

**CORETRONIC CORPORATION AND SUBSIDIARIES**

**CONSOLIDATED FINANCIAL STATEMENTS**

**WITH**

**REPORT OF INDEPENDENT ACCOUNTANTS**

**FOR THE THREE MONTHS ENDED**

**MARCH 31, 2025 AND 2024**

Address: No.11, Lixing Rd., East Dist., Hsinchu City 300, Taiwan (R.O.C.)

Telephone: +886-3-577-2000

## English Translation of a Report Originally Issued in Chinese

### **Review Report of Independent Accountants**

To Coretronic Corporation

#### **Introduction**

We have reviewed the accompanying consolidated balance sheets of Coretronic Corporation (the “Company”) and its subsidiaries as of March 31, 2025 and 2024, the related consolidated statements of comprehensive income for the three months ended March 31, 2025 and 2024, changes in equity and cash flows for the three months ended March 31, 2025 and 2024, and notes to the consolidated financial statements, including the summary of significant accounting policies (together “the consolidated financial statements”). Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, “Interim Financial Reporting” as endorsed and became effective by Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on these consolidated financial statements based on our reviews.

#### **Scope of Review**

Except as explained in the following paragraph, we conducted our reviews in accordance with Standard on Review Engagements 2410, “Review of Financial Information Performed by the Independent Auditor of the Entity” of the Republic of China. A review of consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with auditing standards generally accepted in the Republic of China and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

#### **Basis for Qualified Conclusion**

As explained in Note 4(3), the financial statements of certain insignificant subsidiaries were not reviewed by independent accountants. Those statements reflect total assets of NT\$28,704,230 thousand and NT\$36,205,476 thousand, representing 51.37% and 64.87% of the consolidated total assets, and total liabilities of NT\$6,582,443 thousand and NT\$6,748,717 thousand, representing 22.09% and 22.28% of the consolidated total liabilities as of March 31, 2025 and 2024, respectively; and total comprehensive income of NT\$181,613 thousand and NT\$447,343 thousand, representing 69.12% and 43.00% of the consolidated total comprehensive income for the three months ended March 31, 2025 and 2024, respectively. As explained in Note 6(8), the financial statements of certain associates and joint ventures accounted for using the equity method were not reviewed by independent accountants. Those associates and joint ventures under the equity method amounted to NT\$38,120 thousand as of March 31, 2024. The related shares of loss from the associates and joint ventures under the equity method amounted to NT\$2,867 for the three months ended March 31, 2024. The information related to above subsidiaries, associates and joint ventures accounted for using the equity method disclosed in Note 13 was also not reviewed by independent accountants.

## **Qualified Conclusion**

Based on our reviews, except for the effect of such adjustments, if any, as might have been determined to be necessary had the financial statements of certain insignificant subsidiaries, associates and joint ventures accounted for using the equity method and the information been reviewed by independent accountants described in the preceding paragraph, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Company and its subsidiaries as of March 31, 2025 and 2024, and their consolidated financial performance for the three months ended March 31, 2025 and 2024, and cash flows for the three months ended March 31, 2025 and 2024, in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, “Interim Financial Reporting” as endorsed and became effective by Financial Supervisory Commission of the Republic of China.

Kuo, Shao-Pin

Huang, Ming-Ju

Ernst & Young, Taiwan  
April 28, 2025

## Notice to Readers

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

Accordingly, the accompanying financial statements and report of independent accountants are not intended for use by those who are not informed about the Standards on Auditing of the Republic of China, and their applications in practice. As the financial statements are the responsibility of the management, Ernst & Young cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

English Translation of Consolidated Financial Statements Originally Issued in Chinese

CORETRONIC CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

As of March 31, 2025, December 31, 2024, and March 31, 2024

(Amounts in thousands of New Taiwan Dollars)

ASSETS	Note	March 31, 2025	%	December 31, 2024	%	March 31, 2024	%
<b>Current assets</b>							
Cash and cash equivalents	6(1)	\$ 11,447,446	20.49	\$ 12,982,509	22.83	\$ 16,265,071	29.14
Financial assets at fair value through profit or loss - current	6(2)	1,127,632	2.02	849,817	1.50	698,546	1.25
Financial assets at amortised cost - current	6(4)	7,282,726	13.03	4,624,412	8.13	2,353,462	4.22
Contract assets - current	6(19)	97,984	0.17	-	-	-	-
Notes receivable, net	6(5), 6(20)	29,439	0.05	1,323	-	21,968	0.04
Trade receivables, net	6(6), 6(20)	7,889,370	14.12	9,575,959	16.84	8,984,308	16.10
Trade receivables - related parties, net	6(6), 6(20), 7	788	-	891	-	726	-
Other receivables	7, 8	968,047	1.73	1,315,869	2.31	858,380	1.54
Current tax assets	4, 6(25)	170,747	0.31	190,311	0.33	49,058	0.09
Inventories, net	6(7), 10	6,714,427	12.02	7,363,307	12.95	7,434,497	13.32
Prepayments		1,313,003	2.35	1,151,220	2.02	1,085,899	1.95
Non-current Assets held for sale	4, 6(9)	26,564	0.05	-	-	-	-
Other current assets	6(19)	288,141	0.52	223,124	0.39	153,053	0.27
Total current assets		37,356,314	66.86	38,278,742	67.30	37,904,968	67.92
<b>Non-current assets</b>							
Financial assets at fair value through other comprehensive income - noncurrent	6(3)	4,900,931	8.77	5,246,290	9.22	5,559,585	9.96
Investments accounted for using the equity method	6(8)	-	-	-	-	38,120	0.07
Property, plant and equipment, net	6(9), 8, 10	10,259,255	18.36	10,108,052	17.77	9,045,040	16.21
Right-of-use assets	6(21)	2,160,569	3.87	2,147,302	3.78	2,233,975	4.00
Investment property, net	6(10), 8	123,621	0.22	125,771	0.22	134,108	0.24
Intangible assets	6(11)	284,269	0.51	290,678	0.51	319,188	0.57
Deferred tax assets	4, 6(25)	456,708	0.82	358,300	0.63	339,795	0.61
Net defined benefit assets - noncurrent, net	6(15)	129,780	0.23	129,284	0.23	49,360	0.09
Other noncurrent assets	8	200,594	0.36	193,566	0.34	184,869	0.33
Total non-current assets		18,515,727	33.14	18,599,243	32.70	17,904,040	32.08
<b>Total assets</b>		<u>\$ 55,872,041</u>	<u>100.00</u>	<u>\$ 56,877,985</u>	<u>100.00</u>	<u>\$ 55,809,008</u>	<u>100.00</u>

(continued)

English Translation of Consolidated Financial Statements Originally Issued in Chinese  
**CORETRONIC CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
As of March 31, 2025, December 31, 2024, and March 31, 2024  
(Amounts in thousands of New Taiwan Dollars)

LIABILITIES AND EQUITY	Note	March 31, 2025	%	December 31, 2024	%	March 31, 2024	%
<b>Current liabilities</b>							
Short-term borrowings	6(12)	\$ 15,929,058	28.51	\$ 12,513,727	22.00	\$ 13,949,651	25.00
Financial liabilities at fair value through profit or loss - current	6(13)	152,691	0.27	126,257	0.22	194,780	0.35
Contract liabilities - current	6(19)	837,007	1.50	807,187	1.42	881,342	1.58
Notes payable		363	-	564	-	353	-
Accounts payable		5,265,352	9.42	6,933,246	12.19	6,719,729	12.04
Accounts payable - related parties	7	30,978	0.06	13,300	0.02	15,313	0.03
Other payables	7	4,012,871	7.18	3,680,014	6.47	4,900,981	8.78
Current tax liabilities	4, 6(25)	645,350	1.16	651,753	1.15	749,469	1.34
Provisions - current	6(16)	400,488	0.72	389,566	0.68	507,891	0.91
Lease liabilities - current	6(21)	179,829	0.32	157,434	0.28	184,475	0.33
Other current liabilities		664,256	1.19	590,728	1.04	720,733	1.29
Current portion of long-term borrowings	6(14), 8	85,714	0.15	57,143	0.10	130,841	0.23
Total current liabilities		28,203,957	50.48	25,920,919	45.57	28,955,558	51.88
<b>Non-current liabilities</b>							
Long-term borrowings	6(14), 8	314,286	0.56	3,340,419	5.87	114,317	0.20
Deferred tax liabilities	4, 6(25)	248,403	0.45	173,138	0.30	124,697	0.22
Lease liabilities - noncurrent	6(21)	959,405	1.72	975,053	1.72	1,015,816	1.82
Net defined benefit liabilities - noncurrent	6(15)	38,951	0.07	38,757	0.07	42,605	0.08
Other noncurrent liabilities		30,084	0.05	29,345	0.05	35,371	0.07
Total non-current liabilities		1,591,129	2.85	4,556,712	8.01	1,332,806	2.39
Total liabilities		29,795,086	53.33	30,477,631	53.58	30,288,364	54.27
<b>Equity attributable to owners of the parent</b>							
Share capital							
Common stock	6(17)	3,909,811	7.00	3,909,811	6.88	3,909,811	7.01
Capital surplus	6(17)	2,039,108	3.65	2,234,717	3.93	2,234,017	4.00
Retained earnings	6(17)						
Legal reserve		4,512,231	8.07	4,512,231	7.93	4,364,561	7.82
Special reserve		1,188,383	2.13	1,188,383	2.09	1,322,902	2.37
Unappropriated retained earning		11,357,416	20.33	11,729,185	20.62	11,002,507	19.71
Total retained earnings		17,058,030	30.53	17,429,799	30.64	16,689,970	29.90
Other equity		1,051,694	1.88	822,542	1.45	656,937	1.18
Total equity attributable to owners of the parent		24,058,643	43.06	24,396,869	42.90	23,490,735	42.09
<b>Non-controlling interests</b>	6(17), 6(27)	2,018,312	3.61	2,003,485	3.52	2,029,909	3.64
Total equity		26,076,955	46.67	26,400,354	46.42	25,520,644	45.73
<b>Total liabilities and equity</b>		\$ 55,872,041	100.00	\$ 56,877,985	100.00	\$ 55,809,008	100.00

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

English Translation of Consolidated Financial Statements Originally Issued in Chinese

CORETRONIC CORPORATION AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

For the three months ended March 31, 2025 and 2024

(Amounts in thousands of New Taiwan Dollars, except for earnings per share)

Description	Note	For three months ended March 31			
		2025	%	2024	%
Net sales	6(19), 7	\$ 8,473,903	100.00	\$ 9,119,593	100.00
Operating costs	6(7), 6(10), 6(15), 6(21), 6(22), 7	6,988,368	82.47	7,513,314	82.39
Gross profit		1,485,535	17.53	1,606,279	17.61
Operating expenses	6(10), 6(15), 6(18), 6(20), 6(21), 6(22)				
Selling expenses		477,335	5.63	466,672	5.12
General and administrative expenses		514,758	6.07	516,380	5.66
Research and development expenses		710,347	8.38	648,879	7.12
Expected credit loss		528	0.01	2,729	0.03
Total operating expenses		1,702,968	20.09	1,634,660	17.93
Operating loss		(217,433)	(2.56)	(28,381)	(0.32)
Non-operating income and expenses					
Interest income	6(23)	95,395	1.13	112,784	1.24
Other income	6(23), 10	252,435	2.98	103,225	1.13
Other gains and losses	6(23), 10	58,832	0.69	(26,511)	(0.29)
Finance costs	6(23)	(143,671)	(1.70)	(83,612)	(0.92)
Share of loss of associates and joint ventures accounted for using the equity method	6(8)	-	-	(2,867)	(0.03)
Total non-operating income and expenses		262,991	3.10	103,019	1.13
Income before income tax		45,558	0.54	74,638	0.81
Income tax expense	4, 6(25)	(27,047)	(0.32)	(88,916)	(0.97)
Net income		18,511	0.22	(14,278)	(0.16)
Other comprehensive income					
Items that will not be reclassified subsequently to profit or loss					
Unrealized (loss) gain from equity instrument investments measured at fair value through other comprehensive income	6(24)	(346,210)	(4.09)	248,392	2.72
Income tax related to items that will not be reclassified subsequently to profit or loss	6(24), 6(25)	1,027	0.01	(952)	(0.01)
Items that may be reclassified subsequently to profit or loss					
Exchange differences on translation of foreign operations	6(24)	589,405	6.96	807,121	8.85
Share of other comprehensive income of associates and joint ventures accounted for using the equity method	6(24)	-	-	13	-
Other comprehensive income, net of tax		244,222	2.88	1,054,574	11.56
Total comprehensive income		\$ 262,733	3.10	\$ 1,040,296	11.40
Net income for the periods attributable to :					
Shareholders of the parent	6(26)	\$ 1,921		\$ 143,237	
Non-controlling interests	6(17), 6(27)	\$ (701)		\$ (157,515)	
Total comprehensive income (loss) for the periods attributable to :					
Shareholders of the parent		\$ 248,364		\$ 1,176,071	
Non-controlling interests		\$ 14,369		\$ (135,775)	
Basic Earnings Per Share (in New Taiwan Dollars)	6(26)	\$ 0.05		\$ 0.37	
Diluted Earnings Per Share (in New Taiwan Dollars)	6(26)	\$ 0.05		\$ 0.36	

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

English Translation of Consolidated Financial Statements Originally Issued in Chinese

CORETRONIC CORPORATION AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For the three months ended March 31, 2025 and 2024

(Amounts in thousands of New Taiwan Dollars)

Description	Equity attributable to owners of the parent								Non-controlling interests	Total equity
	Common stock	Capital surplus	Retained earnings			Other equity		Total		
			Legal reserve	Special reserve	Unappropriated retained earning	Exchange differences on translation of foreign operations	Unrealized gains or losses on financial assets at fair value through other comprehensive income (loss)			
Balance as of January 1, 2024	\$ 3,909,811	\$ 2,507,703	\$ 4,364,561	\$ 1,322,902	\$ 11,755,209	\$ (1,842,442)	\$ 1,466,545	\$ 23,484,289	\$ 2,163,114	\$ 25,647,403
Changes in subsidiaries' ownership	-	-	-	-	3,318	-	-	3,318	2,570	5,888
Appropriation and distribution of 2023 earnings: Cash dividends	-	-	-	-	(899,257)	-	-	(899,257)	-	(899,257)
Cash distributed from capital surplus	-	(273,686)	-	-	-	-	-	(273,686)	-	(273,686)
Net income (loss) for the three months ended March 31, 2024	-	-	-	-	143,237	-	-	143,237	(157,515)	(14,278)
Other comprehensive income for the three months ended March 31, 2024	-	-	-	-	-	785,394	247,440	1,032,834	21,740	1,054,574
Total comprehensive income	-	-	-	-	143,237	785,394	247,440	1,176,071	(135,775)	1,040,296
Balance as of March 31, 2024	<u>\$ 3,909,811</u>	<u>\$ 2,234,017</u>	<u>\$ 4,364,561</u>	<u>\$ 1,322,902</u>	<u>\$ 11,002,507</u>	<u>\$ (1,057,048)</u>	<u>\$ 1,713,985</u>	<u>\$ 23,490,735</u>	<u>\$ 2,029,909</u>	<u>\$ 25,520,644</u>
Balance as of January 1, 2025	\$ 3,909,811	\$ 2,234,717	\$ 4,512,231	\$ 1,188,383	\$ 11,729,185	\$ (572,361)	\$ 1,394,903	\$ 24,396,869	\$ 2,003,485	\$ 26,400,354
Changes in subsidiaries' ownership	-	(118)	-	-	-	-	-	(118)	458	340
Appropriation and distribution of 2024 earnings: Cash dividends	-	-	-	-	(390,981)	-	-	(390,981)	-	(390,981)
Cash distributed from capital surplus	-	(195,491)	-	-	-	-	-	(195,491)	-	(195,491)
Net income (loss) for the three months ended March 31, 2025	-	-	-	-	19,212	-	-	19,212	(701)	18,511
Other comprehensive income for the three months ended March 31, 2025	-	-	-	-	-	574,335	(345,183)	229,152	15,070	244,222
Total comprehensive income	-	-	-	-	19,212	574,335	(345,183)	248,364	14,369	262,733
Balance as of March 31, 2025	<u>\$ 3,909,811</u>	<u>\$ 2,039,108</u>	<u>\$ 4,512,231</u>	<u>\$ 1,188,383</u>	<u>\$ 11,357,416</u>	<u>\$ 1,974</u>	<u>\$ 1,049,720</u>	<u>\$ 24,058,643</u>	<u>\$ 2,018,312</u>	<u>\$ 26,076,955</u>

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

English Translation of Consolidated Financial Statements Originally Issued in Chinese

CORETRONIC CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

For the three months ended March 31, 2025 and 2024

(Amounts in thousands of New Taiwan Dollars)

Description	For the three months ended March 31		Description	For the three months ended March 31	
	2025	2024		2025	2024
Cash flows from operating activities :			Cash flows from investing activities :		
Net income before tax	\$ 45,558	\$ 74,638	Increase in financial assets at amortized cost - current	(2,658,314)	(1,094,940)
Adjustments for:			Acquisition of property, plant and equipment	(523,710)	(760,050)
The profit or loss items which did not affect cash flows:			Proceeds from disposal of property, plant and equipment	173,394	65,799
Expected credit loss	528	2,729	Acquisition of intangible assets	(14,467)	(28,443)
Depreciation (including investment property and right-of-use assets)	324,893	323,580	Acquisition of land use rights	-	(122,644)
Amortization (including other noncurrent assets)	22,329	21,915	Increase in other noncurrent assets	(14,015)	(1,211)
Finance costs	143,671	83,612	Net cash used in investing activities	(3,037,112)	(1,941,489)
Interest income	(95,395)	(112,784)			
Dividend income	(75,134)	-	Cash flows from financing activities:		
Transfer of property, plant and equipment to expenses	-	19	Increase in short-term borrowings	3,415,331	437,164
(Gain) loss on disposal of property, plant and equipment	(44,221)	13,459	Repayment of long-term borrowings (including current portion of long-term borrowings)	(3,000,000)	(171,559)
(Reversal of casualty loss) casualty loss	(20,500)	135,032	Increase in guarantee deposits	688	2,724
Impairment loss	43,254	-	Increase in other noncurrent assets	51	156
Share-based payment expenses	337	2,570	Cash payment for the principal portion of lease liabilities	(45,981)	(47,109)
Share of loss of associates and joint ventures accounted for using the equity method	-	2,867	Net cash provided by financing activities	370,089	221,376
Net gain on financial assets and liabilities at fair value through profit or loss	(251,381)	(398,746)			
Changes in operating assets and liabilities:			Effect of exchange rate changes on cash and cash equivalents	511,017	688,378
Contract assets	(97,984)	-			
Notes receivable	(28,116)	6,296	Net decrease in cash and cash equivalents	(1,535,063)	(290,887)
Trade receivables	1,685,846	897,415	Cash and cash equivalents at the beginning of the period	12,982,509	16,555,958
Trade receivables - related parties	103	(87)	Cash and cash equivalents at the end of the period	\$ 11,447,446	\$ 16,265,071
Other receivables	347,416	20,415			
Inventories	639,078	1,113,209			
Prepayments	(161,783)	(164,409)			
Other current assets	(62,579)	(6,272)			
Other operating assets	-	7,988			
Contract liabilities	28,738	103,004			
Notes payable	(201)	1			
Accounts payable	(1,667,894)	(847,605)			
Accounts payable - related parties	17,678	(19,163)			
Other payables	(245,891)	(411,957)			
Provisions - current	10,922	(14,633)			
Other current liabilities	73,528	(68,847)			
Net defined benefit assets/liabilities	(302)	(1,137)			
Cash provided by operating activities	632,498	763,109			
Dividend received	48,450	-			
Interest received	122,485	122,355			
Interest paid	(146,488)	(84,025)			
Income tax paid	(36,002)	(60,591)			
Net cash provided by operating activities	620,943	740,848			

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



**CORETRONIC CORPORATION AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

For the three months ended March 31, 2025 and 2024

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

1. HISTORY AND ORGANIZATION

Coretronic Corporation (“CORE”) was incorporated at Hsinchu Science-based Industrial Park on June 30, 1992 and set up branch offices at Hsinchu Industrial Park and Tainan Science-based Industrial Park on October 17, 1997 and November 16, 2004, respectively. CORE mainly engages in the R&D, production, manufacturing and marketing of projectors, backlight, and FPD-related products. CORE’s ordinary shares were publicly listed on the Taipei Exchange on January 20, 1999.

