

**AUDIX CORPORATION
PARENT COMPANY ONLY
FINANCIAL STATEMENTS
WITH REPORT OF INDEPENDENT AUDITORS
FOR THE YEARS END
DECEMBER 31, 2024 AND 2023**

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The reader is advised that these the parent company only financial statements have been prepared originally in Chinese. In the event of a conflict between these financial statements and the original Chinese version or difference in interpretation between the two versions, the Chinese language financial statements shall prevail.

AUDIX CORPORATION

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English Translation of Auditors' Report Originally Issued in Chinese

Report of Independent Auditors

To Audix Corporation

Opinion

We have audited the accompanying parent company only balance sheets of Audix Corporation (the “Company”) as of December 31, 2024 and 2023, and the related parent company only statements of comprehensive income, changes in equity and cash flows for the years ended December 31, 2024 and 2023, and notes to the parent company only financial statements including the summary of material accounting policies (collectively referred to “the parent company only financial statements”).

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

Basis for Opinion

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

Key Audit Matters

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

Revenue Recognition

The Company recognized operating revenue-net sales revenue in the amount of \$780,135 thousand for the year ended December 31,2024. Due to the intense competition in the industry and the short application cycle of electronic products, the main source of revenue is the sales of various electronic products involving various commercial terms. Therefore, the management needs to make judgement when the control of the merchandise is transferred and performance obligation is fulfilled. The timing of revenue recognition was material to the parent company only financial statements, we therefore considered this a key audit matter.

Our audit procedures included, but not limited to:

- i. Assessing and testing the design and operating effectiveness of internal controls around revenue recognition.
- ii. Evaluating the appropriateness of the accounting policy of revenue recognition.
- iii. Selecting samples to perform tests of details, performing tests of transaction detail which included reviewing vouchers of selected samples, such as shipping documents, customs export documents, customer acceptance documents and receipt documents to confirm the performance obligations were satisfied.
- iv. Conducting cutoff tests of sales revenue and sales discount within a certain period of time before and after the balance sheet date. Select samples to review the terms of transactions and vouch relevant transaction documents as evidence to confirm the revenue recognition.

We also considered the appropriateness of the disclosure of operating revenue in Notes 4 and 6.

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

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

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

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

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

Our objectives are to obtain reasonable assurance about whether the parent company only financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with 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 on the basis of the parent company only financial statements.

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

1. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Company.
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 ability to continue as a going concern of the Company. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the accompanying notes, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the 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 2024 the parent company only financial statements 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.

/s/ Yu Chien-Ju

/s/ Hsu, Hsin-Min

Ernst & Young, Taiwan
March 6, 2025

Notice to Readers

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

Accordingly, the accompanying the parent company only financial statements and report of independent auditors are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice. As the financial statements are the responsibility of the management, Ernst & Young cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

English translation of parent company only financial statements originally issued in Chinese

AUDIX CORPORATION
PARENT COMPANY ONLY BALANCE SHEETS
December 31, 2024 and December 31, 2023
(Expressed in Thousands of New Taiwan Dollars)

Assets	Notes	As of December 31,			
		2024		2023	
		Amount	%	Amount	%
Current assets					
Cash and cash equivalents	4, 6(1)	\$62,492	1	\$673,507	8
Financial assets at fair value through profit or loss, current	4, 6(2)	266,300	3	186,987	2
Notes receivable, net	4, 5, 6(4), 6(15)	7,328	-	13,091	-
Accounts receivable, net	4, 5, 6(5), 6(15)	170,412	3	725,987	9
Accounts receivable due from related parties, net	4, 5, 6(5), 6(15), 7	21,909	-	23,775	-
Other receivables	4, 7	3,542	-	4,847	-
Inventories, net	4, 5, 6(6)	48,405	1	56,239	1
Prepayments		4,277	-	3,117	-
Other current assets		535	-	548	-
Total current assets		<u>585,200</u>	<u>8</u>	<u>1,688,098</u>	<u>20</u>
Non-current assets					
Financial assets at fair value through other comprehensive income, noncurrent	4, 6(3)	79,800	1	126,000	2
Investments accounted for under the equity method	4, 6(7)	6,793,234	87	6,098,965	74
Property, plant and equipment	4, 6(8), 8	309,241	4	311,012	4
Right-of-use assets	4, 6(16)	366	-	360	-
Intangible assets	4, 6(9)	436	-	871	-
Deferred tax assets	4, 5, 6(20)	2,498	-	9,744	-
Refundable deposits		9,587	-	9,452	-
Net defined benefit asset, noncurrent	4, 5, 6(12)	1,999	-	-	-
Total non-current assets		<u>7,197,161</u>	<u>92</u>	<u>6,556,404</u>	<u>80</u>
Total assets		<u>\$7,782,361</u>	<u>100</u>	<u>\$8,244,502</u>	<u>100</u>

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

English translation of parent company only financial statements originally issued in Chinese

AUDIX CORPORATION
PARENT COMPANY ONLY BALANCE SHEETS
December 31, 2024 and December 31, 2023
(Expressed in Thousands of New Taiwan Dollars)

Liabilities and Equity	Notes	As of December 31,			
		2024		2023	
		Amount	%	Amount	%
Current liabilities					
Short-term loans	4, 6(10)	\$895,866	12	\$763,191	9
Contract liabilities, current	4	-	-	134	-
Accounts payable	4	118,177	2	844,110	10
Accounts payable to related parties	4, 7	26,359	-	19,794	1
Other payables	4, 7	73,024	1	64,012	1
Current tax liabilities	4, 5, 6(20)	142,640	2	77,409	1
Current lease liabilities	4, 6(16)	369	-	366	-
Long-term liabilities, current portion	4, 6(11), 8	-	-	3,813	-
Other current liabilities		2,171	-	5,006	-
Total current liabilities		<u>1,258,606</u>	<u>17</u>	<u>1,777,835</u>	<u>22</u>
Non-current liabilities					
Long-term loans	4, 6(11), 8	850,000	11	1,141,187	14
Deferred tax liabilities	4, 5, 6(20)	24,539	-	32,266	-
Net defined benefit liability, noncurrent	4, 5, 6(12)	-	-	9,669	-
Guarantee deposits received		-	-	3,315	-
Total non-current liabilities		<u>874,539</u>	<u>11</u>	<u>1,186,437</u>	<u>14</u>
Total liabilities		<u>2,133,145</u>	<u>28</u>	<u>2,964,272</u>	<u>36</u>
Equity					
Capital	6(13)				
Common stock		1,055,956	14	1,055,956	13
Capital surplus	6(13)	181,895	2	181,790	2
Retained earnings	6(13)				
Legal reserve		1,114,725	14	1,053,314	13
Special reserve		30,092	-	30,092	-
Unappropriated earnings		3,046,871	39	2,960,754	36
Other components of equity	4, 6(13)				
Exchange differences on translation of foreign operations		189,877	3	(77,676)	(1)
Unrealized gains on financial assets measured at fair value through other comprehensive income		29,800	-	76,000	1
Total equity		<u>5,649,216</u>	<u>72</u>	<u>5,280,230</u>	<u>64</u>
Total liabilities and equity		<u>\$7,782,361</u>	<u>100</u>	<u>\$8,244,502</u>	<u>100</u>

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

English translation of parent company only financial statements originally issued in Chinese

AUDIX CORPORATION

PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME

For the years ended December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars, Except for Earnings per Share)

Item	Notes	2024		2023	
		Amount	%	Amount	%
Operating revenues	4, 6(14), 7				
Sales revenue		\$780,135	91	\$2,769,005	98
Service revenue		76,340	9	53,582	2
Total operating revenues		856,475	100	2,822,587	100
Operating costs	6(6), 7				
Cost of sales		(707,224)	(83)	(2,686,139)	(95)
Total operating costs		(707,224)	(83)	(2,686,139)	(95)
Gross profit		149,251	17	136,448	5
Operating expenses	6(12), 6(16), 6(17), 7				
Selling and marketing expenses		(70,441)	(8)	(65,806)	(2)
General and administrative expenses		(98,024)	(11)	(83,583)	(3)
Expected credit impairment (losses) gains	4, 5, 6(15)	(226)	-	7	-
Total operating expenses		(168,691)	(19)	(149,382)	(5)
Net operating loss		(19,440)	(2)	(12,934)	-
Non-operating income and expenses					
Interest income		3,755	-	7,364	-
Other income	6(18), 7	12,338	1	13,252	-
Other gains and losses	6(18), 7	31,972	4	28,761	1
Finance costs	4, 6(18)	(34,287)	(4)	(37,875)	(1)
Share of profits of subsidiaries and associates	4, 6(7)	731,029	86	656,446	24
Total non-operating income and expenses		744,807	87	667,948	24
Income before income tax		725,367	85	655,014	24
Income tax expense	4, 5, 6(20)	(163,562)	(19)	(78,179)	(3)
Net income		561,805	66	576,835	21
Other comprehensive income	6(19)				
Other comprehensive income that will not be reclassified subsequently					
Remeasurement of defined benefit obligation	4, 5, 6(12)	8,506	1	233	-
Unrealized (losses) gains on equity instruments investment at fair value through other comprehensive income		(46,200)	(5)	13,817	-
Income tax related to items that will not be reclassified subsequently	4, 6(20)	(400)	-	-	-
Items that may be reclassified subsequently to profit or loss					
Subsidiary, Associates and Joint Venture					
Exchange differences on translation of foreign operations		267,553	31	(78,853)	(3)
Total other comprehensive income		229,459	27	(64,803)	(3)
Total comprehensive income		\$791,264	93	\$512,032	18
Earnings per share-basic (in dollars)	6(21)	\$5.32		\$5.46	
Earnings per share-diluted (in dollars)	6(21)	\$5.30		\$5.44	

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

English translation of parent company only financial statements originally issued in Chinese

AUDIX CORPORATION

PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY

For the years ended December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars)

Item	Notes	Common stock	Capital surplus	Retained earnings			Other Components of Equity		Total equity
				Legal reserve	Special reserve	Unappropriated earnings	Exchange differences on translation of foreign operations	Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income	
Balance as of January 1, 2023		\$1,055,956	\$181,790	\$994,802	\$237,667	\$2,598,844	\$1,177	\$99,225	\$5,169,461
Appropriation and distribution of 2022 retained earnings	6(13)								
Legal reserve appropriated		-	-	58,512	-	(58,512)	-	-	-
Cash dividends		-	-	-	-	(401,263)	-	-	(401,263)
Reversal of special reserve		-	-	-	(207,575)	207,575	-	-	-
Profit for the year ended December 31, 2023 (Note)		-	-	-	-	576,835	-	-	576,835
Other comprehensive income for the year ended December 31, 2023	4, 6(19)	-	-	-	-	233	(78,853)	13,817	(64,803)
Total comprehensive income for the year ended December 31, 2023		-	-	-	-	577,068	(78,853)	13,817	512,032
Disposal of equity instruments measured at fair value through other comprehensive income		-	-	-	-	37,042	-	(37,042)	-
Balance as of December 31, 2023		\$1,055,956	\$181,790	\$1,053,314	\$30,092	\$2,960,754	\$(77,676)	\$76,000	\$5,280,230
Balance as of January 1, 2024		\$1,055,956	\$181,790	\$1,053,314	\$30,092	\$2,960,754	\$(77,676)	\$76,000	\$5,280,230
Appropriation and distribution of 2023 retained earnings	6(13)								
Legal reserve appropriated		-	-	61,411	-	(61,411)	-	-	-
Cash dividends		-	-	-	-	(422,383)	-	-	(422,383)
Profit for the year ended December 31, 2024 (Note)		-	-	-	-	561,805	-	-	561,805
Other comprehensive income for the year ended December 31, 2024	4, 6(19)	-	-	-	-	8,106	267,553	(46,200)	229,459
Total comprehensive income for the year ended December 31, 2024		-	-	-	-	569,911	267,553	(46,200)	791,264
The differences between the fair value of the consideration paid or received from acquiring or disposing subsidiaries and the carrying amounts of the subsidiaries		-	105	-	-	-	-	-	105
Balance as of December 31, 2024		\$1,055,956	\$181,895	\$1,114,725	\$30,092	\$3,046,871	\$189,877	\$29,800	\$5,649,216

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

Note: For the year ended in 2023, remuneration to directors and employees' remuneration were \$6,300 thousand and \$20,762 thousand, respectively. For the year ended in 2024, remuneration to directors and employees' remuneration were \$6,300 thousand and \$20,017 thousand, respectively. The amount were deducted from the statement of comprehensive Income of 2023 and 2024.

AUDIX CORPORATION

PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS

For the years ended December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars)

Description	2024	2023
Cash flows from operating activities:		
Profit before tax	\$725,367	\$655,014
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expense	6,820	5,847
Amortization expense	435	351
Expected credit impairment losses (gains)	226	(7)
Net gain on financial assets at fair value through profit or loss	(4,582)	(10,911)
Interest expense	34,287	37,875
Interest income	(3,755)	(7,364)
Dividend income	(5,548)	(6,462)
Share of profits of subsidiaries and associates	(731,029)	(656,446)
Gain on disposal of property, plant and equipment	-	(133)
Changes in operating assets and liabilities:		
Notes receivable	5,792	(8,063)
Accounts receivable	555,320	(37,171)
Accounts receivable due from related parties	1,866	10,151
Other receivable	1,305	13,025
Inventories	7,834	40,060
Prepayments	(1,160)	7,457
Other current assets	13	(94)
Contract liabilities	(134)	134
Accounts payable	(725,933)	159,158
Accounts payable to related parties	6,565	(5,122)
Other payable	9,839	(1,075)
Other current liabilities	(2,835)	(6,765)
Net defined benefit liability	(3,162)	(5)
Cash (used in) generated from operations	(122,469)	189,454
Income taxes paid	(99,212)	(111,066)
Net cash flows (used in) provided by operating activities	(221,681)	78,388
Cash flows from investing activities:		
Proceeds from disposal of financial assets at fair value through other comprehensive income	-	41,873
Proceeds from disposal of financial assets at amortized cost	-	644,910
Acquisition of financial assets at fair value through profit or loss	(104,909)	(46,122)
Proceeds from disposal of financial assets at fair value through profit or loss	30,178	20,439
Acquisition of property, plant and equipment	(4,323)	(4,829)
Proceeds from disposal of property, plant and equipment	-	133
Increase in refundable deposits	(135)	-
Acquisition of intangible assets	-	(854)
Interest received	3,755	7,364
Dividends received	309,966	614,833
Net cash flows provided by investing activities	234,532	1,277,747
Cash flows from financing activities:		
Increase in short-term loans	5,966,259	6,691,905
Decrease in short-term loans	(5,833,584)	(6,938,483)
Proceeds from long-term loans	1,410,000	1,345,000
Repayments of long-term loans	(1,705,000)	(1,600,000)
Decrease in guarantee deposits received	(3,315)	-
Cash payments for the principal portion of the lease liability	(742)	(369)
Cash dividends paid	(422,383)	(401,263)
Interest paid	(35,101)	(36,620)
Net cash flows used in financing activities	(623,866)	(939,830)
Net (decrease) increase in cash and cash equivalents	(611,015)	416,305
Cash and cash equivalents at beginning of period	673,507	257,202
Cash and cash equivalents at end of period	\$62,492	\$673,507

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

English translation of parent company only financial statements originally issued in Chinese

AUDIX CORPORATION

NOTES TO PARENT COMPANY ONLY FINANCIAL STATEMENTS

For the years ended December 31, 2024 and 2023

(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

1. History and organization

AUDIX CORPORATION (the “Company”), established on August 7, 1980, was a distributor of semiconductor, LCM, optical read head and other electronic information communication components. In December 1989, the Company expanded business in design, manufacturing and processing of precision molds and plastic injection products. After merging Audix Singapore (pte) Co., Ltd. on July 31, 1990, the Company included the distribution of electronic parts in its business profile. In 1991, the Company expanded its business in safety specification test and certification.

Since October 4, 1999, the Company had been listed on the Taipei Exchange. Since September 17, 2001, the Company has been approved by the Taiwan Stock Exchange (“TWSE”) to be listed on TWSE. The Company's registered address and main operating site is located at No. 8, Lane 120, Sec. 1, Neihu Rd., Taipei, Taiwan, R.O.C.

2. Date and procedures of authorization of financial statements for issue

The parent company only financial statements of the Company for the years ended December 31, 2024 and 2023 were authorized for issue by the Board of Directors on March 6, 2025.

3. Newly issued or revised standards and interpretations

- (1) Changes in accounting policies resulting from applying for the first time certain standards and amendments

The Company applied for the first time International Financial Reporting Standards, International Accounting Standards, and Interpretations issued, revised or amended which are recognized by Financial Supervisory Commission (“FSC”) and become effective for annual periods beginning on or after January 1, 2024. The adoption of these new standards and amendments had no material impact on the Company.

- (2) Standards or interpretations issued, revised or amended, by International Accounting Standards Board (“IASB”) which have been endorsed by FSC, and not yet adopted by the Company as at the end of the reporting period are listed below.

Items	New, Revised or Amended Standards and Interpretations	Effective Date issued by IASB
a	Lack of Exchangeability – Amendments to IAS 21	January 1, 2025

AUDIX CORPORATION

NOTES TO PARENT COMPANY ONLY FINANCIAL STATEMENTS (CONTINUED)

(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

(a) Lack of Exchangeability – Amendments to IAS 21

These amendments specify whether a currency is exchangeable into another currency and, when it is not, to determining the exchange rate to use and the disclosures to provide.

The abovementioned amendments are applicable for annual periods beginning on or after January 1, 2025 and have no material impact on the Company.

- (3) Standards or interpretations issued, revised or amended, by IASB which have not been endorsed by FSC, and not yet adopted by the Company as at the end of the reporting period are listed below.

Items	New, Revised or Amended Standards and Interpretations	Effective Date issued by IASB
a	IFRS 10 “Consolidated Financial Statements” and IAS 28 “Investments in Associates and Joint Ventures” — Sale or Contribution of Assets between an Investor and its Associate or Joint Ventures	To be determined by IASB
b	IFRS 17 “Insurance Contracts”	January 1, 2023
c	IFRS 18 “Presentation and Disclosure in Financial Statements”	January 1, 2027
d	Disclosure Initiative – Subsidiaries without Public Accountability: Disclosures (IFRS 19)	January 1, 2027
e	Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7	January 1, 2026
f	Annual Improvements to IFRS Accounting Standards – Volume 11	January 1, 2026
g	Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7	January 1, 2026

- (a) IFRS 10 “Consolidated Financial Statements” and IAS 28 “Investments in Associates and Joint Ventures” — Sale or Contribution of Assets between an Investor and its Associate or Joint Ventures

The amendments address the inconsistency between the requirements in IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures, in dealing with the loss of control of a subsidiary that is contributed to an associate or a joint venture. IAS 28 restricts gains and losses arising from contributions of non-monetary assets to an associate or a joint venture to the extent of the interest attributable to the other equity holders in the associate or joint ventures. IFRS 10 requires full profit or loss recognition on the loss of control of the subsidiary. IAS 28 was amended so that the gain or loss resulting from the sale or contribution of assets that constitute a business as defined in IFRS 3 between an investor and its associate or joint venture is recognized in full.

AUDIX CORPORATION

NOTES TO PARENT COMPANY ONLY FINANCIAL STATEMENTS (CONTINUED)

(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

IFRS 10 was also amended so that the gains or loss resulting from the sale or contribution of a subsidiary that does not constitute a business as defined in IFRS 3 between an investor and its associate or joint venture is recognized only to the extent of the unrelated investors' interests in the associate or joint venture.

(b) IFRS 17 "Insurance Contracts"

IFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects (including recognition, measurement, presentation and disclosure requirements). The core of IFRS 17 is the General (building block) Model, under this model, on initial recognition, an entity shall measure a group of insurance contracts at the total of the fulfilment cash flows and the contractual service margin. The carrying amount of a group of insurance contracts at the end of each reporting period shall be the sum of the liability for remaining coverage and the liability for incurred claims.

