book Value	Level 1	Level 2	Level 3
Financial liability				
Corporate bond payable	$ 283,315	$ -	$ 285,270	$ -

Not applicable for 2023.12.31

(2) The methods and assumptions applied in estimating fair value are as follows:

Corporate bonds payable: Measured at the present value of expected future cash flows, discounted at the market interest rate as of the balance sheet date.

3. Valuation method and techniques to measure fair value

(1) The Group has classified assets and liabilities based on their nature. Relevant information is as follows:

2024.12.31	Level 1	Level 2	Level 3	Total
Asset				
Repetitive fair value				
Financial assets measure at fair value through P&L Redemption Right of Convertible Bonds	$ -	$ 90	$ -	$ 90

(2) The methods and assumptions used by the Group in measuring fair value are described as follows:

The fair value of financial instruments is determined using valuation techniques. These techniques may include referencing the current fair value of financial instruments with similar terms and characteristics, discounted cash flow analysis, or other valuation methodologies. Such models incorporate observable market data available as of the consolidated balance sheet date (e.g., the yield curve published by the Taipei Exchange).

4. For the period of 2024 and 2023, there was no transfer of Level1 and Level2

5. For the period of 2024 and 2023, there was no transfer of financial instruments in Level 3.

13. Other disclosures

(1) Information on significant transactions

1. Loans to other parties: none
2. Guarantees and endorsements for other parties: none
3. Securities held at the end of the period (other than investments in subsidiaries, associates and JVs): none
4. Individual securities acquired or disposed of with accumulated amount exceeding the lower of NT$300 million or 20% of the capital stock: none
5. Acquisition of individual property with amount exceeding the lower of NT$300 million or 20% of the capital stock: none
6. Disposal of individual property with amount exceeding the lower of NT$300 million or 20% of the capital stock: none
7. Related party transactions for purchases and sales with amounts exceeding the lower of NT$100 million or 20% of the capital stock: (attachment I)

8. Receivables from related parties with amount exceeding the lower of NT$100 million or 20% of capital stock: none

9. Trading in derivative instruments: Note 6(2)

10. Business relationship and significant intercompany transactions: none

(2) Investment

Not applicable.

(3) Investment in China

1.Basic information: please see attachment II

2. Direct or indirect significant transaction between investee in China and the company: none

(4) Major shareholders

Please refer to attachment II

14. Segment information

(1) General information

The Group is focus on the research and development, design, manufacture and sales of NB related application ICs. The Group operates as a single operation entity.

(2) Department information

1.The profit and loss of the Group's operating departments are measured by pre-tax operating profit and serve as the basis for performance evaluation. The accounting policies and accounting estimates of the operating department are the same as the summary of important accounting policies and important accounting estimates and assumptions described in Notes 4 and 5.

2.External revenue (no revenue from transactions within other operating units of the enterprise), profit and loss, and financial information reported to the chief operating decision maker are the same and measured in a consistent manner as revenue, profit and loss, and financial information in the consolidated income statement。

3.Total asset amount and total liability amount provided to the chief operating decision maker adopts the same measurement method as the assets and liabilities in this financial statement.

(3) Information by Product and Service

External customer revenue primarily comes from the design and sale of integrated circuit-related products.

(4) Regional information

The regional information for the years 2024 and 2023 of the Group is presented below:

	2024		2023	
	revenue	non-current assets	revenue	non-current assets
China	$ 437,506	$ 26,068	$ 564,747	$ 950
Taiwan	267,250	73,682	300,960	80,431
Others	16,466	-	9,635	-
Total	$ 721,222	$ 99,750	$ 875,342	$ 81,381

1. Revenue from external customers and non-current assets are attributed. based on the country of origin of the customer and the region where the asset is located.
2. Non-current assets refer to real estate, plant and equipment, right-of-use assets, intangible assets, and other non-current assets.

(5) Information on key customers

Key customer information for the 2024 and 2023 of the Group are as follows:

	2024 revenue	% of the accounting subject	2023 revenue	% of the accounting subject
customer A	$ 275,476	31%	$ 387,540	44%
ASUSTek	119,175	14%	106,538	12%

ENE Technology Inc

Purchase and sales with related parties that reach NT$100 Millions or 20% of the paid-in capital

January 1st to December 31st, 2024

Attachment I

Unit：NTD thousans

(unless otherwise indicated)

				Transaction details			Situation and reasons for trading conditions different to others		Account receivable, note		
Company of purchase or sales	Counterparty	Relationship	Purchase or sales	Amount	% of total purchase/sales	Credit period	Unit price	Credit period	Balance	% of total AR	Notes
ENE Technology Inc	ASUSTek Computer Inc.	The main management level of ENE (legal board of director)	Sales	$ 119,175	17%	90 days	All equivalent to normal business practices		$ 51,748	25%	
ENE Technology Inc	Egis	Ultimate parent company	purchase	181,689	26%	30 days	All equivalent to normal business practices		16,718	46%	note

Note: centralized procurement by Egis

ENE Technology Inc and Subsidiaries

Major Shareholders

2024.12.31

Attachment II

Major Shareholders	Shareholding	
	No. of shares	%
Alcor Micro Corp	8,000,000	17.65%

Stock Code：6243

ENE TECHNOLOGY INC

PARENT ONLY FINANCIAL STATEMENTS AND REVIEW REPORT OF INDEPENDENT ACCOUNTANTS

December 31st, 2024 AND 2023

This document is a translated version from the Chinese version for the convenience of reader and for information purpose only. Any discrepancy between the English and Chinese version, the Chinese version shall prevail.

ADDRESS：4F, No.21, LIXING RD. HSINCHU SCIENCE PARK
Contact Number：886-3-666-2888

Translated Independent Auditor's Review Report

To the Board of Directors of ENE TECHNOLOGY INC. :

Opinion

We have audited the accompanying financial statements of ENE TECHNOLOGY INC (the "Company"), which comprise the balance sheets as of December 31, 2024 and 2023, and the statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the financial statements, including a summary of significant accounting policies.

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

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing stands generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of ENE Technology Inc. and its subsidiaries in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

Key audit matters for the Company's parent only financial statements for the year ended December 31, 2024 are stated as follows:

1. Key Audit Matters - Allowance for impairment losses on inventories

Description of matters:

ENE TECHNOLOGY Inc designs, manufactures, and sells integrated circuit-related products. Due to the short lifecycle of electronic products and intense market competition, there is a higher risk of inventory obsolescence and losses from price declines. For information regarding the accounting policies, accounting estimates, and assumption uncertainty of the valuation of inventory, as well as allowance for inventory impairment loss, please refer to Notes 4(11), 5(2), and 6(5).

Due to the rapid change of technology industry in which ENE TECHNOLOGY Inc. operates, and the subjectivity involved in assessing the net realizable value of obsolete inventory and the basis for evaluating inventory obsolescence losses, there is a high degree of estimation uncertainty. Given the significant impact of inventory and its allowances for declines in value on the parent only financial statements, the auditor has identified the assessment of inventory allowances for declines in value as the most critical area for audit in the current year.

Our key audit procedures performed in respect of the mentioned item included the following:

The auditor has performed the following procedures regarding the critical audit area mentioned above:

1. Based on the auditor's understanding of ENE TECHNOLOGY Inc. business and industry characteristics, evaluating the policy on inventory valuation and Impairment loss as well as the reasonableness of allowances on inventory valuation and impairment loss.

2. Verify the accuracy and completeness of the inventory aging report and its underlying system logic.

3. Test the market value basis for individual inventory item's net realizable value, and select samples to confirm the accuracy of their net realizable value calculations.

Responsibilities of Management and Those Charges with Governance for the Parent only Financial Statements

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

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

Those charged with governance (including members of the Audit Committee) are responsible for overseeing the ENE TECHNOLOGY Inc. financial reporting process.

Auditors' Responsibilities for the Audit of the Parent only Financial Statements

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

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

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

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

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

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

PricewaterhouseCoopers Taiwan

Pei-Chuan Huang
CPA
Chin-Chang Chen

ENE Technology Inc. and Subsidiaries

Parent only Balance Sheet

January 1st to December 31st, 2024 & 2023

Unit: NTD thousands

	Assets	Note	2024.12.31 Amount	%	2023.12.31 Amount	%
	Current Assets					
1100	Cash & cash equivalents	6(1)	$ 638,638	50	$ 257,242	23
1110	Financial assets at fair value through P&L- current	6(2)	90	-	-	-
1136	Financial asset after amortization current	6(3) & 8	124,671	10	230,682	20
1170	Net accounts receivables	6(4)	158,776	13	210,965	18
1180	Accounts receivable- related parties	7	51,748	4	35,161	3
130X	Inventories	6(5)	162,725	13	290,265	25
1410	Pre-payments	7	3,412	-	4,683	-
1479	Other current assets-others		4,753	-	4,883	1
11XX	**Total Current Assets**		1,144,813	90	1,033,881	90
	Non-Current Asset					
1535	Financial assets after amortization －non current	6(3)&8	1,076	-	1,060	-
1600	Property, plant and equipment	6(7)&7	53,189	4	30,021	3
1755	Right-of-use asset	6(8)&7	20,011	2	27,498	3
1780	Intangible asset	6(9)&7	26,550	2	23,862	2
1840	Deferred tax asset	6(22)	19,299	2	15,916	1
1900	Other non-current assets	6(13)&7	2,069	-	15,189	1
15XX	**Total Non-current assets**		122,194	10	113,546	10
1XXX	**Total Assets**		$ 1,267,007	100	$ 1,147,427	100

(Continue next page)

ENE Technology Inc. and Subsidiaries
Parent only Balance Sheet
January 1st to December 31st, 2024 & 2023

Unit: NTD thousands

	Liabilities and Equity	Note	2024.12.31 Amount	%	2023.12.31 Amount	%
	Current Liabilities					
2100	Short term loan	6(10)	$ -	-	$ 160,000	14
2170	Account payables		18,148	1	45,348	4
2180	Account payable - related parties	7	18,308	1	23,088	2
2200	Other account payables	6(11)	43,976	3	42,772	4
2220	Other account payables-related party	7	3,191	-	478	-
2280	Lease liabilities-current	6(8)	6,180	1	6,101	1
2399	Other current liabilities-others	6(15)	32,170	3	28,890	2
21XX	**Total current liabilities**		121,973	9	306,677	27
	Non-Current liabilities					
2530	Corporate bonds payables	6(12)	283,315	23	-	-
2570	Deferred income tax liabilities	6(22)	3,661	-	-	-
2580	Lease liabilities－non current	6(8)	13,297	1	20,759	2
2600	Other non current liabilities		3	-	3	-
25XX	**Non current liabilities**		300,276	24	20,762	2
2XXX	**Total liabilities**		422,249	33	327,439	29
	Equity					
	Equity attributed to Parent					
	Capital	6(16)				
3110	Ordinary share capital		452,688	36	452,688	39
	Capital surplus	6(17)				
3200	Capital surplus		289,058	23	277,236	24
	Retained earnings	6(18)				
3310	Legal reserve		19,879	1	13,215	1
3350	Undistributed earnings		84,844	7	86,878	8
	Other equity					
3400	Other equity		(1,711)	-	(10,029)	(1)
3XXX	**Total equity attributed to Parent company**		844,758	67	819,988	71
	Significant or liable and unrecognized committed contract	9				
	Significant subsequent events	11				
3X2X	**Total liabilities and equity**		$ 1,267,007	100	$ 1,147,427	100

ENE Technology Inc. and Subsidiaries
Parent only Statement of Comprehensive Income
January 1st to December 31st, 2024 & 2023