2. DATE AND PROCEDURES OF AUTHORIZATION OF FINANCIAL STATEMENTS FOR ISSUE

The consolidated financial statements of CORE and its subsidiaries (“the Group”) for the three months ended March 31, 2025 and 2024 were authorized for issue by the Board of Directors on April 28, 2025.

3. NEWLY ISSUED OR REVISED STANDARDS AND INTERPRETATIONS

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

The Group applied for the first time International Financial Reporting Standards, International Accounting Standards, and Interpretations issued, revised or amended, which are recognized by the Financial Supervisory Commission (“the FSC”) and become effective for annual periods beginning on or after January 1, 2025. The adoption of these new standards and amendments had no material impact on the Group.

- (2) The Q&A related to the early application of certain amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments" issued by the FSC, which has not yet been adopted by the Group as at the date when the Group’s financial statements were authorized for issue.

- (3) Standards or interpretations issued, revised or amended, by International Accounting Standards Board (“IASB”) which have not been endorsed by FSC, and not yet adopted by the Group as at the date when the Group’s financial statements were authorized for issue, are listed below.

**CORETRONIC CORPORATION AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)**  
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

Standards or Interpretations Numbers	New, Revised or Amended Standards and Interpretations	Effective Dates
IFRS 10 and IAS 28	Amendments to Consolidated Financial Statements and Investments in Associates and Joint Ventures	To be determined by the IASB
IFRS 18	Presentation and Disclosure in Financial Statements	January 1, 2027
IFRS 19	Disclosure Initiative – Subsidiaries without Public Accountability: Disclosures	January 1, 2027
IFRS 9 and IFRS 7 Amendment	Amendments to the Classification and Measurement of Financial Instruments	January 1, 2026

**A. IFRS 10 “Consolidated Financial Statements” and IAS 28 “Investments in Associates and Joint Ventures” – Sale or Contribution of Assets between an Investor and its Associate or Joint Ventures**

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

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

**B. IFRS 18 “Presentation and Disclosure in Financial Statements”**

IFRS 18 replaces IAS 1 “Presentation of Financial Statements”. The main changes in the new standard are as below:

CORETRONIC CORPORATION AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)  
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

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

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

b. Enhanced transparency of management-defined performance measures

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

c. Useful grouping of information in the financial statements

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

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

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

D. Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7

The amendments include:

- a. Clarify that a financial liability is derecognised on the settlement date and describe the accounting treatment for settlement of financial liabilities using an electronic payment system before the settlement date.
- b. Clarify how to assess the contractual cash flow characteristics of financial assets that include environmental, social and governance (ESG)-linked features and other similar contingent features.
- c. Clarify the treatment of non-recourse assets and contractually linked instruments.

CORETRONIC CORPORATION AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)  
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

- d. Require additional disclosures in IFRS 7 for financial assets and liabilities with contractual terms that reference a contingent event (including those that are ESG-linked), and equity instruments classified at fair value through other comprehensive income.

The abovementioned standards and interpretations issued by the IASB have not yet been endorsed by the FSC, and the local effective dates are to be determined by the FSC. As the Group is currently determining the potential impact of the standards and interpretations listed above, it is not practicable to estimate their impacts on the Group at this point in time.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(1) Statement of Compliance

The consolidated financial statements of the Group for the three months ended March 31, 2025 and 2024 have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers (“the Regulations”) and IAS 34 “Interim Financial Reporting” which is endorsed and become effective by the FSC.

(2) Basis of Preparation

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

(3) General Description of Reporting Entity

Principles of consolidation

Control is achieved when CORE is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, CORE controls an investee if and only if CORE has:

- A. power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee);
- B. exposure, or rights, to variable returns from its involvement with the investee; and
- C. the ability to use its power over the investee to affect its returns.

When CORE has less than a majority of the voting or similar rights of an investee, CORE considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

CORETRONIC CORPORATION AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)  
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

- A. the contractual arrangement with the other vote holders of the investee;
- B. rights arising from other contractual arrangements;
- C. CORE's voting rights and potential voting rights.

CORE re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

Subsidiaries are fully consolidated from the acquisition date, being the date on which CORE obtains control, and continue to be consolidated until the date that such control ceases. The financial statements of the subsidiaries are prepared for the same reporting period as the parent group, using uniform accounting policies. All intra-group balances, income and expenses, unrealized gains and losses and dividends resulting from intra-group transactions are eliminated in full.

A change in the ownership interest of a subsidiary, without a change of control, is accounted for as an equity transaction.

Total comprehensive income of the subsidiaries is attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

If loses control of a subsidiary, it:

- A. derecognizes the assets (including goodwill) and liabilities of the subsidiary;
- B. derecognizes the carrying amount of any non-controlling interest;
- C. recognizes the fair value of the consideration received;
- D. recognizes the fair value of any investment retained;
- E. reclassifies the parent's share of components previously recognized in other comprehensive income to profit or loss; and
- F. recognizes any surplus or deficit in profit or loss.

CORETRONIC CORPORATION AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)  
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

The consolidated entities are as follows:

Entity name	Relationship	Business nature	Percentage of Ownership		
			March 31, 2025	December 31, 2024	March 31, 2024
Tecpoint Limited (“Tecpoint”) and its subsidiaries	Subsidiary	Tecpoint is a holding company and invests in Mainland China. Tecpoint’s joint ventures are the production, manufacturing, marketing and R&D of acrylic plate, light guide plate and backlight module. The joint ventures also provide the after-sales services.	100.00%	100.00%	100.00%
Visicorp Limited (“Visicorp”) and its subsidiaries	Subsidiary	Visicorp is a holding company and invests in Mainland China. Visicorp’s joint ventures are the R&D, production and marketing of backlight module and components. The joint ventures also provide after-sales services.	100.00%	100.00%	100.00%
Coretronic (BVI) Investment Corp. (“Coretronic BVI”) and its subsidiaries	Subsidiary	BVI is a holding company and invests in Mainland China. BVI’s joint ventures are the R&D, production, manufacturing and marketing of digital projector, LCD monitor and components. The joint ventures also provide after-sales services.	100.00%	100.00%	100.00%

CORETRONIC CORPORATION AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)  
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

Entity name	Relationship	Business nature	Percentage of Ownership		
			March 31, 2025	December 31, 2024	March 31, 2024
Sinolink Global Limited (“Sinolink”) and its subsidiaries	Subsidiary	Sinolink is a holding company and invests in Mainland China. Sinolink’s joint ventures are the design, R&D, production and marketing of projectors. The joint ventures also provide the after-sales services for self-produced and non-self-produced products.	100.00%	100.00%	100.00%
Young Green Energy Co. (“YGE”) and its subsidiaries	Subsidiary	YGE is engaged in the production, wholesale and retail trade of electronic components, battery, computer and peripheral devices, and electronic material. YGE’s joint ventures are the R&D, production and marketing of transformers, inductors and power supply related products.	99.91%	99.91%	99.91%
Young Optics Inc. (“TYO”) and its subsidiaries	Subsidiary	TYO is engaged in the production, marketing and R&D of electronic components and optical engines and key components. TYO’s joint ventures are the R&D, the production and after-sales services of electronic components, optical modules and components.	32.63%	32.63%	32.63%

CORETRONIC CORPORATION AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)  
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

Entity name	Relationship	Business nature	Percentage of Ownership		
			March 31, 2025	December 31, 2024	March 31, 2024
Young Lighting Limited (“YLL”) and its subsidiaries	Subsidiary	YLL is a holding company and invests in Europe. Coretronic Investment Limited’s subsidiaries are engaged in R&D, design, production and marketing of image processing products.	100.00%	100.00%	100.00%
Dynamic Time Investments Limited (“Dynamic Time”)	Subsidiary	Holding Company	100.00%	100.00%	100.00%
Chung Tsen Investment Corp. (“CGT”) and its subsidiaries	Subsidiary	CGT is an investment company for strategic purposes.	100.00%	100.00%	100.00%
Coretronic Intelligent Cloud Service Corporation (“CICS”) and its subsidiaries	Subsidiary	CICS is engaged in intelligent cloud, IT information, intelligent applications of new media and platform development. CICS’s joint ventures are contractor in intelligent building engineering and provide services to customers from various domains.	100.00%	100.00%	100.00%



CORETRONIC CORPORATION AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)  
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

Entity name	Relationship	Business nature	Percentage of Ownership		
			March 31, 2025	December 31, 2024	March 31, 2024
Coretronic Venture Capital Co. ("CVC")	Subsidiary	The investment activities of business expansion.	100.00%	100.00%	100.00%
uCare Medical Electronics Co., Ltd. ("UCM")	Subsidiary	UCM is engaged in R&D, design, production and marketing of intelligent exercise and medical care related software and hardware products.	60.69%	60.69%	60.69%
Champ Vision Display Inc. ("CVD")	Subsidiary	CVD is engaged in R&D, design, production and marketing of innovative intelligent display products and system integration solution.	79.36%	79.36%	79.36%
Calibre UK Ltd. ("CAL")	Subsidiary	CAL is engaged in R&D, design, production and marketing of image processing products.	100.00%	100.00%	100.00%
InnoSpectra Corporation ("ISC")	Subsidiary	ISC is engaged in R&D and marketing of near-infrared spectrum and corresponding solutions.	80.00%	80.00%	80.00%
Coretronic Intelligent Robotics Corporation ("CIRC") and its subsidiaries	Subsidiary	CIRC is engaged in R&D, production and marketing of unmanned aerial vehicle and intelligent robotics.	100.00%	100.00%	100.00%

**CORETRONIC CORPORATION AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)**  
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

Entity name	Relationship	Business nature	Percentage of Ownership		
			March 31, 2025	December 31, 2024	March 31, 2024
Coretronic MEMS Corporation ("CMC")	Subsidiary	CMC is engaged in R&D, production and marketing of MEMS sensor, module and corresponding solutions.	100.00%	100.00%	100.00%
Coretronic Reality Inc. ("CRI")	Subsidiary	CRI is engaged in R&D, and marketing of AR (Augmented reality) and MR (Mixed reality) wearable display solutions.	100.00%	100.00%	100.00%
Coretronic Vietnam Co., Ltd.	Subsidiary	Research and development, manufacturing and sales of optical components such as backlight module, LCD module, LCD TV and panel display.	100.00%	100.00%	100.00%
Coretronic Investment Limited and its subsidiaries	Subsidiary	Coretronic Investment Limited is a holding company and invests in Europe. Coretronic Investment Limited's subsidiaries are engaged in R&D, design, production and marketing of image processing products.	100.00%	100.00%	100.00%
Coretronic Intelligent Cloud Service Corporation (JP)	Subsidiary	Engaged in intelligent cloud, IT information, intelligent applications of new media and platform development related business of new media.	100.00%	100.00%	100.00%

1. Refer to Note 13 for intercompany transactions between consolidated entities. Subsidiaries are fully consolidated in accordance with the Regulations.
2. The significant changes of consolidated entities are described as follows:

CORETRONIC CORPORATION AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)  
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

- A. In consideration of group operation strategy, CIRC acquired 100% ownership of CILS by means of shares exchange with the Company on January 1, 2024.
- B. In February 2024, the Company made an investment to establish a 100% held subsidiary Coretronic Intelligent Cloud Service Corporation (JP) in Japan, in an amount of JPY150,000,000. Coretronic Intelligent Cloud Service Corporation (JP) has been fully consolidated since the investment date.
- C. In consideration of group operation strategy, Coretronic Display (Suzhou) was absorbed by Coretronic Optics (Suzhou) from June 2024. This absorption has not yet been approved by authorities.
- D. The subsidiary TYO disposed all equity interests in its subsidiary Mejiro Genossen Inc. and has completed related deregistration on September 27, 2024. For the derecognized assets and liabilities, please refer to 6(28).

The financial statements of certain consolidated subsidiaries listed above had not been reviewed by independent accountants. For those unreviewed subsidiaries as of March 31, 2025 and 2024, total assets were NT\$28,704,230 thousand and NT\$36,205,476 thousand, respectively; total liabilities were NT\$6,582,443 thousand and NT\$6,748,717 thousand, respectively; the related total comprehensive income was NT\$181,613 thousand and NT\$447,343 thousand for the three months ended March 31, 2025 and 2024, respectively.

- (4) Apart from the accounting policies which are described below, the same accounting policies of consolidation have been applied in the Group's consolidated financial statements as those applied in the Group's consolidated financial statements for the year ended December 31, 2024. For the summary of significant accounting policies, please refer to the Group's consolidated financial statements for the year ended December 31, 2024.

A. Post-employment benefits

Pension cost for an interim period is calculated on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior financial year, adjusted and disclosed for significant market fluctuations since that time and for significant curtailments, settlements, or other significant one-off events.

B. Income taxes

Interim period income tax expense is accrued using the tax rate that would be applicable to expected total annual earnings, that is, the estimated average annual effective income tax rate applied to the pre-tax income of the interim period. The average annual effective income tax rate is estimated by current income tax expenses only. Deferred income tax is recognized and measured according to IAS 12 "Income Tax" and follows the same accounting policies of the Group's annual consolidated financial statements. When income tax rate changes occur in interim period, the effect on deferred income tax is recognized in profit or loss, other comprehensive income or equity at once.

CORETRONIC CORPORATION AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)  
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

C. Non-current assets held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amounts will be recovered through a sale transaction that is highly probable within one year from the date of classification and the asset or disposal group is available for immediate sale in its present condition. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortized.

5. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

Apart from what described below, the same significant accounting judgments, estimates and assumptions have been followed in the preparation of CORE's consolidated financial statements for the year ended December 31, 2024. Please refer to the consolidated financial statements for the year ended December 31, 2024 for the summary of significant accounting judgments, estimates and assumptions.

6. CONTENTS OF SIGNIFICANT ACCOUNTS

(1) Cash and Cash Equivalents

	March 31, 2025	December 31, 2024	March 31, 2024
Cash on hand, savings and checking accounts	\$3,017,785	\$2,504,302	\$5,550,353
Time deposits	8,382,662	10,478,207	10,557,718
Cash equivalents - repurchase agreements	46,999	-	157,000
Total	<u>\$11,447,446</u>	<u>\$12,982,509</u>	<u>\$16,265,071</u>

(2) Financial Assets at Fair Value through Profit or Loss

	March 31, 2025	December 31, 2024	March 31, 2024
Financial assets mandatorily measured at fair value through profit or loss:			
Derivatives not designated as hedging instruments			
Forward foreign exchange contracts	<u>\$1,127,632</u>	<u>\$849,817</u>	<u>\$698,546</u>

CORETRONIC CORPORATION AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)  
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

	March 31, 2025	December 31, 2024	March 31, 2024
Current	\$1,127,632	\$849,817	\$698,546
Noncurrent	-	-	-
Total	<u>\$1,127,632</u>	<u>\$849,817</u>	<u>\$698,546</u>

Financial assets at fair value through profit and loss were not pledged. Please refer to Note 12 for more details.

(3) Financial Assets at Fair Value through Other Comprehensive Income

	March 31, 2025	December 31, 2024	March 31, 2024
Equity instrument investments measured at fair value through other comprehensive income			
Unlisted companies stocks	<u>\$4,900,931</u>	<u>\$5,246,290</u>	<u>\$5,559,585</u>
Current	\$-	\$-	\$-
Noncurrent	<u>4,900,931</u>	<u>5,246,290</u>	<u>5,559,585</u>
Total	<u>\$4,900,931</u>	<u>\$5,246,290</u>	<u>\$5,559,585</u>

Financial assets at fair value through other comprehensive income were not pledged. Please refer to Note 12 for more details.

(4) Financial assets measured at amortized cost

	March 31, 2025	December 31, 2024	March 31, 2024
Time deposits (with original maturities of more than six months)	<u>\$7,282,726</u>	<u>\$4,624,412</u>	<u>\$2,353,462</u>
Current	\$7,282,726	\$4,624,412	\$2,353,462
Noncurrent	-	-	-
Total	<u>\$7,282,726</u>	<u>\$4,624,412</u>	<u>\$2,353,462</u>

The Group classified certain financial assets as financial assets measured at amortized cost. Please refer to Note 12 for more details on credit risk.

CORETRONIC CORPORATION AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)  
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

(5) Notes Receivable

	March 31, 2025	December 31, 2024	March 31, 2024
Notes receivable - arose from operating activities	\$29,439	\$1,323	\$21,968

Notes receivable were not pledged.

The Group adopted IFRS 9 for impairment assessment. Please refer to Note 6(20) for more details on accumulated impairment and refer to Note 12 for more details on credit risk disclosure.

(6) Trade Receivables and Trade Receivables - Related Parties

	March 31, 2025	December 31, 2024	March 31, 2024
Trade receivables	\$7,905,833	\$9,591,679	\$9,034,861
Less: allowance for doubtful accounts	(16,463)	(15,720)	(50,553)
Subtotal	7,889,370	9,575,959	8,984,308
Trade receivables from related parties	788	891	726
Total	\$7,890,158	\$9,576,850	\$8,985,034

Trade receivables were not pledged.

Trade receivables are generally on 30 to 150 day terms. The total carrying amounts as of March 31, 2025, December 31, 2024, and March 31, 2024 were NT\$7,906,621 thousand, NT\$9,592,570 thousand and NT\$9,035,587 thousand, respectively. Please refer to Note 6(20) for more details on impairment of trade receivables. Please refer to Note 12 for more details on credit risk management.