Other than the General Model, the standard also provides a specific adaptation for contracts with direct participation features (the Variable Fee Approach) and a simplified approach (Premium Allocation Approach) mainly for short-duration contracts.

IFRS 17 was issued in May 2017 and it was amended in 2020 and 2021. The amendments include deferral of the date of initial application of IFRS 17 by two years to annual beginning on or after January 1, 2023 (from the original effective date of January 1, 2021); provide additional transition reliefs; simplify some requirements to reduce the costs of applying IFRS 17 and revise some requirements to make the results easier to explain. IFRS 17 replaces an interim Standard – IFRS 4 Insurance Contracts – from annual reporting periods beginning on or after January 1, 2023.

(c) IFRS 18 "Presentation and Disclosure in Financial Statements"

IFRS 18 replaces IAS 1 Presentation of Financial Statements. The main changes are as below:

(i) Improved comparability in the statement of profit or loss (income statement)

IFRS 18 requires entities to classify all income and expenses within their statement of profit or loss into one of five categories: operating; investing; financing; income taxes; and discontinued operations. The first three categories are new, to improve the structure of the income statement, and requires all entities to provide new defined subtotals, including operating profit or loss. The improved structure and new subtotals will give investors a consistent starting point for analyzing entities' performance and make it easier to compare entities.

AUDIX CORPORATION

NOTES TO PARENT COMPANY ONLY FINANCIAL STATEMENTS (CONTINUED)

(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

(ii) Enhanced transparency of management-defined performance measures

IFRS 18 requires entities to disclose explanations of those entity-specific measures that are related to the income statement, referred to as management-defined performance measures.

(iii) Useful grouping of information in the financial statements

IFRS 18 sets out enhanced guidance on how to organize information and whether to provide it in the primary financial statements or in the notes. The changes are expected to provide more detailed and useful information. IFRS 18 also requires entities to provide more transparency about operating expenses, helping investors to find and understand the information they need.

(d) Disclosure Initiative – Subsidiaries without Public Accountability: Disclosures (IFRS 19)

This standard permits subsidiaries without public accountability to provide reduced disclosures when applying IFRS Accounting Standards in their financial statements. IFRS 19 is optional for subsidiaries that are eligible and sets out the disclosure requirements for subsidiaries that elect to apply it.

(e) Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7

The amendments include:

- (i) Clarify that a financial liability is derecognised on the settlement date and describe the accounting treatment for settlement of financial liabilities using an electronic payment system before the settlement date.
- (ii) Clarify how to assess the contractual cash flow characteristics of financial assets that include environmental, social and governance (ESG)-linked features and other similar contingent features.
- (iii) Clarify the treatment of non-recourse assets and contractually linked instruments.
- (iv) Require additional disclosures in IFRS 7 for financial assets and liabilities with contractual terms that reference a contingent event (including those that are ESG-linked), and equity instruments classified at fair value through other comprehensive income.

AUDIX CORPORATION
NOTES TO PARENT COMPANY ONLY FINANCIAL STATEMENTS (CONTINUED)
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

(f) Annual Improvements to IFRS Accounting Standards – Volume 11

- (i) Amendments to IFRS 1
- (ii) Amendments to IFRS 7
- (iii) Amendments to Guidance on implementing IFRS 7
- (iv) Amendments to IFRS 9
- (v) Amendments to IFRS 10
- (vi) Amendments to IAS 7

(g) Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7

The amendments include:

- (i) Clarify the application of the ‘own-use’ requirements.
- (ii) Permit hedge accounting if these contracts are used as hedging instruments.
- (iii) Add new disclosure requirements to enable investors to understand the effect of these contracts on a company’s financial performance and cash flows.

The abovementioned standards and interpretations issued by IASB have not yet endorsed by FSC at the date when the Company’s financial statements were authorized for issue, the local effective dates are to be determined by FSC. As the Company is still currently determining the potential impact of the new or amended standards and interpretations listed under (a) and (c)~(g), it is not practicable to estimate their impact on the Company at this point in time. The remaining new or amended standards and interpretations have no material impact on the Company.

4. Summary of material accounting policies

(1) Statement of compliance

The parent company only financial statements of the Company for the years ended December 31, 2024 and 2023 have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers (“the Regulations”).

AUDIX CORPORATION

NOTES TO PARENT COMPANY ONLY FINANCIAL STATEMENTS (CONTINUED)

(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

(2) Basis of preparation

The Company prepared parent company only financial statements in accordance with Article 21 of the Regulations, which provided that the profit or loss and other comprehensive income for the period presented in the parent company only financial statements shall be the same as the profit or loss and other comprehensive income attributable to shareholders of the parent presented in the consolidated financial statements for the period, and the total equity presented in the parent company only financial statements shall be the same as the equity attributable to the parent company presented in the consolidated financial statements. Therefore, the Company accounted for its investments in subsidiaries using equity method and, accordingly, made necessary adjustments.

The parent company only financial statements have been prepared on a historical cost basis, except for financial instruments that have been measured at fair value. The parent company only financial statements are expressed in thousands of New Taiwan Dollars (“NT\$”) unless otherwise stated.

(3) Foreign currency transactions

The Company’s parent company only financial statements are presented in its functional currency, New Taiwan Dollars (NTD). Items included in the financial statements are measured using that functional currency.

Transactions in foreign currencies are initially recorded by the Company entities at their respective functional currency rates prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency closing rate of exchange ruling at the reporting date. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions.

All exchange differences arising on the settlement of monetary items or on translating monetary items are taken to profit or loss in the period in which they arise except for the following:

- (a) Exchange differences arising from foreign currency borrowings for an acquisition of a qualifying asset to the extent that they are regarded as an adjustment to interest costs are included in the borrowing costs that are eligible for capitalization.
- (b) Foreign currency items within the scope of IFRS 9 *Financial Instruments* are accounted for based on the accounting policy for financial instruments.
- (c) Exchange differences arising on a monetary item that forms part of a reporting entity’s net investment in a foreign operation is recognized initially in other comprehensive income and reclassified from equity to profit or loss on disposal of the net investment.

AUDIX CORPORATION

NOTES TO PARENT COMPANY ONLY FINANCIAL STATEMENTS (CONTINUED)

(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

When a gain or loss on a non-monetary item is recognized in other comprehensive income, any exchange component of that gain or loss is recognized in other comprehensive income. When a gain or loss on a non-monetary item is recognized in profit or loss, any exchange component of that gain or loss is recognized in profit or loss.

(4) Translation of financial statements in foreign currency

The assets and liabilities of foreign operations are translated into NT\$ at the closing rate of exchange prevailing at the reporting date and their income and expenses are translated at an average rate for the period. The exchange differences arising on the translation are recognized in other comprehensive income. On the disposal of a foreign operation, the cumulative amount of the exchange differences relating to that foreign operation, recognized in other comprehensive income and accumulated in the separate component of equity, is reclassified from equity to profit or loss when the gain or loss on disposal is recognized. The following partial disposals are accounted for as disposals:

- (a) When the partial disposal involves the loss of control of a subsidiary that includes a foreign operation; and
- (b) When the retained interest after the partial disposal of an interest in a joint arrangement or a partial disposal of an interest in an associate that includes a foreign operation is a financial asset that includes a foreign operation.

On the partial disposal of a subsidiary that includes a foreign operation that does not result in a loss of control, the proportionate share of the cumulative amount of the exchange differences recognized in other comprehensive income is re-attributed to the non-controlling interests in that foreign operation. In partial disposal of an associate or joint arrangement that includes a foreign operation that does not result in a loss of significant influence or joint control, only the proportionate share of the cumulative amount of the exchange differences recognized in other comprehensive income is reclassified to profit or loss.

Any goodwill and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and expressed in its functional currency.

(5) Current and non-current distinction

An asset is classified as current when:

- (a) The Company expects to realize the asset, or intends to sell or consume it, in its normal operating cycle
- (b) The Company holds the asset primarily for the purpose of trading
- (c) The Company expects to realize the asset within twelve months after the reporting period
- (d) 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.

All other assets are classified as non-current.

AUDIX CORPORATION

NOTES TO PARENT COMPANY ONLY FINANCIAL STATEMENTS (CONTINUED)

(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

A liability is classified as current when:

- (a) The Company expects to settle the liability in its normal operating cycle
- (b) The Company holds the liability primarily for the purpose of trading
- (c) The liability is due to be settled within twelve months after the reporting period
- (d) The Company does not have the right at the end of the reporting period to defer settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

(6) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and short-term, highly liquid time deposits (including ones that have maturity within three months) or investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(7) Financial instruments

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

Financial assets and financial liabilities within the scope of IFRS 9 *Financial Instruments* are recognized initially at fair value plus or minus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs.

a. Financial instruments: Recognition and Measurement

The Company accounts for regular way purchase or sales of financial assets on the trade date.

The Company classified financial assets as subsequently measured at amortized cost, fair value through other comprehensive income or fair value through profit or loss considering both factors below:

- A. The Company's business model for managing the financial assets and
- B. The contractual cash flow characteristics of the financial asset.

Financial assets measured at amortized cost

A financial asset is measured at amortized cost if both of the following conditions are met and presented as note receivables, trade receivables, financial assets measured at amortized cost and other receivables etc., on balance sheet as at the reporting date:

AUDIX CORPORATION

NOTES TO PARENT COMPANY ONLY FINANCIAL STATEMENTS (CONTINUED)

(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

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

Such financial assets are subsequently measured at amortized cost (the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between the initial amount and the maturity amount and adjusted for any loss allowance) and is not part of a hedging relationship. A gain or loss is recognized in profit or loss when the financial asset is derecognized, through the amortization process or in order to recognize the impairment gains or losses.

Interest revenue is calculated by using the effective interest method. This is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for:

- A. Purchased or originated credit-impaired financial assets. For those financial assets, the Company applies the credit-adjusted effective interest rate to the amortized cost of the financial asset from initial recognition.
- B. Financial assets that are not purchased or originated credit-impaired financial assets but subsequently have become credit-impaired financial assets. For those financial assets, the Company applies the effective interest rate to the amortized cost of the financial asset in subsequent reporting periods.

Financial asset measured at fair value through other comprehensive income

A financial asset is measured at fair value through other comprehensive income if both of the following conditions are met:

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

Recognition of gain or loss on a financial asset measured at fair value through other comprehensive income are described as below:

- A. A gain or loss on a financial asset measured at fair value through other comprehensive income recognized in other comprehensive income, except for impairment gains or losses and foreign exchange gains and losses, until the financial asset is derecognized or reclassified.
- B. When the financial asset is derecognized the cumulative gain or loss previously recognized in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment.

AUDIX CORPORATION

NOTES TO PARENT COMPANY ONLY FINANCIAL STATEMENTS (CONTINUED)

(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

C. Interest revenue is calculated by using the effective interest method. This is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for:

- (i) Purchased or originated credit-impaired financial assets. For those financial assets, the Company applies the credit-adjusted effective interest rate to the amortized cost of the financial asset from initial recognition.
- (ii) Financial assets that are not purchased or originated credit-impaired financial assets but subsequently have become credit-impaired financial assets. For those financial assets, the Company applies the effective interest rate to the amortized cost of the financial asset in subsequent reporting periods.

Besides, for certain equity investments within the scope of IFRS 9 that is neither held for trading nor contingent consideration recognized by an acquirer in a business combination to which IFRS 3 applies, the Company made an irrevocable election to present the changes of the fair value in other comprehensive income at initial recognition. Amounts presented in other comprehensive income shall not be subsequently transferred to profit or loss (when disposal of such equity instrument, its cumulated amount included in other components of equity is transferred directly to the retained earnings) and these investments should be presented as financial assets measured at fair value through other comprehensive income on the balance sheet. Dividends on such investment are recognized in profit or loss unless the dividends clearly represent a recovery of part of the cost of investment.

Financial asset measured at fair value through profit or loss

Financial assets were classified as measured at amortized cost or measured at fair value through other comprehensive income based on aforementioned criteria. All other financial assets were measured at fair value through profit or loss and presented on the balance sheet as financial assets measured at fair value through profit or loss.

Such financial assets are measured at fair value, the gains or losses resulting from remeasurement is recognized in profit or loss which includes any dividend or interest received on such financial assets.

b. Impairment of financial assets

The Company recognizes a loss allowance for expected credit losses on debt instrument investments measured at fair value through other comprehensive income and financial asset measured at amortized cost. The loss allowance on debt instrument investments measured at fair value through other comprehensive income is recognized in other comprehensive income and not reduce the carrying amount in the balance sheet.

AUDIX CORPORATION

NOTES TO PARENT COMPANY ONLY FINANCIAL STATEMENTS (CONTINUED)

(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

The Company measures expected credit losses of a financial instrument in a way that reflects:

- A. An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- B. The time value of money; and
- C. Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The loss allowance is measures as follow:

- A. At an amount equal to 12-month expected credit losses: the credit risk on a financial asset has not increased significantly since initial recognition or the financial asset is determined to have low credit risk at the reporting date. In addition, the Company measures the loss allowance at an amount equal to lifetime expected credit losses in the previous reporting period, but determines at the current reporting date that the credit risk on a financial asset has increased significantly since initial recognition is no longer met.
- B. At an amount equal to the lifetime expected credit losses: the credit risk on a financial asset has increased significantly since initial recognition or financial asset that is purchased or originated credit-impaired financial asset.
- C. For trade receivables or contract assets arising from transactions within the scope of IFRS 15, the Company measures the loss allowance at an amount equal to lifetime expected credit losses.
- D. For lease receivables arising from transactions within the scope of IFRS 16, the Company measures the loss allowance at an amount equal to lifetime expected credit losses.

At each reporting date, the Company needs to assess whether the credit risk on a financial asset has increased significantly since initial recognition by comparing the risk of a default occurring at the reporting date and the risk of default occurring at initial recognition. Please refer to Note 12 for further details on credit risk.

c. Derecognition of financial assets

A financial asset is derecognized when:

- A. The rights to receive cash flows from the asset have expired
- B. The Company has transferred the asset and substantially all the risks and rewards of the asset have been transferred
- C. The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

AUDIX CORPORATION

NOTES TO PARENT COMPANY ONLY FINANCIAL STATEMENTS (CONTINUED)

(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

On derecognition of a financial asset in its entirety, the difference between the carrying amount and the consideration received or receivable including any cumulative gain or loss that had been recognized in other comprehensive income, is recognized in profit or loss.

d. Financial liabilities and equity

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. The transaction costs of an equity transaction are accounted for as a deduction from equity (net of any related income tax benefit) to the extent they are incremental costs directly attributable to the equity transaction that otherwise would have been avoided.

Financial liabilities

Financial liabilities within the scope of IFRS 9 *Financial Instruments* are classified as financial liabilities at fair value through profit or loss or financial liabilities measured at amortized cost upon initial recognition.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated as at fair value through profit or loss. A financial liability is classified as held for trading if:

- A. It is acquired or incurred principally for the purpose of selling or repurchasing it in the near term;
- B. On initial recognition it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking; or
- C. It is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

If a contract contains one or more embedded derivatives, the entire hybrid (combined) contract may be designated as a financial liability at fair value through profit or loss; or a financial liability may be designated as at fair value through profit or loss when doing so results in more relevant information, because either:

- A. It eliminates or significantly reduces a measurement or recognition inconsistency; or
- B. A company of financial liabilities or financial assets and financial liabilities is managed and its performance is evaluated on a fair value basis, in accordance with a documented risk management or investment strategy, and information about the company is provided internally on that basis to the key management personnel.

AUDIX CORPORATION

NOTES TO PARENT COMPANY ONLY FINANCIAL STATEMENTS (CONTINUED)

(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

Gains or losses on the subsequent measurement of liabilities at fair value through profit or loss including interest paid are recognized in profit or loss.

Financial liabilities at amortized cost

Financial liabilities measured at amortized cost include interest bearing loans and borrowings that are subsequently measured using the effective interest rate method after initial recognition. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the effective interest rate method amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or transaction costs.

Derecognition of financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified (whether or not attributable to the financial difficulty of the debtor), such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

e. **Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount reported in the balance sheet if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

(8) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- (a) In the principal market for the asset or liability, or
- (b) In the absence of a principal market, in the most advantageous market for the asset or liability

AUDIX CORPORATION

NOTES TO PARENT COMPANY ONLY FINANCIAL STATEMENTS (CONTINUED)

(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

The principal or the most advantageous market must be accessible to by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

(9) Inventories

Inventories are valued at lower of cost and net realizable value item by item.

Costs incurred in bringing each inventory to its present location and condition are accounted for as follows:

Merchandise– Purchase cost on a weighted average basis

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

Rendering of services is accounted in accordance with IFRS 15 and not within the scope of inventories.

(10) Investments Accounted For Under the Equity Method

The Company prepared parent company only financial statements in accordance with Article 21 of the Regulations, which provided that the profit or loss and other comprehensive income for the period presented in the parent company only financial statements shall be the same as the profit or loss and other comprehensive income attributable to shareholders of the parent presented in the consolidated financial statements for the period, and the total equity presented in the parent company only financial statements shall be the same as the equity attributable to the parent company presented in the consolidated financial statements. Therefore, the Company accounted for its investments in subsidiaries using equity method and, accordingly, made necessary adjustments. These adjustments are mainly to consider the treatment of investment subsidiaries in the consolidated financial statements in accordance with IFRS 10 "Consolidated Financial Statements" and the differences in the application of IFRS at different reporting entity levels, and debit or credit "Adoption of Equity Investments using the equity method", "Profit and loss shares of subsidiaries, affiliated enterprises and joint ventures using the equity method" or "Other comprehensive profit and loss shares of subsidiaries, affiliated enterprises and joint ventures using the equity method".

AUDIX CORPORATION

NOTES TO PARENT COMPANY ONLY FINANCIAL STATEMENTS (CONTINUED)

(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

The Company's investment in its associate is accounted for using the equity method other than those that meet the criteria to be classified as held for sale. An associate is an entity over which the Company has significant influence.

Under the equity method, the investment in the associate in a joint venture is carried in the balance sheet at cost and adjusted thereafter for the post-acquisition change in the Company's share of net assets of the associate. After the interest in the associate is reduced to zero, additional losses are provided for, and a liability is recognized, only to the extent that the Company has incurred legal or constructive obligations or made payments on behalf of the associate. Unrealized gains and losses resulting from transactions between the Company and the associate are eliminated to the extent of the Company's related interest in the associate.

When changes in the net assets of an associate occur and not those that are recognized in profit or loss or other comprehensive income and do not affect the Company's percentage of ownership interests in the associate, the Company recognizes such changes in equity based on its percentage of ownership interests. The resulting capital surplus recognized will be reclassified to profit or loss at the time of disposing the associate on a prorata basis.

When the associate issues new stock, and the Company's interest in an associate is reduced or increased as the Company fails to acquire shares newly issued in the associate proportionately to its original ownership interest, the increase or decrease in the interest in the associate is recognized in Additional Paid in Capital and Investment accounted for using the equity method. When the interest in the associate is reduced, the cumulative amounts previously recognized in other comprehensive income are reclassified to profit or loss or other appropriate items. The aforementioned capital surplus recognized is reclassified to profit or loss on a pro rata basis when the Company disposes the associate.

The financial statements of the associate is prepared for the same reporting period as the Company. Where necessary, adjustments are made to bring the accounting policies in line with those of the Company.

The Company determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired in accordance with IAS 28 Investments in Associates. If this is the case the Company calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognizes the amount in the 'share of profit or loss of an associate' in the statement of comprehensive income in accordance with IAS 36 Impairment of Assets. In determining the value in use of the investment, the Company estimates:

- (a) Its share of the present value of the estimated future cash flows expected to be generated by the associate, including the cash flows from the operations of the associate and the proceeds on the ultimate disposal of the investment; or
- (b) The present value of the estimated future cash flows expected to arise from dividends to be received from the investment and from its ultimate disposal.

