AMAX HOLDING CO., LTD. AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS AND

INDEPENDENT AUDITORS' REPORT

DECEMBER 31, 2024 AND 2023

For the convenience of readers and for information purpose only, the auditors' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. In the event of any discrepancy between the English version and the original Chinese version or any differences in the interpretation of the two versions, the Chinese-language auditors' report and financial statements shall prevail.

INDEPENDENT AUDITORS' REPORT

To the Board of Directors and Shareholders of AMAX Holding Co., Ltd.

Opinion

We have audited the accompanying consolidated balance sheets of AMAX Holding Co., Ltd. and subsidiaries (the "Group") as at December 31, 2024 and 2023, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of material accounting policies.

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

Basis for opinion

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

Key audit matters

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

Key audit matters for the Group's 2024 consolidated financial statements are stated as follows:

Valuation of inventories

Description

Please refer to Note 4(12) for the accounting policies of inventories, Note 5 for the uncertainty of accounting estimations and assumptions for the valuation of inventories, and Note 6(4) for the details of inventories.

The balances of the Group's inventories and allowance for valuation loss as of December 31, 2024 were NT$914,278 thousand and NT$29,884 thousand, respectively.

The Group is primarily engaged in providing cloud, data center and high performance computing server solutions. Due to the technology innovation, the iteration and update speed of electronic raw materials have accelerated, inventories may become obsolete within a short period. Additionally, the prices of the key raw materials are affected by the overall economic environment. Given that the amount and items of the inventories are significant and numerous, and the processes of valuation of inventories are subject to the management's judgement, we considered the valuation of inventories as one of the key audit matters.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

1. Understood the policies related to the provision for inventory valuation and verified whether the policies were adopted consistently in all periods.
2. Obtained the reports of the net realisable value of inventories, reviewed the calculation logic and sampled and tested relevant parameters, including verifying supporting documents of selling prices and purchase prices, and recalculated and assessed the reasonableness of the provisions.
3. Obtained the inventory aging reports, performed the inventory aging tests, selected the inventory item numbers and matched with the record of inventory movement to validate the accuracy of the inventory aging, evaluated the reasonableness of the provisions of obsolete and slow-moving inventories assessed by the management according to the inventory aging, the clearance of the inventories and reviewed the supporting documents.

Existence of sales revenue

Description

Refer to Note 4(26) for the accounting policies on revenue recognition and Note 6(16) for the details of revenue.

The Group generates revenue from providing cloud, data center and high performance computing server solutions and receives orders on project and customised bases. Given that the operating revenue of the industry which the Group is engaged in was affected by the factors such as the supply and demand conditions of the market and the changes in the top ten customers of the Group's operating revenue, we considered the existence of sales revenue of the top ten customers as one of the key audit matters.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

1. Understood and assessed the internal control procedures of sales revenue recognition and tested the effectiveness of internal controls relating to sales revenue.
2. Reviewed the relevant background information of the top ten customers and searched relevant information for verification.
3. Sampled the sales revenue transactions of the top ten customers and verified with relevant vouchers to validate the occurrence of the sales revenue transactions.
4. Reviewed whether there were any unusual or significant sales returns and discounts incurred after the balance sheet date.
5. Sent confirmation letters for the significant accounts receivable.

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

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

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

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

Auditors' responsibilities for the audit of the consolidated financial statements

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

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period 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.

Andy Chang Gregory Kuo

For and on Behalf of PricewaterhouseCoopers, Taiwan

March 12, 2025

The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and independent auditors' report 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, PricewaterhouseCoopers 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.

AMAX HOLDING CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

	Assets	Notes	December 31, 2024 AMOUNT		December 31, 2023 AMOUNT	
	Current assets					
1100	Cash and cash equivalents	6(1)	$	1,607,441	$	829,807
1136	Financial assets at amortised cost - current	6(2)		69,028		62,410
1150	Notes receivable, net			4,060		8,202
1170	Accounts receivable, net	6(3)		1,170,175		836,286
1220	Current tax assets	6(21)		48,728		5,744
130X	Inventories	6(4)		884,394		1,237,246
1410	Prepayments	6(5)		44,919		55,368
1470	Other current assets	6(6)		12,933		146,005
11XX	**Current assets**			3,841,678		3,181,068
	Non-current assets					
1600	Property, plant and equipment	6(7)		73,761		68,486
1755	Right-of-use assets	6(8)		197,584		246,328
1840	Deferred tax assets	6(21)		116,176		116,215
1900	Other non-current assets			6,351		5,745
15XX	**Non-current assets**			393,872		436,774
1XXX	**Current tax assets**		$	4,235,550	$	3,617,842

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AMAX HOLDING CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

	Liabilities and Equity	Notes	December 31, 2024 AMOUNT	December 31, 2023 AMOUNT
	Current liabilities			
2100	Short-term borrowings	6(9)	$ 8,983	$ 281,217
2130	Contract liabilities - current	6(16)	1,189,102	246,721
2170	Accounts payable		420,700	578,811
2180	Accounts payable to related parties	7	4,008	3,589
2200	Other payables	6(10)	108,244	211,259
2230	Current tax liabilities	6(21)	12,816	860
2250	Provisions - current		21,802	32,028
2280	Lease liabilities - current	6(8)	58,553	53,131
21XX	**Current liabilities**		1,824,208	1,407,616
	Non-current liabilities			
2550	Provisions - non-current		12,871	8,209
2570	Deferred tax liabilities	6(21)	56,303	66,549
2580	Lease liabilities - non-current	6(8)	155,982	203,796
25XX	**Non-current liabilities**		225,156	278,554
2XXX	**Liabilities**		2,049,364	1,686,170
	Equity			
	Equity attributable to owners of parent			
	Share capital			
3110	Common stock	6(13)	419,873	404,458
	Capital surplus			
3200	Capital surplus	6(12)(14)	1,373,018	1,268,513
	Retained earnings			
3310	Legal reserve	6(15)	25,348	-
3320	Special reserve	6(15)	54,669	-
3350	Unappropriated retained earnings	6(15)	273,328	313,370
	Other equity interest			
3400	Other equity interest		39,950	(54,669)
3XXX	**Equity**		2,186,186	1,931,672
	Significant contingent liabilities and unrecognised contract commitments	9		
	Significant events after the balance sheet date	11		
3X2X	**Total liabilities and equity**		$ 4,235,550	$ 3,617,842

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

AMAX HOLDING CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

	Items	Notes	Year ended December 31 2024 AMOUNT	2023 AMOUNT
4000	Operating revenue	6(16)	$ 5,492,388	$ 6,077,297
5000	Operating costs	6(4)(19)	(4,752,492)	(5,087,079)
5900	Gross profit		739,896	990,218
	Operating expenses	6(19)(20) and 7		
6100	Selling expenses		(266,944)	(288,069)
6200	Administrative expenses		(209,373)	(242,522)
6300	Research and development expenses		(130,160)	(131,791)
6000	Total operating expenses		(606,477)	(662,382)
6900	Operating profit		133,419	327,836
	Non-operating income and expenses			
7100	Interest income		42,881	2,365
7010	Other income		27,923	3,620
7020	Other gains and losses	6(17)	(2,215)	219
7050	Finance costs	6(18)	(22,039)	(21,811)
7000	Total non-operating income and expenses		46,550	(15,607)
7900	**Profit before income tax**		179,969	312,229
7950	Income Tax expense	6(21)	(16,063)	(58,748)
8200	**Profit for the year**		$ 163,906	$ 253,481
	Other comprehensive income (loss)			
	Components of other comprehensive income (loss) that will not be reclassified to profit or loss			
8341	Exchange differences on translation		$ 134,438	($ 30,555)
	Components of other comprehensive income (loss) that will be reclassified to profit or loss			
8361	Financial statements translation differences of foreign operations		(24,437)	(12,908)
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	6(21)	6,069	6,293
8300	**Other comprehensive income(loss)**		$ 116,070	($ 36,970)
8500	**Total comprehensive income for the year**		$ 279,976	$ 216,511
	Profit, attributable to:			
8610	Owners of parent		$ 163,906	$ 253,481
	Comprehensive income attributable to:			
8710	Owners of parent		$ 279,976	$ 216,511
	Basic earnings per share (In dollars)	6(22)		
9750	Basic earnings per share		$ 3.94	$ 6.88
	Diluted earnings per share (In dollars)	6(22)		
9850	Diluted earnings per share		$ 3.77	$ 6.62

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

AMAX HOLDING CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

		Equity attributable to owners of the parent							
				Retained Earnings			Other equity interest		
	Notes	Common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Financial statements translation differences of foreign operations	Unearned compensation	Total equity
2023									
Balance at January 1, 2023		$ 361,758	$ 801,656	$ -	$ -	$ 59,889	($ 17,699)	$ -	$ 1,205,604
Profit for the year		-	-	-	-	253,481	-	-	253,481
Other comprehensive loss for the year		-	-	-	-	-	(36,970)	-	(36,970)
Total comprehensive income		-	-	-	-	253,481	(36,970)	-	216,511
Cash dividends from capital surplus	6(14)	-	(88,934)	-	-	-	-	-	(88,934)
Compensation cost recognized for employee share options	6(12)(14)	-	9,895	-	-	-	-	-	9,895
Employee stock option exercised	6(12)(13)(14)	100	500	-	-	-	-	-	600
Cash capital increase	6(13)	42,600	545,396	-	-	-	-	-	587,996
Balance at December 31, 2023		$ 404,458	$ 1,268,513	$ -	$ -	$ 313,370	($ 54,669)	$ -	$ 1,931,672
2024									
Balance at January 1, 2024		$ 404,458	$ 1,268,513	$ -	$ -	$ 313,370	($ 54,669)	$ -	$ 1,931,672
Profit for the year		-	-	-	-	163,906	-	-	163,906
Other comprehensive income for the year		-	-	-	-	-	116,070	-	116,070
Total comprehensive income		-	-	-	-	163,906	116,070	-	279,976
Appropriations of 2023 earnings:	6(15)								
Legal reserve		-	-	25,348	-	(25,348)	-	-	-
Special reserve		-	-	-	54,669	(54,669)	-	-	-
Cash dividends		-	-	-	-	(123,931)	-	-	(123,931)
Compensation cost recognized for share-based payment	6(12)(14)	-	8,307	-	-	-	-	693	9,000
Employee stock option exercised	6(12)(13)(14)	14,565	74,904	-	-	-	-	-	89,469
Issuance of restricted stocks	6(12)(13)(14)	850	21,294	-	-	-	-	(22,144)	-
Balance at December 31, 2024		$ 419,873	$ 1,373,018	$ 25,348	$ 54,669	$ 273,328	$ 61,401	($ 21,451)	$ 2,186,186