	Item	Note	2024 Amount	2024 %	2023 Amount	2023 %
4000	Operating revenue	6(19) &7	$ 721,222	100	$ 875,342	100
5000	Operating cost	6(5)	(462,150)	(64)	(563,442)	(64)
5900	Gross margin		259,072	36	311,900	36
	Operating expense	6(21)&7				
6100	Selling expense		(76,269)	(11)	(76,343)	(9)
6200	General & admin expense		(75,871)	(10)	(75,417)	(9)
6300	R & D expense		(114,006)	(16)	(108,079)	(12)
6450	Expected credit loss	6(4)	194	-	448	-
6000	Total operating expense		(265,952)	(37)	(259,391)	(30)
6900	Operating profit (loss)		(6,880)	(1)	52,509	6
	Non-operating income and expense					
7100	Interest income		18,830	3	17,678	2
7010	Other income		442	-	1,491	-
7020	Other profit and loss	6(20)	43,863	6	(2,723)	-
7050	Financial cost		(5,342)	(1)	(4,069)	-
7070	Share of P&L of subsidiaries, associates, and JVs accounted using the equity method	6(6)	-	-	(683)	-
7000	Total of non operating income and expense		57,793	8	12,377	2
7900	**Profit before income tax**		50,913	7	64,886	8
7950	Income tax expense	6(22)	(1,014)	-	1,790	-
8200	**Net profit for the period**		$ 49,899	7	$ 66,676	8
	Other comprehensive profit and loss (net)					
8311	Gain/Loss of remeasurement of defined benefit plan	6(13)	$ -	-	($ 35)	-
	Items may be reclassified to profit and loss					
8361	Cumulative translation differences of foreign operation	6(6)		-	(201)	-
8399	Income tax relating to items may be reclassified	6(22)		-	40	-
8300	**Other comprehensive profit and loss (net)**		$	-	($ 196)	-
8500	**Total comprehensive profit and loss**		$ 49,899	7	$ 66,480	8
	Net profit attributed to:					
8610	Parent company		$ 49,899	7	$ 66,676	8
	Comprehensive P&L attributed to:					
8710	Parent company		$ 49,899	7	$ 66,480	8

		$	
Earning per share	6(23)		
9750 Basic earning per share		1.12	1.50
9850 Diluted earning per share		$ 1.10	$ 1.42

ENE Technology Inc. & Subsidiaries
Parent only Statements of Changes in Equity
January 1st to December 31st, 2024 & 2023

Unit：NTD$ Thousands

		Equity attributed to Parent Company								
			Capital surplus		Retained earnings		Others			
	Note	Ordinary shares capital	Capital Surplus －Premium	Capital Surplus － Others	Legal reserve	Undistributed earning	Cumulative translation differences of foreign operation	Unrealized P&L from financial assets measured at fair value through P&L	Other equity－Others	Total equity
2023										
Balance as of 0101		$ 453,228	$ 232,218	$ 44,549	$ -	$ 6,007	$ 81,820	$ 161	($ 25,099)	$ 792,884
Net profit of the period		-	-	-	-	-	66,676	-	-	66,676
Comprehensive P & L of the period		-	-	-	-	-	(35)	(161)	-	(196)
Total of comprehensive P&L of the period		-	-	-	-	-	66,641	(161)	-	66,480
2022 earning distributions and allotment	6(18)									
Legal reserve		-	-	-	-	7,208	(7,208)	-	-	-
Cash dividends		-	-	-	-	-	(54,375)	-	-	(54,375)
Share-based payment transaction	6(14)	(540)	6,112	(5,643)	-	-	-	-	15,070	14,999
Balance as of 1231		$ 452,688	$ 238,330	$ 38,906	$ -	$ 13,215	$ 86,878	$ -	($ 10,029)	$ 819,988
2024										
Balance as of 0101		$ 452,688	$ 238,330	$ 38,906	$ -	$ 13,215	$ 86,878	$ -	($ 10,029)	$ 819,988
Net profit of the period		-	-	-	-	-	49,899	-	-	49,899
Total of comprehensive P&L of the period		-	-	-	-	-	49,899	-	-	49,899
2023 earnings distribution and allotment	6(18)									
Legal reserve		-	-	-	-	6,664	(6,664)	-	-	-
Cash dividends		-	-	-	-	-	(45,269)	-	-	(45,269)
Cash dividends from capital surplus	6(18)	-	(9,054)	-	-	-	-	-	-	(9,054)
Share-based payment transaction	6(14)	-	8,658	(8,658)	-	-	-	-	8,318	8,318
Convertible CB recognized as equity- stock options	6(12)	-	-	-	20,876	-	-	-	-	20,876
Balance as of 1231		$ 452,688	$ 237,934	$ 30,248	$ 20,876	$ 19,879	$ 84,844	$ -	($ 1,711)	$ 844,758

ENE Technology Inc. and Subsidiaries
Parent only Statements of Cash Flows
January 1st to December 31st, 2024 & 2023

Unit: NTD$ Thousands

	Notes	20240101~1231	20230101~1231
Cash flow from operating activities:			
Income before income tax		$ 50,913	$ 64,886
Adjustments			
Income and expenses/loss items			
Depreciation	6(21)	23,379	18,773
Amortization	6(21)	32,776	20,393
Expected credit impairment loss	6(4)	(194)	(448)
Net financial asset at fair value through P&L (profit) loss	6(2)(20)	376	(177)
Interest expenses		5,342	4,069
Interest income		(18,830)	(17,678)
Cost for share-based payment compensation	6(14)	8,318	14,999
Loss from disposal of real estate, plant and equipment	6(20)	-	1,109
Loss from disposal of investment	6(20)	-	1,160
Unrealized foreign exchange profit (loss)		1,075	(702)
Profit from change of lease	6(8)(20)	-	(143)
Other revenue		-	(1,340)
Share of Loss of Associates Accounted for Using the Equity Method	6(6)		683
Changes in operating assets and liabilities			
Net changes in operating related assets			
Current financial assets at fair value through profit or loss		44	177
Account receivables (include related parties)		35,796	(44,037)
Inventories		127,540	84,979
Prepaid payments		1,271	15,142
Net defined benefit assets		5,706	(113)
Other current assets		1,134	958
Net changes in operating related liabilities			
Account payables (include related parties)		(31,980)	(18,394)
Other account payables (include related parties)		(136)	(1,101)
Other current liabilities		3,280	-
Cash flows from operating activities (outflow) inflow		245,810	142,512
Interest received		18,934	17,656
Interest paid		(2,093)	(4,040)
Income tax paid		(1,844)	(1,719)
Net cash outflow from operating activities		260,807	154,409
Cash flow from investment activities			
Acquisition of financial asset after amortization		(119,173)	(15,422)
Disposal of financial assets after amortization		224,093	46,883
Acquisition of real estate, plant and equipment	6(24)	(38,741)	(21,367)
Acquisition of intangible assets	6(24)	(24,148)	(23,890)
Net cash inflow from the disposal of a subsidiary	6(6)	-	(2,817)
Increase of guarantee deposits (other non-current asset)		(86)	(828)
Increase of other non-current asset		-	(7,500)
Net cash inflow from investment activities (outflow)		41,945	(24,941)
Cash flow from financing activities			
Short term loan repayments	6(25)	(160,000)	(36,000)
Corporate bonds	6(25)	300,350	-
Long term loan repayment	6(25)	-	(3,636)
Lease liabilities principle repayment	6(25)	(7,383)	(7,300)
Cash dividends from capital surplus	6(17)	(9,054)	-
Cash dividends	6(18)	(45,269)	(54,375)
Refundable deposits (decrease) increase		-	(3)

Net cash outflow from financing activities	78,644	(101,314)
FX impact on cash and cash equivalent	-	(36)
Net (decrease) increase in cash and cash equivalent	381,396	28,118
Cash and cash equivalent at beginning of period	257,242	229,124
Cash and cash equivalent at end of period	$ 638,638	$ 257,242

ENE Technology Inc. and Subsidiaries
Notes to Parent only Financial Statements
January 1st to December 31st, 2024 & 2023

Unit：NTD$ thousands
(except otherwise indicated)

1. Company history

ENE TECHNOLOGY INC. (the "Company") was incorporated as a company by shares on May 20th, 1998. The Company and its subsidiaries (the "Group") is focused on the R&D, design, development, production and sales of electronic components, information software and circuit design services.

Alcor Micro Corp. is the parent company since June 9th, 2023, the ultimate controlling parent company is Egis Technology Inc.

2. The date and procedure of authorization for issuance of the parent only financial statements

These parent only financial statements were approved and authorized by the Board of Directors on February 25th, 2025.

3. Application of New Standards, Amendments, Principles and Interpretations

(1) Effects of the adoption of new issuances of or amendments to International Financial Reporting Standards (IFRS) as endorsed by the Financial Supervisory Commission (FSC)

The new standards, amendments, principles and interpretations endorsed by the FSC effective from 2024 adopted by the Company are as follows

New Standards／Amendments／Principles and Interpretations	Effective date by IASB
Amendments to IFRS 16 "Lease liabilities in a sale and leaseback"	2024.01.01
Amendments to IAS 1 "To classify debt as current or non-current"	2024.01.01
Amendments to IAS 1 "Non-current liabilities with contractual terms"	2024.01.01
Amendments to IAS 7 and IFRS 7 "Supplier finance arrangements"	2024.01.01

After assessing the above standards and interpretations, the Company found no major impact on the parent only financial report.

(2) The impact of IFRSs issued by IASB and endorsed by the FSC

As of the date the following IFRSs that have been issued by the IASB, and endorsed by the FSC:

New, Revised or Amended Standards and Interpretations	Effective date by IASB
Amendments to IAS 21 “Lack of exchangeability”	2025.01.01

After assessing the above standards and interpretations, the Company found no major impact on the parent only financial report.

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

As of the date the following IFRSs that have been issued by the IASB, but not yet endorsed by the FSC:

New, Revised or Amended Standards and Interpretations	Effective date by IASB
Amendments to IFRS 9 and IFRS 7 “Classification and measurements of financial instruments”	2026.01.01
Amendments to IFRS 9 and IFRS 7 “Contracts that reference nature dependent electricity”	2026.01.01
Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets Between an Investor and its Associate or Joint Venture”	TBD
IFRS 17 “Insurance Contracts”	2023.01.01
Amendments to IFRS 17 “Insurance Contracts”	2023.01.01
Amendments to IFRS 17 “Initial application of IFRS 17 and IFRS 9 – Comparative information”	2023.01.01
IFRS 18 “presentation and disclosure in Financial Statements	2027.01.01
IFRS 19 Subsidiaries without Public Accountability: Disclosures	2027.01.01
Improvements to IFRS 2010s- Version 11th	2026.01.01

Except for IFRS 18 "Presentation and Disclosure in Financial Statements," which is still under evaluation, the Group has assessed that the above standards and interpretations do not have a material impact on its financial position and financial performance.

IFRS 18 "Presentation and Disclosure in Financial Statements" replaces IAS 1 and updates the structure of the statement of profit or loss and other comprehensive income. It introduces new disclosures on management-defined performance measures and enhances the principles for aggregation and disaggregation used in the primary financial statements and the notes.

4. Summary of Significant Accounting Policies

The principle accounting policies applied in the preparation of the parent only financial statements are outlined below. These policies have been applied consistently to all the periods presented, unless otherwise stated.

(1) Statement of Compliance

These parent only financial statements are prepared in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers".

(2) Preparation basis

1. Other than the items below, the parent only report is prepared based on historical cost:

(1) Financial asset and liability at fair value through profit and loss, financial asset and liability at fair value through other comprehensive income.

(2) Defined benefit asset measured by pension asset less present value of defined benefit obligation.

2. The preparation of financial reports in compliance with IFRSs requires the use of some important accounting estimates. In the process of applying the company's accounting policies, management also needs to use its judgment, which involves projects with a high degree of judgment or complexity, or involves significant assumptions and estimates in the parent only financial reports. Please refer to Note 5 for details of the project.

(3) Foreign currency translation

All items presented in the financial statements of each entity within the Company are measured using the functional currency of that entity's primary economic environment. The functional currency is the currency in which an entity primarily generates and expends cash. The parent only financial statements are presented in the functional currency of the Company, which is the New Taiwan Dollar (NTD).