AUDIX CORPORATION

NOTES TO PARENT COMPANY ONLY FINANCIAL STATEMENTS (CONTINUED)

(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

Because goodwill that forms part of the carrying amount of an investment in an associate is not separately recognized, it is not tested for impairment separately by applying the requirements for impairment testing goodwill in IAS 36 *Impairment of Assets*.

Upon loss of significant influence over the associate, the Company measures and recognizes any retaining investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retaining investment and proceeds from disposal is recognized in profit or loss.

(11) Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of dismantling and removing the item and restoring the site on which it is located and borrowing costs for construction in progress if the recognition criteria are met. Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. When significant parts of property, plant and equipment are required to be replaced in intervals, the Company recognized such parts as individual assets with specific useful lives and depreciation, respectively. The carrying amount of those parts that are replaced is derecognized in accordance with the derecognition provisions of IAS 16 *Property, plant and equipment*. When a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred.

Depreciation is calculated on a straight-line basis over the estimated economic lives of the following assets:

Buildings and structures	8~50 years
Transportation equipment	3~5 years
Office equipment	2~8 years
Other equipment	3~5 years

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is recognized in profit or loss.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

AUDIX CORPORATION

NOTES TO PARENT COMPANY ONLY FINANCIAL STATEMENTS (CONTINUED)

(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

(12) Leases

The Company assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset for a period of time, the Company assesses whether, through out the period of use, has both of the following:

- (a) the right to obtain substantially all of the economic benefits from use of the identified asset; and
- (b) the right to direct the use of the identified asset.

For a contract that is, or contains, a lease, the Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract. For a contract that contains a lease component and one or more additional lease or non-lease components, the Company allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components. The relative stand-alone price of lease and non-lease components shall be determined on the basis of the price the lessor, or a similar supplier, would charge the Company for that component, or a similar component, separately. If an observable stand-alone price is not readily available, the Company estimates the stand-alone price, maximising the use of observable information.

Company as a lessee

Except for leases that meet and elect short-term leases or leases of low-value assets, the Company recognizes right-of-use asset and lease liability for all leases which the Company is the lessee of those lease contracts.

At the commencement date, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses its incremental borrowing rate. At the commencement date, the lease payments included in the measurement of the lease liability comprise the following payments for the right to use the underlying asset during the lease term that are not paid at the commencement date:

- (a) fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- (b) variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- (c) amounts expected to be payable by the lessee under residual value guarantees;
- (d) the exercise price of a purchase option if the Company is reasonably certain to exercise that option; and
- (e) payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

AUDIX CORPORATION

NOTES TO PARENT COMPANY ONLY FINANCIAL STATEMENTS (CONTINUED)

(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

After the commencement date, the Company measures the lease liability on an amortised cost basis, which increases the carrying amount to reflect interest on the lease liability by using an effective interest method; and reduces the carrying amount to reflect the lease payments made.

At the commencement date, the Company measures the right-of-use asset at cost. The cost of the right-of-use asset comprises:

- (a) the amount of the initial measurement of the lease liability;
- (b) any lease payments made at or before the commencement date, less any lease incentives received;
- (c) any initial direct costs incurred by the lessee; and
- (d) an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

For subsequent measurement of the right-of-use asset, the Company measures the right-of-use asset at cost less any accumulated depreciation and any accumulated impairment losses. That is, the Company measures the right-of-use asset applying a cost model.

If the lease transfers ownership of the underlying asset to the Company by the end of the lease term or if the cost of the right-of-use asset reflects that the Company will exercise a purchase option, the Company depreciates the right-of-use asset from the commencement date to the end of the useful life of the underlying asset. Otherwise, the Company depreciates the right-of-use asset from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

The Company applies IAS 36 “Impairment of Assets” to determine whether the right-of-use asset is impaired and to account for any impairment loss identified.

Except for those leases that the Company accounted for as short-term leases or leases of low-value assets, the Company presents right-of-use assets and lease liabilities in the balance sheet and separately presents lease-related interest expense and depreciation charge in the statement of comprehensive income.

For short-term leases or leases of low-value assets, the Company elects to recognize the lease payments associated with those leases as an expense on either a straight-line basis over the lease term or another systematic basis.

AUDIX CORPORATION

NOTES TO PARENT COMPANY ONLY FINANCIAL STATEMENTS (CONTINUED)

(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

Company as a lessor

At inception of a contract, the Company classifies each of its leases as either an operating lease or a finance lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset. At the commencement date, the Company recognizes assets held under a finance lease in its balance sheet and present them as a receivable at an amount equal to the net investment in the lease.

For a contract that contains lease components and non-lease components, the Company allocates the consideration in the contract applying IFRS 15.

The Company recognizes lease payments from operating leases as rental income on either a straight-line basis or another systematic basis. Variable lease payments for operating leases that do not depend on an index or a rate are recognized as rental income when incurred.

(13) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is its fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in profit or loss for the year in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life is reviewed at least at the end of each financial year. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortization period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

AUDIX CORPORATION

NOTES TO PARENT COMPANY ONLY FINANCIAL STATEMENTS (CONTINUED)

(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in profit or loss when the asset is derecognized.

A summary of the policies information applied to the Company's intangible assets is as follows:

Computer software : amortized on a straight-line basis over the estimated useful life (3 to 5 years).

(14) Impairment of non-financial assets

The Company assesses at the end of each reporting period whether there is any indication that an asset in the scope of IAS 36 *Impairment of Assets* may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's ("CGU") fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or company of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been an increase in the estimated service potential of an asset which in turn increases the recoverable amount. However, the reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years.

An impairment loss of continuing operations or a reversal of such impairment loss is recognized in profit or loss.

(15) Treasury Stock

The Company's own equity instruments repurchased (treasury stocks) are recognized at repurchase cost and deducted from equity. No gain or loss shall be recognized in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments. Any difference between the carrying amount and the consideration is recognized in equity.

AUDIX CORPORATION

NOTES TO PARENT COMPANY ONLY FINANCIAL STATEMENTS (CONTINUED)

(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

(16) Revenue recognition

The Company's revenue arising from contracts with customers are primarily related to sale of goods and rendering of services. The accounting policies are explained as follow:

Sale of goods

The Company manufactures and sells products. Revenue is recognized when the promised goods are shipped to the client and the customer gains control (that is, the customer's ability to dominate the use of the goods and achieve almost all the remaining benefits of the goods), the main goods are electronic components, etc., based on the price stated in the contract. Therefore, income is based on the price stated in the contract and deducts the estimated quantity discount amount. The Company uses the accumulated experience and estimates the change in value resulting from the quantity discount as expected, but its scope is limited to the portion of the cumulative amount of income that may not be significantly reversed when the uncertainty associated with the change in value is subsequently eliminated.

When the Company receives the Customer's consideration and expects to return part or all of the consideration to the Customer, it recognizes the refund liability at amounts received or receivable and not expected to be entitled to and updates the refund liability on each balance sheet date in response to changes in circumstances.

The credit period of the Company's sale of goods is from 30 to 150 days. For most of the contracts, when the Company transfers the goods to customers and has a right to an amount of consideration that is unconditional, these contracts are recognized as accounts receivable. The Company usually collects the payments shortly after transfer of goods to customers; therefore, there is no significant financing component to the contract. The Company collect part of the price from the customer when the product has not been delivered. The Company is recognized as contract liabilities for its obligations to deliver products in the future.

Rendering of services

The Company's Service revenue mainly provides electronic product validation services, product design development and contracting projects. Product Verification Service is a performance obligation that is fulfilled at a certain point in time by completing the verification service agreed upon in the contract and after providing the certification report. Product design development and contract engineering services is in accordance with the contract to customize the product, with the Company's performance obligations gradually completed, the customer at the same time to obtain and consume the benefits provided by the Company's performance, therefore is a performance obligation gradually met over time. The Company collect part of the price from the customer when the product has not been delivered. The Company is recognized as contract liabilities for its obligations to deliver products in the future.

AUDIX CORPORATION

NOTES TO PARENT COMPANY ONLY FINANCIAL STATEMENTS (CONTINUED)

(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

The period between the transfers of contract liabilities to revenue is usually within one year, thus, no significant financing component is arised.

(17)Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective assets. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

(18)Post-employment benefits

All regular employees of the Company is entitled to a pension plan that is managed by an independently administered pension fund committee. Fund assets are deposited under the committee's name in the specific bank account and hence, not associated with the Company. Therefore, fund assets are not included in the Company's financial statements.

For the defined contribution plan, the Company will make a monthly contribution of no less than 6% of the monthly wages of the employees subject to the plan. The Company recognizes expenses for the defined contribution plan in the period in which the contribution becomes due.

Post-employment benefit plan that is classified as a defined benefit plan uses the Projected Unit Credit Method to measure its obligations and costs based on actuarial assumptions. Re-measurements, comprising of the effect of the actuarial gains and losses, the effect of the asset ceiling (excluding net interest) and the return on plan assets, excluding net interest, are recognized as other comprehensive income with a corresponding debit or credit to retained earnings in the period in which they occur. Past service costs are recognized in profit or loss on the earlier of:

- (a) the date of the plan amendment or curtailment, and
- (b) the date that the Company recognizes restructuring-related costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset, both as determined at the start of the annual reporting period, taking account of any changes in the net defined benefit liability (asset) during the period as a result of contribution and benefit payment.

(19)Income taxes

Income tax expense (income) is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

AUDIX CORPORATION

NOTES TO PARENT COMPANY ONLY FINANCIAL STATEMENTS (CONTINUED)

(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Current income tax relating to items recognized in other comprehensive income or directly in equity is recognized in other comprehensive income or equity and not in profit or loss.

The income tax for undistributed earnings is recognized as income tax expense in the subsequent year when the distribution proposal is approved by the Shareholders' meeting.

Deferred tax

Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

- (a) Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination; at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and at the time of the transaction, does not give rise to equal taxable and deductible temporary differences.
- (b) In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except:

- (a) Where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination; at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and at the time of the transaction, does not give rise to equal taxable and deductible temporary differences.
- (b) In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

AUDIX CORPORATION

NOTES TO PARENT COMPANY ONLY FINANCIAL STATEMENTS (CONTINUED)

(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date. The measurement of deferred tax assets and deferred tax liabilities reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity. Deferred tax assets are reassessed at each reporting date and are recognized accordingly.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

According to the temporary exception in the International Tax Reform – Pillar Two Model Rules (Amendments to IAS 12), information about deferred tax assets and liabilities related to Pillar Two income tax will neither be recognized nor be disclosed.

5. Significant accounting judgements, estimates and assumptions

The preparation of the Company's parent company only financial statements require management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumption and estimate could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

(1) Judgement

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognized in the parent company only financial statements:

(a) Control without a majority of the voting rights in invested companies

The Company does not have majority of the voting rights in an invested company. However, after taking into consideration of factors such as percentage of the Company's shareholding relative percentage of shareholding owned by other shareholders, ownership distribution, contractual arrangements between shareholders, potential voting rights, etc., the Company reached the conclusion that it has control over the invested company. Please refer to the Audix consolidated financial statements of 2024 Note 4 for further details.

AUDIX CORPORATION

NOTES TO PARENT COMPANY ONLY FINANCIAL STATEMENTS (CONTINUED)

(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

(2) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(a) Pension benefits

The cost of post-employment benefit and the present value of the pension obligation under defined benefit pension plans are determined using actuarial valuations. An actuarial valuation involves making various assumptions. These include the determination of the discount rate and expected salaries increase etc. Please refer to Note 6 for more details.

(b) Income tax

Uncertainties exist with respect to the interpretation of complex tax regulations and the amount and timing of future taxable income. Given the wide range of international business relationships and the long-term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Company establishes provisions, based on reasonable estimates, for possible consequences of audits by the tax authorities of the respective countries in which it operates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective Company company's domicile.

Deferred tax assets are recognized for all carryforward of deductible temporary differences to the extent that it is probable that taxable profit will be available or there are sufficient taxable temporary differences against which the deductible temporary differences can be utilized. The amount of deferred tax assets determined to be recognized is based upon the likely timing and the level of future taxable profits and taxable temporary differences together with future tax planning strategies. As of December 31, 2024 the Company has no outstanding deferred income tax assets.

(c) Inventories

Estimates of net realisable value of inventories take into consideration that inventories may be damaged, become wholly or partially obsolete, or their selling prices have declined. The estimates are based on the most reliable evidence available at the time the estimates are made. Please refer to Note 6 for more details.

AUDIX CORPORATION
NOTES TO PARENT COMPANY ONLY FINANCIAL STATEMENTS (CONTINUED)
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

(d) Trade receivables—estimation of impairment loss

The Company estimates the impairment loss of trade receivables at an amount equal to lifetime expected credit losses. The credit loss is the present value of the difference between the contractual cash flows that are due under the contract (carrying amount) and the cash flows that expects to receive (evaluate forward looking information). However, as the impact from the discounting of short-term receivables is not material, the credit loss is measured by the undiscounted cash flows. Where the actual future cash flows are lower than expected, a material impairment loss may arise. Please refer to Note 6 for more details.

6. Contents of significant accounts

(1) Cash and cash equivalents

	As of December 31,	
	2024	2023
Cash on hand	\$639	\$541
Checking and savings accounts	55,296	584,536
Time deposit	6,557	88,430
Total	<u>\$62,492</u>	<u>\$673,507</u>

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

	As of December 31,	
	2024	2023
Mandatorily measured at fair value through profit or loss:		
Funds	\$71,205	\$41,061
Preferred Stocks	145,396	145,926
Bonds	49,699	-
Total	<u>\$266,300</u>	<u>\$186,987</u>
Current	\$266,300	\$186,987
Non-current	-	-
Total	<u>\$266,300</u>	<u>\$186,987</u>

Financial assets at fair value through profit or loss were not pledged.

AUDIX CORPORATION
NOTES TO PARENT COMPANY ONLY FINANCIAL STATEMENTS (CONTINUED)
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

(3) Financial assets at fair value through other comprehensive income, noncurrent

	As of December 31,	
	2024	2023
Investments in equity instruments designated at fair value through other comprehensive income, noncurrent:		
Unlisted company's stocks	\$79,800	\$126,000

Financial assets at fair value through other comprehensive income were not pledged.

The Company's dividend income related to equity instrument investments measured at fair value through other comprehensive income for the years ended December 31, 2024 and 2023 are as follow:

	For the years ended December 31,	
	2024	2023
Related to investments held at the end of the reporting period	\$-	\$-
Related to investments derecognized during the period	-	1,006
Dividends recognized during the period	\$-	\$1,006

In consideration of the Company's investment strategy, the Company disposed and derecognized partial equity instrument investments measured at fair value through other comprehensive income. Details on derecognition of such investments for the years ended December 31, 2024 and 2023 are as follow:

	For the years ended December 31,	
	2024	2023
The fair value of the investments at the date of derecognition	\$-	\$41,873
The cumulative gain on disposal reclassified from other equity to retained earnings	-	37,042

(4) Notes receivable, net

	As of December 31,	
	2024	2023
Notes receivable arising from operating activities	\$7,365	\$13,157
Less: loss allowance	(37)	(66)
Total	\$7,328	\$13,091

AUDIX CORPORATION

NOTES TO PARENT COMPANY ONLY FINANCIAL STATEMENTS (CONTINUED)

(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

Notes receivable were not pledged.

The Company follows the requirement of IFRS 9 to assess the impairment. Please refer to Note 6(15) for more details on loss allowance and Note 12 for more details on credit risk.

(5) Accounts receivable and accounts receivable due from related parties, net

	As of December 31,	
	2024	2023
Accounts receivable	\$171,211	\$726,531
Less: loss allowance	(799)	(544)
Subtotal	170,412	725,987
Accounts receivable due from related parties	21,909	23,775
Total	<u>\$192,321</u>	<u>\$749,762</u>

Accounts receivable were not pledged.

Accounts receivables are generally on 30-150 day terms. The total carrying amount as of December 31, 2024 and December 31, 2023 was \$193,120 thousand and \$750,306 thousand, respectively. Please refer to Note 6(15) for more details on loss allowance of account receivables for the years period ended December 31, 2024 and 2023. Please refer to Note 12 for more details on credit risk management.

(6) Inventories

	As of December 31,	
	2024	2023
Merchandise	<u>\$48,405</u>	<u>\$56,239</u>

The costs of inventories recognized in expenses amount to \$707,224 thousand and \$2,686,139 thousand for the years ended to December 31, 2024 and 2023, including the (gains) and losses of write-down of inventories \$(671) thousand and \$4,323 thousand for the years ended December 31, 2024 and 2023, respectively.

The Company recognized gain of writes-down of inventories for the year ended December 31, 2024 as the slow-moving inventory had been gradually consumed, resulting in the reversal gains of the write-down of inventories.

The inventories were not pledged.

AUDIX CORPORATION
NOTES TO PARENT COMPANY ONLY FINANCIAL STATEMENTS (CONTINUED)
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

(7) Investments accounted for under the equity method

The following table lists the investments accounted for under the equity method of the Company:

Investee companies	As of December 31,			
	2024		2023	
	Carrying amount	% of ownership	Carrying amount	% of ownership
<u>Investments in Subsidiaries</u>				
TOYO KUNI ELECTRONICS CO., LTD	\$912,250	100.00	\$820,669	100.00
AUDIX HI-TECH INVESTMENT CO., LTD	5,409,944	100.00	4,827,097	100.00
AUDIX TECHNOLOGY CORPORATION	430,012	100.00	412,908	100.00
<u>Associate:</u>				
WAVEGIS TECHNOLOGY CO., LTD.	41,028	38.16	38,291	38.16
Total	<u>\$6,793,234</u>		<u>\$6,098,965</u>	

Investing in subsidiaries is expressed as " Investments accounted for using equity method" in the parent company only financial statements, and necessary adjustments are made for evaluation.

For the years ended December 31, 2024 and 2023, Share of profits of subsidiaries and associates was recognized based on the financial statements audited by an independent auditor. The summarized financial information is as follows:

	For the years ended December 31,	
	2024	2023
TOYO KUNI ELECTRONICS CO., LTD	\$42,113	\$20,659
AUDIX HI-TECH INVESTMENT CO., LTD	580,657	535,953
AUDIX TECHNOLOGY CORPORATION	103,076	95,524
WAVEGIS TECHNOLOGY CO., LTD.	5,183	4,310
Total	<u>\$731,029</u>	<u>\$656,446</u>

AUDIX CORPORATION
NOTES TO PARENT COMPANY ONLY FINANCIAL STATEMENTS (CONTINUED)
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

(8) Property, plant and equipment

Owner-occupied property, plant and equipment

		Buildings and	Office	Transportation	Other	Construction in progress and equipment awaiting examination	Total
	Land	structures	equipment	equipment	Equipment		
Cost:							
As of January 1, 2024	\$208,589	\$187,274	\$16,379	\$14,444	\$3,828	\$207	\$430,721
Additions	-	207	-	25	-	4,091	4,323
Disposals	-	-	(4,824)	(703)	-	-	(5,527)
Reclassification	-	207	-	2,662	-	(2,869)	-
As of December 31, 2024	<u>\$208,589</u>	<u>\$187,688</u>	<u>\$11,555</u>	<u>\$16,428</u>	<u>\$3,828</u>	<u>\$1,429</u>	<u>\$429,517</u>
As of January 1, 2023	\$208,589	\$186,907	\$18,924	\$11,558	\$4,215	\$1,215	\$431,408
Additions	-	367	54	199	222	3,987	4,829
Disposals	-	-	(3,288)	(1,403)	(825)	-	(5,516)
Reclassification	-	-	689	4,090	216	(4,995)	-
As of December 31, 2023	<u>\$208,589</u>	<u>\$187,274</u>	<u>\$16,379</u>	<u>\$14,444</u>	<u>\$3,828</u>	<u>\$207</u>	<u>\$430,721</u>
Accumulated depreciation and impairment:							
As of January 1, 2024	\$-	\$91,281	\$15,492	\$10,196	\$2,740	\$-	\$119,709
Depreciation	-	3,870	371	1,558	295	-	6,094
Disposals	-	-	(4,824)	(703)	-	-	(5,527)
As of December 31, 2024	<u>\$-</u>	<u>\$95,151</u>	<u>\$11,039</u>	<u>\$11,051</u>	<u>\$3,035</u>	<u>\$-</u>	<u>\$120,276</u>
As of January 1, 2023	\$-	\$87,435	\$18,404	\$10,626	\$3,307	\$-	\$119,772
Depreciation	-	3,846	376	973	258	-	5,453
Disposals	-	-	(3,288)	(1,403)	(825)	-	(5,516)
As of December 31, 2023	<u>\$-</u>	<u>\$91,281</u>	<u>\$15,492</u>	<u>\$10,196</u>	<u>\$2,740</u>	<u>\$-</u>	<u>\$119,709</u>
Net carrying amount as of:							
December 31, 2024	<u>\$208,589</u>	<u>\$92,537</u>	<u>\$516</u>	<u>\$5,377</u>	<u>\$793</u>	<u>\$1,429</u>	<u>\$309,241</u>
December 31, 2023	<u>\$208,589</u>	<u>\$95,993</u>	<u>\$887</u>	<u>\$4,248</u>	<u>\$1,088</u>	<u>\$207</u>	<u>\$311,012</u>

Please refer to Note 8 for more details on property, plant and equipment under pledge.