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

AMAX HOLDING CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

	Notes	Year ended December 31 2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		$ 179,969	$ 312,229
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation expense	6(7)(8)(19)	79,764	71,003
Expected credit impairment (gain) loss	12(2)	(6,273)	7,291
Losses on disposal of property, plant and equipment	6(17)	200	284
Gains on lease modification	6(8)(17)	(501)	(215)
Compensation cost recognized for share-based payment	6(12)(20)	9,000	9,895
Interest income		(42,881)	(2,365)
Interest expense	6(18)	22,039	21,811
Changes in operating assets and liabilities			
Changes in operating assets			
Current financial assets at fair value through profit or loss		-	46,671
Notes receivable, net		4,142	(7,313)
Accounts receivable, net		(328,906)	(175,340)
Inventories		351,396	(191,092)
Prepayments		10,387	(21,008)
Other current assets		139,689	(54,116)
Changes in operating liabilities			
Contract liabilities - current		942,381	58,562
Accounts payable		(158,111)	203,222
Accounts payable to related parties		419	173
Other payables		(100,107)	39,536
Provisions - current		(10,226)	10,760
Provisions - non-current		4,662	(1,454)
Cash inflow generated from operations		1,097,043	328,534
Income taxes paid		(57,686)	(79,068)
Interest received		42,881	2,365
Net cash flows from operating activities		1,082,238	251,831
CASH FLOWS FROM INVESTING ACTIVITIES			
Aquisition of property, plant and equipment	6(7)(23)	(22,307)	(19,536)
Proceeds from disposal of property, plant and equipment	6(7)	362	-
Acquisition of financial assets at amortised cost		(253,256)	(105,274)
Proceeds from disposal of financial assets at amortised cost		246,638	42,864
Increase in refundable deposits		(293)	(1,644)
Net cash flows used in investing activities		(28,856)	(83,590)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from short-term borrowings		291,945	1,620,405
Repayments from short-term borrowings		(574,908)	(1,562,013)
Repayments of principal of lease liabilities		(54,901)	(55,171)
Interest paid		(22,311)	(21,557)
Cash dividends paid	6(14)	(123,931)	(88,934)
Employee stock option exercised		89,469	600
Capital increase in cash	6(13)	-	593,996
Net cash flows (used in) from financing activities		(394,637)	487,326
Effects due to changes in exchange rate		118,889	(42,671)
Net increase in cash and cash equivalents		777,634	612,896
Cash and cash equivalents at beginning of year		829,807	216,911
Cash and cash equivalents at end of year		$ 1,607,441	$ 829,807

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

AMAX HOLDING CO., LTD. AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

1. History and Organization

AMAX Holding Co., Ltd. (the "Company") was incorporated in the Cayman Islands on January 4, 2022, as a holding company for the purpose of reorganization of the Company and its subsidiaries (collectively referred herein as the "Group") for the application for the list of stocks on the market of the Taiwan Stock Exchange. The Company was reorganized and issued new shares to acquire 100% equity interest in AMAX Engineering Corporation which located in the US and became the holding company of all the consolidated entities on July 31, 2022. The Group is primarily engaged in the research, development, manufacture and sales of the cloud and data center as well as the high performance computing (HPC) server and peripheral equipment and providing extensible custom cluster as well as relevant system solution and customised service.

The Board of Directors of Taiwan Stock Exchange approved the stock listing application of the Company on July 18, 2023 and the Company's stocks have been listed on the Taiwan Stock Exchange since November 8, 2023.

2. The Date of Authorization for Issuance of the Financial Statements and Procedures for Authorization

These consolidated financial statements were authorised for issuance by the Board of Directors on March 12, 2025.

3. Application of New Standards, Amendments and Interpretations

(1) Effect of the adoption of new issuances of or amendments to International Financial Reporting Standards ("IFRS") Accounting Standards that came into effect as endorsed by the Financial Supervisory Commission ("FSC")

New standards, interpretations and amendments endorsed by FSC and became effective from 2024 are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 16, 'Lease liability in a sale and leaseback'	January 1, 2024
Amendments to IAS 1, 'Classification of liabilities as current or non-current'	January 1, 2024
Amendments to IAS 1, 'Non-current liabilities with covenants'	January 1, 2024
Amendments to IAS 7 and IFRS 7, 'Supplier finance arrangements'	January 1, 2024

Except for the following, the above standards and interpretations have no significant impact to the Group's financial condition and financial performance based on the Group's assessment.

Amendments to IAS 7 and IFRS 7, 'Supplier finance arrangements'

The amendments require disclosures on supplier finance arrangements, including their effects on the Group's liabilities from financing activities and exposure to liquidity risk.

(2) Effect of new issuances of or amendments to IFRS Accounting Standards as endorsed by the FSC but not yet adopted by the Group

New standards, interpretations and amendments endorsed by the FSC effective from 2025 are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IAS 21, 'Lack of exchangeability'	January 1, 2025

The above standards and interpretations have no significant impact to the Group's financial condition and financial performance based on the Group's assessment.

(3) IFRS Accounting Standards issued by IASB but not yet endorsed by the FSC

New standards, interpretations and amendments issued by IASB but not yet included in the IFRS Accounting Standards as endorsed by the FSC are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 9 and IFRS 7, 'Amendments to the classification and measurement of financial Instruments'	January 1, 2026
Amendments to IFRS 9 and IFRS 7, 'Contracts Referencing Nature-dependent Electricity'	January 1, 2026
Amendments to IFRS 10 and IAS 28, 'Sale or contribution of assets between an investor and its associate or joint venture'	To be determined by International Accounting Standards Board
IFRS 17, 'Insurance contracts'	January 1, 2023
Amendments to IFRS 17, 'Insurance contracts'	January 1, 2023
Amendment to IFRS 17, 'Initial application of IFRS 17 and IFRS 9 – comparative information'	January 1, 2023
IFRS 18, 'Presentation and disclosure in financial statements'	January 1, 2027
IFRS 19, 'Subsidiaries without public accountability: disclosures'	January 1, 2027
Annual Improvements to IFRS Accounting Standards – Volume 11	January 1, 2026

Except for the following, the above standards and interpretations have no significant impact to the Group's financial condition and financial performance based on the Group's assessment.

IFRS 18, 'Presentation and disclosure in financial statements'

IFRS 18, 'Presentation and disclosure in financial statements' replaces IAS 1.

The standard introduces a defined structure of the statement of profit or loss, disclosure requirements related to management defined performance measures, and enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes.

4. Summary of Material Accounting Policies

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

(1) Compliance statement

The consolidated financial statements of the Group have been prepared in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers", International Financial Reporting Standards, International Accounting Standards, IFRIC® Interpretations, and SIC® Interpretations that came into effect as endorsed by the FSC (collectively referred herein as the "IFRSs").

(2) Basis of preparation

A. The consolidated financial statements have been prepared under the historical cost convention.

B. The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

(3) Basis of consolidation

A. Basis for preparation of consolidated financial statements:

(a) All subsidiaries are included in the Group's consolidated financial statements. Subsidiaries are all entities controlled by the Group. The Group controls an entity when the Group is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Consolidation of subsidiaries begins from the date the Group obtains control of the subsidiaries and ceases when the Group loses control of the subsidiaries.

(b) Inter-company transactions, balances and unrealised gains or losses on transactions between companies within the Group are eliminated. Accounting policies of subsidiaries have been adjusted where necessary to ensure consistency with the policies adopted by the Group.

B. Subsidiaries included in the consolidated financial statements:

Name of investor	Name of subsidiary	Main business activities	Ownership (%) December 31, 2024	Ownership (%) December 31, 2023
The Company	AMAX Engineering Corporation	Manufacture and sales of server, network system and cloud computing and peripheral equipment	100	100
AMAX Engineering Corporation	AMAX Information Technologies Limited	Manufacture and sales of server, network system and cloud computing and peripheral equipment	100	100
"	Amax Information Technology (Shanghai) Co., Ltd.	Sales of server and peripheral equipment	100	100
"	AMAX Information Technologies (Suzhou) Co., Ltd.	Research, development and design of computer software and manufacture and sales of server and cloud computing and peripheral equipment	75	75
"	AMAX Information Technologies Co., Ltd.	Manufacture and sales of server and peripheral equipment and customer service	100	100
Amax Information Technology (Shanghai) Co., Ltd.	AMAX Information Technologies (Suzhou) Co., Ltd.	Research, development and design of computer software and manufacture and sales of server and cloud computing and peripheral equipment	25	25
AMAX Information Technologies (Suzhou) Co., Ltd.	AMAX Information Technologies (Shenzhen) Co., Ltd.	Sales of server and peripheral equipment	100	100
AMAX Information Technologies (Shenzhen) Co., Ltd.	XIN Max International Trading (Hong Kong) Limited	International trade	100	100

C. Subsidiaries not included in the consolidated financial statements: None.

D. Adjustments for subsidiaries with different balance sheet dates: None.

E. Significant restrictions: None.

F. Subsidiaries that have non-controlling interests that are material to the Group: None.

(4) Foreign currency translation

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The Group's functional currency is USD; however, the consolidated financial statements are presented in NTD under the regulations of the country where the consolidated financial statements are reported to the regulatory authorities.

A. Foreign currency transactions and balances

(a) Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions are recognised in profit or loss in the period in which they arise.

(b) Monetary assets and liabilities denominated in foreign currencies at the period end are re-translated at the exchange rates prevailing at the balance sheet date. Exchange differences arising upon re-translation at the balance sheet date are recognised in profit or loss.

(c) Non-monetary assets and liabilities denominated in foreign currencies held at fair value through profit or loss are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognised in profit or loss. Non-monetary assets and liabilities denominated in foreign currencies held at fair value through other comprehensive income are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognised in other comprehensive income. However, non-monetary assets and liabilities denominated in foreign currencies that are not measured at fair value are translated using the historical exchange rates at the dates of the initial transactions.

(d) All foreign exchange gains and losses are presented in the consolidated statement of comprehensive income within 'Other gains and losses'.

B. Translation of foreign operations

The operating results and financial position of all the group entities, associates and joint arrangements that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(a) Assets and liabilities for each balance sheet presented are translated at the closing exchange rate at the date of that balance sheet;

(b) Income and expenses for each statement of comprehensive income are translated at average exchange rates of that period; and

(c) All resulting exchange differences are recognised in other comprehensive income.

(5) Classification of current and non-current items

A. Assets that meet one of the following criteria are classified as current assets; otherwise they are classified as non-current assets:

(a) Assets arising from operating activities that are expected to be realised, or are intended to be sold or consumed within the normal operating cycle;

(b) Assets held mainly for trading purposes;

(c) Assets that are expected to be realised within twelve months from the balance sheet date;

(d) Cash and cash equivalents, excluding restricted cash and cash equivalents and those that are to be exchanged or used to settle liabilities more than twelve months after the balance sheet date.

B. Liabilities that meet one of the following criteria are classified as current liabilities; otherwise they are classified as non-current liabilities:

(a) Liabilities that are expected to be settled within the normal operating cycle;

(b) Liabilities arising mainly from trading activities;

(c) Liabilities that are to be settled within twelve months from the balance sheet date;

(d) It does not have the right at the end of the reporting period to defer settlement of the liability at least twelve months after the reporting period.

(6) Cash equivalents

Cash equivalents refer to short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

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

A. Financial assets at fair value through profit or loss are financial assets that are not measured at amortised cost or fair value through other comprehensive income.

B. On a regular way purchase or sale basis, financial assets at fair value through profit or loss are recognised and derecognised using trade date accounting.

C. At initial recognition, the Group measures the financial assets at fair value and recognises the transaction costs in profit or loss. The Group subsequently measures the financial assets at fair value, and recognises the gain or loss in profit or loss.

(8) Financial assets at amortised cost

A. Financial assets at amortised cost are those that meet all of the following criteria:

(a)The objective of the Group’s business model is achieved by collecting contractual cash flows.

(b) The assets’ contractual cash flows represent solely payments of principal and interest.

B. On a regular way purchase or sale basis, financial assets at amortised cost are recognised and derecognised using trade date accounting.

C. At initial recognition, the Group measures the financial assets at fair value plus transaction costs. Interest income from these financial assets is included in finance income using the effective interest method. A gain or loss is recognised in profit or loss when the asset is derecognised or impaired.

D. The Group's time deposits which do not fall under cash equivalents are those with a short maturity period and are measured at initial investment amount as the effect of discounting is immaterial.

(9) Accounts and notes receivable

A. Accounts and notes receivable entitle the Group a legal right to receive consideration in exchange for transferred goods or rendered services.