The Group entered into factoring contracts without recourse with domestic banks. The bank pays the Group 100% of the accounts receivable factored as consideration. According to the arrangement, if the client of the trade receivables factored delays the payment, the Group shall pay interests to the bank. Upon assignment of the factoring to the bank, the bank undertakes the associated credit risk. However, the Group still issues a promissory note to the bank. If the trade receivables cannot be collected as a result of trade disputes due to factors attributable to the Group, the Group should pay the promissory note in compensation for banks. As of March 31, 2025, December 31, 2024, and March 31, 2024, factored trade receivables of NT\$599,255 thousand, NT\$2,595,756 thousand, and NT\$2,382,214 thousand were derecognized, and annual interest rates for advances from the bank was 4.89%-5.05%, 2.31%-5.33%, and 1.59%-1.71%, respectively. The credit lines of factoring contracts provided by banks were US\$110,000 thousand as of March 31, 2025, December 31, 2024, and March 31, 2024, respectively.

CORETRONIC CORPORATION AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)  
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

As of March 31, 2025, December 31, 2024, and March 31, 2024, trade receivables classified as financial assets measured at fair value through profit or loss due to regular factoring without recourse were NT\$2,462,215 thousand, NT\$4,251,309 thousand and NT\$3,391,374 thousand, respectively.

(7) Inventories

	March 31, 2025	December 31, 2024	March 31, 2024
Raw materials and supplies	\$3,874,431	\$4,756,433	\$4,706,447
Work in process	964,803	219,156	719,662
Finished goods	1,875,193	2,387,718	2,008,388
Total	<u>\$6,714,427</u>	<u>\$7,363,307</u>	<u>\$7,434,497</u>

The cost of inventories recognized in expenses amounted to NT\$6,988,368 thousand and NT\$7,513,314 thousand for the three months ended March 31, 2025 and 2024, including the write-down of inventories and obsolescence loss of NT\$56,206 thousand and NT\$26,496 thousand, respectively.

The allowance of inventories write-down amounted to NT\$664,839 thousand, NT\$621,128 thousand and NT\$582,941 thousand as of March 31, 2025, December 31, 2024, and March 31, 2024, respectively.

No inventories were pledged.

(8) Investments Accounted for Using the Equity Method

Details of investments accounted for using the equity method are as follows:

Investees	March 31, 2024	
	Carrying amount	Percentage of ownership (%)
Investments in associates:		
Eterge Opto-Electronics Co., LTD (“EOE”)	<u>\$38,120</u>	18.50%

The Group recognized share of loss of associates and joint ventures accounted for using the equity method in the amount of NT\$2,867 thousand for the three months ended March 31, 2024.

The Group disposed all equity interests in EOE on September 30 2024.

The abovementioned associate had no contingent liabilities or capital commitments as of March 31, 2024. No investments accounted for using the equity method held by the Group were pledged.

**CORETRONIC CORPORATION AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)**  
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

**(9) Property, Plant and Equipment**

Property, plant and equipment for own-use:

			Machinery and equipment	Office fixtures	Transportation equipment	Leasehold improvement	Other equipment	Construction in progress and equipment awaiting inspection	Total
Cost:	Land	Buildings							
As of January 1, 2025	\$150,815	\$10,694,999	\$4,611,469	\$499,092	\$34,380	\$508,585	\$1,612,374	\$1,670,158	\$19,781,872
Additions	-	16,071	16,991	3,458	-	45	25,670	462,608	524,843
Disposals	-	(454,442)	(101,459)	(2,383)	(975)	(7,374)	(44,607)	-	(611,240)
Transfers (Note a)	-	478,954	862,847	19,685	-	370	(18,930)	(1,458,574)	(115,648)
Exchange differences	-	92,960	52,537	6,832	328	8,973	17,718	10,456	189,804
As of March 31, 2025	<u>\$150,815</u>	<u>\$10,828,542</u>	<u>\$5,442,385</u>	<u>\$526,684</u>	<u>\$33,733</u>	<u>\$510,599</u>	<u>\$1,592,225</u>	<u>\$684,648</u>	<u>\$19,769,631</u>
As of January 1, 2024	\$152,422	\$8,764,703	\$4,602,475	\$432,971	\$36,869	\$473,570	\$1,432,033	\$1,396,571	\$17,291,614
Additions	-	218,213	3,984	6,170	89	518	10,452	717,653	957,079
Disposals	-	(29,442)	(303,267)	(5,861)	(9,443)	(105)	(5,610)	-	(353,728)
Transfers	-	1,270,887	7,831	3,253	3,192	-	25,662	(1,312,311)	(1,486)
Exchange differences	(42)	104,432	69,947	6,362	558	11,145	22,783	27,862	243,047
As of March 31, 2024	<u>\$152,380</u>	<u>\$10,328,793</u>	<u>\$4,380,970</u>	<u>\$442,895</u>	<u>\$31,265</u>	<u>\$485,128</u>	<u>\$1,485,320</u>	<u>\$829,775</u>	<u>\$18,136,526</u>
Depreciation and Impairment:									
As of January 1, 2025	\$-	\$4,733,525	\$2,956,126	\$369,463	\$25,231	\$416,728	\$1,172,747	\$-	\$9,673,820
Depreciation	-	118,824	92,951	11,385	709	13,011	34,369	-	271,249
Disposals	-	(339,194)	(88,348)	(2,383)	(976)	(7,374)	(43,792)	-	(482,067)
Transfers (Note a)	-	(40,522)	(3,146)	15,548	-	43	(16,940)	-	(45,017)
Fire damage (Note b)	-	(20,500)	-	-	-	-	-	-	(20,500)
Exchange differences	-	52,606	32,099	5,339	281	7,741	14,825	-	112,891
As of March 31, 2025	<u>\$-</u>	<u>\$4,504,739</u>	<u>\$2,989,682</u>	<u>\$399,352</u>	<u>\$25,245</u>	<u>\$430,149</u>	<u>\$1,161,209</u>	<u>\$-</u>	<u>\$9,510,376</u>
As of January 1, 2024	\$-	\$4,303,799	\$2,778,705	\$340,542	\$27,348	\$356,443	\$1,052,805	\$-	\$8,859,642
Depreciation	-	111,476	105,404	10,565	936	11,673	30,933	-	270,987
Disposals	-	(29,405)	(227,537)	(5,796)	(6,086)	(105)	(5,541)	-	(274,470)
Transfers	-	-	(874)	(264)	-	-	-	-	(1,138)
Fire damage (Note b)	-	33,309	50,754	803	-	-	19,625	-	104,491
Exchange differences	-	59,476	39,923	5,212	446	8,565	18,352	-	131,974
As of March 31, 2024	<u>\$-</u>	<u>\$4,478,655</u>	<u>\$2,746,375</u>	<u>\$351,062</u>	<u>\$22,644</u>	<u>\$376,576</u>	<u>\$1,116,174</u>	<u>\$-</u>	<u>\$9,091,486</u>



CORETRONIC CORPORATION AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)  
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

								Construction in progress and equipment awaiting inspection	Total
	Land	Buildings	Machinery and equipment	Office fixtures	Transportation equipment	Leasehold improvement	Other equipment		
Net carrying amounts as of:									
March 31, 2025	\$150,815	\$6,323,803	\$2,452,703	\$127,332	\$8,488	\$80,450	\$431,016	\$684,648	\$10,259,255
December 31, 2024	\$150,815	\$5,961,474	\$1,655,343	\$129,629	\$9,149	\$91,857	\$439,627	\$1,670,158	\$10,108,052
March 31, 2024	\$152,380	\$5,850,138	\$1,634,595	\$91,833	\$8,621	\$108,552	\$369,146	829,775	\$9,045,040

Note a: Some of the subsidiary TYO's property, plant and equipment have been classified as non-current assets held for sale, since those assets' condition met the criteria for awaiting disposal. They were measured at the lower of carrying amount and fair value, less disposal costs. For the three months ended March 31, 2025, impairment loss of NT\$43,254 thousand was recognized. For further details, please refer to Note 6(23)C.

Note b: The property insurance claim submitted by the subsidiary TYO was officially assessed and notarized in the first quarter of 2025, and a settlement was reached with the neighboring factories regarding the property damage. As a result, the fire-related impairment loss of NT\$20,500 thousand for property, plant and equipment was reversed for the three months ended March 31 2025 as fire insurance claim income. For details on losses and related income due to the fire incident, please refer to Notes 6(23) and 10.

(10) Investment Property

Investment property held by the group is for own-use. The Group signed the commercial property lease contracts with periods of 3 years, including clauses to enable upward revision of the rental charge on an annual basis according to prevailing market conditions.

	Buildings
Cost:	
As of January 1, 2025	\$244,538
Additions from acquisitions	-
As of March 31, 2025	\$244,538
As of January 1, 2024	\$244,538
Additions from acquisitions	-
As of March 31, 2024	\$244,538

CORETRONIC CORPORATION AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)  
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

	Buildings
Depreciation and Impairment:	
As of January 1, 2025	\$118,767
Depreciation	2,150
As of March 31, 2025	<u>\$120,917</u>
As of January 1, 2024	\$108,377
Depreciation	2,053
As of March 31, 2024	<u>\$110,430</u>
Net carry amount as of:	
March 31, 2025	<u>\$123,621</u>
December 31, 2024	<u>\$125,771</u>
March 31, 2024	<u>\$134,108</u>

	Three months ended March 31	
	2025	2024
Rental income from investment property	\$7,026	\$9,232
Less: Direct operating expenses from investment property generating rental income	(2,150)	(2,053)
Total	<u>\$4,876</u>	<u>\$7,179</u>

Information about the investment property that was pledged to others as collaterals is provided in Note 8.

Investment properties held by the Group are not measured at fair value but for which the fair value is disclosed. The fair value measurements of the investment properties are categorized with Level 3. The fair value has been determined based on valuations performed by an independent appraiser. The valuation method used is discount cash-flow analysis method, and the inputs used are discount rates and growth rates:

	March 31, 2025	December 31, 2024	March 31, 2024
Fair value of the investment property	<u>\$258,500</u>	<u>\$258,500</u>	<u>\$304,500</u>
Discount rates	<u>4.72%</u>	<u>4.72%</u>	<u>4.595%</u>
Growth rates	<u>0.4%</u>	<u>0.4%</u>	<u>0.4%</u>

CORETRONIC CORPORATION AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)  
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

(11) Intangible Assets

	Patents	Software	IPs	Goodwill	Other	Total
Cost:						
As of January 1, 2025	\$248,166	\$314,791	\$91,249	\$5,940	\$56,560	\$716,706
Additions	-	10,886	-	-	3,581	14,467
Disposals	-	(25,560)	-	-	-	(25,560)
Exchange differences	-	473	-	-	234	707
As of March 31, 2025	<u>\$248,166</u>	<u>\$300,590</u>	<u>\$91,249</u>	<u>\$5,940</u>	<u>\$60,375</u>	<u>\$706,320</u>
As of January 1, 2024	\$242,745	\$264,670	\$94,942	\$5,940	\$64,268	\$672,565
Additions	5,850	16,931	-	-	5,662	28,443
Disposals	-	(365)	-	-	-	(365)
Transfer	-	82	-	-	-	82
Exchange differences	(12)	345	-	-	1,372	1,705
As of March 31, 2024	<u>\$248,583</u>	<u>\$281,663</u>	<u>\$94,942</u>	<u>\$5,940</u>	<u>\$71,302</u>	<u>\$702,430</u>
Amortization and Impairment:						
As of January 1, 2025	\$98,269	\$192,660	\$78,055	\$5,940	\$51,104	\$426,028
Amortization	5,597	11,863	947	-	2,754	21,161
Disposals	-	(25,560)	-	-	-	(25,560)
Exchange differences	-	205	-	-	217	422
As of March 31, 2025	<u>\$103,866</u>	<u>\$179,168</u>	<u>\$79,002</u>	<u>\$5,940</u>	<u>\$54,075</u>	<u>\$422,051</u>
As of January 1, 2024	\$72,110	\$162,244	\$77,066	\$5,940	\$44,253	\$361,613
Amortization	6,656	10,427	1,039	-	2,917	21,039
Disposals	-	(365)	-	-	-	(365)
Exchange differences	(12)	221	-	-	746	955
As of March 31, 2024	<u>\$78,754</u>	<u>\$172,527</u>	<u>\$78,105</u>	<u>\$5,940</u>	<u>\$47,916</u>	<u>\$383,242</u>
Net carrying amount as of:						
March 31, 2025	<u>\$144,300</u>	<u>\$121,422</u>	<u>\$12,247</u>	<u>\$-</u>	<u>\$6,300</u>	<u>\$284,269</u>
December 31, 2024	<u>\$149,897</u>	<u>\$122,131</u>	<u>\$13,194</u>	<u>\$-</u>	<u>\$5,456</u>	<u>\$290,678</u>
March 31, 2024	<u>\$169,829</u>	<u>\$109,136</u>	<u>\$16,837</u>	<u>\$-</u>	<u>\$23,386</u>	<u>\$319,188</u>

CORETRONIC CORPORATION AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)  
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

Amortization expense of intangible assets:

	Three months ended March 31	
	2025	2024
Operating costs	\$5,315	\$2,728
Selling expenses	146	2,324
General and administrative expenses	5,254	4,211
Research and development expenses	10,446	11,776
Total	<u>\$21,161</u>	<u>\$21,039</u>

(12) Short-Term Borrowings

	March 31, 2025	December 31, 2024	March 31, 2024
Unsecured bank loans	<u>\$15,929,058</u>	<u>\$12,513,727</u>	<u>\$13,949,651</u>
Interest rates (%)	<u>1.78%~4.95%</u>	<u>1.76%~6.00%</u>	<u>0.65%~3.32%</u>

The Group's unused short-term lines of credits amounted to NT\$32,133,120 thousand, NT\$36,099,893 thousand, and NT\$35,281,788 thousand as of March 31, 2025, December 31, 2024 and March 31, 2024, respectively.

(13) Financial Liabilities at fair value through profit or loss

	March 31, 2025	December 31, 2024	March 31, 2024
Financial liabilities mandatorily measured at fair value through profit or loss:			
Derivatives not designated as hedging instruments - current			
Forward exchange contracts	<u>\$152,691</u>	<u>\$126,257</u>	<u>\$194,780</u>
Current	\$152,691	\$126,257	\$194,780
Non-current	-	-	-
Total	<u>\$152,691</u>	<u>\$126,257</u>	<u>\$194,780</u>

CORETRONIC CORPORATION AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)  
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

(14) Long-Term Borrowings

Details of long-term borrowings are as follows:

Lenders	March 31, 2025	Interest Rate (%)	Maturity date and terms of repayment
Secured long-term borrowings from Hua Nan Commercial bank	\$287,100	1.96%	Principle is repaid in 14 quarterly payments from August 10, 2025.
Secured long-term borrowings from Hua Nan Commercial bank	112,900	1.96%	Principle is repaid in 14 quarterly payments from August 10, 2025.
Less: Current portion	(85,714)		
Total	<u>\$314,286</u>		

  

Lenders	December 31, 2024	Interest Rate (%)	Maturity date and terms of repayment
Secured long-term borrowings from Hua Nan Commercial bank	\$287,100	1.96%	Principle is repaid in 14 quarterly payments from August 10, 2025.
Secured long-term borrowings from Hua Nan Commercial bank	112,900	1.96%	Principle is repaid in 14 quarterly payments from August 10, 2025.
Syndicated loan of 9 Banks - unsecured bank loans	3,000,000	2.19%	Revolving credit. Renewable every three months. Credit has not been fully utilized.
Less: Arrangement Fee	(2,438)		
Less: Current portion	(57,143)		
Total	<u>\$3,340,419</u>		

  

Lenders	March 31, 2024	Interest Rate (%)	Maturity date and terms of repayment
Secured long-term borrowings from First bank	\$128,963	1.85%	Principle is repaid in 8 quarterly payments from February 19, 2023.
Secured long-term borrowings from Hua Nan Commercial bank	112,900	1.84%	Principle is repaid in 14 quarterly payments from August 10, 2025.
Long-term borrowings from Sumitomo Mitsui Bank	3,295	1.60%	Government subsidizes interest for the first three years. Principle is repaid in 54 monthly payments from July 20, 2021.
Less: Current portion	(130,841)		
Total	<u>\$114,317</u>		

CORETRONIC CORPORATION AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)  
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

The Group's unused long-term lines of credits amounted to NT\$7,250,000 thousand, NT\$3,950,000 thousand and NT\$6,974,200 thousand as of March 31, 2025, December 31, 2024 and March 31, 2024, respectively. Please refer to Note 8 for property, plant, and equipment and investment properties pledged as collateral for long-term loans.

(15) Post-Employment Benefits

Defined contribution plan

Pension expenses under the defined contribution plan for the three months ended March 31, 2025 and 2024 were NT\$84,394 thousand and NT\$83,758 thousand, respectively.

Defined benefits plan

Pension (revenues) expenses under the defined benefits plan for the three months ended March 31, 2025 and 2024 were NT\$(317) thousand and NT\$4 thousand, respectively.

(16) Provisions

	<u>Warranties</u>
As of January 1, 2025	\$389,566
Arising during the period	102,704
Utilized during the period	(98,430)
Exchange differences	6,648
As of March 31, 2025	<u>\$400,488</u>
Current	\$400,488
Non-current	-
As of March 31, 2025	<u>\$400,488</u>
As of January 1, 2024	\$522,524
Arising during the period	78,618
Utilized during the period	(100,150)
Exchange differences	6,899
As of March 31, 2024	<u>\$507,891</u>
Current	\$507,891
Non-current	-
As of March 31, 2024	<u>\$507,891</u>

CORETRONIC CORPORATION AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)  
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

Warranties

A provision is recognized for expected warranty claims on products sold, based on past experience, management's judgement and other known factors.

(17) Equities

A. Common stock

CORE's authorized capital was NT\$10,000,000 thousand as of March 31, 2025, December 31, 2024, and March 31, 2024, respectively (including NT\$700,000 thousand reserved for exercise of share warrants, preferred shares with warrants and corporate bonds with warrants), each at a par value of NT\$10, divided into 1,000,000 thousand shares. CORE's issued capital was NT\$3,909,811 thousand, each at a par value of NT\$10, divided into 390,981 thousand shares, as of March 31, 2025, December 31, 2024 and March 31, 2025. Each share has one voting right and a right to receive dividends.

B. Capital surplus

	March 31, 2025	December 31, 2024	March 31, 2024
Additional paid-in capital	\$788,022	\$983,513	\$983,513
The differences between the fair value of the consideration paid or received from acquiring or disposing subsidiaries and the carrying amounts of the subsidiaries	1,173,750	1,173,750	1,173,750
Changes in ownership interests in subsidiaries	77,336	77,454	74,904
Changes from investments in associates and joint ventures accounted for using the equity method	-	-	1,850
Total	<u>\$2,039,108</u>	<u>\$2,234,717</u>	<u>\$2,234,017</u>

According to the Company Act, the capital reserve shall not be used except for covering losses of the company. When a company incurs no loss, it may distribute the capital reserves related to the income derived from the issuance of new shares at a premium or income from endowments received by the Company. The distribution could be made in cash to its shareholders in proportion to the number of shares being held by each of them.

