



# SOLIDWIZARD TECHNOLOGY CO., LTD.

## 2024

# Annual Report

Annual report inquiry website Market Observation Post System: http://mops.twse.com.tw Website of the Company: http://www.swtc.com

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IV. The names of the CPAs who duly audited the annual financial report for the most recent fiscal year, and the name, address, website and telephone number of the accounting firm to which they belong.

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- V. Names of overseas exchanges where the Company's securities are traded, and methods for inquiring the information of the overseas securities: None.
- VI. Company website: <a href="http://www.swtc.com">http://www.swtc.com</a>

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#### One. Letter to Shareholders

In 2024, SolidWizard continued to optimize its portfolio of Dassault Systèmes solutions, including SOLIDWORKS Desktop, 3DEXPERIENCE Cloud, advanced simulation analysis - SIMULIA, and product lifecycle management (PLM) system - ENOVIA. Under the generative AI trend, the Company leveraged Dassault Systèmes' virtual reality integration technologies to assist customers in design and manufacturing, supporting their goals of sustainability, energy efficiency, and carbon reduction. SolidWizard launched the world's first metal/continuous carbon fiber 3D printer— MARKFORGED FX10—designed to meet the needs of drone applications. In anticipation of growth in the multifunctional robotics market, the Company also began representing collaborative robots from Denmark-based Universal Robots. Leveraging NVIDIA's high-performance embedded AI computing platform, Jetson AGX Orin, along with advanced 3D smart vision technology, the Company offers powerful AI inference and training solutions. These innovations help address labor shortages and support customers in their digital transformation efforts and adoption of generative AI technologies. SolidWizard sets the goal of becoming a consulting company of 3D R&D, design and manufacturing solutions for enterprises in Greater China region, and continues to expand the manpower of engineering and consulting. In 2024, there were more than 160 senior engineering consultants in Greater China for SolidWizard. Under the level six 3D enterprise model plan approved by the American National Standards Committee, the Company has provided long-term, project-based technical transformation solutions that have been widely recognized by customers. By growing together with its customers, the Company is committed to helping them become world-class industry leaders. Hereby, I would like to report to all shareholders the business results of the Company in the past year and future prospects.

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#### I. 2024 Annual business results

The Company's consolidated revenue for the full year of 2024 amounted to NT\$1,541,912 thousand, representing an increase of NT\$94,749 thousand, or 6.55%, compared to NT\$1,447,163 thousand in 2023. Gross profit was NT\$765,881 thousand, up NT\$9,311 thousand, or 1.23%, from the previous year. Net income after tax totaled NT\$310,500 thousand, an increase of NT\$21,892 thousand, or 7.59%, compared to 2023.

#### (I) Business plan implementation results

Unit: NTD thousand

Year	Category	Operating revenue	Net profit after tax	Net profit margin	Adjusted earnings per share (NTD)
202	23	1,447,163	288,608	19.94	10.23
203	24	1,541,912	310,500	20.14	11.01
Increase/	decrease	94,749	21,892	0.20	

(II) Budget execution: The Company did not disclose the financial forecast for 2024, so there is no need to disclose the budget status.

#### (III) Analysis of financial income, expenditure and profitability

Item	Yea	ar	2024 (%)	2023 (%)
Financial structure	Total liabilities/assets	S	21.74	21.58
structure	Long-term capital/fix	xed assets	672.88	666.77
Solvency	Current ratio		428.20	430.30
capability	Quick ratio		394.08	380.25
Profitability	Return on assets (%)		16.55	16.35
	Return on shareholde	ers' equity (%)	21.13	20.70
	As a percentage of paid-up capital %	Operating profit	122.46	120.66
	para up caprair / o	Net profit before tax	138.80	129.24
	Net profit margin (%)		20.14	19.94
	After-tax earnings pe	r share (NTD)	11.01	10.23

#### (IV) Research and development

After the three-year global pandemic gradually subsided, the industry has also been driven by the changes in the environment to establish a new type of work style. This pandemic has accelerated the pace of digital transformation. In the past three years, the goal of Global Industry 4.0 is to gradually build the R&D and manufacturing system of various industries in the next decade through digital means. While the traditional mass production manufacturing industry is pushed towards the trend of intelligent, customized production, Taiwan's promotion of Productivity 4.0 is in the direction of strengthening the implementation of the digital economy infrastructure and innovative work methods counteracting the impact of the natural environment changes and production challenges of safe work in the future. Realizing the trend of digital twin and data management, SolidWizard will combine the existing customer base with 3D Experience, the 3D Experience platform of Dassault Systèmes, that drives the global manufacturing industry for the solution from design to manufacturing. It has gradually shifted its related products from personal desktop design verification to manufacturing management tools to global cloud-based collaborative design applications. This unstoppable trend has gradually been realized in major software applications and operating environments. For the digital transformation of existing customers, SolidWizard has established solutions spanning design, validation, manufacturing, and management—four critical domains in the industry upgrade strategy. The aim is to provide customers with collaborative design, transformation guidance, and change of design tools and methods, offering customers the design, manufacturing, and production solutions that best meet world trends and regulations.

#### 1. Cloud-based design system - the 3DEXPERIENCE Platform

Design software has evolved from workstations to personal computers, from tools to platforms, from sales to rentals, and from desktops to clouds. With the changes in the enterprise environment and the trend of supply chain reorganization, the need for collaborative design has become ever more important. During the pandemic, SolidWizard started to promote the cloud-based design system. In addition to providing various services to the existing customers who use the desktop design system, the 3DEXPERIENCE cloud-based design platform products have been added to the demands of new customers and start-ups, so

that new customers have more diversified choices of design tools. The 3DEXPERIENCE design platform is a new system built by Dassault Systeme for the next industrial generation, and it is different from the current digital design platforms that only meet the single demand of designers or manufacturers. 3DEXPERIENCE provides a collaborative design environment through the cloud. Its functionality encompasses design, validation, management, manufacturing, production, marketing, and sales, serving a broader range of enterprises. Until 2023, SolidWizard has transferred more than 80% of its technical manpower to 3DEXPERIENCE cloud products. It has assisted customers in gradually transferring desktop products to the cloud platform to establish the SAAS marketing model. Therefore, pre-sale product display, after-sale user guidance, and data conversion are critical tasks in the digital transformation of customers. Due to the system providing tools beyond just 3D modeling, including design review processes and data management, the biggest challenge for SolidWizard in product promotion lies in educating customers to trust and use cloud-based systems. Customers can categorize personnel into different roles based on job nature and authorize the use of applications accordingly. Therefore, regarding product marketing in the market and technical training for customers, the emphasis will be on establishing concepts and experiential environments. Additionally, the training courses will be digitalized, and the teaching and use of the system can be conducted through the Internet. This revolutionary design platform usage will be gradually popularized in the new year, and a borderless cloud digital design environment will be built in the form of a community, allowing the domestic industry to keep up with the worlds trends.

#### 2. Digital verification and virtual simulation

Following the widespread adoption of 3D design, the global manufacturing trend has also shifted from relying on traditional 2D engineering drawings to adopting Model Based Definition for production. The focus of 3D design is no longer solely on creating precise 2D engineering drawings but rather on simulating the actual product in 3D. Therefore, the digitalization of analysis/verification and virtual simulation has become the primary goal of 3D design. SolidWizard has an independent CAE department dedicated to analysis and validation, staffed with professionals holding masters and doctoral degrees. Using SOLIDWORKS Simulation as a tool, the department is able to conduct digital analysis on various aspects of product performance including structural, material, and motion behaviors. The field covers the analysis and verification of static and dynamic structure, linear and non-linear material mechanics, fluid dynamics, mold flow, forging and casting, and high-frequency and low-frequency electromagnetic fields. In the above areas, in addition to the SOLIDWORKS analysis product line, it also includes Dassault Systèmes 3DEXPERIENCE Simulia and Abaqus Simulations advanced analysis software, which can provide all customers with options in analysis and verification.

 Expand from desktop product data management to the DS 3DExperience Enovia system that focuses on product life cycle management

For the digitalization of design data using traditional desktop products, the continued promotion of using the SOLIDWORKS PDM/Manage system is encouraged. Besides facilitating collaborative design data transmission, editing, and reuse, the digital design data of traditional desktop products can also carry more design-to-manufacture (PMI) information. Through the establishment of desktop platforms and the preservation and sharing of data in databases, this facilitates the flow of design and production processes. A large amount of product data will be managed and controlled by SOLIDWORKS PDM and provided to

all departments of the enterprise for review, sharing, and application. Under this R&D platform, product design data can be controlled and connected to the material management-oriented ERP system, supply chain management system, process planning, and flexible manufacturing systems to achieve true product life cycle management system. At the same time, SOLIDWORKS also provides Manage products to address the four major requirements of project management, BOMs and records, process management, and business dashboards to integrate customers' existing desktop SOLIDWORKS PDM system applying product design data on enterprises more precisely.

For the product life cycle management requirements of medium and large customers, the Company acquired the agency rights for Dassault Systèmess Enovia PLM product. It will provide customers with a more complete data management system. Since Enovia is also built on the 3DEXPERIENCE platform, it further assists customers in using the cloud-based interfaces, allowing a single source of data to permeate all business processes within the enterprise and making it not just the system used by the personnel of the R&D department.

#### 4. Collaborative integration of electromechanical design

At present, the integration of collaborative design tools with the highest maturity and the most valued by the industry is the integration of electromechanical design and manufacturing. Mechatronics combines mechanical design (ME) and electrical design (EE) to present the 3D effect of mechanical design in the electrical and electronic circuit design, which can enhance the effect of visual design and truly integrate the generation method of the Bill of Materials (BOM) which needs to be controlled most in terms of the cost of manufacturing end. Therefore, the integration of electromechanical design will be brought into the electrical design department to increase the group of products designed with 3D tools.

The process from design to manufacturing also has rich diversification and reversibility. From the manufacturing-oriented design process to the actual manufacturing needs, it has become a world trend to combine the quality management tool Inspection with the Modeling Base Definition (MBD) format for 3D design dimensions, tolerances, and other manufacturing information allows 3D models to be directly imported for processing and manufacturing, and integrates the CAM tools for automatic generation of processing paths to lay a perfect foundation for connecting the last mile of design and development to manufacturing. Currently, SOLIDWORKS CAM is used in the selection of integration tools for professional processing path production, and accurate processing information is obtained through software, which can effectively speed up the process, improve quality, and reduce the failure rate, which is the perfect combination of design and automatic processing.

#### 5. ERP/MES for manufacturing enterprises

In line with the continuous development of design automation, customers will focus on the two major automation areas of data management and cost calculation for manufacturing. Existing customers are increasingly demanding production costing systems and manufacturing execution systems (factory operation control systems), which has led to the development of Modelling Base for defining product manufacturing information. By using ERP, enterprises can utilize automated management of the human, material, and financial resources of the enterprise. SolidWizard has also acquired the agency rights for Dassault Systèmess production management system. The Company aims to integrate product data with manufacturing data within the SolidWorks customer base, allowing existing manufacturing industry

customers to continue benefiting and aligning with the goals of intelligent and flexible production defined by Industry 4.0.

#### 3D scanning and printing equipment

SolidWizard has set smart manufacturing as the product target of the equipment sales department since 2023. Within its existing base of 3D design customers, the Company is developing a market for 3D reverse design and validation. This approach enables customers to achieve comprehensive solutions for model reconstruction, dimension collection, and comparative testing needs. Especially in quality inspection and process improvement, the application of reverse scanning is becoming increasingly widespread. Apart from industrial-grade fixed scanners with up to 6 million pixels, there are also portable high-precision scanners equipped with white light and blue light. These scanners can meet industry demands for precision inspection, ranging from large product designs to tiny components. In addition, the OEM service of reverse data scanning has been launched. For manufacturers without engineering technical departments, SolidWizard can also provide 3D product digitization services. For example, AR/VR is more popular in the application of cultural creativity and e-sports industries.

In the realm of 3D printing equipment, Markforged stands out with its carbon fiber composite materials and ADAM (Atomic Diffusion Additive Manufacturing) technology featured in the Metal X metal 3D printer. In addition to this, Markforged has introduced the FX 20, a large-format 3D printer that supports Ultem 9085 material. This model is suitable for industries such as automotive and aerospace that require high strength and printing speed. It is poised to develop solutions that meet the requirements of the defense industrys autonomous military market. In addition, in 2023, the Company has also become an authorized distributor of Formlabs, a brand known for its high-value laser-based SLA/SLS 3D printers. This addition comes after the Company investment in the large-format laser-based SLA 3D printer, the UnionTech Lite 600, and further expands our portfolio to include a light-curing machine suitable for office use. Formlabs also launched the SLS powder laser sintering printer Fuse 1 +30w. This is a 3D printer that uses nylon powder to sinter parts with higher strength and offers high strength, precision, and speed. It can also provide customers with a more cost-effective supply of consumable supply, aiming to bring more applications to the large-scale consumer product design market. After introducing the SLA 3D laser printing machine, SolidWizard will have a more complete product line of powder, resin, plastic, composite materials, and metal materials.

#### 7. Automated and intelligent production equipment

In the production automation solution, SolidWizard is the product agent of Universal Robot, a world-renowned robotic arm manufacturer, and integrates sales with On Robot, a gripper manufacturer of the same level. Collaborative robots have played an important role in automation and intelligence in the industrial upgrade of Industry 4.0. In the production line adjustment and customization production variation, users can quickly change production and manufacturing through simple settings and learning methods, while replacing expensive labor costs, and resolve working hours and delivery pressures. In the realm of robotic vision systems, SolidWizard also acts as the agent of MechMinds 3D industrial camera. This device features AI learning capabilities, enabling it to discern the 3D forms of objects in order to adjust the grip and position of robotic arms, enhancing the systems intelligence. Even if the MechMind 3D camera is used alone, with the softwares computing capabilities, it can quickly perform 3D inspect ion

and quantity calculation, reducing time-consuming manual operations. Serving as the solution for assisting robots, SolidWizard has customized system integration and manufacturing capabilities. With the 3D reverse and forward tools, as well as processing path planning tools in manufacturing, through 3D printing, there is both the advantage of in-house production of highly customized 3D jig components. It is believed we can provide automated system integration equipment to existing manufacturing customers.

The higher the level of digitization, the increase in demand for digital transformation consultants. The trend of digital transformation in the post-pandemic era is already on the rise. However, digitalization does not mean digital transformation. In the process, in addition to updating tools and equipment, there is still a need to establish a system platform to facilitate large amounts of data. As the industry upgrades, it is necessary to upgrade the personnel. Therefore, how to train personnel to use the tools and establish professionalism in the design and production processes is an essential task in digital transformation. SolidWizard has over 25 years of industry service experience and has accumulated transformational expertise alongside its clients. Therefore, it possesses the foundational consultancy services required by the industry, providing business consulting and planning.

Based on Taiwan's market experience, the development of the CAD market in Taiwan, China, Hong Kong and Macau is particularly noteworthy. The demand for CAD software in China has tended to mature. In addition, the incubation period required for non-Cad market maturity, as compared to the time axis of Taiwan, the overall incubation time curve is short. It is expected to reach a considerable level of demand faster. Therefore, the Company will accelerate the deployment of sales and technical teams in China, lock in a strategic market position, and expand to provide a complete product line and outstanding service. We aim to establish excellent relationship with customers from all walks of life. For the mature market in Taiwan, we will increase the R&D of software plug-ins for customized needs based on the diversified needs of customers, the Company's rich experience in customer guidance and R&D, and move towards the innovative market development of independent software R&D.

- II. Summary of the 2025 business plan
  - (I) Business policy
    - 1. The goal is to become a McKinsey & Company consulting firm that provides 3D R&D, design, manufacturing, and sales solutions for enterprises in the Greater China region.
    - 2. Dassault Systèmes is a global leader in 3D solutions. In recent years, Dassault Systèmes has been actively transforming its SOLIDWORKS Desktop package products into 3D EXPERIENCE WORKS a Platform as a Service (PaaS) and a Software as a Service (SaaS). According to the PwC research report, Dassault Systèmes ranked third among the fastest growing companies in the global cloud market.

**PwC 25 Fastest Growing Cloud Companies** 



- 3. According to the research report of Business Advantage, the development trend of CAD is as follows:
  - (1) The future growth potential of CAD can be divided into the following directions.
    - Cloud-based CAD
    - > CAD for use with mobile devices
    - ➤ Productive design
    - ➤ Collaborative design
    - ➤ AI/ML
  - (2) Single R&D and design team
    - > Add depth and breadth
  - (3) Unparalleled solutions and scalability



4. 3DEXPERIENCE is a complete cloud-based platform solution; solutions from design, analysis, collaborative communication, procurement, manufacturing enterprise resource planning (MES/ERP), project management, marketing to sales.



5. In order to accelerate the provision of hardware and software solutions for Industry 4.0 smart manufacturing to customers, various global leading brand manufacturers have been actively introduced into the Greater China market to enhance the industrial competitiveness of customers.

Collaborative robots and 3D vision camera vendors:

Universal Robot, Mech-Mind

- 3D printing vendors:
- ➤ FORMLABS, MARKFORGED, 3DSYSTEMS
- 3D scanning vendors:
- > ARTEC, SCANTECH



Globa	al Machine Visi	on Market	Size Trends
Year	Market Size (USD 100 million)	Year	Market Size (USD 100 million)
2024	258.0	2028	387.1
2025	292.7	2029	423.9
2026	325.7	2030	469.5
2027	357.1	Source: Statista	Compiled by Guan-Chou Ho

- 6. Provide customers with different collaborative robot automation integration solutions based on customer needs, including applications such as loading and unloading, welding, 3D visual identification, glue dispense, and grinding to improve customer productivity and reduce costs.
- 7. Actively develop more diversified potential needs of customers, strengthen the connection between the Company and customers, improve one-stop platform solutions for customers and their satisfaction, and actively manage large and multinational groups customers.
- 8. By leveraging long-term partnerships through multi-year maintenance contracts, the Company supports clients in achieving their digital transformation goals aligned with the six-level 3D enterprise model, thereby enhancing industry competitiveness and driving mutually beneficial business growth.

#### (II) Expected sales volume

The sales volume of the Company's products in 2025 is expected to grow by 10% compared to that in 2024.

#### III. Future development strategies of the Company

The focus of marketing is to help customers understand the value of the SolidWizard brand, and to increase online response rate and link the SolidWizard brand with the newly added sales products. It has made "assisting the manufacturing industry to establish its own brand" as the core point of its brand value promotion, publicizing and assisting customers in digital transformation of manufacturing consulting services, and how to combine with related software products and platform services of its largest partner, Dassault Systèmes, to assist customers increase the efficiency and reduce the cost based on the goals of "AI learning", "smart manufacturing", and "cloud collaboration". The main content of promotion will be through the current diversified digital marketing and social media marketing, from innovative ideation, design and development, verification and analysis, quality control, manufacturing, data management to product marketing, and even customer interaction through the cloud. Together with the most direct-effects of exhibitions, seminars, large-scale user activities, and high-level customer activities, e can achieve the effect of face-to-face promotion with customers of SolidWizard. The following is a list of key sales strategies.

- 1. The rendering power of video content is incomparable. For the content and use cases of Dassault Group and 3D printing, reverse scanning, and collaborative robots, the use and production of videos should be strengthened. Leveraging YouTube as the primary media platform through the Official SolidWizard, well also disseminate content on platforms like Facebook and Instagram to promote SolidWizards actual achievements in consulting service transformation.
- 2. Work closely with the technical team to conduct software and hardware product application and actual machine operation videos and promote online live broadcast courses to achieve the effect of assisting customers in nurturing talents, and thereby marketing the profound value of SolidWizard services.
- 3. Expand the promotion and contact with new customers, combine social media promotion and advertising, use Google search, keyword advertising, and SEO to optimize the effect of multiple touches in marketing, and enhance the brand and service value of SolidWizard.
- 4. Cooperate with industry associations to provide members with relevant industry knowledge, software applications, case studies, and courses to achieve direct and word-of-mouth benefits.
- 5. The latest AI generative tools are used to assist in marketing content and improve the efficiency of content marketing.
- IV. Impacts of the external competitive environment, regulatory environment and overall business environment

  The business environment that the Company is facing can be said to be changing rapidly, and the competitive
  pressure is also increasing day by day. The Company will adopt a more effective operating approach to lay the
  foundation for future growth. Under the pressure of competition and bidding in the same industry, the Company

actively develops new customers and seeks to resell other products to strive for better performance; the sales bases in Mainland China is constantly raising wages with the rapid economic development over there, which is the most important challenge of the external environment. The Company will also increase its vigilance and focus on future changes and respond flexibly.

With its profound professional foundation and years of precise insights into the industry, SolidWizard continues to serve as a critical consulting partner in enterprise digital transformation, firmly securing its position as a leader in the field of smart manufacturing. In response to the rapid advancement of AI technologies and the global wave of digitalization, the Company actively integrates artificial intelligence, cloud computing, and data analytics to help enterprises build more efficient, secure, and forward-looking intelligent design and manufacturing environments. These innovations empower professionals to transcend the constraints of time and space, significantly enhancing overall competitiveness. SolidWizard has deepened its collaboration with Dassault Systèmes, embedding AI and Digital Twin capabilities into SOLIDWORKS and a comprehensive range of digital R&D and manufacturing solutions. This enables smoother and more automated AI-driven intelligent design and high-performance simulation analysis. With extensive practical experience and technical expertise, SolidWizard's robust technical team delivers tailored solutions that allow clients to fully harness the advantages of software, hardware acceleration, and AI applications. These capabilities foster design innovation, shorten product development cycles, and improve operational efficiency—guiding clients into a new era of intelligent manufacturing. Driven by the core values of "Technology Empowering Innovation, Experience Delivering Professional Service," SolidWizard remains at the forefront of industry trends and technological evolution. The Company continuously introduces cutting-edge global technologies to Taiwan's manufacturing sector, assisting clients in shaping a blueprint for sustainable development. We focused not only on solving today's challenges but also on capturing future growth opportunities. SolidWizard is committed to co-creating value and sharing success with its clients—propelling their digital and AI transformation journeys to new heights and achieving sustainable and robust long-term growth.

Chairman: Chien-Hsing Lee Manager: Tai-Yuan Hsu Accounting Supervisor: Yue-Mei Chen

#### Two. Corporate Governance Report

- I. Information of Directors, Supervisors, President, Vice Presidents, Assistant Vice Presidents, and Managers of various departments and branches
  - (I) Information of directors
    - 1. Directors' name, experience (education), shareholding and nature

April 1, 2025; unit: shares; %

Job title (Note 1)	Nationality or place of registration	Name	Gender and age (Note 2)	Date of election (Inauguration)	Term of office	Date of initial election (Note 3)	Shares held a of elect	ion	Current share		Shares held b and underage	children	the n	s held in name of thers	Main experience/education (Note 4)	Concurrent positions in the Company and other companies at present	office sup rela spouse	er managers, direct pervisors ations su- es or wit	etors or with ch as	Note (Note 5)
						(Note 3)	Number of shares	Sharehol ding ratio	Number of shares	Sharehol ding ratio	Number of shares	Sharehol ding ratio	Numb er of shares	Sharehol ding ratio				Name	Relation	
Chairman	Republic of China	Chien- Hsing Lee	Male 61 - 70 years old	2024.05.30	3 years	2005.06.24	3,067,468	11.96	3,374,214	11.96	2,820,704	9.99	0	0	Education background: Department of Mechanical Engineering, Feng Chia University Experience: General manager of CASYS ENGINEERING TECHNOLOGY CO., LTD. Special Assistant of Information Department, SOLIDWIZARD TECHNOLOGY CO., LTD. Chairman of SOLIDWIZARD TECHNOLOGY CO., LTD.	Chairman of SOLIDWIZARD TECHNOLOGY CO., LTD. Responsible person of Li Hsing Investment Co., Ltd. Responsible person of Shanghai UnitedWizard Technology International Trading Limited.	None	None	None	None
Director	Republic of China	Tai-Yuan Hsu	Male 61 - 70 years old	2024.05.30	3 years	2008.03.21	2,152,503	8.39	2,367,753	8.39	1,552,770	5.50	0	0		President of SOLIDWIZARD TECHNOLOGY CO., LTD. Responsible Person of SolidWizard Technology Holding Co.,Ltd. Responsible Person of UnitedWizard Technology Co.,Ltd. Responsible Person of Unisource Investment Co., Ltd.	None	None	None	None

Job title (Note 1)	Nationality or place of registration	Name	Gender and Age (Note 2)	Elected (inaugurated) Date	Term of office	Date of initial election (Note 3)	Number of sh at the ti	me ion	Current share		Shares held b and underage	children	the n	s held in name of hers	Main experience (education) (Note 4)	Concurrent positions in the Company and other companies at present	office sup rela spous	Other managerial officers, directors or supervisors with relations such as spouses or within two degrees of kinship		Note (Note 5)
						(Note 3)	Number of shares	Sharehol ding ratio	Number of shares	Sharehol ding Ratio	Number of shares	Sharehol ding Ratio	Numb er of shares	Sharehol ding ratio				Job Title Name Relat		
Independe nt Director		Yu-Chun Chu (Note 7)	Male 61 - 70 years old	2021.07.15	3 years	2010.08.16	0	0	0	0	0	0	0	0	Education background: Department of Mechanical Engineering, National Tsing Hua University Experience: Manager of development department of TRANS LINK INTERNATIONAL CO., LTD. President of TRANS LINK INTERNATIONAL CO., LTD.	President of TRANS LINK INTERNATIONAL CO., LTD. Director of TRANS LINK INTERNATIONAL CO., LTD. Supervisor of Z-CAM INTL CO., LTD.	None	None	None	None
Independe nt Director	Republic of China	Tsung- Hsien, Liao (Note 7)	Male 61 - 70 years old	2021.07.15	3 years	2014.6.10	15,000	0.06	0	0	0	0	0	0	Education background: Graduate Institute of Management, National Taiwan University of Science and Technology Experience: Head of Electronic Component Business Department, Aurora Corporation Chairman and President of SHARP (TAIWAN) ELECTRONICS CORPORATION	President of MITSUTECH INTERNATIONAL CORP. Director of MITSUTECH INTERNATIONAL CORP.	None	None	None	None
Independe nt Director		Shun-Fa Chen	Male 51 - 60 years old	2024.05.30	3 years	2020.5.28	0	0	0	0	0	0	0	0	Business and Law, National Chung Hsing University Experience:	Responsible Person of Lucheng Management Consulting Co., Ltd. Independent Director of YEM CHIO CO., LTD. Independent Director of XIN CHIO GLOBAL CO., LTD.	None	None	None	None

Job Title (Note 1)	Nationality or place of registration	Name	Gender and Age (Note 2)	Elected (inaugurated) Date	Term of office	Date of initial election (Note 3)	Number of sh at the ti of elect	me ion	Current share		Shares held b and underage	children the name of		Main experience (education) (Note 4)	on) Concurrent positions in the Company and other companies at present					
						(14016-3)	Number of shares	Sharehol ding ratio	Number of shares	Sharehol ding Ratio	Number of shares	Sharehol ding Ratio	Numb er of shares	ding			Job Title	Name	Relation	
Independe nt Director		Dai-Yang Liu (Note 8)	Male 61 - 70 years old	2024.05.30	3 years	2014.6.10	0	0	0	0	0	0	0	0	Education background: Ph.D. in Economics, Tulane University, USA Experience: Honorary Professor, National Taiwan University of Science and Technology Independent Director of First Financial Holding Co., Ltd. Independent Director of NEW ERA ELECTRONICS CO., LTD.	Honorary Professor, National Taiwan University of Science and Technology Head of Happy Family International Consulting Group Independent Director of NEW ERA ELECTRONICS CO., LTD. Chairperson of the Taiwan Taichung-Saudi Arabia Friendship Association	None	None	None	None
Independe nt Director		Hui-Ling, Tsai (Note 8)	Female 51 - 60 years old	2024.05.30	3 years	2024.5.30	0	0	0	0	0	0	0	0	Education background: Graduate Institute of Management, National Taiwan University of Science and Technology Department of Law, National Taiwan University Experience: Chairman of Transnational Vision, Attorneys-at-law President of Freemann Management Advisors Limited President of Foundation for Yunus Social Business Taiwan	Chairman of Transnational Vision, Attorneys-at-law President of Freemann Management Advisors Limited President of Foundation for Yunus Social Business Taiwan	None	None	None	None

Note 1: Institutional shareholders shall list the names of the institutional shareholders and their representatives (representatives of institutional shareholders shall indicate the name of the institutional shareholder) and fill in the following Table 1.

Note 2: Please state the actual age and express in intervals, such as 41 - 50 years old or 51 - 60 years old.

Note 3: Fill in the time when first serving as a director or supervisor of the Company; if there is any interruption, it should be explained in the notes.

Note 4: Regarding the experience related to the current position, if the employee has worked in the audited CPA firm or in an affiliated enterprise during the aforementioned period, the job title and responsibilities should be detailed.

Note 5: If the chairperson and the president or equivalent (the highest level manager) of the company are the same person, spouses or relatives within the first degree of kinship, provide information on the reason, reasonableness, necessity, and countermeasures (e.g. increasing the number of independent directors, and more than half of the directors do not serve as employees or managers concurrently).

Note 6: Institutional shareholders shall list the names of the institutional shareholders and their representatives (representatives of institutional shareholders shall indicate the name of the institutional shareholder) and fill in the following Table 1.

Note 7: Former Independent Directors Yu-Chun Chu and Tsung-Hsien Liao stepped down upon the expiration of their terms after the shareholders' meeting on May 30, 2024.

Note 8: Independent Directors Dai-Yang Liu and Hui-Ling, Tsai assumed office following the full re-election at the shareholders' meeting on May 30, 2024.

2. Major shareholders of corporate shareholders:

April 1, 2025

		7 Ipini 1, 2023
Name of corporate shareholder	Major shareholders of corporate shareholders	Shareholding ratio (%)
	Tai-Yuan Hsu	16.67
Unisource Investment Co., Ltd.	Hui-Yu Sun	16.67
	Rui-Ting Hsu	66.66
	Chien-Hsing Lee	16.67
Li Hsing Investment Co., Ltd.	Li-Hsiang Wei	16.67
	Yun-Han Lee	66.66

<sup>3.</sup> Major shareholders of major corporate shareholders: None.

4. Disclosure of professional qualifications of directors and independence of independent directors

	4. Disclosure of professional qualifications of directors and independence of		
Condition	Professional qualifications and experience	Independence	Number of other publicly issued company in which the person is concurrently serving as an independent director
Chien- Hsing Lee	At present, he is the Chairman of the Company, the Responsible Person of Li Hsing Investment Co., Ltd., and the Responsible Person of Shanghai UnitedWizard Technology International Trading Limited.  Previously served as the General Manager of CASYS ENGINEERING TECHNOLOGY CO., LTD., and Special Assistant of Information Department of SOLIDWIZARD TECHNOLOGY CO., LTD  Possesses experience in operational judgment and business management.  Is not under any of the following circumstances specified in Article 30 of the Company Act.	Non-independent directors: Not applicable.	None
Tai-Yuan Hsu	At present, he is the President of the Company, Responsible Person of Unisource Investment Co., Ltd., Responsible Person of SolidWizard Technology Holding Co., Ltd., and the Responsible Person of UnitedWizard Technology Co., Ltd.  Previously served as the Sales Specialist of First International Computer, INC.,	Non-independent directors: Not applicable.	None
Yu-Chun Chu (Note 1)	Current President of TRANS LINK INTERNATIONAL CO., LTD. Former Manager of R&D Department of TRANS LINK INTERNATIONAL CO., LTD. Possesses experience in business management, operational judgment, and commercial management, as well as leadership and decision-making abilities. Is not under any of the following circumstances specified in Article 30 of the Company Act.	Is an independent director, and meets the criteria of independence. Neither the independent director nor their spouse or second-degree relatives serve as directors, supervisors, or employees of the Company or any of its affiliated companies; do not hold shares in the Company; not a director, supervisor, or employee of the companies with certain relationships with the Company. No remuneration was received from the Company or its affiliates for providing commercial, legal, financial or accounting services in the last two years.	None
Hsien, Liao (Note 1)	Previously served as the Head of Electronic Component Business Department of Aurora Corporation and Chairman and President of SHARP (TAIWAN) ELECTRONICS CORPORATION.	Is an independent director, and meets the criteria of independence. Neither the independent director nor their spouse or second-degree relatives serve as directors, supervisors, or employees of the Company or any of its affiliated companies; do not hold shares in the Company; not a director, supervisor, or employee of the companies with certain relationships with the Company. No	None

	commercial management, as well as leadership and decision-making abilities. Is not under any of the following circumstances specified in Article 30 of the Company Act.	remuneration was received from the Company or its affiliates for providing commercial, legal, financial or accounting services in the last two years.	
Shun-Fa Chen (Note 2)	At present, he is the Responsible Person of Lucheng Management Consulting Co., Ltd., independent director of YEM CHIO CO., LTD., and independent director of XIN CHIO GLOBAL CO., LTD.  Previously served for 21 years at PwC Taiwan (in the role of a partner for 10 years).  Possesses experience in financial analysis and business management.  Is not under any of the following circumstances specified in Article 30 of the Company Act.	Is an independent director, and meets the criteria of independence. Neither the independent director nor their spouse or second-degree relatives serve as directors, supervisors, or employees of the Company or any of its affiliated companies; do not hold shares in the Company; not a director, supervisor, or employee of the companies with certain relationships with the Company. No remuneration was received from the Company or its affiliates for providing commercial, legal, financial or accounting services in the last two years.	2
Dai-Yang Liu (Note 1)		Is an independent director, and meets the criteria of independence. Neither the independent director nor their spouse or second-degree relatives serve as directors, supervisors, or employees of the Company or any of its affiliated companies; do not hold shares in the Company; not a director, supervisor, or employee of the companies with certain relationships with the Company. No remuneration was received from the Company or its affiliates for providing commercial, legal, financial or accounting services in the last two years.	1
Hui-Ling, Tsai (Note 1)	Current Chairman of Transnational Vision, Attorneys-at-law; President of Freemann Management Advisors Limited; President of Foundation for Yunus Social Business Taiwan Holds a lawyer's license and specializes in law and business operations, litigation strategy and negotiation, as well as business management and marketing.  Is not under any of the following circumstances specified in Article 30 of the Company Act.	Is an independent director, and meets the criteria of independence. Neither the independent director nor their spouse or second-degree relatives serve as directors, supervisors, or employees of the Company or any of its affiliated companies; do not hold shares in the Company; not a director, supervisor, or employee of the companies with certain relationships with the Company. No remuneration was received from the Company or its affiliates for providing commercial, legal, financial or accounting services in the last two years.	None

Note 1: Former Independent Directors Yu-Chun Chu and Tsung-Hsien Liao stepped down upon the expiration of their terms on May 30, 2024; Independent Directors Dai-Yang Liu and Hui-Ling Tsai assumed office after being elected at the shareholders' meeting on May 30, 2024

Note 2: Mr. Shun-Fa Chen has served as an Independent Director of the Company for more than three terms. However, considering his work experience in accounting, familiarity with relevant laws and regulations, and possession of a certified public accountant (CPA) license, which significantly benefits the Companys business planning and decision-making, he has been re-elected as an Independent Director.

#### 5. Board diversity and independence:

(1) Diversity of the Board of Directors:

Under the spirit of the diversity policy with the goal to strengthen corporate governance and promote the development of the Board of Directors with a sound composition and structure, the nomination of all director candidates adopts the candidate nomination system adhering to the Articles of Incorporation. Information relating to the candidates' professional background, integrity or relevant professional qualifications shall be evaluated and submitted to the shareholders meeting for election after approval by the board resolution. According to Article 20 of the Companys "Corporate Governance Best Practice Principles," the composition of the Board of Directors should consider the companys operational structure, business development direction, and future development trends, and should evaluate various diversity aspects, such as: basic composition (e.g., gender, age, etc.), professional experience (e.g., technology, computer information industry, manufacturing, and service industries, etc.), and professional knowledge and skills (e.g., legal practice, financial accounting, etc.).

The current Board of Directors of the Company is composed of 5 directors. The directors have practical experience in the management and operation of TWSE/TPEx listed companies and companies in the industry, and they all possess the capabilities of leadership, decision-making, crisis management, and global market perspective. Among the two non-independent directors, Chairman Chien-Hsing Lee and Director Tai-Yuan Hsu have served as the Chairman and President of TWSE/TPEx listed companies and other key management positions. They have experience and expertise in operations management, extensive industry knowledge, and a grasp of the industry operation and development context. Among the other three independent directors, Shun-Fa Chen was a financial accounting professional from PricewaterhouseCoopers. Independent Director Tai-Yang Liu is a retired Honorary Professor from National Taiwan University of Science and Technology and formerly served as a professor at the Graduate Institute of Finance and the Department of Business Administration at National Taiwan University of Science and Technology. He possesses expertise in finance, accounting, and business management. Independent Director Hui-Ling Tsai is the Chairman of Transnational Vision, Attorneys-at-law, and has professional expertise in legal practice.

The Company's current Board of Directors has 5 members, including 3 independent directors and 2 non-independent directors (accounting for 60% and 40% of the total board members), and independent directors account for more than half of the seats. The Company places importance on gender equality in the composition of its Board of Directors. Currently, male members account for 80% (four members) and female members account for 20% (one member) of the Board.

The basic composition of the Board of Directors and the implementation of diversity are as follows:

Diversified Core Items			Basic	c compos	sition			Diversit	fied profe	ssionalis	m and in	dustry ex	perience	
		A	ge		th of tent endent d		Ope	ma	Leadership makin	Ind	Accoi	Cr	Intern	
Names of directors	Gender	51 - 60 years old	61 - 70 years old	Less than 3 years	3 to 9 years	More than 9 years	Operational judgment	Operation and management ability	ership and decision- making ability	Industry knowledge	Accounting and financial analysis ability	Crisis management	International market view	Law
Director Chien-Hsing Lee	Male		✓				✓	✓	✓	✓		<b>√</b>	✓	
Director Tai-Yuan Hsu	Male		<b>✓</b>				✓	<b>✓</b>	<b>✓</b>	✓		✓	<b>✓</b>	
Independent Director Yu- Chun Chu	Male		<b>√</b>			<b>✓</b>	<b>√</b>	<b>✓</b>	<b>✓</b>	<b>√</b>		<b>√</b>	<b>✓</b>	
Independent Director Tsung- Hsien, Liao	Male		<b>√</b>			<b>√</b>	<b>√</b>	<b>✓</b>	<b>✓</b>	<b>√</b>		<b>√</b>	<b>✓</b>	
Independent Director Shun- Fa Chen	Male	<b>✓</b>			<b>✓</b>			<b>✓</b>			<b>√</b>	<b>√</b>	<b>√</b>	
Independent Director Dai- Yang Liu	Male		<b>√</b>	✓					<b>✓</b>		<b>✓</b>	✓	<b>✓</b>	
Independent Director Hui- Ling Tsai	Female	<b>√</b>		✓			✓	<b>✓</b>	<b>√</b>			✓	<b>√</b>	<b>√</b>

Note: Former Independent Directors Yu-Chun Chu and Tsung-Hsien Liao stepped down upon the expiration of their terms on May 30, 2024; Independent Directors Dai-Yang Liu and Hui-Ling Tsai assumed office after being elected at the shareholders' meeting on May 30, 2024.

#### (2) Independence of the Board of Directors:

The Company's current Board of Directors has a total of 5 members, including 3 independent directors and 2 directors (accounting for 60% and 40% of the total board members), and independent directors account for more than half of the seats. The tenure of two Independent Directors is within three years. The Company has added one female Director to the ninth Board of Directors. None of the directors is a spouse or a relative within the second degree of kinship, nor is there any circumstance specified in Paragraph 3 and Paragraph 4 of Article 26-3 of the Securities and Exchange Act.

The Company has established a performance evaluation system for the Board of Directors. Internal self-evaluation of the Board of Directors and self-evaluation of directors are conducted once a year. The evaluation results are submitted to the Board of Directors and disclosed in the Company's annual report and website.

Job title (Note 1)	Nationality	Name	Gender	Date of election (Inauguration)	of ele	ection		by spouse and e children	Shares the na oth	me of	Main experience/education (Note 2)	Concurrent positions in other companies	Managerial officer w spouse or a relative second degree of k		e within	Note (Note 3)
(Note 1)				(magaration)	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareh olding ratio		Companies	Job Title	Name	Relations hip	` ′
President	Republic of China	Tai-Yuan Hsu	Male	2008.03.21	2,367,753	8.39	1,552,770	5.50	0	0	Education background: Graduate Institute of Management, National Taiwan University of Science and Technology Experience: Sales Specialist of First International Computer, INC. Sales Manager of Leica Geosystems Chairman and President, Future Trend Micro Corporation Chairman and General Manager of SOLIDWIZARD TECHNOLOGY CO., LTD. Chairman and President of SOLIDWIZARD TECHNOLOGY CO., LTD.	Responsible Person of SolidWizard Technology Holding Co., Ltd. Responsible Person of UnitedWizard Technology Co., Ltd. Responsible Person of Unisource Investment Co., Ltd.	None	None	None	None
Executive Vice President, Business Division III	Republic of China	Chu-Jhih, Yang	Male	2021.01.01	30,000	0.11	0	0	0	0	Education background: Graduate Institute of Management, Chang Gung University Experience: Manager of Sales, Marketing and Procurement, Lite- On Semiconductor Corp. Assistant Vice President of Multi-Product Department, SOLIDWIZARD TECHNOLOGY CO. LTD. Vice President of Multi-Product Department, SOLIDWIZARD TECHNOLOGY CO., LTD.	None	None	None	None	None
Overseas Business Department Vice President	Republic of China	An-Li Chen	Male	2008.10.01	0	0.00	0	0	0	0	SOLIDWIZARD TECHNOLOGY CO., LTD.  Education background: Department of Mechanical Engineering, Tamkang University Experience: Engineer, Future Trend Micro Corporation Vice President of Overseas Department, SOLIDWIZARD TECHNOLOGY CO., LTD. Vice President of Business Department I, SOLIDWIZARD TECHNOLOGY CO., LTD.	None	None	None	None	None
Engineering Department I Vice President	Republic of China	Sheng-Jie Peng	Male	2012.01.01	800	0.00	0	0	0	0	Education background: Department of Mechanical Engineering, National Taiwan University of Science and Technology Experience: Manufacturing Engineer of STANDTECH CO., LTD. Technical Manager, Helper Technology Co., Ltd. Engineer, Future Trend Micro Corporation Assistant Vice President of Engineering Department, SOLIDWIZARD TECHNOLOGY CO., LTD. Vice President of Engineering Department, SOLIDWIZARD TECHNOLOGY CO., LTD.	None	None	None	None	None

Job Title	Nationality	Name	Gender	Date of	of el	ection		ld by spouse or children	Shareho under a persons	nother	Main experience/education (Note 2)	Concurrent positions in other	Managerial officer who is the spouse or a relative within second degree of kinship			Note
(Note 1)				inauguration	Number of shares	Shareholding Ratio	Number of shares	Shareholding Ratio	Number of shares	Job Title		companies	Job Title	Name	Relations hip	(Note 3)
Finance Department Assistant Vice President	Republic of China	Yue-Mei Chen	Female	2010.01.01	0	0.00	0	0	0		Education background: Graduate Institute of Business Administration, National Chengchi University Experience: Philips Accountant NCR systems Taiwan Financial Planning Analyst Manager of Finance Department, SOLIDWIZARD TECHNOLOGY CO., LTD. Assistant Vice President, Financial Management Department, SOLIDWIZARD TECHNOLOGY CO. LTD.	None	Manag er	Shih- Lung Chen	Spouse	None
CAE Business Department Assistant Vice President	Republic of China	Cheng-Ying Chien	Male	2016.07.01	0	0	0	0	0	0	Education background: Graduate Institute of Engineering Science, National Cheng Kung University PhD, Institute of Mechatronics, National Taipei University of Technology Experience: R&D Engineer, COMPEQ MANUFACTURING COMPANY LIMITED Manager of CAE Business Department, SOLIDWIZARD TECHNOLOGY CO., LTD. Manager of CAE Business Department, SOLIDWIZARD TECHNOLOGY CO., LTD.	None	None	None	None	None
Engineering Department II Assistant Vice President	Republic of China	Shi-Ro Lee	Female	2021.02.01	6,600	0.02	0	0	0	0	Education background: Department of Industrial Design, Tunghai University Experience: Industrial Architect, UNIVERSAL MICROELECTRONICS CO., LTD. Senior Manager of Engineering Department II, SOLIDWIZARD TECHNOLOGY CO., LTD. Assistant Vice President of Construction Department II, SOLIDWIZARD TECHNOLOGY CO., LTD.	None	None	None	None	None

Note 1: It shall include the President, Vice Presidents, Assistant Vice Presidents, and the heads of various departments and branches. Any position that is equivalent to that of the President, Vice President, or Assistant Vice President shall also be disclosed, regardless of their job titles.

Note 2: Regarding the experience related to the current position, if the employee has worked in the audited CPA firm or in an affiliated enterprise during the aforementioned period, the job title and responsibilities shall be detailed.

Note 3: If the president or equivalent (the highest level manager) and the chairman are the same person, spouses or relatives within the first degree of kinship, the related information on the reason, reasonableness, necessity, and countermeasures (e.g. increasing the number of independent directors, and more than half of the directors do not serve as employees or managers concurrently) shall be disclosed.

II. Remuneration paid to directors, supervisors, president and vice presidents in the most recent year 2024.

1. Remuneration to directors (including independent directors)

As of December 31, 2024; Unit: NTD thousands

				D	irectors' I	Remuner	ation				ım of A, nd D and	Remu	ineration re		rom conc nployee					The sum	of A, B, F and G	Re
		Remur (A	neration A)	pa	rerance y and sion (B)		ineration ectors (C)	exe	ecution penses (D)	the pe	rcentage income er tax	Salaries, and s disburse	pecial	pay	erance and on (F)	re		loyee ation (	G)	and the p	ercentage income r tax	muneration f
Job Title	Name	The C	All companies	The C	All companies	The C	All companies included in financial report	The C	All companies financi	The C	All companies	The C	All companies	The C	All companies	ane company	The Company	financial report	All companies	The C	All companies	Remuneration from reinvested businesses other than subsidiaries or the parent company
		The Company	All companies included in the financial report	The Company	All companies included in the financial report	The Company	s included in the ial report	The Company	All companies included in the financial report	Company	All companies included in the financial report	The Company	All companies included in the financial report	Company	All companies included in the financial report	Cash amount	Amount of shares	Cash amount	Amount of shares	Company	All companies included in the financial report	inesses other than company
Director	Chien- Hsing Lee	1,320	1,320	0	0	0	0	0	0	1,320	1,320	13,345	13,345	0	0	0	0	0	0	14,665	14,665	None
Director	Tai-Yuan Hsu	1,320	1,320	U		U	U			0.43%	0.43%	13,343	13,343	U						4.72%	4.72%	None
	Yu-Chun Chu																					
	Tsung- Hsien, Liao																					
Independe nt Director	Shun-Fa Chen	1,188	1,188	0	0	0	0	0	0	1,188 0.38%	1,188 0.38%	0	0	0	0	0	0	0	0	1,188 0.38%	1,188 0.38%	None
	Dai-Yang Liu																					
	Hui-Ling, Tsai										M 20 20											

Note: Former Independent Directors Yu-Chun Chu and Tsung-Hsien Liao stepped down upon the expiration of their terms on May 30, 2024; Independent Directors Dai-Yang Liu and Hui-Ling Tsai assumed office after being elected at the shareholders' meeting on May 30, 2024.

Table of remuneration range

		Names of c	lirectors	
Remuneration range of payment to each Director of the	Sum of the above f (A+B+			seven remunerations D+E+F+G)
Company	The Company	All companies included in the financial statements (H)	The Company	All companies included in the financial statements  (I)
Less than NTD 1,000,000	Tai-Yuan Hsu Chien-Hsing Lee Yu-Chun Chu Tsung-Hsien, Liao Shun-Fa Chen Dai-Yang Liu Hui-Ling, Tsai	Tai-Yuan Hsu Chien-Hsing Lee Yu-Chun Chu Tsung-Hsien, Liao Shun-Fa Chen Dai-Yang Liu Hui-Ling, Tsai	Chien-Hsing Lee Yu-Chun Chu Tsung-Hsien, Liao Shun-Fa Chen Dai-Yang Liu Hui-Ling, Tsai	Chien-Hsing Lee Yu-Chun Chu Tsung-Hsien, Liao Shun-Fa Chen Dai-Yang Liu Hui-Ling, Tsai
NTD 1,000,000 (inclusive) - NTD 2,000,000 (exclusive)	_			
NTD 2,000,000 (inclusive) - NTD 3,500,000 (exclusive)	-	-	-	-
NTD 3,500,000 (inclusive) - NTD 5,000,000 (exclusive)				
NTD 5,000,000 (inclusive) - NTD 10,000,000 (exclusive)	-	-	-	-
NTD 10,000,000 (inclusive) - NTD 15,000,000 (exclusive)	-	-	Tai-Yuan Hsu	Tai-Yuan Hsu
NTD 15,000,000 (inclusive) - NTD 30,000,000 (exclusive)	-	-	-	-
NTD 30,000,000 (inclusive) - NTD 50,000,000 (exclusive)	-	-	-	-
NTD 50,000,000 (inclusive) - NTD 100,000,000 (exclusive)	-	-	-	-
Over NTD 100,000,000 (inclusive)	-	-	-	-
Total	5 people	5 people	5 people	5 people

<sup>2.</sup> Remunerations to supervisors: Not applicable, as the annual shareholders' meeting on June 10, 2014 approved the establishment of the Audit Committee and the abolition of the supervisor system.