1. Foreign currency transactions and balances

(1) Foreign currency transactions are translated into the functional currency using the exchange rates on the transaction or measurement date, and any resulting translation differences are recognized in the current period's income statement.

(2) Foreign currency monetary assets and liabilities are remeasured at the exchange rates on the balance sheet date, and any resulting translation differences are recognized in the current period's income statement.

(3) The balances of non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value through profit or loss are adjusted to reflect the spot exchange rates as of the balance sheet date. The resulting exchange differences from the adjustments are recognized in the current period's profit or loss. For those denominated in foreign currencies that are measured at fair value through other comprehensive income, the resulting exchange differences from the adjustments are recognized in the other comprehensive income section of the statement of comprehensive income. For those not measured at fair value, they are measured at the historical exchange rates on the initial transaction date.

(4) All other exchange gains or losses are reported in the "Other gains

and losses" section of the statement of profit or loss based on the nature of the transactions.

2. Conversion of operating agencies overseas

Conversion of functional currency and presentation currency for all entities, related companies, and joint agreements that have different functional currency and presentation currency. The operating results and financial status are converted to presentation currency as follows:

(1) Assets and liabilities on each balance sheet are converted using the closing exchange rate on the date of the balance sheet

(2) Revenue and expenses on each income statement are converted using the average exchange rate for the current period

(3) Any exchange differences arising from the conversion are recognized as other comprehensive income.

(4) Standards for Assets and Debts Classified as Current and Non-Current

1. An asset is classified as current when:

(1)The Company expects to realize the asset, or intends to sell or consume it, in its normal operating cycle.

(2)The Company holds the asset primarily for the purpose of trading.

(3)The Company expects to realize the asset within twelve months after the reporting period.

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

The Company classifies all assets that do not meet the above criteria as non-current assets.

2. A liability is classified as current when:

(1)The Company expects to settle the liability in its normal operating cycle.

(2)The Company holds the liability primarily for the purpose of trading.

(3)The liability is due to be settled within twelve months after the reporting period.

(4)The Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Company classifies all assets that do not meet the above criteria as non-current liability

(5) Cash equivalent

Cash equivalents refer to short-term and highly liquid investments that can be converted into fixed amounts of cash at any time and are subject to minimal risk of changes in value. Time deposits that meet the above definition and are held for the purpose of meeting short-term cash commitments for operations are classified as cash equivalents.

(6) Financial assets through profit & loss at fair value

1. Refers to financial assets that are not measured at amortized cost or at fair value through other comprehensive profit or loss. 。
2. The Company adopts transaction date accounting for financial assets measured at fair value through profit or loss that are consistent with conventional transactions. 。
3. The company measures it at fair value at the time of initial recognition, and the relevant transaction costs are recognized in profit and loss. Subsequently, it is measured at fair value, and its profits or losses are recognized in profit and loss.

(7) Financial assets measured at amortized cost

1. Refers to items that meet all of the following criteria:

   (1) The financial asset is held within a business model whose objective is to both collect contractual cash flows and to sell the financial asset.

   (2) The contractual terms of the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

2. The Group applies the trade date accounting for financial assets measured at fair value through other comprehensive income in accordance with market conventions.

3. The Group initially measures these financial assets at fair value plus transaction costs. Subsequently, interest income is recognized over the holding period using the effective interest method under the amortized cost approach, and impairment losses are recognized as incurred. Upon derecognition, any resulting gain or loss is recognized in profit or loss.

4. The Group holds time deposits that do not qualify as cash equivalents. However, due to their short holding periods and the immaterial effect of discounting, they are measured at the investment amount.

(8) <u>Accounts Receivable</u>

1. Refers to the amount receivable for goods or services transferred under a. contract, which has an unconditional right to receive.

2. Short-term accounts receivable that have not yet accrued interest are measured at their original invoice amounts as the effect of discounting is not significant.

(9) <u>Impairment of Financial Assets</u>

On each balance sheet date, the Company considers all reasonable and. supportable information (including forward-looking information) to assess the credit risk of debt instrument investments measured at fair value through other comprehensive income and financial assets measured at amortized cost.

For financial assets for which credit risk has not increased significantly since initial recognition, the Company measures the expected credit loss amount over 12 months as the provision for impairment losses. For financial assets for which credit risk has increased significantly since initial recognition, the Company measures the expected credit loss amount over the remaining life of the financial asset as the provision for impairment losses.

For trade receivables or contract assets that do not contain a significant financing component, the Company measures the provision for impairment losses based on the expected credit loss amount over the remaining life of the financial asset.

(10) Derecognition of financial assets

The contractual rights to receive cash flows from a financial asset have expired, the Company derecognizes the financial asset.

(11) Inventory

Inventory is measured at cost or net realizable value, whichever is lower, using the weighted average method for cost determination. When comparing cost and net realizable value, the lower amount is recognized. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary selling expenses.

(12) Investment using Equity Method- Subsidiary

1. Subsidiary means an entity (including a structured entity) controlled by the Company when the Company is exposed to or has rights to variable returns from its involvement with the entity and has the ability to influence the entity through its power over the entity When waiting for remuneration, the company controls the individual。
2. Unrealized gains and losses arising from transactions between the Company and its subsidiaries are eliminated. The accounting policy of the subsidiary has been adjusted as necessary to be consistent with the policy adopted by the company。
3. The Company recognizes the share of profit or loss acquired by the subsidiary as current profit or loss, and the share of other comprehensive profit or loss acquired by the subsidiary as other comprehensive profit or loss. If the share of losses recognized by the company for a subsidiary is equal to or exceeds the equity in the subsidiary, the company will continue to recognize losses in proportion to its shareholding。
4. In accordance with the "Standards for the Preparation of Financial Reports of Securities Issuers", the current profit and loss and other comprehensive profit and loss in the individual financial report should be the same as the share of the current profit and loss and other comprehensive profit and loss

attributable to the owners of the parent company in the financial report prepared on a consolidated basis. Reporting owner's equity should be the same as the equity attributable to the owner of the parent company in the financial report prepared on a consolidated basis。

(13) Property, Plants and Equipment

1. Property, plant and equipment are recorded at cost of acquisition.

2. Subsequent costs are included in the carrying amount of an asset only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Any replaced part's carrying amount is derecognized. All other maintenance expenses are recognized in profit or loss as incurred.

3. Property, plant and equipment are measured using the cost model and depreciated using the straight-line method over their estimated useful lives. Depreciation of significant components of property, plant and equipment is recognized separately.

4. The Company reviews the residual values, useful lives, and depreciation methods of all assets at the end of each financial year. If there is a difference in the expected residual value or useful life compared to previous estimates, or there is a significant change in the expected consumption pattern of future economic benefits of an asset, the change is accounted for in accordance with the provisions of International Accounting Standard 8 "Accounting Policies, Changes in Accounting Estimates and Errors" from the date of the change. The estimated useful lives of each asset are as follows:

Research & development equipment	2~8 years
Office and miscellaneous equipment	2~10 years
Lease improvement	5~10 years

(14) Lease Transactions of Lessee - Right-of-Use Assets/Lease Liabilities

1.Lease assets are recognized as right-of-use assets and lease liabilities on the date they become available for use by the company. When the lease contract is a short-term lease or relates to a low-value underlying asset, lease payments are recognized as expenses on a straight-line basis over the lease term.

2. Lease liabilities are recognized on the lease commencement date at the. present value of lease payments not yet paid, discounted at the incremental borrowing rate of the company. Lease payments include fixed payments, less any lease incentives receivable.

Subsequently, the interest method is used to measure the lease. Liabilities at amortized cost and interest expense is recognized over the lease term. When a lease modification does not qualify as a separate contract and results in a change in the lease term or lease payments, the lease liabilities are remeasured, and the right-of-use assets are adjusted accordingly.

3. Right-of-use assets are recognized at cost on the lease commencement date, which includes:

(1) the initial measurement of lease liabilities.

(2) any lease payments made before or on the lease commencement date. Subsequently, the cost model shall be used to measure the right-of-use asset, and depreciation expense shall be recognized when the asset reaches the end of its useful life or at the end of the lease term, whichever comes earlier. Any adjustment to the lease liability's remeasurement shall result in an adjustment to the right-of-use asset.

4. For lease modifications that reduce the scope of the lease, the lessee shall. reduce the carrying amount of the right-of-use asset to reflect the termination of the lease partially or entirely and recognize the difference between the adjusted lease liability and the right-of-use asset as a gain or loss in profit or loss.

(15) Intangible Assets

Computer software is recognized as costs and amortized using the straight-line method over the estimated useful lives of 1 to 3 years.

(16) Impairment of non-financial assets

For assets showing impairment indicators, the Company estimates their recoverable amounts on the balance sheet date. If the recoverable amount is lower than the carrying amount, impairment losses are recognized. The recoverable amount refers to the higher of the fair value of an asset less disposal costs or its value in use. Impairment losses are reversed when there is an indication that the impairment loss recognized in prior years has decreased or no longer exists. However, the carrying amount of an asset increased by the reversal of an impairment loss cannot exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset, less any depreciation or amortization charged in subsequent periods.

(17) Loan

This refers to long-term and short-term borrowings obtained from banks. When initially recognized, the Company measures these borrowings at fair value less transaction costs, and subsequently any difference between the carrying amount and the redemption value, net of transaction costs, is recognized as interest expense over the period of the borrowings using the effective interest method and an amortization schedule in the statement of comprehensive income.

(18) Account payable

1. This refers to the liabilities arising from purchasing raw materials, goods, or services on credit, as well as the notes payable arising from both operating and non-operating activities.

2. These are short-term accounts payable and notes payable with unpaid interest, which are measured by the original invoice amount as the discount effect is not significant to the Company.

(19) Convertible company bonds

The convertible bonds issued by the Group contain embedded features, including a conversion option (i.e., the holder’s right to convert the bonds into the Group’s ordinary shares at a fixed amount for a fixed number of shares) and a put option. At initial recognition, the issuance proceeds are allocated between financial assets or equity instruments in accordance with the terms of the instrument, as follows:

1. Embedded Put Option: Initially recognized at fair value and accounted for as a financial asset at fair value through profit or loss (FVTPL). Subsequent changes in fair value are measured at each reporting date, with gains or losses recognized in profit or loss under FVTPL.

2. Host Debt Component: Recognized initially at fair value. The difference between the fair value and the redemption amount is recorded as a bond premium or discount. This component is subsequently measured using the effective interest method, with interest expense recognized in profit or loss as part of finance costs over the term of the bond.

3. Embedded Conversion Option (classified as equity): If the conversion option meets the definition of equity, the residual amount of the issuance proceeds, after deducting the fair value of the put option and the host debt component, is recognized in equity under "Capital Surplus – Stock Warrants." This equity component is not subsequently remeasured.

4. Transaction Costs: Any directly attributable transaction costs are allocated to each component (financial assets, liabilities, and equity) in proportion to their initial carrying amounts.

5. Conversion by Bondholders: Upon conversion, the carrying amounts of the liability components (including both the host debt and the FVTPL financial asset) are derecognized in accordance with their respective measurement bases. The total of these amounts, together with the carrying amount of the "Capital Surplus – Stock Warrants," is transferred to equity as the cost of the ordinary shares issued upon conversion.

(20) Derecognition of financial liabilities

The Company recognizes financial liabilities until they are fulfilled, cancelled, or expire according to the terms of the contract."

(21) Liability provision

A provision is recognized when the Group has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the present value of the best estimate of the expenditures required to settle the obligation at the balance sheet date. The discount rate used reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as interest expense. Provisions are not recognized for future operating losses

(22) Employee Benefits

1. Short-term employee benefits

Short-term employee benefits are measured at the undiscounted amount expected to be paid, and are recognized as an expense when the related service is provided.

2. Pension

(1) Defined contribution plans

For defined benefit plans, the amount of retirement benefits to be accrued is recognized as retirement benefit costs in the current period based on the occurrence of obligations and responsibilities. Prepaid contribution is recognized as an asset within the scope of refundable cash or reduced future benefits.