CORETRONIC CORPORATION AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)  
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

C. Retained earnings and dividend policies:

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

- (a) Payment of all taxes and dues;
- (b) Offset accumulated losses in previous years, if any;
- (c) Legal reserve, which is 10% of leftover profits. However, this restriction does not apply in the event that the amount of the accumulated legal reserve equals or exceeds CORE's total capital stock;
- (d) Allocation or reverse of special reserve as required by law or government authorities;
- (e) The remaining net profits and the retained earnings from previous years will be allocated as shareholders' dividend. The Board of Directors will prepare a distribution proposal and submit the same to the shareholders' meeting for review and approval by a resolution.

CORE authorizes the distributable dividends and bonuses in whole or in part may be paid in cash after a resolution has been adopted by a majority vote at a meeting of the board of directors attended by two-thirds of the total number of directors, and in addition thereto a report of such distribution shall be submitted to the shareholders' meeting. CORE authorizes the distributable legal reserve and capital reserve in whole or in part may be paid in cash after a resolution has been adopted by a majority vote at a meeting of the board of directors attended by two-thirds of the total number of directors; and in addition thereto a report of such distribution shall be submitted to the shareholders' meeting.

According to the Company Act and CORE's Article of Incorporation, the policy of the dividend distribution should reflect factors such as the capital and financial structures, operating, earnings, the industrial features and cycles etc. The dividend could be paid in the form of shares or cash. In the consideration of the factors such as financial, sales and operating conditions, if the distribution of cash dividends is determined, the cash dividends should account for at least 10% of the total distribution based on the CORE's Article of Incorporation. If CORE incurs no earnings or considers the factors such as financial conditions, sales and operations, the dividend could be paid by whole or partial legal reserve in accordance with the Company Act and CORE's Article of Incorporation.

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



CORETRONIC CORPORATION AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)  
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

Following the adoption of TIFRS, the FSC issued Order No. Financial-Supervisory-Securities-Corporate-1010012865 on April 6, 2012, which sets out the following provisions for compliance:

Once upon a public company's first-time adoption of the TIFRS, for any unrealized revaluation gains and cumulative translation adjustments (gains) recorded to shareholders' equity that the company elects to transfer to retained earnings by application of the exemption under IFRS 1, CORE shall set aside an equal amount of special reserve. Following a company's adoption of the TIFRS for the preparation of its financial reports, when distributing distributable earnings, it shall set aside to special reserve, from the profit/loss of the current period and the undistributed earnings from the previous period, an amount equal to other net deductions from shareholders' equity for the current fiscal year, provided that if the company has already set aside special reserve according to the requirements in the preceding point, it shall set aside supplemental special reserve based on the difference between the amount already set aside and other net deductions from shareholders' equity. For any subsequent reversal of other net deductions from shareholders' equity, the amount reversed may be distributed.

The special reserve of the first adoption of the TIFRS as of March 31, 2025, December 31, 2024 and March 31, 2024 amounted to NT\$1,188,383 thousand.

Details of the 2024 and 2023 earnings distribution and dividends per share are as follows:

	<u>Appropriation of earnings</u>		<u>Dividends per share (NT\$)</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Legal reserve	\$88,638	\$147,670		
Special reserve	-	(134,519)		
Common stock – cash dividend	390,981	899,257	\$1.0	\$2.3

Based on the authorization from the Articles of Incorporation as mentioned above, the distributions of cash dividends were resolved by the Board of Director's meetings on March 17, 2025 and March 18, 2024, respectively. Other earning distributions for 2024 have yet to be resolved by the shareholders' meetings on June 18, 2025. Other earning distributions for 2023 was resolved by the shareholders' meetings on June 14, 2024.

In addition, the Board of Directors in the meetings on March 17, 2025 and March 18, 2024, respectively, also resolved to distribute the paid-in capital in excess of par-common stock by cash in the amount of NT\$195,491 thousand (NT\$0.5 per share) and NT\$273,686 thousand (NT\$0.7 per share).

Please refer to Note 6(22) for further details on employees' compensation.

CORETRONIC CORPORATION AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)  
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

D. Non-controlling interests:

	Three months ended March 31	
	2025	2024
Beginning balance	\$2,003,485	\$2,163,114
Loss attributable to non-controlling interests	(701)	(157,515)
Other comprehensive income attributable to non-controlling interests, net of tax:		
Exchange differences on translation of foreign operations	15,070	21,740
Changes in subsidiaries' ownership	121	-
Share-based payment plans	337	2,570
Ending balance	<u>\$2,018,312</u>	<u>\$2,029,909</u>

(18) Share-based payment plans

Certain employees of the Group are entitled to share-based payments as part of their remuneration. Services are provided by the employees in return for the equity instruments granted. These plans are accounted for as equity-settled share-based payment transactions.

Share-based payment plans of subsidiaries

On April 28, 2022 Board of Directors of Optoma Holding Limited resolved to issue 4,624,008 common shares for the exercise of employee stock options and restricted stocks plan for employees of Optoma Holding Limited and its subsidiaries.

Each unit of employee stock options is eligible to subscribe for one common share of Optoma Holding Limited. New shares will be issued when employees exercise such options. Holders may exercise the stock options for a certain period of time and proportion two years after the employee stock options are granted. The total outstanding granted stock options were 2,117,450 units as of March 31, 2025. The fair value of options granted was EUR 910.5 thousand, and the grant date was April 28, 2022.

The fair value of each new common share granted for the restricted stocks plan is EUR2.02 with exercise price of EUR1.99. As of March 31, 2025 total granted and outstanding restricted stocks were 872,498 shares with the fair value of EUR 26.2 thousand. The restricted stocks plan for employee allows the new shares released in proportion according to the vesting condition. The issued but unvested employee restricted shares are still entitled to dividend distribution. If employees resign during the vesting period, the Optoma Holding Limited will redeem unvested shares with the consideration of the original issuing price, and employees need not to pay back dividends obtained.

CORETRONIC CORPORATION AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)  
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

The compensation cost was recognized under the fair value method and the Black-Scholes Option Pricing model to estimate the fair value of options granted. Assumptions used in calculating the fair value are disclosed as follows:

	Share-based payment plan of subsidiaries
Expected dividend yield (%)	0.00%
Expected volatility (%)	35.1%
Risk free interest rate (%)	2.96%
Expected life (Years)	2 years

The expected life of the share options is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may also not necessarily be the actual outcome.

Share-based compensation expenses recognized for the three months ended March 31, 2025 and 2024 was NT\$337 thousand and NT\$2,570 thousand, respectively.

(19) Sales

	Three months ended March 31	
	2025	2024
Contract revenue from customers		
Sale of goods	\$7,798,719	\$8,519,024
Revenue arising from rendering of services	582,297	466,417
Other operating revenues	92,887	134,152
Total	\$8,473,903	\$9,119,593

Analysis of contracts revenue from customers during the periods is as follows:

A. Revenue of Segments

For the three months ended March 31, 2025

	Energy – saving products segment	Image products and brand segment	Optical component segment	Other segment	Elimination	Total
Sale of goods	\$3,878,031	\$2,952,874	\$637,286	\$532,208	\$(201,680)	\$7,798,719
Revenue arising from rendering of services	16,632	13,201	12,763	615,605	(75,904)	582,297
Other operating revenues	55,363	20,814	-	16,710	-	92,887
Total	\$3,950,026	\$2,986,889	\$650,049	\$1,164,523	\$(277,584)	\$8,473,903

CORETRONIC CORPORATION AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)  
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

	Energy – saving products segment	Image products and brand segment	Optical component segment	Other segment	Elimination	Total
The timing of revenue recognition:						
At a point in time	\$3,950,026	\$2,986,889	\$637,286	\$1,164,523	\$(277,584)	\$8,461,140
Over time	-	-	12,763	-	-	12,763
Total	<u>\$3,950,026</u>	<u>\$2,986,889</u>	<u>\$650,049</u>	<u>\$1,164,523</u>	<u>\$(277,584)</u>	<u>\$8,473,903</u>

For the three months ended March 31, 2024

	Energy – saving products segment	Image products and brand segment	Optical component segment	Other segment	Elimination	Total
Sale of goods	\$4,076,617	\$3,649,684	\$534,761	\$416,335	\$(158,373)	\$8,519,024
Revenue arising from						
rendering of services	13,213	20,102	25,369	491,809	(84,076)	466,417
Other operating revenues	43,964	37,561	-	52,627	-	134,152
Total	<u>\$4,133,794</u>	<u>\$3,707,347</u>	<u>\$560,130</u>	<u>\$960,771</u>	<u>\$(242,449)</u>	<u>\$9,119,593</u>
The timing of revenue recognition:						
At a point in time	\$4,133,794	\$3,707,347	\$535,120	\$960,771	\$(242,449)	\$9,094,583
Over time	-	-	25,010	-	-	25,010
Total	<u>\$4,133,794</u>	<u>\$3,707,347</u>	<u>\$560,130</u>	<u>\$960,771</u>	<u>\$(242,449)</u>	<u>\$9,119,593</u>

B. Contract balance

a.Contract assets – current

	March 31, 2025	December 31, 2024	March 31, 2024	January 1 2024
Sale of goods	<u>\$97,984</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>

b.Contract liabilities – current

	March 31, 2025	December 31, 2024	March 31, 2024	January 1 2024
Sale of goods	\$421,188	\$534,832	\$473,545	\$404,307
Revenue arising from				
rendering of services	1,844	627	3,899	2,502
Other operating revenues	413,975	271,728	403,898	369,401
Total	<u>\$837,007</u>	<u>\$807,187</u>	<u>\$881,342</u>	<u>\$776,210</u>

CORETRONIC CORPORATION AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)  
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

The contract liabilities balances resulted from the difference between the satisfaction of the performance obligation and the customers' payment. For the three months ended March 31, 2025 and 2024, the Group recognized NT\$458,043 thousand and NT\$254,086 thousand, respectively, in revenues from the contract liabilities balance at the beginning of the period as performance obligations were satisfied.

C. Transaction price allocated to unsatisfied performance obligations

As of March 31, 2025 and 2024, there is no need to provide relevant information of the unsatisfied performance obligations as the contracts with customers about the sales of goods are all satisfied within one year.

D. Cost of assets from acquisition or performance of customer contracts

As of March 31, 2025 and December 31, 2024, the cost of assets from acquisition or performance of customer contracts for the Group were NT\$44,544 thousand and NT\$11,298 thousand, respectively, which was recognized under other current assets.

(20) Expected credit loss

	Three months ended March 31	
	2025	2024
Operating expenses –expected credit loss		
Trade receivables	\$528	\$2,729

The Group measures trade receivables (including notes receivable and trade receivables) at an amount equal to lifetime expected credit losses. The assessment of the Group's loss allowance as of March 31, 2025, December 31, 2024, and March 31, 2024, is as follows:

The Group considers the grouping of trade receivables by counterparties' credit rating, geographical region and insurance, to measure its loss allowance by using a provision matrix. Details are as below:

As of March 31, 2025

Group A

	Not past due	Past due					Total
		1 to 30 days	31 to 60 days	61 to 90 days	91 to 120 days	More than 121 days	
Gross carrying amount	\$653,935	\$94,472	\$13,227	\$4,335	\$162	\$9,200	\$775,331
Loss ratio	0%	0.2%	0.5%	3%	5%	10%	
Expected credit losses	-	(786)	(481)	(408)	(8)	(6,873)	(8,556)
Subtotal	\$653,935	\$93,686	\$12,746	\$3,927	\$154	\$2,327	\$766,775

CORETRONIC CORPORATION AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)  
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

Group B

	Not past due	Past due					Total
		1 to 30 days	31 to 60 days	61 to 90 days	91 to 120 days	More than 121 days	
Gross carrying amount	\$6,864,468	\$278,232	\$10,492	\$122	\$-	\$7,415	\$7,160,729
Loss ratio	0%	0%	5%	30%	50%	100%	
Expected credit losses	-	(25)	(430)	(37)	-	(7,415)	(7,907)
Subtotal	\$6,864,468	\$278,207	\$10,062	\$85	\$-	\$-	\$7,152,822

As of December 31, 2024

Group A

	Not past due	Past due					Total
		1 to 30 days	31 to 60 days	61 to 90 days	91 to 120 days	More than 121 days	
Gross carrying amount	\$720,287	\$146,932	\$15,260	\$784	\$2,745	\$7,014	\$893,022
Loss ratio	0%	0.2%	0.5%	3%	5%	10%	
Expected credit losses	-	(895)	(173)	(69)	(575)	(5,459)	(7,171)
Subtotal	\$720,287	\$146,037	\$15,087	\$715	\$2,170	\$1,555	\$885,851

Group B

	Not past due	Past due					Total
		1 to 30 days	31 to 60 days	61 to 90 days	91 to 120 days	More than 121 days	
Gross carrying amount	\$8,432,604	\$241,270	\$16,261	\$1,408	\$-	\$9,328	\$8,700,871
Loss ratio	0%	0-2%	5%	30%	50%	100%	
Expected credit losses	-	(10)	(621)	(86)	-	(7,832)	(8,549)
Subtotal	\$8,432,604	\$241,260	\$15,640	\$1,322	\$-	\$1,496	\$8,692,322

CORETRONIC CORPORATION AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)  
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

As of March 31, 2024

Group A

	Not past due	Past due					Total
		1 to 30 days	31 to 60 days	61 to 90 days	91 to 120 days	More than 121 days	
Gross carrying amount	\$670,260	\$146,411	\$11,867	\$4,431	\$1,751	\$27,640	\$862,360
Loss ratio	0%	0.2%	0.5%	3%	5%	10%	
Expected credit losses	-	(909)	(424)	(1,192)	(358)	(19,884)	(22,767)
Subtotal	\$670,260	\$145,502	\$11,443	\$3,239	\$1,393	\$7,756	\$839,593

Group B

	Not past due	Past due					Total
		1 to 30 days	31 to 60 days	61 to 90 days	91 to 120 days	More than 121 days	
Gross carrying amount	\$7,054,797	\$1,090,334	\$21,357	\$1,259	\$1,740	\$25,708	\$8,195,195
Loss ratio	0%	0-2%	5%	30%	50%	100%	
Expected credit losses	-	(37)	(999)	(377)	(880)	(25,493)	(27,786)
Subtotal	\$7,054,797	\$1,090,297	\$20,358	\$882	\$860	\$215	\$8,167,409

The movement of provision for impairment of trade receivables during the period is as follows:

	Trade receivables
As of January 1, 2025	\$15,720
Addition for the current period	528
Exchange differences	215
As of March 31, 2025	<u>\$16,463</u>
As of January 1, 2024	\$46,920
Reversal for the current period	(14,567)
Write-offs	(17,774)
Exchange differences	1,319
Disposal of subsidiary (Note)	(178)
As of December 31, 2024	<u>\$15,720</u>

CORETRONIC CORPORATION AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)  
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

	<u>Trade receivables</u>
As of January 1, 2024	\$46,920
Addition for the current period	2,729
Exchange differences	904
As of March 31, 2024	<u>\$50,553</u>

Note: The subsidiary TYO disposed all equity interests in Mejiro Genossen Inc. and has completed related deregistration on September 27, 2024.

(21) Leases

A. Group as lessee

The Group leases various properties: land (including land use rights), buildings, machinery and equipment, and transportation equipment. These leases have terms between one and fifty-five years.

The effects that leases have on the financial position, financial performance and cash flows of the Group are as follows:

(a) Amounts recognized in the balance sheet

i. Right-of-use asset

The carrying amount of right-of-use assets

	March 31, 2025	December 31, 2024	March 31, 2024
Land (including land use rights)	\$1,903,048	\$1,942,843	\$1,965,662
Buildings	227,810	173,357	242,153
Transportation equipment	28,426	29,576	23,905
Office fixtures	1,285	1,526	2,255
Total	<u>\$2,160,569</u>	<u>\$2,147,302</u>	<u>\$2,233,975</u>

During the three months ended March 31, 2025 and 2024, the additions to right-of-use assets of the Group amounted to NT\$85,936 thousand and NT\$508,790 thousand, respectively.



CORETRONIC CORPORATION AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)  
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

ii. Lease liability

	March 31, 2025	December 31, 2024	March 31, 2024
Current	\$179,829	\$157,434	\$184,475
Non-current	959,405	975,053	1,015,816
Total	<u>\$1,139,234</u>	<u>\$1,132,487</u>	<u>\$1,200,291</u>

Please refer to Note 6(23)D. for the interest on lease liability recognized during the three months ended March 31, 2025 and 2024, and Note 12(5) for the maturity analysis for lease liabilities.

(b) Amounts recognized in the statement of profit or loss

Depreciation charge for right-of-use assets

	Three months ended March 31	
	2025	2024
Land (including land use rights)	\$15,520	\$12,201
Buildings	31,305	33,797
Transportation equipment	4,412	4,273
Office fixtures	135	152
Other equipment	122	117
Total	<u>\$51,494</u>	<u>\$50,540</u>

(c) Income and costs relating to leasing activities

	Three months ended March 31	
	2025	2024
The expense relating to short-term leases	\$3,348	\$4,711
The expense relating to leases of low-value assets (excluding the expense relating to short-term leases of low-value assets)	1,929	2,068
Total	<u>\$5,277</u>	<u>\$6,779</u>

(d) Cash outflow relating to leasing activities

During the three months ended March 31, 2025 and 2024, the Group's total cash outflows for leases amounted to NT\$58,978 thousand and NT\$62,340 thousand, respectively.

CORETRONIC CORPORATION AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)  
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

(e) Other information relating to leasing activities

i. Variable lease payments

Some of the Group's building lease agreements contain variable payment terms that are linked to actual usage condition. The amount links to certain percentage of actual usage of underlying asset. The changes in variable lease payments are linked to actual usage and it is very common for entering contracts with variable lease payments in the industry of the Group. As such variable lease payments do not meet the definition of lease payments, and those payments are not included in the measurement of the assets and liabilities.

ii. Extension and termination options

Extension and termination options are included in a number of property and equipment leases across the Group's property rental agreements. In determining the lease term, the non-cancellable period for which the Group has the right to use an underlying asset, together with both periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. These options are used to maximize operational flexibility in terms of managing contracts. The Group would reassess the lease term when significant issue or change occur.

iii. Residual value guarantees

To optimize lease costs during the contract period, the Group doesn't provide residual value guarantees in relation to rental agreements, and therefore no residual value guarantees are recorded in lease liability.

**B. Group as lessor**

Please refer to Note 6(10) for details on the Group's owned investment properties and investment properties held by the Group as right-of-use assets. Leases of owned investment properties are classified as operating leases as they do not transfer substantially all the risks and rewards incidental to ownership of underlying assets.