AUDIX CORPORATION
NOTES TO PARENT COMPANY ONLY FINANCIAL STATEMENTS (CONTINUED)
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

(9) Intangible assets

	Computer software
Cost:	
As of January 1, 2024	\$33,103
Additions - acquired separately	-
Disposals	(541)
As of December 31, 2024	<u>\$32,562</u>
As of January 1, 2023	\$32,489
Additions- acquired separately	854
Disposals	(240)
As of December 31, 2023	<u>\$33,103</u>
Amortization and impairments:	
As of January 1, 2024	\$32,232
Amortization	435
Disposals	(541)
As of December 31, 2024	<u>\$32,126</u>
As of January 1, 2023	\$32,121
Amortization	351
Disposals	(240)
As of December 31, 2023	<u>\$32,232</u>
Net carrying amount as of:	
December 31, 2024	<u>\$436</u>
December 31, 2023	<u>\$871</u>

Amortization expense of intangible assets were stated as follows:

	For the years ended December 31,	
	2024	2023
Operating expenses	<u>\$435</u>	<u>\$351</u>

(10) Short-term loans

	Interest rates		As of December 31,	
			2024	2023
Unsecured bank loans	NTD	1.68%~1.93%	\$850,000	\$450,000
	USD	5.4500%~6.4329%	45,866	313,191
Total			<u>\$895,866</u>	<u>\$763,191</u>

AUDIX CORPORATION

NOTES TO PARENT COMPANY ONLY FINANCIAL STATEMENTS (CONTINUED)

(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

As of December 31, 2024 and 2023, the Company's unused credit lines (including long-term and short-term) were \$3,404,134 thousand and \$2,941,809 thousand, respectively.

There are not any pledged assets provided for short-term loans.

(11) Long-term loans

Details of long-term loans as of December 31, 2024 and 2023 were as follows:

Creditor	As of		Repayment
	December 31, 2024	Interest Rate (%)	
Hua Nan Commercial Bank– Secured loan	\$400,000	1.895%	Revolving use within the credit period and the repayment will be due in a lump-sum payment upon maturity.
Hua Nan Commercial Bank– Secured loan	150,000	1.930%	Revolving use within the credit period and the repayment will be due in a lump-sum payment upon maturity.
Taipei Fubon Commercial Bank Co., Ltd. – Unsecured loan	300,000	1.970%	Revolving use within the credit period and the repayment will be due in a lump-sum payment upon maturity.
Subtotal	\$850,000		
Less: current portion	-		
Total	\$850,000		

Creditor	As of		Repayment
	December 31, 2023	Interest Rate (%)	
Taipei Fubon Commercial Bank Co., Ltd. – Unsecured loan	\$300,000	1.70519%	Revolving use within the credit period and the repayment will be due in a lump-sum payment upon maturity.
Hua Nan Commercial Bank– Secured loan	400,000	1.74%	Revolving use within the credit period and the repayment will be due in a lump-sum payment upon maturity.
Hua Nan Commercial Bank– Secured loan	240,000	1.76%	Revolving use within the credit period and the repayment will be due in a lump-sum payment upon maturity.
Hua Nan Commercial Bank– Secured loan	160,000	1.76%	Revolving use within the credit period and the repayment will be due in a lump-sum payment upon maturity.
Hua Nan Commercial Bank– Secured loan	2,480	2.095% (Note 1)	The principal will be used in batches during the credit period, with a grace period of one year. After the grace period expires, the principal will be amortized evenly on a monthly basis.
Hua Nan Commercial Bank– Secured loan	3,600	2.095% (Note 1)	The principal will be used in batches during the credit period, with a grace period of one year. After the grace period expires, the principal will be amortized evenly on a monthly basis.
Hua Nan Commercial Bank– Secured loan	8,000	2.095% (Note 1)	The principal will be used in batches during the credit period, with a grace period of one year. After the grace period expires, the principal will be amortized evenly on a monthly basis.
Hua Nan Commercial Bank– Secured loan	3,120	2.095% (Note 1)	The principal will be used in batches during the credit period, with a grace period of one year. After the grace period expires, the principal will be amortized evenly on a monthly basis.
Hua Nan Commercial Bank– Secured loan	3,760	2.095% (Note 1)	The principal will be used in batches during the credit period, with a grace period of one year. After the grace period expires, the principal will be amortized evenly on a monthly basis.

AUDIX CORPORATION

NOTES TO PARENT COMPANY ONLY FINANCIAL STATEMENTS (CONTINUED)

(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

Creditor	As of		Repayment
	December 31, 2023	Interest Rate (%)	
Hua Nan Commercial Bank– Secured loan	4,560	2.095% (Note 1)	The principal will be used in batches during the credit period, with a grace period of one year. After the grace period expires, the principal will be amortized evenly on a monthly basis.
Hua Nan Commercial Bank– Secured loan	2,480	2.095% (Note 1)	The principal will be used in batches during the credit period, with a grace period of one year. After the grace period expires, the principal will be amortized evenly on a monthly basis.
Hua Nan Commercial Bank– Unsecured loan	620	2.095% (Note 1)	The principal will be used in batches during the credit period, with a grace period of one year. After the grace period expires, the principal will be amortized evenly on a monthly basis.
Hua Nan Commercial Bank– Unsecured loan	900	2.095% (Note 1)	The principal will be used in batches during the credit period, with a grace period of one year. After the grace period expires, the principal will be amortized evenly on a monthly basis.
Hua Nan Commercial Bank– Unsecured loan	2,000	2.095% (Note 1)	The principal will be used in batches during the credit period, with a grace period of one year. After the grace period expires, the principal will be amortized evenly on a monthly basis.
Hua Nan Commercial Bank– Unsecured loan	780	2.095% (Note 1)	The principal will be used in batches during the credit period, with a grace period of one year. After the grace period expires, the principal will be amortized evenly on a monthly basis.
Hua Nan Commercial Bank– Unsecured loan	940	2.095% (Note 1)	The principal will be used in batches during the credit period, with a grace period of one year. After the grace period expires, the principal will be amortized evenly on a monthly basis.
Hua Nan Commercial Bank– Unsecured loan	1,140	2.095% (Note 1)	The principal will be used in batches during the credit period, with a grace period of one year. After the grace period expires, the principal will be amortized evenly on a monthly basis.
Hua Nan Commercial Bank– Unsecured loan	620	2.095% (Note 1)	The principal will be used in batches during the credit period, with a grace period of one year. After the grace period expires, the principal will be amortized evenly on a monthly basis.
Hua Nan Commercial Bank– Unsecured loan	10,000	1.76%	Revolving use within the credit period and the repayment will be due in a lump-sum payment upon maturity.
Subtotal	\$1,145,000		
Less: current portion	(3,813)		
Total	<u>\$1,141,187</u>		

Note 1: It is a loan with government subsidy. The actual interest rate paid by the Company is 0.50%.

The Company's unused credit lines on long-term loans were calculated with short-term loans. Please refer to Note 6(10) for more details.

Please refer to Note 8 for more details on assets pledged as security for secured loans.

AUDIX CORPORATION

NOTES TO PARENT COMPANY ONLY FINANCIAL STATEMENTS (CONTINUED)

(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

(12) Post-employment benefits

A. Defined contribution plan

The Company adopt a defined contribution plan in accordance with the Labor Pension Act of the R.O.C. Under the Labor Pension Act, the Company will make monthly contributions of no less than 6% of the employees' monthly wages to the employees' individual pension accounts. The Company have made monthly contributions of 6% of each individual employee's salaries or wages to employees' pension accounts.

Pension expenses under the defined contribution plan for the years ended December 31, 2024 and 2023 were \$3,308 thousand and \$3,401 thousand, respectively.

B. Defined benefits plan

The Company adopt a defined benefit plan in accordance with the Labor Standards Act of the R.O.C. The pension benefits are disbursed based on the units of service years and the average salaries in the last month of the service year. Two units per year are awarded for the first 15 years of services while one unit per year is awarded after the completion of the 15th year. The total units shall not exceed 45 units. Under the Labor Standards Act, the Company contributes an amount equivalent to 2% of the employees' total salaries and wages on a monthly basis to the pension fund deposited at the Bank of Taiwan in the name of the administered pension fund committee. Before the end of each year, the Company assesses the balance in the designated labor pension fund. If the amount is inadequate to pay pensions calculated for workers retiring in the same year, the Company will make up the difference in one appropriation before the end of March the following year.

The Ministry of Labor is in charge of establishing and implementing the fund utilization plan in accordance with the Regulations for Revenues, Expenditures, Safeguard and Utilization of the Labor Retirement Fund. The pension fund is invested in-house or under mandating, based on a passive-aggressive investment strategy for long-term profitability. The Ministry of Labor establishes checks and risk management mechanism based on the assessment of risk factors including market risk, credit risk and liquidity risk, in order to maintain adequate manager flexibility to achieve targeted return without over-exposure of risk. With regard to utilization of the pension fund, the minimum earnings in the annual distributions on the final financial statement shall not be less than the earnings attainable from the amounts accrued from two-year time deposits with the interest rates offered by local banks. Treasury Funds can be used to cover the deficits after the approval of the competent authority. As the Group does not participate in the operation and management of the pension fund, no disclosure on the fair value of the plan assets categorized in different classes could be made in accordance with paragraph 142 of IAS 19.

Expenses under the defined benefits plan for the years ended December 31, 2024 and 2023 were \$120 thousand and \$150 thousand, respectively.

As of December 31, 2024 and 2023, the weighted average duration of welfare obligations is determined to be 4 years and 6 years, respectively.

AUDIX CORPORATION

NOTES TO PARENT COMPANY ONLY FINANCIAL STATEMENTS (CONTINUED)

(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

Pension costs recognized in profit or loss for the years ended December 31, 2024 and 2023 were as follows:

	For the years ended December 31,	
	2024	2023
Current service cost	\$-	\$-
Net interest on the net defined benefit liabilities (assets)	120	150
Total	<u>\$120</u>	<u>\$150</u>

Changes in the defined benefit obligation and fair value of plan assets were as follows:

	As of December 31,	
	2024	2023
Defined benefit obligation	\$61,181	\$68,661
Plan assets at fair value	(63,180)	(58,992)
Net defined benefit (asset) liability	<u>\$(1,999)</u>	<u>\$9,669</u>

Reconciliations of liability (asset) of the defined benefit plan was as follows:

	Present value of the defined benefit obligation	Fair value of the plan assets	Net defined benefit liability (asset)
As of January 1, 2023	\$68,919	\$(59,012)	\$9,907
Interest expense (income)	1,040	(890)	150
Subtotal	1,040	(890)	150
Remeasurements of the defined benefit liability/asset:			
Actuarial gains and losses arising from changes in financial assumptions	451	-	451
Experience adjustments	(514)	-	(514)
Remeasurements of the defined benefit assets	-	(170)	(170)
Subtotal	(63)	(170)	(233)
Benefits paid	(1,235)	1,235	-
Contribution by employer	-	(155)	(155)
As of December 31, 2023	68,661	(58,992)	9,669
Interest expense (income)	851	(731)	120
Subtotal	851	(731)	120
Remeasurements of the defined benefit liability/asset:			
Actuarial gains and losses arising from changes in financial assumptions	(141)	-	(141)
Experience adjustments	(3,075)	-	(3,075)
Remeasurements of the defined benefit assets	-	(5,290)	(5,290)
Subtotal	(3,216)	(5,290)	(8,506)
Benefits paid	(5,115)	5,115	-
Contribution by employer	-	(3,282)	(3,282)
As of December 31, 2024	<u>\$61,181</u>	<u>\$(63,180)</u>	<u>\$(1,999)</u>

AUDIX CORPORATION
NOTES TO PARENT COMPANY ONLY FINANCIAL STATEMENTS (CONTINUED)
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

The principal underlying actuarial assumptions were as follows:

	As of December 31,	
	2024	2023
Discount rate	1.39%	1.24%
Expected rate of salary increases	1.50%	1.50%

A sensitivity analysis for significant assumption was shown below:

	For the years ended December 31,			
	2024		2023	
	Defined benefit obligation increase	Defined benefit obligation decrease	Defined benefit obligation increase	Defined benefit obligation decrease
Discount rate increase by 0.5%	\$-	\$(445)	\$-	\$(820)
Discount rate decrease by 0.5%	2,013	-	3,429	-
Future salary increase by 0.5%	1,992	-	3,399	-
Future salary decrease by 0.5%	-	(446)	-	(821)

The sensitivity analysis above is based on a change in a significant assumption (for example: change in discount rate or future salary), keeping all other assumptions constant. The sensitivity analysis may not be representative of an actual change in the defined benefit obligation as it is unlikely that changes in assumptions would occur in isolation of one another.

There was no change in the methods and assumptions used in preparing the sensitivity analysis compared to the previous period.

(13) Equity

A. Common stock

As of December 31, 2024 and December 31, 2023, the Company's authorized and issued capital was \$2,500,000 thousand and \$1,055,956 thousand, respectively, each at a par value of \$10. Each with a voting right and the right to receive dividends.

AUDIX CORPORATION

NOTES TO PARENT COMPANY ONLY FINANCIAL STATEMENTS (CONTINUED)

(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

B. Capital surplus

	As of December 31,	
	2024	2023
Additional paid-in capital	\$170,338	\$170,338
Difference between consideration and carrying amount of subsidiaries acquired or disposed	1,037	932
Gain on disposals of property, plant and equipment	487	487
Net assets from merger	10,028	10,028
Others	5	5
Total	<u>\$181,895</u>	<u>\$181,790</u>

According to the Company Act, the additional paid-in capital shall not be used except for offsetting the deficit of the Company. When a company incurs no loss, it may distribute the additional paid-in capital generated from the excess of the issuance price over the par value of share capital and donations. The distribution could be made in cash or in the form of dividend shares to its shareholders in proportion to the number of shares being held by each of them.

C. Retained earnings and dividend policy

According to the Company Articles of Incorporation, current year's earnings, if any, shall be distributed in the following order:

- (a) Payment of all taxes and dues;
- (b) Offset prior years' operation losses (Includes adjustment of unallocated surplus amount);
- (c) Set aside 10% of the remaining amount after deducting items (a) and (b) as legal reserve, but not when the accumulated statutory surplus reserve has reached the total paid-in capital of the company;
- (d) Set aside or reverse special reserve in accordance with law and regulations; in the case of special surplus reserves, the shortfalls in the provision of "net increase in fair value of investment real estate accumulated in the previous period" and "net deductions of other equity gains accumulated in the previous period" should be included in the amount of the special surplus reserve by the same amount from the undistributed surplus of the previous period before the distribution of the surplus, and if there is still a shortfall, the amount other than the net after-tax profit of the current period shall be added to the amount of the undistributed surplus in the current period; and
- (e) If there is surplus (hereinafter referred to as "current year earnings") and undistributed surpluses at the beginning of the same period (including adjustments to the amount of undistributed surpluses), the Board of Directors shall, in accordance with the dividend policy, formulate a surplus distribution proposal and request the shareholders' meeting to resolve the distribution of shareholders' dividends.

AUDIX CORPORATION

NOTES TO PARENT COMPANY ONLY FINANCIAL STATEMENTS (CONTINUED)

(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

The shareholder dividend assigned in the preceding paragraph or all or part of the statutory surplus and capital accumulation as required by law shall be issued in cash; the board is authorized to report the dividend distribution to the shareholder's meeting upon adoption of a resolution by a majority voting of the directors present at a board meeting attended by two-thirds of the directors of the Company.

The Company's dividend policy considers its current and future development plans, capital requirements, competitive conditions and changes in the industrial environment. The Company's surplus distribution case is prepared taking into account the interests of shareholders and the long-term financial planning of the Company. The total annual shareholder dividend of the Company shall not be less than 50% of the current annual surplus.

The surplus of the preceding item is distributed in the form of cash or stock. In response to the growth of electronic technology innovation, the Company is now entering a stable growth period. Cash dividend is preferred when distributing surplus. Stock dividends can also be distributed. However, the portion of cash dividends shall not be less than 50% of the dividends allocated in the current year.

According to the Company Act, the Company needs to set aside amount to legal reserve unless where such legal reserve amounts to the total authorized capital. The legal reserve can be used to make good the deficit of the Company. When the Company incurs no loss, it may distribute the portion of legal serve which exceeds 25% of the paid-in capital by issuing new shares or by cash in proportion to the number of shares being held by each of the shareholders.

The FSC on March 31, 2021 issued Order No. Financial-Supervisory-Securities-Corporate-1090150022, which sets out the following provisions for compliance:

On a public company's first-time adoption of the IFRS, for any unrealized revaluation gains and cumulative translation adjustments (gains) recorded to shareholders' equity that the company elects to transfer to retained earnings by application of the exemption under IFRS 1, the company shall set aside special reserve. For any subsequent use, disposal or reclassification of related assets, the Company can reverse the special reserve by the proportion of the special reserve first appropriated and distribute it.

As of December 31, 2024, and 2023, special reserve set aside for the first-time adoption of TIFRS amounted to \$30,092 thousand.

AUDIX CORPORATION

NOTES TO PARENT COMPANY ONLY FINANCIAL STATEMENTS (CONTINUED)

(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

Details of the 2024 and 2023 earnings distribution and dividends per share as approved and resolved by the Board of Directors' meeting and shareholders' meeting on March 6, 2025 and June 12, 2024, respectively, are as follows:

	Appropriation of earnings		Dividend per share (NTD\$)	
	2024	2023	2024	2023
Legal reserve	\$56,991	\$61,411		
Common stock-cash dividend (Note)	422,382	422,383	\$4.0	\$4.0
Total	<u>\$483,793</u>	<u>\$483,794</u>		

The appropriation of 2024 unappropriated retained earnings have not yet been approved by the shareholders' meeting as of the reporting date. Information relevant to the Board of Directors' meeting resolutions and shareholders' meeting approval can be obtained from the "Market Observation Post System" on the website of the TWSE.

Note: The Company explicitly provided in its the Articles of Incorporation that the Board of Director may resolve the distributable dividends by special resolutions. On March 6, 2025 and March 14, 2024, the distributable dividend paid in cash has been resolved by the Board of Director, respectively.

Please refer to Note 6(17) for details on employees' compensation and remuneration to directors and supervisors.