#### 3. Remuneration to the President and Vice Presidents

As of December 31, 2024; Unit: NTD thousands

		Sala	ry (A)	Severance pay and pension (B)		Bonuses, and special disbursement (C)		Amount of remuneration to employee (D)			employees	D and the p	A, B, C, and bercentage of after tax (%)	Remuneration from reinvested
Job Title	Name	The	All companies included in	The	All companies included in	The	All companies included in	The Co	The Company included in		All companies included in the financial report		All companies included in	businesses other than subsidiaries or
		Company	the financial report	Company	the financial report	Company	the financial report	Cash amount	Amount of shares	Cash Amount		Company	the financial report	the parent company
President	Tai-Yuan Hsu													
Vice President	Sheng-Jie Peng	8,562	8,562	196	196	12,279	12,991	200	0	200	0	21,236 6.84%	21,949 7.07%	None
Vice President			,			,	,					,	,	
Vice President	Chu-Jhih, Yang													

#### Table of remuneration range

Remuneration range of payment to each President and Vice president of the Company	Name of President and Vice Presidents					
Сопірану	The Company	All companies included in the financial report (E)				
Less than NTD 1,000,000						
NTD 1,000,000 (inclusive) - NTD 2,000,000 (exclusive)	An-Li Chen					
NTD 2,000,000 (inclusive) - NTD 3,500,000 (exclusive)	Sheng-Jie Peng/Chu-Chi Yang	Chen An-Li/Peng Sheng-Jie/Yang Chu-Zhi				
NTD 3,500,000 (inclusive) - NTD 5,000,000 (exclusive)						
NTD 5,000,000 (inclusive) - NTD 10,000,000 (exclusive)						
NTD 10,000,000 (inclusive) - NTD 15,000,000 (exclusive)	Tai-Yuan Hsu	Tai-Yuan Hsu				
NTD 15,000,000 (inclusive) - NTD 30,000,000 (exclusive)	<del>-</del>	-				
NTD 30,000,000 (inclusive) - NTD 50,000,000 (exclusive)	-	-				
NTD 50,000,000 (inclusive) - NTD 100,000,000 (exclusive)	ı	-				
Over NTD 100,000,000	-	-				
Total	4 people	4 people				

4. Names of managers receiving employee remuneration in 2024 and distribution

As of December 31, 2024; Unit: NTD thousands

	Job Title	Name	Amount of shares	Cash amount	Total	Total as a percentage of net income after tax (%)
	President	Tai-Yuan Hsu				
	Vice President	Chu-Jhih, Yang				
Manag	Vice President	An-Li Chen				
gerial	Vice President	Sheng-Jie Peng	0	484	484	0.16%
Managerial Officer	Assistant Vice President	Yue-Mei Chen				
7	Assistant Vice President	Cheng-Ying Chien				
	Assistant Vice President	Shi-Ro Lee				

- (IV) Total remuneration paid to directors, supervisors, presidents, and vice presidents in the most recent two years by the Company and all companies included in the consolidated financial statements as a percentage of net income after tax as stated in the parent company only financial statements or individual financial statements, and an explanation of the policies, standards and packages for remuneration payment, the procedure for determining remuneration, and the correlation with operating performance and future risks.
  - 1. Analysis of total remuneration paid to directors, supervisors, presidents, and vice presidents of the Company in the most recent two years by the Company and all companies in the consolidated financial statements as a percentage of net income after tax

Unit: NTD thousands

		ration as a percentage of net the after tax (%)	2024 total remuneration as a percentage of net income after tax (%)			
Job Title	The Company	All companies included in the consolidated financial statements	The Company	All companies included in the consolidated financial statements		
Director	0.87%	0.87%	0.81%	0.81%		
Supervisor	0.00%	0.00%	0.00%	0.00%		
President and Vice Presidents	7.40%	7.64%	6.84%	7.07%		

#### Notes:

(1) The total remuneration of the President and Vice Presidents accounted for 7.64% and 7.07% of net income after tax in 2023 and 2024, respectively. This was mainly due to an increase of NT\$21,892 thousand in consolidated net income after tax in 2024 compared to 2023, while the total remuneration decreased by NT\$114 thousand in 2024 compared to 2023.

- (2) Remuneration to the Company's directors and supervisors: According to Article 17 of the Company's Articles of Incorporation, the remuneration of all directors is proposed by the Remuneration Committee and submitted to the Board of Directors for approval. The Board of Directors is authorized to determine the remuneration based on their participation in the Company's operations and the value of their contribution. Regardless of operating profit or loss, it is paid according to the industry standard. In addition, according to Article 21 of the Company's Articles of Incorporation, if the Company makes a profit in the year, the Company shall allocate 1% to 10% of the profit as employee's remuneration, and no more than 1% as directors' remuneration. For 2023, remunerations to directors and supervisors amounted to NT\$ 2,508 thousand and NT\$ 0 thousand, respectively. For 2024, their remunerations amounted to NT\$ 2,508 thousand and NT\$ 0 thousand, respectively.
- (3) Remuneration to the President and vice Presidents: The remuneration to the President and Vice Presidents includes salaries, bonuses and employee dividend, which are determined based on the positions and responsibilities assumed, the contributions to the Company, and the standards of the industry.
- 2. The policies, standards, and packages for the payment of remuneration, the procedures for determining remuneration, and the correlation between operating performance and future risks
  - (1) Directors and supervisors: Pursuant to Article 17 of the Company's Articles of Incorporation, "The remuneration of all directors shall be proposed by the Remuneration Committee and submitted to the Board of Directors for approval. Regardless of operating profit or loss, it is paid according to the industry standard." If the Company has earnings, remuneration shall be distributed in accordance with Article 21 of the Companys Articles of Incorporation.
  - (2) The President and Vice Presidents: Pursuant to Article 18 of the Companys Articles of Incorporation, "The Company may appoint managerial officers, and the appointment, dismissal and remuneration of these managers shall be handled in accordance with Article 29 of the Company Act."

#### III. Corporate governance

(I) Operation of the Board of Directors

1. A total of <u>7</u> board meetings were held in 2024 (A). The attendance of directors is shown below:

Job Title	Name	Attendance in person B	By proxy	Attendance rate in person (%) [B/A]	Note
Chairman	Chien-Hsing Lee	7	0	100.00%	Re-elected on May 30, 2024
Director	Tai-Yuan Hsu	7	0	100.00%	Re-elected on May 30, 2024
Independent Director	Yu-Chun Chu	3	0	100.00%	Stepped down on May 30, 2024
Independent Director	Tsung-Hsien, Liao	3	0	100.00%	Stepped down on May 30, 2024
Independent Director	Shun-Fa Chen	7	0	100.00%	Re-elected on May 30, 2024
Independent Director	Dai-Yang Liu	4	0	100.00%	Inaugurated on May 30, 2024
Independent Director	Hui-Ling, Tsai	4	0	100.00%	Inaugurated on May 30, 2024

Other matters required to be recorded.

- I. If the operation of the Board of Directors meets any of the following circumstances, the date and session of the Board of Directors, the content of the motions, the opinions of all independent directors, and the Companys handling of the opinions of the independent directors shall be stated:
  - (I) The matters listed in Article 14-3 of the Securities and Exchange Act.

Date of meeting	Proposal Content	Opinions of independent directors	Handling of independent directors' opinions by the Company
2024.01.30 8th term 17th meeting	Approved the proposal made by the Remuneration Committee.	All Independent Directors approved the proposal without objection.	None
	Approved the 2023 business report, parent company only financial statements and consolidated financial statements.     Approved the Companys 2023 earnings distribution.     Approved the 2023 statement of the internal control system.	All Independent Directors approved the proposal without objection.	None
2024.08.02 9th term Second time	Approved the proposal made by the Remuneration Committee.	All Independent Directors approved the proposal without objection.	None
2024.12.27	Approved the Companys 2025 audit plan.     Approved the Companys 2025 budget proposal.     Addition of the Company's internal control system –     "Sustainability Information Management Procedures"	All Independent Directors approved the proposal without objection.	None

- (II) Other than the abovementioned, any other objections or reservations expressed by the independent directors to the resolutions of the Board of Directors with record or in a written statement: None.
- II. Implementation of Directors' recusal from proposals involving stakeholders specify the names of the Directors, the content of the proposals, the reasons for recusal, and their voting participation status:

Date of meeting	Names of directors	Proposal Content	Reason for recusal	Participation in voting
2024.01.30 8th term 17th meeting	Tai-Yuan Hsu	Remuneration to President and Performance Bonus	Has a stake in the company.	Recused from discussion and voting.
2024.08.02 9th term Second time	Tai-Yuan Hsu	Employee bonus for managerial officers	Has a stake in the company.	Recused from discussion and voting.

III. TWSE/TPEx listed companies shall disclose the evaluation cycle and duration, scope, method, and content of the evaluation of the Board of Directors self-evaluation (or peer evaluation), and include the implementation of the evaluation of the Board of Directors

Evaluation	Evaluation	Scope of	Evaluation	Evaluation Content		
Cycle	period	Evaluation	Method	Performance evaluation of the Board of Directors:		
Annually	2024.01.01 - 2024.12.31	The whole Board of Directors	Self-evaluation of the Board of Directors	There are a total of 45 items in the five major aspects: participation in the companys operations, improvement of the quality of the Board of Directors decision-making, composition and structure of the Board of Directors, election and continuing education of directors, and internal control.		
Annually	2024.01.01 - 2024.12.31	Individual board members	Board members self-evaluation	Performance evaluation of individual directors: There are 23 items in total on six major aspects including: grasping the companys goals and missions, directors awareness of responsibilities, participation in company operations, internal relationship management and communication, directors professionalism and continuing education, and internal control.		
Annually	2024.01.01 - 2024.12.31	Audit Committee Remuneration Committee	Functional committees self-evaluation	Performance evaluation of functional committees: Covers five major aspects: the level of participation in the Company's operations, understanding of the duties of the functional committees, enhancement of decision-making quality, composition and member selection of the functional committees, and internal control, comprising a total of 26 items.		
	Result of the self-evaluation of the Board of Directors	Excellent	dimensions, with a points, equivalent t Directors is compo capabilities and experience, the residirectors, enabling The members of the Companys manage	ctors performance evaluation criteria cover five key total of 45 indicators. The overall score was 4.84 to a total percentage score of 96.80. The Board of sed of directors with relevant professional perience. Based on their diverse expertise and ponsibilities are appropriately allocated among the them to fully exercise their authority and functions. e Board of Directors interact well with the ment team, and can fully advise and express the rmance of the management team.		
Evaluation results	Board members self - evaluation results	Excellent	Overall review: The performance evaluation indicators for Board members cover six major aspects, comprising a total of 23 indicators. The overall score was 4.63 points, equivalent to a total percentage score of 92.52. Overall, the Directors gave positive evaluations regarding the efficiency and effectiveness of the operations related to each indicator			
	Functional committee self- evaluation results	Excellent	Overall review: The Remuneration Committees performance evaluation criteria cover five key dimensions, with a total of 26 indicators. The overall score was 4.69 points, equivalent to a total percentage score of 93.80. Overall, the operation of the Company's Remuneration Committee has been sound and in compliance with corporate governance principles.			

- IV. Objectives to strengthen the functions of the Board of Directors in the current year and the most recent year (e.g. setting up an Audit Committee, enhancing information transparency) and evaluation of their implementation:
  - 1. The Company has established the "Rules of Procedure for Board of Directors Meetings" as the basis for the operation of the Board of Directors. Important resolutions of the Board of Directors will be announced on the Market Observation Post System after each Board meeting, and the Companys important financial and business information will be announced regularly and from time to time.
  - 2. According to the laws and regulations, the operation of the Board of Directors of the Company is included in the annual internal audit items, and the audit unit executes and audits according to the plan.
  - 3. The Companys directors participate in professional development courses or courses on corporate governance topics in accordance with the Guidelines for the Implementation of Continuing Education for Listed Directors and Supervisors in order to maintain their professional strengths and abilities, and have complied with the regulations for the number of hours of continuing education.
  - 4. The Company has established the Audit Committee on June 10, 2014 to assist the Board of Directors in performing its duties.
  - 5. The Company's Board of Directors approved the "Rules for Performance Evaluation of Board of Directors" on January 20, 2020, and has since conducted self-evaluations of the overall Board, individual Directors, the Audit Committee, and the Remuneration Committee in accordance with the Measures. The results of the 2024 self-evaluation were reported to the Board of Directors on March 7, 2025.
  - 6. In 2021, the Company amended the "Rules of Procedure for Shareholder Meetings" and the "Procedures for Election of Directors" and established the "Regulations Governing the Evaluation of the Independence and Suitability of CPAs" in accordance with the letter of the competent authority.
  - 7. The Sustainability Committee was established on August 2, 2024, and the Organizational Regulations for the Sustainability Committee were formulated.

2. The continuing education and training of directors in 2024 are as follows:

2. The co.	itimamig ca	acamen ana ma	ming or uncore	ors in 2024 are as follows.		,	
Job Title	Name	Date of inauguration	Date of continuing education	Organizer	Course name	Duration of continuing education	Compliance with the "Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEx Listed Companies"
	Chian		2024.09.06	Taiwan Stock Exchange and Taipei Exchange	OTC Company Insider Equity Promotion Seminar	3	Yes
Chairman Chien-Hsing Lee 2024.05.30 2024.09.13 Securit		Series Courses for Directors, Supervisors, and Corporate Governance Securities and Futures Institute Officers — Understanding Corporate Finance: Behavioral Finance and Corporate Decision-Making		3	Yes		
Director Tai-Yuan 2024.		2024.05.30	2024.09.19	Securities and Futures Institute	Series Courses for Directors, Supervisors, and Corporate Governance Officers — Defining Networks with Silicon Photonics: Development Trends of Silicon Photonics (SiPh) and Co-Packaged Optics (CPO)		Yes
Hsu	HSu		2024.09.19	Securities and Futures Institute	Series Courses for Directors, Supervisors, and Corporate Governance Officers — Sustainable Supply Strategies Amid Rising Global Risks	3	Yes
T 1 1 .	GI E		2024.05.14	Taiwan Independent Director Association	Corporate Sustainability Management & External Innovation	3	Yes
Independent Director	Shun-Fa Chen	2024.05.30	2024.10.08	Taiwan Stock Exchange	2024 WIW Forum – Special Lecture: "The Symphony of Digital Finance and Sustainable Finance Amid the AI Boom"	3	Yes
Independent Director	Dai-Yang Liu	2024.05.30	2024.07.03	Taiwan Stock Exchange	2024 Cathay Sustainable Finance and Climate Change Summit	6	Yes
Independent Hui-Ling,		2024.05.30	2024.08.27 - 2024.08.28	Securities and Futures Institute	Practical Training Course for Directors and Supervisors (Including Independent Directors) and Corporate Governance Officers — Taipei Session	12	Yes
Director Tsai			2024.09.03	Taiwan Independent Director Association	From ESG Transformation to Impact Investing and Business Opportunity Capture	3	Yes

- (II) The operation of the Audit Committee:
  - 1. The Audit Committee held <u>5</u> meetings (A) in 2024, and the attendance of independent directors is as follows:

Job Title	Name	Attendance in person B	By proxy	Attendance rate in person (%) [B/A]	Note
Independent Director	Yu-Chun Chu	2	0	100.00%	Stepped down on May 30, 2024
Independent Director	Tsung-Hsien, Liao	2	0	100.00%	Stepped down on May 30, 2024
Independent Director	Shun-Fa Chen	5	0	100.00%	Re-elected on May 30, 2024
Independent Director	Dai-Yang Liu	3	0	100.00%	Inaugurated on May 30, 2024
Independent Director	Hui-Ling, Tsai	3	0	100.00%	Inaugurated on May 30, 2024

Other matters required to be recorded.

- I. In the event that the operation of the Audit Committee is under any of the following circumstances, the date, session, content of the motions, the objection, reservation, or material recommendation of the independent directors, the resolution outcomes of the Audit Committee, and the Companys handling of the opinions by the Audit Committee shall be stated.
  - (I) The matters listed in Article 14-5 of the Securities and Exchange Act:

Date of meeting	Proposal Content	Opinions of independent directors	The Companys handling of the Audit Committees opinions
xin term	Approved the proposal made by the Remuneration Committee.	Passed unanimously by all independent directors.	None
2024.03.08 8th term	<ol> <li>Approved the 2023 business report, parent company only financial statements and consolidated financial statements.</li> <li>Approved the Companys 2023 earnings distribution.</li> <li>Approved the 2023 statement of the internal control system.</li> </ol>	Passed unanimously by all independent directors.	None
yrn rerm	Approved the proposal made by the Remuneration Committee.	Passed unanimously by all independent directors.	None
2024.12.27 0th term	Approved the Companys 2025 audit plan.     Approved the Companys 2025 budget proposal.     Addition of the Company's internal control system –     "Sustainability Information Management Procedures"	Passed unanimously by all independent directors.	None

- (II) Other than the aforesaid matters, any resolutions not approved by the Audit Committee but approved by more than two-thirds of all directors: None.
- II. For the recusal of an independent director from a proposal because of a conflict of interest, the name of the independent director, the content of the proposal, the reason for recusal, and the participation in voting shall be stated:
- III. Communications between the independent directors and the chief internal auditor and the CPAs (shall include the material matters, methods and results of communication on the Companys financial and business status):
  - 1. The chief auditor and the CPAs may also contact the independent directors directly where necessary, and the communication status is good.
  - 2. In addition to reviewing audit reports on a monthly basis, the Company's Independent Directors are also briefed regularly by the Chief Audit Officer at Board meetings on the implementation of the annual internal audit plan, internal audit operations, and follow-up reports. As such, the Independent Directors have a thorough understanding of the Company's audit operations and internal control management.
  - 3. The Companys CPA reports on the audited (or reviewed) annual and semi-annual financial statements at the Audit Committee meeting, where the independent directors can have direct and thorough communication with the accountant. The CPAs will also discuss and communicate with the governance unit and independent directors on the key audit matters of the financial statements every year.
  - 4. If there are any significant unusual events, or if the independent directors, chief internal auditor, and accountant deem it necessary to communicate with the independent directors, ad-hoc meetings will also be convened for communication, and the communication has been smooth.

(III) The state of the companys implementation of corporate governance, any deviation from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies, and the reason any such deviation.

			Status of Operation Deviation and causes				
Evaluation Items		No	Summary Description	from Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies			
I. Has the Company established and disclosed its corporate governance best practice principles in accordance with the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies?	<b>✓</b>		The Company has established the "Corporate Governance Best-Practice Principles" in accordance with the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies, which have been approved by the Board of Directors. These principles aim to protect shareholders rights and interests, strengthen the functions of the Board of Directors, respect the rights and interests of stakeholders, and enhance information transparency. The Corporate Governance Best Practice Principles are disclosed on the Companys website and the Market Observation Post System (MOPS).	No significant difference.			
<ul> <li>II. The Companys shareholding structure and shareholders rights and interests</li> <li>(I) Does the Company have internal operating procedures to handle shareholders suggestions, concerns, disputes and litigation matters, and implement them in accordance with the procedures?</li> <li>(II) Does the Company have a list of the major shareholders who actually control the Company and the ultimate controllers of such major shareholders?</li> <li>(III) Does the Company establish and implement risk control and firewall mechanisms with its affiliates?</li> <li>(IV) Does the Company establish internal regulations to prohibit insiders from trading securities using undisclosed information in the market?</li> </ul>	\[   \lambda   \]		<ul> <li>(I) The Company has designated spokespersons and deputy spokespersons. A dedicated section for stakeholders is available on the Companys website to handle matters such as shareholder suggestions, inquiries, disputes, and issues related to products and services.</li> <li>(II) The Company, together with its stock affairs agent, monitors the shareholding status of major shareholders, Directors, and managerial officers, and submits monthly reports on schedule to track any changes.</li> <li>(III) The Company has established an appropriate organizational control structure to oversee and manage the major financial and business operations of its subsidiaries. Audit personnel conduct regular audits of subsidiaries in accordance with the internal control system, effectively implementing enterprise risk management and firewall mechanisms.</li> <li>(IV) The Company has established regulations such as "Regulations for Prevention of Insider Trading", "Procedures for Handling Material Inside Information", "Corporate Governance Best Practice Principles", and "Procedures for Ethical Management and Guidelines for Conduct" to prohibit insiders from trading securities using disclosed information in the market, and the Company sends irregular reminders to educate insiders to avoid violating the law.</li> </ul>	No significant difference.			

			Status of Operation Deviation and causes of deviation				
Evaluation Items		Yes No		Summary Description	from Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies		
<ul> <li>(II) Does the Board of Directors formulate a diversity policy, specific management goals, and implement them?</li> <li>(II) In addition to establishing the Remuneration Committee and the Audit Committee in accordance with the law, has the Company established other functional committees voluntarily?</li> <li>(III) Has the Company established the rules and methods for evaluating the performance of the Board of Directors, and conducted performance evaluations regularly every year, and reported the results of the performance evaluations to the Board of Directors, and used them as a reference for determining the remuneration to individual directors and the nomination for re-election?</li> </ul>	✓	✓	(II)	The Company's ninth Board of Directors consists of five members, including three Independent Directors. Among the Directors, there are four males and one female. The Board members possess practical industry experience as well as expertise in business, finance and accounting, law, and other areas required for the Company's operations, enabling them to provide professional opinions from diverse perspectives, thereby contributing to the enhancement of the Company's operational performance and management efficiency. Board meetings are convened at least once every quarter. For details, please refer to page 17 of this Annual Report.  The Company has established a Remuneration Committee and an Audit Committee in accordance with the law, and a Sustainability Committee was established on August 2, 2024. The establishment of other functional committees will be evaluated based on the Company's future needs.  The Company has adopted the "Rules for Performance Evaluation of Board of Directors" and conducts an internal board performance evaluation once a year. The result of the 2024 board performance evaluation was rated as excellent, indicating that the overall operation was sound. Adjustments will be made as necessary based on the Company's actual operations and needs. The performance evaluation results for individual Board members were also rated as excellent, with all Directors operating in accordance with relevant laws and regulations and fulfilling their roles and functions as expected. The self-evaluation results for the Audit Committee and the Remuneration Committee were rated as excellent, demonstrating that the operations of each committee meet the benchmark standards. The above evaluation results were reported to the Board of Directors on March 7, 2025.	Except for item (II), which was not achieved, there were no significant discrepancies.		
(IV) Does the Company regularly assess the independence of the CPAs?	<b>✓</b>		(IV)	In compliance with the Corporate Governance Best Practice Principles, the Company conducts an annual evaluation of the independence and suitability of the external auditors. After assessment, the auditors were found to meet the requirements for independence and suitability. The evaluation was approved by the Audit Committee and resolved by the Board of Directors on March 7, 2025.	No significant difference.		

	Status of Operation Deviation and causes of devia						
Evaluation Items	Yes	No	Summary Description	from Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies			
IV. Does the listed company appoint competent and appropriate corporate governance personnel, and appoint a corporate governance officer to be responsible for corporate governance-related affairs (including but not limited to providing directors and supervisors with the information required for laws, handling matters related to the meetings of the Board of Directors and Shareholders Meetings in accordance with the law, and preparing minutes of the Board of Directors and Shareholders meetings)?	<b>✓</b>		In 2023, with the approval of the Board of Directors, the Company appointed the General Manager to concurrently serve as the Corporate Governance Officer. The Corporate Governance Officer is responsible for coordinating and planning corporate governance-related matters, such as organizing meetings of the Board of Directors and shareholders meetings, handling company registration and change registration matters, preparing minutes for Board and shareholders meetings, assessing the purchase of appropriate directors liability insurance, assisting Directors in pursuing continuing education courses, managing governance affairs related to investors, and reporting the implementation status to the Board of Directors once a year.	No significant difference.			
V. Has the Company established channels for communication with stakeholders (including but not limited to shareholders, employees, customers and suppliers), set up a stakeholder section on the Companys website, and appropriately respond to important corporate and social concerns of stakeholders?	<b>✓</b>		The Company has established a dedicated section for stakeholders on its website, disclosing contact numbers and liaison information to provide an open and two-way communication channel, ensuring that issues of concern to stakeholders receive appropriate responses.	No significant difference.			
VI. Does the Company appoint a professional shareholder service agency to handle shareholders affairs?	<b>✓</b>		The Company entrusts the Shareholders Service Agency Department of CAPITAL SECURITIES CORP. to handle the shareholders meeting related affairs.	No significant difference.			
<ul> <li>VII. Information Disclosure <ul> <li>(I) Has the Company set up a website to disclose financial, business and corporate governance information?</li> </ul> </li> <li>(II) Has the Company adopted other means of information disclosure (e.g. setting up an English website, appointing dedicated personnel to collect and disclose the Companys information, implementing the spokesperson system, posting the process of institutional investor conference on the Companys website)?</li> </ul> <li>(III) Does the Company announce and report the annual</li>	✓	✓	<ul> <li>(I) The Company has an official website where information regarding the Company's profile, financial and business operations, and corporate governance is disclosed. www.swtc.com</li> <li>(II) The Company has a corporate website with dedicated personnel responsible for the collection and disclosure of material information and updating the information on the website on a regular basis. At present, material information announcements are made in both Chinese and English; a spokesperson and an acting spokesperson are appointed to speak to the public; we participate in securities firms or the institutional investor conference organized by the competent authority; and announce the financial statements of each quarter and the operational status of each month within the prescribed time limit. Relevant information reporting operations are conducted through the Market Observation Post System (MOPS) and company website in accordance with the regulations of the competent authority.</li> <li>(III) The financial statements for the first, second and third quarters</li> </ul>	Except for item (III), which was not achieved, there were no significant discrepancies.			
financial report within two months after the end of the			of 2024 and the operating status of each month were				

	Status of Operation Deviation and causes of devia						
Evaluation Items  fiscal year, and appounce and report the financial report		No		Summary Description	from Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies		
fiscal year, and announce and report the financial report for the first, second, and third quarters and the operating status of each month before the prescribed deadline?				announced and reported within the prescribed deadlines, except for the 2024 financial statements, which were not announced and reported within two months after the end of the fiscal year.			
VIII. Does the Company have other important information that is helpful to understand the implementation of corporate governance (including but not limited to employees rights and interests, employee care, investor relations, supplier relations, rights of stakeholders, continuing education of directors and supervisors, risk management policies and risk measurement standards, implementation of customer policies, and purchase of liability insurance for directors and supervisors)?	•		<ol> <li>3.</li> <li>4.</li> <li>6.</li> <li>7.</li> </ol>	Employees rights and interests: The Company has established the Employee Welfare Committee in accordance with the law to handle various employee welfare measures, including employee health checkups, employee trips, outdoor activities, and year-end banquets. The Company also allocates and contributes pension funds in accordance with the Labor Standards Act and the Labor Pension Act to protect the rights and interests of employees.  Employee care: The Company has established a communication channel for employees, encourages direct communication between employees and the management, and appropriately reflects employees opinions on the Companys operating and financial status or major decisions involving employees interests.  Investor relations: The Company has set up an investor section on its website and publicly discloses the Companys financial, stock affairs, business and other relevant information in accordance with the regulations, and has a dedicated person responsible for replying to shareholders inquiries, and to keep investors up to date on the Companys performance and development of business strategies. Supplier relations: All of the Companys suppliers are long-term partners and we maintain good relations with customers, suppliers, financial institutions and shareholders. Stakeholders rights: The Company maintains good communication channels with stakeholders and respects and protects their legal rights. There is also a spokesperson and deputy spokesperson to deal with the questions and suggestions raised by shareholders. Implementation of risk management policies and risk measurement standards: The Company focuses on its own business and has established various internal regulations and internal control systems in accordance with the law to conduct various risk management and assessments in order to reduce and avoid any possible risks.  Implementation of customer policies: Regarding customer transactions, in addition to complying with relevant laws and	No significant difference.		

			Status of Operation	Deviation and causes of deviation
Evaluation Items		No	Summary Description	from Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies
			regulations, the Company will also establish basic customer information and perform credit approval and signing sales contracts for important transactions. For transactions and cooperation matters that need to be kept confidential, a non-disclosure agreement (NDA) will also be signed to ensure the rights and interests of both parties.  8. The Company regularly evaluates the insured limit of the directors liability insurance every year. In July 2024, the Company purchased directors liability insurance for the directors.  9. Continuing education for directors and supervisors: The directors and independent directors of the Company have complied with the "Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEx Listed Companies," and attended securities laws and regulations seminars with required hours of education.	
IX. Please describe the improvements made based on the corporate governance evaluation results published by the Corporate Governance Center of Taiwan Stock Exchange Corporation in the most recent year, and propose enhancement measures and measures for the areas that have not yet been improved. (Not required for companies not included in the evaluation)		✓	The Company is running the 2024 (11th term) corporate governance evaluation scoring, and will review and improve according to the evaluation results, strengthen the disclosure of financial and corporate governance on the Companys website and annual report, and increase the transparency of the Companys information, in line with the spirit of the Corporate Governance Best Practice Principles for implementation. Gradually strengthening the implementation and disclosure of ESG (Environmental, Social, and Corporate Governance) initiatives.	No significant difference.

## (IV) Composition, duties and operation of the Remuneration Committee:

1. Information on the members of the Remuneration Committee:

Identity	Condition	Professional qualifications and experience	Independence (Note 3)	Number of other public companies in which the member also serves as a member of their Remuneration Committee
Convener	Yu-Chun Chu	President of TRANS LINK INTERNATIONAL CO., LTD.  Possesses work experience in commerce, legal affairs, finance, and management capabilities required by the Companys operations.  Is not under any of the following circumstances specified in Article 30 of the Company Act.	Not under the circumstances referred to in Subparagraphs 1 to 9, Paragraph 1, Article 3 of the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies," and complies with the independence situation.	None
Committee members	Tsung-	of the Company Act.	Not under the circumstances referred to in Subparagraphs 1 to 9, Paragraph 1, Article 3 of the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies," and complies with the independence situation.	None
Committee Member Convener	Shun-Fa Chen	21 years at PwC Taiwan (in the role of a partner for 10 years). Possesses work experience in commerce, legal affairs, finance, and management capabilities required by the Companys operations. Is not under any of the following circumstances specified in Article 30 of the Company Act.	Not under the circumstances referred to in Subparagraphs 1 to 9, Paragraph 1, Article 3 of the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies," and complies with the independence situation.	2
Committee members	Dai-Yang Liu	Ph.D. in Economics, Tulane University, USA Honorary Professor, National Taiwan University of Science and Technology Head of Happy Family International Consulting Group Chairperson of the Taiwan Taichung-Saudi Arabia Friendship Association Possesses work experience in commerce, legal affairs, finance, and management capabilities required by the Companys operations. Is not under any of the following circumstances specified in Article 30 of the Company Act.	Not under the circumstances referred to in Subparagraphs 1 to 9, Paragraph 1, Article 3 of the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies," and complies with the independence situation.	1
Committee members	Hui-Ling, Tsai	Chairman of Transnational Vision, Attorneys-at-law; President of Freemann Management Advisors Limited; President of Foundation for Yunus Social Business Taiwan Holds a lawyer's license and specializes in law and business operations, litigation strategy and negotiation, as well as business management and marketing.  Is not under any of the following circumstances specified in Article 30 of the Company Act.	Not under the circumstances referred to in Subparagraphs 1 to 9, Paragraph 1, Article 3 of the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies," and complies with the independence situation.	None

Note: Former Independent Director and Convener of the Remuneration Committee Yu-Chun Chu, and former Independent Director and Member Tsung-Hsien, Liao, stepped down upon the expiration of their terms on May 30, 2024. Independent Directors and Members Dai-Yang Liu and Hui-Ling Tsai assumed office after being elected at the shareholders meeting on May 30, 2024. The current Convener of the Remune ration Committee is Independent Director Shun-Fa Chen.

- 2. Duties of the Remuneration Committee:
  - (1) Regularly review the organizational regulations of the Remuneration Committee and propose amendments.
  - (2) Establish and periodically review policies, systems, standards, and structures for the performance evaluation and remuneration of Directors and managerial officers.
  - (3) Regularly evaluate the achievement of performance objectives by Directors and managerial officers and set their individual remuneration.
- 3. Information on the operation of the Remuneration Committee:
  - (1) The Company's Remuneration Committee consists of three members, all of whom are Independent Directors.
  - (2) The term of the current members is from May 30, 2024, to May 29, 2027. In 2024, the Remuneration Committee convened 2 meetings (A). The qualifications and attendance of the members are as follows:

Job Title	Name	Attendance in person (B)	By proxy	Attendance rate in person (%) [B/A]	Note
Convener	Yu-Chun Chu	1	0	100.00%	Stepped down on May 30, 2024
Committee members	Tsung- Hsien, Liao	1	0	100.00%	Stepped down on May 30, 2024
Committee members	Shun-Fa Chen	2	0	100.00%	Re-elected on May 30, 2024
Committee members	Dai-Yang Liu	1	0	100.00%	Inaugurated on May 30, 2024
Committee members	Hui-Ling, Tsai	1	0	100.00%	Inaugurated on May 30, 2024

Other matters required to be recorded.

- I. If the Remuneration Committees suggestions are rejected or amended by the Board of Directors, the date and term of the Board meeting, the contents of the motions, the resolutions of the Board of Directors, and the Companys handling of the Remuneration Committees opinions shall be disclosed (e.g. the reasons for the discrepancies): None.
- II. If a member has a dissenting opinion or qualified opinion on a resolution of the Remuneration Committee and it is on record or stated in a written statement, the date and session of the Remuneration Committee, the content of the motion, the opinions of all members, and the handling of the opinions of the members shall be stated: None.

4. The 2024 proposal content and resolution outcomes by the Remuneration Committee and the handling of the opinions of the Committee by the Company:

Remuneration Committee	Board of Directors	Proposal Content	Resolution Result	The Companys handling of the Remuneration Committees opinions
2024 First time 2024.01.30	2024.01.30	<ol> <li>Determining the monthly remunerations to the Companys directors and supervisors.</li> <li>Remuneration of Mr. Tai-Yuan Hsu, the President of the Company.</li> <li>Remuneration to managerial officers at or above the assistant vice president level.</li> <li>2024 performance bonus for Mr. Tai-Yuan Hsu, President of the Company.</li> <li>2024 performance bonus for managerial officers at or above the assistant vice president level.</li> <li>Year-end bonus for managerial officers at or above the assistant vice president level.</li> </ol>	Agreed by all attending members	Submitted to the board and passed unanimously by all attending directors.
2024 Second time 2024.08.02	2024.08.02	<ol> <li>Election of the Convener and Meeting Chairperson of the current Remuneration Committee.</li> <li>Determination of the remuneration packages for newly appointed Directors, Professor Dai-Yang Liu and Attorney Hui-Ling Tsai.</li> <li>Distribution of bonus to the Companys managerial officers at the assistant vice president level or above.</li> <li>Remuneration to managers at or above the assistant vice president level.</li> </ol>		

The Company has not yet established a Nomination Committee. The establishment of such a committee will be considered in the future based on the Company's scale and risk profile.

(V) The implementation of sustainable development promotion and the status of deviation from the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies, and the reasons therefor; disclosure of climate-related information for companies meeting certain criteria:

				Status of implementation	Deviation and causes of
	Promotion Items	Yes	No	Summary Description	deviation from the Sustainable Development Best-Practice Principles for TWSE/GTSM Listed Companies
I.	Has the Company established a governance structure for the promotion of sustainable development, and set up a dedicated (or part-time) unit to promote sustainable development that is handled by senior management authorized by the Board of Directors, and is under the supervision of the Board of Directors?		<b>✓</b>	The Company established the Sustainability Committee on August 2, 2024, and formulated the Sustainability Best Practice Principles. The Committee will regularly report to the Board of Directors on the Companys sustainability policies and their implementation status.	The operation of the Sustainability Committee is currently underway.
II.	Does the Company conduct risk assessments on environmental, social and corporate governance issues related to its operations in accordance with the principle of materiality, and establish relevant risk management policies or strategies?		<b>*</b>	Regarding risk management policies, the Company has formulated relevant regulations and rules such as the "Internal Control System Self-Assessment Procedure," "Management Procedures for Prevention of Insider Trading," and "Procedures for Ethical Management and Guidelines for Conduct". The Company has also established an Audit Committee and a Sustainability Committee.	Other functional committees and related regulations will be established and strengthened as needed in the future to ensure effective implementation.
III.	Environmental Issues (I) Has the Company established an appropriate environmental management system based on the characteristics of its industry?	<b>√</b>		(I) As a software distributor primarily engaged in sales, the Company continues to devote efforts to energy conservation, carbon reduction, and the reduction of greenhouse gas emissions. Since the Company does not engage in manufacturing activities, it does not generate environmentally or health-hazardous waste, wastewater, chemicals, gas emissions, noise, or other sources of pollution.	No significant difference.
	(II) Is the company committed to improving energy efficiency and using recycled materials with low impact on the environment?	✓		(II) The Company is a distributor for graphics software and does not engage in any actual production and manufacturing activities, so there is no special pollution source. The Company uses electronic signature approvals, and promotes waste sorting, recycling, and reduction to employees from time to time. The Company implements the use of second-hand paper, improves the efficiency of resource utilization, thoroughly implements resource recycling and reuse, and strengthens the implementation of energy-saving and electricity-saving policies, advocating for switching off lights as one goes, indoor air-conditioning and so on environmental management measures to reduce the impact on the environment. At this stage, the Company does not use renewable energy or materials. The feasibility and approach for adopting renewable energy equipment will be further evaluated going forward.	No significant difference.
	(III) Has the Company assessed the potential risks and opportunities posed by climate change to the Company at present and in the future, and adopted relevant countermeasures?	<b>✓</b>		(III) In compliance with regulations, the Company established a Greenhouse Gas Inventory Task Force in 2022 and conducts regular greenhouse gas inventories to monitor and control emissions generated by its operations, while formulating measures for energy conservation and carbon reduction.	No significant difference.

			Status of implementation	Deviation and causes of
Promotion Items	Yes	No	Summary Description	deviation from the Sustainable Development Best-Practice Principles for TWSE/GTSM Listed Companies
(IV) Does the Company collect statistics on the amount of greenhouse gas emissions, water consumption and total weight of waste for the previous two years, and establish policies for greenhouse gas reduction, reduction of water consumption or management of other wastes?		<b>✓</b>	(IV) The Company has established certain standards for the setting and switching on/off of lights and air-conditioners, in order to reduce unnecessary waste of energy, thereby achieving the purpose of energy saving, carbon reduction, and greenhouse gas reduction.	In the future, we will coordinate with the establishment of the system and strengthen the implementation of relevant regulations. This is currently under planning, and progress reports will be made at the board meeting every quarter.
IV. Social Issues (I) Has the Company established relevant management policies and procedures in accordance with relevant laws and international human rights conventions?	<b>✓</b>		(I) The Company adheres to the principles set forth in international human rights conventions, including the Universal Declaration of Human Rights, the United Nations Guiding Principles on Business and Human Rights, the United Nations Global Compact, and the conventions of the International Labour Organization (ILO). The Company is committed to providing a safe and friendly working environment and to treating all employees with equality and respect. The Companys human rights initiatives include: diversity, inclusiveness, and equal opportunities; reasonable working hours; a healthy and safe workplace; freedom of association; labor-management consultation; and privacy protection.	No significant difference.
(II) Has the Company established and implemented reasonable employee welfare measures (including remuneration, leave and other benefits), and appropriately reflect the operating performance or results in the employee remuneration?	<b>✓</b>		(II) In addition to labor and health insurance, the Companys employees are also covered by group insurance; an Employee Welfare Committee has been established in accordance with the law to organize various travels and gatherings; in addition, various welfare subsidies are provided for employees weddings, funerals, illnesses, and childbirth. The Company has also established the "Employee Performance Appraisal Regulations" to reward employees.	No significant difference.
(III) Does the Company provide employees with a safe and healthy work environment and provide employees with regular safety and health education?	<b>✓</b>		<ul> <li>(III) The Company conducts annual health examinations for employees to provide and maintain a safe and healthy working environment.</li> <li>1. Regular Health Examinations         <ul> <li>Annual health examinations are provided to employees, covering basic health checks and examination items adjusted according to job-related risks, ensuring the health of employees.</li> </ul> </li> <li>2. On-site Services by Healthcare Professionals         <ul> <li>Certified occupational health professionals are engaged to provide regular on-site health consultations and risk assessments to enhance workplace health and safety.</li> </ul> </li> <li>3. Nursing (Breastfeeding) Room Facilities         <ul> <li>In accordance with legal requirements, nursing rooms are set up to provide a comfortable, private, and safe space for breastfeeding,</li> </ul> </li> </ul>	No significant difference.

			Status of implementation	Deviation and causes of				
Promotion Items	Yes	No	Summary Description	deviation from the Sustainable Development Best-Practice Principles for TWSE/GTSM Listed Companies				
			supporting a family-friendly environment for female employees of childbearing age.  4. Environmental Cleanliness and Air Quality Management Office and public areas are regularly cleaned, with air-conditioning filters replaced and dehumidification and disinfection measures carried out periodically to maintain a healthy working environment.  5. Complaint and Reporting Mechanism□ An anonymous complaint channel is available to handle any unlawful or inappropriate conduct in the workplace, including issues related to workplace harassment, work-related stress, and health concerns.					
(IV) Has the Company established an effective career and ability development training program for employees?	<b>√</b>		(IV) The Company cultivates talents through various internal and external general and professional education and training courses, and provides employees with diversified courses to effectively assist colleagues in career development planning.	No significant difference.				
(V) Does the Company comply with relevant laws and regulations and international standards on issues such as customer health and safety, customer privacy, marketing and labeling of products and services, and establish relevant consumer or customer rights protection policies and grievance procedures?	<b>✓</b>		(V) The Companys products are not sold directly to general consumers.  For corporate customers, the Company has a service hotline and a full- time after-sales service unit to provide after-sales service and various consultations.	No significant difference.				
(VI) Has the Company established a supplier management policy that requires suppliers to comply with relevant regulations on environmental protection, occupational safety and health, or labor human rights, and the implementation status thereof?		<b>✓</b>	(VI) In the future, the Company will, depending on the actual situation, strengthen the signing of contracts with major suppliers to include clauses stating that the contract may be terminated or rescinded at any time if the supplier is in violation of its corporate social responsibility policy or if it has a significant negative impact on the environment and society.	In the future, relevant regulations will be formulated depending on the actual situation.				
V. Does the Company prepare a sustainability report or other reports that disclose the Companys non-financial information with reference to the international reporting standards or guidelines? Has the said report been verified or guaranteed by a third party?  The Company has not yet prepared a "Corporate Social Responsibility Report", and is preparing one according to regulations or actual needs.								
VI. If the Company has established its own sustainable development best-practice principles in accordance with the "Corporate Social Responsibility Best-Practice Principles for TWSE/TPEx Listed Companies," please describe the current practices and any deviations from the Sustainable Development Best-Practice Principles:  The Company has not yet formulated the "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies".								
VII. Other important information helpful to understand the implementation of sustainable development: The relevant information of the Company will be disclosed on the Companys website.								

## 1. Implementation of Climate-Related Information

	Item	Status of implementation
1.	Describe the board of directors and managements oversight and governance of climate -related risks and opportunities.	The Company is a company with paid-in capital of less than NT\$5 billion and, in accordance with the
2.	Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the business (short, medium, and long term).	Sustainable Development Roadmap for TWSE/TPEx Listed Companies, is required to complete a
3.	Describe the financial impact of extreme weather events and transformative actions.	greenhouse gas inventory for the standalone
4.	Describe how climate risk identification, assessment, and management processes are integrated into the overall	company by 2026 and complete verification by 2028.
	risk management system.	
5.	If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions,	
	analysis factors and major financial impacts used should be described.	
6.	If there is a transition plan for managing climate-related risks, describe the content of the plan, and the indicators	
	and targets used to identify and manage physical risks and transition risks.	
7.	If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated.	
8.	If climate-related targets have been set, the activities covered, the scope of greenhouse gas emissions, the planning	
	horizon, and the progress achieved each year should be specified. If carbon credits or renewable energy certificates	
	(RECs) are used to achieve relevant targets, the source and quantity of carbon credits or RECs to be offset should	
	be specified.	
9.	Greenhouse gas inventory and assurance status and reduction targets, strategy, and concrete action plan (separately	
	fill out in points 1-1 and 1-2 below).	

#### 1-1. Greenhouse Gas Inventory and Assurance Status for the Most Recent 2 Fiscal Years

#### 1-1-1 Greenhouse Gas Inventory Information

Describe the emission volume (metric tons CO2e), intensity (metric tons CO2e/NT\$ million), and data coverage of greenhouse gases in the most recent 2 fiscal years.

In 2023, Scope 1 emissions amounted to 15.5659 (metric tons CO2e/year), In 2023, Scope 2 emissions amounted to 195.8402 (metric tons CO2e/year).

In 2024, Scope 1 emissions amounted to 94.6518 (metric tons CO<sub>2</sub>e/year), In 2024, Scope 2 emissions amounted to 216.5691 (metric tons CO<sub>2</sub>e/year).

Scope of data coverage: Taiwan Office – Headquarters, Taiwan – Taipei External Warehouse, Taiwan – Hsinchu Office, Taiwan – Taichung Office, Taiwan – Tainan Office, and Taiwan – Kaohsiung Branch.

- Note 1: Direct emissions (scope 1, i.e., emissions directly from sources owned or controlled by the Company), indirect energy emissions (scope 2, i.e., indirect greenhouse gas emissions from electricity, heat, or steam) and other indirect emissions (scope 3, i.e., emissions from company activities that are not indirect energy emissions, but originate from sources owned or controlled by other companies).
- Note 2: The data coverage scope for direct emissions and indirect energy emissions shall comply with the schedule prescribed in the order issued under Article 10, paragraph 2 of the Regulations. Other indirect emissions information may be voluntarily disclosed.
- Note 3: Greenhouse gas inventory standards: Greenhouse Gas Protocol (GHG Protocol) or ISO 14064-1 issued by the International Organization for Standardization (ISO).
- Note 4: The intensity of greenhouse gas emissions may be calculated per unit of product/service or revenue, but at least the data calculated in terms of revenue (NT\$ 1 million) shall be disclosed.

#### 1-1-2 Greenhouse Gas Assurance Information

Describe the status of assurance for the most recent 2 fiscal years as of the printing date of the annual report, including the scope of assurance, assurance institutions, assurance standards, and assurance opinion.

Currently, there are no assurance arrangements in place.

- Note 1: This information shall be disclosed in compliance with the schedule prescribed in the order issued under Article 10, paragraph 2 of the Regulations. If the Company has not obtained a complete greenhouse gas assurance opinion by the date of printing of the annual report, it shall note that "Complete assurance information will be disclosed in the sustainability report." If the Company does not prepare a sustainability report, it shall note that "Complete assurance information will be disclosed on the Market Observation Post System (MOPS)," and shall disclose the complete assurance information in the annual report of the following fiscal year.
- Note 2: The assurance institutions shall meet the directions regarding assurance of sustainability reports prescribed by the TWSE and the TPEx.
- Note 3: When preparing the disclosure content, the Company may refer to the best practice reference examples on the TWSE Corporate Governance Center website.

#### 1-2 Greenhouse Gas Reduction Targets, Strategy, and Concrete Action Plan

Specify the greenhouse gas reduction base year and its data, the reduction targets, strategy and concrete action plan, and the status of achievement of the reduction targets.

Currently, there are no clearly established targets, strategies, specific action plans, or progress toward emissions reduction goals. The Company will plan and implement these gradually.

- Note 1: This information shall be disclosed in compliance with the schedule prescribed in the order issued under Article 10, paragraph 2 of the Regulations.
- Note 2: The base year shall be the fiscal year in which the greenhouse gas inventory is completed based on the consolidated financial reporting boundary. For example, under the order issued under Article 10, paragraph 2 of the Regulations, a company with capital of NT\$10 billion shall complete the inventory for its fiscal 2024 annual consolidated financial report in 2025, so the base year will be 2024. If a company has disclosed its inventory in its consolidated financial report in an earlier year, it may take the earlier fiscal year as its base year. Also, the data for the base year may be calculated based on a single fiscal year or the average of multiple fiscal years.
- Note 3: When preparing the disclosure content, the Company may refer to the best practice reference examples on the TWSE Corporate Governance Center website.

(VI) Status of ethical corporate management, and deviation from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies, and the reasons therefor

			Status of Operation	Deviation and causes of deviation
Evaluation Items		No	Summary Description	from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies
<ul> <li>I. Establishment of ethical corporate management policies and plans</li> <li>(I) Has the Company formulated an ethical corporate management policy approved by the Board of Directors, and stated in its Articles of Incorporation and external documents, the policies and practices of ethical corporate management, and the commitment of the Board of Directors and senior management to actively implement the operating policies?</li> </ul>	<b>✓</b>		(I) The Company has established the "Procedures for Ethical Management and Guidelines for Conduct" to govern the requirement for all employees to be ethical and impartial and to comply with government laws and regulations when carrying out the Companys business, which has been disclosed on the Companys official website and MOPS.	
(II) Whether the Company has established a mechanism to assess the risk of unethical behavior, regularly analyzes and evaluates the business activities with higher risk of unethical behavior within the business scope, and establishes prevention programs based on this, and at least covers the prevention measures under Paragraph 2, Article 7 of the "Ethical Corporate Management Best Practice Principles"?	<b>✓</b>		(II) The Company has established the "Procedures for Ethical Management and Guidelines for Conduct", which clearly stipulates how to prevent unethical behavior and publishes the information to employees.	No significant difference.
(III) Does the Company have the procedures, behavior guidelines, disciplinary punishment and appeal systems clearly defined in the program to prevent dishonest conduct, and is the program regularly reviewed and amended?	<b>✓</b>		(III) In accordance with the "Procedures for Ethical Management and Guidelines for Conduct," the Company shall assess the legitimacy of the counterparty, the ethical management policy, and whether there is any record of unethical behavior before establishing a business relationship with others to ensure fair and transparent business practices that do not demand, offer, or accept bribes.	