No finance lease contracts were signed.

CORETRONIC CORPORATION AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)  
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

	Three months ended March 31	
	2025	2024
Lease income for operating leases		
Income relating to fixed lease payments and variable lease payments that depend on an index or a rate	\$14,217	\$12,235

Please refer to Note 6(10) for relevant disclosure of investment properties for operating leases which is required by IFRS 16. For operating leases entered by the Group, the undiscounted lease payments to be received and a total of the amounts for the remaining periods are as follows:

	March 31, 2025	December 31, 2024	March 31, 2024
Not later than one year	\$45,654	\$45,654	\$45,052
Later than one year but not later than two years	33,424	44,643	44,202
Later than two years but not later than three years	492	492	33,061
Later than three years but not later than four years	369	492	492
Later than four years but not later than five years	-	-	369
Total	\$79,939	\$91,281	\$123,176

(22) Summary Statement of Employee Benefits, Depreciation and Amortization Expenses by Function

Function Items	Three months ended March 31					
	2025			2024		
	Operating Cost	Operating expenses	Total amount	Operating Cost	Operating expenses	Total amount
Employee benefits expense	\$614,903	\$1,113,584	\$1,728,487	\$560,339	\$1,104,230	\$1,664,569
Salaries	500,752	933,091	1,433,843	452,002	933,732	1,385,734
Labor and health insurance	37,695	93,644	131,339	33,935	86,087	120,022
Pension	33,746	50,331	84,077	33,320	50,442	83,762
Other employee benefits expense	42,710	36,518	79,228	41,082	33,969	75,051
Depreciation	237,373	83,701	321,074	233,042	83,071	316,113
Amortization	5,327	15,876	21,203	2,764	18,348	21,112

CORETRONIC CORPORATION AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)  
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

According to the Articles of Incorporation of the Company, 10% to 20% of profit of the current year is distributable as employees compensation. However, the Company's accumulated losses shall have been covered. CORE may, by a resolution adopted by a majority vote at a meeting of Board of Directors attended by two-thirds of the total number of directors, have the profit distributable as employees compensation in the form of shares or in cash; and thereto a report of such distribution is submitted to the shareholders' meeting. Information on the Board of Directors' resolution regarding the employees compensation and remuneration to directors and supervisors can be obtained from the "Market Observation Post System" on the website of the TWSE.

CORE accrued employees compensation based on a specific rate of profit for the three months ended March 31, 2025 and 2024. The amounts of employees compensation were NT\$3,454 thousand and NT\$15,850 thousand for the three months ended March 31, 2025 and 2024, respectively. If the Board of Directors resolved to distribute employees compensation in the form of stocks, the number of stocks distributed was calculated based on the closing price one day earlier than the date of resolution. If the estimated amounts differ from the actual distribution resolved by the Board of Directors, CORE will recognize the change as an adjustment in the profit or loss in the subsequent period.

A resolution was approved at a Board of Directors' meeting held on February 17, 2025 to distribute NT\$121,525 thousand in cash as employees compensation. There was no material difference between the resolution and the estimated amount for the year ended December 31, 2024.

There was no material difference between the estimated amount and the actual distribution of the employee bonuses for the year ended December 31, 2023.

(23) Non-Operating Income and Expenses

A. Interest income

	Three months ended March 31	
	2025	2024
Financial assets measured at amortized cost	\$95,395	\$112,784

CORETRONIC CORPORATION AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)  
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

B. Other income

	Three months ended March 31	
	2025	2024
Dividend income	\$75,134	\$-
Fire insurance claim income (Note b)	61,666	-
Government grants income	47,701	20,461
Rental income	14,217	12,235
Other	53,717	70,529
Total	<u>\$252,435</u>	<u>\$103,225</u>

C. Other gains and losses

	Three months ended March 31	
	2025	2024
Net gain on financial assets at fair value through profit or loss (Note a)	\$183,874	\$164,548
Net gain (loss) on disposal of property, plant and equipment	44,221	(13,459)
Gain on lease modification	2,118	3,348
Foreign exchange loss, net	(122,720)	(31,788)
Impairment loss (Note b)	(43,254)	-
Casualty loss (Note c)	-	(135,032)
Other losses	(5,407)	(14,128)
Total	<u>\$58,832</u>	<u>\$(26,511)</u>

Note a: Balances were arising from financial assets mandatorily measured at fair value through profit or loss.

Note b: Please refer to Note 6(9) for the impairment loss Subsidiary YTO recognized for the three months ended March 31, 2025.

Note c: Due to the fire accident, subsidiary TYO recognized damage loss for inventories, property, plant and equipment. Please refer to Note 10 for more details.

D. Finance cost

	Three months ended March 31	
	2025	2024
Interest on borrowings from bank	\$135,951	\$75,160
Interest on lease liabilities	7,720	8,452
Total	<u>\$143,671</u>	<u>\$83,612</u>

CORETRONIC CORPORATION AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)  
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

(24) Components of Other Comprehensive Income

For the three months ended March 31, 2025

	Arising during the period	Income tax income (expense)	Other comprehensive income, net of tax
Not to be reclassified to profit or loss:			
Unrealized (loss) gain from equity instrument investments measured at fair value through other comprehensive income	\$ (346,210)	\$ 1,027	\$ (345,183)
To be reclassified to profit or loss in subsequent periods:			
Exchange differences on translation of foreign operations	589,405	-	589,405
Total of other comprehensive income	<u>\$ 243,195</u>	<u>\$ 1,027</u>	<u>\$ 244,222</u>

For the three months ended March 31, 2024

	Arising during the period	Income tax income (expense)	Other comprehensive income, net of tax
Not to be reclassified to profit or loss:			
Unrealized gain (loss) from equity instrument investments measured at fair value through other comprehensive income	\$ 248,392	\$ (952)	\$ 247,440
To be reclassified to profit or loss in subsequent periods:			
Exchange differences on translation of foreign operations	807,121	-	807,121
Share of the other comprehensive loss of associates accounted for using the equity method	13	-	13
Total of other comprehensive income	<u>\$ 1,055,526</u>	<u>\$ (952)</u>	<u>\$ 1,054,574</u>

CORETRONIC CORPORATION AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)  
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

(25) Income Tax

The major components of income tax expense (income) are as follows:

Income tax expense (income) recognized in profit or loss

	Three months ended March 31	
	2025	2024
Current income tax expense (income):		
Current income tax expense	\$42,350	\$107,785
Adjustments in respect of current income tax of prior periods	-	(560)
Current tax expense related to Pillar Two legislation	3,229	-
	-	
Deferred tax expense (income):		
Deferred tax expense relating to origination and reversal of temporary differences	(20,353)	(30,841)
Deferred tax arising from write-down or reversal of write-down of deferred tax asset	(165)	12,532
Other	1,976	-
Total income tax expense	<u>\$27,047</u>	<u>\$88,916</u>

Income tax relating to components of other comprehensive income

	Three months ended March 31	
	2025	2024
Deferred income tax income (expense):		
Unrealized loss from equity instruments investments measured at fair value through other comprehensive income	<u>\$1,027</u>	<u>\$(952)</u>

The assessment of income tax returns

As of March 31, 2025, the assessment of the income tax returns of the Group and its subsidiaries is as follows:

	The assessment of income tax returns
CORE	Assessed and approved up to 2022
TYO	Assessed and approved up to 2022
Optoma Technology Corporation	Assessed and approved up to 2023
CGT	Assessed and approved up to 2023

CORETRONIC CORPORATION AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)  
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

	The assessment of income tax returns
Tsen Ming Investment	Assessed and approved up to 2023
YGE	Assessed and approved up to 2023
CICS	Assessed and approved up to 2022
CVC	Assessed and approved up to 2023
UCM	Assessed and approved up to 2023
ISC	Assessed and approved up to 2023
CVD	Assessed and approved up to 2022
CIRC	Assessed and approved up to 2023
CRI	Assessed and approved up to 2023
CMC	Assessed and approved up to 2023
NPT	Assessed and approved up to 2023
CILS	Assessed and approved up to 2023
Optoma Corporation	Assessed and approved up to 2023

(26) Earnings Per Share

Basic earnings per share amounts are calculated by dividing net income for the period attributable to ordinary equity holders of the parent company by the weighted-average number of ordinary shares outstanding during the period.

Diluted earnings per share amounts are calculated by dividing the net profit attributable to ordinary equity holders of the parent entity (after adjusting for interest on the convertible preference shares) by the weighted average number of ordinary shares outstanding during the period plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

	Three months ended March 31	
	2025	2024
A. Basic earnings per share		
Profit attributable to ordinary shareholders of the parent (in thousand NT\$)	\$19,212	\$143,237
Weighted average number of ordinary shares outstanding for basic earnings per share (in thousands)	390,981	390,981
Basic earnings per share (NT\$)	\$0.05	\$0.37



CORETRONIC CORPORATION AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)  
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

	Three months ended March 31	
	2025	2024
B. Diluted earnings per share		
Profit attributable to ordinary shareholders of the parent after dilution (in thousand NT\$)	\$19,212	\$143,237
Weighted average number of ordinary shares outstanding for basic earnings per share (in thousands)	390,981	390,981
Effect of dilution:		
Employee bonus — stock (in thousand)	807	1,862
Weighted average number of ordinary shares outstanding after dilution (in thousand)	391,788	392,843
Diluted earnings per share (NT\$)	\$0.05	\$0.36

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

(27) Subsidiaries that have Material Non-Controlling Interests

Financial information of subsidiaries that have material non-controlling interests is provided below:

Percentage of equity interest held by non-controlling interests:

Subsidiary	Country of incorporation and operation	March 31, 2025	December 31, 2024	March 31, 2024
Young Optics Inc.	Taiwan	67.37%	67.37%	67.37%
Accumulated balance of material non-controlling interests		March 31, 2025	December 31, 2024	March 31, 2024
Young Optics, Inc.		\$1,909,652	\$1,892,968	\$1,882,804

	Three months ended March 31	
	2025	2024
Loss allocated to material non-controlling interest		
Young Optics, Inc.	\$3,098	\$(154,533)

CORETRONIC CORPORATION AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)  
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

The summarized financial information of these subsidiaries is provided below. This information is based on the amount before inter-company transactions.

Summarized information of profit or loss for the three months ended March 31, 2025:

	<u>Young Optics Inc.</u>
Operating revenue	\$650,049
Gain for the period from continuing operations	4,598
Total comprehensive income for the period	24,764

Summarized information of profit or loss for the three months ended March 31, 2024:

	<u>Young Optics Inc.</u>
Operating revenue	\$560,130
Loss for the period from continuing operations	(229,388)
Total comprehensive loss for the period	(201,597)

Summarized information of financial position as of March 31, 2025:

	<u>Young Optics Inc.</u>
Current assets	\$2,162,437
Non-current assets	2,209,523
Current liabilities	(902,940)
Non-current liabilities	(634,451)

Summarized information of financial position as of December 31, 2024:

	<u>Young Optics Inc.</u>
Current assets	\$2,115,521
Non-current assets	2,320,548
Current liabilities	(953,344)
Non-current liabilities	(672,920)

Summarized information of financial position as of March 31, 2024:

	<u>Young Optics Inc.</u>
Current assets	\$1,850,705
Non-current assets	2,369,263
Current liabilities	(968,425)
Non-current liabilities	(457,058)

CORETRONIC CORPORATION AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)  
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

Summarized cash flow information for the three months ended March 31, 2025:

	<u>Young Optics Inc.</u>
Operating activities	\$77,650
Investing activities	(5,877)
Financing activities	(10,236)
Net increase in cash and cash equivalents	77,343

Summarized cash flow information for the three months ended March 31, 2024:

	<u>Young Optics Inc.</u>
Operating activities	\$49,192
Investing activities	(17,526)
Financing activities	(183,849)
Net decrease in cash and cash equivalents	(136,533)

(28) Disposal of Subsidiaries

The Subsidiary TYO disposed all equity interests in its Subsidiary- Mejiro Genossen Inc. on September 27, 2024. TYO lost control over Mejiro Genossen Inc. and has completed related deregistration. The disposal proceeds were NT\$50,390 thousand, and TYO recognized loss on disposal of investment in the amount of NT\$9,074 thousand.

A. The amount of assets and liabilities of Mejiro Genossen Inc. was as follows :

	<u>September 27, 2024</u>
Assets:	
Cash and cash equivalents	\$17,690
Notes receivable, net	14,758
Trade receivables, net	15,415
Trade receivables - related parties, net	1,070
Inventories, net	10,956
Prepayments	40
Other current assets - other	31
Property, plant and equipment, net	9,265
Right-of-use assets	502
Intangible assets	123
Other noncurrent assets - other	330
	<u>70,180</u>

CORETRONIC CORPORATION AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)  
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

	September 27, 2024
Liabilities:	
Contract liabilities	(109)
Accounts payable	(1,909)
Accounts payable - related parties	(2,525)
Other payables	(12,163)
Current tax liabilities	(182)
Lease liabilities – current and noncurrent	(507)
Long-term borrowings (including current portion)	(2,476)
Other current liabilities	(81)
	<u>(19,952)</u>
Derecognition of net assets	<u>\$50,228</u>

B. The consideration received and the profit or loss recognized for this transaction are as follows :

	September 27, 2024
Consideration received	\$50,390
Derecognition of net assets of Mejiro Genossen Inc.	(50,228)
Non-controlling interests	508
Derecognition for IPs arising from consolidation	(615)
Exchange differences on translation of foreign operations	(9,129)
Loss on disposal of investment	<u>\$(9,074)</u>

C. The consideration received and the profit or loss recognized for this transaction are as follows :

	September 27, 2024
Consideration received	\$50,390
Derecognized subsidiaries of net cash	(17,690)
Derecognition of net cash flow	<u>\$32,700</u>

CORETRONIC CORPORATION AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)  
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

7. Related Party Transactions

(1) Related Party Name and Categories

Related Party Name	Related Party Categories
Etergo Opto-Electronics Co., LTD (“EOE”)	Associate (Note)
Chi Hua Fitness Co., LTD. (“CHI HUA”)	Substantive related party
Dongtai Qidian Electronic Technology Co., Ltd (“DONGTAI QIDIAN”)	Substantive related party
Hannstar Display Corporation (“HANNSTAR”)	Entity which has significant influence over CORE
Shanghai Xianzhen Information Consulting Co., Ltd. (“Shanghai Xianzhen”)	Substantive related party

Note: The Group disposed all equity interests in EOE on September 30, 2024. Since that date, EOE was no longer an associate to the Group.

(2) Significant transactions with related parties

A. Sales

	Three months ended March 31	
	2025	2024
HANNSTAR	\$3,103	\$-
DONGTAI QIDIAN	724	1,389
Total	\$3,827	\$1,389

The sales price to the above related parties was determined by mutual agreement based on the market rates. The payment terms are not significantly different between related parties and third-party customers. The receivables-related parties were not pledged, bearing no interest and were paid in cash. The trade receivables-related parties also were not guaranteed.

B. Purchases

	Three months ended March 31	
	2025	2024
HANNSTAR	\$81,602	\$38,869
EOE	-	422
Total	\$81,602	\$39,291

CORETRONIC CORPORATION AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)  
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

The purchase price to the above related parties was determined by mutual agreement based on the market rates. The payment terms from the related party suppliers are comparable with third party suppliers and are between 60 to 90 days.

C. Trade Receivables from Related Parties

	March 31, 2025	December 31, 2024	March 31, 2024
DONGTAI QIDIAN	\$732	\$891	\$726
HANNSTAR	56	-	-
Total	\$788	\$891	\$726

D. Other Receivables to Related Parties

	March 31, 2025	December 31, 2024	March 31, 2024
HANNSTAR	\$-	\$82	\$321

E. Accounts Payable to Related Parties

	March 31, 2025	December 31, 2024	March 31, 2024
HANNSTAR	\$30,978	\$13,300	\$14,992
EOE	-	-	321
Total	\$30,978	\$13,300	\$15,313

F. Other Payable to Related Parties

	March 31, 2025	December 31, 2024	March 31, 2024
HANNSTAR	\$-	\$-	\$2,016
EOE	-	1,076	972
Total	\$-	\$1,076	\$2,988

G. Leases

Lease liability

	March 31, 2025	December 31, 2024	March 31, 2024
Shanghai Xianzhen	\$-	\$-	\$2,230

CORETRONIC CORPORATION AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)  
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

Interest on lease liabilities

	Three months ended March 31	
	2025	2024
Shanghai Xianzhen	\$-	\$32

The Group leased staff dormitories and offices from substantive related parties. The lease prices were determined by mutual agreement based on the market rates. The payment terms from the related party lessors are comparable with third party lessors.

H. Key Management Personnel Compensation

	Three months ended March 31	
	2025	2024
Short-term employee benefits	\$19,697	\$35,447
Post-employment benefits	273	506
Share-based payment	490	796
Total	\$20,460	\$36,749

8. Assets Pledged as Collateral

The following assets of the Group pledged as collateral:

Assets pledged as collateral	Carrying amount			Purpose of pledge
	March 31, 2025	December 31, 2024	March 31, 2024	
Buildings (including investment property)	\$660,104	\$670,548	\$701,880	Collateral for long-term borrowings
Time deposits (presented as “Other receivables”)	51,913	51,283	50,076	Customs import guarantee
Time deposits (presented as “Other receivables”)	37,013	37,013	36,885	Lease execution deposits
Time deposits (presented as “Other noncurrent assets”)	22,395	22,395	22,694	Lease execution deposits
Time deposits (presented as “Other noncurrent assets”)	1,122	1,122	1,108	Customs import guarantee
Total	\$772,547	\$782,361	\$812,643	

CORETRONIC CORPORATION AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)  
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

9. Commitments and Contingencies

Amount available under unused letters of credit as of March 31, 2025 was NT\$2,168 thousand.

10. Losses due to Major Disasters

A fire incident occurred in the subsidiary TYO leased factory area on March 25, 2024. The related losses were recognized in 2024 based on the actual damage and restoration costs. The advance insurance compensation of NT\$45,000 thousand received was recognized as fire insurance claim income in 2024.

The property insurance claim submitted by the subsidiary TYO was officially assessed and notarized in the first quarter of 2025. After deducting the advance compensation, the remaining NT\$5,166 thousand and NT\$36,000 thousand obtained through a property loss settlement with a neighboring factories were both recognized as other income in the first quarter of 2025. The business interruption insurance claim filed by TYO is still in progress.

11. Significant Subsequent Events

None.