(2) Defined benefit plans

A. The net obligation under a defined benefit plan is calculated by discounting the future benefit payments earned by employees for their current or past service, using the present value of the defined benefit obligation as of the balance sheet date less the fair value of plan assets. The net obligation under the defined benefit plan is calculated annually by an actuary using the projected unit credit method, and the discount rate used is determined based on the market yields of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid and have terms to maturity that match the expected cash flows of the obligations. In countries where there is no deep market for high-quality corporate bonds, the discount rate is based on the market yields of government bonds as of the balance sheet date.

B. The remeasurement amount arising from defined benefit plans is recognized in other comprehensive income in the period in which it occurs and presented in retained earnings.

3. Remuneration to employee, directors, and supervisors

Employee compensation and director and supervisor remuneration are recognized as expenses and liabilities when there is a legal or constructive obligation, and the amount can be reliably estimated. Subsequently, if there are differences between the actual distribution amount and the estimated amount, it will be handled as an accounting estimate change.

(23) Employee Share-Based Payment

1. The equity-settled share-based payment arrangement is a method of providing employee compensation by granting equity instruments at fair value on the grant date. The fair value of the equity instruments should reflect the effects of vesting conditions and non-vesting conditions. The related compensation cost is recognized as an expense over the vesting period, and the equity is correspondingly adjusted. The recognized compensation cost is adjusted for the expected number of awards that will ultimately vest, including the effects of non-market-based vesting conditions, until the amount recognized is based on the number of awards that actually vest on the vesting date.

2. Restricted Stock for Employees

(1) Recognize the cost of employee compensation over the vesting period based on the fair value of the equity instruments granted on the grant date.

(2) For employees who are not restricted from participating in dividend distributions and are not required to return dividends already received upon leaving during the vesting period, the portion of dividends expected to be received by employees who are expected to leave within the vesting period is recognized as compensation cost at the fair value of the dividends on the date of the dividend announcement.

(3) Employees do not need to pay a purchase price to obtain restricted stock units. If employees leave during the vesting period, the company will reclaim the shares at no cost and cancel them.

(24) Income Tax

1.Income tax expense includes current and deferred income tax. Except for income taxes related to items included in other comprehensive income or directly in equity, income tax is recognized in income.

2. The Company calculates the current income tax based on the tax rates that have been legislated or substantively enacted in the countries where the Company operates and generates taxable income as of the balance sheet date. Management assesses the status of income tax filings periodically in accordance with the applicable income tax regulations and estimates income tax liabilities based on expected tax payments to be made to tax authorities when applicable. Income tax expense on undistributed earnings, as required by income tax laws, is recognized when a resolution for the distribution of earnings is passed by the shareholders' meeting in the year following the year in which the earnings are generated and based on the actual distribution of earnings.

3. The deferred income tax is calculated based on the balance sheet method, recognizing temporary differences between the tax base of assets and liabilities and their carrying amounts on the parent only balance sheet. The applicable tax rate (and tax law) expected to be used upon realization of the deferred income tax assets or settlement of the deferred income tax liabilities is based on the tax rates that have been enacted or substantively enacted at the balance sheet date.

4. Deferred income tax assets may be recognized for the temporary differences that are likely to be utilized to offset future taxable income, and the unrecognized and recognized deferred income tax assets are re-evaluated on each balance sheet date.

(25) Capital

Common stock is classified as equity. The net amount after deducting income tax of the incremental cost attributed to the issuance of new shares or stock options is directly allocated to equity as a deduction from proceeds.

(26) Dividend distribution

Dividends distributed to the shareholders of this company are recognized in the financial statements when they are approved for distribution at the shareholders' meeting. Cash dividends are recognized as liabilities.

(27) Recognition of Revenue

Sale of Goods

1. The Company designs and sells products related to integrated circuits, and sales revenue is recognized when control of the products is transferred to customers, that is, when the products are delivered to the customers, and the customers have the discretion over the sales channel and price of the products. The Company has no remaining performance obligations that may affect the customers' acceptance of the products. When the products are shipped to the designated location, the risks of obsolescence, damage, and loss have been transferred to the customers, and the revenue recognition occurs when the customer accepts the products in accordance with the sales contract or when there is objective evidence that all acceptance criteria have been met.

2. Sales revenue is recognized as the net amount of contract price, excluding. business tax, sales return, quantity discount and allowance. The amount of revenue recognition is limited to the portion that is highly probable not to be subject to significant reversals in the future and is updated at each balance sheet date based on estimation. Payment terms for sales transactions are typically 40 to 190 days after shipment, which is consistent with market practice, and therefore it is determined that there is no significant financing component included in the contracts.

3. Accounts receivable are recognized when goods are delivered to customers, as the Company has an unconditional right to payment for the contract price from that point in time, with only the passage of time required before the customer pays.

5. Critical Accounting Judgements, Estimations and Key Sources of Assumption Uncertainty

The preparation of the Company's parent only financial statements, the management. of the Company has exercised its judgment to determine the accounting policies adopted and made accounting estimates and assumptions based on its reasonable expectations of future events as of the date of the balance sheet. Significant accounting estimates and assumptions made may differ from actual results, which will be continuously evaluated and adjusted based on historical experience and other factors. These estimates and assumptions carry the risk of significant adjustments to the amounts of assets and liabilities in the next financial year. Please refer to the following explanation regarding the uncertainties associated with significant accounting judgments, estimates, and assumptions:

(1) Accounting policy adoption significant judgments

None.

(2) Significant accounting estimates and assumptions

Inventory evaluation

Inventories are stated at the lower of cost or net realizable value., the Company. must exercise judgment and estimation to determine the net realizable value of inventory as of the balance sheet date. The Company evaluates the amount of inventory that has normal wear and tear, is obsolete or has no market sales value as of the balance sheet date and reduces the inventory cost to its net realizable value. Because the determination of the net realizable value used in the inventory valuation and the estimation of inventory obsolescence losses often involve subjective judgment and have a high degree of estimation uncertainty and because inventory and the provision for inventory obsolescence losses have a significant impact on the financial statements, significant changes may occur

6. **Contents of significant accounts**

(1) Cash and Cash Equivalent

	2024.12.31	2023.12.31
Cash	$ 30	$ 30
Cash in Bank and Cheque	205,635	154,024
Term Deposit	432,973	103,188
	$ 638,638	$ 257,242

1. The above said term deposit is deemed as high liquidation investment matured within 3 months.
2. The Company deals with a number of financial institutions with good credibility, to lower credit risks. Thus, the risk to contract breach is deemed very low.
3. Cash and cash equivalents were not pledged for collateral. 。

(2) Financial assets valued through profit and loss

	2024.12.31	2023.12.31
Financial assets valued at P&L		
Derivative tools- buy back option of convertible bonds	$ 510	$ -
Value adjustments	(420)	-
	$ 90	$ -

1. The Group recognized net (losses) gains on financial assets at fair value through profit or loss in the amounts of ($376) and $177 for the years ended 2024 and 2023, respectively.
2. The Group did not pledge any financial assets at fair value through profit or loss as collateral.
3. For further information on the fair value of financial assets at fair value through profit or loss, please refer to N12(3)

(3) Financial assets at amortized cost

	2024.12.31	2023.12.31
Current		
>3 months Term deposit	$ 124,671	$ 5,000
Term deposit pledged for collateral	-	225,682
Total	$ 124,671	$ 230,682
Non current		
Term deposit pledged for collateral	$ 1,076	$ 1,060

1. Regardless of the collateral held or other credit enhancements, it is the most representative of the Company's holdings of financial assets measured at amortized cost, the largest credit risk on December 31, 2024 and 2023. The insurance amount is the book value of the recognized financial assets.
2. Please refer to Note 8 for details on financial asset at amortized cost pledged as collateral.
3. Please refer to Note 12(2) for the credit risks on financial assets at amortized. cost. It is deemed that the possibility of contract breach is very low.

(4) Account receivables

	2024.12.31	2023.12.31
Account receivables	$ 212,048	$ 166,519
Less: allowances for doubtful accounts	(1,083)	(1,531)
	$ 210,965	$ 164,988

1. Age analysis:

	2024.12.31	2023.12.31
	Account receivables	Account receivables
Not past due	$ 208,274	$ 164,363
Past due 0~30 days	2,786	-
Past due 31-90 days	-	727
Past due over 91 days	988	1,429
	$ 212,048	$ 166,519

2. Balance of account receivables as of 2024.12.31, 2023.12.31 and 2023.01.01 are $212,048、$166,519 and $188,044.

3. The Company adopts a simplified approach to estimate expected credit. losses based on the provision matrix. The loss rate is adjusted based on historical and current information for a specific period to estimate the provision loss

4. Expected loss for the Company as of 2024.12.31, 2023.12.31 areas following:

	Not past due	Past due 30 days	Past due 31-90 days	Past due over 91	Total
2024.12.31					
Expected loss %	0%~0.03%	0%~0.16%	1.49%~13.58%	100%	
AR total	$ 158,822	$ -	$ -	$ 843	$159,665
Allowance for credit impairment loss	$ 46	$ -	$ -	$ 843	$ 889
	Not past due	Past due 30 days	Past due 31-90 days	Past due over 91	Total
2023.12.31					
Expected loss %	0%~0.03%	0%~0.81%	0%~30.56%	100%	
AR total	$ 208,274	$ 2,786	$ -	$ 988	$212,048
Allowance for credit impairment loss	$ 73	$ 22	$ -	$ 988	$ 1,083

5. The Company has adapted simplified measure for changes in allowance for impairment loss:

	2024	2023

	Account receivable	Account receivable
01.01	$ 1,083	$ 1,649
Allowance for impairment loss	(194)	(448)
Impact of consolidated/parent change	-	(118)
12.31	$ 889	$ 1,083

6. Please refer to Note 12(2) for details on AR credit risk.

(5) Inventory

	2024.12.31		
	Costs	Allowance for inventory valuation loss	Book Value
Raw material	$ 109,435	($ 62,129)	$ 47,306
Work in process	112,027	(17,557)	94,470
Finished goods	21,423	(474)	20,949
	$ 242,885	($ 80,160)	$ 162,725

	2023.12.31		
	Costs	Allowance for inventory valuation loss	Book Value
Raw material	$ 126,217	($ 22,158)	$ 104,059
Work in process	190,614	(28,817)	161,797
Finished goods	30,273	(5,864)	24,409
	$ 347,104	($ 56,839)	$ 290,265

1.Inventory cost recognized as loss for the period

	2024	2023
Cost of good sold	$ 428,271	$ 533,867
Inventory valuation loss	30,810	28,761
Unallocated manufacturing overhead	3,069	814
	$ 462,150	$ 563,442

2. Inventory was not pledged for collateral.

3. The Group enters a long-term contract with the supplier, which stipulates the minimum amount or quantity to be purchased. If the Group fails to fulfill the contractual amount, the loss shall be recognized as the cost of the current period. N6(15)

(6) Investment by equity method

1. Share for P&L from subsidiary by equity method

2023.12.31	
Investment (loss)profit	Other comprehensive (loss)profit

ENE Touch Inc. (Shenzen)	($ 683)	($ 201)

2. The company has sold ENE Touch for $31 in April 2023, and recognized loss of $1,160.

(7) Real estate, plant and equipment

2024	R&D equipment	Office equipment	Improvement on lease	Equipment to be verified	Total
2024.01.01					
Cost	$ 91,537	$ 19,739	$ 5,247	$ -	$ 116,523
Accumulated depreciation	(71,473)	(13,505)	(1,524)	-	(86,502)
	$ 20,064	$ 6,234	$ 3,723	$ -	[redacted]
2024.01.01	$ 20,064	$ 6,234	$ 3,723	$ -	$ 30,021
Acquisition	36,036	1,823	130	1,071	39,060
Depreciation expense	(12,590)	(2,436)	(866)	-	(15,892)
2024.12.31	$ 43,510	$ 5,621	$ 2,987	$ 1,071	$ 53,189
2024.12.31					
Cost	$ 126,778	$ 21,438	$ 5,377	$ 1,071	$ 154,664
Accumulated depreciation	(83,268)	(15,817)	(2,390)	-	(101,475)
	$ 43,510	$ 5,621	$ 2,987	$ 1,071	$ 53,189

2023	R&D equipment	Office equipment	Improvement on lease	Total
2023.01.01				
Cost	$ 73,591	$ 17,970	$ 3,417	$ 94,978
Accumulated depreciation	(63,263)	(11,211)	(1,232)	(75,706)
	$ 10,328	$ 6,759	$ 2,185	$ 19,272
2023.01.01	$ 10,328	$ 6,759	$ 2,185	$ 19,272
Acquisition	17,946	1,838	3,181	22,965
Disposal	-	-	(1,109)	(1,109)
Depreciation expense	(8,210)	(2,363)	(534)	(11,107)
2023.12.31	$ 20,064	$ 6,234	$ 3,723	$ 30,021
2023.12.31				
Cost	$ 91,537	$ 19,739	$ 5,247	$ 116,523
Accumulated depreciation	(71,473)	(13,505)	(1,524)	(86,502)
	$ 20,064	$ 6,234	$ 3,723	$ 30,021

The real estate, plant and equipment were not pledged for collateral.