B. The short-term accounts and notes receivable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(10) Impairment of financial assets

For debt instruments measured at fair value through other comprehensive income and financial assets at amortised cost including accounts receivable that have a significant financing component, at each reporting date, the Group recognises the impairment provision for 12 months expected credit losses if there has not been a significant increase in credit risk since initial recognition or recognises the impairment provision for the lifetime expected credit losses (ECLs) if such credit risk has increased since initial recognition after taking into consideration all reasonable and verifiable information that includes forecasts. On the other hand, for accounts receivable or contract assets that do not contain a significant financing component, the Group recognises the impairment provision for lifetime ECLs.

(11) Derecognition of financial assets

The Group derecognises a financial asset when the contractual rights to receive the cash flows from the financial asset expire.

(12) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted-average method. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads (allocated based on normal operating capacity). It excludes borrowing costs. The item by item approach is used in applying the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

(13) Property, plant and equipment

A. Property, plant and equipment are initially recorded at cost. Borrowing costs incurred during the construction period are capitalised.

B. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

C. The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each financial year-end. If expectations for the assets' residual values and useful lives differ from previous estimates or the patterns of consumption of the assets' future economic benefits embodied in the assets have changed significantly, any change is accounted for as a change in estimate under IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors', from the date of the change.

D. Property, plant and equipment apply cost model and are depreciated using the straight-line method to allocate their cost over their estimated useful lives. 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 must be depreciated separately. Leasehold improvements are amortised using the average method at the shorter of the lease term or the estimated useful life. The estimated useful lives of property, plant and equipment are as follows:

Machinery and equipment	3 ~ 8	years
Computer equipment	3 ~ 8	years
Transportation equipment	5 ~ 8	years
Office equipment	5	years

(14) Leasing arrangements (lessee) - right-of-use assets/ lease liabilities

A. Leases are recognised as a right-of-use asset and a corresponding lease liability at the date at which the leased asset is available for use by the Group. For short-term leases or leases of low-value assets, lease payments are recognised as an expense on a straight-line basis over the lease term.

B. Lease liabilities include the net present value of the remaining lease payments at the commencement date, discounted using the incremental borrowing interest rate.

Lease payments are comprised of fixed payments, less any lease incentives receivable.

The Group subsequently measures the lease liability at amortised cost using the interest method and recognises interest expense over the lease term. The lease liability is remeasured and the amount of remeasurement is recognised as an adjustment to the right-of-use asset when there are changes in the lease term or lease payments and such changes do not arise from contract modifications.

C. At the commencement date, the right-of-use asset is stated at cost comprising the following:

(a) The amount of the initial measurement of lease liability;

(b) Any lease payments made at or before the commencement date; and

(c) 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.

The right-of-use asset is measured subsequently using the cost model and is depreciated from the commencement date to the earlier of the end of the asset's useful life or the end of the lease term. When the lease liability is remeasured, the amount of remeasurement is recognised as an adjustment to the right-of-use asset.

D. For lease modifications that decrease the scope of the lease, the lessee shall decrease the carrying amount of the right-of-use asset and remeasure the lease liability to reflect the partial or full termination of the lease, and recognise the difference in profit or loss.

(15) Impairment of non-financial assets

The Group assesses at each balance sheet date the recoverable amounts of those assets where there is an indication that they are impaired. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or value in use. When the circumstances or reasons for recognising impairment loss for an asset in prior years no longer exist or diminish, the impairment loss is reversed. The increased carrying amount due to reversal should not be more than what the depreciated or amortised historical cost would have been if the impairment had not been recognised.

(16) Borrowings

Borrowings comprise long-term and short-term bank borrowings. Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

(17) Accounts payable

A. Accounts payable are liabilities for purchases of raw materials, goods or services.

B. Liabilities for purchases of raw materials, goods or services through supplier finance arrangements will be recorded as accounts payable if their nature and function similar to accounts payable have not been substantially changed.

C. The short-term notes and accounts payable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(18) Derecognition of financial liabilities

A financial liability is derecognised when the obligation specified in the contract is either discharged or cancelled or expires.

(19) Offsetting financial instruments

Financial assets and liabilities are offset and reported in the net amount in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

(20) Provisions

Provisions (including warranties liabilities) are recognised when the Group has a present legal or constructive obligation as a result of past events, and it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be reliably estimated. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation on the balance sheet date, which is discounted using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to passage of time is recognised as interest expense. Provisions are not recognised for future operating losses.

(21) Employee benefits

A. Short-term employee benefits

Short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in respect of service rendered by employees in a period and should be recognised as expense in that period when the employees render service.

B. Pensions

Defined contribution plans

For defined contribution plans, the contributions are recognised as pension expense when they are due on an accrual basis. Prepaid contributions are recognised as an asset to the extent of a cash refund or a reduction in the future payments.

C. Employees' compensation and directors' remuneration

Employees' compensation and directors' remuneration are recognised as expense and liability, provided that such recognition is required under legal or constructive obligation and those amounts can be reliably estimated. Any difference between the resolved amounts and the subsequently actual distributed amounts is accounted for as changes in estimates.

(22) Employee share-based payment

A. For the equity-settled share-based payment arrangements, the employee services received are measured at the fair value of the equity instruments granted at the grant date, and are recognised as compensation cost over the vesting period, with a corresponding adjustment to equity. The fair value of the equity instruments granted shall reflect the impact of market vesting conditions and non-vesting conditions. Compensation cost is subject to adjustment based on the service conditions that are expected to be satisfied and the estimates of the number of equity instruments that are expected to vest under the non-market vesting conditions at each balance sheet date. Ultimately, the amount of compensation cost recognised is based on the number of equity instruments that eventually vest.

B. Restricted stocks:

(a) Restricted stocks issued to employees are measured at the fair value of the equity instruments granted at the grant date, and are recognised as compensation cost over the vesting period.

(b) Before meeting the vesting conditions, the restricted stocks issued by the Group do not entitle the rights to participate in the distribution of stocks and dividends, subscribe shares from the capital increase, increase capital by capitalisation of capital surplus and participate in the distribution of cash dividends from additional paid-in capital.

(c) For restricted stocks where employees do not need to pay to acquire those stocks, if employees resign during the vesting period, the Group will redeem at no consideration and retire those stocks.

(23) Income tax

A. The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or items recognised directly in equity, in which cases the tax is recognised in other comprehensive income or equity.

B. The current income tax expense is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in accordance with applicable tax regulations. It establishes provisions where appropriate based on the amounts expected to be paid to the tax authorities.

C. Deferred tax is recognised, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated balance sheet. However, the deferred tax is not accounted for if it arises from initial recognition of goodwill or of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred tax is provided on temporary differences arising on investments in subsidiaries, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

D. Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. At each balance sheet date, unrecognised and recognised deferred tax assets are reassessed.

E. Current income tax assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. Deferred tax assets and liabilities are offset on the balance sheet when the entity has the legally enforceable right to offset current tax assets against current tax liabilities and they are levied by the same taxation authority on either the same entity or different entities that intend to settle on a net basis or realise the asset and settle the liability simultaneously.

F. A deferred tax asset shall be recognised for the carryforward of unused tax credits resulting from acquisitions of equipment or technology, research and development expenditures and equity investments to the extent that it is possible that future taxable profit will be available against which the unused tax credits can be utilised.

(24) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or stock options are shown in equity as a deduction, net of tax, from the proceeds.

(25) Dividends

Dividends are recorded in the Company's financial statements in the period in which they are resolved by the Company's shareholders. Cash dividends are recorded as liabilities

(26) Revenue recognition

A. The Group manufactures and sells customised electronic products. Sales are recognised when control of the products has transferred, being when the products are delivered to the buyer or picked up by the buyer, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, or the Group has objective evidence that all criteria for acceptance have been satisfied.

B. Revenue is recognised to the extent that it can be estimated reliably. Revenue is measured at the fair value of the consideration received or receivable taking into account of rebates and discounts, business tax and other sales tax for the sale of goods.

C. Service revenue is recognised based on the actual service hours provided and the agreed rate when there is reasonable assurance that it is recoverable.

D. The Group's obligation to provide a refund for faulty products under the standard warranty terms is recognised as a provision.

E. The customer pays at the time specified in the payment schedule. If the services rendered exceed the payment, a contract asset is recognised. If the payments exceed the services rendered, a contract liability is recognised.

(27) Government grants

Government grants are recognised at their fair value only when there is reasonable assurance that the Group will comply with any conditions attached to the grants and the grants will be received. Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises expenses for the related costs for which the grants are intended to compensate.

(28) Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Group's chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decisions.

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

The preparation of these consolidated financial statements requires management to make critical judgements in applying the Group's accounting policies and make critical assumptions and estimates concerning future events. Assumptions and estimates may differ from the actual results and are continually evaluated and adjusted based on historical experience and other factors. Such assumptions and estimates have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year; and the related information is addressed below:

Critical accounting estimates and assumptions

Evaluation of inventories

As inventories are stated at the lower of cost and net realisable value, the Group must determine the net realisable value of inventories on balance sheet date using judgements and estimates. Due to the rapid technology innovation, the Group evaluates the amounts of normal inventory consumption, obsolete inventories or inventories without market selling value on balance sheet date, and writes down the cost of inventories to the net realisable value. The evaluation of inventories is subject to management's judgement. Therefore, there might be material changes to the evaluation.

As of December 31, 2024, the carrying amount of inventories was $884,394.

6. Details of Significant Accounts

(1) Cash and cash equivalents

	December 31, 2024	December 31, 2023
Cash on hand and revolving funds	$ 93	$ 52
Checking accounts and demand deposits	1,181,143	764,859
Time deposits	426,205	64,896
	$ 1,607,441	$ 829,807

A. The Group transacts with a variety of financial institutions all with high credit quality to disperse credit risk, so it expects that the probability of counterparty default is remote.

B. Details of the Group's certain cash pledged to others as collateral are provided in Note 8.

(2) Financial assets at amortised cost

Items	December 31, 2024	December 31, 2023
Current items:		
Financial assets at amortised cost		
Time deposits with maturity over three months	$ 69,028	$ 62,410

A. Amounts recognised in profit or loss in relation to financial assets at amortised cost are listed below:

	2024	2023
Interest income	$ 5,980	$ 806

B. The Group has not pledged any financial assets that are measured at amortized cost as collateral.

C. Information relating to credit risk of financial assets at amortised cost is provided in Note 12(2).

(3) Accounts receivable

	December 31, 2024	December 31, 2023
Accounts receivable	$ 1,193,074	$ 864,167
Less: Allowance for uncollectible accounts	(22,899)	(27,881)
	$ 1,170,175	$ 836,286

A. The aging analysis of accounts receivable that were past due but not impaired is as follows:

	December 31, 2024	December 31, 2023
Not past due	$ 1,035,583	$ 609,500
Up to 30 days	103,330	150,405
31 to 90 days	16,496	76,107
91 to 180 days	27,382	12,481
Over 180 days	10,283	15,674
	$ 1,193,074	$ 864,167

The above aging analysis was based on past due date.

B. As of December 31, 2024, December 31, 2023 and January 1, 2023, the balances of accounts receivable from contracts with customers amounted to $1,193,074, $864,167, and $688,827, respectively.

C. Details of the Group's certain accounts receivable pledged to others as collateral are provided in Notes 8.

D. Information relating to credit risk of accounts receivable is provided in Note 12(2).

(4) Inventories

	December 31, 2024		
	Cost	Allowance for valuation loss	Book value
Raw materials	$ 680,582	($ 29,884)	$ 650,698
Work in progress	173,638	-	173,638
Finished goods	60,058	-	60,058
	$ 914,278	($ 29,884)	$ 884,394

	December 31, 2023		
	Cost	Allowance for valuation loss	Book value
Raw materials	$ 813,535	($ 46,272)	$ 767,263
Work in progress	345,173	-	345,173
Finished goods	124,810	-	124,810
	$ 1,283,518	($ 46,272)	$ 1,237,246

The cost of inventories recognised as expense for the year:

	Year ended December 31	
	2024	2023
Cost of goods sold	$ 4,776,927	$ 5,109,572
Gain on reversal of decline in market value	(16,388)	(30,898)
Others	(8,047)	8,405
	$ 4,752,492	$ 5,087,079

A. The Group reversed from a previous inventory write-down because the clearance of certain inventories which were previously provided with allowance.