12. Others

(1) Categories of Financial Instruments

	March 31, 2025	December 31, 2024	March 31, 2024
<u>Financial assets</u>			
Financial assets at fair value through profit or loss:			
Mandatorily measured at fair value through profit or loss (Note 1)	\$3,589,847	\$5,101,126	\$4,089,920
Financial assets at fair value through other comprehensive income	4,900,931	5,246,290	5,559,585
Financial assets measured at amortized cost (Note 2)	25,174,391	24,269,177	25,111,585
Total	<u>\$33,665,169</u>	<u>\$34,616,593</u>	<u>\$34,761,090</u>



CORETRONIC CORPORATION AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)  
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

	March 31, 2025	December 31, 2024	March 31, 2024
<u>Financial liabilities</u>			
Financial liabilities at amortized cost:			
Short-term borrowings	\$15,929,058	\$12,513,727	\$13,949,651
Accounts payable (including related parties)	5,296,693	6,947,110	6,735,395
Other payables	4,012,871	3,680,014	4,900,981
Lease liability (including current and noncurrent)	1,139,234	1,132,487	1,200,291
Long-term borrowings (including current portion)	400,000	3,397,562	245,158
Subtotal	<u>26,777,856</u>	<u>27,670,900</u>	<u>27,031,476</u>
Financial liabilities at fair value through profit or loss:			
Mandatorily measured at fair value through profit or loss	<u>152,691</u>	<u>126,257</u>	<u>194,780</u>
Total	<u>\$26,930,547</u>	<u>\$27,797,157</u>	<u>\$27,226,256</u>

Note 1: As of March 31, 2025, December 31, 2024, and March 31, 2024, the financial assets measured at fair value through profit or loss, including trade receivables, were NT\$2,462,215 thousand, NT\$4,251,309 thousand, and NT\$3,391,374 thousand respectively. Please refer to Note 6(6) for more details.

Note 2: Include cash and cash equivalents (excluding cash on hand), notes receivable, trade receivables (including related parties), other receivables and other noncurrent assets.

(2) Financial Risk Management Objectives and Policies

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

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

CORETRONIC CORPORATION AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)  
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

(3) Market Risk

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

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

Foreign currency risk

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

The Group has certain foreign currency receivables to be denominated in the same foreign currency with certain foreign currency payables, therefore natural hedge is received. Furthermore, as net investments in foreign subsidiaries are for strategic purposes, they are not hedged by the Group.

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

When NTD appreciates or depreciates against USD by 1%, the profit for the three months ended March 31, 2025 and 2024 is decreased/increased by NT\$1,950 thousand and NT\$72,743 thousand, while equity is decreased/increased by NT\$334,440 thousand and NT\$314,243 thousand, respectively.

Interest rate risk

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

CORETRONIC CORPORATION AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)  
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

The interest rate sensitivity analysis is performed on items exposed to interest rate risk as of the end of the reporting period, including investments with variable interest rate, and bank borrowings with variable interest rate, and interest rate swaps. At the reporting date, an increase/decrease of 1% of interest rate in a reporting period could cause the profit for the three months ended March 31, 2025 and 2024 to decreased/increased by NT\$40,617 thousand and NT\$38,779 thousand, respectively.

Equity price risk

The fair value of the Group's listed and unlisted equity securities is susceptible to market price risk arising from uncertainties about future values of the investment securities. The Group's listed equity securities are classified under held for trading financial assets or available-for-sale financial assets. The Group manages the equity price risk through diversification and placing limits on individual and total equity instruments. Reports on the equity portfolio are submitted to the Group's senior management on a regular basis. The Group's Board of Directors reviews and approves all equity investment decisions.

For the three months ended March 31, 2025 and 2024, an increase/decrease of 1% in the price of the unlisted equity securities classified as equity instrument at fair value through other comprehensive income could increase/decrease by NT\$49,009 thousand and NT\$55,596 thousand on the equity attributable to the Group, respectively.

(4) Credit Risk Management

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

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

# CORETRONIC CORPORATION AND SUBSIDIARIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)

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

As of March 31, 2025, December 31, 2024, and March 31, 2024, receivables from top ten customers represented 66%, 75% and 98%, of the total trade receivables of the Group, respectively. The credit concentration risk of other accounts receivables was insignificant.

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

### (5) Liquidity Risk Management

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

#### Non-derivative financial liabilities

	Less than 1 year	1 to 3 years	3 to 5 years	Over 5 years	Total
As of March 31, 2025					
Borrowings	\$16,202,987	\$236,598	\$86,414	\$-	\$16,525,999
Accounts payable (including related parties)	5,296,693	-	-	-	5,296,693
Other payables (including related parties)	4,012,871	-	-	-	4,012,871
Lease liability	196,001	223,217	120,880	855,391	1,395,489
As of December 31, 2024					
Borrowings	\$12,647,725	\$3,252,988	\$115,499	\$-	\$16,016,212
Accounts payable (including related parties)	6,947,110	-	-	-	6,947,110
Other payables (including related parties)	3,680,014	-	-	-	3,680,014
Lease liability	169,387	202,661	127,392	906,032	1,405,472

CORETRONIC CORPORATION AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)  
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

	Less than 1 year	1 to 3 years	3 to 5 years	Over 5 years	Total
As of March 31, 2024					
Borrowings	\$14,143,854	\$64,466	\$57,402	\$-	\$14,265,722
Accounts payable (including related parties)	6,735,395	-	-	-	6,735,395
Other payables (including related parties)	4,900,981	-	-	-	4,900,981
Lease liability	197,027	229,829	129,862	932,977	1,489,695

Derivative financial liabilities

	Less than 1 year	1 to 3 years	Total
As of March 31, 2025			
Inflows	\$-	\$-	\$-
Outflows	152,691	-	152,691
Net	\$152,691	\$-	\$152,691

As of December 31, 2024

Inflows	\$-	\$-	\$-
Outflows	126,257	-	126,257
Net	\$126,257	\$-	\$126,257

As of March 31, 2024

Inflows	\$-	\$-	\$-
Outflows	194,780	-	194,780
Net	\$194,780	\$-	\$194,780

The table above contains the undiscounted net cash flows of derivative financial liabilities.

CORETRONIC CORPORATION AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)  
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

(6) Reconciliation of Liabilities Arising from Financing Activities

Reconciliation of liabilities for the three months ended March 31, 2025:

	Short-term borrowings	Long-term borrowings	Leases liabilities	Guarantee deposits received	Other liabilities- noncurrent	Total liabilities from financing activities
As of January 1, 2025	\$12,513,727	\$3,397,562	\$1,132,487	\$25,388	\$3,957	\$17,073,121
Cash flows	3,415,331	(3,000,000)	(45,981)	688	51	370,089
Additional leases	-	-	47,250	-	-	47,250
Reclassification	-	2,438	-	-	-	2,438
Exchange differences	-	-	5,478	-	-	5,478
As of March 31, 2025	<u>\$15,929,058</u>	<u>\$400,000</u>	<u>\$1,139,234</u>	<u>\$26,076</u>	<u>\$4,008</u>	<u>\$17,498,376</u>

Reconciliation of liabilities for the three months ended March 31, 2024:

	Short-term borrowings	Long-term borrowings	Leases liabilities	Guarantee deposits received	Other liabilities- noncurrent	Total liabilities from financing activities
As of January 1, 2024	\$13,512,487	\$416,717	\$1,234,561	\$28,784	\$3,707	\$15,196,256
Cash flows	437,164	(171,559)	(47,109)	2,724	156	221,376
Additional leases	-	-	4,668	-	-	4,668
Exchange differences	-	-	8,171	-	-	8,171
As of March 31, 2024	<u>\$13,949,651</u>	<u>\$245,158</u>	<u>\$1,200,291</u>	<u>\$31,508</u>	<u>\$3,863</u>	<u>\$15,430,471</u>

(7) Fair Value of Financial Instruments

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

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

CORETRONIC CORPORATION AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)  
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

- (a) The carrying amount of cash and cash equivalents, trade receivables, short-term borrowings, trade payable and other current liabilities approximate their fair value due to their short maturities.
- (b) For financial assets and liabilities traded in an active market with standard terms and conditions, their fair value is determined based on market quotation price at the reporting date.
- (c) The fair value of derivatives which are not options and without market quotations, is determined based on the counterparty prices or discounted cash flow analysis using interest rate yield curve for the contract period. Fair value of option-based derivative financial instruments is obtained using on the counterparty prices or appropriate option pricing model or other valuation method.
- (d) The fair value of long-term borrowings without active market is determined by using valuation techniques. Therefore, the fair value is estimated using the present value of the expected cash flows. The assumption of interest rate and discount rate mainly is measured by similar financial instruments.

B. Fair value of financial instruments measured at amortized cost

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

C. Fair value measurement hierarchy for financial instruments

Please refer to Note 12(9) for fair value measurement hierarchy for financial instruments of the Group.

(8) Derivative Instruments

The related information for derivative financial instruments not qualified for hedge accounting and not yet settled as at March 31, 2025, December 31, 2024 and March 31, 2024 is as follows:

Forward currency contracts

The Group entered into forward currency contracts to manage its exposure to financial risk, but these contracts are not designated as hedging instruments. The table below lists the information related to forward currency contracts:

CORETRONIC CORPORATION AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)  
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

Item (by contract)	Notional Amount	Contract Period
As of March 31, 2025		
Forward currency contract		
Selling forward currency contracts	USD 554,000 thousand	From April 2025 to May 2025
Buying forward currency contracts	USD 782,500 thousand	From April 2025 to March 2026
Selling forward currency contracts	CAD 900 thousand	From April 2025 to July 2025
As of December 31, 2024		
Forward currency contract		
Selling forward currency contracts	USD 536,000 thousand	From January 2025 to March 2025
Buying forward currency contracts	USD 705,500 thousand	From January 2025 to November 2025
Selling forward currency contracts	CAD 1,700 thousand	From January 2025 to April 2025
As of March 31, 2024		
Forward currency contract		
Selling forward currency contracts	USD 550,500 thousand	From April 2024 to June 2024
Buying forward currency contracts	USD 650,000 thousand	From April 2024 to December 2024
Selling forward currency contracts	CAD 1,100 thousand	From April 2024 to June 2024

(9) Fair Value Measurement Hierarchy

A. Fair value measurement hierarchy

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

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

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

Level 3 – Unobservable inputs for the asset or liability

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



CORETRONIC CORPORATION AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)  
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

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

The Group does not have assets that are measured at fair value on a non-recurring basis. Fair value measurement hierarchy of the Group's assets and liabilities measured at fair value on a recurring basis is as follows:

March 31, 2025				
	Level 1	Level 2	Level 3	Total
Assets measured at fair value:				
Financial assets at fair value through profit or loss				
Forward currency contract	\$-	\$1,127,632	\$-	\$1,127,632
Equity instrument measured at fair value through other comprehensive income	-	-	4,900,931	4,900,931
Liabilities measured at fair value:				
Financial liabilities at fair value through profit or loss				
Forward currency contract	-	152,691	-	152,691
December 31, 2024				
	Level 1	Level 2	Level 3	Total
Assets measured at fair value:				
Financial assets at fair value through profit or loss				
Forward currency contract	\$-	\$849,817	\$-	\$849,817
Equity instrument measured at fair value through other comprehensive income	-	-	5,246,290	5,246,290
Liabilities measured at fair value:				
Financial liabilities at fair value through profit or loss				
Forward currency contract	-	126,257	-	126,257

CORETRONIC CORPORATION AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)  
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

March 31, 2024				
	Level 1	Level 2	Level 3	Total
Assets measured at fair value:				
Financial assets at fair value through profit or loss				
Forward currency contract	\$-	\$698,546	\$-	\$698,546
Equity instrument measured at fair value through other comprehensive income	-	-	5,559,585	5,559,585
Liabilities measured at fair value:				
Financial liabilities at fair value through profit or loss				
Forward currency contract	-	194,780	-	194,780

Transfers between the Level 1 and Level 2 during the period

During the three months ended March 31, 2025 and 2024, there were no transfers between Level 1 and Level 2 fair value measurements.

Change in reconciliation for fair value measurements in Level 3

Reconciliation for fair value measurements in Level 3 of the fair value hierarchy for movements during the period is as follows:

	Assets
	At fair value through other comprehensive income
	Stock
As of January 1, 2025:	\$5,246,290
Total gains and losses recognized for the three months ended March 31, 2025:	
Amount recognized in OCI (presented in “unrealized gains from equity instruments investments measured at fair value through other comprehensive income”)	(345,183)
Tax effect	(1,027)
Exchange differences	851
As of March 31, 2025	\$4,900,931

CORETRONIC CORPORATION AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)  
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

	Assets
	At fair value through other comprehensive income
	Stock
As of January 1, 2024:	\$5,308,046
Total gains and losses recognized for the three months ended March 31, 2024:	
Amount recognized in OCI (presented in “unrealized gains from equity instruments investments measured at fair value through other comprehensive income”)	247,440
Tax effect	952
Exchange differences	3,147
As of March 31, 2024	<u>\$5,559,585</u>

Information on significant unobservable inputs to valuation

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

As of March 31, 2025

	Valuation techniques	Significant unobservable inputs	Quantitative information	Relationship between inputs and fair value	Sensitivity of the input to fair value
Financial assets :					
At fair value through other comprehensive income					
Stock	Asset-Based Approach	Not Applicable	-	-	-
	Market Approach	P/E ratio of similar companies	2.17	The higher the P/E ratio of similar companies, the higher the fair value estimated	10% increase (decrease) in the P/E ratio of similar entities would result in increase /decrease in equity by NT\$7,435 thousand/ NT\$7,435 thousand.
	Market Approach	P/E ratio of similar companies	3.13	The higher the P/E ratio of similar companies, the higher the fair value estimated	10% increase (decrease) in the P/E ratio of similar companies would result in increase /decrease in equity by NT\$4,912 thousand/ NT\$4,912 thousand.

CORETRONIC CORPORATION AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)  
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

As of December 31, 2024

	Valuation	Significant unobservable inputs	Quantitative information	Relationship between inputs and fair value	Sensitivity of the input to fair value
<u>techniques</u>					
<u>fair value</u>					
Financial assets :					
At fair value through					
other comprehensive					
income					
Stock	Asset-Based	Not	-	-	-
	Approach	Applicable			
	Market	P/E ratio of	2.4	The higher the P/E	10% increase (decrease)
	Approach	similar		ratio of similar	in the P/E ratio of similar
		companies		companies, the	entities would result in
				higher the fair	increase /decrease in
				value estimated	equity by NT\$8,020
					thousand/ NT\$8,020
					thousand.
	Market	P/E ratio of	3.24	The higher the P/E	10% increase (decrease)
	Approach	similar		ratio of similar	in the P/E ratio of similar
		companies		companies, the	entities would result in
				higher the fair	increase /decrease in
				value estimated	equity by NT\$4,871
					thousand/
					NT\$4,871thousand

As of March 31, 2024

	Valuation	Significant unobservable inputs	Quantitative information	Relationship between inputs and fair value	Sensitivity of the input to fair value
<u>techniques</u>					
<u>fair value</u>					
Financial assets :					
At fair value through					
other comprehensive					
income					
Stock	Asset-Based	Not			
	Approach	Applicable	-	-	-

CORETRONIC CORPORATION AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)  
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

Valuation techniques	Significant unobservable inputs	Quantitative information	Relationship between inputs and fair value	Sensitivity of the input to fair value
Market Approach	P/E ratio of similar companies	1.85	The higher the P/E ratio of similar companies, the higher the fair value estimated	10% increase (decrease) in the P/E ratio of similar entities would result in increase /decrease in equity by NT\$5,881 thousand/ NT\$5,881 thousand.
Market Approach	P/E ratio of similar companies	2.90	The higher the P/E ratio of similar companies, the higher the fair value estimated	10% increase (decrease) in the P/E ratio of similar companies would result in increase /decrease in equity by NT\$4,326 thousand/ NT\$4,326 thousand.

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

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

C. Fair value measurement hierarchy of the Group's assets and liabilities not measured at fair value but for which the fair value is disclosed:

	March 31, 2025			
	Level 1	Level 2	Level 3	Total
Financial assets not measured at fair value but for which the fair value is disclosed:				
Investment properties (please refer to Note 6(10))	\$-	\$-	\$258,500	\$258,500

CORETRONIC CORPORATION AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)  
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

	December 31, 2024			
	Level 1	Level 2	Level 3	Total
Financial assets not measured at fair value but for which the fair value is disclosed: Investment properties (please refer to Note 6(10))	\$-	\$-	\$258,500	\$258,500

	March 31, 2024			
	Level 1	Level 2	Level 3	Total
Financial assets not measured at fair value but for which the fair value is disclosed: Investment properties (please refer to Note 6(10))	\$-	\$-	\$304,500	\$304,500

(10) Significant Assets and Liabilities Denominated in Foreign Currencies

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

	March 31, 2025		
	Foreign currencies	Exchange rate	NTD thousand
Financial assets			
Monetary item:			
USD	\$598,397	33.205	\$19,869,772
JPY	166,216	0.2227	37,016
Non-monetary items:			
USD	\$3,542	33.205	\$117,610
Financial liabilities			
Monetary items:			
USD	\$604,271	33.205	\$20,064,819
JPY	18,828	0.2227	4,193
CNY	664	4.5778	3,040

CORETRONIC CORPORATION AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)  
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

December 31, 2024			
	Foreign currencies	Exchange rate	NTD thousand
<u>Financial assets</u>			
Monetary item:			
USD	\$699,073	32.785	\$22,919,108
JPY	184,313	0.2099	38,687
Non-monetary items:			
USD	\$4,080	32.785	\$133,753
<u>Financial liabilities</u>			
Monetary items:			
USD	\$642,163	32.785	\$21,053,314
CNY	664	4.4890	2,981
JPY	12,335	0.2099	2,589
March 31, 2024			
	Foreign currencies	Exchange rate	NTD thousand
<u>Financial assets</u>			
Monetary item:			
USD	\$1,069,454	32.00	\$34,222,528
JPY	403,000	0.2115	85,235
GBP	1,233	40.3904	49,801
CNY	1,306	4.4280	5,783
EUR	32	34.4854	1,104
Non-monetary items:			
USD	\$3,641	32.00	\$116,517
<u>Financial liabilities</u>			
Monetary items:			
USD	\$842,132	32.00	\$26,948,224
JPY	84,634	0.2115	17,900
CNY	244	4.4280	1,080

CORETRONIC CORPORATION AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)  
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

The Group's entities functional currencies are various, and hence is not able to disclose the information of exchange gains and losses of monetary financial assets and liabilities by each significant assets and liabilities denominated in foreign currencies. The net foreign exchange loss was NT\$122,720 thousand and NT\$31,788 thousand for the three months ended March 31, 2025 and 2024, respectively.

(11) Capital Management

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

13. Additional Disclosures

(1) The following are additional disclosures for the Group and its affiliates:

- A. Financing provided to others for the three months ended March 31, 2025: Please refer to Attachment 1.
- B. Endorsement/Guarantee provided to others for the three months ended March 31, 2025: Please refer to Attachment 1-1.
- C. Securities held as of March 31, 2025 (excluding subsidiaries, associates and joint venture): Please refer to Attachment 2, 2-1.
- D. Related party transactions for purchases and sales amounts exceeding the lower of NT\$100 million or 20 percent of the capital stock for the three months ended March 31, 2025: Please refer to Attachment 3, 3-1.
- E. Receivables from related parties with amounts exceeding the lower of NT\$100 million or 20 percent of capital stock as of March 31, 2025: Please refer to Attachment 4, 4-1.
- F. The business relationship between the parent and the subsidiaries and significant transactions between them: Please refer to Attachment 5.