(8) Lease－lessee

	2024.12.31		2023.12.31	
Right-of-use assets:				
buildings	$	18,558	$	25,248
Transportation vehicles		1,453		2,250
	$	20,011	$	27,498
Lease liabilities:				
Current	$	6,180	$	6,101
Non current		13,297		20,759
	$	19,477	$	26,860

1. The lease include building and transportation vehicle. The contracts are normally 2~5 years. The lease contracts are negotiated separately with different terms and conditions. There are no other restrictions other than leased assets shall not be pledged for collaterals.
2. Depreciation expenses for right-of-use assets:

	2024		2023	
Building	$	6,689	$	7,003
Transport vehicle		798		663
	$	7,487	$	7,666

3. Acquisition of right-of-use asset for 01.01 to 12.31, 2024 and 2023 are $0 and $32,042.
4. Car park lease contract does not exceed 12 months. Office printer is regarded as low value lease asset.
5. P& L items related to lease contracts:

	2024		2023	
Interest expense from lease liabilities	$	642	$	567
Expenses of short term lease		630		261
Expenses of low-value lease		97		125
Expenses of changes in lease payment		-	(	143)

Note: the company terminated the office lease in June, 2024.

6. Cash outflow from lease for the period 01.01 to 12.31 of 2024 and 2023are $8,752 and $8,155.
7. Due to changes in lease contract during 2023, the amounts for right-of-use asset are decreased by $7,344; and lease liabilities are decreased by $7,487.

(9) Intangible asset

	2024	2023
	Computer software	Computer software
01.01		
Cost	$ 44,255	$ 25,204
Accumulated amortization	(20,393)	(4,369)
	$ 23,862	$ 20,835
01.01	$ 23,862	$ 20,835
Acquisition	35,464	23,890
Reclassified (note)	-	(470)
Amortization expenses	(32,776)	(20,393)
12.31	$ 26,550	$ 23,862
12.31		
Cost	$ 79,719	$ 44,255
Accumulated amortization	(53,169)	(20,393)
	$ 26,550	$ 23,862

Note: Reclassify computer software to prepaid items

Intangible assets amortization expenses:

	2024	2023
	Computer software	Computer software
Administration expenses	$ 2,478	$ 1,912
R&D expenses	30,298	18,481
	$ 32,776	$ 20,393

(10) Short term loan

	2024.12.31	2023.12.31
Guarantee bank loan	$ 160,000	$ 196,000
Range of interests	1.71%~1.99%	1.46%~1.89%

1. Unused quota as of 2024.12.31 and 2023.12.31 are $220,00 and $154,000.
2. Please refer to Note 8 for details on short term loan pledged for collateral.

(11) Other payments

	2024.12.30	2023.12.31

Salary and bonus	$ 15,458	$ 13,462
Compensation to employee and directors	15,139	19,381
Intangible assets	3,816	-
Computer software royalty	2,400	1,978
Equipment	247	2,371
Others	6,916	5,580
	$ 43,976	$ 42,772

(12) Corporate bond

	2024.12.31
Corporate bond	$ 300,000
Less: discount	(16,685)
	$ 283,315

1. Not applicable for 2023.12.31.

2. Domestic corporate bond

2.1 conditions for 3rd domestic unsecured convertible corporate bond:

a. With the approval of the competent authority, the Company has issued the third unsecured domestic convertible bonds in total amount of NT$300,000 thousands. The bonds bear a zero percent (0%) coupon rate and have a maturity of three (3) years, commencing from June 25, 2024, and maturing on June 25, 2027. Upon maturity, the bonds will be redeemed in full at par value in cash. The bonds are scheduled to be listed on the Taipei Exchange (TPEx) and commence trading on June 25, 2024

b. Holders of these convertible bonds may, at any time starting from the day following the expiry of three months from the issuance date (i.e., September 26, 2024) and up to forty (40) days prior to the maturity date (i.e., May 16, 2027), request conversion of the bonds into the Company’s common shares, except during book closure periods as stipulated by applicable laws or regulations. The common shares issued upon conversion shall carry the same rights and obligations as the existing issued common shares of the Company.

c. The conversion price of these convertible bonds is determined in accordance with the pricing model set forth in the Conversion Rules. In the event of any anti-dilution adjustments as stipulated in the Conversion Rules, the conversion price shall be adjusted accordingly using the prescribed pricing model. Furthermore, on the reference dates specified in the Conversion Rules, the conversion price may be re-determined in accordance with the same pricing model. The initial conversion price for these convertible bonds is set at NT$65.8 per share.

d. From the day following one month after the issuance date until 40 days prior to the maturity date, if the closing price of the Company’s common shares exceeds 150% of the then-effective conversion price for 30 consecutive trading days, or from the day following three months after the issuance date until 40 days prior to the maturity date, if the outstanding balance of the convertible bonds falls below 10% of the original total issuance amount, the Company may, at its discretion and at any time thereafter, redeem all outstanding bonds in cash at par value.

e. In accordance with the regulations, all convertible bonds that are redeemed by the Company (including those repurchased through the Taipei Exchange), repaid, or converted shall be cancelled, and all rights and obligations attached to such bonds shall be extinguished accordingly. No reissuance of such bonds will be made.

2.2 As of December 31, 2024, there had been no conversions of the convertible bonds into common shares, nor any repurchases of the bonds by the Company.

3. In accordance with IAS 32 “Financial Instruments: Presentation,” at the time of issuance of the convertible bonds, the Company separated the equity component of the embedded conversion right from the liability component and recognized it under “Capital surplus – stock options from convertible bonds” in the amount of NT$20,876 thousands.

In addition, the embedded call option was separated in accordance with IFRS 9 “Financial Instruments,” as its economic characteristics and risks are not closely related to those of the host debt instrument. Accordingly, it was recognized under “Financial assets at fair value through profit or loss.”

After the separation, the effective interest rate of the host liability component was determined to be 2.03%.

(12) Pension

1. Defined benefit

(1) The company and its domestic subsidiaries have established a retirement. method with defined benefits in accordance with the provisions of the "Labor Standards Law", which is applicable to the full-time employees before the implementation of the "Labor Pension Regulations" on July 1, 1994, and after the implementation of the "Labor Pension Regulations", the employees who choose to continue to apply the Labor Standards Law have their subsequent years of service. For employees who meet the retirement requirements, the pension payment is calculated based on the years of service and the average salary of the six months before retirement. The service years within 15 years (inclusive) will be given two bases for each full year, and the service years exceeding 15 years will be paid every year. A base is given for one full year, maximum payout base is 45. The company allocates 2% of the total salary to the retirement fund on a monthly basis in a special account in the name of the Labor Retirement Reserve Fund Supervisory Committee in the Bank of Taiwan. In addition, estimation of the balance of the special account for labor retirement reserves will be made at the end of the year. If the

balance is insufficient to cover the estimated amount of pensions calculated for employees who meet the retirement requirements in the next year, the balance will be calculated again before the end of March the following year.

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

	2023.12.31
Defined benefit obligation.	($ 1,542)
Plan assets at fair value	7,248
Net defined benefit asset (Note).	$ 5,706

Note: Classified as other non-current assets.

(3) The changes in net defined benefit liability are as follows:

	2024		
	Defined benefit obligation	Plan assets at fair value	Net defined benefit asset
2024.01.01	($ 1,542)	$ 7,248	$ 5,706
Interest (expense) income	(460)	460	-
	(2,002)	7,708	5,706
Remeasurements:			
Plan assets return (note)	-	-	-
Financial assumption sensitivity	-	-	-
Experience adjustment	-	-	-
	-	-	-
Pension payments	2,002	(1,800)	202
Collect plan assets	-	(5,908)	(5,908)
2024,12,31	$ -	$ -	$ -

	2023		
	Defined benefit obligation	Plan assets at fair value	Net defined benefit asset
2023.01.01	($ 1,462)	$ 7,090	$ 5,628
Interest (expense) income	(29)	142	113
	(1,491)	7,232	5,741
Remeasurements:			
Plan Assets Return (note)	-	16	16
Financial assumption sensitivity	(34)	-	(34)
Experience adjustment	(17)	-	(17)
	(51)	16	(35)
Pension payments	-	-	-
2023,12,31	($ 1,542)	$ 7,248	$ 5,706

Note: The amount included in interest income or expenses is not included.

(4) The assets of our company's defined benefit retirement plan fund are. managed by the Bank of Taiwan according to the proportion and amount range of entrusted operating items specified in the investment and utilization plan for that fund's fiscal year. The entrusted operations are carried out in accordance with Article 6 of the Labor Retirement Fund Income and Expenditure Custody and Utilization Regulations (i.e., depositing funds in domestic and foreign financial institutions, investing in equities traded on domestic and foreign stock exchanges or over-the-counter markets, or privately placed, and investing in securities of securitized products of domestic and foreign real estate, etc.). The related utilization situation is supervised by the Labor Retirement Fund Supervisory Committee. For the fund's utilization, the minimum return for annual

settlement and distribution shall not be lower than the interest rate calculated based on the two-year fixed deposit rate of local banks. If there is any shortfall, it shall be supplemented by the national treasury upon approval by the competent authority. Because our company has no right to participate in the operation and management of the fund, we are unable to disclose the classification of the fair value of plan assets as required by paragraph 142 of International Accounting Standard No. 19. Please refer to the annual labor retirement fund utilization reports announced by the government for the fair value of the total assets of that fund as of December 31, 2024 and 2023.

(5) The summary of actuarial assumptions regarding retirement benefits is as follows:

	2023
Discount rate.	1.88%
Future salary growth rate	2.50%

The assumption for future mortality rates is estimated based on the Taiwan life insurance industry's sixth experience life table. The impact on the determination of the present value of defined benefit obligations due to changes in the main actuarial assumptions used is analyzed as follows:

	Discount rate		Future salary growth rate	
	Increase 0.25%	Decrease 0.25%	Increase 0.25%	Decrease 0.25%
2023.12.31				
The impact on the present value of defined benefit obligations.	(\$ 67)	\$ 70	\$ 69	(\$ 66)

The sensitivity analysis described above analyzes the impact of a single assumption change while holding other assumptions constant. However, in practice, changes in many assumptions may be interrelated. Sensitivity analysis is consistent with the method used to calculate the net retirement benefit liability on the balance sheet.

The method and assumptions used in the sensitivity analysis prepared for the current period are the same as those used in the previous period.

(6) The Company plans to stop making contributions in the fiscal year 2024 as the retirement reserve is fully funded.