				Status of Operation	Deviation and causes of deviation
Evaluation Items		No		Summary Description	from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies
II. Implementation of ethical corpor (I) Does the Company evaluat trading counterparts, and special clauses in the contracts sign counterparts?	e the ethical records of its pecify the ethical conduct		(I)	The Company conducts business transactions in a transparent and fair manner in accordance with the provisions of the "Procedures for Ethical Management and Guidelines for Conduct." If any business transactions or cooperation partners are found to be unethical, the Company shall immediately cease business transactions with them, and classify them as the rejected counterparty.	
policies and programs to pr		<b>✓</b>	(II)		
(III) Does the Company establis conflicts of interest, provid communication, and imples	e appropriate channels of		(III)	For matters related to conflicts of interest, the Company provides channels for whistleblowers. The Companys employees may report directly to the head of the department and they can also report directly to the head of human resources.	No material difference except for items (II) and (V) not met.
results of the assessment of conduct, and audit the prev	rnal control system to nent, and has the internal ant audit plans based on the		(IV)	The Company has established effective accounting and internal control systems. Internal auditors, in coordination with external auditors, conduct audits on a regular or ad-hoc basis and report to the Board of Directors. No violations of ethical business practices have been found in the audit results.	
(V) Does the Company organiz training on ethical corporat basis?		<b>✓</b>	(V)	The Company has not regularly organized internal and external training on ethical management.	

					Status of Operation	Deviation and causes of deviation
	Evaluation Items		No		Summary Description	from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies
ПП	<ul> <li>Implementation of the Companys whistle-blowing system</li> <li>(I) Does the Company establish a specific whistle-blowing and reward system, establish a convenient channel for reporting, and assign appropriate dedicated personnel to handle the reported person?</li> <li>(II) Does the Company establish standard operating procedures for the investigation of reported matters, the follow-up measures to be taken after the investigation is completed, and the related confidentiality mechanism?</li> <li>(III) Does the Company take measures to protect the whistleblower from improper treatment due to the report?</li> </ul>	*		(I) (II)	The Company has established the "Procedures for Ethical Management and Guidelines for Conduct," and employees may file reports or appeals through the Companys reporting and appealing channels, which will be accepted by the human resources department. The Company has established the "Procedures for Ethical Management and Guidelines for Conduct," and adopted confidentiality measures to protect the identity of the whistleblower and the content of the report, to protect the rights and confidentiality of the whistleblower.  The Company has established the "Procedures for Ethical Management and Guidelines for Conduct" to protect whistleblowers from retaliation for reporting and to ensure that the rights and interests of relevant	No significant difference.
IV.	Strengthening information disclosure Does the company disclose the content of its ethical corporate management principles and the effectiveness of its implementation on its website and the Market Observation Post System?	<b>√</b>		(I)	The Companys website has a investors section. The disclosure of the Companys information is maintained by dedicated personnel. The relevant regulations are also uploaded to the Market Observation Post System and the Companys official website.	No significant difference.
V.	If the Company has established its own ethical corporate managed Principles for TWSE/GTSM Listed Companies," please described The Company has established the "Procedures for Ethical Management Best Practice Principles for TWSE.	e the cu	arrent p	racti luide	e principles in accordance with the "Ethical Corporate M ces and any deviations from the Best-Practice Principles: lines for Conduct", and there is no significant difference	
VI.	Other important information helpful to understand the Company ethical corporate management best practice principles): On March 14, 2013, the Board of Directors approved the "Ethical Directors amended certain articles in the "Ethical Corporate Mastatus of the Company's ethical management.	s ethic	al corp	orate Mana	e management operations (e.g., the Companys reviewing gement Best Practice Principles" of the Company. On Jan	nuary 30, 2015, the Board of

- (VII) Other important information that is sufficient to enhance the understanding of the Companys corporate governance practices may be disclosed together:
  - 1. The Company has established the "Procedures for Handling Material Inside Information" and the "Management Procedures for Prevention of Insider Trading".

    These procedures are used to handle the announcement of major events and the prevention of insider trading.
  - 2. Information on corporate governance is available on the Companys website: "Investor Area" at http://www.swtc.com.
  - 3. The continuing education and training related to corporate governance participated by the Companys managerial officers in 20 24 are as follows:

Job Title	Name	Date of continuing education (start)	Date of continuing education (end)	Training Providers	Course name	Duration of continuing education		
Chief Audit Officer	Cheng-Chung	2024.10.22	2024.10.22	Computer Audit Association	Financial Planning and Supervision Management Audit Practices for Corporate Groups (Including Overseas Subsidiaries)	6		
Officer	Chen	2024.11.19	2024.11.19	Computer Audit Association	Integrated Audit Practices for PCI DSS 4.0 and ISO 27001:2022	6		
Financial Supervisor	Yue-Mei Chen	2024.11.14	2024.11.15	Accounting Research and Development Foundation	Continuing Education Course for Issuers, Securities Firms, and Stock Exchanges	12		
	ance Tai-Yuan Hsu 2024.11.13			2024.09.10	2024.09.10	Taipei Exchange	OTC Company Insider Equity Promotion Seminar	3
		2024.11.06	2024.11.06	Securities and Futures Institute	Series Courses for Directors, Supervisors, and Corporate Governance Officers — Code of Ethical Conduct	3		
Corporate Governance Officer		2024.11.13	2024.11.13	Securities and Futures Institute	Series Courses for Directors, Supervisors, and Corporate Governance Officers — Practical Operations of the Audit Committee	3		
		2024.11.13	2024.11.13	Securities and Futures Institute	Series Courses for Directors, Supervisors, and Corporate Governance Officers — Challenges and Opportunities in the Pathway to Sustainability and Introduction to Greenhouse Gas Inventory	3		

(VIII)Implementation of the internal control system:

1. Declaration of internal control

SOLIDWIZARD TECHNOLOGY CO., LTD.

Declaration of Internal Control System

Date: March 7, 2025

The Company makes the following statement based on its 2024 self-assessment of its internal control system:

The Company acknowledges that the establishment, implementation and maintenance of the internal control system is the

responsibility of the Companys Board of Directors and managerial officers. The Company has established such a system.

Its purpose is to provide reasonable assurance on the effect and efficiency of operations (including profitability,

performance, and protection of asset security), the reliability, timeliness, and transparency of reporting, and compliance

with relevant laws and regulations and the achievement of related goals.

II. There are inherent limitations to even the most well-designed internal control system. As such, an effective internal control

system can only reasonably assure achievement of the three goals mentioned above. Furthermore, changes in the

environment and circumstances may all affect the efficacy of the internal control system. However, the internal control

system of the Company features a self-monitoring mechanism that enables immediate rectification of deficiencies upon

discovery.

III. The Company evaluates the design and execution of its internal control system based on the criteria specified in

"Regulations Governing Establishment of Internal Control Systems by Public Companies" (hereinafter referred to as "The

Governing Principles") to determine whether or not the existing policies continue to be effective. The assessment criteria

introduced by "The Governing Principles" consists of five main elements, each representing a different stage of internal

control: 1. Control environment; 2. Risk evaluation and response; 3. Procedural control; 4. Information and communication; and 5. Supervision. Each element further encompasses several sub-elements. Please refer to "The

Governing Principles" for further details.

IV. The Company has adopted the abovementioned criteria to validate the efficacy of its internal control system design and

execution.

V. Based on the assessments described above, the Company considers the design and execution of its internal control system

to be effective as of December 31, 2024. This system (including the supervision and management of subsidiaries) has

provided assurance with regard to the Companys operational results, target accomplishments, reliability, timeliness and

transparency of reported financial information, and its compliance with relevant laws.

VI. This Statement shall form an integral part of the Companys annual report and prospectus, and shall be disclosed to the

public. Any illegal misrepresentation or concealment in the public statement above are subject to the legal consequences

described in Articles 20, 32, 171, and 174 of the Securities and Exchange Act.

VII. This declaration was passed during the Board of Directors meeting held on March 7, 2025; out of the 5 Directors present

at the meeting, 0 held objection and the remaining participants all agreed to the content of this declaration.

SOLIDWIZARD TECHNOLOGY CO., LTD.

Chairman: Chien-Hsing Lee Signature/Seal

President: Tai-Yuan Hsu Signature/Seal

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- 2. Where a CPA has been hired to carry out a special audit of the internal control system, furnish the CPA audit report: None.
- (IX) Material resolutions of a shareholders meeting or a Board of Directors meeting during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report:

1. A total of nine Board meetings were convened during the most recent year and up to the date of publication of the Annual Report. A summary of the major resolutions is as follows:

of the Annual Report. A summary of the major resolutions is as follows:								
Date of meeting	Material resolution							
17th meeting of the 8th term 2024.01.30	1. 2024.01.30 Proposal made by the Remuneration Committee.							
18th meeting of the 8th term 2024.03.08	<ol> <li>2023 business report, parent company only financial statements and consolidated financial statements.</li> <li>2023 earnings distribution proposal.</li> <li>Distribution of remuneration to employees and directors for 2023.</li> <li>Statement of the internal control system as of 2023.</li> <li>Partial amendments to some provisions of the Companys "Articles of Incorporation".</li> <li>Amendments to some provisions of the "Corporate Governance Best Practice Principles" of the Company.</li> <li>Evaluation of the independence of the Companys CPAs.</li> <li>Full re-election of the 9th Board of Directors of the Company (three independent directors included).</li> <li>List of candidates for nominated directors (including independent directors)</li> <li>Lifting of non-competition restrictions for new directors of the Company.</li> <li>Setting of the date, time, venue and motion of the 2024 General Shareholders Meeting.</li> <li>Establishment of the place and time period for accepting proposals from shareholders holding more than 1% of shares.</li> </ol>							
19th meeting of the 8th term 2024.05.07	1. Q1 2024 consolidated financial statements.							
1st meeting of the 9th term 2024.05.30	<ol> <li>Election of the Chairman of the Company.</li> <li>Appointment of the sixth Remuneration Committee members of the Company.</li> <li>Appointment of the fifth Audit Committee members of the Company.</li> </ol>							
2nd meeting of the 9th term 2024.08.02	<ol> <li>Consolidated financial statements for Q2 2024.</li> <li>2024.08.02 Proposal made by the Remuneration Committee.</li> <li>Renewal of directors liability insurance policy.</li> <li>Establishment of the Sustainability Committee and the Organizational Regulations for the Sustainability Committee.</li> </ol>							
3rd meeting of the 9th term 2024.11.08	<ol> <li>Consolidated financial statements for Q3 2024.</li> <li>Amendments to some provisions of the Companys "Rules of Procedure for Board of Directors Meetings".</li> <li>Amendments to the Charter of the Audit Committee.</li> </ol>							
4th meeting of the 9th term 2024.12.27	<ol> <li>Addition of the Company's internal control system – "Sustainability Information Management Procedures"</li> <li>2025 internal audit plan.</li> <li>2025 budget.</li> <li>Addition of the Companys "Sustainability Best Practice Principles."</li> <li>Amendment to certain provisions of the Companys "Rules for Performance Evaluation of Board of Directors."</li> </ol>							
5th meeting of the 9th term 2025.01.22	1. 2025.01.22 Proposal made by the Remuneration Committee.							
6th meeting of the 9th term 2025.03.07	<ol> <li>2024 business report, parent company only financial statements and consolidated financial statements.</li> <li>2024 earnings distribution proposal.</li> <li>Distribution of remuneration to employees and directors for 2024.</li> <li>Statement of the internal control system as of 2024.</li> <li>Evaluation of the independence of the Companys CPAs.</li> <li>Partial amendments to some provisions of the Companys "Articles of Incorporation".</li> <li>Amendments to some provisions of the "Corporate Governance Best Practice Principles" of the Company.</li> </ol>							

- 8. Setting of the date, time, venue and motion of the 2025 General Shareholders Meeting.
- 9. Establishment for accepting proposals from shareholders holding more than 1% of shares and the name list, location and period for accepting the nomination of director candidates.

2. Material Resolutions of the Shareholders Meeting and Implementation

Date of meeting	Material resolution	Resolution Result	Status of implementation
	Ratified the 2023 business report and financial statements (including consolidated financial statements).	The motion was passed without objection after the chairperson consulted all the shareholders present.	Complied with the resolution result.
	Ratified the 2023 earnings distribution proposal.	The motion was passed without objection after the chairperson consulted all the shareholders present.	The ex-dividend date was set on June 24, 2024, and the dividends were fully distributed on July 8, 2024 as resolved by the shareholders meeting. (cash dividend of NTD 8 per share)
2024 Shareholders Meeting on 2024.05.30	Full re-election of the 9th Board of Directors of the Company (three independent directors included)	The motion was passed without objection after the chairperson consulted all the shareholders present.	List of Elected Directors:  1. Chien-Hsing Lee  2. Tai-Yuan Hsu List of Elected Independent Directors:  1. Shun-Fa Chen  2. Dai-Yang Liu  3. Hui-Ling, Tsai The election results of the Ninth Board of Directors (including Independent Directors) have been announced on the Market Observation Post System after the shareholders meeting and were approved for registration by the Ministry of Economic Affairs on June 13, 2024.
	Lifting of non-competition restrictions for new directors of the Company	The motion was passed without objection after the chairperson consulted all the shareholders present.	The implementation has been carried out and announced on the Market Observation Post System.

(X) Where, during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report, a director or supervisor has expressed a dissenting opinion with respect to a material resolution passed by the Board of Directors, and the said dissenting opinion has been recorded or prepared as a written declaration, disclose the principal content thereof: None.

## IV. Information on professional fees of the Certified Public Accountants

(I) The amount of audit and non-audit fees paid to the certified public accountant, to the accounting firm of the certified public accountant, and to any affiliated enterprise of the same, and the details of the non-audit services

Units: NTD thousands

Name of CPA Firm	Name of CPA	Audit period	Audit public expenditure	Non-audit fees	Total	Note
PwC Taiwan	Hui-Tzu Yang Sung-Tse Wang	2024.01.01 - 2024.12.31	2,330	-	2,330	None

Please specify the content of non-audit services: (e.g. tax certification, assurance or other financial consulting services)

- (II) When the company changes its accounting firm and the audit fees paid for the fiscal year in which such change took place are lower than those for the previous fiscal year, the amounts of the audit fees before and after the change and the reasons shall be disclosed: None.
- (III) When the audit fees paid for the current fiscal year are lower than those for the previous fiscal year by 10 percent or more, the reduction in the amount of audit fees, reduction percentage, and reason(s) therefor shall be disclosed: None.
- V. Replacement of the Certified Public Accountants:

(I) About the former CPA

Date of replacement	2024/07/0	01					
Reason for replacement and description	The Companys CPAs were Sung -Tse Wang and Chun-Yao Lin of PricewaterhouseCoopers Taiwan. Due to the internal adjustment of the CPA Firm, the CPAs are Hui-Tzu Yang and Sung-Tse Wang since Q3, 2024.						
Appointment terminated	Status	Party concerned		Principal			
or unacceptable by the client or the CPA	Voluntary appointme	termination of ent	Not applicable	Not applicable			
		accepting appointment	Not applicable	Not applicable			
Audit report opinions and reasons other than unqualified opinions in the last 2 years	Not applicable						
		Accounting principles or practices					
	Yes	Disclosure of financial statements					
Any disagreement with		Audit Scope or Procedure					
the issuer		Others					
	None	V					
	Description						
Other disclosures (Things to be disclosed in Items 1-4 to 1-7, Subparagraph 6, Article 10 of the Guidelines)	None						

(II) About the succeeding CPA

Name of Firm	PwC Taiwan
Name of CPA	CPA Hui-Tzu Yang, CPA Sung-Tse Wang
Date of appointment	From the financial statements of Q3 2024
Consultations on the accounting treatment methods or accounting principles for specific transactions, as well as the results of consultations on potential audit opinions that may be issued on the financial statements, prior to the appointment of the accountant.	Not applicable
Written opinions of the succeeding CPA on matters of disagreement with the former CPA	Not applicable

- (III) The reply of the former CPA regarding the matters specified in Article 10, Paragraph 6, Item 1 and Item 2-3 of the Guidelines: None.
- VI. Companys Chairman, President, or any managerial officer in charge of financial or accounting affairs at the accounting firm of the Company or its affiliates in the most recent year: None.

- VII. Transfer of equity interests and/or pledge of equity interests by a director, supervisor, managerial officer, or shareholder with a stake of more than 10 percent in the most recent year and up to the date of publication of the annual report
  - (I) Any transfer of shares and/or pledge of shares by a director, supervisor, managerial officer, or shareholder with a stake of more than 10 percent:

Unit: shares

		20	24	A CA .	1.1. 2025
Job Title	Name	Increase (decrease) of shares held	Increase (decrease) of shares pledged	As of Apri Increase (decrease) of shares held	Increase (decrease) of shares pledged
Chairman (Note 2)	Chien-Hsing Lee	0	0	0	0
Director (Note 1)	Tai-Yuan Hsu	0	0	0	0
Independent Director	Yu-Chun Chu	0	0	0	0
Independent Director	Tsung-Hsien, Liao	0	0	0	0
Independent Director	Shun-Fa Chen	0	0	0	0
Independent Director	Dai-Yang Liu	0	0	0	0
Independent Director	Hui-Ling, Tsai	0	0	0	0
Major shareholder	Unisource Investment Co., Ltd.	0	0	0	0
Major shareholder	Li Hsing Investment Co., Ltd.	0	0	0	0
Major shareholder	Li-Hsiang Wei	0	0	0	0
Business Division III Vice President	Chu-Jhih, Yang	0	0	0	0
Overseas Business Department Vice President	An-Li Chen	0	0	0	0
Engineering Department I Vice President	Sheng-Jie Peng	0	0	0	0
Assistant Vice President of Finance Department	Yue-Mei Chen	0	0	0	0
Assistant Vice President, CAE Business Department	Cheng-Ying Chien	0	0	0	0
Assistant Vice President, Engineering Division II	Shi-Ro Lee	0	0	0	0

Note 1: Director Mr. Tai-Yuan Hsu is the President of the Company.

Note 2: Shareholders holding more than 10% of the total shares of the Company shall be designated as major shareholders.

Independent Directors Dai-Yang Liu and Hui-Ling, Tsai assumed office following the full re-election at the shareholders' meeting on May 30, 2024.

- (II) Information on directors, supervisors, managerial officers and shareholders holding more than 10% of the shares transferred to their related parties in the most recent year and up to the date of publication of the annual report: None.
- (III) Information on directors, supervisors, managerial officers and shareholders holding more than 10% of the shares pledged to related parties in the most recent year and up to the date of publication of the annual report: None.

Note 3: Former Independent Directors Yu-Chun Chu and Tsung-Hsien Liao stepped down upon the expiration of their terms after the shareholders' meeting on May 30, 2024;

VIII. Disclosure of relationships among the top ten Shareholders including spouses or relatives within the second degree of kinship of another

April 1, 2025; unit: shares

							Ţ	April 1, 2023	, allie. blian
N	Number of shares held  Number of shares  Shareholding ratio (%)		Shares held by spouse and underage children		Total shares held in the name of others		shareholders who are related parties, spouses, or relatives within the second degree of kinship		
Name			Number of shares	Shareholding ratio (%)	Number of shares	Shareholding ratio (%)	Name (or name)	Relationship	Note
Unisource Investment Co., Ltd. Representative: Tai-Yuan Hsu	7,114,607		0	0	0	0	Tai-Yuan Hsu Hui-Yu Sun Rui-Ting Hsu	The responsible person of the company Spouse of the companys responsible person Relative within the second degree of kinship to the person-in-charge of the company	-
	2,367,753 8.39		1,552,770	5.50	0	0	Hui-Yu Sun Rui-Ting Hsu Unisource Investment Co., Ltd.	Spouse Relatives within 2nd degree of kinship The responsible person of the company	-
Li Hsing Investment Co., Ltd.	3,496,456	12.39	0	0	0	0	Chien-Hsing Lee Li-Hsiang Wei Yun-Han Lee	The responsible person of the company Spouse of the companys responsible person Relative within the second degree of kinship to the person-in-charge of the company	-
Representative: Chien-Hsing Lee	3,374,214	11.96	2,820,704	10.00	0	0	Li-Hsiang Wei Yun-Han Lee Li Hsing Investment Co., Ltd.	Spouse Relatives within 2nd degree of kinship The responsible person of the company	-
Chien-Hsing Lee	3,374,214	11.96	2,820,704	10.00	0	0	Li-Hsiang Wei Yun-Han Lee Li Hsing Investment Co., Ltd.	Spouse Relatives within 2nd degree of kinship The responsible person of the company	-

Nama	Number of shares held		Shares held by spouse and underage children		Total shares held in the name of others		The names and relationships of the top ten shareholders who are related parties, spouses, or relatives within the second degree of kinship		Note
Name	Number of shares	Shareholding ratio (%)	Number of shares	Shareholding ratio (%)	Number of shares	Shareholding ratio (%)	Name (or name)	Relationship	
Li-Hsiang Wei	2,820,704	10.00	3,374,214	11.96	0	0	Chien-Hsing Lee Yun-Han Lee Li Hsing Investment Co., Ltd.	Spouse Relatives within 2nd degree of kinship Spouse of the companys responsible person	-
Tai-Yuan Hsu	2,367,753	8.39	1,552,770	5.50	0	0	Hui-Yu Sun Rui-Ting Hsu Unisource Investment Co., Ltd.	Spouse Relatives within 2nd degree of kinship The responsible person of the company	-
Hui-Yu Sun	1,552,770	5.50	2,367,753	8.39	0	0	Tai-Yuan Hsu Rui-Ting Hsu Unisource Investment Co., Ltd.	Spouse Relatives within 2nd degree of kinship Spouse of the companys responsible person	-
SENTRA INT. CO., LTD.	864,200	3.06	0	0	0	0	None	None	-
Representative: Ming-Hui Chen	0	0.00	0	0	0	0	None	None	-
Chih-Ming Hsieh	275,000	0.98	0	0	0	0	None	None	-
Yu-Long Hsiang	256,254	0.91	0	0	0	0	None	None	-
Ching-Lung Wu	225,501	0.80	0	0	0	0	None	None	-

IX. The number of shares held by the Company, its Directors, Supervisors, Managerial Officers, and the companies directly or indirectly controlled by the Company in the same investee, and its consolidated shareholding ratio Unit: Thousand shares; %
December 31, 2024

Reinvested business (Note)	The Company	ys investment	Managerial Directly or	Supervisors, Officers and r Indirectly Businesses	Comprehensive investment		
	Number of shares	Shareholdin g ratio	Number of shares	Shareholdin g ratio	Number of shares	Shareholdin g ratio	
SolidWizard Technology Holding Co., Ltd.	1,000	100%	0	0	1,000	100%	
UnitedWizard Technology Co., Ltd.	1,000	100%	0	0	1,000	100%	
Shanghai UnitedWizard Technology International Trading Limited	Note	100%	0	0	Note	100%	

Note: UnitedWizard Technology International Trading is a limited liability company.

The Companys long -term investment under equity method.

# Three. Fundraising

## I. Capital and shares

- (I) Source of share capital
  - 1. Types of shares

March 31, 2025; unit: shares

T. C.1	A	1	ъ .		
Types of shares	Outstanding shares Unissued shares Total		Total	Remarks	
Registered common stock	28,210,710	6,789,290	35,000,000	TWSE/TPEx-listed stocks	

## 2. The formation of share capital

Unit: NTD thousand; thousand shares

		Authoriz	ed share					iousand; mousand snares
	Issue price	capital		Paid-in capital stock		Note		
Year/ month		Number of shares	Amount	Number of shares	Amount	Sources of capital stock	Shares paid by property other than cash	Others
2005.07	10	1,000	\$10,000	1,000	\$10,000	Share capital established in cash	-	Approved by Letter Fu-Jian-Shang-Zi No. 09410934210 dated July 07, 2005.
2008.03	10	6,000	\$60,000	6,000	\$60,000	Capital increase in cash NTD 50,000	-	Approved by Letter Fu-Chan- Ye-Shang-Zi No. 09783382900 dated April 15, 2008.
2008.11	13	25,000	\$250,000	16,000	\$160,000	Capital increase in cash NTD 100,000	-	Approved by Letter Fu-Chan-Ye-Shang-Zi No. 09792069400 dated December 11, 2008.
2009.07	10	25,000	\$250,000	17,840	\$178,400	Capitalization of earnings NTD 18,400	1	Approved by Letter Fu-Chan- Ye-Shang-Zi No. 09887769210 dated August 21, 2009.
2010.09	10	25,000	\$250,000	19,624	\$196,240	Capitalization of earnings NTD 17,840	-	Approved by Letter Fu-Chan- Ye-Shang-Zi No. 09987669800 dated September 16, 2010.
2010.12	17.3	25,000	\$250,000	21,171	\$211,710	Employee share warrants NTD 15,470	1	Approved by Letter Fu-Chan- Ye-Shang-Zi No. 09990770900 on December 24, 2010.
2011.08	10	25,000	\$250,000	23,288	\$232,881	Capitalization of earnings NTD 21,171	1	Approved by Letter Fu-Chan- Ye-Shang-Zi No. 10086827000 dated August 23, 2011.
2012.09	10	35,000	\$350,000	25,646	\$256,461	Capital increase in cash before listing on TPEx \$23,580	-	Approved by Letter Fu-Chan- Ye-Shang-Zi No. 10187962320 dated October 15, 2012.
2018.09	10	35,000	\$350,000	28,211	\$282,107	Capitalization of earnings NTD 25,646	-	Approved by Letter Fu-Chan- Ye-Shang-Zi No. 10751702310 dated August 10, 2018.

<sup>3.</sup> Information related to the shelf registration: Not applicable.

(II) List of major shareholders: Names, shareholdings, and percentages of shareholders with a stake of 5% or more or those with the top ten shareholdings.

April 1, 2025; unit: shares

Shares Name of major shareholder	Number of shares held	Shareholding ratio
Unisource Investment Co., Ltd.	7,114,607	25.22%
Li Hsing Investment Co., Ltd.	3,496,456	12.39%
Chien-Hsing Lee	3,374,214	11.96%
Li-Hsiang Wei	2,820,704	10.00%
Tai-Yuan Hsu	2,367,753	8.39%
Hui-Yu Sun	1,552,770	5.50%
SENTRA INT. CO., LTD.	864,200	3.06%
Chih-Ming Hsieh	275,000	0.97%
Yu-Long Hsiang	256,254	0.91%
Ching-Lung Wu	225,501	0.80%

- (III) The Companys dividend policy and implementation
  - 1. Dividend policy stipulated in the Articles of Incorporation:

If the Company has a profit in the annual final account, it shall first pay tax and make up for accumulated losses, and then appropriate 10% as a surplus reserve, except when the legal reserve has reached the same amount as the Company's paid-in capital. In addition, the special reserve may be set aside or reversed depending on the companys operational needs and laws and regulations. For the remaining undistributed earnings at the beginning of the same period, the board of directors will propose an earnings distribution plan and submit it to the shareholders meeting for resolution to distribute shareholders dividends.

The Companys dividend policy: The Companys dividend policy is based on the Company Act and the Companys Articles of Incorporation, and a sound financial structure as the principle. The Companys dividends are distributed in the form of stock dividends, cash dividends, or both. In principle, the distribution of cash dividends shall not be less than 20% of the distributable earnings. If there is any major capital expenditure plan in the future, the percentage of distribution of stock dividends may be increased with the approval of the shareholders meeting for up to the entire amount may be distributed in stock dividends.

2. Dividend distribution proposed at the shareholders meeting: The 2024 earnings distribution proposal of the Company was passed by the Board of Directors on March 7, 2025 as follows:

#### SOLIDWIZARD TECHNOLOGY CO., LTD. Earnings Distribution Table 2024

Unit: NTD

Item	Amount	Note
Undistributed earnings at the beginning of the period	450,438,642	
Add: 2023 retained earnings adjustment	1,083,136	Actuarial gains and losses
Adjusted undistributed earnings	451,521,778	
Add: 2023 net profit after tax	310,499,503	
Less: Provision of legal reserve	-31,158,264	The amount directly recognized as undistributed earnings without going through the profit or loss item and 10% of net profit
Add: Reversal of special reserve	4,836,950	
Distributable earnings	735,699,967	
Distribution item		
Dividend to shareholders	0	
Bonus to shareholders	225,685,680	NTD 8 per share
Undistributed earnings at the end of the period	510,014,287	

- 3. Expected material changes in dividend policy: None.
- (IV) Effect upon business performance and earnings per share of any stock dividend distribution proposed or adopted at the most recent shareholders meeting: Not applicable.

- (V) Profit-sharing compensation of employees, directors, and supervisors:
  - 1. The percentages or ranges with respect to the remuneration of employees, directors, and supervisors, as set forth in the Companys Articles of Incorporation:
    - If the Company makes a profit in the year, the Company shall allocate 1% to 10% of the profit as employees remuneration, and no more than 1% as directors and supervisors' remuneration. However, if the Company still has accumulated losses, it should first reserve an amount to offset losses.
    - The recipients of the distribution of employee remuneration in the preceding paragraph may include employees of subsidiaries.
  - The basis for estimating the amount of employee, director, and supervisor profit-sharing compensation, for
    calculating the number of shares to be distributed as employee profit-sharing compensation, and the
    accounting treatment of the discrepancy, if any, between the actual distributed amount and the estimated figure,
    for the current period.
    - According to the "Accounting Research and Development Foundation" Letter No. 052 "Accounting Treatment for Employee Bonuses and Directors Compensation" on March 16, 2007, when the Company has a legal obligation or constructive obligation and the amount can be reasonably estimated, it is recognized as an expense or liability. If there is any discrepancy between the actual distributed amount and the estimated amount after the shareholders meeting resolution, it will be treated as a change in accounting estimate.
  - 3. Information on any approval by the board of directors of distribution of profit-sharing compensation:
    - (1) Employees remuneration and directors/supervisors remuneration distributed in cash or shares:

Unit: NTD

Date of Board meeting	Cash bonus to employees	Employee stock bonus	Remuneration to directors and supervisors
2025.03.07	5,933,835	0	0

If there is any discrepancy between the estimated amount and the recognized expense, the discrepancy, cause and treatment shall be disclosed: None.

- (2) The amount of any employee profit-sharing compensation distributed in stocks, and the size of that amount as a percentage of the sum of the after-tax net income stated in the parent company only financial reports or individual financial reports for the current period and total employee profit-sharing compensation: Not applicable.
- 4. The actual distribution of employee, director, and supervisor profit-sharing compensation for the previous fiscal year (with an indication of the number of shares, monetary amount, and stock price, of the shares distributed), and, if there is any discrepancy between the actual distribution and the recognized employee, director, or supervisor profit-sharing compensation; additionally the discrepancy, cause, and how it is treated:

(1) Actual distribution of employees, directors and supervisors remuneration in 2024:

Item	NTD (in thousand)	Number of shares	Stock price (Note)
Remuneration to employees	5,513	-	Not applicable
Remuneration to directors and supervisors	0	-	Not applicable

- (2) If there is any discrepancy in remuneration to employees, directors, and supervisors, the amount, cause, and treatment of the discrepancy shall be stated: None.
- (VI) Status of a company repurchasing its own shares: None.

- II. Issuance of corporate bonds: None.
- III. Preference shares: None.
- IV. Overseas depository receipts: None.
- V. Implementation of employee stock options: None.
- VI. Issuance of restricted employee shares: None.
- VII. Issuance of new shares for merger, acquisition or transfer of shares of other companies: None.
- VIII. Implementation of the Plan for Utilization of Funds: None.

#### Four. Operational overview

#### I. Business contents

- (I) Business scope
  - 1. Main business contents
    - (1) Manufacturing of software and hardware services.
    - (2) System integration consulting services for the manufacturing industry.
    - (3) Software and hardware education and training services for the manufacturing industry.
  - 2. Distribution of main products

Unit: NTD thousands

	2024		
Main product categories	Consolidated operating revenue	Weight of business (%)	
Information software and	1,466,654	95.12	
maintenance contract business			
3D printing machine business	65,493	4.25	
Certification services and others	9,765	0.63	
Total	1,541,912	100.00	

#### 3. The Companys current products and services

The Company primarily provides the manufacturing industry with software and services related to R&D mechanical/electrical design, analysis and verification, 3D data graphics and product lifecycle management, manufacturing and processing, and digital twin technology, through the distribution and sale of products such as 3DEXPERIENCE, CAID, CAD, CAM, CAE, PDM, PLM, MOM, 3D printers, 3D scanners, co-robots, and 3D cameras, as well as technical applications, industrial consulting, and talent training. The Companys business covers the following:

#### (1) Market

#### A. Commercial market

Machinery, optoelectronics, electronics, semiconductors, medical care, energy, consumer products, molds, transportation, design services, and other related industries.

#### B. Education market

- (A) Colleges and higher engineering departments of machinery, electromechanical engineering, electrical engineering, automation engineering, industrial engineering, industrial design, medical engineering, and art design, as well as national vocational training centers, cram schools, and so on.
- (B) Software and hardware education and training certification and book publishing.

#### (2) Services

#### A. Consulting-based maintenance service contract

- (A) Training courses and seminars: SolidWizard digital academy, actual machine operations, advanced seminars, industry seminars.
- (B) Engineering and consulting service team: Provide technical support services and consulting services in Taiwan and on both sides of the strait.
- (C) Software update: Obtain software version update.
- (D) Technical publications: Complete provision of professional technologies and new knowledge required by the industry.
- B. Collaborative robot and 3D vision automation integration design and planning
- C. 3D printing, 3D scanning reverse engineering, and inspection contract services

#### 4. New products planned to be developed

Applications of Generative Artificial Intelligence (GAI) in 3D Design, Simulation Analysis, Product Lifecycle Management, Manufacturing and Processing; Applications of Apple Vision Pro in Digital Twin Technology; Expansion of Role-Based Solutions for 3D Design Collaborative Cloud Platforms.

## (II) Industry overview

#### 1. Current status and development of the industry

According to a report by Market.us, the global market size for Generative Artificial Intelligence (GAI) in knowledge management is expected to grow from US\$177.3 million in 2023 to US\$5.2022 billion in 2033, with a compound annual growth rate (CAGR) of 40.2%. Generative AI enhances knowledge management efficiency through the automated creation, organization, and distribution of information, helping enterprises capture and transform tacit knowledge and supporting real-time decision-making. Its applications include automated content creation, summarization of large documents, and construction of knowledge bases.

Demand for Generative Artificial Intelligence (GAI) is rapidly growing, particularly in industries such as IT, healthcare, and finance, to improve operational efficiency and decision-making quality. The market is highly competitive, with startups and established companies striving for technological integration and enhanced security. Enterprises generate a massive amount of data daily, driving the development of AI technologies to enhance knowledge accumulation, processing, and retrieval capabilities, achieving more efficient information management and decision-making.

Advances in deep learning and neural networks, along with the shift toward cloud platforms, further propel market growth. In the future, Generative Artificial Intelligence (GAI) will enhance automated content creation and develop multimodal models, expanding its applications in the field of knowledge management to meet the demand for efficient information processing by enterprises.

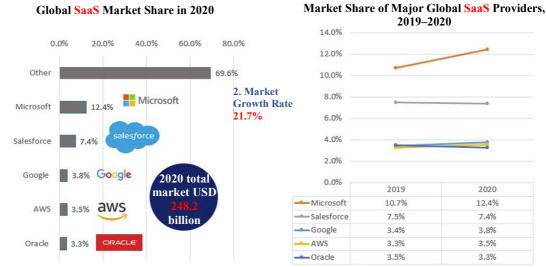


 ${\it \& Source: Department of Statistics, Ministry of Economic Affairs}$ 

The global Software as a Service (SaaS) market is experiencing rapid growth. In 2022, the market value was approximately US\$167.34 billion, and it is expected to reach US\$198.29 billion in 2023 and US\$232.3 billion in 2024. Forecasts indicate that between 2024 and 2028, the SaaS market will grow at a CAGR of 21.21%, with the market size increasing by US\$423.2 billion. Another forecast shows that between 2023 and 2032, the SaaS market will grow at a CAGR of 18.4%, expanding from US\$273.55 billion in 2023 to US\$1,228.87 billion in 2032. Regionally, North America accounted for about 55% of the global SaaS market in 2020 and is expected to reach US\$135.1 billion by 2023. The European market is also growing, with Germany expected to grow from US\$7.56 billion in 2020 to US\$18 billion in 2025. The Asia-Pacific region is emerging in the SaaS market, driven by digital transformation and the widespread adoption of cloud solutions. The Company continues to provide customers with SaaS solutions integrating Generative Artificial Intelligence (GAI) and the 3DEXPERIENCE cloud-based R&D design collaboration platform, aiming to assist customers in achieving successful digital transformation.

# m

# SaaS Market: The Largest Segment in Cloud Services, Marked by Intense Competition

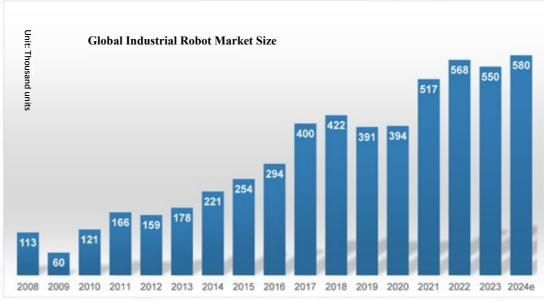


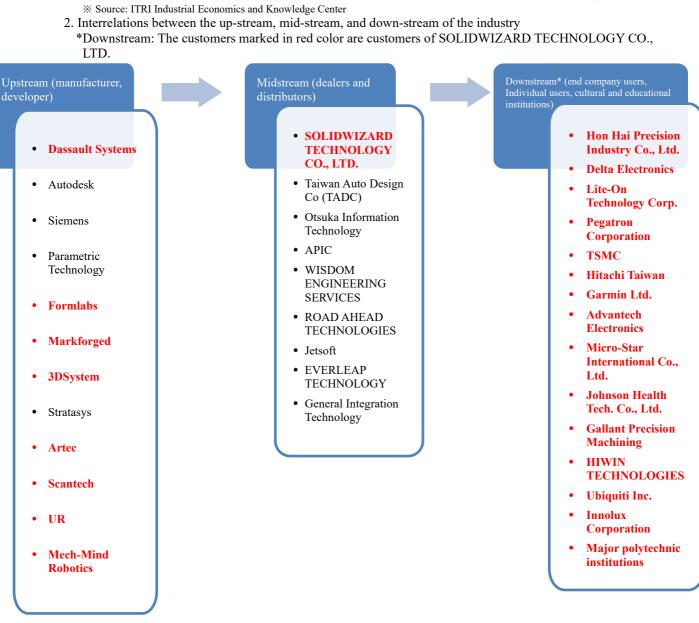
- SaaS was the largest segment among all cloud services, reaching a market size of US\$245.2 billion in 2020 with a strong growth rate of 21.7% in 2020.
- Nearly 70% of the SaaS market was categorized as "Others," indicating a highly
- Currently, Microsoft, Salesforce, and Google are the top three leading providers, with Microsoft

Source: IDC, compiled by MIC, March 2022
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MIC.

In 2022, global industrial robot installations increased by 570,000 units, representing an annual growth of 9.9%, with a market value of US\$27 billion. Of all newly deployed robots, 73% were installed in Asia, 15% in Europe, and 10% in the Americas. The trend of robots replacing simple, repetitive, and predictable tasks has become increasingly apparent. In 2020, machinery and equipment accounted for 33% of production line workloads, with human labor accounting for 67%; by 2025, it is projected that machinery and equipment will account for 47% of workloads, with human labor decreasing to 53%. The installation and integration of robots are expected to increase significantly, particularly moving toward collaborative human-robot work models. Following this trend, the number of operational industrial robots worldwide is expected to reach 10 million units by 2030. The global market size for industrial robots is expected to grow to US\$45.5 billion by 2025 and US\$120 billion by 2030, with a compound annual growth rate (CAGR) of 21.4%. The Company continues to provide customers with collaborative robot and 3D vision automation integration design services, assisting customers in building fully automated unmanned factories.





#### 3. Product development trends and competition

#### A. Product development trend

With the advancement of digital technologies, 3D CAD (Computer-Aided Design) software is rapidly evolving to meet the needs of industries such as manufacturing, architecture, engineering, automotive, and healthcare. The following are the major future development trends of 3D CAD products:

- (1) Cloud-based and SaaS Model:
  - Traditional 3D CAD software has mostly been locally deployed, but future developments will increasingly shift toward cloud architectures and be offered in a SaaS (Software as a Service) model. This not only reduces IT costs for enterprises but also improves team collaboration efficiency, allowing designers to access and edit 3D models anytime and anywhere.
- (2) AI and Machine Learning-Assisted Design: Artificial Intelligence (AI) will gradually be integrated into 3D CAD systems to enhance design automation. For example, AI can analyze past design data to recommend optimal solutions or automatically generate optimal structures through generative design, improving design efficiency and innovation capabilities.
- (3) Technology Integration Enabling Virtual Testing, Simulation, and Optimization, and Integration with Digital Twin: 3D CAD is no longer limited to the design phase but is integrated with digital twin technology to enhance the accuracy of product development.
- (4) Growth in 3D Printing and Additive Manufacturing Applications: The integration of 3D CAD with 3D printing technology will become closer. Future CAD software will emphasize direct support for additive manufacturing, ensuring seamless compatibility between design models and 3D printers, thereby shortening product development cycles.
- (5) Integration with Virtual Reality (VR) and Augmented Reality (AR): 3D CAD will increasingly integrate with VR and AR technologies, enabling designers to view and operate models in immersive environments, enhancing design evaluation and customer presentation effectiveness, particularly in the architecture and manufacturing industries.
- (6) Low-Code and No-Code CAD Development: With the rise of Low-Code and No-Code technologies, future 3D CAD tools will offer more intuitive interfaces, allowing non-professional users to quickly build 3D models and lowering technical barriers.
- (7) Sustainable Design and Environmental Orientation: With increasing global attention to environmental protection and sustainable development, future 3D CAD software will offer more support for ecofriendly material selection, carbon footprint calculation, and green design assessment, helping enterprises create products that comply with ESG (Environmental, Social, and Governance) standards.

Conclusion: 3D CAD software is evolving toward greater intelligence, cloud-based deployment, and enhanced collaboration, deeply integrating with new technologies such as AI, AR/VR, and digital twins to improve design efficiency and innovation capabilities. In the future, these trends will drive broader applications of 3D CAD across various industries, helping enterprises accelerate digital transformation and enhance competitiveness.

#### B. Competition

SOLIDWORKS, a flagship 3D CAD software under Dassault Systèmes, holds strong competitive advantages in fields such as mechanical design, product development, and engineering manufacturing compared to major competitors like PTC, Autodesk, and Siemens.

- (1) Ease of Use and Powerful Features: Its intuitive interface design enables engineers and designers to quickly get started, while offering powerful parametric modeling, assembly design, and simulation analysis capabilities.
- (2) Broad Industry Applications: Widely used in industries such as machinery, consumer electronics, automotive, aerospace, and medical equipment, supporting the needs for precision design and manufacturing.
- (3) Integration with CAE, CAM, and PLM: Built-in tools like SolidWorks Simulation and SolidWorks CAM provide a complete workflow from design to manufacturing, and can be integrated with Dassault Systèmes' PLM solutions.
- (4) Strong Community and Technical Support: Possesses a large user community and abundant technical resources, enabling enterprises to quickly obtain support and learning resources.
- (5) Cloud and Collaboration Capabilities: Integration with the 3DEXPERIENCE platform enhances team collaboration and remote design capabilities, making enterprises more competitive.

#### C. Analysis of the Companys business scale

SolidWizard Technology has a cross-strait presence in Taiwan and Mainland China, with 11 business locations and nearly 400 sales, marketing, and technical service personnel. Over the past 28 years, it has assisted more than 10,000 enterprises and has become the largest 3D software and hardware integration consulting company in the Greater China region, helping enterprises achieve digital transformation through 3D software and hardware platform solutions. With the Company's dedicated efforts and the full support of international partners, collaborators, and customers, SolidWizard possesses absolute strength in market expansion and in meeting any operational challenges, looking ahead to the Greater China region and the future Asian markets.

#### (III) Technology and R&D overview

With the upgrading and development of the industry, in recent years, the world has shifted from the new industrial direction of Industry 4.0 to the mainstream trend of the digital economy. The service-oriented business model has also driven the reform of the software industry, shifting the R&D aspect from product to platforms, and moved applications from the desktop to the cloud, no matter what type of product development, customers still need an excellent learning system and diversified and continuously updated service methods to quickly transfer design tools and design data. Management, for the digital transformation goal of enterprises, is not only about the product design end, but it even includes the process of production and consumption.

Therefore, in terms of technology development, the Company has three major areas: full integration of desktop design tool integration smart manufacturing software and hardware, cloud collaborative design platform application portfolio, and consulting product sales and service.

The comprehensive integration of desktop design tool integration smart manufacturing focuses on: traditional CAX product design, PDM/PLM data management, and 3D printing/scanning/advanced automation equipment data and process integration. In the past, software and hardware used in different fields have encountered obstacles in how to share data streams. If the horizontal data connection based on the platform concept and the vertical process control based on industry characteristics and standards can be managed at the same time, it will enable the use of the 3D model as the carrier incorporating design data throughout the entire R&D, design, and production process. Therefore, the specific approach is to establish a full-process 3D design platform, establish standardized software tools required by each department, and provide systematic learning information, teaching tools, and product knowledge bases according to the needs of different personnel; thereby, reducing the need for enterprises in construction or the expenditure on education, training and maintenance of software updates which helps enterprises face the impact of talent turnover. For the hardware part, 3D printing equipment processes and automated collaborative systems for direct manufacturing are used, especially in the application of collaborative robots. Integrated system providers provide the automation needs of production and manufacturing to reduce the costs and risks of personnel working in labor-intensive and high-pollution environments.

Cloud design platform application portfolio focuses on: business model shift - shifting the sale of single products to a subscription model for various tools, leveraging the data integration capability of cloud platforms, and setting the types and permissions of tools according to user roles and tasks; and considers the management of information systems as a part of the service, greatly reducing the cost of design tools and professional software for enterprises, while making collaboration the focus of the R&D environment. This is a new trend of subscription services driven by the platform economy. How to allow users to painlessly switch to the new-generation design system will be an area of great challenges and great business opportunities.

The field of consultative product sales and service focuses on: The core value of products which has changed from a single product to a platform for customer service. The customized product portfolio will be different for different types of work to meet the unique product development process needs of different industries, from product concept development, detailed design, function simulation verification, quality control regulations, user manuals, and maintenance manuals. It will provide multi-level solutions on how to connect, exchange, share and collaborate with the engineering information of various detailed operations. Enterprise adoption of products is no longer a matter of standard function instruction and the purchase of licenses. Customers will focus on the product service and industry experience sharing, consultant interviews and counseling in the package sales will be the focus of subscription-based products to increase product value.

Collaboration platforms and service systems for software products support the solutions in the aforementioned two fields of "application of product core technology" and " industrial application integration and research."

The following is a brief description of the development in various fields:

- \* Development of product core technology application fields
  - 1. Establishment of digital 3D model carrier

Both digital design and digital manufacturing use a virtual 3D model as the data carrier. In order to make 3D design the basis of our product development platform, we have established a 3D design platform experience center, which includes two exhibition centers, software tools and hardware equipment. Based on the 3DEXPERIENCE Works product line of Dassault Systèmes, software tools integrate design data in the SOLIDWORKS PDM/MANAGE data platform, and then implement tools from conceptual design, mechatronics, detailed design, verification and simulation, processing, manufacturing, and quality assurance inspection. They are supplemented with individual tools, and simple instructions and practical courses are provided.

Hardware equipment includes 3D scanning, 3D printing, and collaborative robot laboratories to help customers verify prototype products and create the validity and accuracy of manufacturing procedures; also, conduct 3D samples of OEM business and purchase desktop models CNC machine tools, laser cutting machines, sandblasting and coating equipment. Our experience, knowledge and achievements in OEM business such as 3D measurement, reproduction of physical products, rehabilitation of antiquities, digital archiving, and archiving will be reflected on customers. Tools and equipment evaluation, process analysis, and other preliminary tasks are required based on the needs of different customers in order to establish an effective manufacturing process. In addition to the above hardware integration, we can also provide collaborative robotic arms for safe production line automation to achieve the purpose of production automation.

## 2. Establishment and promotion of the 3DEXPERIENCE experience platform

Dassault Systèmes launched 3DEXPERIENCE Platform products globally in 2012 to build a new design system for the 21st century. By combining the development of design tools and social media, the service experience of Dassault in R&D, manufacturing, production and industry consulting is stored on the cloud platform for sharing and collaborative design based on the combination of roles and functions and linking the global resources. Therefore, we must build an experience center for digital clones to invite customers to experience the design environment of the new era and reduce the workload of system setup, data storage, and process management. 3D design, development, and manufacturing tools enable everything from installation, computing to storage to be solved by service. The promotion of digital design and manufacturing will be an important task for the establishment of this platform.

# 3. New teaching platform for 3D design tools

In response to the impact of the global COVID-19 pandemic, distance learning and digital technology services will become the new work model in the post-pandemic era. In lieu of physical courses, the service department has combined the media tools of the marketing department to provide customers with online and offline technical services regardless of time and space. For online services, the content of physical courses is converted into audiovisual teaching materials, and a live broadcast studio is set up to conduct live broadcast courses of each product. The online meeting system is used to allow students to interact with lecturers, and the offline review is used to solve customer problems in learning overcoming the obstacles of time and space. For offline services, we have established a customer-specific learning YouTube channel, re-written training materials for audiovisual recording, and recorded customers learning resumes on the learning webpage through the teaching system to better grasp customers learning effectiveness and submit the learning results to relevant corporate departments. This teaching platform is also a counseling-service-oriented business model, which can have a great effect on the efficiency of personnel training for each enterprise.

## \* Industrial application integration and research

- 1. Development of customized system
  - (1) In the development of 3D CAD product design and enhanced design automation, the SOLIDWORKS API is used for secondary development in Visual Studio to solve the design data reuse and parameter control that customers are concerned about, and more importantly, to save operation time and perform different package development and commercialization.
  - (2) For the integration of ERP and PDM systems in manufacturing, one of the solutions is to assist customers in the two-way transfer of parts and materials in XML format through the API (Application Programing Interface) development tool provided by the SOLIDWORKS PDM system in order to improve the efficiency of computer-aided design tool extension.
- 2. Entire process improvement and penetration of design and manufacturing information

The key point of the improvement is the effective reuse of design data, and the task models are extracted from various existing data sources to achieve the ideal of rationalization and verification automation. The solution for accessing a single data source is the focus of information flow integration. In addition to the establishment of the platform, the Dassault DelmiaWorks product of the back-end manufacturing execution system (MES) also integrates production equipment information with enterprise resource planning (ERP) system to achieve the goal of real-time monitoring and control of time, material and cost.