B. Details of the Group's certain inventories pledged to others as collateral are provided in Note 8.

(5) Prepayments

	December 31, 2024	December 31, 2023
Prepayment for purchases	$ 27,548	$ 16,654
Overpaid VAT	12,835	30,445
Input VAT	-	2,562
Other prepayments	4,536	5,707
	$ 44,919	$ 55,368

(6) Other current assets

	December 31, 2024	December 31, 2023
Receivables from purchase discounts and allowances	$ 10,277	$ -
Refundable deposits	1,289	144,689
Other current assets	1,367	1,316
	$ 12,933	$ 146,005

(7) Property, plant and equipment

	2024					
	Machinery and equipment	Office equipment	Leasehold improvements	Others	Unfinished construction and equipment under acceptance	Total
At January 1						
Cost	$ 46,003	$ 46,406	$ 85,008	$ 48,392	$ 1,559	$ 227,368
Accumulated depreciation	(33,289)	(42,963)	(44,184)	(38,446)	-	(158,882)
	$ 12,714	$ 3,443	$ 40,824	$ 9,946	$ 1,559	$ 68,486
Opening net book amount as at January 1	$ 12,714	$ 3,443	$ 40,824	$ 9,946	$ 1,559	$ 68,486
Additions	1,909	402	830	8,992	7,697	19,830
Disposals	-	(54)	-	(508)	-	(562)
Transfer (Note)	1,785	26	8,499	303	(9,193)	1,420
Depreciation charge	(3,846)	(1,113)	(9,560)	(4,237)	-	(18,756)
Effect of exchange rate changes	393	105	2,153	692	-	3,343
Closing net book amount as at December 31	$ 12,955	$ 2,809	$ 42,746	$ 15,188	$ 63	$ 73,761
At December 31						
Cost	$ 52,264	$ 49,031	$ 97,668	$ 54,695	$ 63	$ 253,721
Accumulated depreciation	(39,309)	(46,222)	(54,922)	(39,507)	-	(179,960)
	$ 12,955	$ 2,809	$ 42,746	$ 15,188	$ 63	$ 73,761

	2023					
	Machinery and equipment	Office equipment	Leasehold improvements	Others	Unfinished construction and equipment under acceptance	Total
At January 1						
Cost	$ 41,596	$ 45,313	$ 75,413	$ 47,991	$ -	$ 210,313
Accumulated depreciation	(30,898)	(41,485)	(37,619)	(42,824)	-	(152,826)
	$ 10,698	$ 3,828	$ 37,794	$ 5,167	$ -	$ 57,487
Opening net book amount as at January 1	$ 10,698	$ 3,828	$ 37,794	$ 5,167	$ -	$ 57,487
Additions	4,158	1,106	9,180	6,010	1,559	22,013
Disposals	(431)	(62)	(32)	(117)	-	(642)
Transfers (Note)	1,335	428	-	1,058	-	2,821
Depreciation charge	(2,786)	(2,219)	(6,246)	(2,035)	-	(13,286)
Effect of exchange rate changes	(260)	362	128	(137)	-	93
Closing net book amount as at December 31	$ 12,714	$ 3,443	$ 40,824	$ 9,946	$ 1,559	$ 68,486
At December 31						
Cost	$ 46,003	$ 46,406	$ 85,008	$ 48,392	$ 1,559	$ 227,368
Accumulated depreciation	(33,289)	(42,963)	(44,184)	(38,446)	-	(158,882)
	$ 12,714	$ 3,443	$ 40,824	$ 9,946	$ 1,559	$ 68,486

Note: The transfers were from inventories and construction in progress to machinery and equipment, office equipment, leasehold improvements and other equipment.

Details of the Group's certain property, plant and equipment pledged to others as collateral are provided in Note 8.

(8) Leasing arrangements - Lessee

A. The Group leases various assets including buildings and office equipment. Rental contracts are typically made for periods of 1 to 5 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose covenants, but leased assets may not be used as security for borrowing purposes.

B. The carrying amount of right-of-use assets and the depreciation charge are as follows:

The carrying amount of right-of-use assets:

	December 31, 2024	December 31, 2023
	Carrying amount	Carrying amount
Buildings	$ 197,331	$ 246,162
Office equipment	253	166
	$ 197,584	$ 246,328

The depreciation charge of right-of-use assets:

	Year ended December 31, 2024	Year ended December 31, 2023
	Depreciation charge	Depreciation charge
Buildings	$ 60,871	$ 57,586
Office equipment	137	131
	$ 61,008	$ 57,717

C. For the years ended December 31, 2024 and 2023, the additions to right-of-use assets were $2,923 and $273,281, respectively.

D. The information on profit and loss accounts relating to lease contracts is as follows:

	Year ended December 31	
	2024	2023
Items affecting profit or loss		
Interest expense on lease liabilities	$ 15,768	$ 14,131
Expense on short-term lease contracts	7,065	5,642
Expense on leases of low-value assets	84	82
Gain on lease modification	(501)	(215)

E. For the years ended December 31, 2024 and 2023, the Group's total cash outflow for leases were $77,818 and $75,026, respectively.

(9) Short-term borrowings

Type of borrowings	December 31, 2024	Interest rate range	Collateral
Bank borrowings			
Unsecured borrowings	$ 8,983	2.70%	None

Type of borrowings	December 31, 2023	Interest rate range	Collateral
Bank borrowings			
Unsecured borrowings	$ 281,217	3.15%~3.45%	None

A. Interest expense on short-term borrowings that the Group recognised for the years ended December 31, 2024 and 2023 was $6,271 and $7,680, respectively.

B. The secured borrowings that AMAX Engineering Corporation, the Group's subsidiary in the US, entered into during the period from March 31, 2023 to August 15, 2024 required the Group to meet not less than 1.15 to 1.0 for the Fixed Charge Coverage Ratio as per its financial statements. As of December 31, 2024 and 2023, the Group has no secured borrowings arising from the borrowing contract.

(10) Other payables

	December 31, 2024	December 31, 2023
Wages, salaries and bonuses payable	$ 80,975	$ 148,987
Professional service fees payable	10,669	25,707
VAT payable	7,760	4,965
Payable on machinery and equipment	-	2,477
Other accrued expenses	8,840	29,123
	$ 108,244	$ 211,259

(11) Pensions

A. AMAX Engineering Corporation, the Group's subsidiary in the US, provides its employees 401(k) retirement savings plan according to subsection 401(k) of the US Internal Revenue Code. Under the plan, the employees contribute monthly an amount based on a certain percentage of their salaries and wages to their individual pension accounts during their employment period. The Group could additionally contribute a certain amount as employee reward according to its policies.

B. The Group's mainland China subsidiaries, AMAX Information Technologies (Suzhou) Co., Ltd., AMAX Information Technologies (Shenzhen) Co., Ltd. and AMAX Information Technology (Shanghai) Co., Ltd., have defined contribution plans. Monthly contributions to an independent fund administered by the government in accordance with the pension regulations in the People's Republic of China (PRC) are based on certain percentage of employees' monthly salaries and wages. The contribution percentages for the year ended December 31, 2024 and 2023, both were 23%~24%. Other than the monthly contributions, the Group has no further obligations.

C. The Group's subsidiary in Taiwan, AMAX Information Technologies Co., Ltd., has established a defined contribution pension plan (the "New Plan") under the Labor Pension Act (the "Act"), covering all regular employees with R.O.C. nationality. Under the New Plan, the subsidiary contributes monthly an amount based on 6% of the employees' monthly salaries and wages to the employees' individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment.

D. Refer to Note 6(20) for the pension costs under defined contribution pension plans of the Group for the years ended December 31, 2024 and 2023.

(12) Share-based payment

A. As of December 31, 2024, the Group's share-based payment arrangements were as follows:

Type of arrangement	Grant date	Quantity granted	Contract period	Vesting conditions	Description
Employee stock options	July 1, 2018	1,647,333	10 years	Vested one third of options every year after one year of service	Notes 1 and 2
"	April 1, 2021	1,216,333	10 years	"	"
"	October 1, 2021	593,333	10 years	"	"
"	April 15, 2023	674,332	10 years	Vested half of options after two years of service and one fourth of options every year thereafter	
"	May 15, 2023	60,000	10 years	"	
Cash capital increase reserved for employee preemption	November 6, 2023	26,000	Not applicable	Vested immediately	
Restricted stocks	November 12, 2024	85,000	2 years	For the employees who are still working in the Group and achieved the individual target performance within the schedule since the allocation of restricted stocks, will acquire new shares according to the following schedule and rates: the employees would acquire half of the shares every year after one year of service.	Notes 3

Note 1: In 2022, the Group decided the Company to be the future listing entity. Therefore, the Company issued options to the employees in July 2022 to replace the employee stock options of the Company's subsidiary, AMAX Engineering Corporation.

Note 2: The Company conducted a 3:1 reverse split of ordinary shares on November 30, 2022. All the quantity granted were also adjusted according to the reverse split ratio. The Company had assessed that there was no incremental compensation cost according to the new and old conditions of the employee stock options.

Note 3: Before meeting the vesting conditions, the restricted stocks issued by the Group do not entitle the rights to participate in the distribution of stocks and dividends, subscribe shares from the capital increase, increase capital by capitalisation of capital surplus and participate in the distribution of cash dividends from additional paid-in capital. If employees resign during the vesting period, the Group will redeem at no consideration and retire those stocks.

B. Details of the share-based payment arrangements are as follows:

	2024		2023	
	No. of options	Weighted-average exercise price (in US dollars)	No. of options	Weighted-average exercise price (in US dollars)
Options outstanding at January 1	3,322,268	$ 1.92	2,690,716	$ 1.92
Options granted	-	-	734,332	1.92
Options expired	(66,666)	1.92	(92,780)	1.92
Options exercised	(1,456,586)	1.92	(10,000)	1.92
Other	22,222	1.92	-	-
Options outstanding at December 31	1,821,238	1.90	3,322,268	1.92
Options exercisable at December 31	1,165,240	1.90	2,123,815	1.92

C. As of December 31, 2024 and 2023, the exercise prices of stock options outstanding was US$1.90 and US$1.92 (in dollars) per share, respectively; the weighted-average remaining contractual periods were 6.14 years and 6.79 years, respectively.

D. The fair value of share-based payment granted on grant date is measured using the Black-Scholes option-pricing model. Relevant information is as follows:

Type of arrangement	Grant date	Stock price (in US dollars)	Exercise price (in US dollars)	Expected price volatility (Note)	Expected option life	Risk-free interest rate	Fair value per unit (in US dollars)
Employee stock options	July 1, 2018	$ 0.54	$ 0.64	40%	6 years	1.58%	$ 0.19
〃	May 1, 2019 - December 1, 2019	0.45	0.64	55%	6 years	1.58%	0.17
"	April 1, 2020	0.48	0.64	55%	6 years	0.13%	0.20
〃	April 1, 2021 - October 1, 2021	0.48	0.64	52%	6 years	1.01%	0.20
〃	April 15, 2023 - May 15, 2023	1.88	1.92	45%	6 years	3.64%	0.93
Cash capital increase reserved for employee preemption	November 6, 2023	NTD$147	NTD$96	0%	0 years	0%	NTD$96 (In dollars)
Restricted stocks	November 12, 2024	NTD$260.5	NTD$0	0%	0 years	0%	NTD$260.5 (In dollars)

Note: Expected price volatility rate was estimated by using the stock prices of the most recent period with length of this period approximate to the length of the stock options' expected life, and the standard deviation of return on the stock during this period.