(14) Operating revenues

	For the years ended December 31,	
	2024	2023
Revenue from contracts with customers		
Sale of goods	\$780,135	\$2,769,005
Rendering of services	76,340	53,582
Total	<u>\$856,475</u>	<u>\$2,822,587</u>

Analysis of revenue from contracts with customers during the years December 31, 2024 and 2023 were as follows:

	For the years ended December 31,	
	2024	2023
Timing of revenue recognition:		
At the time the performance obligation is fulfilled	<u>\$856,475</u>	<u>\$2,822,587</u>

AUDIX CORPORATION
NOTES TO PARENT COMPANY ONLY FINANCIAL STATEMENTS (CONTINUED)
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

(15) Expected credit impairment gains

	For the years ended December 31,	
	2024	2023
Operating expenses –Expected credit impairment (losses)/ gains		
Notes receivable	\$29	\$(41)
Accounts receivable	(255)	48
Total	<u>\$(226)</u>	<u>\$7</u>

Please refer to Note 12 for more details on credit risk.

The credit risk for the Company's financial assets measured at amortized cost as of December 31, 2024 and 2023, was assessed as low (the same as the assessment result in the beginning of the period). Therefore, the expected credit loss was measured at an amount equal to twelve-month expected credit loss (loss rate 0%).

The Company measures the loss allowance of its receivables (including notes receivable and accounts receivable) at an amount equal to lifetime expected credit loss. The assessment of the Company's loss allowance as of December 31, 2024 and December 31, 2023 was as follow:

A. The Company considers the grouping of trade receivables by counterparties' financial position and credit rating and its loss allowance is measured by using a provision matrix, details are as follow:

As of December 31, 2024

Group A	Overdue								Total
	Not yet due	<=60 days	61-90 days	91-120 days	121-180 days	181-270 days	271-365 days	>=366 days	
Gross carrying amount	\$82,026	\$-	\$652	\$968	\$208	\$-	\$-	\$-	\$83,854
Loss ratio		0%	0%	1%	1%	5%	30%	100%	
Lifetime expected credit loss	(83)	-	-	(10)	(2)	-	-	-	(95)
Subtotal	81,943	-	652	958	206	-	-	-	83,759

Group B	Overdue								Total
	Not yet due	<=60 days	61-90 days	91-120 days	121-180 days	181-270 days	271-365 days	>=366 days	
Gross carrying amount	\$115,767	\$-	\$-	\$29	\$835	\$-	\$-	\$-	\$116,631
Loss ratio		0%	1%	5%	10%	20%	50%	100%	
Lifetime expected credit loss	(657)	-	-	(1)	(83)	-	-	-	(741)
Subtotal	115,110	-	-	28	752	-	-	-	115,890
Carrying amount of receivables									<u>\$199,649</u>
Notes receivable									\$7,328
Accounts receivable (including related parties)									192,321
Total									<u>\$199,649</u>

AUDIX CORPORATION
NOTES TO PARENT COMPANY ONLY FINANCIAL STATEMENTS (CONTINUED)
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

As of December 31, 2023

Group A	Overdue								Total
	Not yet due	<=60 days	61-90 days	91-120 days	121-180 days	181-270 days	271-365 days	>=366 days	
Gross carrying amount	\$665,479	\$-	\$22	\$1,561	\$3,047	\$15	\$-	\$-	\$670,124
Loss ratio		0%	0%	1%	1%	5%	30%	100%	
Lifetime expected credit loss	(34)	-	-	(16)	(30)	(1)	-	-	(81)
Subtotal	665,445	-	22	1,545	3,017	14	-	-	670,043

Group B	Overdue								Total
	Not yet due	<=60 days	61-90 days	91-120 days	121-180 days	181-270 days	271-365 days	>=366 days	
Gross carrying amount	\$93,035	\$-	\$85	\$219	\$-	\$-	\$-	\$-	\$93,339
Loss ratio		0%	1%	5%	10%	20%	50%	100%	
Lifetime expected credit loss	(518)	-	(1)	(10)	-	-	-	-	(529)
Subtotal	92,517	-	84	209	-	-	-	-	92,810
Carrying amount of receivables									<u>\$762,853</u>
Notes receivable									\$13,091
Accounts receivable (including related parties)									<u>749,762</u>
Total									<u>\$762,853</u>

The Company's accounts receivable due from related parties amounted to \$21,909 thousand and \$23,775 thousand as of December 31, 2024 and 2023, respectively. These intercompany transactions were not yet due, so loss allowance did not be considered.

B. The movement in the provision for impairment of notes receivable and accounts receivable during the years ended December 31, 2024 and 2023 are as follows:

	Notes receivable	Accounts receivable	Total
Beginning balance as of January 1, 2024	\$66	\$544	\$610
Allowance (reverse) for the current period	(29)	255	226
Ending balance as of December 31, 2024	<u>\$37</u>	<u>\$799</u>	<u>\$836</u>

	Notes receivable	Accounts receivable	Total
Beginning balance as of January 1, 2023	\$25	\$592	\$617
Allowance (reverse) for the current period	41	(48)	(7)
Ending balance as of December 31, 2023	<u>\$66</u>	<u>\$544</u>	<u>\$610</u>

AUDIX CORPORATION
NOTES TO PARENT COMPANY ONLY FINANCIAL STATEMENTS (CONTINUED)
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

(16) Leases

A. Company as a lessee

The Company leases various properties, including real estate such as buildings. The lease terms range from 1 to 4 years. The Company did not be imposed any restrictions in these lease contract.

The Company's leases effect on the financial position, financial performance and cash flows were as follows:

(a) Amounts recognized in the balance sheet

i. Right-of-use assets

The carrying amount of right-of-use assets

	As of December 31,	
	2024	2023
Buildings	\$366	\$360

For the years ended December 31, 2024 and 2023, the Company's additions to right-of-use assets amounted to \$732 thousand and \$0 thousand, respectively.

ii. Lease liabilities

	As of December 31,	
	2024	2023
Current	\$369	\$366
Non-current	-	-
Total	\$369	\$366

Please refer to Note 6(18)(C) for the interest expense on lease liabilities recognized during the years ended December 31, 2024 and 2023; refer to Note 12(5) Liquidity Risk Management for the maturity analysis for lease liabilities as of December 31, 2024 and 2023.

AUDIX CORPORATION
NOTES TO PARENT COMPANY ONLY FINANCIAL STATEMENTS (CONTINUED)
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

(b) Amounts recognized in the statement of comprehensive income

Depreciation charge for right-of-use assets

	For the years ended December 31,	
	2024	2023
Buildings	\$726	\$394

(c) Income and costs relating to leasing activities

	For the years ended December 31,	
	2024	2023
The expenses relating to short-term leases	\$-	\$868
The expenses relating to leases of low-value assets (not including the expenses relating to short-term leases of low-value assets)	227	-

(d) Cash outflow relating to leasing activities

The Company's total cash outflows for leases amounted to \$969 thousand and \$1,237 thousand for the years ended December 31, 2024 and 2023, respectively.

(e) Other information relating to leasing activities

Extension and termination options

Some of the Company's building and equipment rental agreement contain extension and termination options. In determining the lease terms, the non-cancellable period for which the Company has the right to use an underlying asset, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. These options are used to maximize operational flexibility in terms of managing contracts. The majority of extension and termination options held are exercisable only by the Company. After the commencement date, the Company reassesses the lease term upon the occurrence of a significant event or a significant change in circumstances that is within the control of the lessee and affects whether the Company is reasonably certain to exercise an option not previously included in its determination of the lease term, or not to exercise an option previously included in its determination of the lease term.

AUDIX CORPORATION

NOTES TO PARENT COMPANY ONLY FINANCIAL STATEMENTS (CONTINUED)

(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

- (17) Summary statement of employee benefits, depreciation and amortization expenses by function were as follows:

By feature By function	For the years ended December 31,					
	2024			2023		
	Operating costs	Operating expenses	Total amount	Operating costs	Operating expenses	Total amount
Employee benefits expense						
Wages and salaries	\$-	\$95,611	\$95,611	\$-	\$85,125	\$85,125
Labor and health insurance	-	6,338	6,338	-	6,409	6,409
Pension	-	8,276	8,276	-	3,551	3,551
Director's remuneration	-	6,515	6,515	-	6,525	6,525
Depreciation	-	6,820	6,820	-	5,847	5,847
Amortization	-	435	435	-	351	351

The Company's average headcount were 74 and 77 employees for the years ended December 31, 2024 and 2023, respectively. There were 6 non-employee directors for the years ended December 31, 2024 and 2023.

The Company's average employee benefit expenses for the years ended December 31, 2024 and 2023 were \$1,621 thousand and \$1,339 thousand, respectively.

The Company's average wages and salaries for the years ended December 31, 2024 and 2023 amounted to \$1,406 thousand and \$1,199 thousand, respectively. Average salary expense changed by 17.26%.

The remuneration of the chairman and directors of the company, in accordance with the company's articles of association, authorizes the board of directors to negotiate according to the extent of their participation in the company's operations and the value of their contributions, and with reference to the usual level of the industry, and submit it to the board of directors for resolution after deliberation by the remuneration committee; The standard of remuneration for managers is determined according to their personal performance, contribution to the company as a whole, and with reference to the usual level of peers. After deliberation by the remuneration committee, it is submitted to the board of directors for resolution; the remuneration of the company's employees is based on interviews at each stage. The evaluation results are used to make employment decisions. The salary of personnel is issued according to the grade and rank. During the company's tenure, the salary is adjusted according to the degree of responsibility of the employee's scope of authority and the contribution to the company's operation, and the salary level in the industry market, and according to the company's annual operating profit allocation bonus and employee remuneration, the amount of employee remuneration and distribution methods are recommended by the salary and compensation committee to the board of directors for approval.

AUDIX CORPORATION

NOTES TO PARENT COMPANY ONLY FINANCIAL STATEMENTS (CONTINUED)

(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

According to the Articles of Incorporation of the Company, more than 2.5% and less than 5% of profit of the current year is distributable as employees' compensation and no higher than 3% of profit of the current year is distributable as remuneration to directors. However, the Company's accumulated losses shall have been covered (including adjustments to undistributed surplus amounts). The aforementioned employee remuneration is paid in stock or cash, while the director remuneration can only be paid in cash. These two items shall be implemented by the board of directors with the resolution of more than two-thirds of the directors present and the approval of more than half of the directors present, and shall report to the shareholders' meeting. Information on the Board of Directors' resolution regarding the employees' compensation and remuneration to directors can be obtained from the "Market Observation Post System" on the website of the TWSE.

The Company estimates employee Compensation and director remuneration based on profitability. For the year ended December 31, 2024, the employees' compensation and remuneration to directors were recognized as employee benefits expense at \$20,017 thousand and \$6,300 thousand, respectively. For the year ended March 6, 2025, the employee compensation and remuneration to directors were recognized as employee benefit expense at \$20,017 thousand and \$6,300 thousand, respectively. There were no significant differences between the estimate amount and the approved amount.

A resolution was approved through the Board of Directors' meeting held on March 14, 2024 to distribute \$20,762 thousand and \$6,300 thousand in cash as employees' compensation and remuneration to directors for the year of 2023, respectively. There were no significant differences between the amounts approved and the amounts recorded as expenses in the year of 2023.

(18) Non-operating income and expenses

A. Other income

	For the years ended December 31,	
	2024	2023
Rental income	\$6,790	\$6,790
Dividend income	5,548	6,462
Total	<u>\$12,338</u>	<u>\$13,252</u>

B. Other gains and losses

	For the years ended December 31,	
	2024	2023
Gain on disposal of property, plant and equipment	\$-	\$133
Foreign exchange gain (loss), net	2,107	(8,839)
Gain on financial assets at fair value through profit or loss, net (Note)	4,582	10,911
Other gains and losses	25,283	26,556
Total	<u>\$31,972</u>	<u>\$28,761</u>

Note: Balances were arising from financial assets mandatorily measured at fair value through profit or loss, including valuation adjustment and foreign exchange net gain or loss.

AUDIX CORPORATION

NOTES TO PARENT COMPANY ONLY FINANCIAL STATEMENTS (CONTINUED)

(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

C. Finance costs

	For the years ended December 31,	
	2024	2023
Interest on bank loans	\$34,274	\$37,867
Interest on lease liabilities	13	8
Total	<u>\$34,287</u>	<u>\$37,875</u>

(19) Components of other comprehensive income

Other comprehensive income for the year ended December 31, 2024:

	Arising during the period	Reclassification adjustments during the period	Other comprehensive income	Income tax effect	Other comprehensive income, net of tax
Not reclassified to profit or loss:					
Remeasurements of defined benefit plans	\$8,506	\$-	\$8,506	\$(400)	\$8,106
Unrealized losses on equity instruments investment at fair value through other comprehensive income	(46,200)	-	(46,200)	-	(46,200)
Maybe reclassified to profit or loss in subsequent period:					
Exchange differences on translation of foreign financial statements	267,553	-	267,553	-	267,553
Total other comprehensive income	<u>\$229,859</u>	<u>\$-</u>	<u>\$229,859</u>	<u>\$(400)</u>	<u>\$229,459</u>

Other comprehensive income for the year ended December 31, 2023:

	Arising during the period	Reclassification adjustments during the period	Other comprehensive income	Income tax effect	Other comprehensive income, net of tax
Not reclassified to profit or loss:					
Remeasurements of defined benefit plans	\$233	\$-	\$233	\$-	\$233
Unrealized gains on equity instruments investment at fair value through other comprehensive income	13,817	-	13,817	-	13,817
Maybe reclassified to profit or loss in subsequent period:					
Exchange differences on translation of foreign financial statements	(78,853)	-	(78,853)	-	(78,853)
Total other comprehensive income	<u>\$(64,803)</u>	<u>\$-</u>	<u>\$(64,803)</u>	<u>\$-</u>	<u>\$(64,803)</u>

AUDIX CORPORATION
NOTES TO PARENT COMPANY ONLY FINANCIAL STATEMENTS (CONTINUED)
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

(20) Income tax expense

The major components of income tax expense for the years ended December 31, 2024 and 2023 are as follows:

Income tax expense recognized in profit or loss

	For the years ended December 31,	
	2024	2023
Current tax expense:		
Current income tax charge	\$164,175	\$78,469
Adjustments in respect of current income tax of prior periods	268	(3,922)
Deferred tax (income) expense:		
Deferred tax (income) expense relating to origination and reversal of temporary differences	(881)	3,632
Total income tax expense	<u>\$163,562</u>	<u>\$78,179</u>

Income tax relating to components of other comprehensive income

	For the years ended December 31,	
	2024	2023
Remeasurements of defined benefit plans	<u>\$(400)</u>	<u>\$-</u>
Income tax relating to components of other comprehensive income	<u>\$(400)</u>	<u>\$-</u>

Reconciliation between income tax expense and the product of accounting profit multiplied by applicable tax rates is as follows:

	For the years ended December 31,	
	2024	2023
Accounting profit before tax from continuing operations	<u>\$725,367</u>	<u>\$655,014</u>
Income tax calculated at the statutory income tax rate of the parent company	\$145,073	\$131,003
Corporate income surtax on undistributed earnings	6,516	16,646
Tax effect of revenues exempt from taxation and non-deductible for tax purpose	(127,565)	(134,816)
Income tax impact of allotment dividend income from investing in foreign subsidiaries	148,297	117,821
Adjustment of the current income tax of the previous year in the current year	268	(3,922)
Other income tax effects adjusted in accordance with the tax laws and regulations	12,286	10,435
Foreign income tax credit	<u>(21,313)</u>	<u>(58,988)</u>
Total income tax expense recognized in profit or loss	<u>\$163,562</u>	<u>\$78,179</u>

AUDIX CORPORATION

NOTES TO PARENT COMPANY ONLY FINANCIAL STATEMENTS (CONTINUED)

(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

Deferred tax assets (liabilities) relate to the following:

For the year ended December 31, 2024:

	Beginning balance	Recognized in profit or loss	Recognized in other comprehensive income	Ending balance
Temporary differences				
Unrealized loss on inventory valuation	\$1,451	\$(133)	\$-	\$1,318
Unrealized sales returns and allowances	14	-	-	14
Unrealized exchange gain	(8,721)	8,127	-	(594)
Unrealized exchange loss	8,279	(7,113)	-	1,166
Net defined benefit asset	-	-	(400)	(400)
Deferred income tax expense		<u>\$881</u>	<u>\$(400)</u>	
Deferred tax assets/(liabilities), net	<u>\$1,023</u>			<u>\$1,504</u>
Reflected in balance sheet as follows:				
Deferred tax assets	<u>\$9,744</u>			<u>\$2,498</u>
Deferred tax liabilities - temporary differences	<u>\$8,721</u>			<u>\$994</u>
Deferred tax liabilities - land appreciation tax	<u>23,545</u>			<u>23,545</u>
Deferred tax liabilities - total	<u>\$32,266</u>			<u>\$24,539</u>

For the years ended December 31, 2023:

	Beginning balance	Recognized in profit or loss	Recognized in other comprehensive income	Ending balance
Temporary differences				
Unrealized loss on inventory valuation	\$587	\$864	\$-	\$1,451
Unrealized sales returns and allowances	20	(6)	-	14
Unrealized exchange gain	(2,382)	(6,339)	-	(8,721)
Unrealized exchange loss	6,430	1,849	-	8,279
Deferred income tax expense		<u>\$(3,632)</u>	<u>\$-</u>	
Deferred tax assets/(liabilities), net	<u>\$4,655</u>			<u>\$1,023</u>
Reflected in balance sheet as follows:				
Deferred tax assets	<u>\$7,037</u>			<u>\$9,744</u>
Deferred tax liabilities - temporary differences	<u>\$2,382</u>			<u>\$8,721</u>
Deferred tax liabilities - land appreciation tax	<u>23,545</u>			<u>23,545</u>
Deferred tax liabilities - total	<u>\$25,927</u>			<u>\$32,266</u>

AUDIX CORPORATION

NOTES TO PARENT COMPANY ONLY FINANCIAL STATEMENTS (CONTINUED)

(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

Unrecognized deferred tax liabilities related to investment subsidiaries

The Company has not recognized the relevant deferred tax liabilities for the income tax payable that may arise when the undistributed earnings of some foreign subsidiaries are repatriated. The Company has decided not to distribute such undistributed earnings of its subsidiaries in the foreseeable future. As of December 31, 2024 and 2023, the amounts of taxable temporary differences not recognized as deferred tax liabilities are \$4,933,639 thousand.

The assessment of income tax returns

As of December 31, 2024, the assessment of the income tax returns of the Company was approved up to 2022.

(21) Earnings per share

Basic earnings per share is calculated by dividing net income for the year attributable to company by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share is calculated by dividing the net income attributable to company by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

	<u>For the years ended December 31,</u>	
	<u>2024</u>	<u>2023</u>
A. Earnings per share-basic		
Net income (in thousand NT\$)	<u>\$561,805</u>	<u>\$576,835</u>
Weighted average number of ordinary shares outstanding for basic earnings per share (in thousands)	<u>105,596</u>	<u>105,596</u>
Earnings per share-basic (NT\$)	<u>\$5.32</u>	<u>\$5.46</u>
B. Earnings per share-diluted		
Net income (in thousand NT\$)	<u>\$561,805</u>	<u>\$576,835</u>
Net income after dilution (in thousand NT\$)	<u>\$561,805</u>	<u>\$576,835</u>
Weighted average number of ordinary shares outstanding for basic earnings per share (in thousands)	105,596	105,596
Effect of dilution:		
Employee compensation – stocks (in thousands)	<u>350</u>	<u>410</u>
Weighted average number of ordinary shares outstanding after dilution (in thousands)	<u>105,946</u>	<u>106,006</u>
Earnings per share-diluted (NT\$)	<u>\$5.30</u>	<u>\$5.44</u>

AUDIX CORPORATION
NOTES TO PARENT COMPANY ONLY FINANCIAL STATEMENTS (CONTINUED)
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

There have been no other transactions involving ordinary shares or potential ordinary shares between the financial report date and the date the financial statements were authorized for issue.