3. Digital design supports smart manufacturing

Given the continued advancement of specialized intelligent machines in advanced manufacturing processes, the extended application of 3D design data can transcend the traditional manufacturing workflow through 2D engineering drawings. Whether it is 3D data generated from design software or 3D model scanning data digitized with tools, both can be used to directly manufacture samples or products through the process of 3D printing on 3D printers. When adopting Additive Manufacturing (AM), the specialized modeling approaches developed for 3D printing, such as Stereolithography (SLA) and Selective Laser Sintering (SLS), will follow the different printing methods of the machines to create corresponding Design for Additive Manufacturing (DfAM) guidelines. These design guidelines vary based on the production model, but since the digital data can be verified, analyzed, and virtually simulated, design-side problems can be directly resolved before manufacturing. This design concept is more rapid and practical than the process of generating 2D engineering drawings.

4. Automated production collaboration system

To effectively reduce manual errors and time-consuming in manufacturing processes and to maintain the quality of production, we have added the automated equipment product portfolio of the famous Danish Universal Robots (UR) to the existing 3D product design tools and 3D printed products. It can create an automated collaboration model in the factory in a very short time. The learning operation of the robotic arm replaces cumbersome program writing. Highly customized arm grippers can be completed through 3D design and printing. In cooperation with professional signal processing and machine integrators, flexible solutions can be provided for automated production equipment.

5. R&D expenses in the most recent year and up to the publication date of this annual report

Unit: NTD thousands

Year Item	2024	As of March 31, 2025
R&D expenses (A)	112,092	30,375
Net operating revenue (B)	1,541,912	396,148
(A) / (B)	7.27%	7.67%

6. Technologies or products successfully developed in the most recent year and up to the publication date of the annual report

Since its establishment, the Company has participated in a number of cases of system integration and consulting services commissioned by customers. The cases in the past two years are listed as follows:

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Year	Development Items	Customer Name Dinkle, CHING FENG,	Content
2021	Product coding system	HIWIN TECHNOLOGIES	Product attributes are automatically coded
2021	Agile data transfer and integration	Advantech	Undertake and generate the data format receivable by the Agile PLM system
2021	Material intermediate file generator	Nextron	Automatic generation of PartBOM XML intermediary transfer files
2021	Part number checker	KHS	Check the output intermediary file column length and format
2022	PDM number generation module	Brillian, Buffalo Machinery Co., LTD., Gong Fong Enterprise, Aidma Enterprise, BRICO INDUSTRY, Uni- Calsonic, MAXMILL, RADEN AUTOMATIC, KENMEC MECHANICAL, ALPHA-PLUS MACHINERY, TAI YEE OPTICAL, Ecolab Inc. (Mainland China), TAIWAN TAKISAWA, DIRECTNAV MICROELECTRONICS (Jiangsu, Mainland China), DAH HEER.	Automatic generation of material numbers in the PDM system
2022	Hauman Technologi RADEN AUTOMA KENMEC MECHA		Integrate the design change of PDM with various ERP information for applications
2022	Excel export	Buffalo Machinery Co., LTD., KAO FONG MACHINERY, YUNG SOON LIH FOOD MACHINE, Uni-Calsonic, Pack Leader Machinery, CVILUX, TAI YEE OPTICAL, Detron, TAIWAN TAKISAWA, Amida Technology (Jiangsu, Mainland China), DAH HEER.	Transfer PDM data to EXCEL for export

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2022	Batch production of drawings	Buffalo Machinery Co., LTD., BRICO INDUSTRY, CVILUX, COXOC.	Automatically generate 2D drawings and print drawings in large batches.
2023	Data Queries and Citations	LEADWELL CNC MACHINES MFG., CORP.	The system can query the data in the database (or ERP database) and reference the data in the PDM data card.
2023	PDM link WEB API	STAr Technologies Inc., KHS Musical Co., Ltd, Advantech Co., Ltd.	Start the WEB API link and send the Json code data to the web api link
2023	PDM BOM to Excel	Scientech Corporation, IEI Integration Corp., Advanced Energy Solution Holding Co., Ltd.	Export BOM in PDM to Excel file
2023	SolidWizard PDM Tools	CHYI DING TECHNOLOGIES CO., LTD.	Including tool modules such as process review, folder permission definition, user data import, BOM comparison, and folder variable replacement with file variables (under development and testing)
2024	SOLIDWORKS Batch Save As Program	KI OBALING VOW	
2024	SOLIDWORKS Batch Title Block Replacement Program	KING SLIDE WORKS CO., LTD., DELTA ELECTRONICS, INC., EHOMA INDUSTRIAL	Batch Replacement of Drawing Sheet Formats
2024	SOLIDWORKS Batch Property Editing Program	YOUNGTEK ELECTRONICS CORPORATION, KING SLIDE WORKS CO., LTD, WUHE TECHNOLOGY CO., Ltd., DELTA ELECTRONICS, INC., AUTOGRIP Machinery	Batch Save SOLIDWORKS Files as Intermediate File Formats Batch Split Model Configurations into Individual Part Files Batch Split Drawing Sheets into

# (IV)Long-term and short-term business development plans

- 1. Short-term business development plan
  - A. Actively developing potential customer needs for 3DEXPERIENCE 3D design collaboration cloud platform and Generative Artificial Intelligence (GAI) solutions, including fields such as design, management, analysis, manufacturing, and marketing.

- B. Providing advanced multi-physics analysis solutions for structures, fluids, electromagnetics, and product lifecycle management, expanding the services to high-end industrial customers with sophisticated requirements.
- C. Providing digital manufacturing, inspection, and robot automation integration services, including 3D printing, reverse engineering and inspection, 3D vision, AI deep learning, and automation collaboration.
- D. Provide multi-year maintenance service contract consulting service to optimize customer R&D design and collaboration efficiency through planned counseling.

# 2. Long-term business development plan

- A. Planned training for engineering technology, marketing, sales, customer professional service, and management talents to improve marketing and consulting service capabilities, and establish long-term customer partnerships.
- B. Planning to expand product offerings for the 3DEXPERIENCE platform-based cloud 3D design collaboration cloud solutions and high-end analysis solutions such as SIMULIA, ENOVIA PLM, and DELMIA, covering digital marketing, digital products, digital manufacturing, big data search, digital twin, and smart manufacturing solutions.
- C. To accommodate the Companys growth, in addition to the markets in Taiwan and China, Southeast Asia and other regions are the direction of consideration for the Companys future planning and development.
- D. Aiming to become the McKinsey consulting company for 3D software and hardware integration for small and medium-sized enterprises in the Asia-Pacific region.

## II. Overview of the market, production and sales

- (I) Market analysis
  - 1. Sales (supply) regions of major products (services)

Unit: NTD thousands

	Year	20	24
Region		Consolidated sales	%
Domestic	Taiwan	1,371,153	88.93
sales	Mainland China	166,309	10.79
	Asia	4,450	0.29
Export sales	Americas	0	0.00
•	Europe	0	0.00
	Others	0	0.00
Subtotal of export		4,450	0.29
Total		1,541,912	100.00

#### 2. Best 3D design software

According to the report from G2.com, the worlds largest online software review website, SOLIDWORKS is ranked as the #1 global 3D professional-grade CAD software based on user ratings, demonstrating a strong competitive advantage in the market.



Competitive niche

3.

The competitive advantages are described as follows:

- (1) Integrated sales and consulting services of complete 3D software and hardware The Company has customers in various industries, including Hon Hai Precision Industry, Delta Electronics, Pegatron Corporation, Advantech, MSI, and Johnson Health Technology, as well as customers in the vocational and college education markets and individual users, with more than 10,000 customer groups in Taiwan and China.
- (2) Localized professional service team and training center The Company has service locations and education and training centers located in Taipei, Hsinchu, Taichung, Tainan and Kaohsiung in Taiwan and in Shanghai, Dongguan, Ningbo, Suzhou, Xiamen and Tianjin in Mainland China to provide customers with complete services in introducing hardware, software and physical products.
- (3) Industrial Partners

The Company cooperates with relevant industry associations, such as: The Metal Industry Research Center, Precision Mechanism Center, Machinery Association, Mold Association, Electronic Connection Association, and Industrial Technology Research Institute, all of which have close cooperation and indepth cultivation in various industries.

- 4. Favorable and unfavorable factors for development prospects and countermeasures
  - (1) Favorable factors
    - (A) Industry 4.0 Smart Manufacturing Digital Transformation and Generative Artificial Intelligence (GAI) Solutions

In response to global digitalization demands, the introduction of 3D collaborative communication and Generative Artificial Intelligence (GAI) will accelerate product development and manufacturing efficiency, enhancing customers' investment in 3D software and hardware equipment to improve industrial international competitiveness.

(B) Consulting services demand expansion

The time for industrial upgrading is becoming more and more urgent. In order to improve the Companys international competitiveness in the industry, the demand for consultants for SMEs has increased significantly. In addition to the expanding demand for products, consultant-style consulting services are also increasingly valued. Enterprises have realized that in addition to upgrading the R&D and design tools, the mindset of professionals should also be upgraded. Consulting services can truly examine customers manufacturing processes in depth to discover problems and propose tailor-made solutions with practical benefits.

(C) Cross-strait layout in Taiwan and Mainland China

There are a total of 11 business locations in Taiwan and on both sides of the Chinese strait. The strategy of providing customers with the most immediate and warm service is the strategy of providing customers with the service in two places.

## (2) Unfavorable factors and countermeasures

(A) Impact of the Russo-Ukrainian War and global inflation

Factors such as the ongoing Russia-Ukraine war in 2022, the Israel-Hamas war in 2023, the U.S. tariff war in 2025, and global inflation have made the international trade and manufacturing operating environment more difficult, thereby affecting investment layouts of manufacturing-related enterprises and bringing operational challenges to the Company.

#### Responsive measures:

- a. Actively promote 3DEXPERIENCE 3D design collaboration cloud platform, generative AI and high-level analysis digital manufacturing solutions such as SIMULIA, ENOVIA PLM, UR, MARK FORGED, FORMLABS, and MECH-MIND to expand the scope of product sales and customer base.
- b. Increase the renewal rate of multi-year software maintenance contracts through consultative integrated services.

## (B) Intellectual property (IP)

Sound intellectual property protection measures are critical to the CAD/CAM software industry. According to a report by the Business Software Alliance (BSA), the global average software piracy rate increased from 42% to 61% in Asia Pacific and 36% in Taiwan in 2016. Software piracy has caused economic losses as high as NTD 230 million (approximately NTD 7.5 billion). and the impact on Taiwans economy should not be underestimated.

## Responsive measures:

- a. Promoting and educating customers on the importance of copyright awareness and corporate responsibility in using legally authorized software.
- b. For customers using unauthorized software, the Company will cooperate with the legal departments of software principals and Taiwan law firms to assist customers in software legalization.

- (II) Important uses and manufacturing processes for the companys main products.
  - 1. Important uses of the main products

Category	Name of main product	Functional purpose	Market term
Engineering design Design / Engineering	<ul> <li>3DEXPERIENCE Works</li> <li>3DEXPERIENCE Cloud Offer</li> <li>SOLIDWORKS Desktop 3D design software</li> <li>DraftSight 2D design software</li> <li>SOLIDWORKS Electrical, electrical design software</li> <li>SOLIDWORKS PCB, circuit design software</li> <li>SOLIDWORKS Inspection, test report software</li> <li>SOLIDWORKS MBD, Model-Based 3D Drawings</li> <li>SOLIDWORKS Composer, technical document creation software</li> </ul>	The SOLIDWORKS 3D design automation system is built on the Windows desktop and Dassault 3DEXPERIENCE cloud platform. The full product provides 3D solid model construction function, and covers mechatronics design, product manufacturing information (PMI), MBD 3D engineering drawings, quality inspection, and technical documentation of 2D/3D execution and animation generator. The comprehensive design tools meet the needs of the entire enterprise and can be integrated with the cloud platform to create a collaborative design environment without the constraints of time and space.	CAID (Computer Aided Industrial Design), CAD (Computer Aided Design), Cloud Design, Technical Documentation
Simulation / Validation	<ul> <li>3DEXPERIENCE SIMULATION</li> <li>SOLIDWORKS Simulation Premium, high-level general- purpose finite element analysis software</li> <li>SOLIDWORKS Flow Simulation, Engineering Fluid Dynamics and Heat Flow Analysis Software</li> <li>SOLIDWORKS Plastics, plastic injection molding analysis software</li> <li>CST Electromagnetic Analysis</li> <li>Abacus Advanced Analysis System</li> </ul>	The SIMULATION analysis and verification system built on the Windows desktop and Dassault 3DEXPERIENCE cloud platform can simulate the performance of products in real situations in advance, which has become an indispensable step in the pursuit of high quality. The analysis products of SolidWizard include powerful tools for design verification and optimization for designers and engineers. The analysis modules cover structure, motion, fluid, heat transfer, mold flow, high and low frequency current, electromagnetic field, and topological structure. Customers conduct various types of virtual tests.	CAE (Computer Aided Analysis Software), MoldFlow (Mold Flow Analysis)

Manufacturing / Production	<ul> <li>3DEXPERIENCE DELMIA</li> <li>SOLIDWORKS CAM 2.5-axis machining module</li> <li>CAMWorks, multi-axis machining and simulation software</li> <li>IMOLD, plastic mold design software</li> <li>CG Press Design, continuous stamping mold design software</li> <li>3DSYSTEM Geomagic Design X &amp; Control X</li> <li>Artec EVA/Spider/Micro II</li> <li>ScanTech SimScan/KSCAN-Magic/TrackScan Sharp</li> </ul>	The manufacturing solutions built on the SOLIDWORKS desktop product line and the Dassault 3DEXPERIENCE cloud platform can not only generate machining paths for multi-axis CNC turning and milling machines, but also the application of DLEMIA WORKS in the manufacturing execution system (MES) to virtual simulation solutions are available for production scheduling, processing costs, and material requirements. For the part of 3D scanning, there are hardware and software to support forward design and reverse	Manufacturing Execution System (MES), Enterprise Resource Planning (ERP)
Smart Manufacturing	• 3DSYSTEM ProJet 3D Printer	design modeling capabilities to meet the needs of inspection, comparison and modeling, and have equivalent requirements for non-contact and non-destructive quality inspection. This will be a huge benefit.  3D printing offers a wide range of	3D scanning, 3D
Intelligent Manufacturing	<ul> <li>Markforged, Carbon Fiber Composite Printing Machine</li> <li>Markforged, metal forming machine</li> <li>Formlabs SLA laser curing printers</li> <li>Formlabs SLS laser sintering printers</li> <li>UnionTech, SLA 3D printer</li> <li>Universal Robot, collaborative robots</li> <li>On Robot, Gripper</li> <li>Mech-Mind AI, Visual Recognition</li> </ul>	smart production features for highly customized products. The high-end digital manufacturing of 3D printing can be used with lasers, photocuring, hot extrusion, and metal 3D printing machines. Quick proofing, 3D physical model printing, and creation of various conceptual models and functional testing parts in the early stage of R&D and design are fast and low in cost, saving huge costs for mold development. For tasks on the production line that are highly repetitive, environmental, and dangerous, robotic arms and dedicated grippers are used to save manpower and meet the standard of automated production. Collaborative robots need a 3D recognition system for the picking of materials and the unstacking and stacking of macarons. With AI learning, collaborative robots can be more intelligent, solving the spatial orientation discrimination	printing/RP (rapid prototyping system), RE (reverse engineering) Collaborative Robot

Data Management 3DEXPERIENCE ENOVIA, The data and process management PDM (Product Management / Cloud PLM System system built on the Data Governance SOLIDWORKS PDM. SOLIDWORKS desktop product Management). line and Dassault Project Enterprise Product Data 3DEXPERIENCE cloud platform Management Management, provides the most suitable SOLIDWORKS Manage, PLM (Product integrated management system PDM/PLM solution to shorten the Lifecycle DS Enovia Product Lifecycle time to market and reduce Management), Management System production costs. With the ERP (Enterprise DeliaWorks MES, Manufacturing collaborative operating system, Resource enterprises can effectively control execution system Planning) the product change process and implement product life cycle management. For the desktop system project management, BOM management, business process management, and work kanban, the integrated SOLIDWORKS Manage management system is used. DS Enovia is a professional system equipped with comprehensive lifecycle management capabilities. It primarily focuses on design collaboration at the R&D end and data unification at the manufacturing end, standardizing and correctly categorizing issues and resolution processes generated during production, and accumulating them through data report analysis to establish standardized problem-solving methods. It also integrates and connects with systems such as PLM, SOLIDWORKS design systems, ERP, and Mail to enhance real-time collaboration and production transparency, ensuring that design is effectively implemented in manufacturing, thereby achieving full-process integration from product design to production deployment. For different design data source data and Geometry data, text and Geometry data comparison can also be used to search the design big data to achieve the purpose of data reuse and sharing. An MES is the active signal for the operation of production equipment. A properly managed MES can help eliminate the friction between business functions in traditional silos. By linking the monitoring function to multiple factory-wide manufacturing processes through customer orders, the manufacturing execution system can establish a factory-centered production management system to improve factory productivity, track and synchronize factory resources, and provide support to business

Collaboration / Platform	3DEXPERIENCE PLATFORM     3DEXPERIENCE     SOLIDWORKS OFFER     3DEXPERIENCE     SIMULATION     3DEXPERIENCE     GOVERNANCE OFFER	Dassault offers the information on events occurring during production.  Dassault offers the information infrastructure, platform, and software required by customers as services to which customers can subscribe. Such an innovative business model can cross into the entire enterprise information flow, achieving horizontal integration and vertical linkage of data sources in a digital design environment using one single data source.  3DEXPERIENCE is a 3D design-based, data management-based application program (APPs) that adds simulation verification and manufacturing and provides customers with roles to subscribe. It not only breaks the restrictions of time and space, but also allows customers to focus on the design work, and the rest of the communication and data management are solved by the services provided.	IaaS (Infrastructure as a service), PaaS (platform as a service), SaaS (software as a service)
Subscription Service, service for contract maintenance	<ul> <li>SOLIDWORKS Subscription         Service         3DEXPERIENCE Subcription     </li> </ul>	SOLIDWORKS provides cross- strait product maintenance service plans, the most convenient and immediate technical support, software upgrades, and abundant resource utilization. Enterprise R&D teams can fully focus on design without worries.	Subscription Service

Consulting Project	Consulting Service, Project	SolidWorks has accumulated 23	N/A
Services	consulting service, Project consulting service Customization Service, Customized system service	years of successful counseling experience throughout various industries, with a professional engineering and technical team, providing project counseling and customized system introduction, and helping enterprises develop the best design solutions.	N/A
		best design solutions.	

2. Production process of main products: The Company is an agent of a manufacturer, so this is not applicable. (III) Supply of main raw materials

Name of main raw material	Major suppliers	Status of supply
Cloud 3D product design platform (Cloud Based CAD)	Dassault Systemes	Stable quality and supply of goods, long-term cooperation, and good supply situation.
Computer-aided design software (CAD)	Dassault Systemes	Stable quality and supply of goods, long-term cooperation, and good supply situation.
Computer-aided analysis software (CAE)	Dassault Systemes SIMPOE S.A.S	Stable quality and supply of goods, long-term cooperation, and good supply situation.
Computer-aided production software (CAM)	Dassault Systemes · HCL Technologies	Stable quality and supply of goods, long-term cooperation, and good supply situation.
Rapid prototyping system (RP)	3DSystems Markforged UnionTech Formlabs	Stable quality and supply of goods, long-term cooperation, and good supply situation.
Reverse scanning system (RE)	Solutionix · 3DSystems · Artec · SCANTECH	Stable quality and supply of goods, long-term cooperation, and good supply situation.
Collaborative robots	Universal Robot On Robot	Stable quality and supply of goods, long-term cooperation, and good supply situation.
Computer hardware and peripherals	HP · Acer · DELL · Lenovo	Stable quality and supply of goods, long-term cooperation, and good supply situation.
AI Visual Recognition System	Mech-Mind	Stable quality and supply of goods, long-term cooperation, and good supply situation.

- (IV)Names of customers representing more than 10% of total purchases (sales) and the amount of purchases (sale) and proportion to total purchases (sale) in any of the last 2 years, and explain the reasons for the changes
  - 1. Information on suppliers that account for more than 10% of the Companys total purchase in either of the last two years

Unit: NTD thousand

		2023		2024					As of March	31, 2025		
Item	Name	Amount	Percentage to net purchase of the year (%)	Relations hip with the issuer	Name	Amount	Percentage to net purchase of the year (%)	Relations hip with the issuer	Name	Amount	Percentage to net purchase amount of the current year up to the previous quarter (%)	Relations hip with the issuer
1	Dassault Systèmes	698,211	90.02	None	Dassault Systèmes	683,037	90.72	None	Dassault Systèmes	152,238	87.07	None
2	MarkForgedInc	24,246	3.13	None	Universal Robots A/S	14,001	1.86	None	Universal Robots A/S	8,758	5.01	None
3	Universal Robots A/S	11,001	1.42	None	Formlabs Inc.	10,414	1.38	None	3D Systems	2,434	1.39	None
4	3D Systems	6,680	0.86	None	MarkForgedInc	7,263	0.96	None	Formlabs Inc.	2,219	1.27	None
5	Formlabs Inc.	5,997	0.77	None	Geometric	6,586	0.87	None	NXN TECHNOLOGY	2,200	1.26	None
6	Others	29,531	3.80	None	Others	31,587	4.20	None	Others	7,001	4.00	None
	Net purchase	775,666	100.00	-	Net purchase	752,888	100.00	-	Net purchase	174,850	100.00	-

The Companys turnover has grown year by year, so the amount of purchases has also increased synchronously; the Companys main purchase items are computer graphics for Dassault Systemes SolidWorks, Universal Robots A/S, Formlabs Inc, MarkForged, Inc., and industrial design machines. Overall, there has been no significant change in the Companys suppliers in the past two years.

2.Information on customers to whom the Companys sales account for more than 10% of the Companys total sales in either of the last two years

Not applicable, as the proportion of sales to the top customer in 2023 and 2024 was 2.67% and 4.70%, respectively. Overview of the employees in the last two years and up to the publication date of the annual report

III.

Unit: Number of people/Age/%

Year		2023	2024	As of April 30, 2025
	Manager level and above	26	23	22
Number of employees	General staff	318	323	323
	Total	344	346	345
	Average age	37.53	37.95	38.83
Avera	age years of service	4.88	5.26	5.44
	Doctoral Degree	0.39%	0.77%	0.77%
Education	Masters Degree	18.53%	19.23%	20.31%
distribution	Junior College	80.31%	79.23%	78.16%
ratio	Senior high school	0.77%	0.77%	0.77%
	Total	100.00%	100.00%	100.00%

## IV. Information on environmental protection expenditure

Any losses suffered by the company in the most recent fiscal year and up to the annual report publication date due to environmental pollution incidents (including any compensation paid and any violations of environmental protection laws or regulations found in environmental inspection, specifying the disposition dates, disposition reference numbers, the articles of law violated, the content of law violated, and the content of the dispositions), and disclosing an estimate of possible expenses that could be incurred currently and in the future and measures being or to be taken: None.

## V. Labor-Management Relations

(I) Any employee benefit plans, continuing education, training, retirement systems, and the status of their implementation, and the status of labor-management agreements and measures for preserving employees rights and interests.

## 1. Employee benefits

In addition to allowing employees to enjoy labor and health insurance in accordance with government regulations, the Company has also added group insurance; in terms of employee benefits, the Company has an employee benefit fund that organizes various travels and dinner gatherings; and various welfare subsidies covering weddings, funerals, illness and child births. Furthermore, in order to encourage employees to participate in joint operations and improve company performance, an employee bonus and promotion system is implemented, and a comprehensive training program for employee career planning and professional skills has been developed to make employees more cohesive.

## 2. Employees continuing education and training

The Company actively encourages employees to participate in various training courses. Each department arranges appropriate internal training courses based on actual needs. It also arranges for employees to participate in external seminars as required by the professional courses of each functional area to enhance the knowledge and skills of employees. In 2024, the number of hours of education and training held in the year, the education and training expenses and the main training contents are as follows:

Item	Number of shifts	Total headcount	Total hours	Total expenses
1. Orientation for new recruits	12	157	1,256	32,850
2. Professional competency training	113	1,670	6,649.5	722,550
3. Managerial personnel training	5	14	201	341,100
4. Operation and management training	7	7	54	17,900
Total	137	1,848	8,160.5	1,114,400

## 3. Retirement system and its implementation

The Company has established employee pension regulations in accordance with the Labor Standards Act, which is applicable to employees of Taiwanese nationality. The Company implemented a new labor pension system on July 1, 2005. Employees who choose to apply the labor pension system under the "Labor Pension Act" make monthly contributions to the labor pension at no less than 6% of their salary. For the employees individual account with the Labor Insurance Bureau, the employees pension is paid according to the employees individual pension account and the amount of the accumulated income is withdrawn as a monthly pension or a one-time pension.

4. Agreements between labor and management and various measures to protect the rights and interests of employees

The Company has a comprehensive management system that extends to entry-level employees. The labor-management relationship is harmonious and values employees opinions. Employees can communicate their opinions or make any suggestions through emails to maintain good labor-management relations.

5. Protection measures for the work environment and employees personal safety

	environment and employees personal safety  Content
1.	A tight surveillance system is in place day and night.
2.	The building has professional security personnel to control the access
	day and night.
3.	Connected to the police security unit for alertness. There is a patrol
1	box at the entrance for police officers to patrol on a regular basis.
1.	In accordance with the Regulations Governing Public Safety
	Inspection, Certification and Declaration of Buildings, a professional company is commissioned to conduct public safety inspections every
	year.
2.	In accordance with the Consumer Protection Act, fire inspections are
	carried out by external contractors every year.
1.	Health checkup: Annual health checkups are conducted for employees
	in accordance with the Occupational Safety and Health Act.
2.	Hygienic working environment: Smoking is prohibited in the
	workplace, and the office environment is regularly cleaned and
1	disinfected.  Gender equality: Sexual harassment prevention, menstruation leave,
1.	maternity leave, paternity leave, maternity checkup leave, and
	parental leave are established in accordance with the Gender Equality
	Act.
2.	Internal learning and sharing: There is an employee sharing area in
	the Companys internal system, which includes information and
	activity sharing such as various rules and regulations, education and
2	training materials, year-end dinners, and employee trips.
3.	Communication of opinions: Departments in various locations hold gatherings from time to time, and the HR unit provides employees
	with an unobstructed channel for expressing opinions.
1.	The Company has purchased labor insurance (including occupational
	hazard insurance) and health insurance in accordance with the law,
	and the Company has separately purchased group insurance for
	employees.
2.	The Company pays hospitalization allowance to employees when
1	they are hospitalized.
l.	Regular Health Examinations
	Annual health examinations are provided to employees, covering basic health checks and examination items adjusted according to job-
	related risks, ensuring the health of employees.
2.	On-site Services by Healthcare Professionals
	Certified occupational health professionals are engaged to provide
	regular on-site health consultations and risk assessments to enhance
	workplace health and safety.
3.	Nursing (Breastfeeding) Room Facilities
	In accordance with legal requirements, nursing rooms are set up to
	provide a comfortable, private, and safe space for breastfeeding, supporting a family-friendly environment for female employees of
	childbearing age.
	Environmental Cleanliness and Air Quality Management
4.	
4.	Office and public areas are regularly cleaned, with air-conditioning
4.	Office and public areas are regularly cleaned, with air-conditioning filters replaced and dehumidification and disinfection measures
	Office and public areas are regularly cleaned, with air-conditioning filters replaced and dehumidification and disinfection measures carried out periodically to maintain a healthy working environment.
<ul><li>4.</li><li>5.</li></ul>	Office and public areas are regularly cleaned, with air-conditioning filters replaced and dehumidification and disinfection measures carried out periodically to maintain a healthy working environment. Complaint and Reporting Mechanism
	Office and public areas are regularly cleaned, with air-conditioning filters replaced and dehumidification and disinfection measures carried out periodically to maintain a healthy working environment.
	<ol> <li>2.</li> <li>3.</li> <li>1.</li> <li>2.</li> <li>1.</li> <li>1.</li> </ol>

(II) Losses suffered as a result of labor disputes in the most recent year and up to the date of publication of the annual report (including the violation of the Labor Standards Act as a result of labor inspections, the date of punishment, the reference number of the punishment, the violation of laws and regulations, the content of the violation, and the content of the punishment); and disclose the estimated amount that may be incurred at present and in the future and corresponding measures: None.

## VI. Information and communication security management

(I) The cyber security risk management framework, cyber security policies, concrete management programs, and investments in resources for cyber security management.

Considering that information security is the basis for maintaining the safe operation of various services, the Company has established an internal control system - computer operation cycle to ensure the safety of personnel, data, information systems, equipment and networks, and has implemented internal control systems and maintain information security.

- 1. Information security policy
  - A. Functions and responsibilities of the information processing department
  - B. System development and program modification control
  - C. Compilation and control of system documentation
  - D. Program and data access control
  - E. Data input/output control
  - F. Data processing control
  - G. Security control of files and equipment
  - H. Control over the purchase, use, and maintenance of hardware and system software
  - I. Control over the system recovery plan and testing procedure
  - J. Control operation of cybersecurity inspection
  - K. Management of public information reporting
- 2. Information security organizational structure



Team Name		Job Responsibilities
Audit Team	1.	Audit the implementation of information security management, and
		submit the audit report and related recommendations.
	2.	Unscheduled inspection of the effectiveness and safety of various control
		measures within the applicable scope of the information security
		management system.
	3.	Regularly review the current personal data/information security system,
		assess and plan risk control improvements or enhancement measures.
	4.	Strengthen internal consensus on implementation and supervise the
		effectiveness of internal implementation.
	5.	Review the process and adjust the superfluous steps or reduce the
		personnel or system privileges on the premise of reasonable operation to
		effectively reduce the related risks in the process.
Incident	1.	Development of operational-related information security policies and
Response Team		procedures.

	2.	Establishment, expansion, maintenance, monitoring, adjustment, backup		
		and rescue of operating systems.		
	3.	Management of software, hardware, systems and databases related to		
		daily operations.		
	4.	The information system control and authority are adjusted accordingly,		
		and the risk control measures for information security and personal data		
		protection are implemented.		
	5.	Establish and implement an accident reporting mechanism for personal		
		information/information security incidents.		
	6.	Reporting and implementation of the relevant emergency response		
		procedures according to the plan after the accident.		
	7.	Planning, assessment and implementation of the business continuity plan.		
Operation Team	1.	Planning, evaluation and drill of the business continuity plan.		
	2.	Execution of emergency response procedures for the operation system.		
	3.	Formulate contact information for stakeholders related to business		
		continuity, continuous improvement and tracking, and implementation		
		records.		

#### 3. Network management

All servers used in the system are located in the internal virtual network, protected by firewalls, and cannot be accessed directly from the external network due to isolation. Anti-virus software is installed on internal systems and personal computers to block malicious virus software in real time. Mail is hosted by FET, and has anti-drug and spam blocking services. They should regularly check the information security technology and service website, such as the National Information and Communication Security Council, to grasp the latest network security information and preventive measures.

## 4. System management

The computer system should have sufficient privilege management. New employees or privilege changes should have their privileges set in accordance with the computer cycle method. For resigned employees, the IT personnel should immediately lock, stop, or remove their accounts and privileges in accordance with the handling procedure to prevent unauthorized use.

# 5. Data access

The report exported from the departmental data output system shall show the basic letter header, name of person or unit who prints the report, date, and so on. The report shall be reviewed by an appropriate supervisor before distribution.

To prevent the leakage of personal data and company secrets, large amounts of data must be extracted in accordance with the computer operation cycle.

## 6. Continuous operation of the data system

To ensure the security of data, systems, equipment and network communications, a data backup mechanism has been established, including daily database backups, monthly NAS backups, quarterly off-site backups, and regular disaster recovery drills and tests.

Through internal review and assessment of its security regulations and procedures, the IT department has implemented the Companys internal control system - computer operation cycle in accordance with the operation to ensure the integrity and security of the Companys data. The risk assessment is still good, and there is neither significant adverse impact on the Companys information security due to major cyberattacks nor any risk of being unable to operate.

(II) Any losses suffered by the company in the most recent fiscal year and up to the annual report publication date due to significant cyber security incidents, the possible impacts therefrom, and measures being or to be taken. If a								
reasonable estimate cannot be made, an explanation of the facts of why it cannot be made shall be provided: None.								

# VII. Major contracts

Nature of the contract	Party concerned	Start and end dates of the contract	Main Content	Restrictive clauses
Agent contract	Dassault Systemes SolidWorks Corporation	2018.04 - present	Agent contract for SOLIDWORKS related products	The Companys procurement volume during the contract period must meet the minimum purchase quantity requirements. If the annual minimum procurement volume is not met, SolidWorks may notify 60 days in advance and terminate the cooperative relationship of both parties.
Agent contract	Geomertic Technologies Inc.	2011.03 - present	Agent contract of CAMWORKS related products	There is a minimum monthly purchase requirement.
Agent contract	3D Systems Inc.	2012.02 - present	Agent contract for 3D Systems related products	None
Agent contract	MarkForged Inc.	2016.12 - present	Agent contract for related products of MarkForged	None
Agent contract	Artec Group Inc.	2013.08 - present	Agent contract for related products of Artec	None
Agent contract	Universal Robots A/S	2019.12 - present	Agent contract for UR-related products	None
Agent contract	Formlabs Inc.	2023.05 - present	Representation contract for Formlabs related products	None

# Five. Review and Analysis of Financial Position and Financial Performance, and Risks

I. Review and analysis of the financial position (consolidated financial statements)

Unit: NTD thousands

Year			Difference		
Item	2024	2023	Amount	%	
Current assets	1,651,728	1,541,351	110,377	7.16	
Non-current assets	283,676	275,712	7,964	2.89	
Total assets	1,935,404	1,817,063	118,341	6.51	
Current liabilities	385,741	358,202	27,539	7.69	
Non-current liabilities	34,984	33,993	991	2.92	
Total liabilities	420,725	392,195	28,530	7.27	
Share capital	282,107	282,107	-	-	
Retained earnings	1,093,107	1,007,210	85,897	8.53	
Total equity	1,514,679	1,424,868	89,811	6.30	

Analysis of changes in the percentages of increase or decrease: (If the change is more than 20% between the previous and subsequent periods, and the amount of change reaches NTD 5 million) None.

Unit: NTD thousands

Year			Difference		
Item	2024	2023	Amount	%	
Current assets	1,468,291	1,389,231	79,060	5.69	
Financial assets measured at fair value through other comprehensive income - non-current	25,800	25,800	-	-	
Long-term equity investment under equity method	156,763	138,451	18,312	13.23	
Property, plant and equipment	223,736	214,110	9,626	4.5	
Right-of-use assets	7,256	7,532	-276	-3.66	
Other non-current assets	6,223	7,043	-820	-11.64	
Total assets	1,897,732	1,792,890	104,842	5.85	
Current liabilities	348,069	334,029	14,040	4.2	
Non-current liabilities	34,984	33,993	991	2.92	
Total liabilities	383,053	368,022	15,031	4.08	
Share capital	282,107	282,107	-	-	
Retained earnings	1,093,107	1,007,210	85,897	8.53	
Total equity	1,514,679	1,424,868	89,811	6.30	

Analysis of changes in the percentages of increase or decrease: (If the change is more than 20% between the previous and subsequent periods, and the amount of change reaches NTD 5 million)

# II. Review and analysis of financial performance

(I) Comparative analysis of financial performance (consolidated financial statements)

Unit: NTD thousands; %

Year	2024	2023	Increase (decrease) amount	Percentage of change (%)
Operating revenue	1,541,912	1,447,163	94,749	6.55
Operating cost	776,031	690,593	85,438	12.37
Gross operating profit	765,881	756,570	9,311	1.23
Operating expenses	420,409	416,188	4,221	1.01
Operating profit	345,472	340,382	5,090	1.50
Non-operating income and expenses	46,102	24,226	21,876	90.30
Net profit before tax	391,574	364,608	26,966	7.40
Income tax expense	81,074	76,000	5,074	6.68
Net income for the period	310,500	288,608	21,892	7.59
Other comprehensive income (net of tax) for the current period	4,997	-1,972	6,969	-353.40
Total comprehensive income for the period	315,497	286,636	28,861	10.07

Analysis of changes in the percentages of increase or decrease: (If the change is more than 20% between the previous and subsequent periods, and the amount of change reaches NTD 5 million)

- (1) Non-operating Income and Expenses: Primarily due to an increase in interest income and other income.
- (2) Increase in Other Comprehensive Income (Net): Primarily due to an increase in the remeasurement of defined benefit plans, exchange differences arising from the translation of the financial statements of foreign operations, and the total amount of items that may be subsequently reclassified to profit or loss.

Unit: NTD thousands; %

Year	2024	2023	Increase (decrease) amount	Percentage of change (%)
Operating revenue	1,377,918	1,260,260	117,658	9.34
Operating cost	689,099	586,420	102,679	17.51
Gross operating profit	688,819	673,840	14,979	2.22
Operating expenses	344,554	336,726	7,828	2.32
Operating profit	344,265	337,114	7,151	2.12
Non-operating income and expenses	45,774	24,908	20,866	83.77
Net profit before tax	390,039	362,022	28,017	7.74
Income tax expense	79,539	73,414	6,125	8.34
Net income for the period	310,500	288,608	21,892	7.59
Other comprehensive income (net of tax) for the current period	4,997	-1,972	6,969	-353.40
Total comprehensive income for the period	315,497	286,636	28,861	10.07

Analysis of changes in the percentages of increase or decrease: (If the change is more than 20% between the previous and subsequent periods, and the amount of change reaches NTD 5 million)

- (1) Increase in Non-operating Income and Expenses: Primarily due to an increase in interest income, other income, and the share of profit or loss of subsidiaries, associates, and joint ventures recognized under the equity method.
- (2) Increase in Net Other Comprehensive Income (Loss) After Tax: Primarily due to an increase in exchange differences arising from the translation of the financial statements of foreign operations and the total amount of items that may be subsequently reclassified to profit or loss.
- (II) Expected sales volume and basis, possible impact on the Companys future finance and business, and response plan

The Company expects to continue to promote and sell 3D CAD/CAID/CAE/CAM/PDM/RP/RE software for manufacturing industries and provide technical support in the next year. By obtaining the sole agent license, it can secure and drive the future annual revenue growth. At the same time, with the in-depth and value-added software technical services established by the Company with our customers for many years, it will also expand the Companys revenue sources and technology value. Continuous growth of the Company's sales of 3D graphics software is expected for the coming year.

## III. Review and analysis of cash flow

(I) Analysis of cash flow changes in the most recent year

Unit: NTD thousands

_	Cash inflo	w (outflow)	Increase (decrease) change		
Item	2023	2024	Amount	%	
Operating activities	265,456	338,517	73,061	27.52	
Investment activities	(12,393)	(1,896)	(10,497)	(84.70)	
Financing activities	(230,127)	(230,992)	865	0.38	

Analysis of changes in the percentage of increase or decrease:

- (1) Net cash inflow from operating activities increased by NTD73,061 thousand, mainly due to the decrease in inventory and prepayments.
- (2) Net cash outflow from investing activities decreased by NTD 10,497 thousand, mainly due to the decrease in capital expenditure.
- (3) Net cash outflow from financing activities increased by NTD 865 thousand, mainly due to the repayment of lease liabilities.
- (II) Improvement plan for insufficient liquidity: As the Companys business is at the profit -making stage, there is no risk of insufficient liquidity and no shortage of cash.
- (III) Cash flow analysis for the coming year (2025)

Unit: NTD thousands

Cash balance at	Net cash flow from	Ammunal anala	Cook ayımılıya	Remedies for	cash shortage
the beginning of period	operating activities for the year	Annual cash inflows (outflows)	Cash surplus (deficit) amount	Investment plan	Financial planning
1,016,891	331,086	239,742	1,108,235	-	-

- 1. Cash flow analysis for the coming year
  - The Company expects that the operating activities in the coming year will generate positive cash flow, which is mainly due to operating revenue.
- 2. Remedies for expected cash shortage and liquidity analysis: None.
- IV. The impact of material capital expenditures in the most recent year on financial operations: None.
- V. The policy on investment in the most recent year, the main reason for profit or loss, improvement plan, and investment plan for the coming year
  - (I) Investment policy

The Companys management policy for the investees is based on the "Investment Cycle", "Procedures for Handling Acquisition and Disposal of Assets" and "Regulations for Supervision and Management of Subsidiaries" of the internal control system to regulate various operations of the investees. The investee is required to provide financial statements and analysis reports on a regular basis, as well as the operational and financial reports, so that the Company can fully control its operations. The Company also assigns finance and audit personnel to visit the subsidiaries for actual operations and operational status from time to time, to sample the implementation of internal control operations, and to report to the parent company for management.

As of December 31, 2024; Unit: NTD thousands

		Main reason for profit or loss			
Reinvested business	Investment cost	Current profit and loss	Investment gains recognized in current period	Description	Improvement plan
SOLIDWIZARD					
TECHNOLOGY	30,947	13,420	13,420	<ul> <li>Investment gains</li> </ul>	-
HOLDING CO., LTD				<i>8</i>	
UNITEDWIZARD TECHNOLOGY CO.,LTD	30,945	13,419	(Note)	• Investment gains	-
UnitedWizard Technology International Trading Co., Ltd.	30,886	13,418	13,418	Operating profit	-

- (1) SolidWizard Technology Holding Co., Ltd.: for investment interest in UnitedWizard Technology Co., Ltd.
- (2) UnitedWizard Technology Co., Ltd.: The investment interest is in Shanghai UnitedWizard Technology International Trading Limited in Mainland China.
- (3) Shanghai UnitedWizard Technology International Trading Limited: Shanghai UnitedWizard was established in 2009.
- (Note) The profit and loss recognized in the current period is omitted according to the regulations.
- (III)Investment plan for the next year: The Companys investment plan for the next year will be carefully evaluated according to the Companys future development needs, and the investment plan will be implemented in accordance with relevant regulations.
- VI. Analysis and assessment of risk matters in the most recent year and up to the publication date of this annual report
  - (I) Impacts of changes in interest rates, exchange rates and inflation on the Companys profit and loss, and future countermeasures:
    - 1. Changes in interest rates:

Unit: NTD thousands

Year	2023	2024	As of March 31, 2025
Interest revenue	6,063	9,330	1,968
Interest expense	74	134	29
Net operating revenue	1,447,163	1,541,912	396,148
(interest expense - interest income)/ Net operating income	(0.41%)	(0.60%)	(0.49%)

## Policies and countermeasures:

The Company has a sound financial structure and adheres to the principle of conservative and prudent use of funds. To ensure safety and reasonable income, short-term idle funds are deposited in financial institutions with good credit ratings to reduce the risk of interest rate changes.

The Company has cooperated with banks for a long time to maintain a good relationship and obtain better interest rate conditions. In addition, the Companys interest income is higher than the interest expense, so the impact of interest rate changes on the Companys profit is limited.

The Company will continue to monitor the trend of interest rate changes, maintain a certain level of income and reduce the impact of interest rate changes while maintaining safety and liquidity.

## 2. Changes in exchange rates:

Unit: NTD thousands

Year	2023	2024	As of March 31, 2025
Net foreign exchange gains (losses)	653	1,619	517
Net operating revenue	1,447,163	1,541,912	396,148
Net foreign exchange gains (losses)/Net operating revenue	0.05%	0.10%	0.13%

#### Policies and countermeasures:

The Companys products are mainly sold in Taiwan, and the accounts receivable are mainly denominated in NTD; the direct imports from abroad are mainly the Americas, and the accounts payable are mainly denominated in US dollars.

To reduce the exchange rate risk, the specific measures taken by the Company are as follows:

- A. Maintain a close and unobstructed communication channel with the bank, collect exchange rate change information at any time, fully grasp the exchange rate trend, adjust foreign currency positions in a timely manner in order to avoid exchange rate risks and reduce the adverse impact of exchange rate changes on the Companys income.
- B. The exchange rate factor is considered in the sales quotation to ensure the reasonable profit of the Company.
- 3. The impact of inflation on the Companys income and future countermeasures:
  - The Companys past profit and loss has not been significantly affected by inflation, and the impact on the Companys profit and loss in the future is expected to be limited. The Company maintains close and good interaction with suppliers and customers, pays attention to changes in market prices at all times, and adjusts purchase and sales prices appropriately to reduce the impact of inflationary changes.
- (II) The companys policy regarding high-risk investments, highly leveraged investments, loans to other parties, endorsements and guarantees, and derivatives transactions; the main reasons for the profits/losses generated thereby; and response measures to be taken in the future:
  - Engaging in high-risk and highly leveraged investments
     Based on the principle of stability and a pragmatic business philosophy, other than focusing on long-term investments in the Companys related businesses, the Company has not engaged in any high-risk and highly leveraged investments.
  - 2. Lending of funds to others and endorsements/guarantees for others
    The Company has established the "Procedures for Loaning of Funds to Others" and the "Procedures for Endorsements and Guarantees" which were approved by the shareholders meeting. All transactions are conducted in accordance with the relevant regulations. The Company has so far neither loaned funds to others nor endorsed/guaranteed for others.
  - 3. Derivative transactions: The Company does not engage in derivative transactions.

# (III) Future R&D plans and expected R&D expenses

The Companys future product development and design direction

Product technology category	Technology integration and development direction
Product design database and ERP system integration	Use C# to exchange product data in the product design database and ERP system. Start with the correlation analysis of the bill of materials combined with version management, then establish a data exchange platform, and finally achieve data exchange and cross-platform process management goals.
Cloud CAD design system product line introduction	The rise of cloud products will gradually change the design environment. At present, the solutions for CAD systems on the cloud have matured. They are different from desktop systems. By accommodating the promotion of a cloud design platform, their sales will be made through the Pay on Demand cloud design system that is to be established. It includes industrial design, mechanism design, and analysis and verification applications, on the 3D Experience Platform.
Establishment of product design knowledge base	Establish design processes for different product categories, and use the modeling function in the CAD design tool for appearance, mechanism, and verification. To distinguish the parameters required for application features, we develop the macro function of the CAD tool for parametrization of design methods to reduce differences in them and to accelerate the design process and standardize production tools.
Product data management graphic user interface design	Incorporate the graphical interface into Product Data Management to develop visual operations for file management within the Windows operating system, including 2D document preview, interactive 3D documents, graphical document workflows and status dashboards, and add human-machine interfaces increasing affinity for digital management
Processing automation error debugging design	Extend the Design Criteria, define a variety of processing rules with the features provided by the CAD solid model, and compare the processing limit specifications according to the size and the shape of the form, to find out problems before manufacturing, so that design changes can be made in advance, and reduce actual processing errors and costs.
Product Reverse Engineering and OEM	Currently, various 3D printers of 3D Systems are used to print OEM products commissioned by customers, and 3D scanning measurement methods can be provided for product testing. By combining the two technologies of scanning and printing, we have also developed a standard humanoid figure production process to provide new options for the cultural and creative industries through innovation.
Automated collaborative robot planning	The robotic arm from the Danish company Universal Robots is used together with the gripper provided by On Robot and other professional suppliers for the collaboration part of the factory production automation. The goal is to integrate robotic arms with the machine sensing and control equipment on the production line to achieve the goal of automation instead of manual labor.

The Company expects to maintain a 15% growth in R&D expenses in the coming year, and will adjust the amount and schedule in a timely manner based on the initial product development results and market demand.

- (IV) Effect on the companys financial operations of important policies adopted and changes in the legal environment at home and abroad, and measures to be taken in response:
  In addition to operating in accordance with relevant domestic and foreign laws and regulations, the Company always pays attention to the development trends of domestic and foreign policies and changes in laws and regulations in order to fully grasp and respond to changes in the market environment. Evaluations for the recent year show that there is no significant impact on the Companys financial operations.
- (V) Effect on the companys financial operations of developments in science and technology (including information and communication risks) as well as industrial change, and measures to be taken in response:
  The Company continuously strengthens and improves its engineering capabilities to maintain market competitiveness, and always pays attention to the technological changes related to the industry in which it operates, evaluates its impact on the Companys operations, and makes corresponding adjustments to strengthen and ensure the Companys business deve lopment and financial position.
- (VI) Effect on the companys crisis management of changes in the companys corporate image, and measures to be taken in response:
  Since its inception, the Company has been actively strengthening internal management and improving service quality management capabilities to establish the Companys image, comply with relevant laws and regulations, and further increase customers trust in the Company. As of now, there has been no occurrence of events that affects the corporate image.
- (VII) Expected benefits and possible risks of mergers and acquisitions, and countermeasures: The Company currently has no plans for mergers and acquisitions.
- (VIII) Expected benefits and possible risks associated with any plant expansion, and corresponding measures being or to be taken: None.
- (IX) Risks associated with any consolidation of sales or purchasing operations, and mitigation measures being or to be taken:
  - 1. Purchase: Although the purchase of 3D graphics software products represented by the Company is concentrated, the Company has maintained good relations with the purchaser for many years, and the two parties have signed a long-term supply contract. Furthermore, the sales support team provides a comprehensive, direct sales and value-added services as required due to the product characteristics. At present, there is no other domestic company that can replace it. The cooperation with the purchaser should not have the risk of purchase interruption. In addition, the Company is also actively looking for and obtaining dealerships for other niche products to expand the breadth of the Companys product lines.
  - 2. Sales: The Companys main sales customers are end-users. The number of customers is large and dispersed. There are more than 1,000 direct customers every year, and the proportion of sales to the largest customer does not exceed 5%. There is no risk of sales concentration.
- (X) The impact on the Company, risks, and responsive measures of a massive transfer or change of shares by a director, supervisor, or shareholder holding more than 10% of the shares: for the Director, supervisor, or shareholder holding more than 10% of the shares of the Company, as of the printing date of the annual report, there has been no significant transfer of shares, and the Companys management is stable.
- (XI) Impacts and risks to the Company due to change in governance structure: The Companys operations are stable and profitable, and for the Companys directors, supervisors, or major shareholders holding more than 10% of the shares for the most recent year up to the publication date of this annual report, there has been no significant transfer of management rights. The Companys management rights are stable.
- (XII) Litigious and non-litigious matters (The major litigious, non-litigious or administrative disputes that: (1) involve the company and/or any company director, company supervisor, managerial officer, person with actual responsibility for the firm, major shareholder holding a stake of greater than 10 percent, and/or company or companies controlled by the company; and (2) have been concluded by means of a final and unappealable judgment, or are still under litigation). Where such a dispute could materially affect the company shareholders

equity or the prices of the companys securities, the annual report shall disclose the facts of the dispute, amount of money at stake in the dispute, the date of litigation commencement, the main parties to the dispute, and the status of the dispute as of the date of publication of the annual report: None.