(2) Information on Investees

- A. Relevant information on investees when the investees have significant influence or direct or indirect control: Please refer to Attachments 6, 6-1, 6-2 and 6-3.
- B. When the investees have significant influence or direct or indirect control, the above items from A to I shall be disclosed: Please refer to Attachments 1-1, 2-1, 3-1, 4-1.



CORETRONIC CORPORATION AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)  
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

(3) Investment in Mainland China

A. Investee company name, main businesses and products, total amount of capital, method of investment, accumulated inflow and outflow of investments from Taiwan, percentage of ownership, investment income (loss), carrying amount of investments, cumulated inward remittance of earnings and limits on investment in Mainland China: Please refer to Attachment 7, 7-1.

B. Directly or indirectly significant transactions with the investees in Mainland China: please refer to Attachment 5.

14. Segment information

(1) General Information

A. The Group's reportable segments are organized into business units based on their products and services, and that they will be available for managing units to earn revenues and incur expense. Every unit needs unique technologies and marketing strategies, and the Group's chief operating decision maker manages every unit individually. The Group determined its reportable segments based on the Group's internal reports.

B. The Group has three reportable segments:

- (a) Energy-saving products segments: mainly engaged in the R&D design, manufacturing and marketing of backlighting, panel modules, medical displays and energy-efficient lighting equipment.
- (b) Image products and brand segments: mainly engaged in the R&D design, manufacturing and marketing of projector and brand management.
- (c) Optical components segments: mainly engaged in the R&D, production and marketing of projection-related applications of optics related components.

No operating segments have been aggregated to form the above reportable operating segments.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss and is measured based on accounting policies consistent with those in the consolidated financial statements. However, financial cost, income and income taxes are managed on a group basis and are not allocated to operating segments.

Transfer prices between operating segment are on an arm's length basis in a manner similar to transactions with third parties.

**CORETRONIC CORPORATION AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)**  
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

**(2) Segment Income, Assets and Liabilities Information**

For the three months ended March 31, 2025							
	Energy - saving products segment	Image products and brand segment	Optical components segment	Subtotal	Other segment (Note A)	Adjustment and elimination (Note B)	Total
Revenue							
Net revenue from							
external customers	\$3,898,601	\$2,983,690	\$524,429	\$7,406,720	\$1,067,183	\$-	\$8,473,903
Net revenue from sales							
among intersegments	51,425	3,199	125,620	180,244	97,340	(277,584)	-
Total revenue	<u>\$3,950,026</u>	<u>\$2,986,889</u>	<u>\$650,049</u>	<u>\$7,586,964</u>	<u>\$1,164,523</u>	<u>\$(277,584)</u>	<u>\$8,473,903</u>
Segment income (loss)	<u>\$47,087</u>	<u>\$34,432</u>	<u>\$(525)</u>	<u>\$80,994</u>	<u>\$(83,356)</u>	<u>\$47,920</u>	<u>\$45,558</u>
Segment Assets (Note C)	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$55,872,041</u>	<u>\$55,872,041</u>

For the three months ended March 31, 2024							
	Energy - saving products segment	Image products and brand segment	Optical components segment	Subtotal	Other segment (Note A)	Adjustment and elimination (Note B)	Total
Revenue							
Net revenue from							
external customers	\$4,128,130	\$3,707,100	\$441,509	\$8,276,739	\$842,854	\$-	\$9,119,593
Net revenue from sales							
among intersegments	5,664	247	118,621	124,532	117,917	(242,449)	-
Total revenue	<u>\$4,133,794</u>	<u>\$3,707,347</u>	<u>\$560,130</u>	<u>\$8,401,271</u>	<u>\$960,771</u>	<u>\$(242,449)</u>	<u>\$9,119,593</u>
Segment income (loss)	<u>\$151,276</u>	<u>\$254,147</u>	<u>\$(241,634)</u>	<u>\$163,789</u>	<u>\$(170,721)</u>	<u>\$81,570</u>	<u>\$74,638</u>
Segment Assets (Note C)	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$55,809,008</u>	<u>\$55,809,008</u>

Note A: Nine operating segments did not meet the quantitative thresholds for reportable segments for the three months ended March 31, 2025 and 2024, respectively. They have been combined into other segments.

Note B: Inter-segment revenues is eliminated on consolidation and recorded under the “adjustment and elimination” column, all other adjustments and eliminations are disclosed below.

CORETRONIC CORPORATION AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)  
(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

Note C: If the measurements of the asset were not provided to the decision makers, the amount of the assets to be disclosed by every segment may be expressed as zero and listed as group assets.

	Three months ended	
	March 31	
	2025	2024
Net income of reportable segment	\$80,994	\$163,789
Loss of other segments	(83,356)	(170,721)
Unallocated amount:		
Interest income	95,395	112,784
Interest expense	(143,671)	(83,612)
Gain on financial assets at fair value through profit		
or loss, net	183,874	164,548
Exchange loss, net	(122,720)	(31,788)
Others	35,042	(80,362)
Income before income tax	<u>\$45,558</u>	<u>\$74,638</u>

ATTACHMENT 1 (Financing provided to others for the three months ended March 31, 2025)

(The certain information is based on the unreviewed financial statements)

(Amounts in Thousands of New Taiwan Dollars, Unless Specified Otherwise)

No.	Lender	Counter-party	Financial statement account	Related party	Maximum balance for the period	Ending balance	Actual amount provided	Interest rate	Nature of financing	Amount of sales to (purchases from) counter-party	Reason for financing	Allowance for expected credit losses	Collateral		Limit of financing amount for individual counter-party	Limit of total financing amount
													Item	Value		
1	Bighshine (HK)	Coretronic Corporation	Trade receivables - related parties	Yes	\$ 355,293	\$ 355,293	\$ 355,293	-%	The need for short-term financing	-	Business turnover	-	None	-	\$ 541,748	\$ 541,748
2	Boom Power	Coretronic (BVI) Investment	Trade receivables - related parties	Yes	2,358	2,358	2,358	-%	The need for short-term financing	-	Business turnover	-	None	-	257,533	257,533
2	Boom Power	Coretronic Corporation	Trade receivables - related parties	Yes	126,444	126,444	126,444	-%	The need for short-term financing	-	Business turnover	-	None	-	257,533	257,533
3	Dynamic Time	Coretronic Corporation	Trade receivables - related parties	Yes	2,589,990	2,589,990	2,589,990	-%	The need for short-term financing	-	Business turnover	-	None	-	2,621,996	2,621,996
4	Great Pride (HK)	Coretronic Corporation	Trade receivables - related parties	Yes	122,859	122,859	122,859	-%	The need for short-term financing	-	Business turnover	-	None	-	2,834,148	2,834,148
5	Greendale	Coretronic Vietnam	Trade receivables - related parties	Yes	332,050	332,050	332,050	0.5%	The need for short-term financing	-	Business turnover	-	None	-	7,907,851	7,907,851
5	Greendale	Coretronic Corporation	Trade receivables - related parties	Yes	653,700	562,825	562,825	-%	The need for short-term financing	-	Business turnover	-	None	-	7,907,851	7,907,851
6	Lead Bright (HK)	Coretronic Corporation	Trade receivables - related parties	Yes	597,690	597,690	597,690	-%	The need for short-term financing	-	Business turnover	-	None	-	3,937,355	3,937,355
7	Tecpoint	Coretronic Corporation	Trade receivables - related parties	Yes	794,928	794,928	794,928	-%	The need for short-term financing	-	Business turnover	-	None	-	3,636,309	3,636,309
8	Venture Orient	Coretronic Corporation	Trade receivables - related parties	Yes	81,352	81,352	81,352	-%	The need for short-term financing	-	Business turnover	-	None	-	511,737	511,737
9	Wisdom Success (HK)	Coretronic Corporation	Trade receivables - related parties	Yes	614,293	614,293	614,293	-%	The need for short-term financing	-	Business turnover	-	None	-	7,877,562	7,877,562
10	Wisdom Success	Coretronic Corporation	Trade receivables - related parties	Yes	33,205	33,205	33,205	-%	The need for short-term financing	-	Business turnover	-	None	-	12,038,423	12,038,423
11	Young Lighting Limited	Coretronic Technology (BRVT)	Trade receivables - related parties	Yes	318,354	-	-	-%	The need for short-term financing	-	Business turnover	-	None	-	3,439,751	3,439,751
11	Young Lighting Limited	Coretronic Vietnam	Trade receivables - related parties	Yes	49,808	49,808	49,808	0.5%	The need for short-term financing	-	Business turnover	-	None	-	3,439,751	3,439,751
11	Young Lighting Limited	Coretronic Corporation	Trade receivables - related parties	Yes	272,281	272,281	272,281	-%	The need for short-term financing	-	Business turnover	-	None	-	3,439,751	3,439,751
12	Chung Tsen Investment	Coretronic Realty Inc.	Trade receivables - related parties	Yes	140,000	50,000	50,000	0.77%	The need for short-term financing	-	Business turnover	-	None	-	1,030,521	1,030,521
12	Chung Tsen Investment	Coretronic Intelligent Logistics Solutions Corporation	Trade receivables - related parties	Yes	100,000	50,000	50,000	0.77%	The need for short-term financing	-	Business turnover	-	None	-	1,030,521	1,030,521
12	Chung Tsen Investment	Coretronic MEMS Corporation	Trade receivables - related parties	Yes	100,000	100,000	100,000	0.77%	The need for short-term financing	-	Business turnover	-	None	-	1,030,521	1,030,521
12	Chung Tsen Investment	Coretronic Intelligent Robotics Corporation	Trade receivables - related parties	Yes	124,000	124,000	124,000	0.77%	The need for short-term financing	-	Business turnover	-	None	-	1,030,521	1,030,521
12	Chung Tsen Investment	Coretronic Corporation	Trade receivables - related parties	Yes	230,000	230,000	230,000	0.77%	The need for short-term financing	-	Business turnover	-	None	-	1,030,521	1,030,521
13	Vimax (Kunshan)	Coretronic Optics (Kunshan)	Trade receivables - related parties	Yes	833,226	-	-	-%	The need for short-term financing	-	Business turnover	-	None	-	1,501,221	1,501,221
14	Coretronic Projection (Kunshan)	Coretronic Optics (Kunshan)	Trade receivables - related parties	Yes	1,801,568	1,373,332	1,373,332	0.5%	The need for short-term financing	-	Business turnover	-	None	-	6,997,214	6,997,214
14	Coretronic Projection (Kunshan)	Coretronic Optics (Suzhou)	Trade receivables - related parties	Yes	1,098,666	1,098,666	1,098,666	0.5%	The need for short-term financing	-	Business turnover	-	None	-	6,997,214	6,997,214
15	Champ Vision Display	uCare Medical Electronics	Trade receivables - related parties	Yes	19,800	13,800	13,800	1.75%	The need for short-term financing	-	Business turnover	-	None	-	96,336	96,336
16	Coretronic (Ningbo)	Coretronic Optics (Suzhou)	Trade receivables - related parties	Yes	2,251,960	1,831,110	1,831,110	0.5%	The need for short-term financing	-	Business turnover	-	None	-	3,367,093	3,367,093
17	Tsen Ming Investment	Coretronic Realty Inc.	Trade receivables - related parties	Yes	54,000	54,000	54,000	0.77%	The need for short-term financing	-	Business turnover	-	None	-	226,570	226,570
17	Tsen Ming Investment	Coretronic Intelligent Logistics Solutions Corporation	Trade receivables - related parties	Yes	55,000	55,000	55,000	0.77%	The need for short-term financing	-	Business turnover	-	None	-	226,570	226,570
17	Tsen Ming Investment	Coretronic Intelligent Robotics Corporation	Trade receivables - related parties	Yes	55,000	55,000	55,000	0.77%	The need for short-term financing	-	Business turnover	-	None	-	226,570	226,570
17	Tsen Ming Investment	Coretronic Corporation	Trade receivables - related parties	Yes	55,000	-	-	-%	The need for short-term financing	-	Business turnover	-	None	-	226,570	226,570
18	Coretronic Optotek (Suzhou)	Coretronic Optics (Suzhou)	Trade receivables - related parties	Yes	686,666	686,666	686,666	0.5%	The need for short-term financing	-	Business turnover	-	None	-	1,806,132	1,806,132
19	Young Optics	Young Optics (BD)	Other receivables - related parties	Yes	508,710	481,473	116,218	-%	The need for short-term financing	-	Business turnover	-	None	-	1,123,921	1,123,921
20	Best Alpha	Young Optics (BD)	Other receivables - related parties	Yes	33,205	33,205	33,205	-%	The need for short-term financing	-	Business turnover	-	None	-	446,480	446,480

Note a : Limit of financing amount for individual counter-party and total financing amount should not exceed 100% of lender's net worth from the latest financial statements, including Greendale, Coretronic Projection (Kunshan), Coretronic (Ningbo) and Coretronic Optotek (Suzhou).

The above restriction only applies to the foreign subsidiaries whose shares are 100% owned by the Company.

Note b : Boom Power and Young Lighting Limited provided financing to Coretronic Corporation or the foreign subsidiaries whose shares are 100% owned, directly or indirectly, by the Company. Limit of total financing amount for individual counter-party should not exceed 200% of lender's net worth from the latest financial statements.

Note c : Limit of total financing amount for individual counter-party should not exceed 40% of lender's net worth from the latest financial statements, and limit of financing amount should not exceed 100% of the latest financial statements of lender, including Chung Tsen Investment, Tsen Ming Investment, and Champ Vision Display.

Note d : Bighshine (HK), Dynamic Time, Great Pride (HK), Greendale, Lead Bright (HK), Tecpoint, Venture Orient, Wisdom Success (HK), and Wisdom Success provided financing to Coretronic Corporation. Limit of total financing amount for individual counter-party should not exceed 100% of lender's net worth from the latest financial statements.

Note e : Boom Power and Young Lighting Limited provided financing to its parent company. Limit of financing amount for individual counter-party and total financing amount should not exceed 200% of lender's net worth from the latest financial statements.

Note f : Young Optics provided financing to the foreign subsidiaries whose shares are 100% owned by Young Optics. Limit of total financing amount for individual counter-party should not exceed 40% of Young Optics' net worth from the latest financial statements.

Note g : Best Alpha provided financing to the foreign subsidiaries whose shares are 100% owned by Young Optics. Limit of total financing amount for individual counter-party should not exceed Best Alpha's net worth or 40% of Young Optics' net worth from the latest financial statements.

ATTACHMENT 1-1 (Endorsement/Guarantee provided to others for the three months ended March 31, 2025)

(The certain information is based on the unreviewed financial statements)

(Amounts in Thousands of New Taiwan Dollars, Unless Specified Otherwise)

No.	Endorsor/guarantor	Receiving party		Limit of guarantee/endorsement amount for receiving party	Maximum balance for the period	Ending balance	Actual amount provided	Amount of endorsement/ guarantee collateralized by properties	Percentage of accumulated guarantee amount to net worth from the latest financial statements	Limit of total guarantee/ endorsement amount	Guarantee provided by parent company	Guarantee provided by a subsidiary	Guarantee provided to subsidiary in Mainland China
		Company name	Relationship										
0	Coretronic Corporation	Coretronic Technology (BRVT)	Sub-subsidiary	\$ 12,198,434 (Note a)	\$ 1,271,481	\$ 1,271,481	\$ 992,540	\$ -	5.21%	\$ 24,396,869 (Note b)	Yes	No	No
0	Coretronic Corporation	Coretronic Vietnam	Subsidiary	12,198,434 (Note a)	1,095,765	1,095,765	4,981	-	4.49%	24,396,869 (Note b)	Yes	No	No
0	Coretronic Corporation	Coretronic MEMS Corporation	Subsidiary	12,198,434 (Note a)	153,321	153,321	10,319	-	0.63%	24,396,869 (Note b)	Yes	No	No
0	Coretronic Corporation	Coretronic Intelligent Robotics Corporation	Subsidiary	12,198,434 (Note a)	674,000	674,000	135,819	-	2.76%	24,396,869 (Note b)	Yes	No	No
0	Coretronic Corporation	Coretronic Intelligent Cloud Service Corporation	Subsidiary	12,198,434 (Note a)	29,500	29,500	29,500	-	0.12%	24,396,869 (Note b)	Yes	No	No
	Total				<u>\$ 3,224,067</u>	<u>\$ 3,224,067</u>							

Note a : Based on the procedures of endorsement/guarantee provided to others, the amount of endorsements/guarantees for any single entity shall not exceed 50% of the Company's net worth from the latest financial statements.

Note b : Based on the procedures of endorsement/guarantee provided to others, the total amount of endorsements/guarantees shall not exceed 100% of the Company's net worth from the latest financial statements.

ATTACHMENT 2 (Securities held as of March 31, 2025)

(The certain information is based on the unreviewed financial statements)

(Amounts in Thousands of New Taiwan Dollars, Unless Specified Otherwise)

Held company name	Marketable securities type and name	Relationship with the company	Financial statement account	March 31, 2025				Note
				Shares/Units	Carrying amount	Percentage of ownership (%)	Fair value (Note a)	
Coretronic Corporation	Nightingale Intelligent Systems, Inc.	-	Financial assets at fair value through profit or loss-noncurrent	550,436	\$ -	0.41%	\$ -	
Coretronic Corporation	Sysonan Inc.	-	Financial assets at fair value through profit or loss-noncurrent	9,007	-	0.00%	-	
Coretronic Corporation	Yann Yuan Investment Co., Ltd.	Coretronic Corporation was Yann Yuan Investment's director.	Financial assets at fair value through other comprehensive income-noncurrent	96,900,000	3,870,250	11.06%	3,870,250	
Coretronic Corporation	Excel Global	-	Financial assets at fair value through other comprehensive income-noncurrent	812,506	62,226	19.90%	62,226	
Coretronic Corporation	Liuligongfang	-	Financial assets at fair value through other comprehensive income-noncurrent	242,094	12,124	3.06%	12,124	

Note a : The Group measured the fair value of investments in accordance with IFRS 9.