E. Expenses incurred on share-based payment transactions are shown below:

	Year ended December 31	
	2024	2023
Equity-settled	$ 9,000	$ 9,895

(13) Share capital

A. As of December 31, 2024, the Company's authorised capital was $1,000,000 and the paid-in capital was $419,873, consisting of 41,987 thousand shares of ordinary stock, with a par value of $10 (in dollars) per share. All proceeds from shares issued have been collected.

Movements in the number of the Company's ordinary shares outstanding are as follows:

	2024	2023
At January 1	40,445,758	36,175,758
Employee stock options exercised	1,456,586	10,000
Issuance of restricted stocks	85,000	-
Cash capital increase	-	4,260,000
At December 31	41,987,344	40,445,758

B. In November 2023, the Company increased its capital by issuing 4,260 thousand new shares before the initial public offering. The amount of capital raised was NT$593,996 thousand in total based on the weighted-average price of the bid auction of NT$153.16 (in dollars) per share and the public subscription offering price of NT$96 (in dollars) per share. All proceeds from shares issued for the capital increase have been collected. The effective date of the capital increase was on November 6, 2023.

C. On June 20, 2024, the shareholders of the Company resolved to issue the 2024 first-time restricted stocks of 100 thousand shares with a par value of $0 per share (in dollars) (granted without consideration), and on November 12, 2024, the Board of Directors resolved to issue restricted stocks of 85 thousand shares.

(14) Capital surplus

A. Unless otherwise provided in the Companies Law of the Cayman Islands, listed companies' regulations, and the Company's Articles of Incorporation, neither the statutory reserve nor the capital reserve shall be used except for offsetting the losses of the Company. The Company shall not use the capital reserve to offset its capital losses unless the statutory reserve and special reserve set aside for purposes of loss offset is insufficient to offset such losses.

	2024				
	Premium from share swap	Additional paid-in capital	Employee stock options	Restricted stocks	Total
At January 1	$ 667,574	$ 546,055	$ 54,884	$ -	$ 1,268,513
Recognition of share-based payments	-	-	8,307	-	8,307
Employee stock options exercised	-	101,544	(26,649)	-	74,895
Restricted stocks	-	-	-	21,294	21,294
At December 31	$ 667,574	$ 647,599	$ 36,551	$ 21,294	$ 1,373,018

	2023			
	Premium from share swap	Additional paid-in capital	Employee stock options	Total
At January 1	$ 756,508	$ -	$ 45,148	$ 801,656
Recognition of share-based payments	-	-	9,895	9,895
Cash dividends from capital surplus	(88,934)	-	-	(88,934)
Employee stock options exercised	-	659	(159)	500
Cash capital increase	-	545,396	-	545,396
At December 31	$ 667,574	$ 546,055	$ 54,884	$ 1,268,513

B. Pursuant to the Company’s Articles of Incorporation, during the listing period, subject to the Companies Law of the Cayman Islands, where the Company incurs no loss, it may, by a special resolution, distribute its statutory reserve, the share premium account and/or the income from endowments received by the Company, which are in the capital reserve which are available for distribution, in whole or in part, by issuing new, fully paid shares and/or by cash to its shareholders.

C. The shareholders of the Company resolved the cash dividends from capital surplus for the year ended December 31, 2022 amounting to US$2,894,060.64 (in dollars) (NT$88,934 thousand) at their meeting on January 17, 2023. The cash dividend distributed per share was US$0.08 (in dollars) (NT$2.46 (in dollars)).

(15) Retained earnings

A. Under the Company’s Articles of Incorporation, during the listing period, subject to the Companies Law of the Cayman Islands, listed companies’ regulations, and the Company’s Articles of Incorporation, and except as otherwise provided by the rights attaching to any shares, where the Company still has annual net profit for the year, after paying all relevant taxes, offsetting losses (including losses of previous years and adjusted undistributed profits, if any), setting aside the statutory reserve of the remaining profits in accordance with the listed companies’ regulations (provided that the setting aside of the statutory reserve does not apply if the aggregate amount of the statutory reserve amounts to the Company’s paid-in capital), and setting aside the special reserve (if any), the Company may distribute not less than ten percent (10%) of the remaining balance (including the amounts reversed from the special reserve), plus accumulated undistributed profits of previous years (including adjusted undistributed profits) in part or in whole as determined by an ordinary resolution passed at an annual general meeting of the Company duly convened and held in accordance with the Company’s Articles to the shareholders as dividends/bonuses in proportion to the number of shares held by them respectively pursuant to the Company’s Articles, provided that, cash dividends/bonuses shall not be less than ten percent (10%) of the total amount of dividends/bonuses to shareholders.

B. As the Company is in the growing stage, the dividend/bonuses of the Company may be distributed in the form of cash dividends/bonuses and stock dividends/bonuses. The Company shall take into consideration the Company’s capital expenditures, future expansion plans, and financial structure, funds requirement and other plans for sustainable development needs in assessing the amount of dividends/bonuses the Company wish to distribute.

C. Except for covering accumulated deficit or issuing new stocks or cash to shareholders in proportion to their share ownership, the legal reserve shall not be used for any other purpose. The use of legal reserve for the issuance of stocks or cash to shareholders in proportion to their share ownership is permitted, provided that the balance of the reserve exceeds 25% of the Company’s paid-in capital.

D. In accordance with the regulations, the Company shall set aside special reserve arising from the debit balances in other equity items at the balance sheet date before distributing earnings. When debit balances in other equity items are reversed subsequently, the reversed amount could be included in the distributable earnings.

E. On June 20, 2024, the Board of Directors proposed the appropriations of 2023 earnings as follows:

	Year ended December 31, 2023	
	Amount	Dividends per share (in dollars)
Legal reserve	$ 25,348	
Special reserve	54,669	
Cash dividends	123,931	$ 2.97

F. On March 12, 2025, the Board of Directors proposed the appropriations of 2024 earnings as follows:

	Year ended December 31, 2024	
	Amount	Dividends per share (in dollars)
Legal reserve	$ 16,391	
Reverse special reserve	(54,669)	
Cash dividends (note)	84,286	$ 2.00

Note: As of March 12, 2025, the outstanding shares of participating stock were 42,142,907 shares. The proposed appropriations for 2024 earnings has not yet been approved by the shareholders' meeting as of the date of this report.

(16) Operating revenue

A. Disaggregation of revenue from contracts with customers

	Year ended December 31, 2024		
	Sales revenue	Service revenue	Total
Revenue from external customer contracts	$ 5,422,477	$ 69,911	$ 5,492,388
Timing of revenue recognition			
At a point in time	$ 5,422,477	$ 69,911	$ 5,492,388

	Year ended December 31, 2023		
	Sales revenue	Service revenue	Total
Revenue from external customer contracts	$ 6,006,054	$ 71,243	$ 6,077,297
Timing of revenue recognition			
At a point in time	$ 6,006,054	$ 71,243	$ 6,077,297

B. Contract liabilities

The Group has recognised the following revenue-related contract liabilities:

	December 31, 2024	December 31, 2023	January 1, 2023
Contract liabilities	$ 1,189,102	$ 246,721	$ 188,159

Revenue recognised that was included in the contract liability balance at the beginning of the year

	Year ended December 31	
	2024	2023
Revenue recognised that was included in the contract liability balance at the beginning of the year	$ 248,530	$ 187,854

(17) Other gains and losses

	Year ended December 31	
	2024	2023
Gains on financial assets at fair value through profit or loss	$ 539	$ 985
Gains on lease modifications	501	215
Losses on disposal of property, plant and equipment	(200)	(284)
Foreign exchange (losses) gains	(2,900)	1,626
Other losses	(155)	(2,323)
	($ 2,215)	$ 219

(18) Finance costs

	Year ended December 31	
	2024	2023
Interest expense:		
Bank borrowings	$ 6,271	$ 7,680
Interest expense from lease liability	15,768	14,131
	$ 22,039	$ 21,811

(19) Expenses by nature

	Year ended December 31	
	2024	2023
Change in inventory	$ 4,230,880	$ 4,545,550
Employee benefit expense	835,688	857,193
Depreciation charge	79,764	71,003
Technical service expense	74,849	78,431
Other expenses	137,788	197,284
	$ 5,358,969	$ 5,749,461

(20) Employee benefit expense

	Year ended December 31	
	2024	2023
Wages and salaries	$ 712,874	$ 743,670
Labour and health insurance fees	55,193	50,344
Pension costs	40,417	38,241
Employee stock options expenses	9,000	9,895
Other personnel expenses	18,204	15,043
	$ 835,688	$ 857,193

A. In accordance with the Articles of Incorporation of the Company, a ratio of distributable profit of the current year, after covering accumulated losses, shall be distributed as employees' compensation and directors' and supervisors' remuneration. The ratio shall be at 2%~8% for employees' compensation and shall not be higher than 2% for directors' remuneration.

B. For the years ended December 31, 2024 and 2023, employees' compensation were accrued at $3,673 and $16,433 based on 2% and 5% of the Company's profit, respectively. The aforementioned amount was recognised in salary expenses. The directors' remuneration was not accrued as it was not expected to be paid. On March 12, 2025, the employees' compensation resolved by the Board of Directors was $3,673 and on March 12, 2024, the employees' compensation for 2023 resolved by the Board of Directors was $16,433. The aforementioned distributed amounts were in agreement with those amounts recognised in the 2023 financial statements, which will be distributed in the form of cash.

C. Information about employees' compensation and directors' remuneration of the Company as resolved by the Board of Directors will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(21) Income tax

A. Income tax expense

(a) Components of income tax expense:

	Year ended December 31	
	2024	2023
Current tax:		
Current tax on profits for the year	$ 14,332	$ 70,118
Prior year income tax underestimation (overestimation)	2,938	(12,820)
Total current tax	$ 17,270	$ 57,298
Deferred tax:		
Origination and reversal of temporary differences	(1,207)	1,450
Total deferred tax	(1,207)	1,450
Income tax expense	$ 16,063	$ 58,748

(b) The income tax expense relating to components of other comprehensive income is as follows:

	Year ended December 31	
	2024	2023
Currency translation differences	($ 6,069)	($ 6,293)

B. Reconciliation between income tax expense and accounting profit

	Year ended December 31	
	2024	2023
Tax calculated based on profit before tax and statutory tax rate (note)	$ 40,078	$ 84,817
Expenses disallowed by tax regulation	3,237	3,053
Tax exempt income by tax regulation	(34,309)	(653)
Change in assessment of realisation of deferred tax assets	525	(8,754)
Prior year income tax underestimation (overestimation)	2,938	(12,820)
Effect from research and development tax credits	(11,347)	(8,149)
GILTI	14,593	455
Others	348	799
Income tax expense	$ 16,063	$ 58,748

Note: The basis for computing the applicable tax rate are the rates applicable in the respective countries where the Group entities operate.