## (XIII) Other important risks and countermeasures:

Description of information security risk assessment and analysis:

Information security policy: Considering that information security is the basis for maintaining the safe operation of various services, the Company has established an internal control system - computer operation cycle to ensure the safety of personnel, data, information systems, equipment and networks, and has implemented internal control systems and maintain information security.

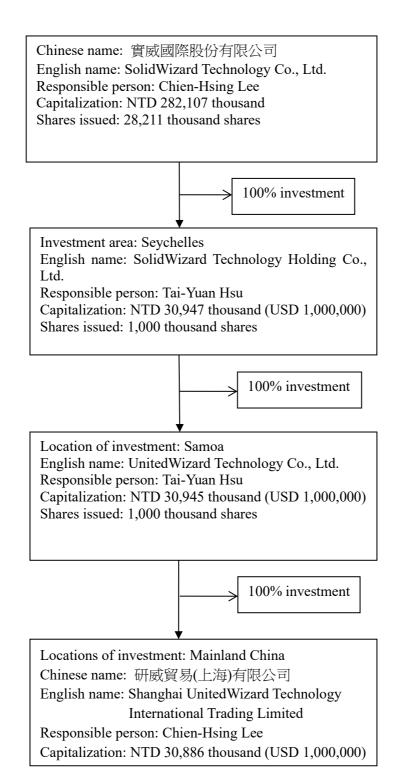
Information security objectives: The Companys information security objectives are to ensure the confidentiality, integrity, availability, and compliance of various services, establish system security enhancement standards, establish and practice internal software and hardware equipment safety baseline. We define and measure the quantitative indicators of information security performance according to each level and function to confirm the implementation status of the information security management system and whether it achieves information security goals.

Specific implementation measures: Through internal review and assessment of its security regulations and procedures, the IT department implements the internal control system - computer operation cycle guidelines formulated by the Company in accordance with the procedures to ensure the integrity and security of the Companys data.

VII. Other important matters: None

## Six. Special Notes

- I. Information on affiliates in the most recent year
  - (I) Consolidated business report of affiliated enterprises in the most recent year (2024)
    - 1. Organizational chart of affiliates



## 2. Basic information of affiliates

Company name	Date of establishment	Location of the Company Paid-in capital		Main business items
SolidWizard Technology Holding Co., Ltd.	2008.10.30	Seychelles	NTD 30,947 thousand (USD\$1,000,000)	Holding and re-investment affairs
UnitedWizard Technology Co., Ltd.	2008.11.12	Samoa	NTD 30,945 thousand (USD\$1,000,000)	Holding and re-investment affairs
Shanghai UnitedWizard Technology International Trading Limited	2009.04.14	Mainland China	NTD 30,886 thousand (USD\$1,000,000)	Electronic information supply service and information software wholesale business

3. Information on directors, supervisors, and presidents of affiliated companies

Company name	Job Title	Name or Representative	Number of shares held	Shareholding ratio
SolidWizard Technology Holding Co., Ltd.	Representative	HSU,TAI-YUAN	1,000 thousand shares	100%
UnitedWizard Technology Co., Ltd.	Representative	HSU,TAI-YUAN	1,000 thousand shares	100%
Shanghai UnitedWizard Technology International Trading Limited	Responsible Person	Chien-Hsing Lee	Note	100%

Note: UnitedWizard Technology International Trading is a limited liability company.

# 4. Operational overview of each affiliated enterprise

							Unit: N I I	D thousands
Company name	Capitalization	Total assets	Total liabilities	Net worth	Operating revenue	Operating profit (loss)	Profit (loss) for the year (after tax)	Earnings per share (after tax)
SolidWizard Technology Holding Co., Ltd.	30,947	195,348	38,585	156,763	0	1,206	13,420	-
UnitedWizard Technology Co., Ltd.	30,945	195,295	38,290	157,005	0	1,206	13,419	-
UnitedWizard Technology International Trading Co., Ltd.	30,886	195,200	37,995	157,205	167,920	1,206	13,418	-

- (II) Consolidated financial statements of affiliated enterprises:
  - 1. The consolidated financial statements of the affiliated enterprises are prepared in the same manner as the Company and the subsidiary Shanghai UnitedWizard Technology International Trading Limited.
  - 2. Declaration: Please refer to Page 148 of this annual report.
- (III) Affiliation report: None.
- II. Private placement of securities in the last year up till the publication date of this annual report: None.

- III. Other matters required for supplementary explanation: Commitments not yet completed required for TWSE/TPEx listed companies.
  - (I) The Company commits to add the following clause in the "Procedures for the Acquisition and Disposal of Assets": "The Company shall not give up its capital increase in SolidWizard Technology Holding Co.,Ltd. in the future fiscal years; SolidWizard Technology Holding Co.,Ltd. shall not give up its capital increase in UnitedWizard Technology in the future fiscal years; UnitedWizard Technology Co.,Ltd. shall not give up its capital increase in Shanghai UnitedWizard Technology International Trading Limited in the future fiscal years. In the future, if the Company needs to give up its capital increase or proceed with the disposal of the shares mentioned above due to strategic alliance considerations or other reasons agreed by the Center, it shall be approved by a special resolution of the Companys board of directors." In case of subsequent amendments to the Procedures, it shall be entered into the Market Observation Post System (MOPS) for material information disclosure and reported to Taipei Exchange for reference.

Implementation status: The above commitments will be fulfilled by the Company in accordance with the relevant rules and procedures of Taipei Exchange.

Independent Auditors' Report

(114) Letter Cai-Shen-Bao-Zi No. 24005040

To: SOLIDWIZARD TECHNOLOGY CO., LTD.

# **Audit Opinions**

We have audited the accompanying Parent Company Only Statement of Financial Position of SolidWizard Technology Co., Ltd. as of December 31, 2024 and 2023, and the parent company only statements of comprehensive income, changes in equity and cash flow for the years then ended, and the notes to the Parent Company Only Financial Statements, including a summary of significant accounting policies.

In our opinion, the accompanying Parent Company Only Financial Statements present fairly in all material respects, the financial position of the Company as of December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

# Basis for the audit opinion

We conducted our audit in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by entrusted Certified Public Accountants and auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements section of our report. We are independent of SolidWizard Technology Co., Ltd. in accordance with The Norm of Professional Ethics for Certified Public Accountants 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 audit opinion.

## **Key audit matters**

The key audit matters refer to the most important matters in the audit of the 2024 parent company only financial statements of SolidWizard Technology Co., Ltd. based on the professional judgment of the accountant. These matters were addressed in our audit of the parent company only financial statements as a whole, and in forming our audit opinion. We do not provide a separate opinion on these matters.

The key audit matters of the 2024 parent company only financial statements of SolidWizard Technology Co., Ltd. are as follows:

## **Inventory valuation**

## **Item Description**

For the accounting policy of inventory valuation, please refer to Note IV(XII) of the parent company only financial statements; for the uncertainty of accounting estimates and assumptions of inventory valuation, please refer to Note V(II) of the parent company only statements; for descriptions of inventory accounting items, please refer to the parent company only statements Note VI(IV).

The main business item of SolidWizard Technology Co., Ltd. is information software sales. These inventories are affected by market demand and competition from manufacturers, and the risk of inventory price loss is higher. Since the amount of inventory of SolidWizard Technology Co., Ltd. is significant, and identifying depreciated and obsolete inventory often involves subjective judgment, the accountant listed the estimate of inventory valuation loss allowance as one of the key audit matters this year.

## Corresponding audit procedures

The main audit procedures that we have performed are as follows:

- 1. Assessing the policy adopted for the allowance for devaluation of inventories according to our understanding of the operation of SolidWizard Technology Co., Ltd. and the nature of the industry.
- 2. Whether the market price basis for testing the net realizable value is consistent with the policy set by the SolidWizard Technology Co., Ltd., and whether the calculation of the selling price and the net realizable value of individual inventory material numbers is correct.
- 3. Obtaining the details of obsolete inventory identified by the management, reviewing the relevant documents and reconciling the accounting records.

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

Management is responsible for the preparation and fair presentation of the Parent Company Only Financial Statements in accordance with the Regulation Governing the Preparation of Financial Reports by Securities Issuers, and for such internal control as management determines is necessary to enable the preparation of Parent Company Only Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Parent Company Only Financial Statements, the management is responsible for assessing SolidWizard Technology Co., Ltd.'s capability 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 SolidWizard Technology Co., Ltd., or to cease operations, or has no realistic alternative but to do so.

The governance unit (including the Audit Committee) of the SolidWizard Technology Co., Ltd. is responsible for supervising the financial reporting process.

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

Our objectives are to obtain reasonable assurance on whether the Parent Company Only Financial Statements as a whole are free from material misstatement arising from fraud or error, and to issue an independent auditors report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit in accordance with the Auditing Standards of the Republic of China will always detect material misstatements in the Parent Company Only Financial Statements. Misstatements can arise from fraud or error. If the individual amounts or the aggregate amount can be reasonably expected to influence the economic decisions of the users of the parent company only financial statements, the misstatements are considered material.

We exercise professional judgment and skepticism during the audit in accordance with the Auditing Standards of the Republic of China. We also perform the following tasks:

- 1. Identify and assess the risks of material misstatement of the Parent Company Only Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. Because fraud may involve collusion, forgery, intentional omission, misstatement or violation of internal control, the risk of material misstatement resulting from fraud is higher than that resulting from error.
- 2. Obtain necessary understanding of the internal control related to the audit in order to design appropriate audit procedures under the circumstances, but the purpose is not to express an opinion on the effectiveness of the internal control of the Company.
- 3. Evaluate the appropriateness of the accounting policies adopted by the management and the reasonableness of the accounting estimates and related disclosures made by the management.
- 4. Conclude on the appropriateness of the managements use of the going concern basis of accounting based on the audit evidence obtained, and whether a material uncertainty exists for events or conditions that may cast significant doubt on the Companys ab ility to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors report to the related disclosures in the Parent Company Only Financial Statements or, if such disclosures are inappropriate, to modify our opinion. Our conclusion is based on the audit evidence obtained up to the date of the audit report. However, future events or conditions may cause the Company to cease to continue to operate.

- 5. Evaluate the overall presentation, structure, and content of the parent company only financial statements (including related notes), and whether the parent company only financial statements adequately present related transactions and events.
- 6. Obtain sufficient and appropriate audit evidence for the financial information of the entities in the Company, in order to express an opinion on the parent company only financial statements. We are responsible for the guidance, supervision and implementation of the parent company only audit, and we are responsible for forming an audit opinion on the parent company only financial statements.

The matters communicated between us and the governing body include the planned scope and time of the audit, and major audit findings (including significant deficiencies in internal control identified during the audit).

We also provided the governing body with a declaration that we have complied with relevant ethical requirements regarding independence, and we communicated with them all relationships that may be thought to undermine our independence and other matters (including related protective measures).

From the matters communicated with those charged with governance, we determined those matters that were of most significance in the audit of the Companys Parent Company Only Financial Statements for the year ended December 31, 2024 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter shall 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.

PwC Taiwan

Hui-Tzu Yang

Certified Public Accountant

Sung-Tse Wang

**Financial Supervisory Commission** 

Approval Letter No.: Jin-Guan-Zheng-Shen-Zi No. 1130350413 Approval Letter No.: Jin-Guan-Zheng-Shen-Zi No. 1110349013

March 7, 2025



Unit: NTD thousands

			The Control of the State	December 31, 2024	December 31, 2023	December 31, 2023		
	Assets	Notes		Amount	%	Amount	%	
	Current assets							
1100	Cash and cash equivalents	VI (I)	\$	898,891	47	\$ 808,327	45	
1110	Financial assets at fair value through profit or loss - current	VI (II)		21,551	1	21,241	1	
1150	Net notes receivable	VI (III)		82,669	4	76,696	4	
1170	Net accounts receivable	VI (III) and VII		354,738	19	319,601	18	
130X	Inventory	VI (IV)		102,960	6	143,142	8	
1410	Prepayments			3,730	-	15,611	1	
1470	Other current assets			3,752		4,613		
11XX	Total current assets			1,468,291	77	1,389,231	77	
	Non-current assets							
1517	Financial assets measured at fair value through other comprehensive income - non-current	VI (VI)		25,800	1	25,800	2	
1550	Investment under equity method	VI (V)		156,763	8	138,451	8	
1600	Property, plant and equipment	VI (VII) and VIII		223,736	12	214,110	12	
1755	Right-of-use assets	VI (VIII)		7,256	1	7,532	-	
1780	Intangible assets			778	-	1,360	-	
1840	Deferred income tax assets	VI (XIX)		8,575	1	8,268	1	
1930	Long-term notes and accounts receivable			310	-	1,095	-	
1990	Other non-current assets - others			6,223		7,043		
15XX	Total non-current assets			429,441	23	403,659	23	
1XXX	Total assets		\$	1,897,732	100	\$ 1,792,890	100	

(continued on next page)



Unit: NTD thousands

		No.	December 31, 2024			December 31, 2023	
	Liabilities and equity	Notes Amount 9				Amount	%
	Current liabilities						
2130	Contract liabilities - current	VI (XIV)	\$	4,310	-	\$ 5,330	1
2150	Notes payable			1,314	-	1,314	-
2170	Accounts payable	VII		198,943	11	202,443	11
2200	Other payables	VI (IX)		95,607	5	82,609	5
2230	Current income tax liabilities			40,406	2	37,257	2
2280	Lease liabilities - current			5,063	-	3,922	-
2399	Other current liabilities - Other			2,426		1,154	
21XX	Total current liabilities			348,069	18	334,029	19
	Non-current liabilities						
2570	Deferred income tax liabilities	VI (XIX)		27,038	2	23,213	1
2580	Lease liabilities - non-current			2,395	-	3,761	-
2640	Net defined benefit liabilities - non-current	VI (X)		5,551	<u>-</u>	7,019	1
25XX	Total non-current liabilities			34,984	2	33,993	2
2XXX	Total liabilities			383,053	20	368,022	21
	Equity						
	Share capital	VI (XI)					
3110	Common stock capital			282,107	15	282,107	16
	Capital reserve	VI (XII)					
3200	Capital reserve			132,625	7	132,625	7
	Retained earnings	VI (XIII)					
3310	Legal reserve			326,249	17	297,382	17
3320	Special reserves			4,837	-	2,801	-
3350	Undistributed earnings			762,021	40	707,027	39
	Other equity						
3400	Other equity		-	6,840	1	2,926	
3XXX	Total equity			1,514,679	80	1,424,868	79
	Material contingent liabilities and unrecognized contractual commitments	IX					
	Significant subsequent events	XI					
3X2X	Total liabilities and equity		\$	1,897,732	100	\$ 1,792,890	100

The attached notes to the parent company only financial statements are an integral part of the parent company only financial statements.









Unit: NTD thousands (Except for earnings per share in NTD)

	Item	Item Notes		2024 Amount		%	Amount			%
4000	Operating revenue	VI (XIV) and VII					•		_	
5000	Operating cost	VI (IV) and VII	\$	1,377,918	,	100	\$	1,260,260	,	100
5900	Gross operating profit	v1 (1 v ) una v11		689,099)	_	<u>50</u> )	(	586,420)	_	46
3700	Operating expenses	VI (X) (XVIII)		688,819	_	50		673,840	_	54
6100	Promotion expenses	VI (X) (X VIII)		156.540)	,	10)	,	162.020	,	10
6200	Administrative expenses		(	176,549)	(	13)		163,028)	•	13
6300	R&D expenses		(	62,309)	(	4)	(	59,144)	•	5
6450	Expected credit impairment gain (loss)	XII (II)	(	112,092)	(	8)	(	108,006)	(	9
6000	Total operating expenses	All (II)		6,396	_			6,548)	_	
6900				344,554)	_	25)		336,726)	_	27
0900	Operating profit			344,265	_	25		337,114	_	27
7100	Non-operating income and expenses	VII (VIV)								
7100	Interest revenue	VI (XV)		8,478		1		5,175		-
7010	Other income	VI (XVI)		22,174		2		6,972		1
7020	Other gains and losses	VI (II) (VIII) (XVII)		1,836		_		2,177		_
7050	Financial cost	VI (VIII)	(	134)		_	(	74)		_
7070	Share of profit or loss of subsidiaries, affiliates and joint ventures accounted for using equity	VI (V)		,				ŕ		
7000	method  Total non-operating income and expenses			13,420	_	1		10,658	_	1
7000				45,774		4		24,908	_	2
7900 7950	Net profit before tax	VI (XIX)		390,039		29		362,022		29
	Income tax expense	VI (XIX)	(	79,539)	_	<u>6</u> )		73,414)	_	6
8200	Net income for the period		\$	310,500	_	23	\$	288,608	_	23
	Other comprehensive income (net amount)									
	Items not reclassified to profit or loss									
8311	Remeasurement of defined benefit plan	VI (X)	\$	1,354		-	\$	80		-
8349	Income tax related to items not subject to reclassification	VI (XIX)	(	271)			(	16)		
8310	Total of items not reclassified to profit or loss			1,083		<u> </u>		64		
	Items that may be reclassified subsequently to profit or loss									
8361	Exchange differences on translation of financial statements of foreign operations	VI (V)		4,892		-	(	2,545)		-
8399	Income tax related to items that may be reclassified	VI (XIX)	(	978)				509		_
8360	Total amount of items that may be reclassified subsequently to profit or loss			3,914			(	2,036)		_
8300	Other comprehensive income (net amount)		\$	4,997			(\$	1,972)		-
8500	Total comprehensive income for the period		\$	315,497	_	23	\$	286,636		23
	Earnings per share	VI (XX)								
9750	Basic earnings per share		\$			11.01	\$			10.23
9850	Diluted earnings per share		\$			10.99	\$			10.21

The attached notes to the parent company only financial statements are an integral part of the parent company only financial statements.

Chairman: Chien-Hsing Tee

Manager: Tai-Yuan Hall



Retained earnings

Unit: NTD thousands

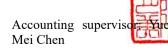
Other equity

	Notes	Commo	n stock capital		reserve - issuance	Leg	gal reserve	Special	reserves	Undist	ributed earnings	tran	hange differences on aslation of financial attements of foreign operations		Unrealized gains or losses on financial assets measured at fair value through other comprehensive income	Т	Cotal equity
2023															•		
Balance on January 1, 2023		\$	282,107	\$	132,625	\$	266,655	\$	3,928	\$	673,641	(\$	2,801	)	\$ 7,763	\$	1,363,918
Net income for the period									_		288,608						288,608
Other comprehensive income in the current period			<u>-</u>		<u>-</u>		<u>-</u>		<u>-</u>		64		2,036	)			1,972 )
Total comprehensive income for the period			<u>-</u>		<del>_</del>		<u>-</u>		<u> </u>		288,672	(	2,036	)			286,636
Earnings appropriation and distribution for VI (X 2022	.III)																
Legal reserve			-		-		30,727		-	(	30,727 )		-		-		-
Special reserves			-		-		-	(	1,127 )		1,127		-		-		-
Cash dividends			<u> </u>		<u> </u>		<u>-</u>			(	225,686 )		<u> </u>		<del>_</del>	(	225,686 )
Balance on December 31, 2023		\$	282,107	\$	132,625	\$	297,382	\$	2,801	\$	707,027	(\$	4,837	)	\$ 7,763	\$	1,424,868
<u>2024</u>						-											
Balance as of January 1, 2024		\$	282,107	\$	132,625	\$	297,382	\$	2,801	\$	707,027	(\$	4,837	)	\$ 7,763	\$	1,424,868
Net income for the period		_	-	_	-		-	_	-	_	310,500	_	-		-	_	310,500
Other comprehensive income in the current period			<u>-</u>		<u> </u>		<u>-</u>		<u> </u>		1,083		3,914				4,997
Total comprehensive income for the period			<u>-</u>		<u>-</u>		<del>_</del>		<u> </u>		311,583		3,914				315,497
Earnings appropriation and distribution for VI (X 2023	.III)																
Legal reserve			-		-		28,867		-	(	28,867 )		-		-		-
Special reserves			-		-		-		2,036	(	2,036 )		-		-		-
Cash dividends					<u>-</u>					(	225,686 )		<u>-</u>		<u>=</u>	(	225,686)
Balance as of December 31, 2024		\$	282,107	\$	132,625	\$	326,249	\$	4,837	\$	762,021	(\$	923	)	\$ 7,763	\$	1,514,679

The attached notes to the parent company only financial statements are an integral part of the parent company only financial statements.







Unit: NTD thousands

	Notes	January 1	to December 31, 2024	January 1 to December 31, 2023		
Cash flow from operating activities						
Net income before tax for the current period		\$	390,039	\$	362,022	
Adjustment item						
Income and expenses						
Depreciation expense	VI (VII) (VIII) (XVIII)		13,201		10,464	
Amortization expense	VI (XVIII)		1,582		1,981	
Expected credit impairment (reversal gain) loss	XII (II)	(	6,396 )		6,548	
Interest revenue	VI (XV)	(	8,478 )	(	5,175 )	
Interest expense	VI (VIII)		134		74	
Share of profit of subsidiaries under equity method	VI (V)	(	13,420 )	(	10,658 )	
Losses (gains) on the disposal of property, plant and equipment	VI (XVII)		5	(	1,680 )	
Gains on leasehold improvement	VI (XVII)	(	6)	`	-	
Net gain on financial assets at fair value through profit or loss	VI (II) (XVII)	ì	310 )	(	247 )	
Changes in assets/liabilities related to operating activities		`	,		,	
Net changes in assets related to operating activities						
Notes receivable		(	6,068 )		3,603	
Accounts receivable		(	28,741 )	(	15,458 )	
Inventory		,	24,940	(	95,213 )	
Prepayments			11,881	(	3,081	
Other current assets			861		2,133	
Long-term notes and accounts receivable			880	(	1,254 )	
Other non-current assets - others			281	(	2,658	
Net changes in liabilities related to operating activities			201		2,038	
Contract liabilities - current		(	1,020 )	(	19,974 )	
Accounts payable		(		(	99,910	
Other payables		(	3,500 )	(		
Other current liabilities - Other			12,143	(	2,062 )	
Net defined benefit liabilities			1,272	(	1,707 )	
Cash inflow from operations		(	2025 )	(	230 )	
Interest paid		,	389,166		338,816	
Interest paid  Interest received		(	134 )	(	74 )	
Income tax paid		,	8,478		5,175	
Net cash inflow from operating activities		(	74,121 )	(	74,480 )	
			323,389		269,437	
Cash flow from investing activities	ATL (MAXI)					
Proceeds from acquisition of property, plant and equipment	VI (XXI)	(	1,371 )	(	7,510 )	
Proceeds from the disposal of property, plant and equipment	ATL (MAXI)		-		1,680	
Acquisition of intangible assets	VI (XXI)	(	462 )	(	2,245 )	
Net cash outflow from investing activities		(	1,833 )	(	8,075	
Cash flow from financing activities						
Repayment of principal of lease liabilities	VI (XXII)	(	5,306 )	(	4,360 )	
Distribution of cash dividends	VI (XIII)	(	225,686)	(	225,686)	
Net cash outflow from financing activities		(	230,992 )	(	230,046)	
Increase in cash and cash equivalents in the current period			90,564		31,316	
Opening balance of cash and cash equivalents			808,327		777,011	
Closing balance of cash and cash equivalents		\$	898,891	\$	808,327	

The attached notes to the parent company only financial statements are an integral part of the parent company only financial statements.









Unit: NTD thousands (unless otherwise specified)

# I. Company History

SolidWizard Technology Co., Ltd. (hereinafter referred to as "the Company") was incorporated in the Republic of China in July 2005, and was listed for trading on the Taipei Exchange on September 19, 2012. The Company mainly engages in the R&D of IT software, electronic information supply service and wholesale of IT software.

# II. Approval Date and Procedure of Financial Statements

The parent company only financial statements were approved by the Board of Directors for release on March 7, 2025.

# III. Application of New and Amended Standards and Interpretations

(I) Effect of the adoption of the newly issued and amended IFRSs 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 listed as follows:

	Effective date by the
	International Accounting
New/revised/amending standards and interpretations	Standards Board (IASB)
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 Contract Terms"	January 1, 2024
Amendments to IAS 7 and IFRS 7 "Supplier Financing Arrangements"	January 1, 2024

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

# (II) Effect of new issuances of or amendments to IFRSs as endorsed by the FSC but not yet adopted by the Company

The following table summarizes the newly issued, amended, and revised standards and interpretations of the International Financial Reporting Standards accounting standards approved by the Financial Supervisory Commission for application in 2025:

	Effective date by the
	International Accounting
New/revised/amending standards and interpretations	Standards Board (IASB)
Amendments to IAS No. 21 "Lack of Exchangeability"	January 1, 2025

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

# (III) Effect of IFRSs issued by the IASB but not yet endorsed by the FSC

The newly issued, amended and revised standards and interpretations of International Financial Reporting Standards (IFRS) issued by the IASB but not yet endorsed by the FSC are listed below:

	Effective date by the
	International Accounting
New/revised/amending standards and interpretations	Standards Board (IASB)
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 Involving Non-Contractual Renewable Electricity"	January 1, 2026
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between An	To be determined by the
Investor and Its Associate or Joint Venture"	International Accounting
	Standards Board (IASB)
IFRS 17 "Insurance Contracts"	January 1, 2023
Amendment to IFRS 17 "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17 "Initial Application of IFRS 9 and IFRS 17 - Comparative Information"	January 1, 2023
IFRS No. 18 "Presentation and Disclosures of 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

Effective date by the

Except as described below, the Company has assessed that the above standards and interpretations will not have a material impact on the Company's financial position and financial performance:

- 1. IFRS 18 "Presentation and Disclosure in Financial Statements" International Financial Reporting Standard No. 18 "Presentation and Disclosure in Financial Statements" replaces International Accounting Standard No. 1, updates the structure of the statement of profit or loss and other comprehensive income, introduces new disclosures on management performance measures, and enhances the aggregation and disaggregation principles applied in the primary financial statements and notes.
- IFRS 19 "Subsidiaries without Public Accountability: Disclosures"
   This standard permits eligible subsidiaries to apply IFRS Accounting Standards with reduced disclosure requirements.

#### IV. Summary of Significant Accounting Policies

The principal accounting policies adopted in the preparation of the parent company only financial statements are as follows. These policies have been consistently applied to all the periods presented, unless otherwise stated.

# (I) Compliance Statement

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

#### (II) Basis of preparation

- 1. Except for the following important items, the parent company only financial statements are prepared at historical cost:
  - (1) Financial assets and liabilities measured at fair value through profit or loss.
  - (2) Financial assets and liabilities measured at fair value through other comprehensive income.
  - (3) Defined benefit liabilities recognized at the net value of the pension fund assets deducting the present value of the defined benefit obligation.
- 2. The preparation of financial statements in conformity with International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the FSC (collectively referred herein as the "IFRS") requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the parent company only financial statements are disclosed in Note V.

#### (III) Foreign currency translation

The items listed in the financial statements of each entity in the Company are measured using the currency of the primary economic environment in which the entity operates (i.e. the functional currency). The presentation currency of the parent company only financial statements is the functional currency of the Company, which is the "NTD".

- 1. Transactions and balances in foreign currencies
  - (1) Foreign currency transactions are translated into the functional currency at the spot exchange rate on the transaction date or measurement date, and the translation differences arising from the translation of such transactions are recognized in profit or loss for the current period.
  - (2) The balance of monetary assets and liabilities denominated in foreign currencies is evaluated and adjusted according to the spot exchange rate on the Statement of Financial Position date, and the translation difference arising from the adjustment is recognized in the current profit or loss.
  - (3) For the balance of non-monetary assets and liabilities denominated in foreign currencies measured at fair value through profit or loss, they are adjusted using the spot exchange rate on the Statement of Financial Position date, and the exchange difference arising from the adjustment is recognized in profit or loss for the current period. For those measured at fair value through comprehensive income, it is adjusted according to the spot exchange rate on the Statement of Financial Position date, and the exchange difference arising from the adjustment is recognized in other comprehensive income; for those that are not measured at fair value, they will be measured by the historical exchange rate measurement on the initial trading date.
  - (4) All foreign exchange gains and losses are presented in the "other gains and losses" of the income statement.

#### 2. Translation of foreign operations

- (1) For all company entities, affiliates and joint agreements for which the functional currency is different from the presentation currency, the operating results and financial position shall be translated into the presentation currency in the following manners:
  - A. Assets and liabilities expressed in each Statement of Financial Position are translated at the closing exchange rate on the Statement of Financial Position date;
  - B. The income, expenses and losses expressed in each Statement of Comprehensive Income are translated at the average exchange rate of the current period; and
  - C. All exchange differences arising from translation are recognized in other comprehensive income.
- (2) When a foreign operation that is partially disposed of or sold is a subsidiary, the accumulated exchange differences recognized in other comprehensive income are re-attributable to the non-controlling interests of the foreign operation on a pro rata basis. However, if the Company still retains part of the equity of the former subsidiary but has lost the control over the subsidiary of the foreign operating organization, it will be treated as a disposal of all the equity of the foreign operating organization.

#### (IV) Classification criteria for current and non-current assets and liabilities

- 1. Assets that meet one of the following conditions are classified as current assets:
  - (1) The asset is expected to be realized, intended to be sold or consumed in the normal business cycle.
  - (2) Those held mainly for the purpose of trading.
  - (3) Expected to be realized within 12 months after the Statement of Financial Position date.
  - (4) Cash or cash equivalents, except for those to be exchanged or used to settle liabilities for at least 12 months after the Statement of Financial Position date.

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

- 2. Liabilities that meet one of the following conditions are classified as current liabilities:
  - (1) Those that are expected to be settled in the normal business cycle.
  - (2) Those held mainly for the purpose of trading.

- (3) Those that are expected to be settled within 12 months after the Statement of Financial Position date.
- (4) Those that do not have the right to defer settlement of the liability for at least twelve months after the reporting period.

The Company classifies all liabilities that do not meet the above conditions as non-current.

# (V) Cash equivalents

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

#### (VI) Financial assets measured at fair value through profit or loss

- 1. Financial assets that are not measured at amortized cost or at fair value through other comprehensive income.
- 2. The Company adopts trade date accounting for financial assets measured at fair value through gains and losses that are customary transactions.
- 3. The Company measures at fair value at the time of initial recognition, and the related transaction costs are recognized in profit or loss; subsequently, they are measured at fair value, and the profit or loss is recognized in profit or loss.
- 4. When the right to receive dividends is established, the economic benefits related to the dividends are likely to inflow, and the amount of dividends can be reliably measured, the Company shall recognize the dividends in the profit or loss.

#### (VII) Financial assets measured at fair value through other comprehensive income

- 1. Refers to an irrevocable choice at initial recognition to report changes in the fair value of equity instrument investments that are not held for trading in other comprehensive income.
- 2. The Company adopts trade date accounting for financial assets measured at fair value through other comprehensive income in line with trading practices.
- 3. The Company measures the fair value plus transaction cost at the time of initial recognition, and then measures at fair value. Changes in fair value of equity instruments are recognized in other comprehensive income, and at the time of derecognition, the accumulated profit or loss previously recognized in other comprehensive income shall not be reclassified as profit or loss and transferred to retained earnings. When the right to receive dividends is established, the economic benefits related to the dividends are likely to inflow, and the amount of dividends can be reliably measured, the Company shall recognize the dividends in the profit or loss.

#### (VIII) Accounts and notes receivable

- 1. Refer to accounts and notes with the unconditional right to receive the amount of consideration exchanged for the transfer of goods or services as agreed in the contract.
- 2. For short-term accounts and notes receivable with unpaid interest, as the discounting effect is insignificant, the Company measures them at the original invoice amount.

#### (IX) Impairment of financial assets

On each Statement of Financial Position date, the Company considers all reasonable and verifiable information (including forward-looking types) with respect to accounts receivable or contractual assets that comprise of a significant portion of its financial components. If the credit risk has not increased significantly since the initial recognition, the allowance loss is measured at the 12-month expected credit loss amount; if the credit risk has increased significantly since the initial recognition, the allowance loss is measured at the lifetime expected credit loss amount; it does not include the accounts receivable or contract assets that comprise a significant portion of its financial components, and the allowance for loss is measured at the lifetime expected credit losses.

# (X) <u>Derecognition of financial assets</u>

When the contractual right to receive the cash flow from the financial asset expires, the financial asset will be derecognized.

#### (XI) Lease transactions with lessees - right-of-use assets/lease liabilities

- 1. Lease assets are recognized as right-of-use assets and lease liabilities when they are available for use by the Company. When the lease contract is a short-term lease or the lease of the underlying asset of low value, the lease payment is recognized as an expense using the straight-line method over the lease period.
- 2. Lease liabilities are recognized by discounting the unpaid lease payments at the present value of the Company's incremental borrowing rate at the commencement date of the lease. Lease payments include fixed payments less any lease incentives receivable.
  - Subsequent adoption of the interest method and the amortized cost method, and the interest expense is recognized during the lease term. When the lease period or lease payment changes other than contract modification, the lease liabilities will be reassessed and the right-of-use assets will be remeasured.
- 3. Right-of-use assets are recognized at cost on the lease start date, including:
  - (1) The initially measured amount of the lease liability;
  - (2) Any lease payment paid on or before the commencement date;

The subsequent measurement is based on the cost model, and the depreciation expense is accrued at the earlier of the useful life of the right-of-use assets or the end of the lease term. When the lease liability is reassessed, the right-of-use asset will adjust any remeasurement of the lease liability.

#### (XII) Inventory

Inventories are measured at the lower of cost or net realizable value, and the cost is determined in accordance with the weighted average method. When comparing the lower of the cost or the net realizable value, the item-by-item comparison method is adopted. The net realizable value refers to the estimated selling price in the normal business process less the estimated cost of completion and the estimated cost of sales balance.

# (XIII) <u>Investment under equity method/subsidiary</u>

- 1. Subsidiaries are all entities (including structured entities) controlled by the Company. The Company controls an entity when the Company 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.
- 2. The unrealized gains and losses arising from the transactions between the Company and its subsidiaries have been written off. Accounting policies of subsidiaries have been adjusted where necessary to ensure consistency with the policies adopted by the Company.
- 3. The share of profit or loss after the acquisition of the subsidiary by the Company is recognized as the current profit or loss, and the share of other comprehensive income after the acquisition of the subsidiary is recognized as other comprehensive income. If the share of loss recognized by the Company in a subsidiary equals or exceeds the equity in the subsidiary, the Company continues to recognize losses in proportion to its shareholding.
- 4. Changes in a parent's ownership interest in a subsidiary that do not result in the parent losing control of the subsidiary (transactions with non-controlling interests) are accounted for as equity transactions, i.e. transactions with owners in their capacity as owners. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity.
- 5. According to the "Regulations Governing the Preparation of Financial Reports by Securities Issuers", the profit or loss during the period and other comprehensive income presented in parent company only financial reports shall be the same as the allocations of profit or loss during the period and of other comprehensive income attributable to owners of the parent presented in the financial reports prepared on a consolidated basis; and the owners equity presented in the parent company only financial report s shall be the same as the equity attributable to owners of the parent presented in the financial reports prepared on a consolidated basis.

#### (XIV) Property, plant and equipment

- 1. Property, plant and equipment are recorded at acquisition cost.
- 2. The subsequent cost is included in the book value of the asset or recognized as an individual asset only when the future economic benefits related to the item are likely to flow into the Company and the cost of the item can be reliably measured. The book value of the replaced part shall be derecognized. All other maintenance expenses are recognized in profit or loss for the current period when incurred.
- 3. The cost model is adopted for the subsequent measurement of property, plant and equipment. Except for land that is not depreciated, the depreciation is calculated using the straight-line method according to the estimated service life. Significant properties, plant and equipment are depreciated separately.
- 4. The Company reviews the residual value, useful life and depreciation method of each asset at the end of each fiscal year. If the residual value and expected useful life are different from the previous estimates, or if there is a significant change in the expected consumption pattern of benefits in the future economic benefits, the Company shall follow IAS 8 "Accounting Policies, Changes and Errors in Accounting Estimates" from the date of the change in accounting estimates. The durability of each asset is as follows:

**Buildings** 

Houses 35 - 50 years
Decoration project 2-5 years
Office equipment 2-3 years
Leasehold improvements 3 years

#### (XV) <u>Intangible assets</u>

The Company's intangible assets is computer software recognized at the original cost and amortized using the straight-line method over their estimated useful lives of 1 to 3 years.

# (XVI) <u>Impairment of non-financial assets</u>

On the Statement of Financial Position date, the recoverable amount of assets with signs of impairment is estimated. When the recoverable amount is lower than the book amount, it is recognized as impairment loss. The recoverable amount is the fair value of an asset less the cost of disposal or its value in use, whichever is higher. When the impairment loss of the asset recognized in prior years does not exist or decreases, the impairment loss is reversed. However, the book value of an asset increased by the reversal of the impairment loss shall not exceed the book value obtained after deducting depreciation or amortization under the circumstance when the asset was not recognized for impairment loss.

# (XVII) Accounts and notes payable

- 1. Refers to debts incurred from the purchase of raw materials, commodities or labor services on credit, and notes payable due to business and non-business reasons.
- 2. For short-term accounts and notes payable with unpaid interest, as the discounting effect is insignificant, the Company measures them at the original invoice amount.

## (XVIII) Derecognition of financial liabilities

The Company derecognizes financial liabilities when the contractual obligations are fulfilled, cancelled or expired.

#### (XIX) Employee benefits

1. Short-term employee benefits

Short-term employee benefits are measured by the non-discounted amount expected to be paid, and are recognized as expenses when the related services are provided.

#### 2. Pension

(1) Definite contribution plan

For the defined contribution plan, the amount that should be allocated to the pension fund is recognized as the current pension cost on an accrual basis. Prepaid allocations are recognized as assets within the scope of refundable cash or reduced future payments.

# (2) Defined benefit plan

- A. The net obligation under the defined benefit plan is calculated by discounting the future benefit amount earned by employees in the current period or in the past, and the present value of the defined benefit obligation on the Statement of Financial Position date less the fair value of the planned assets. The net defined benefit obligation is calculated by the actuary using the projected unit benefit method every year, and the discount rate is determined by reference to the market yield rate of the high-quality corporate bond on the Statement of Financial Position date and the currency and period; for countries without a deep market, the market yield rate of government bonds (on the Statement of Financial Position date) is used.
- B. The remeasurement of the defined benefit plan is recognized in other comprehensive income in the period in which it occurs, and is expressed in the retained earnings.
- C. Expenses related to the service cost in the previous period are immediately recognized in profit or loss.
- 3. Remuneration to employees and directors and supervisors

Employees' remuneration and directors' remuneration are recognized as expenses and liabilities when they have legal or constructive obligations and the amount can be reasonably estimated. If there is any discrepancy between the actual distributed amount and the estimated amount, it will be treated as a change in accounting estimate. In the case of the distribution of employee remuneration in shares, the number of shares is calculated based on the closing price on the day before the date of the resolution of the board of directors.

#### (XX) Income tax

- 1. Income tax expenses include current and deferred income tax. Income tax is recognized in profit or loss, except for items included in other comprehensive income or directly in equity, which are recognized in other comprehensive income or directly in equity.
- 2. The Company calculates the income tax for the current period based on the tax rate that has been enacted or substantially enacted in the countries where the Company is operating and generating taxable income on the Statement of Financial Position date. The management regularly evaluates the status of income tax returns in accordance with applicable income tax related laws and regulations, and where applicable, estimated income tax liabilities are based on the expected tax payments to the taxing authorities. Undistributed earnings are subject to income tax in accordance with the Income Tax Act. The generated earnings will be approved by the shareholders' meeting in the following year and based on the actual distribution of earnings, recognized as income tax expense of undistributed earnings.

- 3. Deferred income tax is recognized in accordance with the Statement of Financial Position method based on the temporary difference between the tax bases of assets and liabilities and their carrying amounts in the Parent Company Only Statement of Financial Position. Deferred tax liabilities arising from the initial recognition of goodwill shall not be recognized. If the deferred tax arises from the initial recognition of an asset or liability in a transaction (other than a business combination) that, at the time of the transaction, affects neither accounting profit nor taxable income (tax loss) and does not give rise to equal taxable and deductible temporary differences, it shall also not be recognized. If the temporary difference generated by investing in subsidiaries, the Company can control the time point for the temporary difference to reverse, and the temporary difference is very likely not to be reversed in the foreseeable future, it is not recognized. Deferred income tax is based on the tax rate (and tax law) that has been enacted or substantially enacted at the Statement of Financial Position date and is expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.
- 4. Deferred income tax assets are recognized within the scope where the temporary difference is likely to be used to offset future taxable income, and the unrecognized and recognized deferred income tax assets are reassessed at each Statement of Financial Position date.

#### (XXI) Share capital

Common shares are classified as equity. The net amount after deducting income tax of the incremental cost directly attributable to the issuance of new shares or stock options is recognized as a reduction of price in equity.

#### (XXII) Dividend distribution

Dividends distributed to the Company's shareholders are recognized in the financial statements when the shareholders' meeting resolves to distribute dividends. Cash dividends are recognized as liabilities, and stock dividends are recognized as stock dividends to be distributed and transferred as common shares on the record date of issuance of new shares.

#### (XXIII) Revenue recognition

- 1. Sales of goods
  - (1) The Company sells information software and 3D printing machine related products, and the sales revenue is recognized when the control of the product is transferred to the customer, that is, when the product is delivered to the customer, and the Company has no outstanding performance obligations affecting the customer's acceptance of the product. When the product is transported to the designated location, the risk of obsolescence and loss has been transferred to the customer, and the customer accepts the product according to the sales contract, or there is objective evidence to prove that all acceptance standards have been met, the delivery of goods occurs.
  - (2) Accounts receivable are recognized when the goods are delivered to the customer, as the Company has an unconditional right to the contract price from that point on, and it only takes time to collect the consideration from the customer.
- 2. Labor revenue and information system consulting services
  - (1) The Company provides related services such as software certification, education and training, information system utilization analysis reports, and system improvement plans. The income from labor services and information system consulting services is recognized as income during the financial reporting period when the service is provided to the customer. Revenues from fixed price contracts are recognized based on the percentage of services actually provided as a percentage of the total services to be provided as of the Statement of Financial Position date. The completion percentage of services is determined based on the actual labor hours incurred to the estimated total labor hours. The customer pays the contract amount according to the agreed payment schedule. When the services provided by the Company exceed the payables, it is recognized as a contract asset; if the payables from the customer

- exceeds the services provided, it is recognized as a contract liability.
- (2) Some of the customer contracts include multiple commodities or services that should be delivered, such as hardware and software installation. In most cases, the installation is simple in nature, does not involve integration services, and can be performed by other companies, so the installation is identified as a separate performance obligation. The transaction price is allocated to each performance obligation in the contract based on the relative individual selling price. When the individual selling price is not directly observable, it is estimated using the expected cost plus profit method. If the contract includes the sale of hardware or software, the revenue from the hardware or software is recognized at the point when it is delivered to the customer, the legal title is transferred to the customer, and the customer has accepted the hardware or software.
- (3) The Company's estimates of income, cost and level of completion are revised subject to changes in circumstances. Any increase or decrease in estimated revenue or cost resulting from a change in estimate is reflected in profit or loss in the period in which the result of the revision is recognized by the management.

# V. Major Sources of Significant Accounting Judgments, Estimates, and Assumptions Uncertainty

When the Company prepared these parent company only financial statements, the management used its judgment to determine the accounting policies adopted, and made accounting estimates and assumptions based on the reasonable expectation of future events as of the Statement of Financial Position date. The significant accounting estimates and assumptions made may differ from the actual results. Historical experience and other factors will be considered for continuous evaluation and adjustment. These estimates and assumptions have risks that may result in significant adjustments to the book values of assets and liabilities in the next financial year. Please refer to the following descriptions of significant accounting judgments, estimates and uncertainties of assumptions:

(I) <u>Important judgments on the adoption of accounting policies</u> None.

#### (II) Important accounting estimates and assumptions

1. Assessment of loss allowance for accounts receivable

In the process of assessing the provision for loss, the Company must use judgment and estimate to determine the future recoverability of accounts receivable. The future recoverability is affected by many factors, such as the customer's financial position, historical transaction records and current economic conditions, and many other factors that may affect the customer's ability to pay. If there is doubt about its recoverability, the Company needs to assess the possibility of recovery of the account and make appropriate allowance for losses. The allowance for losses is based on the reasonable expectation of the future events as of the Statement of Financial Position date. In addition, the Company adjusts the loss rate established based on history in a specific period and current information to estimate the loss allowance of accounts receivable based on the global economic information for future-looking considerations. However, the actual results may be different from the estimation, thus, there might be a significant change. On December 31, 2024, the book value of the Companys accounts receivable amounted to NTD 354,738.

# 2. Inventory valuation

Since inventories must be valued at the lower of cost or net realizable value, the Company must use judgment and estimate to determine the net realizable value of inventories on the Statement of Financial Position date. Due to the impact of market competition, commodity prices may be vulnerable to fluctuations or product sales are not as expected. The Company assesses the amount of inventory on the Statement of Financial Position date due to obsolescence or no market sales value, and offsets the inventory cost to the net realizable value. The evaluation of inventory is mainly based on the demand for products in a specific period in the future, so there may be significant changes. On December 31, 2024, the book value of the Companys inventories was NTD 102,960.

# VI. <u>Description of significant accounting items</u>

# (I) Cash and cash equivalent

	Decen	nber 31, 2024	December 31, 2023		
Cash on hand and working capital	\$	265	\$	265	
Checking deposits and demand deposits		248,626		158,062	
Time deposit		650,000		650,000	
	\$	898,891	\$	808,327	

- 1. The credit quality of the financial institutions with which the Company interacts is good, and the Company interacts with many financial institutions to diversify credit risks, and the possibility of default is expected to be very low.
- 2. The Company does not put cash and cash equivalents up for pledge.

# (II) Financial assets measured at fair value through profit or loss

Item		December 31, 2024		December 31, 2023
Current items:				
Beneficiary certificates classified as financial assets				
mandatorily measured at fair value through profit or loss	\$	20,000	\$	20,000
Valuation adjustment		1,551		1,241
	\$	21,551	\$	21,241
The breakdown of financial assets measured at fair is as follows:	value	through profit or loss 1	ecog	gnized in profit or loss
is as follows:		2024		2023
Financial assets mandatorily measured at fair value through profit or loss				
Beneficiary certificate	\$	310	\$	247

<sup>2.</sup> The Company does not pledge financial assets measured at fair value through profit or loss.

# (III) Notes and accounts receivable

	Dec	cember 31, 2024	December 31, 2023			
Notes receivable	\$	82,669	\$	76,696		
	Dec	cember 31, 2024		December 31, 2023		
Accounts receivable	\$	360,441	\$	332,785		
Accounts receivable from related parties		202		2,361		
Less: Loss allowance	(	5,905)	(	15,545)		
	\$	354,738	\$	319,601		

1. The aging analysis of accounts receivable and notes receivable is as follows:

		December	31, 20	24	December 31, 2023					
	Accou	nts receivable	Note	es receivable	Accou	ints receivable	Not	es receivable		
Not past due	\$	343,965	\$	82,669	\$	315,271	\$	76,696		
Within 30 days of overdue		2,197		-		7,898		_		
Overdue 31-90 days		9,652		-		5,013		-		
Overdue 91-180 days		1,984		-		1,830		-		
Overdue for more than 181 days		2,845		<u>-</u>		5,134		<u>-</u>		
	\$	360,643	\$	82,669	\$	335,146	\$	76,696		

The above is an aging analysis based on the number of overdue days.

- 2. The balances of receivables (including notes receivable) of the Companys contracts with customers on December 31, 2024, December 31, 2023, and January 1, 2023 were NTD 443,312, NTD 411,842, and NTD 398,529, respectively.
- 3. The Company did not provide accounts receivable as collateral.
- 4. The best representation of the Company's maximum exposure to credit risk for (1) notes receivable and for (2) accounts receivable before consideration of associated collateral held or other credit enhancements were (1) NTD 82,669 and NTD 76,696, and (2) NTD 354,738 and NTD 319,601, as of December 31, 2024 and 2023, respectively.
- 5. Please refer to Note XII (II) for the credit risk information of related accounts receivable and notes receivable.

#### (IV) Inventories

	Decen	mber 31, 2024	December 3	31, 2023
Commodities	\$	133,900	\$	162,078
Less: Allowance for devaluation losses	(	30,940) (		18,936)
	\$	102,960	\$	143,142
Cost of inventories recognized as expense losses by	the Company	in the current perio	od:	
		2024	202	3
Cost of sold inventories	\$	•	202	585,611
		2024	202	
Cost of sold inventories		677,095	202	585,611

# (V) Investment under equity method

	2024		2023
January 1	\$ 138,451	\$	130,338
Share of investment profit or loss under equity method	13,420		10,658
Other changes in equity	 4,892	(	2,545)
December 31	\$ 156,763	\$	138,451

	 December 31, 2024	December 31, 2023
SolidWizard TechnologyHolding Co.,Ltd.	\$ 156,763	\$ 138,451

For information on the Companys subsidiaries, please refer to Note IV(III) to the Companys consolidated financial statements for 2024.