7. Related party transactions

Information of the related parties that had transactions with the Group during the financial reporting period was as follows:

Name and Relationship of the related parties

Name of related parties	Relationship
AUDIX HI-TECH INVESTMENT CO., LTD.	Subsidiaries
TOYO KUNI ELECTRONICS CO., LTD.	Subsidiaries
AUDIX TECHNOLOGY CORPORATION	Subsidiaries
AHC WAREHOUSE & TRADING (SHENZHEN) CO., LTD.	Sub-subsubsidiary
AHI ELECTRONICS WAREHOUSE (SHANGHAI) CO., LTD.	Sub-subsubsidiary
AUDIX TECHNOLOGY (XIAMEN) CO., LTD.	Sub-subsubsidiary
WAVEGIS TECHNOLOGY CO., LTD.	Associate
HONGBAO INVESTMENT CO., LTD.	Other related parties
HONGBAO FOUNDATION	Other related parties

Significant transactions with the related parties

(1) Operating revenue

	For the years ended December 31,	
	2024	2023
Subsidiaries	\$65,627	\$60,275
Associate	2,528	486
Total	<u>\$68,155</u>	<u>\$60,761</u>

The sales prices to related parties were negotiated by both parties in reference to market prices; the collection periods of operating income to the above related parties were 60-150 days, while the collection periods to third parties were 30-150 days.

(2) Purchases

	For the years ended December 31,	
	2024	2023
Subsidiaries		
AUDIX TECHNOLOGY (XIAMEN) CO., LTD.	\$183,754	\$242,417
Other	13,997	6,408
Total	<u>\$197,751</u>	<u>\$248,825</u>

AUDIX CORPORATION

NOTES TO PARENT COMPANY ONLY FINANCIAL STATEMENTS (CONTINUED)

(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

The purchase prices to related parties were negotiated by both parties in reference to market prices; the payment periods of purchase to the above related parties were 30-90 days; while the payment periods to third parties were 30-105 days.

(3) Accounts receivable due from related parties

	As of December 31,	
	2024	2023
Subsidiaries		
AHI ELECTRONICS WAREHOUSE (SHANGHAI) CO., LTD.	\$9,972	\$20,448
TOYO KUNI ELECTRONICS CO., LTD.	9,043	2,491
Other	1,266	836
Associate	1,628	-
Total	<u>\$21,909</u>	<u>\$23,775</u>

(4) Other receivables

	As of December 31,	
	2024	2023
Subsidiaries		
TOYO KUNI ELECTRONICS CO., LTD.	\$1,590	\$2,835
AUDIX HI-TECH INVESTMENT CO., LTD.	754	1,412
Total	<u>\$2,344</u>	<u>\$4,247</u>

(5) Accounts payable to related parties

	As of December 31,	
	2024	2023
Subsidiaries		
AUDIX TECHNOLOGY (XIAMEN) CO., LTD.	\$21,652	\$19,423
Other	4,707	371
Total	<u>\$26,359</u>	<u>\$19,794</u>

(6) Other payables

	As of December 31,	
	2024	2023
Subsidiaries	<u>\$250</u>	<u>\$277</u>

AUDIX CORPORATION
NOTES TO PARENT COMPANY ONLY FINANCIAL STATEMENTS (CONTINUED)
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

(7) Donation (recognized as operating expenses)

	For the years ended December 31,	
	2024	2023
Other related parties	\$500	\$500

(8) Lease revenue

The company leases partial buildings to related parties. The main contents of the lease contracts are as follows:

	Location	Calculation and Collection of Rent	For the years ended December 31,	
			2024	2023
Subsidiaries				
AUDIX TECHNOLOGY CORPORATION	No. 8, Lane 120, Section 1, Neihu Road, Taipei City	Monthly basis by cash or check	\$6,756	\$6,756
Other related parties	No. 8, Lane 120, Section 1, Neihu Road, Taipei City	Annual basis by wire transfers	34	34
Total			\$6,790	\$6,790

(9) Other gains and losses

	For the years ended December 31,	
	2024	2023
Subsidiaries		
AUDIX HI-TECH INVESTMENT CO., LTD.	\$8,848	\$7,476
TOYO KUNI ELECTRONICS CO., LTD.	8,267	10,788
AUDIX TECHNOLOGY CORPORATION	3,204	3,204
Total	\$20,319	\$21,468

(10) Key management personnel compensation

	For the years ended December 31,	
	2024	2023
Short-term employee benefits	\$26,142	\$27,856
Post-employment benefits	319	510
Total	\$26,461	\$28,366

AUDIX CORPORATION
NOTES TO PARENT COMPANY ONLY FINANCIAL STATEMENTS (CONTINUED)
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

8. Pledged assets

The following assets of the Company pledged as collaterals:

Item	Carrying amount as of December 31,		Purpose
	2024	2023	
Property, plant and equipment			Bank loans
Land	\$176,700	\$176,700	
Buildings	75,090	77,721	
Total	<u>\$251,790</u>	<u>\$254,421</u>	

9. Significant contingencies and unrecognized contract commitments

As of December 31, 2024, the Company entrusted financial institutes to open guarantee the amount of request for financial related to custom tax guarantee for the amount of \$4,300 thousand.

10. Losses due to major disasters

None.

11. Significant subsequent events

None.

12. Others

(1) Financial instruments

Financial assets

	As of December 31,	
	2024	2023
Financial assets at fair value through profit or loss:		
Mandatorily measured at fair value through profit or loss	\$266,300	\$186,987
Financial assets at fair value through other comprehensive income	79,800	126,000
Financial assets at amortized cost:		
Cash and cash equivalents (exclude cash on hand)	61,853	672,966
Notes receivable	7,328	13,091
Accounts receivable (including due from related parties)	192,321	749,762
Other receivables (including due from related parties)	3,542	4,847
Refundable deposits	9,587	9,452
Total	<u>\$620,731</u>	<u>\$1,763,105</u>

AUDIX CORPORATION

NOTES TO PARENT COMPANY ONLY FINANCIAL STATEMENTS (CONTINUED)

(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

Financial liabilities

	As of December 31,	
	2024	2023
Financial liabilities at amortized cost:		
Short-term loans	\$895,866	\$763,191
Payables (including due from related parties)	217,560	927,916
Long-term loans	850,000	1,145,000
(included long term liabilities due within one year)		
Lease liabilities	369	366
Guarantee deposits received	-	3,315
Total	<u>\$1,963,795</u>	<u>\$2,839,788</u>

(2) Financial risk management objectives

The Company's principal financial risk management objective is to manage the market risk, credit risk and liquidity risk related to its operating activities. The Company identifies measures and manages the aforementioned risks based on the Company's policy and risk appetite.

The Company has established appropriate policies, procedures and internal controls for financial risk management. Before entering into significant transactions, due approval process by the Board of Directors and Audit Committee must be carried out based on related protocols and internal control procedures. The Company complies with its financial risk management policies at all times.

(3) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of the changes in market prices. Market risk comprise currency risk and interest rate risk.

In practice, it is rarely the case that a single risk variable will change independently from other risk variables; there are usually interdependencies between risk variables. However, the sensitivity analysis disclosed below does not take into account the interdependencies between risk variables.

Foreign currency risk

The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense are denominated in a different currency from the Company's functional currency) and the Company's net investments in foreign subsidiaries.

AUDIX CORPORATION

NOTES TO PARENT COMPANY ONLY FINANCIAL STATEMENTS (CONTINUED)

(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

The Company reviews its assets and liabilities denominated in foreign currency and enters into forward exchange contracts to hedge the exposure from exchange rate fluctuations. The level of hedging depends on the foreign currency requirements from each operating unit. As the purpose of holding forward exchange contracts are to hedge exchange rate fluctuation risk, the gain or loss made on the contracts from the fluctuation in exchange rates are expected to mostly offset gains or losses made on the hedged item. Hedge accounting is not applied as they did not qualify for hedge accounting criteria. Furthermore, as net investments in foreign subsidiaries are for strategic purposes, they are not hedged by the Company.

The foreign currency sensitivity analysis of the possible change in foreign exchange rates on the Company's profit is performed on significant monetary items denominated in foreign currencies as of the end of the reporting period. The Company's foreign currency risk is mainly related to the volatility in the exchange rates. The information of the sensitivity analysis is as follows:

When NTD strengthens/weakens against foreign currency USD by 1%, the profit for the years ended December 31, 2024 and 2023 is decreased/increased by \$349 thousand and \$100 thousand, respectively; the equity for the years ended December 31, 2024 and 2023 is decreased/increased by \$63,230 thousand and \$56,486 thousand, respectively.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's loans and receivables at variable interest rates, bank borrowings with fixed interest rates and variable interest rates.

The Company manages its interest rate risk by having a balanced portfolio of fixed and variable loans and borrowings.

The interest rate sensitivity analysis is performed on items exposed to interest rate risk as of the end of the reporting period, including loans with variable interest rates. At the balance sheet date, an increase or a decrease of 10 basis points of interest rate could cause the profit for the years ended December 31, 2024 and 2023 to increase/decrease by \$1,746 thousand and \$1,908 thousand, respectively.

(4) Credit risk management

Credit risk is the risk that a counterparty will not meet its obligations under a contract, leading to a financial loss. The Company is exposed to credit risk from operating activities (primarily for accounts receivable and notes receivable) and from its financing activities, including bank deposits and other financial instruments.

AUDIX CORPORATION

NOTES TO PARENT COMPANY ONLY FINANCIAL STATEMENTS (CONTINUED)

(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

Credit risk is managed by each business unit of the Company subject to established policy, procedures and controls relating to credit risk management. Credit limits are established for all transaction customer based on their financial position, rating from customer's credit rating agencies, historical experience, customer's prevailing economic condition and the Company's internal rating criteria, etc. Certain counter parties' credit risk will also be managed by taking credit enhancing procedures, such as requesting for prepayment and insurance.

As of December 31, 2024 and 2023, the top ten receivables from counter parties presented 58.12% and 90.35% of the total receivables of the Company, respectively. The credit concentration risk of the remaining receivables was insignificant.

Credit risk from balances with banks, fixed income securities and other financial instruments is managed by the Company's treasury in accordance with the Company's policy. The Company only transacts with counterparties approved by the internal control procedures, which are banks and financial institutions, companies and government entities with good credit rating. Consequently, there is no significant credit risk for these counter parties.

The Company adopted IFRS 9 to assess the expected credit losses. Except for the loss allowance of trade receivables measured at lifetime expected credit losses, the remaining debt instrument investments which are not measured at fair value through profit or loss, low credit risk for these investments is a prerequisite upon acquisition and by using their credit risk as a basis for the distinction of categories. The Group makes an assessment at each reporting date as to whether the debt instrument investments are still considered low credit risk, and then further determines the method of measuring the loss allowance and the loss rates.

Financial assets are written off when there is no realistic prospect of future recovery (the issuer or the debtor is in financial difficulties or bankruptcy).

(5) Liquidity risk management

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of cash and cash equivalents, highly liquid equity investments and bank borrowings. The table below summarizes the maturity profile of the Company's financial liabilities based on the contractual undiscounted payments and contractual maturity. The payment amount includes the contractual interest. The undiscounted payment relating to borrowings with variable interest rates is extrapolated based on the estimated interest rate yield curve as of the end of the reporting period.

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NOTES TO PARENT COMPANY ONLY FINANCIAL STATEMENTS (CONTINUED)
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

Non-derivative financial instruments

	Less than					Above	
	1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	5 years	Total
As of December 31, 2024							
Loans	\$896,752	\$874,985	\$-	\$-	\$-	\$-	\$1,771,737
payables	217,560	-	-	-	-	-	217,560
Lease liabilities	378	-	-	-	-	-	378

	Less than					Above	
	1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	5 years	Total
As of December 31, 2023							
Loans	\$788,627	\$1,112,590	\$35,044	\$-	\$-	\$-	\$1,936,261
payables	927,916	-	-	-	-	-	927,916
Lease liabilities	369	-	-	-	-	-	369
Guarantee deposits received	-	3,315	-	-	-	-	3,315

(6) Reconciliation of liabilities arising from financing activities

Reconciliation of liabilities for the year ended December 31, 2024:

	Short-term	Long-term	Lease	Guarantee	Total liabilities
	loans	loans	liabilities	deposits	from financing
				received	activities
As of January 1, 2024	\$763,191	\$1,145,000	\$366	\$3,315	\$1,911,872
Cash flows	132,675	(295,000)	(742)	(3,315)	(166,382)
Non-cash changes	-	-	745	-	745
As of December 31, 2024	<u>\$895,866</u>	<u>\$850,000</u>	<u>\$369</u>	<u>\$-</u>	<u>\$1,746,235</u>

Reconciliation of liabilities for the years ended December 31, 2023:

	Short-term	Long-term	Lease	Guarantee	Total liabilities
	loans	loans	liabilities	deposits	from financing
				received	activities
As of January 1, 2023	\$1,009,769	\$1,400,000	\$727	\$3,315	\$2,413,811
Cash flows	(246,578)	(255,000)	(369)	-	(501,947)
Non-cash charges	-	-	8	-	8
As of December 31, 2023	<u>\$763,191</u>	<u>\$1,145,000</u>	<u>\$366</u>	<u>\$3,315</u>	<u>\$1,911,872</u>

AUDIX CORPORATION
NOTES TO PARENT COMPANY ONLY FINANCIAL STATEMENTS (CONTINUED)
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

(7) Fair values of financial instruments

A. The methods and assumptions applied in determining the fair value of financial instruments:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following methods and assumptions were used by the Company to measure or disclose the fair values of financial assets and financial liabilities:

- (a) The carrying amount of cash and cash equivalents, receivables payables refundable deposits, guarantee deposits received, and lease liabilities approximate their fair value due to their short maturities.
- (b) For financial assets and liabilities traded in an active market with standard terms and conditions, their fair value is determined based on market quotation price (including listed equity securities, beneficiary certificates, bonds and futures etc.) at the reporting date.
- (c) Fair value of equity instruments without market quotations (including private placement of listed equity securities, unquoted public company and private company equity securities) are estimated using the market method valuation techniques based on parameters such as prices based on market transactions of equity instruments of identical or comparable entities and other relevant information (for example, inputs such as discount for lack of marketability, P/E ratio of similar entities and Price-Book ratio of similar entities).
- (d) Fair value of debt instruments without market quotations and bank loans are determined based on the counterparty prices or valuation method. The valuation method uses DCF method as a basis, and the assumptions such as the interest rate and discount rate are primarily based on relevant information of similar instrument (such as yield curves published by the Taipei Exchange, average prices for Fixed Rate Commercial Paper published by Reuters and credit risk, etc.)

B. Fair value of financial instruments measured at amortized cost

The carrying amount of the Company's financial assets and financial liabilities measured at amortized cost approximate their fair value.

C. Fair value measurement hierarchy for financial instruments

Please refer to Note 12(8) for fair value measurement hierarchy for financial instruments of the Company.

AUDIX CORPORATION
NOTES TO PARENT COMPANY ONLY FINANCIAL STATEMENTS (CONTINUED)
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

(8) Fair value measurement hierarchy

A. Fair value measurement hierarchy

All asset and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, based on the lowest level input that is significant to the fair value measurement as a whole. Level 1, 2 and 3 inputs are described as follows:

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 – Unobservable inputs for the asset or liability.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period.

B. Fair value measurement hierarchy of the Group's assets and liabilities

The Company did not have assets that are measured at fair value on a non-recurring basis. Fair value measurement hierarchy of the Company assets and liabilities measured at fair value on a recurring basis was as follows:

As of December 31, 2024:

	Level 1	Level 2	Level 3	Total
Assets at fair value:				
Financial assets at fair value through profit or loss				
Funds	\$71,205	\$-	\$-	\$71,205
Preferred stocks	145,396	-	-	145,396
Bonds	49,699	-	-	49,699
Fair value through other comprehensive income				
Investments in equity instruments designated at fair value through other comprehensive income	-	79,800	-	79,800

AUDIX CORPORATION

NOTES TO PARENT COMPANY ONLY FINANCIAL STATEMENTS (CONTINUED)

(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

As of December 31, 2023:

	Level 1	Level 2	Level 3	Total
Assets at fair value:				
Financial assets at fair value through profit or loss				
Funds	\$41,061	\$-	\$-	\$41,061
Preferred stocks	145,926	-	-	145,926
Fair value through other comprehensive income				
Investments in equity instruments designated at fair value through other comprehensive income	-	126,000	-	126,000

Transfers between Level 1 and Level 2 during the period

During the years ended December 31, 2024 and 2023, there were no transfers between Level 1 and Level 2 fair value measurements.

Reconciliation for fair value measurements in Level 3 of the fair value hierarchy

The movements during the period were as follows:

As of December 31, 2024:

None.

As of December 31, 2023:

	Assets
	At fair value through other comprehensive income
	Stocks
Beginning balances as of January 1, 2023	\$9,456
Total gains and (losses):	
Amount recognized in OCI (presented in “Unrealized gains (losses) from equity instruments investments measured at fair value through other comprehensive income)	(4,625)
Disposal	(41,873)
The cumulative gain on disposal reclassified from other equity to retained earnings	37,042
Ending balances as of December 31, 2023	\$-

AUDIX CORPORATION
NOTES TO PARENT COMPANY ONLY FINANCIAL STATEMENTS (CONTINUED)
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

Information on significant unobservable inputs to valuation

Description of significant unobservable inputs to valuation of recurring fair value measurements categorized within Level 3 of the fair value hierarchy was as follows:

As of December 31, 2024:

None.

As of December 31, 2023:

None.

Valuation process used for fair value measurements categorized within Level 3 of the fair value hierarchy

The Company's finance department is responsible for validating the fair value measurements and ensuring that the results of the valuation are in line with market conditions, based on independent and reliable inputs which are consistent with other information, and represent exercisable prices. The department analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Company's accounting policies at each reporting date.

(9) Significant assets and liabilities denominated in foreign currencies

Information regarding the significant assets and liabilities denominated in foreign currencies is listed below:

(In thousands)

	As of December 31, 2024		
	Foreign currencies	Exchange rate	(NTD)
<u>Financial assets</u>			
Monetary items:			
USD	\$6,511	32.7850	\$213,478
JPY	10,802	0.2099	2,267
HKD	32	4.2220	133
CNY	421	4.4780	1,887

AUDIX CORPORATION

NOTES TO PARENT COMPANY ONLY FINANCIAL STATEMENTS (CONTINUED)

(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

As of December 31, 2024			
	Foreign currencies	Exchange rate	(NTD)
Non-monetary items:			
USD	157	32.7850	5,137
JPY	9,136	0.2099	1,918
<u>Financial liabilities</u>			
Monetary items:			
USD	5,603	32.7850	183,710
HKD	102	4.2220	433

(In thousands)

As of December 31, 2023			
	Foreign currencies	Exchange rate	(NTD)
<u>Financial assets</u>			
Monetary items:			
USD	\$37,328	30.7050	\$1,146,144
JPY	20,187	0.2172	4,385
HKD	76	3.9290	300
CNY	468	4.3270	2,025
Non-monetary items:			
USD	318	30.7050	9,758
<u>Financial liabilities</u>			
Monetary items:			
USD	37,971	30.7050	1,165,899
HKD	191	3.9290	752

The Company's foreign currency transactions were denominated in multiple currency; therefore, the information of the foreign exchange gains (losses) of monetary assets and liabilities denominated by each currency was not applicable for disclosure. The Company's significant monetary financial assets and liabilities denominated in foreign currencies incurred foreign exchange gains (losses) of \$2,107 thousand and \$(8,839) thousand for the years ended December 31, 2024 and 2023, respectively.

The above information was disclosed based on the carrying amount of foreign currency.

AUDIX CORPORATION
NOTES TO PARENT COMPANY ONLY FINANCIAL STATEMENTS (CONTINUED)
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

(10) Capital management

The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize shareholders' value. The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust dividend payment to shareholders, return capital to shareholders or issue new shares.