C. Amounts of deferred tax assets or liabilities as a result of temporary differences, tax losses and investment tax credits are as follows:

	2024				
	January 1	Recognised in profit or loss	Recognised in other comprehensive income	Exchange difference	December 31
Deferred tax assets:					
-Temporary differences:					
Allowance for bad debts	$ 5,272	($ 94)	$ -	$ 274	$ 5,452
Allowance for inventory valuation losses	12,065	(4,836)	-	655	7,884
Accrued unrealised compensation for employees' annual leave	9,703	(4,221)	-	568	6,050
Book-tax difference on intangible assets	3,777	(3,950)	-	173	-
Lease liabilities	61,474	(10,396)	-	3,762	54,840
Warranty liabilities	8,040	(3,208)	-	358	5,190
Operating loss deduction	3,021	11,854	-	185	15,060
Unrealised exchange gain or loss	-	1,706	-	2	1,708
Others	12,863	101	6,069	959	19,992
Total	$ 116,215	($ 13,044)	$ 6,069	$ 6,936	$ 116,176
-Deferred tax liabilities:					
Deferred income tax -State	(2,211)	546	-	(138)	(1,803)
Book-tax difference on fixed assets	(5,517)	1,504	-	(353)	(4,366)
Right-of-use assets	(58,821)	12,201	-	(3,514)	(50,134)
Total	($ 66,549)	$ 14,251	$ -	($ 4,005)	($ 56,303)

	2023				
	January 1	Recognised in profit or loss	Recognised in other comprehensive income	Exchange difference	December 31
Deferred tax assets:					
-Temporary differences:					
Allowance for bad debts	$ 3,905	$ 1,440	$ -	($ 73)	$ 5,272
Allowance for inventory valuation losses	19,376	(7,336)	-	25	12,065
Accrued unrealised compensation for employees' annual leave	8,507	1,215	-	(19)	9,703
Book-tax difference on intangible assets	-	3,832	-	(55)	3,777
Lease liabilities	-	62,336	-	(862)	61,474
Warranty liabilities	3,982	4,198	-	(140)	8,040
Operating loss deduction	6,183	(3,052)	-	(110)	3,021
Others	7,767	(1,128)	6,293	(69)	12,863
Total	$ 49,720	$ 61,505	$ 6,293	($ 1,303)	$ 116,215
-Deferred tax liabilities:					
Deferred income tax -State	(2,273)	62	-	-	(2,211)
Book-tax difference on fixed assets	(2,189)	(3,314)	-	(14)	(5,517)
Right-of-use assets	-	(59,703)	-	882	(58,821)
Total	($ 4,462)	($ 62,955)	$ -	$ 868	($ 66,549)

D. As of December 31, 2024, the income tax returns of the Company's subsidiary, AMAX Information Technologies Co., Ltd., through 2022 have been assessed and approved by the Tax Authority.

(22) Earnings per share

	Year ended December 31, 2024		
	Amount after tax	of ordinary shares outstanding (share in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 163,906	41,580	$ 3.94
Diluted earnings per share			
Profit attributable to ordinary shareholders of the parent	163,906	41,580	
Assumed conversion of all dilutive potential ordinary shares			
Employee stock options	-	1,846	
Employees' compensation		18	
Restricted stocks to employees	-	4	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	$ 163,906	$ 43,448	$ 3.77

	Year ended December 31, 2023		
	Amount after tax	of ordinary shares outstanding (share in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 253,481	$ 36,829	$ 6.88
Diluted earnings per share			
Profit attributable to ordinary shareholders of the parent	253,481	36,829	
Assumed conversion of all dilutive potential ordinary shares			
Employee stock options	-	1,408	
Employees' compensation	-	70	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	$ 253,481	$ 38,307	$ 6.62

(23) Supplemental cash flow information

Investing activities with partial cash payments:

	Year ended December 31	
	2024	2023
Acquisition of property, plant and equipment	$ 19,830	$ 22,013
Add: Opening balance of payable on equipment	2,477	-
Less: Ending balance of payable on equipment	-	(2,477)
Cash paid during the year	$ 22,307	$ 19,536

(24) Changes in liabilities from financing activities

	2024		
	Short-term borrowings	Lease Liabilities	Liabilities from financing activities-gross
At January 1	$ 281,217	$ 256,927	$ 538,144
Changes in cash flow from financing activities	(282,963)	(54,901)	(337,864)
Additions for the year	-	2,923	2,923
Impact of changes in foreign exchange rate	10,729	14,655	25,384
Others (note)	-	(5,069)	(5,069)
At December 31	$ 8,983	$ 214,535	$ 223,518

	2023		
	Short-term borrowings	Lease Liabilities	Liabilities from financing activities-gross
At January 1	$ 225,217	$ 42,278	$ 267,495
Changes in cash flow from financing activities	58,392	(55,171)	3,221
Additions for the year	-	273,281	273,281
Impact of changes in foreign exchange rate	(2,392)	(3,054)	(5,446)
Others (note)	-	(407)	(407)
At December 31	$ 281,217	$ 256,927	$ 538,144

Note: It includes effects of lease termination and modification.

7. Related Party Transactions

(1) Names of related parties and relationship

Names of related parties	Relationship with the Company
Huaguan Technology Co., Ltd. (Suzhou)	The Chair of the Company is the director of the related party
AMAX Global Services, Inc.	"
Animated LLC	"
Sabercat Investment LLC	"
Ingrasy Technology USA Inc.	The group which the entity belonged to is an equity investor of the Group
Foxconn Technology Co., Ltd.	"

(2) Significant related party transactions

A. Purchases:

	Year ended December 31	
	2024	2023
Other related parties	$ 282	$ 28,526

The transaction prices and payment terms of the Group's transactions with related parties were available for third parties.

B. Technical service expense:

	Year ended December 31	
	2024	2023
AMAX Global Services, Inc.	$ 45,812	$ 44,607

The Group's technical service fees with related parties were mainly related to providing the software development and consulting services by the related parties and were paid in accordance with the contractual remuneration and payment terms.

C. Payables to related parties

	December 31, 2024	December 31, 2023
Payables to related parties		
Other related parties	$ 4,008	$ 3,589

The payables to related parties arise mainly from purchase transactions and technical and managerial services which would be expired within one month after the date of purchase and providing services. The payables bear no interest.

D. Lease transactions－lessee

(a)The Group leases buildings and employees' dorms from Animated LLC and Sabercat Investment LLC for the periods from May 2013 to May 2028 and from January 2023 to December 2023, respectively, and the rentals were paid at the beginning of each month.

(b)Right-of-use assets:

	Year ended December 31	
	2024	2023
Animated LLC	$ 156,666	$ 189,671

(c) Lease liabilities

i. Outstanding balance:

	December 31, 2024	December 31, 2023
Animated LLC	$ 172,804	$ 199,083

ii. Interest expense

	Year ended December 31, 2024	Year ended December 31, 2023
Animated LLC	$ 13,829	$ 11,950
Other related parties	-	51
	$ 13,829	$ 12,001

Rentals of the lease contracts between the Group and its related parties were based on market conditions and were paid in accordance with normal terms.

(3) Key management compensation

	Year ended December 31	
	2024	2023
Short-term employee benefits	$ 75,960	$ 85,118
Share-based payment	695	1,012
	$ 76,655	$ 86,130

8. Pledged Assets

The Group's assets pledged as collateral are as follows:

Pledged asset	Book value December 31, 2024	Book value December 31, 2023	Purpose
Cash	$ 1,190,678	$ 425,501	Note 1
Accounts receivable	647,538	635,610	Note 2
Other receivables	206,520	-	Note 1
Inventories	471,489	681,497	Note 2
Prepayments	4,403	3,607	Note 1
Property, plant and equipment	43,711	29,662	Note 2
Refundable deposits	4,538	147,592	Note 1
	$ 2,568,877	$ 1,923,469	

Note 1: The assets were pledged for the purpose as a security for supplier financing. AMAX Engineering Corporation, an US subsidiary of the Group, participated in the Intel Partner Financing supplier financing project (Supplier Financing), which was promoted by Intel, and entered into a Loan and Security Agreement with De Lage Landen Financial Services ("DLL"), a financial company which was cooperated in the financing project. In accordance with the agreement, AMAX Engineering Corporation agreed to pledge all its assets as security for DLL's obligations, and DLL might execute the security interests over the assets and inventories of AMAX Engineering Corporation, to obtain possession of the collateral or to obtain a refund of the auction price of the collateral only if an event of default occurs under agreement with AMAX Engineering Corporation, and DLL might be repaid only up to the amount of its obligation to AMAX Engineering Corporation. As of December 31, 2024 and 2023, the balances of the Group's accounts payable to DLL for the abovementioned supplier financing amounted to $0 and $342,690, respectively.

Note 2: It was used for pledged as collateral for short-term borrowings and supply chain financing as previously stated in Note 1.

9. Significant Contingent Liabilities and Unrecognised Contract Commitments

None.

10. Significant Disaster Loss

None.

11. Significant Events after the Balance Sheet Date

(1) On March 12, 2025, the Board of Directors resolved to the appropriations of 2024 earnings. Please refer to Note 6 (15) for details.

(2) To strengthen operating capital and repay bank loans, the Board of Directors resolved on March 12, 2025, to issue common shares through a public offering or private placement within an allowance of 10,000 thousands shares. However, as of March 12, 2025, the proposal has not yet been approved by the Shareholders' Meeting.

(3) On March 12, 2025, the Board of Directors approved the issuance of 150,000 restricted stocks at a price of 0 per share (granted without consideration). However, as of March 12, 2025, the proposal has not yet received approval at the Shareholders' Meeting.

12. Others

(1) Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

(2) Financial instruments

A. Financial instruments by category

	December 31, 2024	December 31, 2023
Financial assets		
Financial assets at amortised cost		
Cash and cash equivalents	$ 1,607,441	$ 829,807
Financial assets at amortised cost	69,028	62,410
Notes receivable	4,060	8,202
Accounts receivable	1,170,175	836,286
Other receivables (shown as "other current assets")	11,644	1,316
Refundable deposits	7,640	150,434
	$ 2,869,988	$ 1,888,455

	December 31, 2023	December 31, 2023
Financial liabilities		
Financial liabilities at amortised cost		
Short-term borrowings	$ 8,983	$ 281,217
Accounts payable	424,707	582,400
Other payables	108,244	211,259
	$ 541,934	$ 1,074,876
Lease liabilities	$ 214,535	$ 256,927

B. Financial risk management policies

The Group's activities expose it to a variety of financial risks: foreign exchange risk credit risk and liquidity risk.

C. Significant financial risks and degrees of financial risks

(a) Market risk

Foreign exchange risk

i. The Group operates internationally and is exposed to exchange rate risk arising from the transactions of the Company and its subsidiaries used in various functional currency, primarily with respect to the USD, RMB, NTD and EUR. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities.

ii. The Group's businesses involve some non-functional currency operations (the Company's functional currency: USD; other subsidiaries' functional currency: USD, RMB, NTD and EUR). The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

	December 31, 2024				
				Sensitivity analysis	
	Foreign currency amount (In thousands)	Exchange rate	Book value (In thousands of New Taiwan	Degree of variation	Effect on profit or loss
(Foreign currency: functional currency)					
Financial assets					
Monetary items					
GBP: USD	$ 521	1.2521	21,360	5%	$ 1,068
USD: RMB	402	7.2994	13,163	5%	658
USD: EUR	827	0.9661	27,079	5%	1,354
USD: NTD	5,932	32.7433	194,233	5%	9,712
NTD: USD	1,229	0.0305	1,229	5%	61
Financial liabilities					
Monetary items					
USD: RMB	$ 179	7.2994	5,861	5%	$ 293

	December 31, 2023				
				Sensitivity analysis	
	Foreign currency amount (In thousands)	Exchange rate	Book value (In thousands of New Taiwan	Degree of variation	Effect on profit or loss
(Foreign currency: functional currency)					
Financial assets					
Monetary items					
GBP: USD	$ 521	1.2732	20,374	5%	$ 1,019
USD: EUR	1,583	0.9059	48,618	5%	2,431
USD: NTD	385	30.7127	11,824	5%	591
Financial liabilities					
Monetary items					
USD: RMB	$ 2,959	7.0971	90,879	5%	$ 4,544

iii. For the years ended December 31, 2024 and 2023, the Group's monetary items have recognised exchange (loss) gain (including realised and unrealised) amounted to ($2,900) and $1,626, respectively, due to the significant effect from the fluctuations of exchange rate.