# (VI) Financial assets measured at fair value through other comprehensive income

Item	Decer	nber 31, 2024	Decen	iber 31, 2023
Equity instrument				
Non-listed, OTC, and emerging stocks	\$	16,096	\$	16,096
Valuation adjustment		9,704		9,704
Total	\$	25,800	\$	25,800

The Company chose to classify the equity investments that are strategic investments as financial assets measured at fair value through other comprehensive profit or loss. The fair values of these investments as of December 31, 2024 and 2023 were both NTD 25,800.

# (VII) Property, plant and equipment

					2024				
							Leasehold		
	 Land	_	Buildings	Of	fice equipment	iı	nprovements		Total
January 1									
Cost	\$ 157,644	\$	88,015	\$	25,136	\$	727	\$	271,522
Accumulated depreciation		(_	38,817)	(	18,487)	(	109)	(	57,413)
	\$ 157,644	\$	49,198	\$	6,649	\$	618	\$	214,109
January 1	\$ 157,644	\$	49,198	\$	6,649	\$	618	\$	214,109
Addition	-		-		2,032		196		2,228
Disposal	-		-	(	5)		-	(	5)
Reclassified (Note)					15,242				15,242
Depreciation expense	 	(_	1,629)	(	5,961)	(	248)	(	7,838)
December 31	\$ 157,644	<u>\$</u>	47,569	\$	17,957	<u>\$</u>	566	\$	223,736
December 31									
Cost	\$ 157,644	\$	88,015	\$	42,386	\$	923	\$	288,968
Accumulated depreciation	 	(_	40,446)	(	24,429)	(	357)	(	65,232)
	\$ 157,644	\$	47,569	\$	17,957	\$	566	\$	223,736

					2023				
							Leasehold		
	Land	_	Buildings	O	ffice equipment	in	nprovements		Total
January 1									
Cost	\$ 157,644	\$	87,838	\$	30,895	\$	-	\$	276,377
Accumulated depreciation	 	(_	36,840)	(	23,424)	_		(	60,264)
	\$ 157,644	\$	50,998	\$	7,471	\$		\$	216,113
January 1	\$ 157,644	\$	50,998	\$	7,471	\$	-	\$	216,113
Addition	-		177		3,088		727		3,992
Depreciation expense	 	(	1,977)	(	3,909)	(	109)	(	5,995)
December 31	\$ 157,644	\$	49,198	\$	6,650	\$	618	\$	214,110
December 31									
Cost	\$ 157,644	\$	88,015	\$	25,136	\$	727	\$	271,522
Accumulated depreciation	 	(_	38,817)	(	18,486)	(	109)	(	57,412)
	\$ 157,644	\$	49,198	\$	6,650	\$	618	\$	214,110

Note: Reclassified from inventories.

For the information on property, plant and equipment as collateral, please refer to the descriptions in Note VIII.

# (VIII) Lease transactions - Lessee

- 1. The underlying assets leased by the Company include buildings, transportation equipment and other equipment. The lease contract is usually for a period of 1 to 20 years. Lease contracts are negotiated individually and contain various clauses and terms. No other restrictions are imposed except that the leased assets may not be used as collateral for loans.
- 2. The lease terms of some of the buildings and buildings leased by the Company are less than 12 months, and the underlying assets leased with low value are the other assets. In addition, as of December 31, 2024 and 2023, the lease payments of the Company for short-term leases were NTD 268 and NTD 116.
- 3. The book amount and recognized depreciation expenses of the right-of-use assets are as follows:

	Decemb	per 31, 2024	D	ecember 31, 2023
	Carryi	ng amount	_	Carrying amount
Buildings	\$	7,256	\$	7,532
		2024		2023
	Deprecia	ation expense	D	epreciation expense
Buildings	\$	5,363	\$	4,469

4. The additions to the Companys right-of-use assets in 2024 and 2023 were NTD 5,847 and NTD 7,247, respectively.

5. The information of profit and loss items related to the lease contract is as follows:

	 2024	202	23
Items affecting current profit or loss			
Interest expense of lease liabilities	\$ 134	\$	74
Expenses of short-term lease contracts	1,772		2,796
Expenses of low-value asset lease	111		84
Gains on leasehold improvement	6		_

6. The total cash outflow for leases of the Company amounted to NTD 7,323 and NTD 7,314 in 2024 and 2023, respectively.

	Decem	ber 31, 2024	Decem	iber 31, 2023
Salaries and bonuses payable	\$	68,964	\$	62,022
Employee remuneration payable		5,934		5,513
Payable business tax		8,295		4,585
Others		12,414		10,489
	\$	95,607	\$	82,609

# (IX) Other payables

	Decem	ber 31, 2024	Decen	iber 31, 2023
Salaries and bonuses payable	\$	68,964	\$	62,022
Employee remuneration payable		5,934		5,513
Payable business tax		8,295		4,585
Others		12,414		10,489
	\$	95,607	\$	82,609

#### (X) Pension

- 1. (1) In accordance with the "Labor Standards Act", the Company has established a retirement plan with defined benefits, which applies to the service years of all full-time employees before the "Labor Pension Act" implementation date on July 1, 2005, and the subsequent years of service of employees choosing to continue applying the Labor Standards Act after the implementation of the "Labor Pension Act". If an employee is eligible for retirement, the pension payment is based on the service years and the average salary of 6 months prior to retirement. Two base figures are given for each full year of service within 15 years (inclusive), and one base figure will be granted for each year of service beyond the 15 years, but the cumulative maximum shall be limited to 45 base figures. The Company contributes 2% of the total salary to the pension fund on a monthly basis, which is deposited with the Bank of Taiwan in the name of the Labor Pension Fund Supervisory Committee. In addition, the Company estimates the balance of the aforementioned special accounts for labor pension before the end of each year. If the balance is not sufficient to pay the amount of pension benefits to employees eligible for retirement in the following year, the Company will make a lump-sum appropriation for the difference by the end of March of the following year.
  - (2) The amounts recognized in the Statement of Financial Position are as follows:

	Dece	mber 31, 2024	December 31, 2023
Present value of defined benefit obligation	(\$	14,785) (\$	15,238)
Fair value of plan assets		9,234	8,219
Net defined benefit liabilities	(\$	5,551) (\$	7,019)

(3) Changes in net defined benefit liabilities are as follows:

	P	resent value of defined		N	Net defined benefit
		benefit obligation	Fair value of plan assets		liabilities
2024					
Balance on January 1	(\$	15,238)	,	(\$	7,019)
Interest revenue		-	97		97
Interest cost of defined benefit					
obligation	(	180)		(	180)
	(	15,418)	8,316	(	7,102)
Re-measurement:					
Return on plan assets		-	721		721
(excluding amounts included in	1				
interest income or expense)					
Effect of changes in financial		557	_		557
assumptions		337	_		337
Experience adjustment		76	_		76
Experience adjustment	_	633	721		1,354
Appropriation of pension fund	_		197		197
Balance on December 31		14,785)		(¢	
Balance on December 31	( <u>\$</u>	14,/85)	\$ 9,234	(\$	5,551)
	Pre	esent value of defined		N	let defined benefit
					iei deimed benem
			Fair value of plan assets	1	
2023		benefit obligation	Fair value of plan assets		liabilities
2023 Balance on January 1		benefit obligation			liabilities
2023 Balance on January 1 Interest revenue			\$ 7,731		liabilities 7,329)
Balance on January 1	(\$	benefit obligation			liabilities
Balance on January 1 Interest revenue	(\$	benefit obligation 15,060)	\$ 7,731		7,329) 100
Balance on January 1 Interest revenue Interest cost of defined benefit	(\$	benefit obligation 15,060) - 194)	\$ 7,731 100	(\$	7,329) 100
Balance on January 1 Interest revenue Interest cost of defined benefit obligation	(\$	benefit obligation 15,060)	\$ 7,731		7,329) 100
Balance on January 1 Interest revenue Interest cost of defined benefit obligation Re-measurement:	(\$	benefit obligation 15,060) - 194)	\$ 7,731 100 	(\$	7,329) 100 194) 7,423)
Balance on January 1 Interest revenue Interest cost of defined benefit obligation  Re-measurement: Return on plan assets	(\$	benefit obligation 15,060) - 194)	\$ 7,731 100	(\$	7,329) 100
Balance on January 1 Interest revenue Interest cost of defined benefit obligation Re-measurement:	(\$	benefit obligation 15,060) - 194)	\$ 7,731 100 	(\$	7,329) 100 194) 7,423)
Balance on January 1 Interest revenue Interest cost of defined benefit obligation  Re-measurement: Return on plan assets (excluding amounts included in interest income or expense)	(\$ (	15,060) - 194) 15,254)	\$ 7,731 100 	(\$	7,329) 100 194) 7,423)
Balance on January 1 Interest revenue Interest cost of defined benefit obligation  Re-measurement: Return on plan assets (excluding amounts included in interest income or expense)  Effect of changes in financial	(\$ (	benefit obligation 15,060) - 194)	\$ 7,731 100 	(\$	7,329) 100 194) 7,423)
Balance on January 1 Interest revenue Interest cost of defined benefit obligation  Re-measurement: Return on plan assets (excluding amounts included in interest income or expense)	(\$ (	15,060) - 194) 15,254)	\$ 7,731 100 	(\$	7,329) 100 194) 7,423)
Balance on January 1 Interest revenue Interest cost of defined benefit obligation  Re-measurement: Return on plan assets (excluding amounts included in interest income or expense)  Effect of changes in financial	(\$ (	15,060) - 194) 15,254)	\$ 7,731 100 	(\$	7,329) 100 194) 7,423)
Balance on January 1 Interest revenue Interest cost of defined benefit obligation  Re-measurement: Return on plan assets (excluding amounts included in interest income or expense)  Effect of changes in financial assumptions	(\$ (	15,060) - 194) 15,254) - 131)	\$ 7,731 100 	(\$	194) 7,423) 64
Balance on January 1 Interest revenue Interest cost of defined benefit obligation  Re-measurement: Return on plan assets (excluding amounts included in interest income or expense)  Effect of changes in financial assumptions	(\$ (	15,060) - 194) 15,254) - 131)	\$ 7,731 100 	(\$	194) 7,423) 64 131)
Balance on January 1 Interest revenue Interest cost of defined benefit obligation  Re-measurement: Return on plan assets (excluding amounts included in interest income or expense)  Effect of changes in financial assumptions  Experience adjustment	(\$ (	15,060)  194)  15,254)  -  131)  147  16  -	\$ 7,731 100 	(\$	194) 7,423) 64 131) 147 80

(4) The assets of the Company's defined benefit pension plan fund are invested by the Bank of Taiwan in accordance within the proportion and amount of entrusted operating projects set out in the annual investment utilization plan and in accordance with Article 6 of the Regulations Governing the Revenue, Expenditures, Safeguard and Utilization of the Labor Pension Fund (i.e. deposits with domestic and foreign financial institutions, investment in domestic and foreign listed, OTC or private equity securities, and investment in domestic and foreign real estate securitization products), and the relevant utilization is supervised by the Labor Pension Fund Supervisory Board. For the use of the fund, the minimum income distributed in the annual final accounts shall not be lower than the income calculated based on the local bank's two-year time deposit interest rate; if there is any deficiency, the national treasury shall make up for it after approval by the competent authority. Since the Company has no right to participate in the operation and management of the fund, it is unable to disclose the classification of the fair value of plan assets in accordance with IAS 19 Paragraph 142. For the fair value of the total assets of the fund as of December 31, 2024 and 2023, please refer

to the labor pension fund utilization report announced by the government for each year.

(5) The actuarial assumptions about pension fund are summarized as follows:

	2024	2023	
Discount rate	1.65%	1.20%	
Future salary increase rate	3.00%	3.00%	

The assumption of mortality in the future is based on the 6th cycle of the Taiwan Life Insurance Industry Empirical Life Tables.

The assumption of mortality in the future is based on the 6th cycle of the Taiwan Life Insurance Industry Empirical Life Tables.

The analysis of the impact on the present value of defined benefit obligation due to the change of major actuarial assumptions is as follows:

	<u>Discount rate</u>			Future salary increase rate				
	Incre	ase by	Decre	ase by	Incre	ase by	Decr	ease by
	0.2	5%	0.2	5%	0.2	25%	<u>0.</u>	25%
December 31, 2024								
Impact on present value of defined								
benefit obligation	<u>(\$</u>	297)	\$	306	\$	301	<u>(\$</u>	294)
December 31, 2023								
Impact on present value of defined								
benefit obligation	<u>(\$</u>	324)	\$	335	\$	328	<u>(\$</u>	320)

The above sensitivity analysis analyzes the impact of changes in a single assumption with other assumptions remaining unchanged. In practice, many changes in assumptions may be linked. The sensitivity analysis is consistent with the method used to calculate the net pension liabilities on the Statement of Financial Position.

The methods and assumptions used in the preparation of the sensitivity analysis in the current period are the same as those in the previous period.

- (6) The Company expects to contribute NTD 276 to the pension plan in 2025.
- (7) As of December 31, 2024, the weighted average duration of the pension plan was 8 years. The maturity analysis of pension payment is as follows:

Within 1 year	\$	437
1-2 years		460
2-5 years		2,833
More than 5 years		13,168
	_ \$	16,898

- 2. (1) Since July 1, 2005, the Company has established a defined retirement contribution in accordance with the "Labor Pension Act", which is applicable to employees of Taiwanese nationals. For employees choosing the labor pension system under the "Labor Pension Act", the Company contributes 2% of the monthly salary to the personal accounts of the employees with the Labor Insurance Bureau. The pension is paid according to the individual pensions of the employees and the amount of accumulated income and is withdrawn as monthly pension or lump sum.
  - (2) In 2024 and 2023, the Company recognized pension costs of NTD 11,836 and NTD 11,248 in accordance with the above regulations.

# (XI) Share capital

1. On December 31, 2024, the Company's authorized capital was NTD 350,000 divided into 35,000 thousand shares, and the paid-in capital was NTD 282,107 with a face value per share of NTD 10 per

share. Payment for the issued shares of the Company has been received.

2. The number of outstanding ordinary shares at the beginning and the end of the period is adjusted as follows:

		(Unit: Thousand shares)
	 2024	2023
December 31 (beginning)	\$ 28,211 \$	28,211

#### (XII) Capital reserve

Pursuant to the Company Act, the premium from the issuance of shares above par value and the additional capital reserve from the receipt of gifts may be used to make up for the losses. When the Company has no accumulated losses, new shares are issued to shareholders in proportion to their existing shares. In addition, the Securities and Exchange Act requires that the amount of capital reserve to be capitalized mentioned above shall not exceed 10% of the paid-in capital each year. The Company shall not use the capital reserve to make up for capital loss unless there is still insufficient reserves to make up for the capital loss.

# (XIII) Retained earnings

- 1. If the Company has a profit in the annual final account, it shall first pay tax and make up for accumulated losses, and then appropriate 10% as a surplus reserve, except when the legal reserve has reached the same amount as the Company's paid-in capital. In addition, the special reserve may be set aside or reversed depending on the companys operational needs and laws and regulations. For the remaining undistributed earnings at the beginning of the same period, the board of directors will propose an earnings distribution plan and submit it to the shareholders meeting for resolution to distribute shareholders dividends.
- 2. The Companys dividend policy is based on the Company Act and the Companys Articles of Incorporation, with a sound financial structure as the principle. The Companys dividends are distributed in the form of stock dividends, cash dividends, or both. In principle, the distribution of cash dividends shall not be less than 20% of the distributable earnings. If there is any major capital expenditure plan in the future, the percentage of distribution of stock dividends may be increased with the approval of the shareholders meeting for up to the entire amount may be distributed in stock dividends.
- 3. The legal reserve cannot be used for purposes other than to cover the accumulated losses of the company and for issuance of new shares or cash to shareholders in proportion of their original shareholding percentage. However, for the issuance of new shares or cash, only the portion of legal reserve which exceeds 25 percent of the paid-in capital may be distributed.
- 4.(1) The 2023 earnings distribution resolved by the shareholders' meeting on May 30, 2024 and the 2022 earnings distribution resolved by the shareholders meeting on May 30, 2023 are as follows:

	2023			2022			
			D	ividends per			Dividends per
		Amount	sl	hare (NTD)		Amount	share (NTD)
Provision of legal reserve	\$	28,867			\$	30,727	
Provision (Reversed) of special reserve		2,036			(	1,127)	
Distribution of cash dividends to shareholders		225,686	\$	8.00		225,686	\$ 8.00
	\$	256,589			\$	255,286	

(2) The 2024 earnings distribution was proposed by the Board of Directors on March 7, 2025 as follows:

		Amount	Dividends p	er share (NTD)
Provision of legal reserve	\$	31,158		
Reversal of special reserve	(	4,837)		
Distribution of cash dividends to shareholders		225,686	\$	8.00
	\$	252,007		

The aforementioned earnings distribution has not yet been resolved by the shareholders' meeting as of March 7, 2025.

5. For information on the remuneration to employees, directors and supervisors, please refer to Note VI(XVIII).

# (XIV) Operating revenue

<del></del>	2024		2023		
Revenue from contracts with customers	\$	1,377,918	\$	1,260,260	

# 1. Breakdown of revenue from contracts with customers

The Company's income comes from the provision of goods and services that are gradually transferred over time and at a specific point in time. The income can be divided into the following main product lines:

	Information software and maintenance contract business	3D printing and machine business	Certification services and others	Total
2023 Revenue from contracts with external customers	\$ 1,182,947	\$ 71,856	\$ 5,457	<u>\$ 1,260,260</u>
Revenue recognized at a specific point in time Income recognized	\$ 1,163,501	\$ 71,856	\$ 1,859	\$ 1,237,216
gradually over time	19,446	-	3,598	23,044
	\$ 1,182,947	\$ 71,856	\$ 5,457	\$ 1,260,260
	Information software and maintenance contract business	3D printing and machine business	Certification services and others	Total
2024 Revenue from contracts with external customers	\$ 1,307,990	\$ 62,032	\$ 7,896	\$ 1,377,918
Revenue recognized at a specific point in time Income recognized	\$ 1,298,369	\$ 62,032	\$ \$ 3,690	\$ 1,364,091
gradually over time	9,621		4,206	13,827
	\$ 1,307,990	\$ 62,032	7,896	\$ 1,377,918

# 2. Contract liabilities

(1) The contractual liabilities related to the customer contract revenue recognized by the Company are as follows:

	December 31, 2024	December 31, 2023	January 1, 2023
Contract liabilities - current:			
Information system upgrade software contract	\$ -	\$ -	\$ 11,332
Information system consulting services	4,310	5,330	11,692
Contract liabilities - non-current			
Information system upgrade software contract			2,280
	\$ 4,310	\$ 5,330	\$ 25,304

(2) Revenue from contract liabilities at the beginning of the period recognized in the current period

	December	December 31, 2024		nber 31, 2023
Opening balance of contract liabilities recognized as revenue in the current period				
Information system upgrade software contracts and information system consulting service contract	\$	5,084	\$	24,602

# (XV) Interest income

		2023		
Interest on bank deposits	\$	8,478	\$	5,175
(XVI) Other income				
		2024		2023
Commission income	\$	16,924	\$	3,761
Other income - others		5,250		3,211
	\$	22,174	\$	6,972

# (XVII) Other gains and losses

		2024		2023
Gains (losses) from the disposal of property, plant and equipment	(\$	5)	\$	1,680
Gains on leasehold improvement		6		-
Net foreign exchange gain		1,527		333
Net gain on financial assets measured at fair value				
through profit or loss		310		247
Miscellaneous expenses	(	2)	(	83)
	\$	1,836	\$	2,177

# (XVIII) Additional information on the nature of expenses

Function	2024			2023			
	Attributable	Attributable to		Attributable	Attributable to		
	to operating	operating		to operating	operating		
Nature	costs	expenses	Total	costs	expenses	Total	
Employee benefit expense							
Salary expenses	\$ -	\$ 245,710	\$ 245,710	\$ -	\$ 230,512	\$ 230,512	
Labor and national							
health insurance expenses	-	22,518	22,518	-	21,729	21,729	
Pension expense	-	11,919	11,919	-	11,342	11,342	
Directors' Remuneration	1	2,508	2,508	-	2,508	2,508	
expenses	-	10,665	10,665	-	9,133	9,133	
Depreciation expense	-	13,201	13,201	-	10,464	10,464	
Amortization expense	-	1,582	1,582	-	1,981	1,981	

Note 1: As of December 31, 2024 and 2023, the number of the Companys employees was 258 and 252 persons, respectively, and the number of directors who did not serve as employees concurrently was 3 persons in both years.

Note 2: The following information is additionally disclosed:

- (1) The average employee benefit expense for the current year was NTD 1,140 thousand; the average employee benefit expense for the previous year was NTD 1,096 thousand.
- (2) The average employee salary expense for the current year was NTD 963 thousand; the average employee salary expense for the previous year was NTD 927 thousand.
- (3) The average employee salary expense adjustment change was 3.88%.
- (4) The Company does not have supervisors, so there is no supervisors remuneration.
- (5) The Companys remuneration policy (including directors, managers and employees) is as follows:

The remuneration to the Directors is based on the Companys Articles of Incorporation approved by the Shareholders' Meeting. The Directors are entitled to a discretionary remuneration on a monthly basis. The Company may pay them regardless of the profit or loss. The Board is authorized to determine the remuneration based on their participation in the Companys operations and the value of their contributions.

The remuneration to managerial officers is determined based on their individual performance, the Companys operating performance in the year, and the reasonable assessment of the Companys future risks.

Employees salaries are negotiated in accordance with the Employee Salary Regulations, and shall not be lower than the basic salary. The Company also conducts performance appraisals on a regular basis, as the basis for salary adjustment, relocation, and appointment and dismissal.

- 1. According to the Company's Articles of Incorporation, the Company shall appropriate 1% 10% of the balance after deducting the accumulated losses from the profit of the current year as employee remuneration, and no more than 1% as director remuneration.
- The Company's estimated employees' remuneration for 2024 and 2023 were NTD 5,934 and NTD 5,513, respectively; the estimated amount of directors' remuneration was NTD 0, and the aforementioned amounts were accounted for as salary expenses.

The year 2024 is based on the years profit, and the remuneration to employees and directors is estimated at 1.5% and 0%, respectively. Employee compensation will be distributed in cash.

The remuneration to employees and directors for 2023 as resolved by the Board of Directors was consistent with the recognized amounts in the 2023 financial statements.

Information on employee and director remuneration approved by the Company's board of directors is available on the MOPS.

# (XIX) Income tax

#### 1. Income tax expenses

(1) Components of income tax expense:

•	 2024		2023
Current income tax:			
Income tax arising from current income	\$ 75,677	\$	71,806
Imposition on undistributed earnings	1,479		2,387
Underestimation (overestimation) of income			
tax in previous years	 114	(	1,328)
Total income tax for the current period	 77,270		72,865
Deferred income tax:			
The origin and reversal of the temporary			
difference	 2,269		549
Income tax expense	\$ 79,539	\$	73,414

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

		2024	2023
Difference on translation of foreign operations	(\$	978) \$	509
Re-measurement of defined benefit obligation	(	271) (	16)
	(\$	1,249) \$	493

2. Relationship between income tax expense and accounting profit

		2024		2023
Income tax on net profit before tax calculated at				
statutory tax rate	\$	78,008	\$	72,404
Expenses to be removed in accordance with tax law	(	62)	(	49)
Imposition on undistributed earnings		1,479		2,387
Underestimation (overestimation) of income tax in				
previous years		114	(	1,328)
Income tax expense	\$	79,539	\$	73,414

3. The amount of each deferred income tax asset or liability arising from the temporary difference is as follows:

	2024							
	Recognized in							
						other		
				Recognized in	con	nprehensive net		
		January 1		profit or loss		income	D	ecember 31
Deferred income tax assets – temporary differences								
Unrealized exchange losses	\$	136	(\$	136)	\$	-	\$	-
Inventory devaluation		3,788		2,401		-		6,189
Loss on bad debts		1,730	(	1,730)		-		-
Defined benefit obligation		1,400	(	23)	(	271)		1,106
Payable bonus for unused leave	_	1,214		66				1,280
Subtotal		8,268		578	(	271)		8,575
Deferred income tax liabilities – temporary differences								
Unrealized exchange gains		-	(	163)		-	(	163)
Unrealized investment gain	(	21,914)	(	2,684)		-	(	24,598)
Difference on exchange of foreign								
operations		642		-	(	978)	(	336)
Unrealized valuation gains on equity								
instrument investments	(_	1,941)	_				(	1,941)
Subtotal	(	23,213)	(_	2,847)	(	978)	(	27,038)
Total	(\$	14,945)	(\$	2,269)	(\$_	1,249)	(\$_	18,463)

	2023							
	Recognized in							
						other		
				Recognized in	con	nprehensive net		
	_	January 1		profit or loss		income	D	ecember 31
Deferred income tax assets – temporary differences								
Unrealized exchange losses	\$	35	\$	101	\$	-	\$	136
Inventory devaluation		3,626		162		-		3,788
Loss on bad debts		479		1,251		-		1,730
Defined benefit obligation		1,463	(	47)	(	16)		1,400
Payable bonus for unused leave		1,099		115				1,214
Subtotal	_	6,702	_	1,582	(	16)		8,268
Deferred income tax liabilities – temporary differences								
Unrealized investment gain	(	19,783)	(	2,131)		-	(	21,914)
Difference on exchange of foreign operations		133		-		509		642
Unrealized valuation gains on equity								
instrument investments	(_	1,941)	_	_		_	(	1,941)
Subtotal	(_	21,591)	(_	2,131)		509	(	23,213)
Total	<u>(\$</u>	14,889)	<u>(\$</u>	549)	\$	493	( <u>\$</u>	14,945)

<sup>4.</sup> The Companys profit-seeking business income tax has been approved by the tax collection authority until 2022.

# (XX) Earnings per share

	2024					
	After-tax amount		Weighted average number of outstanding	Earnings per share (NTD)		
Basic earnings per share						
Net income for the period attributable to the common shareholders of the parent company	\$	310,500	28,211	\$	11.01	
Diluted earnings per share						
Net income for the period attributable to the common shareholders of the parent company Effect of potential dilutive shares	\$	310,500	28,211			
Remuneration to employees		_	43			
Net income for the period attributable to the common shareholders of the parent company,						
and potential impact on common shares	\$	310,500	28,254	\$	10.99	

	2023						
			Weighted average number	Earnings pe	er share		
	After-tax amount		of outstanding shares	(NTD)			
Basic earnings per share							
Net income for the period attributable to the							
common shareholders of the parent company	\$	288,608	28,211	\$	10.23		
Diluted earnings per share							
Net income for the period attributable to the							
common shareholders of the parent company	\$	288,608	28,211				
Effect of potential dilutive shares							
Remuneration to employees			49				
Net income for the period attributable to the							
common shareholders of the parent company, and							
potential impact on common shares	\$	288,608	28,260	\$	10.21		

# (XXI) Supplementary information on cash flow

Investment activities with only partial cash payment:

		December 31, 2024		December 31, 2023
Purchase of property, plant and equipment	\$	2,228	\$	3,992
Add: Payables for equipment, beginning		84		3,602
Less: Payables for equipment, ending	(	941)	(	84)
Cash paid in current period	\$	1,371	\$	7,510
		December 31, 2024		December 31, 2023
Purchase of intangible assets	\$	462	\$	1,824
Add: Other payables at the beginning of period				421
Cash paid in current period	\$	462	\$	2,245

# (XXII) Changes in liabilities from financing activities

	2024						
		Lease liabilities	Total liabilities from financing activities				
January 1	\$	7,683	\$ 7,683				
Changes in financing cash flow	(	5,306)	( 6,071)				
Other non-cash changes		5,081	5,847				
December 31	\$	7,458	\$ 7,458				
		Lease liabilities	723 Total liabilities from financing activities				
January 1	\$	4,796	\$ 4,796				
Changes in financing cash flow	(	4,360)	4,360)				
Other non-cash changes		7,247	7,247				
December 31	\$	7,683	\$ 7,683				

# VII. <u>Transactions with related parties</u>

(I) Names and relationships of related parties

Name of related party	Relationship with the Company				
Shanghai UnitedWizard Technology International Trading Limited	Subsidiary				

# (II) Major transactions with related parties

1. Sales

	 2024	 2023
Subsidiary	\$ 2,315	\$ 3,109

The Company conducts transactions with related parties based on cost plus a profit margin, with a credit term of 60 days after the end of each month, which is comparable to that offered to general customers.

## 2. Procurement

	2024			2023		
Subsidiary	\$	1,611	\$	471		

The Company purchases from related parties at prices based on cost plus a profit margin, with payment terms of 60 days after the end of each month, which is comparable to that offered to general customers.

#### 3. Accounts receivable

Subsidiary	\$	202	\$ 2,361
4. Accounts payable			
	_	December 31, 2024	 December 31, 2023
Subsidiary	<u>\$</u>	711	\$ 81

December 31, 2024

December 31, 2023

## (III) <u>Information on the remuneration of key management personnel</u>

	 2024	 2023
Salary and other short-term employee benefits	\$ 23,570	\$ 23,441
Post-employment benefits	 196	 412
	\$ 23,766	\$ 23,853

## VIII. Pledged assets

The Companys assets are guaranteed as follows:

		Book value		Book value		
Assets	Dece	ember 31, 2024		December 31, 2023	Purpose of guarantee	
Property, plant and equipment	\$	71,238	\$	71,744	Long-term loan guarantee limit	

# IX. <u>Material Contingent Liabilities and Unrecognized Contractual Commitments</u>

The Company entered into a contract with Dassault Systemes SolidWorks Corp. (SolidWorks) in April 2016, stipulating that during the contract period (from April 2016 to April 2017, with automatic renewal each April for another year and all other terms remaining the same as the original agreement), the Company must meet a minimum annual purchase quantity requirement. If the minimum annual purchase quantity is not met, SolidWorks may notify the Company 60 days in advance and terminate the cooperation between the parties.

# X. Losses from material disasters

None.

# XI. Material subsequent events

Please refer to Note VI (XIII) for the 2024 earnings distribution.

# XII. Others

# (I) Capital management

The goal of the Company's capital management is to ensure the continued operation of the Company, maintain the optimal capital structure to reduce the cost of capital for supporting corporate operations and maximizing shareholders' equity.

# (II) Financial instruments

# 1. Types of financial instruments

	Decem	ber 31, 2024	Dece	mber 31, 2023
<u>Financial assets</u>				
Financial assets measured at fair value through profit or loss				
Financial assets mandatorily measured at fair value through profit or loss	\$	21,551	\$	21,241
Financial assets measured at fair value through other comprehensive		25,800		25,800
income				
Financial assets measured at amortized cost				
Cash and cash equivalents		898,891		808,327
Notes receivable		82,669		76,696
Accounts receivable		354,738		319,601
Long-term notes and accounts receivable		310		1,095
Refundable deposits (stated other current assets and other non-current				
assets)		4,151		2,850
	\$	1,388,110	\$	1,255,610
Financial liabilities				
Financial liabilities measured at amortized cost				
Notes payable	\$	1,314	\$	1,314
Accounts payable		198,943		202,443
Other payables		95,607		82,609
	\$	295,864	\$	286,366
Lease liabilities (including current and non-current)	\$	7,458	\$	7,683

# 2. Risk management policy

- (1) The Company's daily operations are affected by various financial risks, including market risk (including exchange rate risk, interest rate risk, and price risk), credit risk and liquidity risk. The Company's overall risk management policy focuses on the unpredictable events in the financial market and seeks to reduce the potential adverse effects on the Companys financial position and financial performance.
- (2) Risk management is carried out by the Finance Department of the Company in accordance with the policies approved by the Board of Directors. The Companys Finance Department works closely with various operating units in the Company to identify, evaluate and avoid financial risks. The Board of Directors has written principles for overall risk management, and also provides written policies for specific areas and matters, such as exchange rate risk, interest rate risk, credit risk, use of derivative and non-derivative financial instruments, and investment of surplus working capital.

#### 3. The nature and extent of the material financial risk

#### (1) Market risk

# Exchange rate risk

- A. The Company operates as a multinational company. Therefore, it is exposed to the exchange rate risk arising from transactions with the functional currencies of the Company and its subsidiaries, which are mainly USD and RMB. The relevant exchange rate risk comes from future commercial transactions and recognized assets and liabilities.
- B. The Company's management has formulated a policy that requires each company within the Company to manage the exchange rate risk relative to its functional currency. Each company shall hedge the overall exchange rate risk through the Company's Finance Department.
- C. The Company's business involves several non-functional currencies (the functional currency of the Company and some subsidiaries is NTD, and the functional currency of some subsidiaries is USD and RMB). Therefore, it is affected by exchange rate fluctuations, which has a significant impact. The information about assets and liabilities denominated in foreign currencies affected by fluctuations is as follows:

December 31, 2024						
	Foreign currency		C	arrying amount		
_	(\$ thousand)	Exchange rate	(Th	ousands of NTD)		
\$	868	32.79	\$	28,457		
	4,781	32.79		156,763		
\$	60	32.79	\$	1,967		
		December 31, 2023				
F	oreign currency		Ca	arrying amount		
	(\$ thousand)	Exchange rate	(The	ousands of NTD)		
\$	871	30.71	\$	26,748		
	4,963	30.71		152,389		
\$	163	30.71	\$	5,006		
	- \$ - F	\$ 868 4,781 \$ 60  Foreign currency (\$ thousand)  \$ 871 4,963	Foreign currency (\$ thousand)	Foreign currency (\$ thousand) Exchange rate (The \$ 868 32.79 \$ 4,781 32.79 \$ December 31, 2023		

D. The aggregate amount of all exchange gains (losses) on the Company's monetary items in 2024 and 2023 that were significantly affected by fluctuations in exchange rates was NTD 1,527 and NTD 333, respectively.

E. The risk analysis of the Company's foreign currency market due to significant exchange rate fluctuations is as follows:

	2024							
	Sensitivity analysis							
		Imj	pact on profit	Impact on other				
	Range of change		and loss	co	mprehensive income			
(Foreign currency: functional currency)								
<u>Financial assets</u>								
Monetary items								
USD: NTD	1%	\$	285	\$	-			
Non-monetary items								
USD: NTD	1%		1,568		-			
Financial liabilities								
Monetary items								
USD: NTD	1%	\$	20	\$	-			
			2023					
		Sa		roio				
			ensitivity analy	818				
		_	act on profit		Impact on other			
	Range of change		and loss	COI	mprehensive income			
(Foreign currency: functional currency)								
Financial assets								
Monetary items								
USD: NTD	1%	\$	267	\$	-			
Non-monetary items								
USD: NTD	1%		1,524		-			
Financial liabilities								
Monetary items								
USD: NTD	1%	\$	50	\$	-			

#### Price risk

- A. The Company's financial instruments exposed to price risk are accounted for in the financial assets measured at fair value through profit or loss and financial assets measured at fair value through other comprehensive income. To manage the price risk of financial instrument investment, the Company will diversify its investment portfolio, and the diversification method is based on the limit set by the Company.
- B. The Company mainly invests in financial instruments issued by domestic companies and openend funds. The prices of these financial instruments will be affected by the uncertainty of the future value of the investment targets. If the price of these financial instruments rises or falls by 10%, with all other factors remaining unchanged, the net profit after tax of financial instruments measured at fair value through profit or loss for 2024 and 2023 will be increased or reduced the profit or loss of NTD 2,155 and NTD 2,124, respectively; the profit or loss on other comprehensive income classified as an equity investment at fair value through other comprehensive income increased or decreased by NTD 2,580 and NTD 2,580, respectively.

## Cash flow and fair value interest rate risk

The Company has no significant exposure to interest rate risk of debt instruments.

## (2) Credit risk

A. The Company's credit risk refers to the risk of financial loss to the Company due to the failure of customers or counterparties of financial instrument transactions to fulfill their contractual

- obligations. Thus, it affects the contractual cash flow, mainly from the inability of the counterparties to pay off accounts receivable and financial assets at amortized cost according to the collection terms.
- B. The Company has established credit risk management from the corporate perspective. Banks and financial institutions for business dealings must be approved by the President before they can be accepted as transaction counterparties. According to the credit policy defined internally, management and credit risk analysis must be conducted on each operating entity within the Company and each new customer before proposing terms and conditions for payment and delivery. Internal risk control evaluates the customers credit quality by taking into account their financial status, past experience and other factors. The limits of individual risks are determined by the Board of Directors based on internal or external ratings, and the use of credit lines is regularly monitored.
- C. When the contract payment is overdue for more than 180 days in accordance with the historical experience, it is deemed that a default has occurred.
- D. The Company adopts IFRS 9 to provide the following assumptions as the basis for judging whether the credit risk of financial instruments has increased significantly since the initial recognition:
  - When the contract amount is overdue for more than 30 days according to the agreed payment terms, it is deemed that the credit risk of the financial asset has increased significantly since the initial recognition.
- E. The Company will group the accounts receivable of customers according to the characteristics of the geographical area, and estimate the expected credit losses based on the reserve matrix and the loss rate method using the simplified method.
- F. The indicators used by the Company to determine the credit impairment of other financial assets are as follows:
  - (A) The counterparty has major financial difficulties, or the possibility of bankruptcy or other financial reorganization has greatly increased;
  - (B) Unfavorable changes in national or regional economic conditions that result in a counterpartys default.
- G. After the Company has gone through the recourse procedures, it will write off the amount of financial assets for which it cannot be reasonably expected to be recovered. However, the Company will continue to carry out the legal recourse procedures to preserve the rights of the claims. As of December 31, 2024 and 2023, the Company did not have any creditor's rights that have been written off for which there are still recourses.
- H. The Company's consideration of future outlook by including global economic information on the adjustment of the loss rate based on historical and current information in a specific period to estimate the loss allowance for accounts receivable. The preparation matrix as of December 31, 2024 and 2023 is as follows:

		days of	Overdue	Overdue	More than 181	
	Not past due	overdue	31-90 days	91-180 days	days	Total
December 31, 2024						
Expected loss rate	0.3%	7.1%	11.5%	32.8%	100.0%	
Total book value	\$ 343,965	\$ 2,197	\$ 9,652	\$ 1,984	\$ 2,845	\$ 360,643
Loss allowance	(\$ 1,150)	(\$ 155)	(\$ 1,105)	(\$ 651)	(\$ 2,844)	(\$ 5,905)

		Within 30	Overdue	Overdue	More than 181	
	Not past due	days of	31-90 days	91-180 days	days	Total
December 31, 2023						
Expected loss rate	1.1%	33.3%	58.5%	69.9%	100.0%	
Total book value	\$ 315,271	\$ 7,898	\$ 5,013	\$ 1,830	\$ 5,134	\$ 335,146
Loss allowance	(\$ 3,535)	(\$ 2,662)	(\$ 2,934)	(\$ 1,280)	(\$ 5,134)	(\$ 15,545)

I. The Companys simplified statement of changes in the loss allowance on accounts receivable is as follows:

	2024
Ac	counts receivable
January 1 \$	15,545
Provision of impairment loss (	6,396)
Irrecoverable amount written off (	3,244)
December 31 \$	5,905
	2023
Ac	counts receivable
January 1 \$	9,154
Provision of impairment loss	6,548
Irrecoverable amount written off (	157)
December 31 §	15,545

Of the losses recognized in 2024 and 2023, the amounts of impairment loss (reversal gain) recognized on receivables arising from customer contracts were (NT\$6,396) and NT\$6,548, respectively.

# (3) Liquidity risk

- A. Cash flow forecasting is carried out by each operating entity within the Company and compiled by the Companys Finance Department. The Finance Department of the Company monitors the forecast of the Companys working capital requirements to ensure that it has sufficient funds to support its operating needs.
- B. The surplus cash held by each operating entity will be transferred back to the Companys Finance Department when it exceeds the management needs of the working capital. The Companys Finance Department, on the other hand, invests the remaining funds in in terest-bearing demand deposits, time deposits and marketable securities, and the selected instruments have appropriate maturities or sufficient liquidity to provide sufficient dispatch levels in response to the above forecasts. As of December 31, 2024 and 2023, the Company held money market positions of NTD 920,442 and NTD829,568, respectively, and is expected to generate cash flow immediately to manage liquidity risk.
- C. The following table presents the Company's non-derivative financial liabilities grouped according to their respective maturity dates and analyzed based on the remaining period from the balance sheet date to the contractual maturity date. The contractual cash flow amount disclosed in the following table is the undiscounted amount.

D 1 21 2024			V	Vithin 1 to 2				
December 31, 2024	Wi	ithin 1 year		years	Within 2 to 5 years		More	than 5 years
Non-derivative financial								
<u>liabilities:</u>								
Notes payable	\$	1,314	\$	-	\$	-	\$	-
Accounts payable		198,943		-		-		-
Other payables		95,607		-		-		-
Lease liabilities		5,146		2,292		119		-
	\$	301,010	\$	2,292	\$	119	\$	-

D 1 21 2022			7	Within 1 to 2				
December 31, 2023	Within 1 year		years		Within 2 to 5 years		More than 5 years	
Non-derivative financial liabilities:								
Notes payable	\$	1,314	\$	-	\$	-	\$ -	
Accounts payable		202,443		-		-	-	
Other payables		82,609		-		-	-	
Lease liabilities		4,012		2,883		923	-	

# (III) Fair value information

- 1. The levels of the evaluation techniques used to measure the fair value of financial and non-financial instruments are defined as follows:
  - Level 1: The quoted price (unadjusted) is available to the enterprise in an active market for the same asset or liability on the measurement date. An active market refers to a market in which assets or liabilities are traded in sufficient frequency and quantity to provide pricing information on an ongoing basis. The fair value of the beneficiary certificates of the Companys investment falls under this category.
  - Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
  - Level 3: Unobservable inputs for the asset or liability. Equity instruments that the Company invests in and for which there is no active market fall under this category.
- 2. Financial instruments not measured at fair value
  - Other than financial assets measured at fair value through profit or loss and financial assets measured at fair value through other comprehensive income, including cash and cash equivalents, notes receivable, accounts receivable, notes payable, accounts payable, and other payables, the book value is a reasonable approximation of the fair value.
- 3. The financial and non-financial instruments measured at fair value are classified by the Company according to the nature, characteristics and risks of the assets and liabilities and the basis of fair value hierarchy. Relevant information is as follows:

December 31, 2024	Level 1	Level 2	Level 3	Total
Assets				
Repetitive fair value				
Financial assets measured at fair value through profit or loss	<u>\$ 21,551</u>	<u>\$</u> -	\$ -	<u>\$ 21,551</u>
Financial assets measured at fair value through other comprehensive income	\$ -	\$ -	\$ 25,800	\$ 25,800

December 31, 2023	 Level 1	Level 2		Level 3	Total
Assets					
Repetitive fair value					
Financial assets measured at fair value					
through profit or loss	\$ 21,241	\$	_	\$ 	\$ 21,241
Financial assets measured at fair value					
through other comprehensive income	\$ 	\$	_	\$ 25,800	\$ 25,800

- 4. If the Company adopts a market quotation as the input value of fair value (i.e., Level 1), the net value of the open-end fund is used as the market quotation according to the characteristics of the instrument.
- 5. There was no transfer between levels 1 and 2 in 2024 and 2023.
- 6. There was no transfer in or out of Level 3 in 2024 and 2023.
- 7. The Company's valuation process for classifying fair value into Level 3 is that the financial department is responsible for conducting independent fair value verification of financial instruments, using independent source data to make the valuation results close to the market status, confirming that the data sources are independent, and reliable, and that other resources are consistent and represent executable prices. The valuation model is regularly calibrated, back-testing and updating the input value and data required for the valuation model is conducted, and any other necessary fair value adjustments are made to ensure that the valuation results are reasonable.

# XIII. Disclosures in Notes

#### (I) Information on significant transactions

- 1. Loaning of funds to others: None.
- 2. Endorsements/guarantees provided for others: None.
- 3. Marketable securities held at the end of the period (excluding investment in subsidiaries, affiliates and joint ventures): Please refer to Table 1.
- 4. The cumulative amount of the same securities purchased or sold reaches NTD 300 million or more than 20% of the paid-in capital: None.
- 5. The amount of real estate acquired reaches NTD 300 million or more than 20% of the paid-in capital: None.
- 6. Disposal of real estate for an amount over NTD 300 million or 20% of the paid-in capital: None.
- 7. The amount of purchase from or sale to related parties reaches NTD 100 million or more, or 20% of the paid-in capital: None.
- 8. The receivables from related parties amounting to at least NTD 100 million or 20% of the paid-in capital: None.
- 9. Engagement in derivative transactions: None.
- 10. Business relationships and important transactions between the parent company and its subsidiaries and among subsidiaries: Please refer to Table 2.

## (II) <u>Information on investees</u>

The name and location of the investee company and other relevant information (excluding Mainland China investee companies): Please refer to Table 3.

# (III) Information on investments in the Mainland Area

- 1. Basic information: Please refer to Table 4.
- 2. A material transaction with an investee in the Mainland China directly or indirectly through an enterprise in a third region: None.

# (IV) Information of major shareholders

Information on major shareholders: Please refer to Table 5.

# XIV. Information of operating department

Not applicable.

# lidWizard Technology Co., Ltd.

Marketable securities held at the end of the period (excluding investments in subsidiaries, affiliates, and joint ventures)

# December 31, 2024

Table 1

Unit: NTD thousands

(unless otherwise specified)

					End of period			
	Type and name of marketable	Relationship with the securities	_					
Companies held	<u>securities</u>	<u>issuer</u>	Account titles in book	Number of shares	Carrying amount	Shareholding ratio	Fair value	Note
SOLIDWIZARD	Franklin Templeton Sinoam	None	Financial assets at fair value through profit or loss - current	1,999	\$ 21,551	- \$	21,551	None
TECHNOLOGY CO., LTD.	Money Market Fund							
SOLIDWIZARD	TA SHEE RESORT CO., LTD.	None	Financial assets measured at fair value through other	1	25,800	-	25,800	None
TECHNOLOGY CO., LTD.			comprehensive income - non-current					

#### lidWizard Technology Co., Ltd.

Business relationships and important transactions between the parent company and its subsidiaries and among subsidiaries

January 1 to December 31, 2024

Table 2

Unit: NTD thousands

(unless otherwise specified)

Percentage of Consolidated

#### Transaction Details

Reference Number							Total Revenue or Total Assets
(Note 1)	Name of Counterparty	Transaction Counterparty	Relationship with the Counterparty	Account Title	 Amount	Transaction Terms	(Note 3)
0	SOLIDWIZARD TECHNOLOGY CO., LTD.	Shanghai UnitedWizard Technology International Trading Limited	(1)	Sales Revenue	\$ 2,315	Transactions between the Company and related parties are priced and settled in accordance with the agreed terms.	
	SOLIDWIZARD TECHNOLOGY CO., LTD.	Shanghai UnitedWizard Technology International Trading Limited	(1)	Procurement	1,611	Transactions between the Company and related parties are priced and settled in accordance with the agreed terms.	

Note 1: Intercompany transaction information between the parent company and its subsidiaries should be indicated in the "Reference Number" column using the following method:

- (1) The parent company is coded as 0.
- (2) Subsidiaries are assigned sequential Arabic numerals starting from 1.

Note 2: There are three types of relationships with the counterparty, and only the type needs to be indicated. In the case of the same transaction between the parent and a subsidiary, or between two subsidiaries, duplicate disclosure is not required. For example, if a transaction from the parent company to a subsidiary has already been disclosed by the parent company, the subsidiary does not need to disclose it again;

similarly, for a transaction between two subsidiaries, if one has disclosed it, the other does not need to repeat the disclosure.

- (1) Parent company to subsidiary.
- (2) Subsidiary to parent company.
- (3) Subsidiary to subsidiary.

Note 3: The calculation of the transaction amount as a percentage of consolidated total revenue or total assets is as follows: for balance sheet items, the percentage is based on the ending balance divided by consolidated total assets; for income statement items, the percentage is based on the cumulative amount during the period divided by consolidated total revenue.

Note 4: Only transactions with amounts equal to or greater than NT\$1,000 thousand are disclosed.

# SolidWizard Technology Co., Ltd.

The name and location of the investee company and other relevant information (excluding mainland China investee companies)

# January 1 to December 31, 2024

Table 3

Unit: NTD thousands

(unless otherwise specified)

					<u>Initial inves</u>	stment amount				Capital expenditure of		vestment and losses	3
								Shareholdin		the investee	rec	cognized	,
		Location of the	<u>;</u>	Er	and of current			g at the end		Current profit	in th	ne current	_
Name of investment company	Name of investee	<u>Company</u>	Main business items		period	End of last year	Number of shares	s of the period C	Larrying amount	and loss	r	period	Note
SOLIDWIZARD TECHNOLOGÝ CÓ., LTD.	. SolidWizard Technology Holding Co., Ltd.	•	Holding and re- investment affairs	\$	30,947	\$ 30,947	1,000	100.00 \$	\$ 156,763	\$ 13,420	\$	13,420	Subsidiary
SolidWizard Technology Holding Co.,Ltd.	UnitedWizard Technology Co.,Ltd.		Holding and re- investment affairs		30,945	30,945	1,000	100.00	157,005	13,419			Subsidiary of that company (Note)

Note: The investment gains and losses recognized in the current period are omitted as required by the regulations.