13. Other disclosure

(1) Information at significant transactions

- A. Financings provided to others: Please refer to table 7.
- B. Endorsements/guarantees provided to others: None.
- C. Marketable securities held: Please refer to table 1.
- D. Individual securities acquired or disposed of with accumulated amount exceeding NTD 300 million or 20 percent of the capital stock: None.
- E. Acquisition of individual real estate properties at costs of at least NTD 300 million or 20 percent of the paid-in capital: None.
- F. Disposal of individual real estate properties at costs of at least NTD 300 million or 20 percent of the paid-in capital: None.
- G. Total purchases from or sales to related parties of at least NTD 100 million or 20 percent of the paid-in capital: Please refer to table 2.
- H. Receivables due from related parties amounting to at least NTD 100 million or 20 percent of the paid-in capital: None.
- I. Derivative instruments transactions: None.
- J. Significant intercompany transactions between consolidated entities: Please refer to table 3.

AUDIX CORPORATION

NOTES TO PARENT COMPANY ONLY FINANCIAL STATEMENTS (CONTINUED)

(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

(2) Information on investees

Information about the invested company shall be disclosed to those who have significant influence or control directly or indirectly: Please refer to table 4.

(3) Information on investments in Mainland China

A. Names, main business, paid-in capital, method of investment, investment flows, percentage of ownership, share of profits (losses), carrying amount at the end of the period, accumulated inward remittance of earnings and the upper limit of investment: Please refer to table 5.

B. Significant direct or indirect transactions with the investee, its prices, terms of payment and unrealized gain or loss: Please refer to table 2.

C. The amount of the property transaction and the profits or losses arising therefrom:
None.

D. End balance and purpose of endorsement and guarantee or provision of collateral:
None.

E. Maximum Balance, End Balance Rate Range and Total Current Interest:
None.

F. Other transactions that have a significant impact on the current profit or loss or financial situation, such as the provision or acceptance of services: None.

(4) Information on major shareholders

The shareholder's name, shareholding amount and proportion of the Company's share share ratio of more than 5%: Please refer to table 6.

Table 1: Marketable securities held (not including subsidiaries, associates and joint ventures)

Table 1: Marketable securities held (not including subsidiaries, associates and joint ventures)					(In Thousands of NTD/ Foreign currency)				
Held Company Name	Marketable Securities Type	Marketable Securities Name	Relationship with the issuer	Financial Statement Account	As of December 31, 2024				Remark
					Share/Units	Carrying Amount	Percentage of Ownership	Fair Value	
Audix Corporation	Preferred stock	Fubon Preferred Stock	-	Financial assets at fair value through profit or loss - current	195,000	\$12,324	-	\$12,324	
Audix Corporation	Preferred stock	Fubon Preferred Stock-Share B	-	Financial assets at fair value through profit or loss - current	535,646	32,406	-	32,406	
Audix Corporation	Preferred stock	Cathay Preferred Stock	-	Financial assets at fair value through profit or loss - current	888,000	54,168	-	54,168	
Audix Corporation	Preferred stock	Cathay Preferred Stock-Share B	-	Financial assets at fair value through profit or loss - current	773,672	46,498	-	46,498	
Audix Corporation	Fund	Nomura Global Short Duration Bond Fund	-	Financial assets at fair value through profit or loss - current	447,011	5,004	-	5,004	
Audix Corporation	Fund	Nomura Global Financial Bond Fund Acc USD	-	Financial assets at fair value through profit or loss - current	496,403	5,274	-	5,274	
Audix Corporation	Fund	Cathay MSCI Taiwan ESG Sustainability High Dividend Yield ETF	-	Financial assets at fair value through profit or loss - current	210,000	4,658	-	4,658	
Audix Corporation	Fund	Cathay BBB Corporate bond ex China Coupon 4.5% 10Yr+ 20% Sector Capped ETF	-	Financial assets at fair value through profit or loss - current	140,000	5,284	-	5,284	
Audix Corporation	Fund	Goldman Sachs US Dollar Credit Y Cap USD	-	Financial assets at fair value through profit or loss - current	259	2,708	-	2,708	
Audix Corporation	Fund	Capital BofA Merrill Lynch 15+ Year US Telecommunications Index Exchange Traded Fund	-	Financial assets at fair value through profit or loss - current	136,000	5,273	-	5,273	
Audix Corporation	Fund	Nomura Convertible Bond Multi-Asset Fund N Accumulate TWD	-	Financial assets at fair value through profit or loss - current	509,590	5,446	-	5,446	
Audix Corporation	Fund	Fuh-Hwa Global Bond Fund	-	Financial assets at fair value through profit or loss - current	333,579	5,077	-	5,077	
Audix Corporation	Fund	Amundi TW - Global Investment Grade Green Bond Fund - A2 TWD	-	Financial assets at fair value through profit or loss - current	271,739	3,302	-	3,302	
Audix Corporation	Fund	Janus Henderson Horizon Fund - Euro Corporate Bond Fund A2 HUSD	-	Financial assets at fair value through profit or loss - current	536	2,429	-	2,429	
Audix Corporation	Fund	Cathay U.S. Treasury 20+ Year Bond	-	Financial assets at fair value through profit or loss - current	166,000	4,943	-	4,943	
Audix Corporation	Fund	Yuanta US 20+ Year BBB Corporate Bond ETF	-	Financial assets at fair value through profit or loss - current	145,000	5,137	-	5,137	
Audix Corporation	Fund	Yuanta US 20+ Year AAA-A Corporate Bond ETF	-	Financial assets at fair value through profit or loss - current	148,000	5,004	-	5,004	
Audix Corporation	Fund	Nomura Taiwan High Dividend Fund	-	Financial assets at fair value through profit or loss - current	44,176	3,345	-	3,345	
Audix Corporation	Fund	Yuanta Japan Leaders Equity Fund-JPY(A)	-	Financial assets at fair value through profit or loss - current	869,241	1,918	-	1,918	
Audix Corporation	Fund	Fubon 9-35 Years US Corporate Bond A ETF	-	Financial assets at fair value through profit or loss - current	93,000	3,451	-	3,451	
Audix Corporation	Fund	UPAMC Bloomberg MSCI ESG Tilted 15Yr Plus USD BBB Senior Corporate Bond ETF	-	Financial assets at fair value through profit or loss - current	200,000	2,952	-	2,952	
Audix Corporation	Bond	TSMC 2nd Unsecured Corporate Bond in 2023- Tranche A(Code:B618DG)	-	Financial assets at fair value through profit or loss - current	500,000	49,699	-	49,699	
Audix Corporation	Stock	Locus Cell Co., Ltd.	-	Financial assets at fair value through other comprehensive income - non current	5,000,000	79,800	2.50%	79,800	
Total						\$346,100			
Audix Technology (Xiamen) Co.,Ltd.	Capital	Xiamen Juxiang Precision Mold Co., Ltd	-	Financial assets at fair value through other comprehensive income - non current	-	RMB 1,103	8.00%	RMB 1,103	
Total						RMB 1,103			
Audix Technology Corporation	Fund	Hua Nan Phoenix Money Market Fund	-	Financial assets at fair value through profit or loss - current	679,040	\$11,517	-	11,517	
Total						\$11,517			
Audix Hi-tech Investment Co., Ltd.	Bond	AFRFIN bond	-	Financial assets at fair value through profit or loss - non current	-	USD 455	-	USD 455	
Audix Hi-tech Investment Co., Ltd.	Bond	ARAMCO bond	-	Financial assets at fair value through profit or loss - non current	-	USD 426	-	USD 426	
Audix Hi-tech Investment Co., Ltd.	Bond	BAC bond	-	Financial assets at fair value through profit or loss - non current	-	USD 498	-	USD 498	
Audix Hi-tech Investment Co., Ltd.	Bond	BANK bond	-	Financial assets at fair value through profit or loss - non current	-	USD 351	-	USD 351	
Audix Hi-tech Investment Co., Ltd.	Bond	BNP bond	-	Financial assets at fair value through profit or loss - non current	-	USD 396	-	USD 396	
Audix Hi-tech Investment Co., Ltd.	Bond	BPCE bond	-	Financial assets at fair value through profit or loss - non current	-	USD 499	-	USD 499	
Audix Hi-tech Investment Co., Ltd.	Bond	CGM bond	-	Financial assets at fair value through profit or loss - non current	-	USD 2,976	-	USD 2,976	
Audix Hi-tech Investment Co., Ltd.	Bond	CITIGROUP bond	-	Financial assets at fair value through profit or loss - non current	-	USD 384	-	USD 384	
Audix Hi-tech Investment Co., Ltd.	Bond	CKINF bond	-	Financial assets at fair value through profit or loss - non current	-	USD 374	-	USD 374	
Audix Hi-tech Investment Co., Ltd.	Bond	CREDIT bond	-	Financial assets at fair value through profit or loss - non current	-	USD 399	-	USD 399	
Audix Hi-tech Investment Co., Ltd.	Bond	FOXCONN bond	-	Financial assets at fair value through profit or loss - non current	-	USD 1,647	-	USD 1,647	
Audix Hi-tech Investment Co., Ltd.	Bond	HSBC bond	-	Financial assets at fair value through profit or loss - non current	-	USD 846	-	USD 846	
Audix Hi-tech Investment Co., Ltd.	Bond	HYUNDAI bond	-	Financial assets at fair value through profit or loss - non current	-	USD 384	-	USD 384	
Audix Hi-tech Investment Co., Ltd.	Bond	MERCEDES bond	-	Financial assets at fair value through profit or loss - non current	-	USD 389	-	USD 389	
Audix Hi-tech Investment Co., Ltd.	Bond	MITSUBISHI bond	-	Financial assets at fair value through profit or loss - non current	-	USD 336	-	USD 336	
Audix Hi-tech Investment Co., Ltd.	Bond	MIZUHO bond	-	Financial assets at fair value through profit or loss - non current	-	USD 410	-	USD 410	
Audix Hi-tech Investment Co., Ltd.	Bond	NATIXIS bond	-	Financial assets at fair value through profit or loss - non current	-	USD 1,496	-	USD 1,496	
Audix Hi-tech Investment Co., Ltd.	Bond	NSANY bond	-	Financial assets at fair value through profit or loss - non current	-	USD 385	-	USD 385	
Audix Hi-tech Investment Co., Ltd.	Bond	SCGAU bond	-	Financial assets at fair value through profit or loss - non current	-	USD 492	-	USD 492	
Audix Hi-tech Investment Co., Ltd.	Bond	SCP bond	-	Financial assets at fair value through profit or loss - non current	-	USD 496	-	USD 496	
Audix Hi-tech Investment Co., Ltd.	Bond	STD bond	-	Financial assets at fair value through profit or loss - non current	-	USD 383	-	USD 383	
Audix Hi-tech Investment Co., Ltd.	Bond	SUCI bond	-	Financial assets at fair value through profit or loss - non current	-	USD 398	-	USD 398	
Audix Hi-tech Investment Co., Ltd.	Bond	SUMILF bond	-	Financial assets at fair value through profit or loss - non current	-	USD 355	-	USD 355	
Audix Hi-tech Investment Co., Ltd.	Bond	VOLKSWAGEN bond	-	Financial assets at fair value through profit or loss - non current	-	USD 414	-	USD 414	
Total						USD 15,189			

Note: Securities referred to in this Table are stocks, bonds, benefit certificates and securities derived from these items within the scope of IFRS No. 9, "Financial Instruments."

Table 2: Related party transactions with purchases or sales amount of at least NTD 100 million or 20% of the paid-in capital

(In Thousands of NTD/ Foreign currency)

Company Name	Related Party	Nature of Relationship	Transaction Details				Details of non-arm's length transaction		Notes/Accounts Receivable (Payable)		Remark
			Purchase /Sales	Amount	% to Total	Payment/ Collection Term	Unit Price	Payment/ Collection Term	Ending Balance	% to Total	
Audix Corporation	Audix Technology (Xiamen) Co., Ltd.	Subsidiary	Purchases	\$183,754	26.27%	30 days	\$-	-	Accounts payable to related parties		
									\$21,652	14.98%	(Note)
Audix Technology (Xiamen) Co., Ltd.	Audix Corporation	Parent company	Sales	RMB 40,780	7.51%	30 days	-	-	Accounts receivable due from related parties		
									RMB 4,747	2.37%	(Note)
Yuka Precision (Wujiang) Co., Ltd.	YUWA CO., LTD.	Other related parties	Sales	RMB 42,979	46.42%	90 days	-	-	Accounts receivable due from related parties		
									RMB 11,277	44.90%	

Note: The balance at the end of the period has been eliminated in the consolidated statement.

Table 3: Significant intercompany transactions between consolidated entities

(In Thousands of NTD)

No. (Note1)	Company Name	Counter-party	Nature of Relationship (Note2)	Intercompany Transactions			
				Financial Statement Account	Amount	Terms	Percentage of Consolidated Net Revenue or Total Assets (Note3)
	<u>For the year ended December 31, 2024</u>						
0	Audix Corporation	Toyo Kuni Electronics Co., Ltd	1	Operating revenue	\$35,829	(Note4)	0.69 %
0	Audix Corporation	AHI Electronics Warehouse (Shanghai) Co., Ltd.	1	Operating revenue	23,211	(Note4)	0.45 %
0	Audix Corporation	Audix Technology (Xiamen) Co., Ltd.	1	Operating revenue	5,531	(Note4)	0.11 %
0	Audix Corporation	Toyo Kuni Electronics Co., Ltd	1	Purchases	6,539	(Note5)	0.13 %
0	Audix Corporation	AHI Electronics Warehouse (Shanghai) Co., Ltd.	1	Purchases	7,458	(Note5)	0.14 %
0	Audix Corporation	Audix Technology (Xiamen) Co., Ltd.	1	Purchases	183,754	(Note5)	3.56 %
0	Audix Corporation	Toyo Kuni Electronics Co., Ltd	1	Other income	8,267	-	0.16 %
0	Audix Corporation	Audix Hi-tech Investment Co., Ltd.	1	Other income	8,848	-	0.17 %
0	Audix Corporation	Audix Technology Corporation	1	Rental income	6,756	-	0.13 %
0	Audix Corporation	AHI Electronics Warehouse (Shanghai) Co., Ltd.	1	Accounts receivable	9,972	-	0.10 %
0	Audix Corporation	Audix Technology (Xiamen) Co., Ltd.	1	Accounts payable	21,652	-	0.22 %
1	Toyo Kuni Electronics Co., Ltd	AHC Warehouse & Trading (Shenzhen) Co., Ltd.	3	Operating revenue	91,361	(Note4)	1.77 %
1	Toyo Kuni Electronics Co., Ltd	AHC Warehouse & Trading (Shenzhen) Co., Ltd.	3	Operating expenses	8,317	-	0.16 %
1	Toyo Kuni Electronics Co., Ltd	AHC Warehouse & Trading (Shenzhen) Co., Ltd.	3	Accounts receivable	46,052	-	0.48 %
2	Audix Hi-tech Investment Co., Ltd.	Audix Technology (Xiamen) Co., Ltd.	3	Purchases	47,633	(Note5)	0.92 %
2	Audix Hi-tech Investment Co., Ltd.	Audix Technology (Xiamen) Co., Ltd.	3	Accounts payable	25,808	-	0.27 %
3	Audix Technology Corporation	Audix Technology (Wujiang) Co., Ltd.	3	Operating revenue	47,396	(Note4)	0.92 %
3	Audix Technology Corporation	Audix Technology (Shenzhen) Co., Ltd.	3	Operating revenue	9,478	(Note4)	0.18 %
4	Audix Technology (Xiamen) Co., Ltd.	AHC Warehouse & Trading (Shenzhen) Co., Ltd.	3	Operating revenue	48,660	(Note4)	0.94 %
4	Audix Technology (Xiamen) Co., Ltd.	AHI Electronics Warehouse (Shanghai) Co., Ltd.	3	Operating revenue	10,858	(Note4)	0.21 %
4	Audix Technology (Xiamen) Co., Ltd.	AHC Warehouse & Trading (Shenzhen) Co., Ltd.	3	Accounts receivable	28,699	-	0.30 %
5	Audix Technology (Wujiang) Co., Ltd.	Audix Technology Corporation	3	Operating revenue	5,773	(Note4)	0.11 %
5	Audix Technology (Wujiang) Co., Ltd.	Audix Technology (Shenzhen) Co., Ltd.	3	Operating revenue	10,008	(Note4)	0.19 %
5	Audix Technology (Wujiang) Co., Ltd.	Yuka Precision (Wujiang) Co., Ltd.	3	Rental income	26,882	-	0.52 %
6	AHC Warehouse & Trading (Shenzhen) Co., Ltd.	AHI Electronics Warehouse (Shanghai) Co., Ltd.	3	Purchases	6,830	(Note5)	0.13 %

Note1: The numbers filled in represent:

(1) The company is "0".

(2) The subsidiaries are numbered in order starting from "1".

Note2: The following lists the three types of intercompany transactions (one transaction between parent company and subsidiary or between subsidiaries could be disclosed only once.)

(1) Transactions from parent company to subsidiary is "1".

(2) Transactions from subsidiary to parent company is "2".

(3) Transactions between subsidiaries is "3".

Note3: The percentage is divided by:

(1) Consolidated total assets if the transaction account belongs to balance sheet.

(2) Consolidated net revenue if the transaction account belongs to comprehensive income statement.

Note4: The terms and collection period of operating income to the above related parties are 60-150 days; while the terms for third party are 30-150 days.

Note5: The terms and payment period of purchase to the above related parties are 30-90 days;while the terms for third party are 30-105 days.

Note6: This table includes significant transactions for amounts over 0.1% of consolidated net revenue or consolidated total assets.

Table 4: Names, locations and related information of investees (not including information on investments in Mainland China)

(In Thousands of NTD/ Foreign currency)

Investor Company	Investee Company	Location	Main Businesses	Original Investment Amount		Balance at The End of Period			Net Income (Losses) of Investee	Share of Profits (Losses) of Investee	Remark
				Ending balance	Beginning balance	Shares	Percentage of Ownership	Carrying Amount			
Audix Corporation	Audix Hi-tech Investment Co., Ltd.	Hong Kong	Electronic component trading and investment business, etc.	\$392,624	\$392,624	-	100%	\$5,409,944	\$580,657	\$580,657	Subsidiary (Note1)
Audix Corporation	Toyo Kuni Electronics Co., Ltd	Hong Kong	Trading and agency of electronic components, etc.	356,990	356,990	-	100%	912,250	42,113	42,113	Subsidiary (Note1)
Audix Corporation	Audix Technology Corporation	Taiwan	Safety standard test certification and electromagnetic compatibility test certification, and construction of anechoic chamber, etc.	170,000	170,000	20,000,000	100%	430,012	103,076	103,076	Subsidiary (Note1)
Audix Corporation	Wavegis Technology CO., LTD.	Taiwan	Electrical and electronic product manufacturing, communication and information system planning, integration, application and construction, etc.	21,750	21,750	2,887,786	38.16%	41,028	15,154	5,183 (Note2)	Associate

Note1: Profits and losses resulting from intercompany transactions was eliminated in the consolidated statement.

Note2: It is the "Share of profit (loss) of associates and joint ventures" deducting the amortization of the difference between the investment cost and the net value of the acquired equity of \$600 thousand.