(b) Credit risk

i. Credit risk refers to the risk of financial loss to the Group arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is that counterparties could not repay in full the accounts receivable based on the agreed terms.

ii. The default occurs if the contract payments were past due over 180 days based on the terms.

iii. The Group assess whether there has been a significant increase in credit risk on that instrument since initial recognition:

If the contract payments were past due over 180 days based on the terms, there has been a significant increase in credit risk on that instrument since initial recognition.

iv. The following indicators are used to determine whether the credit impairment of debt instruments has occurred:

(i.) It becomes probable that the issuer will enter bankruptcy or other financial reorganisation due to their financial difficulties;

(ii.) The disappearance of an active market for that financial asset because of financial difficulties;

(iii.) Default or delinquency in interest or principal repayments; and

(iv.) Adverse changes in national or regional economic conditions that are expected to cause a default.

v. The Group estimates expected credit losses individually for individually significant accounts receivable which the default occurs. For the remaining customers, the Group classifies customers' accounts receivable in accordance with geographic area. The Group applies the modified approach using a provision matrix to estimate the expected credit loss.

vi. The Group wrote-off the financial assets, which cannot be reasonably expected to be recovered, after initiating recourse procedures. However, the Group will continue executing the recourse procedures to secure their rights.

vii. The Group used the forecastability to adjust historical and timely information to assess the default possibility of accounts receivable. On December 31, 2024 and 2023, the loss allowance for accounts receivable is as follows:

	Not past due	Up to 30 days past due	31~60 days past due	61~90 days past due	61~180 days past due	Total
December 31, 2024						
Expected loss rate	0.59%	1.11%	1.61%	19.06%	100.00%	
Total book value	$ 1,035,583	$ 103,330	$ 16,496	$ 27,382	$ 10,283	$1,193,074
Loss allowance	$ 6,083	$ 1,147	$ 265	$ 5,219	$ 10,283	$ 22,997
December 31, 2023						
Expected loss rate	0.89%	1.44%	2.62%	20.98%	100.00%	
Total book value	$ 609,500	$ 150,405	$ 76,107	$ 12,481	$ 15,674	$ 864,167
Loss allowance	$ 5,425	$ 2,172	$ 1,992	$ 2,618	$ 15,674	$ 27,881

viii. Movements in relation to the Group applying the modified approach to provide loss allowance for accounts receivable are as follows:

	December 31, 2024
At January 1	$ 27,881
Reversal of impairment	(6,273)
Effect of exchange rate changes	1,291
At December 31	$ 22,899

	December 31, 2023
At January 1	$ 21,070
Provision for impairment	7,291
Effect of exchange rate changes	(480)
At December 31	$ 27,881

ix. For financial assets at amortised cost and at fair value through other comprehensive income, the credit rating levels are presented below:

	December 31, 2024			
		Lifetime		
	12 months	Significant increase in credit risk	Impairment of credit	Total
Financial assets at amortised cost	$ 69,028	$ -	$ -	$ 69,028

	December 31, 2023			
		Lifetime		
	12 months	Significant increase in credit risk	Impairment of credit	Total
Financial assets at amortised cost	$ 62,410	$ -	$ -	$ 62,410

As of December 31, 2024 and 2023, the Group has no financial assets at fair value through profit or loss assets. The financial assets at amortised cost held by the Group pertained to the time deposits with maturity over three months and the credit risk is well-managed without issues noted.

(c) Liquidity risk

i. Cash flow forecasting is performed in the operating entities of the Group and aggregated by Group treasury. Group treasury monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities (Note 6(9)) at all times so that the Group does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities. Such forecasting takes into consideration the Group's debt financing plans, covenant compliance, compliance with internal balance sheet ratio targets and, if applicable external regulatory or legal requirements, for example, currency restrictions.

ii. The Group has the following undrawn borrowing facilities:

	December 31, 2024	December 31, 2023
Unsecured bank overdraft facilities		
Drawn amount	$ 8,983	$ 281,217
Undrawn amount	1,270,129	562,434
	$ 1,279,112	$ 843,651
Secured bank overdraft facilities		
Drawn amount	$ -	$ -
Undrawn amount	-	767,625
	$ -	$ 767,625

iii. The table below analyses the Group's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date for non-derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows.

December 31, 2024	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
Non-derivative financial liabilities					
Short-term borrowings	$ 9,155	$ -	$ -	$ -	$ 9,155
Accounts payable	420,700	-	-	-	420,700
Accounts payables-related parties	4,008	-	-	-	4,008
Other payables	108,244	-	-	-	108,244
Lease liability	71,908	69,250	100,441	-	241,599
	$ 614,015	$ 69,250	$ 100,441	$ -	$ 783,706

December 31, 2023	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
Non-derivative financial liabilities					
Short-term borrowings	$ 283,037	$ -	$ -	$ -	$ 283,037
Accounts payable	578,811	-	-	-	578,811
Accounts payables-related parties	3,589	-	-	-	3,589
Other payables	211,259	-	-	-	211,259
Lease liability	69,169	67,428	161,085	-	297,682
	$ 1,145,865	$ 67,428	$ 161,085	$ -	$ 1,374,378

(1) Fair value information

A. The different levels that the inputs to valuation techniques are used to measure fair value of financial and non-financial instruments have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. A market is regarded as active where a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

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.

B. Financial instruments not measured at fair value

The carrying amounts of the Group's cash and cash equivalents, financial assets at amortised cost, notes receivable, accounts receivable, refundable deposits, short-term borrowings, accounts payable, account payables-related parties, other payables and lease liabilities are approximate to their fair values.

C. The related information of financial and non-financial instruments measured at fair value by level on the basis of the nature, characteristics and risks of the assets and liabilities is as follows:

(a)At December 31, 2024 and 2023, the Group had no financial and non-financial instruments measured at fair value.

(b)The methods and assumptions the Group used to measure fair value are as follows:

The estimated fair values of the financial instruments acquired are all in Level 2 and are valued based on the percent yield.

D. For the years ended December 31, 2024 and 2023, there was no transfer between Level 1 and Level 2.

13. Supplementary Disclosures

(1) Significant transactions information

A. Loans to others: Please refer to table 1.

B. Provision of endorsements and guarantees to others: Please refer to table 2.

C. Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): None.

D. Acquisition or sale of the same security with the accumulated cost exceeding $300 million or 20% of the Company's paid-in capital: None.

E. Acquisition of real estate reaching $300 million or 20% of paid-in capital or more: None.

F. Disposal of real estate reaching $300 million or 20% of paid-in capital or more: None.

G. Purchases or sales of goods from or to related parties reaching $100 million or 20% of paid-in capital or more: Please refer to table 3.

H. Receivables from related parties reaching $100 million or 20% of paid-in capital or more: Please refer to table 4.

I. Trading in derivative instruments undertaken during the reporting periods: None.

J. Significant inter-company transactions during the reporting periods: Please refer to table 5.

(2) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China)：Please refer to table 6.

(3) Information on investments in Mainland China

A. Basic information: Please refer to table 7.

B. Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area: None.

(4) Major shareholders information

Major shareholders information: Please refer to table 8.

14. Segment Information

(1) General information

The Group's core business is research and development, manufacturing and sales of cloud and data centre and high performance computing (HPC) servers and peripherals, as well as providing scalable customised clusters, related system solutions and customised services. The Group's Board of Directors allocates resources and assesses performance of the Group as a whole, has identified that the Group has only one reportable operating segment.

(2) Measurement of segment information

The Group's operating segment's accounting policies are in agreement with the significant accounting policy summarized in Notes of the consolidated financial statements. Segment profit (loss) is measured with the post-tax profit (loss), which is used as a basis for the Group in assessing the performance of the operating segments.

(3) Information about segment profit or loss, assets and liabilities

The Group has only one reportable operating segment, thus, the reportable information is in agreement with those in the consolidated financial statements.

(4) Reconciliation for segment income (loss)

The segment operating net losses reported to the chief operating decision-maker are measured in a manner consistent with revenues and expenses in the statement of comprehensive income, and therefore the adjustments to net operating loss are the same as those in the statement of comprehensive income.

(5) Information on products and services

Details of revenue are as follows:

	Year ended December 31	
	2024	2023
Sales revenue	$ 5,422,477	$ 6,006,054
Service revenue	69,911	71,243
	$ 5,492,388	$ 6,077,297

(6) Geographical information

Revenues from the Group's geographical segments are categorised based on the geographical location of customers and non-current assets are categorised based on the geographical location of the assets. Geographical information for the years ended December 31, 2024 and 2023 is as follows:

	Year ended December 31			
	2024		2023	
	Revenue	Non-current assets	Revenue	Non-current assets
United States	$ 2,970,426	$ 70,057	$ 2,096,230	$ 84,843
Asia	2,431,035	205,219	3,851,839	223,690
Europe	90,927	2,420	129,228	12,026
	$ 5,492,388	$ 277,696	$ 6,077,297	$ 320,559

(7) Major customer information

Major customer information of the Group for the years ended December 31, 2024 and 2023 is as follows:

	Year ended December 31	
	2024	2023
	Revenue	Revenue
H Company	$ 1,237,292	$ 1,567,194

AMAX Holding Co., Ltd. and subsidiaries
Loans to others
Year ended December 31, 2024

Table 1

Expressed in thousands of NTD
(Except as otherwise indicated)

Number	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the year ended December 31, 2024	Balance as at December 31, 2024	Actual amount drawn down	Interest rate	Nature of loan (Note 1)	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral Item	Collateral Value	Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
0	AMAX Holding Co., Ltd.	AMAX Information Technologies Co., Ltd.	Other receivables	Yes	$ 13,114 (USD 400,000)	$ - -	$ - -	5.00%	2	$ -	Operations	$ -	-	$ -	$ 874,475	$ 874,475	Note 2
0	AMAX Holding Co., Ltd.	AMAX Information Technologies Co., Ltd.	Other receivables	Yes	6,557 (USD 200,000)	- -	- -	5.00%	2	-	Operations	-	-	-	874,475	874,475	Note 2
0	AMAX Holding Co., Ltd.	AMAX Information Technologies Co., Ltd.	Other receivables	Yes	81,963 (USD 2,500,000)	81,963 (USD 2,500,000)	81,963 (USD 2,500,000)	5.00%	2	-	Operations	-	-	-	874,475	874,475	Note 2
1	AMAX Engineering Corporation	AMAX Holding Co., Ltd.	Other receivables	Yes	49,178 (USD 1,500,000)	- -	- -	Based on the contracts	2	-	Operations	-	-	-	983,364	983,364	Note 3
1	AMAX Engineering Corporation	AMAX Information Technologies Co., Ltd.	Other receivables	Yes	196,710 (USD 6,000,000)	196,710 (USD 6,000,000)	196,710 (USD 6,000,000)	5.00%	2	-	Operations	-	-	-	983,364	983,364	Note 3
2	AMAX Information Technologies Limited	AMAX Engineering Corporation	Other receivables	Yes	16,393 (USD 500,000)	- -	- -	Based on the contracts	2	-	Operations	-	-	-	28,132	28,132	Note 3

Note 1: The column of 'Nature of loan' shall fill in 'Business transaction or 'Short-term financing':

(1) Fill in 1 for business transactions

(2) Fill in 2 for short-term financing

Note 2: Limit on loans: In accordance with the loaning funds to others of the lending companies, for short-term financing, limit on loans granted for a single party and limit on total loans is 40% of the net assets of the lending companies.