# SolidWizard Technology Co., Ltd.

#### Mainland China Investment Information - Basic Information

January 1 to December 31, 2024

Table 4

Unit: NTD thousands

(unless otherwise specified)

				Accumulated investment	Investment am or regained in		d Accumulated	Capital expenditure of	The Companys	Investment gains	Carrying		
			Investment method	amount remitted	peri	od	_investment amount	the investee	shareholding	and losses	amount of	Repatriated	
Name of investee				from Taiwan at			remitted from		ratio in direct or	recognized in the	investment at	investment	
company in Mainland				the beginning of	Outward		Taiwan at the end	Current profit	indirect	current period	the end of the	income up to the	٥
China	Main business items	Paid-in capital	(Note 1)	the period	remittance	Regained	of the period	and loss	investments	(Note 2)	period	current period	Note
Shanghai UnitedWizard	Electronic information supply	\$ 30,886	(2)	\$ 30,886	\$ -	\$ -	\$ 30,886	\$ 13,418	100	\$ 13,418	\$ 156,819	\$ -	None
Technology International	service and information												
Trading Limited	software wholesale business												

			Tł	ne amount of		Limits on
			i	investment	inv	estments in China
			app	proved by the	Si	tipulated by the
	A	ecumulated amount of	]	Investment		Investment
	rem	nittance from Taiwan to	C	ommission,		Commission,
	Mair	nland China at the end of	1	Ministry of		Ministry of
Company name		the period	Eco	nomic Affairs	E	conomic Affairs
Shanghai UnitedWizard	\$	30,886	\$	30,886	\$	908,808
Technology International						

Trading Limited

Note 1: Investment methods are divided into the following three types, and it is sufficient to indicate the type of investment:

- (1) Direct investment in Mainland China
- (2) Reinvestment in Mainland China through a third regional company (investment is through SolidWizard Technology Holding Co., Ltd.)
- (3) Other methods

Note 2: The investment gains and losses recognized in the current period are based on the financial statements of the parent company in Taiwan audited and attested by a CPA.

# $Solid Wizard\ Technology\ Co.,\ Ltd.$

#### Information of major shareholders

December 31, 2024

Table 5

	Name of major shareholder	Common stock shares held (thousand shares)	Shareholding ratio
Unisource Investment Co., Ltd.			25.21%
Li Hsing Investment Co., Ltd.		7,115	12.39%
Chien-Hsing Lee		3,496	11.96%
-		3,374	
Li-Hsiang Wei		2,821	9.99%
Tai-Yuan Hsu			8.39%
Hui-Yu Sun		2,368	5.43%
		1,534	

- Note 1: The information of major shareholders presented in this table is provided by the Taiwan Depository & Clearing Corporation based on the number of ordinary shares and preferred shares held by shareholders with ownership of 5% or greater, that have been issued without dematerialized registration/delivery (including treasury shares) by the Company as of the last business day for the current quarter.
  - The share capital recorded in the financial report and the actual number of shares delivered by the company that has completed the dematerialized registration/delivery may be different due to different calculation bases.
- Note 2: If the shareholders have delivered their shares to the trust, the above information will be disclosed based on the individual trust accounts opened by the trustees. For shareholders who declare insider shareholdings with ownership greater than 10% in accordance with the Securities and Exchange Act, the shareholdings include shares held by shareholders and those delivered to the trust over which shareholders have rights to determine the use of trust property. For information relating to insider shareholding declaration, please refer to Market Observation Post System.



The companies to be included by the Company in the consolidated financial statements of affiliated enterprises in 2024 (January 1 to December 31, 2024) pursuant to the "Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises" are the same as those to be included into the consolidated financial statements of the parent company and subsidiaries pursuant to the Statements of International Financial Reporting Standards (IFRS) No. 10. Further, the related information to be disclosed in the consolidated financial statements of affiliated enterprises has been disclosed in the said consolidated financial statement of the parent company and subsidiaries. Accordingly, it is not necessary for the Company to prepare the consolidated financial statement of affiliated enterprises separately.

We hereby declare

Company name: SOLIDWIZARD TECHNOLOGY CO., LTD.

Responsible person: Chien-Hsing Lee

March 7, 2025

Independent Auditors' Report

(114) Letter Cai-Shen-Bao-Zi No. 24005018

To: SOLIDWIZARD TECHNOLOGY CO., LTD.

**Audit Opinions** 

We have audited the accompanying consolidated statement of financial position of SolidWizard Technology Co., Ltd. and its Subsidiaries (hereinafter referred to as "the Group") as of December 31, 2024 and 2023, and the consolidated statements of comprehensive income, consolidated changes in equity and cash flow for the years then ended, and the notes to the consolidated financial statements, (including a summary of significant accounting policies).

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Group as of December 31, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulation Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, and Interpretations developed by the International Financial Reporting Interpretations Committee or the former Standing Interpretations Committee (collectively, "IFRSs") as endorsed and entered into effect by the Financial Supervisory Commission (FSC).

Basis for the audit opinion

We conducted our audit in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by entrusted Certified Public Accountants and auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with The Norm of Professional Ethics for Certified Public Accountants 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 audit opinion.

**Key audit matters** 

Key audit matters refer to the most important matters in the audit of the 2024 consolidated financial statements of the Group based on the professional judgment of the CPAs. These matters were addressed in our audit of the consolidated financial statements as a whole, and in forming our audit opinion. We do not provide a separate opinion on these matters.

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The key audit matters in the consolidated financial statements of the Group for the year ended December 31, 2024 are as follows:

# **Inventory valuation**

#### Item Description

For the accounting policy of inventory valuation, please refer to Note IV(XII) of the consolidated financial statements; for the uncertainty of accounting estimates and assumptions of inventory valuation, please refer to Note V(II) of the consolidated financial statements; for descriptions of inventory accounting items, please refer to the consolidated financial statements Note VI(IV).

The main business item of the Group is information software sales. These inventories are affected by market demand and competition from manufacturers, and the risk of inventory devaluation loss is higher. Due to the significant amount of inventory of the Group, and that the identification of depreciated and obsolete inventory often requires subjective judgment, which is an area of judgment required during the audit, the accountant has listed the estimate of allowance for inventory valuation losses as one of the key audit matters of this year.

#### Corresponding audit procedures

The main audit procedures that we have performed are as follows:

- Assessing the policy adopted for the allowance for devaluation of inventories according to our understanding of the operation of the Group and the nature of the industry.
- Whether the market price basis for testing the net realizable value is consistent with the policy set by the Group, and whether the calculation of the selling price and the net realizable value of individual inventory material numbers is correct.
- 3. Obtaining the details of obsolete inventory identified by the management, reviewing the relevant documents and reconciling the accounting records.

# Other matters - parent company only financial statements

SolidWizard Technology Co., Ltd. has prepared the parent company only financial statements for 2024 and 2023, and the Independent Auditors' Report with an unqualified opinion issued by the accountant is filed for reference.

# 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 Regulation Governing the Preparation of Financial Reports by Securities Issuers, and the IFRS, IAS, IFRIC, and SIC as endorsed and issued into effect by the Financial Supervisory Commission (FSC) of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated Financial Statements, the management is responsible for assessing the Group's capability 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.

The governance unit (including the Audit Committee) of the Group is responsible for supervising the financial reporting process.

# **Auditors Responsibilities for Auditing the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance on whether the Consolidated Financial Statements as a whole are free from material misstatement arising from fraud or error, and to issue an independent auditors report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit in accordance with the Auditing Standards of the Republic of China will always detect material misstatements in the Consolidated Financial Statements. Misstatements can arise from fraud or error. If the individual amounts or the aggregate amount can be reasonably expected to influence the economic decisions of the users of the consolidated financial statements, the misstatements are considered material.

We exercise professional judgment and skepticism during the audit in accordance with the Auditing Standards of the Republic of China. We also perform the following tasks:

- 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. Because fraud may involve collusion, forgery, intentional omission, misstatement or violation of internal control, the risk of material misstatement resulting from fraud is higher than that resulting from error.
- 2. Obtain necessary understanding of the internal control related to the audit in order to design appropriate audit procedures under the circumstances, but the purpose is not to express an opinion on the effectiveness of the internal control of the Group.

- 3. Evaluate the appropriateness of the accounting policies adopted by the management and the reasonableness of the accounting estimates and related disclosures made by the management.
- 4. Conclude on the appropriateness of the managements use of the going concern basis of accounting based on the audit evidence obtained, and whether a material uncertainty exists for events or conditions that may cast significant doubt on the Groups 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 inappropriate, to modify our opinion. Our conclusion is based on the audit evidence obtained up to the date of the audit report. However, future events or conditions may cause the Group to cease to continue to operate.
- 5. Evaluate the overall presentation, structure, and content of the consolidated financial statements (including related notes), and whether the consolidated financial statements adequately present related transactions and events.
- 6. Obtain sufficient and appropriate audit evidence for the financial information of the entities in the Group, in order to express an opinion on the consolidated financial statements. We are responsible for the guidance, supervision and implementation of the audit on the Group, and we are responsible for forming an audit opinion on the Group.

The matters communicated between us and the governing body include the planned scope and time of the audit, and major audit findings (including significant deficiencies in internal control identified during the audit).

We also provided the governing body with a declaration that we have complied with relevant ethical requirements regarding independence, and we communicated with them all relationships that may be thought to undermine our independence and other matters (including related protective measures).

From the matters communicated with those charged with governance, we determined those matters that were of most significance in the audit of the Groups Consolidated Financial Statements for the year ended December 31, 2024 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter shall 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.

PwC Taiwan

Hui-Tzu Yang

Certified Public Accountant

Sung-Tse Wang

Financial Supervisory Commission

Approval Letter No.: Jin-Guan-Zheng-Shen-Zi No. 1130350413 Approval Letter No.: Jin-Guan-Zheng-Shen-Zi No. 1110349013

March 7, 2025

Unit: NTD thousands

			1	December 31, 2024	<u> </u>	Dece	December 31, 2023		
	Assets	Notes		Amount	<u>%</u>	Amo	ount	<u>%</u>	
	Current assets								
1100	Cash and cash equivalents	VI (I)	\$	1,016,891	53	\$	908,503	50	
1110	Financial assets at fair value through profit or loss - current	VI (II)		21,551	1		21,241	1	
1150	Net notes receivable	VI (III)		86,646	5		81,103	5	
1170	Net accounts receivable	VI (III)		395,028	20		351,204	19	
130X	Inventory	VI (IV)		119,427	6		155,067	9	
1410	Prepayments			6,238	-		18,248	1	
1470	Other current assets			5,947			5,985		
11XX	Total current assets			1,651,728	85		1,541,351	85	
	Non-current assets								
1517	Financial assets measured at fair value through other comprehensive	VI (V)							
	income - non-current			25,800	1		25,800	1	
1600	Property, plant and equipment	VI (VI) and VIII		230,302	12		218,795	12	
1755	Right-of-use assets	VI (VII)		7,256	-		7,532	-	
1780	Intangible assets			778	-		1,360	-	
1840	Deferred income tax assets	VI (XVIII)		11,739	1		12,860	1	
1930	Long-term notes and accounts								
	receivable			310	-		1,095	-	
1990	Other non-current assets - others			7,491	1		8,270	1	
15XX	Total non-current assets			283,676	15		275,712	15	
1XXX	Total assets		\$	1,935,404	100	\$	1,817,063	100	

(continued on next page)



Unit: NTD thousands

			I	December 31, 2024	<u> </u>	December 31, 2023	3
	Liabilities and equity	Notes		Amount	%	 Amount	%
	Current liabilities						
2130	Contract liabilities - current	VI (XIII)	\$	4,916	-	\$ 5,364	1
2150	Notes payable			1,314	-	1,314	-
2170	Accounts payable			224,624	12	212,250	12
2200	Other payables	VI (VIII)		106,073	6	95,550	5
2230	Current income tax liabilities			40,734	2	38,096	2
2280	Lease liabilities - current			5,063	-	3,922	-
2399	Other current liabilities - Other			3,017		 1,706	
21XX	Total current liabilities			385,741	20	 358,202	20
	Non-current liabilities						
2570	Deferred income tax liabilities	VI (XVIII)		27,038	2	23,213	1
2580	Lease liabilities - non-current			2,395	-	3,761	-
2640	Net defined benefit liabilities - non-	VI (IX)					
	current			5,551		 7,019	1
25XX	Total non-current liabilities			34,984	2	 33,993	2
2XXX	<b>Total liabilities</b>			420,725	22	 392,195	22
	Equity attributable to owners of the						
	parent company						
	Share capital	VI (X)					
3110	Common stock capital			282,107	15	282,107	16
	Capital reserve	VI (XI)					
3200	Capital reserve			132,625	7	132,625	7
	Retained earnings	VI (XII)					
3310	Legal reserve			326,249	17	297,382	16
3320	Special reserves			4,837	-	2,801	-
3350	Undistributed earnings			762,021	39	707,027	39
	Other equity						
3400	Other equity			6,840		 2,926	
31XX	Total equity attributable to						
	owners of the parent company			1,514,679	78	 1,424,868	78
3XXX	Total equity			1,514,679	78	 1,424,868	78
	Material contingent liabilities and unrecognized contractual commitments	IX					
	Significant subsequent events	XI					
3X2X	Total liabilities and equity		\$	1,935,404	100	\$ 1,817,063	100

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







Unit: NTD thousands (Except for earnings per share in NTD)

				2024			2023		
	Item	Notes		Amount	%		Amount		%
4000	Operating revenue	VI (XIII)	\$	1,541,912	100	\$	1,447,163		100
5000	Operating cost	VI (IV)	(	776,031) (	51)	(	690,593)	(	48)
5900	Gross operating profit			765,881	49	-	756,570		52
	Operating expenses	VI (IX) (XVII)							
6100	Promotion expenses		(	232,403) (	15)	(	224,076)	(	16)
6200	Administrative expenses		(	83,146) (	5)	(	79,104)	(	6)
6300	R&D expenses		(	112,092) (	7)	(	108,006)	(	7)
6450	Expected credit impairment gain (loss)	XII (II)		7,232		(	5,002)		_
6000	Total operating expenses		(	420,409) (	27)	(	416,188)		29)
6900	Operating profit			345,472	22		340,382		23
	Non-operating income and expenses								
7100	Interest revenue	VI (XIV)		9,330	1		6,063		1
7010	Other income	VI (XV)		35,028	2		15,885		1
7020	Other gains and losses	VI (II) (VII)		1.070			2.252		
7050	Financial cost	(XVI) VI (VII)	(	1,878	-	,	2,352		-
7000	Total non-operating income and expenses	(11)		134)			74)	_	
7900	Net profit before tax			46,102	25		24,226	_	2
7950	Income tax expense	VI (XVIII)	,	391,574		,	364,608	,	25
8200	Net income for the period	VI (ZI VIII)	(	81,074) (	5)	(	76,000)	_	5)
0200	Other comprehensive income (net amount)		\$	310,500	20	\$	288,608	_	20
	Items not reclassified to profit or loss								
8311	Remeasurement of defined benefit plan	VI (IX)		1.054			00		
8349	Income tax related to items not subject to	VI (XVIII)	\$	1,354	-	\$	80		-
05 17	reclassification	VI (ZI VIII)	(	271)		(	16)		<u> </u>
8310	Total of items not reclassified to profit or					-			
	loss  Items that may be reclassified subsequently to			1,083			64	_	
	profit or loss								
8361	Exchange differences on translation of								
8399	financial statements of foreign operations Income tax related to items that may be	VI (XVIII)		4,892	-	(	2,545)		-
6399	reclassified	VI (AVIII)	(	978)	_		509		_
8360	Total amount of items that may be							_	
	reclassified subsequently to profit or loss			3,914		(	2,036)	_	
8300	Other comprehensive income (net amount)		\$	4,997		(\$	1,972)	_	
8500	Total comprehensive income for the period		\$	315,497	20	\$	286,636		20
	Net profit attributable to:								
8610	Owner of the parent company		\$	310,500	20	\$	288,608		20
	Total comprehensive income attributable to:								
8710	Owner of the parent company		\$	315,497	20	\$	286,636		20
						-		_	
	Earnings per share	VI (XIX)							
9750	Basic earnings per share		\$		11.01	\$			10.23
9850	Diluted earnings per share		\$		10.99	\$			10.21
	<del>-</del> -		Ψ		10.77	Ψ			10.21

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

Chairman: Chien-H

Manager: Tai-Yuar



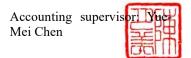
Unit: NTD thousands

		Equity attributable to owners of the parent company															
							F	Retained earnings				Other eq	uity				
	Notes	Common stock capital	k (	Capital reserve - issuance premium	1	Legal reserve		Special reserves	Undis	tributed earnings		exchange differences on translation of financial statements of foreign operations		or lo finance measur value o compr	ized gains osses on sial assets red at fair through other rehensive come		Total equity
<u>2023</u>																	
Balance on January 1, 2023		\$ 282,107	_	\$ 132,625	\$	266,655	\$	3,928	\$	673,641	(\$	2,801	)	\$	7,763	\$	1,363,918
Net income for the period		-		-		-		-		288,608		-			-		288,608
Other comprehensive income in the current period		_	_	_		_		_		64	(	2,036	)		_	(	1,972 )
Total comprehensive income for the period			•				_			288,672	_	2,036	)				286,636
Earnings appropriation and distribution for VI (2)	XII)									200,072	<u></u>	2,030	,				200,030
Legal reserve		-		_		30,727		-	(	30,727 )		_			_		_
Reversal of special reserve		-		_		_	(	1,127 )		1,127		_			_		-
Cash dividends		-		_		_		-	(	225,686 )		_			_	(	225,686 )
Balance on December 31, 2023		\$ 282,107	,	\$ 132,625	\$	297,382	\$	2,801	\$	707,027	(\$	4,837	)	\$	7,763	\$	1,424,868
<u>2024</u>		<u> </u>	•			,		<u> </u>			_	,	,				
Balance as of January 1, 2024		\$ 282,107	,	\$ 132,625	\$	297,382	\$	2,801	\$	707,027	(\$	4,837	)	\$	7,763	\$	1,424,868
Net income for the period		-		-	-	-	-	-	-	310,500	\ <u>-</u>	-	,			-	310,500
Other comprehensive income in the current										· ·							,
period			:			<u>-</u>		<u> </u>		1,083		3,914					4,997
Total comprehensive income for the period			<u>.</u>	<del>_</del>			_	<u>-</u>		311,583		3,914					315,497
Earnings appropriation and distribution for 2023VI (X	XII)																
Legal reserve		-		-		28,867		-	(	28,867 )		-			-		-
Provision of special reserve		-		-		-		2,036	(	2,036 )		-			-		-
Cash dividends				<del>_</del>		<u> </u>		<u>-</u>	(	225,686 )		<u>-</u>				(	225,686 )
Balance as of December 31, 2024		\$ 282,107	,	\$ 132,625	\$	326,249	\$	4,837	\$	762,021	(\$	923	)	\$	7,763	\$	1,514,679

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







Unit: NTD thousands

January 1 to December 31,

January 1 to December 31,

	Notes	January 1	2024	2023			
Cash flow from operating activities							
Net income before tax for the current period		\$	391,574	\$	364,608		
Adjustment item		ý.	391,374	Φ	304,000		
Income and expenses							
Depreciation expense	VI (VI) (VII)						
	(XVII)		16,647		11,820		
Amortization expense	VI (XVII)		1,582		1,981		
Expected credit impairment (reversal gain) loss	XII (II)	(	7,232 )		5,002		
Net gain on financial assets at fair value through profit or loss	VI (II) (XVI)	Ì	310 )	(	247 )		
Interest expense	VI (VII)	`	134	`	74		
Interest revenue	VI (XIV)	(	9,330 )	(	6,063 )		
Losses (gains) on the disposal of property, plant and equipment	VI (XVI)		5	(	1,586 )		
Gains on leasehold improvement	VI (XVI)	(	6)	(			
Changes in assets/liabilities related to operating activities		(	<b>v</b> )				
Net changes in assets related to operating activities							
Notes receivable		(	5,488 )		908		
Accounts receivable		(	35,371 )	(	6,079 )		
Inventory		(		(			
Prepayments			15,745	(	95,288 )		
Other current assets			12,101		4,819		
Long-term notes and accounts receivable			90		2,537		
Other non-current assets - others			880		1,976		
Net changes in liabilities related to operating activities			283		6,360		
Contract liabilities - current							
		(	448 )	(	33,694 )		
Accounts payable			11,869		88,547		
Other payables			9,231	(	3,059 )		
Other current liabilities - Other			1,311	(	2,003 )		
Net defined benefit liabilities		(	2025 )	(	230 )		
Cash inflow from operations			403,153		340,383		
Interest paid		(	134 )	(	74 )		
Interest received			9,330		6,063		
Income tax paid		(	73,832 )	(	80,916 )		
Net cash inflow from operating activities			338,517		265,456		
Cash flow from investing activities							
Proceeds from acquisition of property, plant and equipment	VI (XX)	(	1,434 )	(	11,828 )		
Proceeds from the disposal of property, plant and equipment		`	-	`	1,680		
Acquisition of intangible assets	VI (XX)	(	462 )	(	2,245 )		
Net cash outflow from investing activities		(	1,896 )	(	12,393 )		
Cash flow from financing activities			1,070	\	12,373		
Repayment of principal of lease liabilities	VI (XXI)	(	5 206 )	(	4.441.)		
Distribution of cash dividends	VI (XII)	(	5,306 )	(	4,441 ) 225,686 )		
Net cash outflow from financing activities	()	(	225,686 )	(			
Exchange rate effect		(	230,992 )	(	230,127		
_			2,759	(	1,604 )		
Increase in cash and cash equivalents in the current period			108,388		21,332		
Opening balance of cash and cash equivalents			908,503	-	887,171		
Closing balance of cash and cash equivalents		\$	1,016,891	\$	908,503		

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



Manager: Tai-Yuan





Unit: NTD thousands (unless otherwise specified)

# I. Company history

SOLIDWIZARD TECHNOLOGY CO., LTD. (hereinafter referred to as "the Company") was incorporated in the Republic of China in July 2005, and was listed for trading on the Taipei Exchange on September 19, 2012. The Company and its subsidiaries (collectively, "the Group") mainly engage in the R&D of IT software, electronic information supply service and wholesale of IT software.

# II. Approval Date and Procedure of Financial Statements

This consolidated financial statement has been approved by the Board of Directors for release on March 7, 2025.

## III. Application of New and Amended Standards and Interpretations

# (I) Effect of the adoption of the newly issued and amended IFRSs 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 listed as follows:

Effective date by the
International Accounting
Standards Board (IASB)
January 1, 2024

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

# (II) Effect of new issuances of or amendments to IFRSs as endorsed by the FSC but not yet adopted by the Company

The following table summarizes the newly issued, amended, and revised standards and interpretations of the International Financial Reporting Standards accounting standards approved by the Financial Supervisory Commission for application in 2025:

	Effective date by the International
New/revised/amending standards and interpretations	Accounting Standards Board (IASB)
Amendments to IAS No. 21 "Lack of Exchangeability"	January 1, 2025

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

# (III) Effect of IFRSs issued by the IASB but not yet endorsed by the FSC

The newly issued, amended and revised standards and interpretations of International Financial Reporting Standards (IFRS) issued by the IASB but not yet endorsed by the FSC are listed below:

	Effective date by the
	International Accounting
New/revised/amending standards and interpretations	Standards Board (IASB)
Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and	January 1, 2026
Measurement of Financial Instruments"	
Amendments to IFRS 9 and IFRS 7 "Contracts Involving Non-Contractual Renewable	January 1, 2026
Electricity"	
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between An	To be determined by the
Investor and Its Associate or Joint Venture"	International Accounting
	Standards Board (IASB)
IFRS 17 "Insurance Contracts"	January 1, 2023
Amendment to IFRS 17 "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17 "Initial Application of IFRS 9 and IFRS 17 - Comparative	January 1, 2023
Information"	
IFRS No. 18 "Presentation and Disclosures of 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 as described below, the Group has assessed that the above standards and interpretations will not have a material impact on the Group's financial position and financial performance:

- IFRS No. 18 "Presentation and Disclosures of Financial Statements"
   International Financial Reporting Standard No. 18 "Presentation and Disclosure in Financial Statements" replaces International Accounting Standard No. 1, updates the structure of the statement of profit or loss and other comprehensive income, introduces new disclosures on management performance measures, and enhances the aggregation and disaggregation principles applied in the primary financial statements and notes.
- IFRS 19 "Subsidiaries without Public Accountability: Disclosures"
   This standard permits eligible subsidiaries to apply IFRS Accounting Standards with reduced disclosure requirements.

## IV. Summary of significant accounting policies

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

#### (I) <u>Compliance Statement</u>

The consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards and Interpretations and Interpretations Announcements (collectively "IFRSs") endorsed and issued into effect by the FSC.

## (II) Basis of Preparation

- 1. Except for the following important items, the consolidated financial statements are prepared at historical cost:
  - (1) Financial assets measured at fair value through profit or loss.
  - (2) Financial assets measured at fair value through other comprehensive income.
  - (3) Defined benefit liabilities recognized at the net value of the pension fund assets deducting the present

value of the defined benefit obligation.

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

## (III) Basis for consolidation

- 1. Basis for preparation of consolidated financial statements:
  - (1) All subsidiaries are included in the Group's consolidated financial statements. Subsidiaries are all entities (including structured 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.
  - (2) Inter-company transactions, balances and unrealized 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.
  - (3) Profit or loss and each component of other comprehensive income are attributed to the owners of the parent and to the non-controlling interests. Total comprehensive income is attributed to the owners of the parent and to the non-controlling interests even if these results in the non-controlling interests having a deficit balance.
  - (4) Changes in a parent's ownership interest in a subsidiary that do not result in the parent losing control of the subsidiary (transactions with non-controlling interests) are accounted for as equity transactions, i.e. transactions with owners in their capacity as owners. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity.
  - (5) When the Group loses control of a subsidiary, the Group remeasures any investment retained in the former subsidiary at its fair value. That fair value is regarded as the fair value on initial recognition of a financial asset or the cost on initial recognition of the association or joint venture. Any difference between fair value and carrying amount is recognized in profit or loss. For all amounts previously recognized as other comprehensive income related to the subsidiary, the accounting treatment shall be the same as the basis for the Group's direct disposal of the relevant assets or liabilities. That is, all gains or losses previously recognized in other comprehensive income will be reclassified as gains or losses when the related assets or liabilities are disposed of, and the profits or losses will be reclassified from equity to gains or losses when the Company loses control of the subsidiary.

# 2. Subsidiaries included in the consolidated financial statements:

			Shareholding P	Percentage (%)	
Name of investment company	Name of subsidiary	Nature of business	December 31, 2024	December 31, 2023	Description
SOLIDWIZARD	SolidWizard	Holding and re-	100	100	
TECHNOLOGY CO., LTD.	TechnologyHolding	investment affairs			
	Co.,Ltd.				
SolidWizard Technology	UnitedWizard	Holding and re-	100	100	
Holding Co., Ltd.	Technology Co.,Ltd.	investment affairs			
UnitedWizard Technology Co.,Ltd.	Shanghai UnitedWizard Technology	Electronic information supply service and information software	100	100	
	International Trading Limited	wholesale business			

- 3. Subsidiaries not included in the consolidated financial statements: None.
- 4. Different adjustment and treatment of subsidiaries during the accounting period: None.
- 5. Material restrictions: None.
- 6. Subsidiaries of which the Group has significant non-controlling interests: None.

#### (IV) Foreign currency translation

The items listed in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates (i.e. the functional currency). The presentation currency of the consolidated financial statements is the functional currency of the Company, which is the "NTD".

- 1. Transactions and balances in foreign currencies
  - (1) Foreign currency transactions are translated into the functional currency at the spot exchange rate on the transaction date or measurement date, and the translation differences arising from the translation of such transactions are recognized in profit or loss for the current period.
  - (2) The balance of monetary assets and liabilities denominated in foreign currencies is evaluated and adjusted according to the spot exchange rate on the Statement of Financial Position date, and the translation difference arising from the adjustment is recognized in the current profit or loss.
  - (3) For the balance of non-monetary assets and liabilities denominated in foreign currencies measured at fair value through profit or loss, they are adjusted using the spot exchange rate on the Statement of Financial Position date, and the exchange difference arising from the adjustment is recognized in profit or loss for the current period. For those measured at fair value through comprehensive income, it is adjusted according to the spot exchange rate on the Statement of Financial Position date, and the exchange difference arising from the adjustment is recognized in other comprehensive income; for those that are not measured at fair value, they will be measured by the historical exchange rate measurement on the initial trading date.
  - (4) Foreign exchange gains and losses are presented in accordance with the nature of the transaction in the "other gains and losses" of the income statement.

#### 2. Translation of foreign operations

- (1) For all group entities, affiliates and joint agreements for which the functional currency is different from the presentation currency, the operating results and financial position shall be translated into the presentation currency in the following manners:
  - A. Assets and liabilities expressed in each Statement of Financial Position are translated at the closing exchange rate on the Statement of Financial Position date;
  - B. The income, expenses and losses expressed in each Statement of Comprehensive Income are translated at the average exchange rate of the current period; and
  - C. All exchange differences arising from translation are recognized in other comprehensive income.
- (2) When a foreign operation that is partially disposed of or sold is a subsidiary, the accumulated exchange differences recognized in other comprehensive income are re-attributable to the non-controlling interests of the foreign operation on a pro rata basis. However, if the Group still retains part of the equity of the former subsidiary but has lost the control over the subsidiary of the foreign operating organization, it will be treated as a disposal of all the equity of the foreign operating organization.

# (V) <u>Classification criteria for current and non-current assets and liabilities</u>

- 1. Assets that meet one of the following conditions are classified as current assets:
  - (1) The asset is expected to be realized, intended to be sold or consumed in the normal business cycle.
  - (2) Those held mainly for the purpose of trading.
  - (3) Expected to be realized within 12 months after the Statement of Financial Position date.
  - (4) Cash or cash equivalents, except for those to be exchanged or used to settle liabilities for at least 12

months after the Statement of Financial Position date.

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

- 2. Liabilities that meet one of the following conditions are classified as current liabilities:
  - (1) Those that are expected to be settled in the normal business cycle.
  - (2) Those held mainly for the purpose of trading.
  - (3) Those that are expected to be settled within 12 months after the Statement of Financial Position date.
  - (4) Those that do not have the right to defer settlement of the liability for at least twelve months after the reporting period.

The Group classifies all liabilities that do not meet the above conditions as non-current.

## (VI) Cash equivalents

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

#### (VII) Financial assets measured at fair value through profit or loss

- 1. Financial assets that are not measured at amortized cost or at fair value through other comprehensive income.
- 2. The Group adopts trade date accounting for financial assets measured at fair value through gains and losses that are customary transactions.
- 3. The Group measures at fair value at the time of initial recognition, and the related transaction costs are recognized in profit or loss; subsequently, they are measured at fair value, and the profit or loss is recognized in profit or loss.
- 4. When the right to receive dividends is established, the economic benefits related to the dividends are likely to inflow, and the amount of dividends can be reliably measured, the Group recognizes dividend income in the profit or loss.

#### (VIII) Financial assets measured at fair value through other comprehensive income

- 1. Refers to an irrevocable choice at initial recognition to report changes in the fair value of equity instrument investments that are not held for trading in other comprehensive income.
- 2. The Group adopts trade date accounting for financial assets measured at fair value through other comprehensive income in line with trading practices.
- 3. The Group measures their fair value plus transaction cost at the time of initial recognition, and then measures at fair value. Changes in fair value of equity instruments are recognized in other comprehensive income, and at the time of derecognition, the accumulated profit or loss previously recognized in other comprehensive income shall not be reclassified as profit or loss and transferred to retained earnings. When the right to receive dividends is established, the economic benefits related to the dividends are likely to inflow, and the amount of dividends can be reliably measured, the Group recognizes dividend income in the profit or loss.

#### (IX) Accounts and notes receivable

- 1. Refer to accounts and notes with the unconditional right to receive the amount of consideration exchanged for the transfer of goods or services as agreed in the contract.
- 2. For short-term accounts and notes receivable with unpaid interest, as the discounting effect is insignificant, the Group measures them at the original invoice amount.

# (X) Impairment of financial assets

At each balance sheet date, the Group assesses financial assets measured at amortized cost, as well as accounts receivable or contract assets with significant financing components, by considering all reasonable and supportable information (including forward-looking information). For those whose credit risk has not increased significantly since initial recognition, the loss allowance is measured at an amount equal to 12-month expected credit losses; for those whose credit risk has increased significantly since initial recognition,

the loss allowance is measured at an amount equal to lifetime expected credit losses. For accounts receivable or contract assets without significant financing components, the loss allowance is measured at an amount equal to lifetime expected credit losses.

## (XI) <u>Derecognition of financial assets</u>

When the contractual right to receive the cash flow from the financial asset expires, the financial asset will be derecognized.

#### (XII) Inventory

Inventories are measured at the lower of cost or net realizable value, and the cost is determined in accordance with the weighted average method. When comparing the lower of the cost or the net realizable value, the item-by-item comparison method is adopted. The net realizable value refers to the estimated selling price in the normal business process less the estimated cost of completion and the estimated cost of sales balance.

#### (XIII) Property, plant and equipment

- 1. Property, plant and equipment are recorded at acquisition cost.
- 2. The subsequent cost is included in the book value of the asset or recognized as an individual asset only when the future economic benefits related to the item are likely to flow into the Group and the cost of the item can be reliably measured. The book value of the replaced part shall be derecognized. All other maintenance expenses are recognized in profit or loss for the current period when incurred.
- 3. The cost model is adopted for the subsequent measurement of property, plant and equipment. Except for land that is not depreciated, the depreciation is calculated using the straight-line method according to the estimated service life. Significant properties, plant and equipment are depreciated separately.
- 4. The Group reviews the residual value, useful life and depreciation method of each asset at the end of each fiscal year. If the residual value and expected useful life are different from the previous estimates, or if there is a significant change in the expected consumption pattern of benefits in the future economic benefits, the Company shall follow IAS 8 "Accounting Policies, Changes and Errors in Accounting Estimates" from the date of the change in accounting estimates. The durability of each asset is as follows:

#### **Buildings**

Houses	35 - 50 years
Decoration project	2-5 years
Transportation equipment	3-5 years
Office equipment	2-5 years
Leasehold improvements	3 years

# (XIV) <u>Lease transactions with lessees - right-of-use assets/lease liabilities</u>

- 1. Lease assets are recognized as right-of-use assets and lease liabilities when they are available for use by the Group. When the lease contract is a short-term lease or the lease of the underlying asset of low value, the lease payment is recognized as an expense using the straight-line method over the lease period.
- Lease liabilities are recognized by discounting the unpaid lease payments at the present value of the Group's incremental borrowing rate at the commencement date of the lease. Lease payments include fixed payments less any lease incentives receivable.
  - Subsequent adoption of the interest method and the amortized cost method, and the interest expense is recognized during the lease term. When the lease period or lease payment changes other than contract modification, the lease liabilities will be reassessed and the right-of-use assets will be remeasured.

- 3. Right-of-use assets are recognized at cost on the lease start date, including:
  - (1) The initially measured amount of the lease liability;
  - (2) Any lease payment paid on or before the commencement date;

The subsequent measurement is based on the cost model, and the depreciation expense is accrued at the earlier of the useful life of the right-of-use assets or the end of the lease term. When the lease liability is reassessed, the right-of-use asset will adjust any remeasurement of the lease liability.

## (XV) <u>Intangible assets</u>

The Group's intangible assets, including computer software, are recognized at the original cost and amortized using the straight-line method over their estimated useful lives of 1 to 3 years.

# (XVI) <u>Impairment of non-financial assets</u>

On the Statement of Financial Position date, the recoverable amount of assets with signs of impairment is estimated. When the recoverable amount is lower than the book amount, it is recognized as impairment loss. The recoverable amount is the fair value of an asset less the cost of disposal or its value in use, whichever is higher. When the impairment loss of the asset recognized in prior years does not exist or decreases, the impairment loss is reversed. However, the book value of an asset increased by the reversal of the impairment loss shall not exceed the book value obtained after deducting depreciation or amortization under the circumstance when the asset was not recognized for impairment loss.

#### (XVII) Accounts and notes payable

- 1. Refers to debts incurred from the purchase of raw materials, commodities or labor services on credit, and notes payable due to business and non-business reasons.
- 2. For short-term accounts and notes payable with unpaid interest, as the discounting effect is insignificant, the Group measures them based on the original invoice amount.

## (XVIII) Derecognition of financial liabilities

The Group derecognizes financial liabilities when the contractual obligations are fulfilled, cancelled or expired.

# (XIX) Employee benefits

1. Short-term employee benefits

Short-term employee benefits are measured by the non-discounted amount expected to be paid, and are recognized as expenses when the related services are provided.

# 2. Pension

(1) Definite contribution plan

For the defined contribution plan, the amount that should be allocated to the pension fund is recognized as the current pension cost on an accrual basis. Prepaid allocations are recognized as assets within the scope of refundable cash or reduced future payments.

## (2) Defined benefit plan

- A. The net obligation under the defined benefit plan is calculated by discounting the future benefit amount earned by employees in the current period or in the past, and the present value of the defined benefit obligation on the Statement of Financial Position date less the fair value of the planned assets. The net defined benefit obligation is calculated by the actuary using the projected unit benefit method every year, and the discount rate is determined by reference to the market yield rate of the high-quality corporate bond on the Statement of Financial Position date and the currency and period; for countries without a deep market, the market yield rate of government bonds (on the Statement of Financial Position date) is used.
- B. The actuarial gains and losses arising from the defined benefit plan are recognized in other comprehensive income in the period in which they are incurred.
- C. Expenses related to the service cost in the previous period are immediately recognized in profit or loss.

3. Remuneration to employees and directors

Employees' remuneration and directors' remuneration are recognized as expenses and liabilities when they have legal or constructive obligations and the amount can be reasonably estimated. If there is any discrepancy between the actual distributed amount and the estimated amount, it will be treated as a change in accounting estimate. In the case of the distribution of employee remuneration in shares, the number of shares is calculated based on the closing price on the day before the date of the resolution of the board of directors.

#### (XX) Income tax

- 1. Income tax expenses include current and deferred income tax. Income tax is recognized in profit or loss, except for items included in other comprehensive income or directly in equity, which are recognized in other comprehensive income or directly in equity.
- 2. The Group calculates the income tax for the current period based on the tax rate that has been enacted or substantially enacted in the countries where the Group is operating and generating taxable income on the Statement of Financial Position date. The management regularly evaluates the status of income tax returns in accordance with applicable income tax related laws and regulations, and where applicable, estimated income tax liabilities are based on the expected tax payments to the taxing authorities. Undistributed earnings are subject to income tax in accordance with the Income Tax Act. The generated earnings will be approved by the shareholders' meeting in the following year and based on the actual distribution of earnings, recognized as income tax expense of undistributed earnings.
- 3. Deferred income tax is recognized in accordance with the Statement of Financial Position method based on the temporary difference between the tax bases of assets and liabilities and their carrying amounts in the Consolidated Statement of Financial Position. Deferred tax liabilities arising from the initial recognition of goodwill shall not be recognized. If the deferred tax arises from the initial recognition of an asset or liability in a transaction (other than a business combination) that, at the time of the transaction, affects neither accounting profit nor taxable income (tax loss) and does not give rise to equal taxable and deductible temporary differences, it shall also not be recognized. If the temporary difference generated by investing in subsidiaries, the Group can control the time point for the temporary difference to reverse, and the temporary difference is very likely not to be reversed in the foreseeable future, it is not recognized. Deferred income tax is based on the tax rate (and tax law) that has been enacted or substantially enacted at the Statement of Financial Position date and is expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled
- 4. Deferred income tax assets are recognized within the scope where the temporary difference is likely to be used to offset future taxable income, and the unrecognized and recognized deferred income tax assets are reassessed at each Statement of Financial Position date.

# (XXI) Share capital

Common shares are classified as equity. The net amount after deducting income tax of the incremental cost directly attributable to the issuance of new shares or stock options is recognized as a reduction of price in equity.

## (XXII) Dividend distribution

Dividends distributed to the Group's shareholders are recognized in the financial statements when the shareholders' meeting resolves to distribute dividends. Cash dividends are recognized as liabilities, and stock dividends are recognized as stock dividends to be distributed and transferred as common shares on the record date of issuance of new shares.

#### (XXIII) Revenue recognition

- 1. Sales of goods
  - (1) The Group sells information software and 3D printing machine related products, and the sales

revenue is recognized when the control of the product is transferred to the customer, that is, when the product is delivered to the customer, and the Group has no possibility of outstanding performance obligations affecting the customer's acceptance of the product. When the product is transported to the designated location, the risk of obsolescence and loss has been transferred to the customer, and the customer accepts the product according to the sales contract, or there is objective evidence to prove that all acceptance standards have been met, the delivery of goods occurs.

(2) Accounts receivable are recognized when the goods is delivered to the customer, as the Group has an unconditional right to the contract price from that point on, and it only takes time to collect the consideration from the customer.

#### 2. Labor revenue and information system consulting services

- (1) The Group provides related services such as software certification, education and training, information system utilization analysis reports, and system improvement plans. The income from labor services and information system consulting services is recognized as income during the financial reporting period when the service is provided to the customer. Revenues from fixed price contracts are recognized based on the percentage of services actually provided as a percentage of the total services to be provided as of the Statement of Financial Position date. The completion percentage of services is determined based on the actual labor hours incurred to the estimated total labor hours. The customer pays the contract amount according to the agreed payment schedule. When the services provided by the Group exceed the payables, it is recognized as a contract asset; if the payables from the customer exceeds the services provided, it is recognized as a contract liability.
- (2) Some of the customer contracts include multiple commodities or services that should be delivered, such as hardware and software installation. In most cases, the installation is simple in nature, does not involve integration services, and can be performed by other companies, so the installation is identified as a separate performance obligation. The transaction price is allocated to each performance obligation in the contract based on the relative individual selling price. When the individual selling price is not directly observable, it is estimated using the expected cost plus profit method. If the contract includes the sale of hardware or software, the revenue from the hardware or software is recognized at the point when it is delivered to the customer, the legal title is transferred to the customer, and the customer has accepted the hardware or software.
- (3) The Group's estimates of income, cost and level of completion are revised subject to changes in circumstances. Any increase or decrease in estimated revenue or cost resulting from a change in estimate is reflected in profit or loss in the period in which the result of the revision is recognized by the management.

# (XIV) Operating department

The information of the Group's operating departments is reported in a consistent manner with the internal management reports provided to major operational decision makers. The chief operating decision maker is responsible for allocating resources to operating departments and evaluating their performance. The identified chief operating decision maker of the Group is the Board of Directors.

#### V. Major Sources of Significant Accounting Judgments, Estimates, and Assumptions Uncertainty

When the Group prepared these consolidated financial statements, the management has used its judgment to determine the accounting policies adopted, and made accounting estimates and assumptions based on the reasonable expectation of future events as of the Statement of Financial Position date. The significant accounting estimates and assumptions made may differ from the actual results. Historical experience and other factors will be considered for continuous evaluation and adjustment. These estimates and assumptions have risks that may result in significant adjustments to the book values of assets and liabilities in the next financial year. Please refer to the following descriptions of significant accounting judgments, estimates and uncertainties of assumptions:

# (I) <u>Important judgments on the adoption of accounting policies</u> None.

#### (II) <u>Important accounting estimates and assumptions</u>

1. Assessment of loss allowance for accounts receivable

In the process of assessing the provision for loss, the Group must use judgment and estimate to determine the future recoverability of accounts receivable. The future recoverability is affected by many factors, such as the customer's financial position, historical transaction records and current economic conditions, and many other factors that may affect the customer's ability to pay. If there is doubt about its recoverability, the Group needs to assess the possibility of recovery of the account and make appropriate allowance for losses. The allowance for losses is based on the reasonable expectation of the future events as of the Statement of Financial Position date. In addition, the Company adjusts the loss rate established based on history in a specific period and current information to estimate the loss allowance of accounts receivable based on the global economic information for future-looking considerations. However, the actual results may be different from the estimation, thus, there might be a significant change. On December 31, 2024, the book value of the Group's accounts receivable amounted to NTD 395,028.

## 2. Inventory valuation

Since inventories must be valued at the lower of cost or net realizable value, the Group must use judgment and estimate to determine the net realizable value of inventories on the Statement of Financial Position date. Due to the impact of market competition, commodity prices may be vulnerable to fluctuations or product sales are not as expected. The Group assesses the amount of inventory on the Statement of Financial Position date due to obsolescence or no market sales value, and offsets the inventory cost to the net realizable value. The evaluation of inventory is mainly based on the demand for products in a specific period in the future, so there may be significant changes. On December 31, 2024, the book value of the Group's inventories was NTD 119,427.

#### VI. Description of significant accounting items

## (I) Cash and cash equivalent

Cash on hand and working capital Checking deposits and demand deposits Time deposit

December 31, 2024		 December 31, 2023
\$	1,553	\$ 1,430
	365,338	257,073
	650,000	650,000
\$	1,016,891	\$ 908,503

- 1. The credit quality of the financial institutions with which the Group interacts is good, and the Group interacts with many financial institutions to diversify credit risks, and the possibility of default is expected to be very low.
- 2. The Group does not put cash and cash equivalents up for pledge.

# (II) Financial assets measured at fair value through profit or loss

Item	De	ecember 31, 2024	 December 31, 2023
Current items:			
Financial assets mandatorily measured at fair value			
through profit or loss			
Beneficiary certificate	\$	20,000	\$ 20,000
Valuation adjustment		1,551	 1,241
	\$	21,551	\$ 21,241

1. The breakdown of financial assets measured at fair value through profit or loss recognized in profit or loss is as follows:

	2	024	2023	
Financial assets mandatorily measured at fair				
value through profit or loss				
Beneficiary certificate	\$	310	\$	247

2. The Group does not pledge financial assets measured at fair value through profit or loss.

# (III) Notes and accounts receivable

	Decen	December 31, 2024		December 31, 2023	
Notes receivable	\$	86,646	\$	81,103	
Accounts receivable	\$	401,318	\$	368,307	
Less: Loss allowance	(	6,290)	(	17,103)	
	\$	395,028	\$	351,204	

1. The aging analysis of accounts receivable and notes receivable is as follows:

	Decemb	er 31, 2024	December 31, 2023		
	Accounts receivable	Notes receivable	Accounts receivable	Notes receivable	
Not past due	\$ 383,220	\$ 86,646	\$ 344,081	\$ 81,103	
Within 30 days of overdue	2,981	-	9,818	-	
Overdue 31-90 days	10,112	-	6,954	-	
Overdue 91-180 days	2,112	-	1,947	-	
Overdue for more than 181 days	2,893		5,507		
	\$ 401,318	\$ 86,646	\$ 368,307	\$ 81,103	

The above is an aging analysis based on the number of overdue days.

- 2. The balances of the receivables (including notes receivable) of the Group's contracts with customers on December 31, 2024, December 31, 2023, and January 1, 2023 were NTD 487,964 and NTD 449,410, and NTD 446,620, respectively.
- 3. The Group did not provide accounts receivable as collateral.

- 4. The best representation of the Group's maximum exposure to credit risk for (1) notes receivable and for (2) accounts receivable before consideration of associated collateral held or other credit enhancements were (1) NTD 86,646 and NTD 81,103, and (2) NTD 395,028 and NTD 351,204, as of December 31, 2024 and 2023, respectively.
- 5. Please refer to Note XII (II) for the credit risk information of related accounts receivable and notes

# (IV) Inventory

	December 31, 2024		December 31, 2023	
Commodities	\$	153,507 \$	179,697	
Less: Allowance for devaluation losses	(	34,080) (	24,630)	
	\$	119,427 \$	155,067	

The inventory related gains (losses) recognized by the Group as operating costs in the current period are as follows:

	 2024	 2023
Cost of sold inventories	\$ 766,764	\$ 689,227
Inventory valuation losses	 9,267	 1,366
	\$ 776,031	\$ 690,593

# (V) Financial assets measured at fair value through other comprehensive income

Item	Dec	ember 31, 2024	Dec	ember 31, 2023
Equity instrument				
Non-listed, OTC, and emerging stocks	\$	16,096	\$	16,096
Valuation adjustment		9,704		9,704
Total	\$	25,800	\$	25,800

1. The Group chose to classify the equity investments that are strategic investments as financial assets measured at fair value through other comprehensive profit or loss. The fair values of these investments as of December 31, 2024 and 2023 were both NTD 25,800.

# (VI) Property, plant and equipment

110perty, plant and equ	прии	<del></del>				2	202	24			
					Tı	ransportation		Office		Leasehold	
	_	Land	_B	uildings		equipment	_	equipment	im	provements	Total
January 1											
Cost	\$	157,644	\$	-	\$	1,192	\$	32,977	\$	5,172 \$	285,000
Accumulated depreciation			(	38,817)	(	1,047)	(_	23,761)	(	2,580) (	66,205)
	\$	157,644	\$	49,198	\$	145	\$	9,216	\$	2,592 \$	218,795
January 1	\$	157,644	\$	49,198	\$	145	\$	9,216	\$	2,592 \$	218,795
Addition		-		-		-		2,095		196	2,291
Reclassified (Note)		-		-		-		20,333		<del>-</del>	20,333
Depreciation expense Disposal		-	(	1,629)	(	27)	•	7,349)	(	2,279) (	11,284)
Disposai		-		-		-	(	5)		- (	5)
Exchange difference, net					_	4	_	110		58	172
December 31	\$	157,644	\$	47,569	<u>\$</u>	122	\$	24,400	<u>\$</u>	567 \$	230,302
December 31											
Cost	\$	157,644	\$	88,015	\$	1,233	\$	55,683	\$	5,523 \$	308,098
Accumulated depreciation			(	40,446)	(	1,111)	(_	31,283)	(	4,956) (	77,796)
	\$	157,644	\$	47,569	\$	122	\$	24,400	\$	567 \$	230,302
	_						20	)23			
						Transportation		Office		Leasehold	
	_	Land		Buildings	_	equipment		equipment	i	improvements	Total
January 1											
Cost	\$	157,644	4 \$	87,838				\$ 37,959			286,782
Accumulated depreciation	_		- (_	36,840	) (_	906	9) (	29,127	) (_	1,978) (	68,851)
	\$	157,64	4 \$	50,998	\$	187	-	\$ 8,832	\$	270 \$	217,931
January 1	\$	157,64	4 \$	50,998	5	187	,	\$ 8,832	\$	270 \$	217,931
Addition			-	177		120	)	5,013		3,000	8,310
Disposal			-	-		-	. (	94	)	- (	94)
Depreciation expense			- (	1,977	) (	159	) (	4,490	) (	646) (	7,272)
Exchange difference, net	_			-	(_	3	) (	45	) (_	32) (	80)
December 31	\$	157,64	4 \$	49,198	9	145	-	\$ 9,216	\$	2,592 \$	218,795
December 31											
Cost	\$	157,64	4 \$	88,015	5	1,192	!	\$ 32,977	\$	5,172	285,000
Accumulated depreciation	_		- (_	38,817	) (_	1,047	) (	23,761	) (_	2,580) (	66,205)
	\$	157,64	4 \$	49,198	9	3 145	5	\$ 9,216	\$	2,592 \$	218,795

Note: Reclassified from inventories.