2. Determination of Provision Plan.

(1) According to the "Labor Pension Act", the Company and its domestic subsidiaries have established a retirement method with definite contribution, which is applicable to employees of their nationality. The company and

domestic subsidiaries choose to apply the part of the labor pension system stipulated in the "Labor Pension Regulations" for employees and contribute labor pensions to the individual accounts of employees of the Labor Insurance Bureau at the rate of 6% of salary every month. The payment of employee pensions is based on the employee's personal pension special account and accumulated income is collected in monthly pension or one-time pension。

(2) Amount recognized for the pension in according to the above method for the period ending 01.01~12.31 of 2024 and 2023 are $5,346 and $4,618.

(14) Share-based payments

1.Share based payment as of 2024.12.31:

Issuer	Type	Issuance date	Quantity	No. shares available for subscription per unit (shares)	Contract Period	Condition
ENE	Restricted employee stock	2022.05.10	20 thousands unit	1	3years	Continuous employment for 1 year and meet the set KPI, one can exercise in a certain portion (note)
"	"	2022.03.16	980thousands unit	1	3years	Continuous employment for 1 year and meet the set KPI, one can exercise in a certain portion (note)

New shares with limited employee rights issued by the company may not be sold, pledged, transferred, gifted to others, encumbered, or disposed of in other ways before the vested conditions are met.

Note: For those who meet the service years and performance conditions stipulated in the Regulations on Employee Restricted Shares, the conditions are as follows:

Service with one year: 20%, Service with two years: 30%, Service with three years: 50%

2. Details for the above said share-based payments are as follows:

Restricted Employee Stock (RES) plan

	2024	2023
	Quantity (thousands)	Quantity (thousands)
RES at the beginning of the period	748	1,000
Share acquired	(281)	(198)
Ineffective shares	-	(54)
RES at the end of the period	467	748

3. The par value of new shares issued by the Company to restrict employee shares is NT$10 per share, and the issue price per share is NT$0 (free for employees). The closing price on the date of grant $41.5 and $40.25 is used as the measure of fair value.

4. The cost for above said RES for the period ending 2024.01.01~12.31 and 2023.01.01~2023.12.31 are $8,318 and $14,999.

(15) Other current liabilities- others

	2024.12.31	2023.12.31
Liability provisions	$ 30,725	$ 27,656
others	1,445	1,234
	$ 32,170	$ 28,890

Liability provisions

	2024.12.31	2023.12.31
2024.01.01	$ 27,656	$ 27,656
Liability provision for the current period	3,069	-
2024.12.31	$ 30,725	$ 27,656

The Group has entered into long-term agreements with certain suppliers, which include minimum purchase commitments in terms of amount or quantity for outsourced production. Management has assessed that failure to meet such minimum commitments may result in compensation for related losses; accordingly, a provision has been recognized. The related loss has been accounted for as a cost in the current period.

(16) Capital

1. As of 2024.12.31, the registered capital is $950,000, total of 95,000 thousand shares. Actual capital is $452,688 with par value of NT$10. The adjustment of shares for the period as following:

	2024	2023
01.01	45,268,841	45,322,841
RES	-	(54,000)
12.31	45,268,841	45,268,841

2. Restricted employee shares (RES)

In order to attract and retain professional talents and create the best interests of the company and shareholders, the company has passed the resolution of the BOD in March 2022 and May 2022 to issue new shares with restricted employee rights for free. The base date of issuance is March 16, 2022. And on May 10, 2022, the total amount was 1,000,000 shares. The employee's personal retention and annual performance evaluation standards have all met the vested conditions. If the vested conditions are not met, the company has the right to take back its shares without compensation and cancel them. As of December 31, 2024, 1,000,000 shares have been issued, 479 thousands shares are vested and 54 thousands shares canceled.

3.On April 30, 2024, the Board of Directors resolved to conduct a cash capital increase through the issuance of 2,000 thousand new common shares with a par value of NT$10 per share. The record date for subscription rights was set as July 1, 2024. However, in light of recent significant volatility in the capital markets and after considering the overall capital planning and shareholders' interests, the Company obtained approval from the Financial Supervisory Commission (FSC) on August 22, 2024, to cancel the proposed cash capital increase.

4.On November 18, 2021, the Company conducted a private placement of 8,000 thousand common shares. In accordance with Article 68 of the "Regulations Governing the Offering and Issuance of Securities by Securities Issuers," the Company applied for retroactive public issuance and listing upon the expiration of the three-year restriction period on November 17, 2024. The application was approved and became effective on January 10, 2025, by the TWSE.

(17) Capital surplus

1. In accordance with the provisions of the Company Law, the surplus from the issuance of shares exceeding the par value and the capital reserve from the receipt of gifts may be used to make up for losses. When the company has no accumulated losses, new shares or cash. In addition, in accordance with the relevant provisions of the Securities and Exchange Act, when the above-mentioned capital reserve is allocated to capital, the total amount shall not exceed 10% of the paid-in capital each year. When the company still has insufficient surplus reserves to make up for capital losses, it may not use capital reserves to compensate it. ◦

2.The Shareholders Meeting in June 2024 has approved the proposal to distribute cash from capital surplus, NT$0.2 per share, total of $8,865.

(18) Retained earning/Subsequent events

1. According to the company's Articles, if the company has a surplus in its annual final accounts, in addition to paying taxes in accordance with the law, it should first make up for the accumulated losses, and then allocate 10% of the balance as the statutory surplus reserve, but the statutory surplus reserve This is not the case when the total paid-in capital of the company has been reached; in addition, depending on the company's operating needs and legal requirements, the special surplus reserve shall be appropriated or reversed. If there is still a surplus, and the undistributed surplus at the beginning of the same period, the board of directors shall propose a shareholder dividend Proposal on distribution, after submitting to the shareholders' meeting for resolution.
2. The company's dividend policy is formulated in accordance with the company law and the company's Articles, and is determined based on factors such as the company's capital and financial structure, operating conditions, earnings, and the nature and cycle of the industry to which it belongs. 50% of the surplus, cash dividends shall be withdrawn at no less than 50% of the total dividends for the year.
3. The statutory surplus reserve shall not be used except to make up for the company's losses and to issue new shares or cash in proportion to the shareholders' original shares.
4. When the company distributes the surplus, according to laws and regulations, the debit balance of other equity items on the balance sheet must be allocated as a special surplus reserve.
5. (1) Earning distributed as approved in Shareholders Meeting on 2024.05.28 and 2023.05.30 are:

	2023		2022	
	Amount	EPS	Amount	EPS
Legal reserve	$ 6,664		$ 7,208	
Cash dividends	45,269	$ 1.00	54,375	$ 1.20
	$ 51,933		$ 61,583	
	Amount	Cash distribution	Amount	Cash distribution
Distribution from capital surplus				
cash	$ 9,054	$ 0.20	$ -	$ -

(2) On February 25, 2025, the Board of Directors proposed the earnings appropriation plan for fiscal year 2024 and the distribution of cash from capital surplus as follows

	2024	
	Amount	EPS
Legal reserve	$ 4,990	
Cash dividends	45,269	$ 1.00
	$ 50,259	

	Amount	Per share Cash distribution
Cash distribution from capital surplus	$ 9,054	$ 0.20

The 2024 profit appropriation and dividend distribution from capital surplus is not yet resolved by the shareholders meeting.

(19) Operation revenue

The Company's revenue is mainly derived from goods transferred at a certain point in time, and revenue can be broken down into the following geographical areas：

2024	China	Taiwan	Others	Total
External customer contract	$ 437,506	$ 267,250	$ 16,466	$ 721,222

2023	China	Taiwan	Others	Total
External customer contract	$ 564,747	$ 300,960	$ 9,635	$ 875,342

Note: revenue is reported based on where the customers are located.

(20) Other profit and loss

	2024	2023
Foreign exchange (loss)gain	$ 44,239	($ 513)
(loss) Gain from financial asset at fair value through P&L	(376)	177
Loss of investment disposal	-	(1,160)
Disposal of real estate, plant and equipment	-	(1,109)
Gain from lease change	-	143
Others	-	(261)
	$ 43,863	($ 2,723)

(21) Additional information on cost and expense

	2024		
	Operation costs	Operation expense	Total
Employee benefit expense			
Salary expense	$ -	$ 130,458	$ 130,458
Share based payment	-	8,318	8,318
Labor and health insurance expense	-	9,014	9,014
Pension expense	-	5,346	5,346
Other HR	-	4,587	4,587

	$ -	$ 157,723	$ 157,723
Depreciation expense	$ -	$ 23,379	$ 23,379
Amortization expense	$ -	$ 32,776	$ 32,776

	2023		
	Operation costs	Operation expense	Total
Employee benefit expense			
Salary expense	$ -	$ 126,771	$ 126,771
Share based payment	-	14,999	14,999
Labor and health insurance expense	-	8,242	8,242
Pension expense	-	4,673	4,673
Other HR	-	4,105	4,105
	$ -	$ 158,790	$ 158,790
Depreciation expense	$ -	$ 18,773	$ 18,773
Amortization expense	$ -	$ 20,393	$ 20,393

1. Average number of employees for 2024 and 2023 are 84 and 77. Board members that are not employees are 6.
2. Average employee benefits expenses for 2024 and 2023 are $1,968 and $2,160. Average employee salary expenses are $1,725 and $1,921. Average adjustment for employee salary is (10.2%).
3. According to the company's Articles, the company shall allocate no less than 20% of the employee's remuneration and no more than 3% of the BOD's remuneration if there is a balance after deducting the accumulated losses.
4. Remuneration for BOD and employees are as follows:

	2024	2023
Remuneration to BODs	$ 1,929	$ 2,528
Remuneration to employees	13,210	16,853
	$ 15,139	$ 19,381

The estimation of profits is recognized in according to the Articles. For the period 01.01~12.31 of 2024 and 2023.

5. The remuneration for directors and employees for the fiscal year 2024, which was approved by the board of directors on February 25, 2025, is consistent with the estimated amount. The employee remuneration will be paid in cash.
6. The remuneration of directors and employees approved by the board of directors in 2023 is consistent with the amount recognized in the financial report of 2023.
7. The company has set up a remuneration committee. The remuneration of directors and managers is based on the degree of participation in

operations and the value of their contributions. After comprehensive consideration of the achievement of annual goals and performance contributions, the remuneration committee decides to issue.

8. The company's employee remuneration includes monthly salary, bonus and employee remuneration. The salary standard of employees is determined according to the position held, academic experience, professional knowledge and market value. The starting salary and rewards are not different due to gender, religion, party affiliation, marital status, etc. Regarding salary adjustments and employee remuneration, the company's operating conditions will be determined annually based on the employee's duties, contributions, and performance, and the principle of ensuring that employee salaries are in line with market conditions and fairness

9. Please see MOPS for related information.

(20) Income tax

1. Income tax expense

(1) Components of income tax expense:

	2024	2023
Current income tax:		
Current income tax expense	$ -	$ -
Undistributed profits	736	498
Under-estimation from prior year	-	209
	736	707
Deferred income tax:		
Origination and reversal of temporary differences	278	(2,497)
Income tax	$ 1,014	($ 1,790)

(2) Amount of income tax related to other comprehensive income:

	2024	2023
	-	(40)

2. The relationship between income tax benefit and accounting profit:

	2024	2023
Income tax calculated at statutory tax rate on income before income taxes (Note)	$ 10,182	$ 12,977
Expenses to be deducted in accordance with tax laws and regulations	9	-
Income exempted from taxation according to tax law	-	(58)
Undistributed profits	736	498
Under/Over estimation from prior year	-	209
Unrecognized deferred tax assets due to temporary differences	1,303	(209)
Changes in the assessment of realizability of deferred tax assets	(11,216)	(15,207)
Income tax benefit	$ 1,014	($ 1,790)

3. The amounts of deferred income tax assets or liabilities resulting from temporary differences and tax loss. carryforwards are as follows:

2024	01.01	Recognized in income statement.	Recognized in other comprehensive income (OCI).	12.31
Deferred income tax asset				
-Temporary difference				
Unrealized loss from inventory value	$ 11,368	$ 4,664	$ -	$ 16,032
Unrealized gross profit on sales	3,260	7	-	3,267
Foreign investment accounted for using the equity method	1,288	(1,288)	-	-
	$ 15,916	$ 3,383	$ -	$ 19,299
Deferred income tax liabilities:				
-Temporary differences:				
Foreign exchange differences - operational entity	$ -	($ 84)	$ -	($ 84)
Unrealized translation gains.	-	(3,577)	-	(3,577)
	$ -	($ 3,661)	$ -	($ 3,661)

2023	01.01	Recognized in income statement.	Recognized in other comprehensive income (OCI).	12.31
Deferred income tax asset				
- Temporary difference				
Unrealized inventory loss	$ 5,616	$ 5,752	$ -	$ 11,368
Unrealized gross profit on sales.	7,566	(4,306)	-	3,260

Foreign investment accounted for using the equity method	1,891	(1,891)	-	-
Unrealized exchange loss	-	1,288	-	1,288
	$ 15,073	$ 843	$ -	$ 15,916
Deferred income tax liabilities.				
- Temporary difference				
Foreign exchange differences - operational entity	($ 40)	$ -	$ 40	$ -
Unrealized translation gains.	(1,654)	1,654	-	-
	($ 1,694)	$ 1,654	$ 40	$ -

4. The effective period of unused tax losses and the amount of unrecognized deferred tax assets related to. the Company and its domestic subsidiaries are as follows:

2024.12.31

Year	Verified amount	Unutilized amount	Unrecognized deferred tax assets	Final deduction year
2014	$ 205,755	$ 80,936	$ 80,936	2024
2015	119,209	119,209	119,209	2025
2016	121,815	121,815	121,815	2026
2017	92,739	92,739	92,739	2027
2018	70,963	70,963	70,963	2028
2019	50,962	50,962	50,962	2029
2020	32,271	32,271	32,271	2030
		$ 568,895	$ 568,895	

2023.12.31

Year	Verified amount	Unutilized amount	Unrecognized deferred tax assets	Final deduction year
2013	$ 68,245	$ -	$ -	2023
2014	205,755	129,720	129,720	2024
2015	119,209	119,209	119,209	2025
2016	121,815	121,815	121,815	2026
2017	92,739	92,739	92,739	2027
2018	70,963	70,963	70,963	2028
2019	50,962	50,962	50,962	2029
2020	32,271	32,271	32,271	2030
		$ 617,679	$ 617,679	

5. The deductible temporary differences that have not been recognized as deferred tax assets

	2024.12.31	2023.12.31
Deductible temporary differences	$ 11,786	$ 5,271

6. Our company's income tax for operating businesses has been verified by the tax collection agency until fiscal year 2022.

(23) Earnings per share

	2024		
	$ after tax	Weighted average Outstanding shares (thousand shares)	EPS (Dollar)
Basic EPS			
Net profit attributed to common shareholders of the parent company	$ 49,899	44,742	$ 1.12
Diluted EPS			
Net profit attributed to common shareholders of the parent company	$ 49,899	44,742	
Potential dilution impact	-	494	
RES	-	314	
Employee remuneration	$ 49,899	45,550	$ 1.10
Potential dilution impact attributed to the parent company	$ 49,899	44,742	$ 1.12

	2023		
	$ after tax	Weighted average Outstanding shares (thousand shares)	EPS (Dollar)
Basic EPS			
Net profit attributed to common shareholders of the parent company	$ 66,676	44,480	$ 1.50
Diluted EPS			
Net profit attributed to common shareholders of the parent company	$ 66,676	44,480	
Potential dilution impact			
RES	-	504	
Employee remuneration	-	321	
Potential dilution impact attributed to the parent company	$ 66,676	45,305	$ 1.47

(24) Additional information to cash flow

Investment activity with partial cash payment:

	2024	2023
Acquisition of real estate, plant and equipment	$ 39,060	$ 22,965
Add: equipment payment at the beginning of the period	2,371	773
Less: equipment payment at the beginning of the period	(2,690)	(2,371)
Cash payment of the period	$ 38,741	$ 21,367

	2024	2023
Acquisition of intangible assets	$ 35,464	$ 23,890
Add: prepayment at end of the period	-	7,500
Less: payable intangible assets at the end of the period	(3,816)	-
Prepayment at the beginning of the period	(7,500)	(7,500)
Cash payment of the period	$ 24,148	$ 23,890

(25) Changes in liabilities from financing activities

2024

	Short term loan	Corporate bond	Lease liabilities	Total liabilities from financing activities
01.01	$160,000	$ -	$ 26,860	$ 186,860
Changes in financing cash flow	(160,000)	300,350	(7,383)	132,967
Other non-cash changes (N1)	-	(17,035)	-	(17,035)
12.31	$ -	$283,315	$ 19,477	$ 302,792

2023

	Short term loan	Long term loan	Lease liabilities	Total liabilities from financing activities
01.01	$196,000	$ 3,636	$ 10,201	$ 209,837
Changes in financing cash flow	(36,000)	(3,636)	(7,300)	(46,936)
Other non-cash changes (N2)	-	-	23,959	23,959
12.31	$160,000	$ -	$ 26,860	$ 186,860

Note 1: amortization of corporate bond and capital surplus-corporate bond options
Note 2: impact of foreign exchange

7. Related party transactions

(1) Related party

Related party	Relationship
ASUSTek Computer Inc. (Asus)	Key personnel of the Company (Institutional Director)
Siguard Microelectronic Corp. (Siguard)	Key personnel of the Company (Institutional Director)
Egis Technology Inc. (EgisTec)	Ultimate parent entity
Alcor Micro	Parent entity
Algoltek	Related company
Visubi	Related company

(2) Significant transactions with related parties

1.Sales

	2024	2023
Sales:		
ASUSTek	$ 119,175	$ 106,538

Product prices quoted to the related parties were determined by the product. specification. Therefore, prices quoted to the related parties were of no big difference to other customers.

2.Purchasing

	2024	2023
Outsourcing product purchase		
Egis	$ 181,689	$ 39,174

The trading conditions between the Company and related parties are no different to those with general suppliers.

	2024	2023
Service purchase		
Siguard	$ 11,828	$ 16,145

The trading conditions between the Company and related parties are no different to those with general suppliers.

3.R&D expenses

	2024	2023
Eqig	$ 34	$ 4,306
Alcor Micro	1,365	2,730
Visubi	363	-
	$ 1,762	$ 7,036

Expenses for IC research and development and masks.

4. Account receivable

	2024.12.31	2023.12.31
Service purchase		
ASUSTek	$ 51,748	$ 35,161

There is no bad debt allowances for the related party AR. The AR is mainly from product sales.

5.Account payable

	2024.12.31	2023.12.31
Account payable		
Egis	$ 16,718	$ 19,755
Siguard	1,590	3,333
	$ 18,308	$ 23,088
Other payable-equipment		
Egis	$ 2,443	$ -
Other payable-others		
Egis	$ 438	$ -
Siguard	310	-
Alcor micro	-	478
	$ 748	$ 478

Related party AP is mainly from purchasing transactions and masks, no interests incurred. Other payables are mainly from purchasing technology.

6.Prepaid account

	2024.12.31	2023.12.31
Egis	$ 1,284	$ -

7.Asset trading

(1)Acquisition of real estate, plant and equipment

	Accounting Subject	2024	2023
Egis	Purchase other equipment	$ 32,829	$ 6,707
Visubi	Purchase other equipment	2,528	-
		$ 35,357	$ 6,707

The trading conditions between the Company and related parties are no different to those with general suppliers.

(2) Acquisition of intangible assets

Accounting Subject	2024	2023

Egis	Purchase computer software	$ 7,500	$ -

8.Other non-current assets

	2024.12.31	2023.12.31
Deposits		
Algoltek	$ 688	$ 595
Prepayment intangible assets		
Egis	$ -	$ 7,500

Note: The company has signed a product development contract. The unpaid payment for the period ending 2024.12.31 is $7,500.

9.Lease -leasee

(1)The company rents office from Algoltek. The contract is for 5 years. The right-of-use asset for the period is $14,340. The company pays the rent on monthly basis.

(2)Lease liabilities

A.Amount at the end of the period:

	2024.12.31	2023.12.31
Algoltek	$ 9,605	$ 12,459

B.Interest expenses

	2024.12.31	2023.12.31
Algoltek	$ 343	$ 269

(3) Key personnel remuneration information

	2024	2023
Salary and other short term employee benefit	$ 31,941	$ 32,500
Post employment benefit	833	798
Share based payment	3,612	5,769
Total	$ 36,386	$ 39,067

8. Pledged Asset

Details of the assets provided as collateral by the Company are as follows:

	Book value		
Asset	2024.12.31	2023.12.31	Purpose
Term deposit(Note1)	$ -	$ 225,682	Note 3
Term deposit(Note2)	1,076	1,060	Note 4

$ 1,076	$ 226,742

Note1: financial asset at amortized cost -current

Note2: financial asset at amortized cost -non current

Note3: guarantee for short term loan

Note4: guarantee for tariff on imported raw material

9. Significant commitments

1. The group has signed a software licensing contract. As of December 31, 2024, the amount not yet paid is $5,607.
2. Please refer to Note7 for details on the unrecognized contractual commitments with related parties.

10. Losses due to major disasters

None.

11. Significant subsequent events

Please refer to Note6 (16)4 and (18)5 for details.

12. Others

(1) Capital management

The capital management objective of the Company is to ensure the continued operation of the Company, maintain the optimal capital structure to reduce the cost of funds, and provide returns to shareholders. In order to maintain or adjust the capital structure, the Company may adjust the number of dividends paid to shareholders, return capital to shareholders, issue new shares of common stock in private placement, or sell assets to reduce debt. The Company uses the debt-to-capital ratio to monitor its capital, which is calculated by dividing net debt by total capital. Net debt is calculated as total borrowings minus cash and cash equivalents. Total capital is calculated as equity reported on the parent only balance sheet plus net debt.

In 2024, the capital management strategy of the Company remains the same as in 2023, which is to maintain the debt-to-equity ratio within a reasonable range.

(2) Financial instruments

1.Types

For details regarding the amounts and information of the Group’s financial assets (including cash and cash equivalents, financial assets at fair value through profit or loss, financial assets measured at amortized cost, accounts receivable (including related parties), other receivables, and refundable deposits) and financial liabilities (including short-term borrowings, accounts payable (including related parties), other payables (including related parties), corporate bonds payable, deposits received, and lease liabilities), please refer to the consolidated balance sheet and Note 6

2.Risk management policy

(1) The daily operations of the Company are subject to various financial risks, including market risks (including exchange rate risk, interest rate risk, and price risk), credit risk, and liquidity risk.

(2) The risk management work is carried out by the Finance Department of the Company in accordance with policies approved by the Board of Directors. The Finance Department works closely with the various operating units within the Company to identify, assess and mitigate financial risks. The Board of Directors has established written principles for overall risk management and also provides written policies for specific areas and matters, such as currency risk, interest rate risk, credit risk, the use of derivative and non-derivative financial instruments, and the investment of excess cash.

3.Significana financial risks

(1) Market risks

Exposure to currency risk

A. The Company operates globally, therefore, it is exposed to. various currency exchange rate risks, mainly from the US dollar and the Chinese yuan. These exchange rate risks arise from future business transactions and recognized assets and liabilities.

B. The Company financial assets and liabilities exposed to. exchange rate risk were as following:

2024.12.31	Foreign currency ($thousands)	FX rate	Book value (NTD)	Sensitivity analysis Change %	Impact on P&L
Financial asset					
Monetary item					
USD: NTD	$ 16,256	32.79	$533,034	1%	$ 5,330
Financial liabilities					
Monetary item					
USD: NTD	849	32.79	27,839	1%	278

2023.12.31	Foreign currency ($thousands)	FX rate	Book value (NTD)	Sensitivity analysis Change %	Impact on P&L
Financial asset					
Monetary item					
USD: NTD	$ 21,740	30.71	$667,635	1%	$ 6,676
Financial liabilities					
Monetary item					
USD: NTD	791	30.71	24,292	1%	243

Recognized FX translation (loss)gains (realized and unrealized) are $44,239 and ($562) for period of 2024 and 2023.