Note 3: Limit on loans: In accordance with the policy of loaning funds to others of the lending companies, for the foreign companies whose voting rights are 100% owned directly and indirectly by the lending companies, of which the loans are arising from the needs of short-term financing for both parties, limit on loans granted for a single party and limit on total loans is the lower of 50% of the net assets of the lending companies or 50% of the ultimate parent company's net assets stated in the latest financial statements.

AMAX Holding Co., Ltd. and subsidiaries
Provision of endorsements and guarantees to others
Year ended December 31, 2024

Table 2

Expressed in thousands of NTD
(Except as otherwise indicated)

Number (Note 1)	Endorser/ guarantor	Party being endorsed/guaranteed: Company name	Relationship with the endorser/ guarantor (Note 2)	Limit on endorsements/ guarantees provided for a single party	Maximum outstanding endorsement/ guarantee amount as of December 31, 2024	Outstanding endorsement/ guarantee amount as of December 31, 2024	Actual amount drawn down	Amount of endorsements/ guarantees secured with collateral	Ratio of accumulated endorsement/ guarantee amount to net asset value of the endorser/ guarantor company	Ceiling on total amount of endorsements/ guarantees provided	Provision of endorsements/ guarantees by parent company to subsidiary	Provision of endorsements/ guarantees by subsidiary to parent company	Provision of endorsements/ guarantees to the party in Mainland China	Footnote
1	AMAX Engineering Corporation	AMAX Holding Co., Ltd.	2	$ 1,966,728	$ 163,925 (USD 5,000,000)	$ -	$ -	$ -	-	$ 1,966,728	N	Y	N	Note 3
1	AMAX Engineering Corporation	AMAX Holding Co., Ltd.	2	1,966,728	98,355 (USD 3,000,000)	98,355	-	-	5%	1,966,728	N	Y	N	Note 3
2	AMAX Information Technologies (Suzhou) Co., Ltd.	XIN Max International Trading (Hong Kong) Limited	1	638,431	202,118 (CNY 45,000,000)	-	-	-	-	638,431	N	N	Y	Note 4

Note 1: The numbers filled in for the endorsements/guarantees provided by the Company or subsidiaries are as follows:

(1) The Company is ‘0’.

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

Note 2: The associates is 1, and the parent company is 2.

Note 3: In accordance with AMAX Engineering Corporation’s “Procedures for Provision of Endorsements and Guarantees”, the limit between companies in which the parent company directly and indirectly owns 100% of the voting shares is the lower of 100% of the net worth of the endorsement/guarantee company’s most recent financial statements which was audited or reviewed by the independent accountants or 100% of the net worth of the ultimate parent company’s most recent financial statements which was audited or reviewed by the independent accountants.

Note 4: In accordance with AMAX Information Technology (Suzhou) Co., Ltd.’s “Procedures for Provision of Endorsements and Guarantees”, the limit between companies in which the parent company directly and indirectly owns more than 50% of the shares is restricted to 100% of the net worth of the endorsement/ guarantee company’s most recent financial statements audited or reviewed by the independent accountants.

AMAX Holding Co., Ltd. and subsidiaries
Purchases or sales of goods from or to related parties reaching NT$100 million or 20% of paid-in capital or more
Year ended December 31, 2024

Table 3

Expressed in thousands of NTD
(Except as otherwise indicated)

			Transaction				Differences in transaction termscompared to third party transactions		Notes/accounts receivable (payable)	
Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)
AMAX Engineering Corporation	AMAX Information Technologies Co., Ltd.	Associate	Sales	$ 292,233	10.58%	Note 1	Note 1	Note 1	$ 126,274	17.23%
AMAX Information Technologies (Suzhou) Co., Ltd.	Amax Information Technology (Shanghai) Co., Ltd.	Associate	"	376,492	14.42%	"	"	"	67,734	18.42%
AMAX Information Technologies (Suzhou) Co., Ltd.	AMAX Information Technologies (Shenzhen) Co., Ltd.	Associate	"	290,820	11.14%	"	"	"	-	-

Note 1: The terms and sales prices were negotiated by both parties after taking into consideration products, market competition and other conditions. The collection period is 30~120 days from the end of the month of sales. The aforementioned related party transaction has been written off in the consolidated financial statements.

AMAX Holding Co., Ltd. and subsidiaries

Receivables from related parties reaching NT$100 million or 20% of paid-in capital or more

Year ended December 31, 2024

Table4

Expressed in thousands of NTD

(Except as otherwise indicated)

Creditor	Counterparty	Relationship with the coun terparty	Balance as at December 31,2024	Turnover rate	Overdue receivables Amount	Overdue receivables Action taken	Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
AMAX Engineering Corporation	AMAX Information Technologies Co., Ltd.	Subsidiary	$ 126,274	2	$ 31,421	Subsequent collection	$ 73,077	$ -
AMAX Engineering Corporation	AMAX Information Technologies Co., Ltd.	Subsidiary	281,370 (Shown as other receivables)	-	-	-	-	-

AMAX Holding Co., Ltd. and subsidiaries

Significant inter-company transactions during the reporting periods

Year ended December 31, 2024

Table 5

Expressed in thousands of NTD
(Except as otherwise indicated)

No. (Note 1)	Company name	Counterparty	Relationship	Transaction: General ledger account	Transaction: Amount	Transaction: Transaction terms	Transaction: Percentage of consolidated total operating revenues or total assets (Note 4)
1	AMAX Engineering Corporation	AMAX Information Technologies Limited	Note 2	Sale	$ 15,247	Note 3	0.28%
1	AMAX Engineering Corporation	AMAX Information Technologies Co., Ltd.	"	Sale	292,233	"	4.92%
1	AMAX Engineering Corporation	AMAX Information Technologies Co., Ltd.	"	Service revenue	34,497	"	0.58%
1	AMAX Engineering Corporation	AMAX Information Technologies Co., Ltd.	"	Royalty income	48,843	"	0.82%
2	AMAX Information Technologies Limited	AMAX Engineering Corporation	"	Service revenue	25,637	"	0.43%
3	AMAX Information Technologies (Suzhou) Co., Ltd.	Amax Information Technology (Shanghai) Co., Ltd.	"	Sale	376,492	"	6.34%
3	AMAX Information Technologies (Suzhou) Co., Ltd.	AMAX Information Technologies (Shenzhen) Co., Ltd.	"	Sale	290,820	"	4.89%
3	AMAX Information Technologies (Suzhou) Co., Ltd.	AMAX Engineering Corporation	"	Sale	28,886	"	0.49%
3	AMAX Information Technologies (Suzhou) Co., Ltd.	AMAX Information Technologies Co., Ltd.	"	Sale	58,569	"	0.99%
4	AMAX Information Technologies Co., Ltd.	AMAX Engineering Corporation	"	Service revenue	15,304	"	0.34%
1	AMAX Engineering Corporation	AMAX Information Technologies Co., Ltd.	"	Accounts receivable	126,274	"	2.98%
2	AMAX Information Technologies Limited	AMAX Engineering Corporation	"	Accounts receivable	23,952	"	0.57%
3	AMAX Information Technologies (Suzhou) Co., Ltd.	Amax Information Technology (Shanghai) Co., Ltd.	"	Accounts receivable	67,734	"	1.60%
3	AMAX Information Technologies (Suzhou) Co., Ltd.	AMAX Information Technologies Co., Ltd.	"	Accounts receivable	24,129	"	0.57%

Note 1: The subsidiaries are numbered in order starting from ‘1’.

Note 2: Relationship between transaction company and counterparty is subsidiary to subsidiary.

Note 3: The terms and sales prices were negotiated by both parties after taking into consideration products, market competition and other conditions. The collection period is 30~120 days from the end of the month of sales.

Note 4: The percentage of consolidated total assets is computed with the consolidated total assets divided by period-end balance of balance sheet accounts while the consolidated total operating revenues is computed with consolidated total operating revenues divided by accumulated amount of income statement accounts for the year. The aforementioned related party transaction has been written off in the consolidated financial statements.

AMAX Holding Co., Ltd. and subsidiaries
Information on investees
Year ended December 31, 2024

Table 6

Expressed in thousands of NTD
(Except as otherwise indicated)

Investor	Investee	Location	Main business activities	Initial investment amount: Balance as at December 31, 2024	Initial investment amount: Balance as at December 31, 2023	Shares held as at December 31, 2024: Number of shares	Shares held as at December 31, 2024: Ownership (%)	Shares held as at December 31, 2024: Book value	Net profit (loss) of the investee for the year ended December 31, 2024	Investment income (loss) recognised by the Company for the year ended December 31, 2024	Footnote
AMAX Holding Co., Ltd.,	AMAX Engineering Corporation	USA	Manufacturing and sales of servers, network systems and cloud computing peripherals	$ 1,477,340 (USD 48,899,134)	$ 1,477,340 (USD 48,899,134)	111,438	100%	$1,966,728	$ 161,696	$ 161,696	Investees accounted for using equity method
AMAX Engineering Corporation	AMAX Information Technologies Limited	Ireland	Manufacturing and sales of servers, network systems and cloud computing peripherals	3,308 (EUR 100,000)	3,308 (EUR 100,000)	100	100%	56,263	1,240	1,240	"
AMAX Engineering Corporation	AMAX Information Technologies Co., Ltd.	Taiwan	Manufacturing and sales of servers, network systems and cloud computing peripherals and customer service	20,000	20,000	100	100%	64,352	43,851	43,851	"
AMAX Information Technologies (Shenzhen) Co., Ltd.	XIN Max International Trading (Hong Kong) Limited	Hong Kong	International trading business	39 (HK 10,000)	39 (HK 10,000)	10	100%	937	411	411	"

AMAX Holding Co., Ltd. and subsidiaries
Information on investments in Mainland China
Year ended December 31, 2024

Table 7

Expressed in thousands of NTD
(Except as otherwise indicated)

Investee in Mainland China	Main business activities	Paid-in Capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2024	Amount remitted from Taiwan to Mainland China/Amount remitted back to Taiwan for the year ended December 31, 2024		Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2024	Net Income of Investee as of December 31, 2024	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended December 31, 2024 (Note 2)	Book value of investments in back to as of 2024	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2024	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
AMAX Information Technologies (Suzhou) Co., Ltd.	Research and development of computer software and manufacturing and sales of servers and cloud computing peripherals	$ 49,507 (CNY 10,000,000)	1	$ -	$ -	$ -	$ -	$ 25,352	100%	$ 25,352	$ 634,869	$ -	Investees accounted for using equity method
AMAX Information Technology (Shanghai) Co., Ltd.	Sales of servers and peripherals	38,450 (USD 1,150,000)	1	-	-	-	-	10,223	100%	10,223	196,303	-	"
AMAX Information Technologies (Shenzhen) Co., Ltd.	Sales of servers and peripherals	13,723 (CNY 3,000,000)	1	-	-	-	-	(709)	100%	(709)	41,995	-	"

Note 1: Investment methods are classified into the following three categories:

(1) Directly invest in a company in Mainland China.

(2) Through investing in an existing company in the third area, which then invested in the investee in Mainland China.

(3) Others

Note 2: The financial information has been audited by the independent accountants of the Group.

AMAX Holding Co., Ltd. and subsidiaries
Major shareholders information
December 31, 2024

Table 8

Major shareholders information	Shares	
	Number of shares held	Ownership (%)
Jerry Shih	6,772,599	16.13%
Jean Shih	5,380,564	12.82%
Chi-Lei Ni	4,904,037	11.68%
Ingrasys (Singapore) PTE. LTD.	4,656,238	11.09%
Cloud Network Technology KFT	4,656,238	11.09%