For the information on property, plant and equipment as collateral, please refer to the descriptions in Note VIII.

# (VII) Lease transactions - Lessee

- 1. The underlying assets leased by the Group include buildings, transportation equipment and other equipment. The lease contract is usually for a period of 1 to 20 years. Lease contracts are negotiated individually and contain various clauses. No other restrictions are imposed except that the leased assets may not be used as collateral for loans.
- 2. Transportation equipment and some buildings leased by the Group are leased for no more than 12 months, and the underlying assets leased are other equipment. In addition, the Group's committed lease payments for short-term leases as of December 31, 2024 and 2023 were NT\$3,466 and NT\$3,069, respectively.
- 3. The book amount and recognized depreciation expenses of the right-of-use assets are as follows:

	Decer	nber 31, 2024	December 31, 2023		
	Carr	ying amount	Carrying	g amount	
Buildings	\$	7,256	\$	7,532	
		2024	20	023	
	Deprec	ciation expense	Depreciat	ion expense	
Buildings	\$	5,363	\$	4,547	

The additions to the Groups right-of-use assets in 2024 and 2023 were NTD 5,847 and NTD 7,247, respectively.

4. The information of profit and loss items related to the lease contract is as follows:

	 2024	2023
Items affecting current profit or loss		
Interest expense of lease liabilities	\$ 134	\$ 74
Expenses of short-term lease contracts	8,603	7,493
Expenses of low-value asset lease	111	84
Gains on leasehold improvement	6	_

The total cash outflow for leases of the Group amounted to NTD 14,154 and NTD 12,092 in 2024 and 2023, respectively.

# (VIII) Other payables

	Decer	nber 31, 2024	December 31, 2023	
Salaries and bonuses payable	\$	77,101	\$	73,106
Employee remuneration payable		5,934		5,513
Payable business tax		10,622		5,493
Others		12,416		11,438
	\$	106,073	\$	95,550

## (IX) Pension

- 1.(1) In accordance with the "Labor Standards Act", the Company has established a retirement plan with defined benefits, which applies to the service years of all full-time employees before the "Labor Pension Act" implementation date on July 1, 2005, and the subsequent years of service of employees choosing to continue applying the Labor Standards Act after the implementation of the "Labor Pension Act". If an employee is eligible for retirement, the pension payment is based on the service years and the average salary of 6 months prior to retirement. Two base figures are given for each full year of service within 15 years (inclusive), and one base figure will be granted for each year of service beyond the 15 years, but the cumulative maximum shall be limited to 45 base figures. The Company contributes 2% of the total salary to the pension fund on a monthly basis, which is deposited with the Bank of Taiwan in the name of the Labor Pension Fund Supervisory Committee. In addition, the Company estimates the balance of the aforementioned special accounts for labor pension before the end of each year. If the balance is not sufficient to pay the amount of pension benefits to employees eligible for retirement in the following year, the Company will make a lump-sum appropriation for the difference by the end of March of the following year.
  - (2) The amounts recognized in the Statement of Financial Position are as follows:

	Decem	ber 31, 2024	December 31, 2023
Present value of defined benefit obligation	(\$	14,785) (\$	15,238)
Fair value of plan assets		9,234	8,219
Net defined benefit liabilities	(\$	5,551) (\$	7,019)

(3) Changes in net defined benefit liabilities are as follows:

	Present value of defined		Net defined benefit
	benefit obligation	Fair value of plan assets	liabilities
2024			
Balance on January 1	(\$ 15,238)	\$ 8,219	(\$ 7,019)
Interest revenue	-	97	97
Interest cost on defined			
benefit obligation			
	(	·	(180)
	( 15,418)	8,316	( 7,102)
Re-measurement:			
Return on plan assets	-	721	721
(excluding amounts			
included in interest income			
or expense)			
Effect of changes in	557	-	557
financial assumptions			
Experience adjustment	76		76
	633	721	1,354
Appropriation of pension	_	197	197
fund			
Balance on December 31	(\$ 14,785)	\$ 9,234	(\$ 5,551)

	Present v	value of defined			Ne	et defined benefit
	benef	it obligation	Fair value	e of plan assets		liabilities
2023						
Balance on January 1	(\$	15,060)	\$	7,731	(\$	7,329)
Interest revenue		-		100		100
Interest cost of defined						
benefit obligation						
	(	194)			(	194)
	(	15,254)		7,831	(	7,423)
Re-measurement:						
Return on plan assets (excluding amounts		-		64		64
included in interest income						
or expense)						
Effect of changes in	(	131)		-	(	131)
financial assumptions						
Experience adjustment		147				147
		16		64		80
Appropriation of pension fund				324		324
Balance on December 31	(\$	15,238)	\$	8,219	(\$	7,019)

(4) The assets of the Company's defined benefit pension plan fund are invested by the Bank of Taiwan in accordance within the proportion and amount of entrusted operating projects set out in the annual investment utilization plan and in accordance with Article 6 of the Regulations Governing the Revenue, Expenditures, Safeguard and Utilization of the Labor Pension Fund (i.e. deposits with domestic and foreign financial institutions, investment in domestic and foreign listed, OTC or private equity securities, and investment in domestic and foreign real estate securitization products), and the relevant utilization is supervised by the Labor Pension Fund Supervisory Board. For the use of the fund, the minimum income distributed in the annual final accounts shall not be lower than the income calculated based on the local bank's two-year time deposit interest rate; if there is any deficiency, the national treasury shall make up for it after approval by the competent authority. Since the Company has no right to participate in the operation and management of the fund, it is unable to disclose the classification of the fair value of plan assets in accordance with IAS 19 Paragraph 142. For the fair value of the total assets of the fund as of December 31, 2024 and 2023, please refer to the labor pension fund utilization report announced by the government for each year.

(5) The actuarial assumptions about pension fund are summarized as follows:

	2024	2023
Discount rate	1.65%	1.20%
Future salary increase rate	3.00%	3.00%

The assumption of mortality in the future is based on the 6th cycle of the Taiwan Life Insurance Industry Empirical Life Tables.

The analysis of the impact on the present value of defined benefit obligation due to the change of major actuarial assumptions is as follows:

	Disco	unt rate	Future salary increase rate		
	Increase by 0.25%	Decrease by 0.25%	Increase by 0.25%	Decrease by 0.25%	
December 31, 2024					
Impact on present value of defined benefit obligation December 31, 2023	(\$ 297)	\$ 306	\$ 301	(\$ 294)	
Impact on present value of defined benefit obligation	(\$ 324)	\$ 335	\$ 328	(\$ 320)	

The above sensitivity analysis analyzes the impact of changes in a single assumption with other assumptions remaining unchanged. In practice, many changes in assumptions may be linked. The sensitivity analysis is consistent with the method used to calculate the net pension liabilities on the Statement of Financial Position.

The methods and assumptions used in the preparation of the sensitivity analysis in the current period are the same as those in the previous period.

- (6) The Group expects to contribute NT\$276 to the pension plan in 2025.
- (7) As of December 31, 2024, the weighted average duration of the pension plan was 8 years. The maturity analysis of pension payment is as follows:

Less than 1 year	\$ 437
1-2 years	460
2-5 years	2,833
More than 5 years	 13,168
	\$ 16,898

- 2. (1) Since July 1, 2005, the Company has established a defined retirement contribution in accordance with the "Labor Pension Act", which is applicable to employees of Taiwanese nationals. For employees choosing the labor pension system under the "Labor Pension Act", the Company contributes 2% of the monthly salary to the personal accounts of the employees with the Labor Insurance Bureau. The pension is paid according to the individual pensions of the employees and the amount of accumulated income and is withdrawn as monthly pension or lump sum.
  - (2) For the subsidiary in Mainland China Shanghai UnitedWizard Technology International Trading Limited, according to the endowment insurance system stipulated by the Peoples Republic of China, the subsidiary contributes a certain percentage of the total salary of the local employees to the endowment insurance on a monthly basis. The pension fund of each employee is managed and arranged by the local government, and the subsidiaries have no further obligation other than the monthly contribution.
  - (3) In 2024 and 2023, the Group recognized pension costs of NTD 18,330 and NTD 17,130 in accordance with the above regulations.

## (X) Share capital

- 1. On December 31, 2024, the Company's authorized capital was NTD 350,000 divided into 35,000 thousand shares, and the paid-in capital was NTD 282,107 with a face value per share of NTD 10 per share. Payment for the issued shares of the Company has been received.
- 2. The number of outstanding ordinary shares at the beginning and the end of the period is adjusted as follows:

		(Unit: Thousand shares)
	2024	2023
December 31 (beginning)	28,211	28,211

## (XI) Capital reserve

Pursuant to the Company Act, the premium from the issuance of shares above par value and the additional capital reserve from the receipt of gifts may be used to make up for the losses. When the Company has no accumulated losses, new shares are issued to shareholders in proportion to their existing shares. In addition, the Securities and Exchange Act requires that the amount of capital reserve to be capitalized mentioned above shall not exceed 10% of the paid-in capital each year. The Company shall not use the capital reserve to make up for capital loss unless there is still insufficient reserves to make up for the capital loss.

# (XII) Retained earnings

- 1. If the Company has a profit in the annual final account, it shall first pay tax and make up for accumulated losses, and then appropriate 10% as a surplus reserve, except when the legal reserve has reached the same amount as the Company's paid-in capital. In addition, the special reserve may be set aside or reversed depending on the companys operational needs and laws and regulations. For the remaining undistributed earnings at the beginning of the same period, the board of directors will propose an earnings distribution plan and submit it to the shareholders meeting for resolution to distribute shareholders dividends.
- 2. The Companys dividend policy is based on the Company Act and the Companys Articles of Incorporation, with a sound financial structure as the principle. The Companys dividends are distributed in the form of stock dividends, cash dividends, or both. In principle, the distribution of cash dividends shall not be less than 20% of the distributable earnings. If there is any major capital expenditure plan in the future, the percentage of distribution of stock dividends may be increased with the approval of the shareholders meeting for up to the entire amount may be distributed in stock dividends.
- 3. The legal reserve cannot be used for purposes other than to cover the accumulated losses of the company and for issuance of new shares or cash to shareholders in proportion of their original shareholding percentage. However, for the issuance of new shares or cash, only the portion of legal reserve which exceeds 25 percent of the paid-in capital may be distributed.
- 4. (1) The 2023 earnings distribution resolved by the shareholders' meeting on May 30, 2024 and the 2022 earnings distribution resolved by the shareholders meeting on May 30, 2023 are as follows:

		2023				2022			
		Dividends per					Div	vidends per	
	Amount		share (NTD)			Amount		share (NTD)	
Provision of legal reserve	\$	28,867			\$	30,727			
Provision (Reversed) of special reserve		2,036			(	1,127)			
Distribution of cash dividends to shareholders		225,686	\$	8.00	_	225,686	\$	8.00	
	\$	256,589			\$	255,286			

The above-mentioned information on the distribution of earnings resolved by the Board of Directors and Shareholders Meeting can be obtained from the MOPS.

(2) The 2024 earnings distribution was proposed by the Board of Directors on March 7, 2025 as follows:

		2024			
		Amount	Dividends per	share (NTD)	
Provision of legal reserve	\$	31,158			
Reversal of special reserve	(	4,837)			
Distribution of cash dividends to shareholders		225,686	\$	8.00	
	\$	252,007			

The aforementioned earnings distribution has not yet been resolved by the shareholders' meeting as of March 7, 2025.

## (XIII) Operating revenue

	 2024	2023
Revenue from contracts with customers	\$ 1,541,912	\$ 1,447,163

1. Breakdown of revenue from contracts with customers

The Group's income comes from the provision of goods and services that are gradually transferred over

time and at a specific point in time. The income can be divided into the following main product lines and geographical regions:

		Information	softwa	are and												
	maintenance contract business			3D printing and machine business			Certification services and others				Total					
		Taiwan		China		Taiwan	_	China	_	Taiwan		China		Taiwan	_	China
Revenue from contracts with external customers	\$	1,305,675	\$	160.979	\$	62,032	\$	3,461	\$	7,896	\$	1,869	\$	1,375,603	\$	166,309
Revenue recognized at a specific																
point in time Income recognized gradually	\$	1,296,054	\$	159,230	\$	62,032	\$	3,461	\$	3,690	\$	-	\$	1,361,776	\$	162,691
over time		9,621		1,749					_	4,206		1,869		13,827	_	3,618
	\$	1,305,675	\$	160,979	\$	62,032	\$	3,461	\$	7,896	\$	1,869	\$	1,375,603	\$	166,309
	m	Information aintenance co			<u>3D</u>	printing and n	mac	hine business China	C	ertification ser Taiwan	vice	es and others China		To Taiwan	otal	China
2023 Revenue from contracts with external																
Revenue recognized at a specific	<u>\$</u>	1,179,928	<u>\$</u>	184,451	<u>\$</u>	71,766	<u>\$</u>	4,594	<u>\$</u>	5,457	<u>\$</u>	967	<u>\$</u>	1,257,151	<u>\$</u>	190,012
point in time Income recognized gradually	\$	1,160,482	\$	183,878	\$	71,766	\$	4,594	\$	1,859	\$	-	\$	1,234,107	\$	188,472
over time		19,446		573		<u>-</u>	_		_	3,598	_	967	_	23,044		1,540

#### 2. Contract liabilities

1,179,928 \$

184,451 \$

(1) The contractual liabilities related to the customer contract revenue recognized by the Group are as follows:

4,594 \$

5,457 \$

967 \$

1,257,151 \$

71,766 \$

	December 31, 2024	December 31, 2023	January 1, 2023
Contract liabilities -			
Information system upgrade software contract	\$ -	\$ -	\$ 18,121
Information system consulting services contract Contract liabilities - non- current: Information system upgrade	4,916	5,364	12,275
software contract	 		 8,920
Total	\$ 4,916	\$ 5,364	\$ 39,316

(2) Revenue from contract liabilities at the beginning of the period recognized in the current period

		-	2024		2023
	Opening balance of contract liabilities recognized as revenue in current period				
	Information system upgrade software contracts and information system consulting service	\$	5,119	\$	38,574
(XIV)	Interest income				
			2024		2023
	Interest on bank deposits	\$	9,330	\$	6,063
(XV)	Other income				
, ,			2024		2023
	Commission income	\$	26,475	\$	11,918
	Other income - others		8,553		3,967
		\$	35,028	\$	15,885
(XVI)	Other gains and losses				
			2024		2023
	Gains (losses) from the disposal of property, plant and equipment	(\$	5)	\$	1,586
	Gains on leasehold improvement		6		-
	Foreign exchange gain		1,619		653
	Gain on financial assets at fair value through profit or loss		210		245
	Miscellaneous expenses	(	310 52)	. (	247 134
	whise chancous expenses	\$	1.878	\$	2.352

# (XVII) Additional information on the nature of expenses

Function		2024		2023					
	Attributable	Attributable to		Attributable	Attributable to				
Nature	to operating operating			to operating	operating				
	costs	expenses	Total	costs	expenses	Total			
Employee benefit									
expense									
Salary expenses	\$ -	\$ 290,445	\$ 290,445	\$ -	\$ 274,466	\$ 274,466			
Labor and national									
health insurance									
expenses	-	25,972	25,972	-	25,215	25,215			
Pension expense	-	18,413	18,413	-	17,224	17,224			
Other personnel									
expenses	-	14,409	14,409	-	13,067	13,067			
Directors'									
Remuneration	-	2,508	2,508	-	2,508	2,508			
Depreciation expense	-	16,647	16,647	-	11,820	11,820			
Amortization	-	1,582	1,582	-	1,981	1,981			

- 1. According to the Company's Articles of Incorporation, the Company shall appropriate 1% 10% of the balance after deducting the accumulated losses from the profit of the current year as employee remuneration, and no more than 1% as director remuneration.
- 2. The Company's estimated employees' remuneration for 2024 and 2023 were NTD 5,934 and NTD 5,513, respectively; the estimated amount of directors' remuneration was NTD 0, and the aforementioned amounts were accounted for as salary expenses.

For 2024, employees' remuneration and directors' remuneration are estimated at 1.5% and 0%, respectively, based on the profit until the current period, of which the employee remuneration will be paid in cash.

The remuneration to employees and directors for 2023 as resolved by the Board of Directors was consistent with the recognized amounts in the 2023 financial statements.

Information on employee and director remuneration approved by the Company's board of directors is available on the MOPS.

# (XVIII) Income tax

#### 1. Income tax expenses

	/ 1 N		-	. •		
- 1		Components	$\alpha$ t	income	tav	evnence.
		Components	$\mathbf{o}_{\mathbf{I}}$	mcomc	шл	CAPCHSC.

(-) <b>F</b>	T	2024		2023
Current income tax:				
Income tax arising from current income	\$	76,167	\$	72,784
Imposition on undistributed earnings		1,479		2,387
Overestimation of income tax in				
previous years	(	420)	(	1,395)
Total income tax for the current period		77,226		73,776
Deferred income tax:				
The origin and reversal of the temporary difference		3,848		2,224
Total deferred income tax		3,848		2,224
Income tax arising from current income	\$	81,074	\$	76,000
(2) Amount of income tax related	to other comp			
		2024		2023
Difference on translation of foreign operations	(\$	978)	\$	509
Re-measurement of defined benefit obligation	(	271)	(	16)
	(\$	1,249)	\$	493
	(\$	1,249)	\$	493
2. Relationship between income tax	expense and a	ccounting profit 2024		2023
Income tax on net profit before tax	\$	80,000	\$	74,406
calculated at statutory tax rate (Note)				
Expenses to be removed in accordance with law	:	15		602
Imposition on undistributed earnings		1,479	)	2,387
Overestimation of income tax in previous	ous			
years	(	420		1,395)
Income tax expense	\$	81,074	\$	76,000

Note: The applicable tax rate is based on the tax rate applicable to the income in the relevant countries.

3. The amount of each deferred income tax asset or liability arising from the temporary difference is as follows:

Ioliows:						2024			
						Recognized in other			
		January 1		Recognized in profit or loss	_	comprehensive income	Exchange rate Effect	]	December 31
Deferred income tax assets  – temporary differences  Unrealized exchange									
losses	\$	135	(\$	135)	\$	-	\$ -	\$	-
Inventory devaluation		5,211		1,716		-	46		6,973
Loss on bad debts Defined benefit		2,120	(	1,939)		-	12		193
obligation Payable leave, year-end and performance		1,400	(	23)	(	271)	-		1,106
bonus Income received in		3,986	(	763)		-	92		3,315
advance		8		143	_		1		152
Subtotal		12,860	(_	1,001)	(_	271)	151		11,739
Deferred income tax liabilities – temporary differences									
Unrealized exchange gains		-	(	163)		-	-	(	163)
Unrealized investment gain	(	21,914)	(	2,684)		-	-	(	24,598)
Difference on exchange of foreign operations Unrealized valuation gains on equity		642		-	(	978)	-	(	336)
instrument investments	(	1,941)	)	-		_	_	(	1,941)
Subtotal	(	23,213)		2,847)	(	978)		(	27,038)
Total	(\$	10,353)	(\$	3,848)	(\$	1,249)	\$ 151	(\$	15,299)

						2023				
						Recognized in				
						other				
			F	Recognized in	C	comprehensive		Exchange rate		
		January 1	1	profit or loss		income		Effect		December 31
Deferred income tax assets  – temporary differences  Unrealized exchange	Φ.	25	Φ.	100	•		•		•	125
losses	\$		\$	100	\$	-	\$		\$	135
Inventory devaluation		4,936		301		-	(	26)		5,211
Loss on bad debts Defined benefit		1,263		865		-	(	8)		2,120
obligation Payable leave, year-end and performance		1,463	(	47)	(	16)				1,400
bonus Income received in		3,655		382		-	(	51)		3,986
advance		1,707	(	1,694)	_		(_	5)	_	8
Subtotal	_	13,059	(	93)	(_	16)	(_	90)		12,860
Deferred income tax liabilities – temporary differences Unrealized investment										
gain	(	19,783)	(	2,131)		-		-	(	21,914)
Difference on exchange										
of foreign operations Unrealized valuation gains on equity		133		-		509		-		642
instrument investments	(_	1,941)							(_	1,941)
Subtotal	(	21,591)	(	2,131)		509			(_	23,213)
Total	<u>(\$</u>	8,532)	(\$_	2,224)	\$	493	<u>(\$</u>	90)	<u>(\$</u>	10,353)

<sup>4.</sup> The Companys profit-seeking business income tax has been approved by the tax collection authority until 2022.

# (XIX) Earnings per share

		2024	
		Weighted average	Earnings per share
	After-tax amou	number of outstanding	g (NTD)
Basic earnings per share			
Net income for the period attributable to the common shareholders of the parent company	\$ 310,5	500 28,211	\$ 11.01
Diluted earnings per share  Net income for the period attributable to the common			
shareholders of the parent company Effect of potential dilutive shares	\$ 310,5	28,211	
Remuneration to employees		<u>-</u> 43	
Net income for the period attributable to the common shareholders of the parent company plus the effect of			
potential common shares	\$ 310,	28,254	\$ 10.99

						2023			
					We	ighted	l average	Earning	s per share
			Afte	r-tax amount	numbe	r of o	utstanding	(1)	NTD)
	Basic earnings per share								
	Net income for the period attributable to the conshareholders of the parent company	nmon	\$	288,608			28,211	\$	10.23
	Diluted earnings per share								
	Net income for the period attributable to the con shareholders of the parent company Effect of potential dilutive shares Remuneration to employees	ımon	\$	288,608			28,211 49		
	Net income for the period attributable to the con	mon							
	shareholders of the parent company plus the effe								
	potential common shares		\$	288,608			28,260	\$	10.21
(3737)									
(XX)	Supplementary information on cash flor								
	Investment activities with only partial c	ash pay	ment:	2024				2023	
	Purchase of property, plant and equipment	\$			2,291	\$			8,310
	Add: Payables for equipment, beginning				84				3,602
	Less: Payables for equipment, ending	(			941)	_			84)
	Cash paid in current period	\$			1,434	\$			11,828
				2024				2023	
	Purchase of intangible assets	\$			462	\$			1,824
	Add: Other payables at the beginning of period					_			421
	Cash paid in current period	\$			462	\$			2,245
(XXI)	Changes in liabilities from financing ac	<u>tivities</u>							
					202				~ :
			T	- 11-1-11/41		10	otal liabiliti		financing
		Φ.	Leas	e liabilities		Φ.	ac	tivities	4.055
	January 1	\$			1,877 1,441) (				4,877 4,441)
	Changes in financing cash flow				7,247	Ψ			7,247
	Other non-cash changes December 31	\$				\$			7,683
		-							.,
					202	.4			
						To	tal liabiliti	es from	financing
			Leas	e liabilities			ac	tivities	
	January 1	\$			1	\$			7,683
	Changes in financing cash flow	(			5,306) (				5,306)
	Other non-cash changes				5,081				5,081
	December 31	\$		,	7,458	\$			7,458

# VII. Transactions with related parties

#### Remuneration of key management personnel

	2024	2023
Salary and other short-term employee benefits	\$ 23,570	\$ 23,441
Post-employment benefits	 196	 412
	\$ 23,766	\$ 23,853

2024

2022

#### VIII. Pledged assets

The details of the guarantees provided for the Groups assets are as follows:

	 Book		
Assets	 December 31, 2024	 December 31, 2023	Purpose of guarantee
Property, plant and equipment	\$ 71,238	\$ 71,744	Long-term loan guarantee limit

# IX. <u>Material Contingent Liabilities and Unrecognized Contractual Commitments</u>

The Company entered into a contract with Dassault Systemes SolidWorks Corp. (SolidWorks) in April 2016, stipulating that during the contract period (from April 2016 to April 2017, with automatic renewal each April for another year and all other terms remaining the same as the original agreement), the Company must meet a minimum annual purchase quantity requirement. If the minimum annual purchase quantity is not met, SolidWorks may notify the Company 60 days in advance and terminate the cooperation between the parties.

#### X. Losses from material disasters

None.

#### XI. Material subsequent events

Please refer to Note VI (XII) for the 2024 earnings distribution.

# XII. Others

#### (I) Capital management

The goal of the Group's capital management is to ensure the continued operation of the Group, maintain the optimal capital structure to reduce the cost of capital for supporting corporate operations and maximizing shareholders' equity.

# (II) <u>Financial instruments</u>

# 1. Types of financial instruments

	December 31, 2024	 December 31, 2023
Financial assets		
Financial assets measured at fair value	\$ 21,551	\$ 21,241
through profit or loss		
Financial assets measured at fair value	25,800	25,800
through other comprehensive income		
Financial assets measured at amortized cost		
Cash and cash equivalents	1,016,891	908,503
Notes receivable	86,646	81,103
Accounts receivable	395,028	351,204
Long-term notes and accounts receivable	310	1,095
Refundable deposits (stated other current		
assets and other non-current assets)	5,419	7,617
	\$ 1,551,645	\$ 1,396,563
Financial liabilities		
Financial liabilities measured at amortized		
cost		
Notes payable	\$ 1,314	\$ 1,314
Accounts payable	224,624	212,250
Other payables	106,073	95,550
	\$ 332,011	\$ 309,114
Lease liabilities (including current and non-		
current)	\$ 7,458	\$ 7,683

# 2. Risk management policy

- (1) The Group's daily operations are affected by various financial risks, including market risk (including exchange rate risk, interest rate risk, and price risk), credit risk and liquidity risk. The Group's overall risk management policy focuses on the unpredictable events in the financial market and seeks to reduce the potential adverse effects on the Groups financial position and financial performance.
- (2) Risk management is carried out by the Finance Department of the Group in accordance with the policies approved by the Board of Directors. The Finance Department of the Group works closely with various operating units within the Group to identify, evaluate and avoid financial risks. The Board of Directors has written principles for overall risk management, and also provides written policies for specific areas and matters, such as exchange rate risk, interest rate risk, credit risk, use of derivative and non-derivative financial instruments, and investment of surplus working capital.

#### 3. The nature and extent of the material financial risk

#### (1) Market risk

#### Exchange rate risk

- A. The Group operates as a multinational company. Therefore, it is exposed to the exchange rate risk arising from transactions with the functional currencies of the Company and its subsidiaries, which are mainly USD and RMB. The relevant exchange rate risk comes from future commercial transactions and recognized assets and liabilities.
- B. The Group's management has formulated a policy that requires each company in the Group to manage the exchange rate risk relative to its functional currency. Each company shall hedge the overall exchange rate risk through the Group's Finance Department.
- C. The Group's business involves several non-functional currencies (the functional currency of the Company and some subsidiaries is NTD, and the functional currency of some subsidiaries is USD and RMB). Therefore, it is affected by exchange rate fluctuations, which has a significant impact. The information about assets and liabilities denominated in foreign currencies affected by fluctuations is as follows:

	December 31, 2024								
	For	reign currency		Carrying amount					
(Foreign currency: functional currency)	(	\$ thousand)	Exchange rate	(T	housands of NTD)				
Financial assets									
Monetary items									
USD: NTD	\$	868	32.79	\$	28,457				
USD: RMB		208	7.32		6,820				
Financial liabilities									
Monetary items									
USD: NTD	\$	60	32.79	\$	1,967				
USD: RMB		19	7.32		623				
			December 31, 2023						
	For	reign currency			Carrying amount				
(Foreign currency: functional currency)	(	\$ thousand)	Exchange rate	(T	Thousands of NTD)				
Financial assets									
Monetary items									
USD: NTD	\$	871	30.71	\$	26,748				
USD: RMB		34	7.10		1,044				
Financial liabilities									
Monetary items									
USD: NTD	\$	163	30.71	\$	5,006				
USD: RMB		78	7.10		2,395				

D. The aggregate amount of all exchange gains (losses) on the Group's monetary items in 2024 and 2023 that were significantly affected by fluctuations in exchange rates was NTD1,619 and NTD 653, respectively.

E. The risk analysis of the Group's foreign currency market due to significant exchange rate fluctuations is as follows:

	2024									
		S	ensitivity analy	/sis						
	Range of change     Impact on profit     Impact on other       comprehensive incomprehensive incompre									
(Foreign currency: functional currency)										
Financial assets										
Monetary items										
USD: NTD	1%	\$	285	\$ -						
USD: RMB	1%		68	-						
<u>Financial liabilities</u> <u>Monetary items</u>										
USD: NTD	1%	\$	20	\$ -						
USD: RMB	1%		6	-						
			2023							
		S	ensitivity analy	ysis .						
		Im	pact on profit	Impact on other						
	Range of change		and loss	comprehensive income						
(Foreign currency: functional currency)										
Financial assets										
Monetary items										
USD: NTD	1%	\$	267	\$ -						
USD: RMB	1%		10	-						
Financial liabilities										
Monetary items		_								
USD: NTD	1%	\$	50	\$ -						
USD: RMB	1%		24	-						

#### Price risk

- A. The Group's financial instruments exposed to price risk are accounted for in the financial assets measured at fair value through profit or loss and financial assets measured at fair value through other comprehensive income. To manage the price risk of financial instrument investment, the Group will diversify its investment portfolio, and the diversification method is based on the limit set by the Group.
- B. The Group mainly invests in equity instruments issued by domestic companies and open-end funds. The prices of these financial instruments will be affected by the uncertainty of the future value of the investment targets. If the price of these financial instruments rises or falls by 10%, with all other factors remaining unchanged, the net profit after tax of financial instruments measured at fair value through profit or loss for 2024 and 2023 will be increased or reduced the profit or loss of NTD 2,155 and NTD 2,124, respectively; the profit or loss on other comprehensive income classified as an equity investment at fair value through other comprehensive income will increase or decrease by NTD 2,580 and NTD 2,580, respectively.

#### Cash flow and fair value interest rate risk

The Group has no significant exposure to interest rate risk of debt instruments.

#### (2) Credit risk

- A. The Group's credit risk refers to the risk of financial loss to the Group due to the failure of customers or counterparties of financial instrument transactions to fulfill their contractual obligations. Thus, it affects the contractual cash flow, mainly from the inability of the counterparties to pay off accounts receivable and financial assets at amortized cost according to the collection terms.
- B. The Group has established credit risk management from the group perspective. Banks and financial institutions for business dealings must be approved by the President before they can be accepted as transaction counterparties. According to the credit policy defined internally, management and credit risk analysis must be conducted on each operating entity within the Group and each new customer before proposing terms and conditions for payment and delivery. Internal risk control evaluates the customers cred it quality by taking into account their financial status, past experience and other factors. The limits of individual risks are determined by the Board of Directors based on internal or external ratings, and the use of credit lines is regularly monitored.
- C. When the contract payment is overdue for more than 180 days in accordance with the historical experience, it is deemed that a default has occurred.
- D. The Group adopts IFRS 9 to provide the following assumptions as the basis for judging whether the credit risk of financial instruments has increased significantly since the initial recognition:
  - When the contract amount is overdue for more than 30 days according to the agreed payment terms, it is deemed that the credit risk of the financial asset has increased significantly since the initial recognition.
- E. The indicators used by the Group to determine the credit impairment of other financial assets are as follows:
  - (A) The counterparty has major financial difficulties, or the possibility of bankruptcy or other financial reorganization has greatly increased;
  - (B) Unfavorable changes in national or regional economic conditions that result in a counterpartys default.
- F. The Group will group the accounts receivable of customers according to the characteristics of the geographical area, and estimate the expected credit losses based on the reserve matrix and the loss rate method using the simplified method.
- G. After the Group has gone through the recourse procedures, it will write off the amount of financial assets for which it cannot be reasonably expected to be recovered. However, the Group will continue to carry out the legal recourse procedures to preserve the rights of the claims. As of December 31, 2024 and 2023, the Group did not have any creditor's rights that have been written off for which there are still recourses.
- H. The Group's consideration of future outlook by including global economic information on the adjustment of the loss rate based on historical and current information in a specific period to estimate the loss allowance for accounts receivable. The preparation matrix as of December 31, 2024 and 2023 is as follows:

	_	Not past due	Wit	hin 30 days of overdue	_0	overdue 31-90 days	_(	Overdue 91-180 days	More than 18	1 days	_	Total
December 31, 2024												
Expected loss rate		0.2%~0.3%		7.1%~7.4%		11.5%~34.5%		32.8%~73.3%	100%			
Total book value	\$	383,220	\$	2,981	\$	10,112	\$	2,112	\$	2,893	\$	401,318
Loss allowance	(\$	1,253)	(\$	213)	(\$	1,208)	(\$	723)	(\$	2,893)	(\$	6,290)
	_	Not past due	Wit	hin 30 days of overdue	_0	verdue 31-90 days	_(	Overdue 91-180 days	More than 18	1 days	_	Total
December 31, 2023	_	Not past due	Wit	hin 30 days of overdue	_0	overdue 31-90 days	_	Overdue 91-180 days	More than 18	1 days	_	Total
December 31, 2023 Expected loss rate	_	Not past due 0.2%~1.1%	Wit	hin 30 days of overdue 19.1%~33.3%	_0	overdue 31-90 days 35.8%~58.5%	_	Overdue 91-180 days 69.9%~80.7%	More than 18	1 days	_	Total
	\$						_	69.9%~80.7%	100%	1 days 5,507	s	Total 368,307

I. The Group's simplified statement of changes in the loss allowance on accounts receivable is as follows:

		2024
	Accour	nts receivable
January 1	\$	17,103
Reversal of impairment loss	(	7,232)
Irrecoverable amount written off	(	3,627)
Exchange rate effect		46
December 31	\$	6,290
		2023
	Accour	nts receivable
January 1	\$	12,291
Provision of impairment loss		5,002
Irrecoverable amount written off	(	157)
Exchange rate effect	(	33)
December 31	\$	17,103

Among the losses recognized in 2024 and 2023, the amount of impairment loss recognized for receivables arising from contracts with customers was (NTD 7,232) and NTD 5,002, respectively.

#### (3) Liquidity risk

- A. Cash flow forecasting is carried out by each operating entity within the Group and compiled by the Groups Finance Department. The Finance Department of the Group monitors the forecast of the Groups working capital requirements to ensure that it has sufficient funds to support its operating needs.
- B. The surplus cash held by each operating entity will be transferred back to the Groups Finance Department when it exceeds the management needs of the working capital. The Groups Finance Department, on the other hand, invests the remaining funds in interest-bearing demand deposits, time deposits and marketable securities, and the selected instruments have appropriate maturities or sufficient liquidity to provide sufficient dispatch levels in response to the above forecasts. As of December 31, 2024 and 2023, the Group held money market positions of NTD 1,038,442 and NTD 929,744, respectively, and is expected to generate cash flow immediately to manage liquidity risk.
- C. The following table presents the Group's non-derivative financial liabilities grouped according to their respective maturity dates and analyzed based on the remaining period from the balance sheet date to the contractual maturity date. The contractual cash flow amount disclosed in the following table is the undiscounted amount.

December 31, 2024	With	in 1 year	Within 1	to 2 years	Within 2 to	5 years	More than 5 y	/ears
Non-derivative financial liabilities:								
Notes payable	\$	1,314.00	\$	-	\$	-	\$	-
Accounts payable		224,624		-		-		-
Other payables		106,073		-		-		-
Lease liabilities		5,146		2,292		119		-

December 31, 2023	Wit	thin 1 year	Within 1	to 2 years	Within 2	2 to 5 years More than	5 years
Non-derivative financial liabilities:							
Notes payable	\$	1,314.00	\$	-	\$	- \$	_
Accounts payable		212,250		-		-	-
Other payables		95,550		-		-	-
Lease liabilities		4,012		2,883		923	-

#### (III) Fair value information

- 1. The evaluation technique adopted by the Company to analyze financial instruments measured at fair value. Definitions of each grade are as follows:
  - Level 1: The quoted price (unadjusted) is available to the enterprise in an active market for the same asset or liability on the measurement date. An active market refers to a market in which assets or liabilities are traded in sufficient frequency and quantity to provide pricing information on an ongoing basis. The fair value of the beneficiary certificates of the Groups investment falls under this category.
  - Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Female
  - Level 3: Unobservable inputs for the asset or liability. Equity instruments that the Group invests in and for which there is no active market fall under this category.
- 2. Financial instruments not measured at fair value
  - Other than financial assets measured at fair value through profit or loss and financial assets measured at fair value through other comprehensive income, including cash and cash equivalents, notes receivable, accounts receivable, notes payable, accounts payable, and other payables, the book value is a reasonable approximation of the fair value.
- 3. The financial and non-financial instruments measured at fair value are classified by the Group according to the nature, characteristics and risks of the assets and liabilities and the basis of fair value hierarchy. Relevant information is as follows:

merareny. Refevant information is as	, 1011	OWS.					
December 31, 2024		Level 1		Level 2	_	Level 3	Total
Assets							
Repetitive fair value							
Financial assets at fair value through							
profit or loss - equity securities	\$	21,551	<u>\$</u>		<u>\$</u>		\$ 21,551
Financial assets measured at fair value							
through other comprehensive income	\$		\$		\$	25,800	\$ 25,800
December 31, 2023		Level 1	_	Level 2	. –	Level 3	 Total
Assets							
Repetitive fair value							
Financial assets at fair value through							
profit or loss - equity securities	\$	21,241	\$	-	\$	-	\$ 21,241
Financial assets measured at fair value							
through other comprehensive income	\$		\$	-	\$	25,800	\$ 25,800

4. If the Group adopts a market quotation as the input value of fair value (i.e., Level 1), the net value of the open-end fund is used as the market quotation according to the characteristics of the instrument.

- 5. There was no transfer between levels 1 and 2 in 2024 and 2023.
- 6. There was no transfer in or out of Level 3 in 2024 and 2023.
- 7. The Group's valuation process for classifying fair value into Level 3 is that the financial department is responsible for conducting independent fair value verification of financial instruments, using independent source data to make the valuation results close to the market status, confirming that the data sources are independent, and reliable, and that other resources are consistent and represent executable prices. The valuation model is regularly calibrated, back-testing and updating the input value and data required for the valuation model is conducted, and any other necessary fair value adjustments are made to ensure that the valuation results are reasonable.

#### XIII. <u>Disclosures in Notes</u>

#### (I) Information on significant transactions

- 1. Loaning of funds to others: None.
- 2. Endorsements/guarantees provided for others: None.
- 3. Marketable securities held at the end of the period (excluding investment in subsidiaries, affiliates and joint ventures): Please refer to Table 1.
- 4. The cumulative amount of the same securities purchased or sold reaches NTD 300 million or more than 20% of the paid-in capital: None.
- 5. The amount of real estate acquired reaches NTD 300 million or more than 20% of the paid-in capital: None.
- 6. Disposal of real estate for an amount over NTD 300 million or 20% of the paid-in capital: None.
- 7. The amount of purchase from or sale to related parties reaches NTD 100 million or more, or 20% of the paid-in capital: None.
- 8. The receivables from related parties amounting to at least NTD 100 million or 20% of the paid-in capital: None.
- 9. Engagement in derivative transactions: None.
- 10. Business relationships and important transactions between the parent company and its subsidiaries and among subsidiaries: Please refer to Table 2.

#### (II) <u>Information on investees</u>

The name and location of the investee company and other relevant information (excluding Mainland China investee companies): Please refer to Table 3.

#### (III) Mainland China Investment Information

- 1. Basic information: Please refer to Table 4.
- 2. A material transaction with an investee in the Mainland China directly or indirectly through an enterprise in a third region: None.

#### (IV) Information of major shareholders

Information on major shareholders: Please refer to Table 5.

#### XIV. Segment Information

#### (I) General information

The Groups management has identified the departments that shall be reported based on the reporting information used by the operational decision makers in their decision-making.

The Group currently divides the sales and ordering regions into two main regions, namely Taiwan and China. Since the sales bases in these two regions are not the same, and the Groups decision makers also conduct financial management and assessment of business performance in these two regions, the operating segments in Taiwan and China are the reportable segments.

# (II) <u>Measurement of segment information</u>

The information of the segments to be provided to the Group's decision makers is as follows:

			Co	nsolidation and	
2024	 Taiwan	 China		write-off	 Total
External income	\$ 1,375,603	\$ 166,309	\$	-	\$ 1,541,912
Internal segment revenue	 2,315	1,611	(	3,926)	 
Segment revenue	\$ 1,377,918	\$ 167,920	(\$_	3,926)	\$ 1,541,912
Segment profit or loss	\$ 389,655	\$ 14,958	(\$	13,039)	\$ 391,574
			Co	onsolidation and	
2023	 Taiwan	 China		write-off	 Total
External income	\$ 1,257,151	\$ 190,012	\$	-	\$ 1,447,163
Internal segment revenue	 3,109	471	(	3,580)	
Segment revenue	\$ 1,260,260	\$ 190,483	(\$	3,580)	\$ 1,447,163
Segment profit or loss	\$ 362,022	\$ 13,244	(\$	10,658)	\$ 364,608

# (III) Reconciliation of segment profit and loss

There is no difference between the reports provided to the chief operating decision maker and the segment profit and loss, so no adjustment is required.

# (IV) Reconciliation of segment profits and losses, assets and liabilities

The Group only engages in the research and development of IT software, electronic information supply service, and wholesale of IT software and other related businesses. It is a single industry, so there is no need to disclose information by department.

#### (V) <u>Information by product and labor</u>

The Group is only engaged in the R&D of IT software, electronic information supply service and wholesale of IT software and other related businesses. Please refer to Note VI (XIII) for the related sales revenue and labor service revenue.

# (VI) <u>Information by region</u>

Information of the Group by region in 2024 and 2023 is as follows:

	 20	24			20	)23		
	 Revenues	Non-	current assets	Revenues		assets Revenues Non-cur		n-current assets
Taiwan	\$ 1,375,603	\$	262,203	\$	1,257,151	\$	254,289	
China	166,309		6,566		190,012		4,686	
	\$ 1,541,912	\$	268,769	\$	1,447,163	\$	258,975	

# (VII) <u>Information of important customers</u>

The Group's sales revenue from a single customer in 2024 and 2023 did not reach 10% of the operating revenue in the income statement, so it is not necessary to disclose important customer information.

# lidWizard Technology Co., Ltd.

Marketable securities held at the end of the period (excluding investments in subsidiaries, affiliates, and joint ventures)

# December 31, 2024

Table 1

Unit: NTD thousands

(unless otherwise specified)

					End of period			
	Type and name of marketable	Relationship with the securities						
Companies held	<u>securities</u>	<u>issuer</u>	Account titles in book	Number of shares	Carrying amount	Shareholding ratio	Fair value	Note
SOLIDWIZARD	Franklin Templeton Sinoam	None	Financial assets at fair value through profit or loss - current	1,999	\$ 21,551	- \$	21,551	None
TECHNOLOGY CO., LTD.	Money Market Fund							
SOLIDWIZARD	TA SHEE RESORT CO., LTD.	None	Financial assets measured at fair value through other	1	25,800	-	25,800	None
TECHNOLOGY CO., LTD.			comprehensive income - non-current					

#### lidWizard Technology Co., Ltd.

Business relationships and important transactions between the parent company and its subsidiaries and among subsidiaries

January 1 to December 31, 2024

Table 2

Unit: NTD thousands

(unless otherwise specified)

Percentage of Consolidated

#### Transaction Details

Reference Number							Total Revenue or Total Assets
(Note 1)	Name of Counterparty	Transaction Counterparty	Relationship with the Counterparty	Account Title	 Amount	Transaction Terms	(Note 3)
0	SOLIDWIZARD TECHNOLOGY CO., LTD.	Shanghai UnitedWizard Technology International Trading Limited	(1)	Sales Revenue	\$ 2,315	Transactions between the Company and related parties are priced and settled in accordance with the agreed terms.	
	SOLIDWIZARD TECHNOLOGY CO., LTD.	Shanghai UnitedWizard Technology International Trading Limited	(1)	Procurement	1,611	Transactions between the Company and related parties are priced and settled in accordance with the agreed terms.	

Note 1: Intercompany transaction information between the parent company and its subsidiaries should be indicated in the "Reference Number" column using the following method:

- (1) The parent company is coded as 0.
- (2) Subsidiaries are assigned sequential Arabic numerals starting from 1.

Note 2: There are three types of relationships with the counterparty, and only the type needs to be indicated. In the case of the same transaction between the parent and a subsidiary, or between two subsidiaries, duplicate disclosure is not required. For example, if a transaction from the parent company to a subsidiary has already been disclosed by the parent company, the subsidiary does not need to disclose it again;

similarly, for a transaction between two subsidiaries, if one has disclosed it, the other does not need to repeat the disclosure.

- (1) Parent company to subsidiary.
- (2) Subsidiary to parent company.
- (3) Subsidiary to subsidiary.

Note 3: The calculation of the transaction amount as a percentage of consolidated total revenue or total assets is as follows: for balance sheet items, the percentage is based on the ending balance divided by consolidated total assets; for income statement items, the percentage is based on the cumulative amount during the period divided by consolidated total revenue.

Note 4: Only transactions with amounts equal to or greater than NT\$1,000 thousand are disclosed.

# SolidWizard Technology Co., Ltd.

The name and location of the investee company and other relevant information (excluding mainland China investee companies)

# January 1 to December 31, 2024

Table 3

Unit: NTD thousands

(unless otherwise specified)

			Initial investment amount						Capital expenditure of		nvestment ns and losses	S	
								Shareholdin		the investee	r/	recognized	,
		Location of the	<u>i_</u>	$\mathbf{E}$	end of current			g at the end		Current profit	in	the current	<u> </u>
Name of investment company	Name of investee	<u>Company</u>	Main business items		period	End of last year	Number of shares	s of the period C	Carrying amount	and loss		period	Note
SOLIDWIZARD TECHNOLOGÝ CO., LTD.	SolidWizard Technology Holding Co., Ltd.	3	Holding and re- investment affairs	\$	30,947	\$ 30,947	1,000	100.00 \$	156,763	\$ 13,420	\$	13,420	Subsidiary
SolidWizard Technology Holding Co.,Ltd.	UnitedWizard Technology Co.,Ltd.		Holding and re- investment affairs		30,945	30,945	1,000	100.00	157,005	13,419			Subsidiary of that company (Note)

Note: The investment gains and losses recognized in the current period are omitted as required by the regulations.

#### SolidWizard Technology Co., Ltd.

#### Mainland China Investment Information - Basic Information

January 1 to December 31, 2024

Table 4

Unit: NTD thousands

(unless otherwise specified)

			Investment method	Accumulated investment amount remitted	Investment amore or regained in peri-	the current			The Companys shareholding	Investment gains and losses	Carrying amount of	Repatriated	
Name of investee				from Taiwan at			remitted from		ratio in direct or	recognized in the	investment at	investment	
company in Mainland				the beginning of	Outward		Taiwan at the end		indirect	current period	the end of the	income up to the	e
China	Main business items	Paid-in capital	(Note 1)	the period	remittance	Regained	of the period	and loss	investments	(Note 2)	period	current period	Note
Shanghai UnitedWizard	Electronic information supply service and information	\$ 30,886	(2)	\$ 30,886	\$ -	\$ -	\$ 30,886	\$ 13,418	100	\$ 13,418	\$ 156,819	\$ -	None
Technology International Trading Limited	software wholesale business												

			The amount of			Limits on		
			investment			investments in China		
		approved by the			stipulated by the			
	Accumulated amount of			Investment	Investment			
	rem	nittance from Taiwan to	C	commission,	Commission,			
	Mainland China at the end of			Ministry of	Ministry of			
Company name		the period	Ecc	nomic Affairs	Е	conomic Affair	rs	
Shanghai UnitedWizard	\$	30,886	\$	30,886	\$	908,808		
Technology International								

Note 1: Investment methods are divided into the following three types, and it is sufficient to indicate the type of investment:

- (1) Direct investment in Mainland China
- (2) Reinvestment in Mainland China through a third regional company (investment is through SolidWizard Technology Holding Co., Ltd.)
- (3) Other methods

Trading Limited

Note 2: The investment gains and losses recognized in the current period are based on the financial statements of the parent company in Taiwan audited and attested by a CPA.

# $Solid Wizard\ Technology\ Co.,\ Ltd.$

#### Information of major shareholders

December 31, 2024

Table 5

	Name of major shareholder	Common stock shares held (thousand shares)	Shareholding ratio
Unisource Investment Co., Ltd.			25.21%
Li Hsing Investment Co., Ltd.		7,115	12.39%
Chien-Hsing Lee		3,496	11.96%
-		3,374	11.90/0
Li-Hsiang Wei		2,821	9.99%
Tai-Yuan Hsu			8.39%
Hui-Yu Sun		2,368	5.43%
		1,534	

- Note 1: The information of major shareholders presented in this table is provided by the Taiwan Depository & Clearing Corporation based on the number of ordinary shares and preferred shares held by shareholders with ownership of 5% or greater, that have been issued without dematerialized registration/delivery (including treasury shares) by the Company as of the last business day for the current quarter.
  - The share capital recorded in the financial report and the actual number of shares delivered by the company that has completed the dematerialized registration/delivery may be different due to different calculation bases.
- Note 2: If the shareholders have delivered their shares to the trust, the above information will be disclosed based on the individual trust accounts opened by the trustees. For shareholders who declare insider shareholdings with ownership greater than 10% in accordance with the Securities and Exchange Act, the shareholdings include shares held by shareholders and those delivered to the trust over which shareholders have rights to determine the use of trust property. For information relating to insider shareholding declaration, please refer to Market Observation Post System.

# SOLIDWIZARD TECHNOLOGY CO., LTD.

Chairman: Chien-Hsing Li