Price risk

A. The Group is exposed to equity price risk arising from equity instruments classified as financial assets at fair value through profit or loss (FVTPL). To manage the price risk associated with equity investments, the Group diversifies its investment portfolio in accordance with internally established limits.

B. The Group primarily invests in open-end funds. The prices of these equity instruments are subject to volatility due to uncertainties regarding the future value of the underlying investments. The Group did not recognize any gains or losses arising from equity instruments measured at FVTPL during the years ended December 31, 2024 and 2023

Cash flow and fair value interest rate risk

A. The Group's interest rate risk primarily arises from borrowings issued at floating interest rates, exposing the Group to cash flow interest rate risk. In 2024 and 2023, the Group's borrowings issued at floating interest rates were denominated in NTD.

B. When the interest rate of NTD-denominated loans increases or decreases by 1% while all other factors remain unchanged, the profit before tax of the Company for the years 2024 and 2023 will decrease or increase by $0 and $1,280, respectively, mainly due to the change in interest expenses caused by the floating rate loans.

(2) Credit risk

A. The credit risk of the Company refers to the risk of financial loss caused by customers or counterparties of financial instruments being unable to fulfill contractual obligations. It mainly comes from counterparties being unable to settle accounts receivable according to payment conditions, and debt instruments investment contracts with cash flow measured at amortized cost, fair value through other comprehensive income, and fair value through profit or loss.

B. The Company establishes credit risk management from a group perspective. According to the internal credit policy, each operating unit within the Company and each new customer must be managed and analyzed for credit risk before setting payment and delivery terms and conditions. Internal risk control is carried out by assessing the credit quality of customers by considering their financial condition, past experience, and other factors. The individual risk limit is set by the board of directors based on internal or external ratings and regularly monitors the use of credit limits.

C. The Company adopts the following premise assumptions under IFRS 9 as a basis for determining whether there has been a significant increase in credit risk of financial instruments since initial recognition:

(A) When the contractual payment terms of a financial asset are overdue for more than 30 days, it is considered that the credit risk of the financial asset has significantly increased since initial recognition.

(B) Financial assets that are rated as investment grade by any external credit rating agency on the balance sheet date are considered to have low credit risk.

D. When the payment terms of a contract are overdue for more than 90 days according to the agreed terms, it is considered a default.

E. The Company considers the characteristics of trade credit risk and categorizes accounts receivable from customers into groups. A simplified approach is used to estimate expected credit losses based on a matrix.

F. The indicators used by the Company to determine credit impairment of debt instrument investments are as follows:

(A) Significant financial difficulties of the issuer and a high probability of bankruptcy or other financial restructuring.

(B) The active market for the financial asset disappears due to the issuer's financial difficulties.

(C) The issuer delays or fails to pay interest or principal.

(D) Changes in national or regional economic conditions that are unfavorable and lead to the issuer's default.

G. After the collection process, the Company wrote off the amount of financial assets that cannot be reasonably expected to be recovered. However, the Company will continue to pursue legal proceedings to preserve its rights to the receivables.

H. The Company adjusts its forward-looking assessment to estimate the allowance for doubtful accounts by using loss rates established based on a specific historical and current information period. Please refer to Note 6(4) for the expected loss rate for the Company's non-overdue accounts receivable as of December 31, 2024, and December 31, 2023.

(3) Liquidity Risk

A. Cash flow forecasts are prepared by individual operating entities within the Company and parent only by the Company's finance department. The finance department monitors the forecasted cash needs of the Company to ensure that sufficient funds are available to support its operations.

B. Please refer to Note6(10) for loan un-used quota

C. The non-derivative financial liabilities of the Company, except for those listed in the table below, are due within one year and represent significant cash flow amounts within one year from December 31, 2024 and December 31, 2023, including short-term borrowings, accounts payable, and other payables. These amounts are undiscounted and consistent with the balances of each item in the balance sheet.

2024.12.31	within one year	over one year	total
Non-derivative financial liabilities:			
lease liabilities	$ 6,634	$ 13,649	$ 20,283
Corporate bond payables	-	300,000	300,000
2023.12.31	within one year	over one year	total
Non-derivative financial liabilities:			
lease liabilities	$ 6,742	$ 23,007	$ 29,749

(3) Fair value of financial instruments

1. Categories of financial instruments and fair value

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included in level 1 that are observable for the asset or liability (directly or indirectly).

Level 3: Assets or liabilities that are not observable market information (unobservable parameters).

2. Financial instrument not measured by fair value

(1) Other than items listed below, the carrying amount of the financial instruments not measured by fair value (cash and cash equivalent, financial assets at amortized cost, account receivables, other account receivables, account payables, other account payables, refundable deposits, short term loan, long term loan and lease liabilities) is regarded as reasonable fair value.

	2024.12.31			
		Fair Value		
	Book Value	Level 1	Level 2	Level 3
Financial liability				
Corporate bond payable	$ 283,315	$ -	$ 285,270	$ -

Not applicable for 2023.12.31

(2) The methods and assumptions applied in estimating fair value are as follows:

Corporate bonds payable: Measured at the present value of expected future cash flows, discounted at the market interest rate as of the balance sheet date.

3. Valuation method and techniques to measure fair value

(1) The Group has classified assets and liabilities based on their nature. Relevant information is as follows:

2024.12.31	Level 1	Level 2	Level 3	Total
Asset				
Repetitive fair value				
Financial assets measure at fair value through P&L Redemption Right of Convertible Bonds	$ -	$ 90	$ -	$ 90

(2) The methods and assumptions used by the Group in measuring fair value are described as follows:
The fair value of financial instruments is determined using valuation techniques. These techniques may include referencing the current fair value of financial instruments with similar terms and characteristics, discounted cash flow analysis, or other valuation methodologies. Such models incorporate observable market data available as of the consolidated balance sheet date (e.g., the yield curve published by the Taipei Exchange).

4. For the period of 2024 and 2023, there was no transfer of Level1 and Level2

5. For the period of 2024 and 2023, there was no transfer of financial instruments in Level 3.

13. Other disclosures

(1) Information on significant transactions

1. Loans to other parties: none
2. Guarantees and endorsements for other parties: none
3. Securities held at the end of the period (other than investments in subsidiaries, associates and JVs): none
4. Individual securities acquired or disposed of with accumulated amount exceeding the lower of NT$300 million or 20% of the capital stock: none
5. Acquisition of individual property with amount exceeding the lower of NT$300 million or 20% of the capital stock: none

6. Disposal of individual property with amount exceeding the lower of NT$300 million or 20% of the capital stock: none

7. Related party transactions for purchases and sales with amounts exceeding the lower of NT$100 million or 20% of the capital stock: (attachment I)

8. Receivables from related parties with amount exceeding the lower of NT$100 million or 20% of capital stock: none

9. Trading in derivative instruments: Note 6(2)

10. Business relationship and significant intercompany transactions: none

(2) Investment

NA.

(3) Investment in China

1.Basic information: none

2. Direct or indirect significant transaction between investee in China and the company: none

(4) Major shareholders

Please refer to attachment II

14. Segment information

It is allowed not to disclose.

ENE Technology Inc

Purchase and sales with related parties that reach NT$100 Millions or 20% of the paid-in capital

January 1st to December 31st, 2024

Attachment I

Unit：NTD thousans

(unless otherwise indicated)

				Transaction details			Situation and reasons for trading conditions different to others		Account receivable, note		
Company of purchase or sales	Counterparty	Relationship	Purchase or sales	Amount	% of total purchase/sales	Credit period	Unit price	Credit period	Balance	% of total AR	Notes
ENE Technology Inc	ASUSTek Computer Inc.	The main management level of ENE (legal board of director)	Sales	$ 119,175	17%	90 days	All equivalent to normal business practices		$ 51,748	25%	
ENE Technology Inc	Egis	Ultimate parent company	purchase	181,689	26%	30 days	All equivalent to normal business practices		16,718	46%	note

Note: centralized procurement by Egis

ENE Technology Inc and Subsidiaries

Major Shareholders

2024.12.31

Attachment II

Major Shareholders	Shareholding	
	No. of shares	%
Alcor Micro Corp	8,000,000	17.65%

ENE TECHNOLOGY INC

Statement of Cash and Cash Equivalent

December 31, 2024

(Expressed in thousands of NTD thousands)

Item	Description			Amount	Note
Cash and petty cash				$ 30	
Term deposit					
-NTD				226,400	
-USD	USD	6,301 thousands	FX 32.79	206,573	
Deposit					
-NTD				104,371	
-USD	USD	3,089 thousands	FX 32.79	101,260	
Check deposit				4	
Total				$ 638,638	

ENE TECHNOLOGY INC

Statement of Financial Asset after Amortization-Current

December 31, 2024

(Expressed in thousands of NTD thousands)

Name	Interest rate range	Amount	Note
TFB	1.60%	$ 100,000	Term deposit (note)
Cathay Bank	5.00%	19,671	
CTCB	1.44%	5,000	"
		$ 124,671	

Note 1: duration 2024/9/27-2025/05/07,

ENE TECHNOLOGY INC

Statement of Notes and Account Receivables

December 31, 2024

(Expressed in thousands of NTD thousands)

Item	Amount
Customer A	$ 118,144
Customer B	17,284
Others (note)	24,237
	159,665
Less: Allowances for loss	(889)
Total:	$ 158,776

Note: total of individual customers with amount less than 5 % of Notes and A/R

ENE TECHNOLOGY INC

Statement of Inventories

December 31, 2024

(Expressed in thousands of NTD thousands)

Item	Amount		Note
	Cost	Net realizable value	
Raw material	$ 109,435	$ 47,438	
Work in process	112,027	157,035	
Finished good	21,423	31,518	
	242,885	$ 235,991	
Less: allowances for loss	(80,160)		
	$ 162,725		

ENE TECHNOLOGY INC
Corporate Bond Payable

Please refer to Note 6(12)

Statement of Revenue
January 1 to December 31, 2024
(Expressed in NTD thousands)

Item	Qty	Amount
ICs	43,364 thousands units	$ 720,665
Others		557
Net revenue		$ 721,222

ENE TECHNOLOGY INC
Statement of Cost of Sales
January 1 to December 31, 2024
(Expressed in NTD thousands)

Item	Amount	Note
Beginning balance of raw materials	$ 126,217	
Add: purchase	183,738	
Less: ending balance of raw materials	(109,435)	
Transferred	(34)	
Loss from scrap	(772)	
Raw material used	199,714	
Manufacturing expense	148,119	Note
Cost of manufacturing	347,833	
Beginning balance of work-in-process inventory	190,614	
Add: purchase	115	
Less: Ending balance of work-in-process inventory	(112,027)	
Transferred	(400)	
Scrap of WIP	(2,355)	
Cost of finished goods	423,780	
Beginning balance of finished goods	30,273	
Less: Ending balance of finished goods	(21,423)	
Transferred	(123)	
Scrap of finished goods	(4,362)	
Total Cost of Sales	428,145	
Allowances for loss	30,810	
Other	3,195	
Total cost of sales	$ 462,150	

Note：expenses for outsourcing

ENE TECHNOLOGY INC

Statement of Sales Expenses

January1 to December 31, 2024

(Expressed in NTD thousands)

Item	Promotion exp	Management exp	R&D exp	Amount	Remark
Salary	$ 44,642	$ 38,806	$ 60,674	$ 144,122	
Depreciation	3,641	9,142	10,596	23,379	
Miscellaneous	-	2,478	30,298	32,776	
Transportation	6,226	12	-	6,238	
Consultant	334	8,318	-	8,652	
Royalties	9,659	-	-	9,659	
Others	11,767	17,115	12,438	41,320	Note
Total	$ 76,269	$ 75,871	$ 114,006	$ 224,826	

Note： The amount of each item does not exceed 5% of the subject amount