Table 5: Informations on investments in Mainland China (In Thousands of NTD/ Foreign currency)

Mainland China Investee Company	Main Business	Total Amount of Paid-in Capital	Investment method	Accumulated Outflow of Investment from Taiwan as of January 1, 2024	Investment Flows		Accumulated Outflow of Investment from Taiwan as of December 31, 2024	Net Income (Loss) of the Investee Company	Director Indirect Percentage of Ownership	Recognized in this period Investment profit and loss	Carrying Amount as of December 31, 2024	Accumulated Inward Remittance of Earnings as of December 31, 2024	Remark
					Outflow	Inflow							
Yuka Precision (Wujiang) Co.,Ltd.	Production of new electronic components, molds and their parts, technical consultation and technical services for software product development, etc.	\$327,850 (USD 10,000 thousand)	(Note 2)	-	\$-	\$-	-	\$26,841 (RMB 6,024 thousand)	50%	\$13,421 (RMB 3,012 thousand) (Note 3)	\$393,665 (RMB 87,911 thousand)	-	(Note 7)
Audix Technology (Shenzhen) Co.,Ltd.	Inspection and testing services, etc.	\$68,849 (USD 2,100 thousand)	(Note 1)	-	-	-	-	\$18,697 (USD 582 thousand)	100%	\$18,697 (USD 582 thousand) (Note 3)	\$322,801 (USD 9,846 thousand)	\$250,618	(Note 4)
Audix Technology (Xiamen) Co.,Ltd.	Manufacture and sales of transformers, coils, relays, anti-electromagnetic interference components, new electronic components, electronic special equipment and their spare parts, plastic molds and parts, etc.	\$982,239 (USD 29,960 thousand)	(Note 1)	\$145,401 (USD 4,435 thousand)	-	-	\$145,401 (USD 4,435 thousand)	\$479,146 (USD 14,915 thousand)	100%	\$479,146 (USD 14,915 thousand) (Note 3)	\$2,419,992 (USD 73,814 thousand)	\$1,949,491	(Note 4)
AHC Warehouse & Trading (Shenzhen) Co.,Ltd.	Warehousing business, international trade, entrepot trade, intra-regional trade, and business market consultation, etc.	\$45,513 (HKD 10,780 thousand)	(Note 1)	-	-	-	-	\$(900) (USD (28) thousand) (Note 3)	100%	\$(900) (USD (28) thousand) (Note 3)	\$66,291 (USD 2,022 thousand)	-	(Note 5)
Audix Technology (Wujiang) Co.,Ltd.	Production of new electronic components, new instrument components and materials and parts design and processing, software product development technical consultation and technical services, etc.	\$655,700 (USD 20,000 thousand)	(Note 1)	\$91,077 (USD 2,778 thousand)	-	-	\$91,077 (USD 2,778 thousand)	\$14,167 (USD 441 thousand)	100%	\$14,167 (USD 441 thousand) (Note 3)	\$747,137 (USD 22,789 thousand)	\$29,690	(Note 4)
Audix Testing & Measurement Co., Ltd.	Test of electronic and electrical products and related technical consulting services, etc.	\$13,434 (RMB 3,000 thousand)	(Note 2)	-	-	-	-	\$1,555 (RMB 349 thousand)	100%	\$1,230 (RMB 276 thousand) (Note 3)	\$24,020 (RMB 5,364 thousand)	-	(Note 6)
Audix Technology (shanghai) Co.,Ltd.	Design, production, microcontroller (microcomputer) electronic control board, engaged in integrated circuit block, electronic, motor, electrical product technology design, technical consultation and service, various types of	\$68,849 (USD 2,100 thousand)	(Note 1)	-	-	-	-	\$7,196 (USD 224 thousand)	100%	\$7,196 (USD 224 thousand) (Note 3)	\$169,367 (USD 5,166 thousand)	\$20,055	(Note 4)
AHI Electronics Warehouse (Shanghai) Co.,Ltd.	Sales of electronic components, etc.	\$57,374 (USD 1,750 thousand)	(Note 1)	-	-	-	-	\$7,260 (USD 226 thousand)	100%	\$7,260 (USD 226 thousand) (Note 3)	\$160,843 (USD 4,906 thousand)	-	(Note 5)

Accumulated Investment in Mainland China as of December 31, 2024	Investment Amount Authorized by Investment Commission, MOEA	Upper Limit of Investment
\$236,478 (USD 7,213 thousand)	\$1,892,022 (USD 57,710 thousand)	\$3,625,751 (Note 8)

Note1: Through investing in an existing company in the third area, which then invested in the investee in Mainland China.

Note2: Directly reinvesting in mainland companies by reinvesting in mainland companies. According to the regulations of the Investment Review Commission, the reinvestment behavior of investment enterprises in the mainland area does not need to apply to the Investment Review Commission. Therefore, such investment amounts are not included in the company's investment quota in mainland China calculate.

Note3: Investment income (loss) was recognised based on the financial statement audited by the parent company's independent auditors.

Note4: It is reinvested through Audix Hi-tech Investment Co., Ltd.

Note5: It is reinvested through Toyo Kuni Electronics Co., Ltd.

Note6: It is invested through Audix Technology (Shenzhen) Co., Ltd.

Note7: It was reinvested through Audix Technology (Xiamen) Co., Ltd.

Note8: According to the regulations of the Investment Review Committee of the Ministry of Economic Affairs, the upper limit on investment in mainland China is determined by 60% of the company's consolidated net worth.

Table 6: Major Shareholders Information

Unit: share

Name	Number of shares		Percentage of ownership (%)
	Common stock	Preferred stock	
JSJK HOLDING CO., LTD. (BRITISH VIRGIN ISLANDS)	7,682,748	-	7.27%
Chung, Cheng-Huang	7,532,965	-	7.13%
E. SUN Bank Trusted Account - Chung, Cheng-Huang	6,000,000	-	5.68%

Note1: This table is based on the last business day at the end of each quarter, and the shareholders hold more than 5% of the common shares and special shares of the company that have completed delivery without physical registration (including treasury shares). As for the share capital recorded in the company's financial report and the company's actual number of shares delivered without physical registration, there may be differences or differences due to different preparation and calculation bases.

Note2: If the above-mentioned information is that the shareholder will transfer the shares to the trust, it will be disclosed separately for the trustor who opened the trust account with the trustee. As for insider equity declarations for shareholders who hold more than 10% of the shares in accordance with the Securities and Exchange Act, their shareholding includes their own shares plus the shares they have delivered to the trust and have the right to exercise decision-making power over the trust property. Please refer to the public information for information on insider equity declarations.

Note3: The principle of compiling this table is to calculate the distribution of the balance of each credit transaction by referring to the register of securities owners whose transfer of ownership is temporarily suspended by shareholders (short lending will not be replenished).

Note4: Shareholding ratio (%) = total number of shares held by the shareholder/total number of shares that have been delivered without entity registration.

Note5: The total number of shares delivered without physical registration (including treasury shares) is 105,595,615 shares = 105,595,615 shares (common shares) + 0 shares (special shares).

Table 7: Financings provided to others

No. (Note 1)	Lender	Counterparty	Account (Note 2)	Related party	Maximum balance for the period	Ending balance	Actual amount provided	Interest rate	Nature of financing (Note 3)	Amount of loan	Reason for short- term financing	Loss allowance	Collateral		Limit of financing amount for individual counterparty (Note 4)	Limit of total financing amount (Note 4)
													Name	Value		
1	Audix Technology (Xiamen) Co., Ltd.	AHI Electronics Warehouse (Shanghai) Co., Ltd.	Other receivables	Yes	\$44,870	\$44,780	\$-	-	2	\$-	Financing for short-term operating funds	\$-	-	\$-	\$1,022,464	\$1,022,464

Unit: in Thousands of New Taiwan Dollars

Note 1: The Company and its subsidiaries are coded as follows:

(1) The Company is coded "0".

(2) The subsidiaries are coded consecutively beginning from "1" in the order presented in the table above.

Note 2: Items recorded include trade receivables from associates, receivables from related parties, shareholder transactions, prepayments, advances, and similar items. If these items are of a nature involving financing provided to others, fill in the field.

Note 3: The nature of financing shall be filled in for counterparties who have business transactions or the need for short-term financing.

(1) Please fill in 1 for those who have business transaction.

(2) Please fill in 2 for those who have the need for short-term financing.

Note 4: Audix Technology (Xiamen) Co., Ltd. has set a limit on the total amount of financing for companies that need short-term financing and individual counterparty:

(1) The total amount of the loan shall not exceed 40% of the Company's net worth in the latest financial statements. The amount of loans to individual counterparty shall not exceed 20% of the Company's net worth in the latest financial statements.

(2) If the parent company directly and indirectly holds 100% of the voting shares and is not engaged in financing between companies established in Taiwan, the amount of the loan is not subject to the restrictions in (1), but shall not exceed 40% of the Company's net worth in the latest financial statements.

AUDIX CORPORATION
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2024/12/31

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AUDIX CORPORATION

1. STATEMENT OF CASH AND CASH EQUIVALENTS

Decembr 31, 2024

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

Item	Description				Amount	Note
Cash on hand					\$639	
Bank savings						
Foreign Deposit	USD	1,295,997.41	Exchange rate	32.7850	42,489	
(Included Time Deposits)	JPY	10,453,546.00	Exchange rate	0.2099	2,194	
	HKD	28,616.92	Exchange rate	4.2220	121	
	CNY	398,457.94	Exchange rate	4.4780	1,784	
	VND	165,952,127.00	Exchange rate	0.001265	210	
Checking Deposits					895	
Saving Deposits					14,160	
Subtotal					61,853	
Total					\$62,492	

AUDIX CORPORATION
2.STATEMENT OF FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS, CURRENT
Decembr 31, 2024

(In Thousands of New Taiwan Dollars)

Name of securities	Units	Par Value	Amount	Rate	Cost	Fair Value		Changes in fair value attributable to changes in credit risk	Note
						Unit Price	Amount		
Fubon Preferred Stock	195,000	\$61.95	\$12,079		\$12,079	\$63.20	\$12,324		
Fubon Preferred Stock - Share B	535,646	61.27	32,820		32,820	60.50	32,406		
Cathay Preferred Stock	888,000	62.67	55,652		55,652	61.00	54,168		
Cathay Preferred Stock - Share B	773,672	62.29	48,191		48,191	60.10	46,498		
Nomura Global Short Duration Bond Fund	447,011	11.19	5,000		5,000	11.19	5,004		
Nomura Global Financial Bond Fund Acc USD	496,403	10.07	5,000		5,000	10.62	5,274		
Cathay MSCI Taiwan ESG Sustainability High Dividend Yield ETF	210,000	22.61	4,748		4,748	22.18	4,658		
Cathay BBB Corporate bond ex China Coupon 4.5% 10Yr+ 20% Sector Capped ETF	140,000	34.80	4,872		4,872	37.74	5,284		
Goldman Sachs US Dollar Credit Y Cap USD	259	309.31	80		2,623	319.38	2,708		
Capital BofA Merrill Lynch 15+ Year US Telecommunications Index Exchange Traded Fund	136,000	36.43	4,954		4,954	38.77	5,273		
Nomura Convertible Bond Multi-Asset Fund N Accumulate USD	509,590	9.81	5,000		5,000	10.69	5,446		
Fuh-Hwa Global Bond Fund	333,579	14.95	4,987		4,987	15.22	5,077		
Amundi TW - Global Investment Grade Green Bond Fund - A2 TWD	271,739	11.11	3,020		3,020	12.15	3,302		
Janus Henderson Horizon Fund - Euro Corporate Bond Fund A2 HUSD	536	130.51	70		2,295	138.13	2,429		
Cathay U.S. Treasury 20+ Year Bond	166,000	29.98	4,977		4,977	29.78	4,943		
Yuanta US 20+ Year BBB Corporate Bond ETF	145,000	34.27	4,969		4,969	35.43	5,137		
Yuanta US 20+ Year AAA-A Corporate Bond ETF	148,000	33.60	4,972		4,972	33.81	5,004		
Nomura Taiwan High Dividend Fund	44,176	67.91	3,000		3,000	75.72	3,345		
Yuanta Japan Leaders Equity Fund-JPY(A)	869,241	10.42	9,054		1,900	10.51	1,918		
Fubon 9-35 Years US Corporate Bond A ETF	93,000	37.32	3,471		3,471	37.11	3,451		
UPAMC Bloomberg MSCI ESG Tilted 15Yr Plus USD BBB Senior Corporate Bond ETF	200,000	15.00	3,000		3,000	14.76	2,952		
TSMC 2nd Unsecured Corporate Bond in 2023- Tranche A	500,000	99.20	49,600		49,600	99.40	49,699		
Total					<u>\$267,130</u>		<u>\$266,300</u>		

AUDIX CORPORATION

3.STATEMENT OF NOTES RECEIVABLE, NET

Decembr 31, 2024

(In Thousands of New Taiwan Dollars)

Client Name	Description	Amount	Note
<u>Third Parties</u>			
Client M	Sales	\$7,338	
Others	Sales	27	The amount of individual client in others does not exceed 5% of the account balance.
Subtotal		7,365	
Less: loss allowance		(37)	
Net amount		<u>\$7,328</u>	

AUDIX CORPORATION

4.STATEMENT OF ACCOUNTS RECEIVABLE, NET

Decembr 31, 2024

(In Thousands of New Taiwan Dollars)

Client Name	Description	Amount	Note
<u>Third Parties</u>			
Client F	Sales	\$21,818	The amount of individual client in others does not exceed 5% of the account balance.
Client A	Sales	15,547	
Client M	Sales	13,642	
Client D	Sales	13,424	
Client A	Sales	8,689	
Others	Sales	98,091	
Subtotal		171,211	
Less: loss allowance		(799)	
Net amount		\$170,412	
<u>Related Parties</u>			
AHI Electronics Warehouse (Shanghai) Co., Ltd.	Sales	9,972	The amount of individual client in others does not exceed 5% of the account balance.
Toyo Kuni Electronics Co., Ltd	Sales	9,043	
Wavegis Technology CO., Ltd.	Sales	1,628	
Others	Sales	1,266	
Subtotal		\$21,909	
Less: loss allowance		-	
Net amount		21,909	
Total		\$192,321	

(In Thousands of New Taiwan Dollars)

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AUDIX CORPORATION

6.STATEMENT OF CHANGES IN FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME, NONCURRENT

For the year ended December 31, 2024

(In Thousands of New Taiwan Dollars)

Name of Securities	As of January 1,2024		Additions		Decrease		Adjustments	As of December 31,2024		Collateral	Note
	Shares	Fair value	Shares	Amount	Shares	Amount		Shares	Fair value		
Common stock											
Locus Cell Co., Ltd.	5,000,000	\$126,000	-	\$-	-	\$-	\$(46,200)	5,000,000	\$79,800	None	
Total		<u>\$126,000</u>		<u>\$-</u>		<u>\$-</u>	<u>\$(46,200)</u>		<u>\$79,800</u>		

AUDIX CORPORATION

7.STATEMENT OF CHANGES IN INVESTMENTS ACCOUNTED FOR UNDER THE EQUITY METHOD

For the year ended December 31, 2024

(In Thousands of New Taiwan Dollars)

Name of Securities	As of January 1, 2024		Additions (Note 1)		Decrease (Note 2)		As of December 31, 2024			Fair value/ Net assets value		Collateral	Note
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	%	Amount	Shares	Amount		
TOYO KUNI ELECTRONICS CO., LTD	-	\$820,669	-	\$91,581	-	\$-	-	100.00%	\$912,250	-	\$912,250	None	
AUDIX HI-TECH INVESTMENT CO., LTD.	-	4,827,097	-	798,847	-	(216,000)	-	100.00%	5,409,944	-	5,409,944	None	
AUDIX TECHNOLOGY CORPORATION	20,000,000	412,908	-	103,076	-	(85,972)	20,000,000	100.00%	430,012	21.50	430,012	None	
WAVEGIS TECHNOLOGY CO., LTD. (Note 3)	2,445,155	38,291	442,631	5,183	-	(2,446)	2,887,786	38.16%	41,028	14.21	41,028	None	
Total		<u>\$6,098,965</u>		<u>\$998,687</u>		<u>\$(304,418)</u>			<u>\$6,793,234</u>		<u>\$6,793,234</u>		

Note 1: Additions for the current period was investment income and cumulative translation adjustment.

Note 2: Decrease for the current period included cash dividends received.

Note 3 : WAVEGIS TECHNOLOGY CO.,LTD. declared the capitalization of stock dividends from retained earnings. In 2024, the Company has an additional shares of 442,631.

AUDIX CORPORATION
8.STATEMENT OF SHORT-TERM LOANS
Decembr 31, 2024

(In Thousands of New Taiwan Dollars)

Type Of Loan	Description	Ending balance	Contract Period	Interest rate	Loan Commitments	Guarantees	Note
Unsecured Loan	USD Loan	\$10,819	2024.11.07-2025.01.03	5.660000%	NTD 2,000,000	None	
Unsecured Loan	USD Loan	6,229	2024.11.12-2025.01.10	5.750000%	NTD 2,000,000	None	
Unsecured Loan	USD Loan	4,590	2024.11.15-2025.01.10	5.750000%	NTD 2,000,000	None	
Unsecured Loan	USD Loan	5,049	2024.12.13-2025.01.10	5.750000%	NTD 2,000,000	None	
Unsecured Loan	USD Loan	1,967	2024.12.16-2025.01.15	5.750000%	NTD 2,000,000	None	
Unsecured Loan	USD Loan	17,212	2024.12.09-2025.06.06	5.450000%	NTD 500,000	None	
Unsecured Loan	NTD Loan	350,000	2024.11.04-2025.01.24	1.810000%	NTD 350,000	None	
Unsecured Loan	NTD Loan	200,000	2024.11.26-2025.01.24	1.900000%	NTD 400,000	None	
Unsecured Loan	NTD Loan	100,000	2024.11.26-2025.03.31	1.920000%	NTD 300,000	None	
Unsecured Loan	NTD Loan	200,000	2024.12.20-2025.03.31	1.930000%	NTD 300,000	None	
Total		<u>\$895,866</u>					

AUDIX CORPORATION
9.STATEMENT OF ACCOUNTS PAYABLE
Decembr 31, 2024

(In Thousands of New Taiwan Dollars)

Vendor name	Description	Amount	Note
<u>Third Parties</u>			
Company T		\$50,416	The amount of individual client in others does not exceed 5% of the account balance.
Company A		15,665	
Company N		12,162	
Company T		10,624	
Company L		6,059	
Others		23,251	
Total		<u>\$118,177</u>	
<u>Related Parties</u>			
Audix Technology (Xiamen) Co., Ltd.		\$21,652	The amount of individual client in others does not exceed 5% of the account balance.
Others		4,707	
Total		<u>\$26,359</u>	

AUDIX CORPORATION
10.STATEMENT OF OTHER PAYABLES
Decembr 31, 2024

(In Thousands of New Taiwan Dollars)

Item	Description	Amount	Note
Accrued Payroll		\$30,916	
Employee compensation payable		20,017	
Remuneration to Directors		6,300	
Others		15,791	The amount of individual client in others does not exceed 5% of the account balance.
Total		<u>\$73,024</u>	

AUDIX CORPORATION

11.STATEMENT OF OTHER CURRENT LIABILITIES, OTHERS

Decembr 31, 2024

(In Thousands of New Taiwan Dollars)

Item	Description	Amount	Note
Temporary Receipts		\$856	
Receipts Under Custody		1,247	
Refund Liabilities		68	
Total		<u>\$2,171</u>	

AUDIX CORPORATION

12.STATEMENT OF OPERATING REVENUES

For the year ended December 31, 2024

(In Thousands of New Taiwan Dollars)

Item	Unit	Amount	Note
Sales Revenue		\$792,177	
Service Revenue		76,340	
Total Operating Revenues		868,517	
Less: Sales Returns and Allowances		(12,042)	
Net amount		<u>\$856,475</u>	

AUDIX CORPORATION

13.STATEMENT OF OPERATING COSTS

For the year ended December 31, 2024

(In Thousands of New Taiwan Dollars)

Item	Amount	
	Subtotal	Total
Beginning Inventory	\$63,499	
Add: Current Purchase	699,608	
Less:Ending Inventory	(54,994)	
Gains on inventory valuation	(671)	
Transferred to other account	(208)	
Others	(10)	
Total		<u>\$707,224</u>

AUDIX CORPORATION

14.STATEMENT OF SELLING EXPENSES

For the year ended December 31, 2024

(In Thousands of New Taiwan Dollars)

Item	Description	Amount	Note
Salaries		\$38,310	
Pension		6,778	
Insurance Expenses		4,280	
Others		21,073	The amount of individual vendor in others does not exceed 5% of the account balance.
Total		<u>\$70,441</u>	

(In Thousands of New Taiwan Dollars)

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