ATTACHMENT 2-1 (Securities held as of March 31, 2025)

(The certain information is based on the unreviewed financial statements)

(Amounts in Thousands of New Taiwan Dollars, Unless Specified Otherwise)

Held company name	Marketable securities type and name	Relationship with the company	Financial statement account	March 31, 2025				Note
				Shares/Units	Carrying amount	Percentage of ownership (%)	Fair value (Note a)	
Coretronic Venture Capital	GeneJet Biotech	-	Financial assets at fair value through other comprehensive income-noncurrent	315,000	\$ -	5.85%	\$ -	
Coretronic Intelligent Cloud Service Corporation	GateWeb	-	Financial assets at fair value through other comprehensive income-noncurrent	900,000	49,120	18.54%	49,120	
Venture Orient Limited	Unitech Capital	-	Financial assets at fair value through other comprehensive income-noncurrent	2,500,000	USD 1,667,961	5.00%	USD 1,667,961	
Chung Tsen Investment	Shieh Yong Investment	-	Financial assets at fair value through other comprehensive income-noncurrent	90,558,275	851,827	4.47%	851,827	

Note a : The Group measured the fair value of investments in accordance with IFRS 9.

ATTACHMENT 3 (Related party transactions for purchases and sales amounts exceeding the lower of NT\$100 million or 20 percent of capital stock for the three months ended March 31, 2025)

(The certain information is based on the unreviewed financial statements)

(Amounts in Thousands of New Taiwan Dollars, Unless Specified Otherwise)

Company name	Counter-party	Relationship	Transactions				Details of non-arm's length transaction		Notes and Trade receivables (payable)		Note
			Purchases (Sales)	Amount	Percentage of total purchases (sales)	Term	Unit price	Term	Balance	Percentage of total receivables (payable)	
Coretronic Corporation	Optoma Corporation	Sub-subsidiary	Sales	\$ 621,914	12.41%	90 days	-	-	\$ 736,268	5.15%	
Coretronic Corporation	Coretronic Optics (Suzhou)	Sub-subsidiary	Purchases	1,471,370	17.21%	60 days	-	-	(1,276,946)	(8.77%)	
Coretronic Corporation	Coretronic Technology (BRVT)	Sub-subsidiary	Purchases	642,309	7.51%	60 days	-	-	-	-	
Coretronic Corporation	Coretronic (Ningbo)	Sub-subsidiary	Purchases	193,730	2.27%	120 days	-	-	(334,501)	(2.08%)	



ATTACHMENT 3-1 (Related party transactions for purchases and sales amounts exceeding the lower of NT\$100 million or 20 percent of capital stock for the three months ended March 31, 2025)

(The certain information is based on the unreviewed financial statements)

(Amounts in Thousands of New Taiwan Dollars, Unless Specified Otherwise)

Company name	Counter-party	Relationship	Transactions				Details of non-arm's length transaction		Notes and Trade receivables (payables)		Note
			Purchases (Sales)	Amount	Percentage of total purchases (sales)	Term	Unit price	Term	Balance	Percentage of total receivables (payables)	
Optoma Corporation	Optoma USA	Associate	Sales	\$ 181,208	23.79%	60 days	-	-	\$ 181,604	25.08 %	
Optoma Corporation	Optoma Europe	Associate	Sales	439,662	57.73%	60 days	-	-	441,696	61.01 %	

ATTACHMENT 4 (Receivables from related parties with amounts exceeding the lower of NT\$100 million or 20 percent of capital stock as of March 31, 2025)

(The certain information is based on the unreviewed financial statements)

(Amounts in Thousands of New Taiwan Dollars, Unless Specified Otherwise)

Company name	Counter-party	Relationship	Trade receivables - related parties balance	Turnover rate (times)	Overdue receivables		Amount received in subsequent period	Allowance for expected credit losses
					Amount	Collection status		
Trade receivables : Coretronic Corporation	Optoma Corporation	Sub-subsidiary	\$ 736,268	3.39	\$ -	-	\$ -	\$ -

ATTACHMENT 4-1 (Receivables from related parties with amounts exceeding the lower of NT\$100 million or 20 percent of capital stock as of March 31, 2025)

(The certain information is based on the unreviewed financial statements)

(Amounts in Thousands of New Taiwan Dollars, Unless Specified Otherwise)

Company name	Counter-party	Relationship	Trade receivables - related parties balance	Turnover rate (times)	Overdue receivables		Amount received in subsequent period	Allowance for expected credit losses
					Amount	Collection status		
Trade Receivables :								
Young Optics (Kunshan)	Young Optics	Associate	\$ 295,361	1.01	-	-	-	-
Coretronic Optics (Kunshan)	Coretronic Projection (Kunshan)	Associate	1,364,485	2.00	-	-	-	-
Young Optics	Young Optics (BD)	Associate	196,039	-	-	-	-	-
			(Note a)					
Grace China	Young Optics (BD)	Associate	263,146	-	-	-	-	-
			(Note b)					
Other Receivables :								
Dynamic Time	Coretronic Corporation	Parent	2,589,990	-	-	-	-	-
Chung Tsen Investment	Coretronic Corporation	Parent	231,137	-	-	-	-	-
Chung Tsen Investment	Coretronic Intelligent Robotics Corporation	Associate	124,701	-	-	-	-	-
Chung Tsen Investment	Coretronic MEMS Corporation	Associate	100,546	-	-	-	-	-
Masterview	Grace China	Associate	315,448	-	-	-	-	-
			(Note c)					
Tecpoint	Coretronic Corporation	Parent	794,928	-	-	-	-	-
Greendale	Coretronic Corporation	Parent	4,112,784	-	-	-	-	-
Greendale	Coretronic Optics (Kunshan)	Associate	434,293	-	-	-	-	-
Greendale	Coretronic Vietnam	Associate	332,498	-	-	-	-	-
Coretronic Projection (Kunshan)	Coretronic Optics (Kunshan)	Associate	1,379,867	-	-	-	-	-
Coretronic Projection (Kunshan)	Coretronic Optics (Suzhou)	Associate	1,102,217	-	-	-	-	-
Boom Power	Coretronic Corporation	Parent	126,445	-	-	-	-	-
Coretronic (Ningbo)	Coretronic Optics (Suzhou)	Associate	1,836,031	-	-	-	-	-
Great Pride (HK)	Coretronic Corporation	Parent	122,859	-	-	-	-	-
Wisdom Success (HK)	Coretronic Corporation	Parent	614,293	-	-	-	-	-
Bigshine (HK)	Coretronic Corporation	Parent	355,294	-	-	-	-	-
Lead Bright (HK)	Coretronic Corporation	Parent	597,690	-	-	-	-	-
Young Lighting Limited	Coretronic Corporation	Parent	272,281	-	-	-	-	-
Coretronic (Suzhou)	Coretronic Optics (Suzhou)	Associate	688,562	-	-	-	-	-

Note a : Included financing amounts.

Note b : Included Other receivables.

Note c : Distribution of earnings.

ATTACHMENT 5 (Significant intercompany transactions between consolidated entities)

(The certain information is based on the unreviewed financial statements)

(Amounts in Thousands of New Taiwan Dollars, Unless Specified Otherwise)

No. (Note a)	Related party	Counter-party	Relationship with Coretronic Corporation (Note b)	Transactions			
				Accounts	Amount	Collection periods (Note c)	Percentage of consolidated operating revenues or consolidated total assets (Note d)
0	Coretronic Corporation	Young Optics	1	Accounts receivable	42,794	—	0.08%
		Greendale	1	Accounts receivable	435,458	—	0.78%
			1	Sales	733,397	—	8.65%
		Coretronic Optotech (Suzhou)	1	Accounts receivable	224,511	—	0.40%
			1	Sales	125,932	—	1.49%
		Coretronic Optics (Suzhou)	1	Accounts receivable	3,929,887	—	7.03%
			1	Sales	2,550,940	—	30.10%
		Coretronic Technology (BRVT)	1	Other receivables	168,870	—	0.30%
			1	Accounts receivable	4,278,825	—	7.66%
		1	Sales	744,302	—	8.78%	
	Optoma Corporation	1	Accounts receivable	736,268	—	1.32%	
		1	Sales	621,914	—	7.34%	
		Coretronic Corporation	2	Other receivables	40,182	—	0.07%
			2	Accounts receivable	41,718	—	0.07%
2	Sales		59,470	—	0.70%		
1	Young Optics	Young Optics (BD)	3	Other receivables	116,218	—	0.21%
			3	Accounts receivable	79,821	—	0.14%
			3	Sales	56	—	0.00%
		Young Optics (Suzhou)	3	Accounts receivable	2,780	—	0.00%
			3	Sales	2,707	—	0.03%
		Young Optics (Kunshan)	3	Accounts receivable	17,609	—	0.03%
			3	Sales	5,699	—	0.07%
			2	Grace China	Young Optics (BD)	3	Other receivables
3	Young Optics (Kunshan)	Young Optics	3	Accounts receivable	295,361	—	0.53%
			3	Sales	72,473	—	0.86%
		Coretronic Optics (Kunshan)	3	Accounts receivable	66,168	—	0.12%
			3	Sales	65,551	—	0.77%
		Young Optics (Suzhou)	3	Accounts receivable	6,918	—	0.01%
			3	Sales	6,817	—	0.08%
4	Dynamic Time	Coretronic Corporation	2	Other receivables	2,589,990	—	4.64%
5	Wisdom Success	Coretronic Corporation	2	Other receivables	33,205	—	0.06%
6	Chung Tsen Investment	Coretronic Corporation	2	Other receivables	231,137	—	0.41%
		Coretronic Intelligent Robotics Corporation	3	Other receivables	124,701	—	0.22%
		Coretronic MEMS Corporation	3	Other receivables	100,546	—	0.18%
		Coretronic Reality Inc	3	Other receivables	50,041	—	0.09%
		Coretronic Intelligent Logistics Solutions Corporation	3	Other receivables	50,041	—	0.09%

No. (Note a)	Related party	Counter-party	Relationship with Coretronic Corporation (Note b)	Transactions			
				Accounts	Amount	Collection periods (Note c)	Percentage of consolidated operating revenues or consolidated total assets (Note d)
7	Venture Orient	Coretronic Corporation	2	Other receivables	81,352	—	0.15%
8	Masterview	Grace China	3	Other receivables	315,448	—	0.56%
		Best Alpha	3	Other receivables	59,769	—	0.11%
9	Best Alpha	Young Optics (BD)	3	Other receivables	33,205	—	0.06%
10	Tecpoint	Coretronic Corporation	2	Other receivables	794,928	—	1.42%
11	Greendale	Coretronic Corporation	2	Other receivables	4,112,784	—	7.36%
		Coretronic Optics (Kunshan)	3	Other receivables	434,293	—	0.78%
		Coretronic Vietnam	3	Other receivables	332,498	—	0.60%
12	Coretronic Projection (Kunshan)	Optoma China	3	Accounts receivable	62,292	—	0.11%
			3	Sales	50,594	—	0.60%
		Greendale	3	Accounts receivable	3,549,799	—	6.35%
			3	Sales	1,859,881	—	21.94%
		Champ Vision Display	3	Accounts receivable	99,684	—	0.18%
			3	Sales	122,986	—	1.45%
		Coretronic Optics (Kunshan)	3	Other receivables	1,379,867	—	2.47%
			3	Accounts receivable	40,664	—	0.07%
			3	Sales	58,451	—	0.69%
		Coretronic Optics (Suzhou)	3	Other receivables	1,102,217	—	1.97%
13	Boom Power	Coretronic Corporation	2	Other receivables	126,445	—	0.23%
14	Tsen Ming Investment	Coretronic Intelligent Robotics Corporation	3	Other receivables	55,251	—	0.10%
		Coretronic Reality Inc.	3	Other receivables	54,046	—	0.10%
		Coretronic Intelligent Logistics Solutions Corporation	3	Other receivables	55,251	—	0.10%
15	Coretronic (Ningbo)	Coretronic Corporation	2	Accounts receivable	348,037	—	0.62%
			2	Sales	193,730	—	2.29%
		Coretronic Optics (Suzhou)	3	Other receivables	1,836,031	—	3.29%
			3	Accounts receivable	50,022	—	0.09%
			3	Sales	45,487	—	0.54%
16	Great Pride (HK)	Coretronic Corporation	2	Other receivables	122,859	—	0.22%
17	Wisdom Success (HK)	Coretronic Corporation	2	Other receivables	614,293	—	1.10%
18	Bigshine (HK)	Coretronic Corporation	2	Other receivables	355,294	—	0.64%
19	Lead Bright (HK)	Coretronic Corporation	2	Other receivables	597,690	—	1.07%
20	Coretronic Intelligent Cloud Service Corporation	Coretronic Corporation	2	Accounts receivable	68,789	—	0.12%
			2	Sales	47,182	—	0.56%

No. (Note a)	Related party	Counter-party	Relationship with Coretronic Corporation (Note b)	Transactions			
				Accounts	Amount	Collection periods (Note c)	Percentage of consolidated operating revenues or consolidated total assets (Note d)
21	Young Lighting Limited	Coretronic Corporation	2	Other receivables	272,281	—	0.49%
		Coretronic Vietnam	3	Other receivables	49,832	—	0.09%
22	Coretronic Optotech (Suzhou)	Coretronic Corporation	2	Accounts receivable	257,772	—	0.46%
			2	Sales	73,971	—	0.87%
		Coretronic Optics (Suzhou)	3	Other receivables	688,562	—	1.23%
			3	Accounts receivable	68,097	—	0.12%
			3	Sales	59,407	—	0.70%
			3	Sales	71,386	—	0.84%
23	Champ Vision Display	Coretronic Projection (Kunshan)	3	Sales	71,386	—	0.84%
24	Coretronic Optics (Kunshan)	Coretronic Projection (Kunshan)	3	Accounts receivable	1,364,485	—	2.44%
			3	Sales	1,179,122	—	13.91%
25	Coretronic Optics (Suzhou)	Coretronic Corporation	2	Accounts receivable	4,703,053	—	8.42%
			2	Sales	1,471,370	—	17.36%
26	Coretronic Technology (BRVT)	Coretronic Corporation	2	Accounts receivable	3,897,277	—	6.98%
			2	Sales	642,309	—	7.58%
27	Optoma Corporation	Optoma USA	3	Accounts receivable	181,604	—	0.33%
			3	Sales	181,208	—	2.14%
		Optoma Europe	3	Accounts receivable	441,696	—	0.79%
			3	Sales	439,662	—	5.19%
28	Young Optics (BD)	Young Optics	3	Accounts receivable	9,025	—	0.02%
			3	Sales	37,099	—	0.44%
		Young Optics (Kunshan)	3	Accounts receivable	5,291	—	0.01%
			3	Sales	6,202	—	0.07%
29	Young Optics (Suzhou)	Young Optics (Kunshan)	3	Other receivable	78	—	0.00%
			3	Accounts receivable	41	—	0.00%
			3	Sales	116	—	0.00%
		Young Optics	3	Accounts receivable	25	—	0.00%
			3	Sales	25	—	0.00%

Note a: Coretronic Corporation and its subsidiaries are coded as follows:

1. Coretronic Corporation is coded "0"
2. The subsidiaries are coded consecutively beginning from "1" in the order presented in the table above.

Note b: Transactions are categorized as follows:

1. The holding company to subsidiary.
2. The subsidiary to holding company.
3. Subsidiaries to subsidiaries.

Note c: In principle, the received/payment terms were month-end 90 days or 30-150 days.

Note d: The percentage with respect to the consolidated asset/liability for transactions of balance sheet items are based on each item's balance at period-end.

For profit or loss items, cumulative balances are used as basis.

ATTACHMENT 6 (Names, locations and related information of investee companies as of March 31, 2025) (Not including investment in Mainland China)

(The certain information is based on the unreviewed financial statements)

(Amounts in Thousands of New Taiwan Dollars, Unless Specified Otherwise)

Investor company	Investee company	Address	Main businesses and products	Initial Investment		Investment as of March 31, 2025			Net income (loss) of investee company	Investment income (loss) recognized	Note
				Ending balance	Beginning balance	Number of shares	Percentage of ownership	Carrying amount			
Coretronic Corporation	Coretronic (BVI) Investment Corp.	B.V.I.	Holding company	\$1,563,709	\$1,563,709	38,220,000	100.00%	\$7,957,367	\$7,524	\$7,524	Subsidiary
Coretronic Corporation	Young Optics Inc.	Hsinchu City, Taiwan	Engaged in the production, marketing and R&D of electronic components and optics.	496,543	496,543	37,217,586	32.63%	925,950	4,598	1,587	Subsidiary
Coretronic Corporation	Visicorp Limited	B.V.I.	Holding company	467,241	467,241	40,781	100.00%	14,352,034	54,156	54,156	Subsidiary
Coretronic Corporation	Sinolink Global Limited	B.V.I.	Holding company	34,100	34,100	980	100.00%	1,512,249	4,224	4,224	Subsidiary
Coretronic Corporation	Chung Tsen Investment Corp.	Taipei City, Taiwan	Investment company for strategic purposes	692,696	692,696	127,099,664	100.00%	2,558,644	26,738	26,738	Subsidiary
Coretronic Corporation	Tecpoint Limited	B.V.I.	Holding company	1,064,802	1,064,802	33,556,599	78.06%	2,865,277	14,066	10,980	Subsidiary
Coretronic Corporation	Young Green Energy Co., LTD.	Hsinchu County, Taiwan	Engaged in the production, wholesale and retail trade of electronic components, battery, computer and its peripheral devices, and electronic	214,620	214,620	18,833,220	99.91%	235,382	245	245	Subsidiary
Coretronic Corporation	Young Lighting Limited	Samoa	Holding company	118,134	118,134	3,907,000	100.00%	1,710,165	(35,545)	(35,545)	Subsidiary
Coretronic Corporation	Coretronic Intelligent Cloud Service Corp.	Hsinchu County, Taiwan	Engaged in intelligent cloud, IT information, intelligent applications of new media and platform development related business of new media.	354,990	354,990	25,000,000	100.00%	406,678	26,817	26,817	Subsidiary
Coretronic Corporation	Coretronic Venture Capital Corp.	New Taipei City, Taiwan	The investment activities for company's business expansion	300,000	300,000	30,000,000	100.00%	309,230	1,112	1,112	Subsidiary
Coretronic Corporation	Champ Vision Display Inc.	Miaoli County, Taiwan	Engaged in R&D, design, production and marketing of innovative intelligent display products and system integration solution.	142,850	142,850	14,285,000	79.36%	195,313	5,271	4,183	Subsidiary
Coretronic Corporation	uCare Medical Electronics Co., Ltd.	Miaoli County, Taiwan	Engaged in the R&D, design, production and marketing of intelligent movement and medical care related software and hardware products.	80,000	80,000	8,000,000	60.69%	(14,628)	(8,926)	(5,417)	Subsidiary
Coretronic Corporation	Calibre UK Limited	U.K.	Engaged in R&D, design, production and marketing of image processing products.	238,841	238,841	52,701,042	100.00%	53,918	(19)	(19)	Subsidiary
Coretronic Corporation	Coretronic Intelligent Robotics Corporation	Hsinchu City, Taiwan	Engaged in R&D, production and marketing of unmanned aerial vehicle and intelligent robotics.	1,208,067	1,208,067	33,000,000	100.00%	265,344	(65,781)	(65,781)	Subsidiary
Coretronic Corporation	InnoSpectra Corporation	Hsinchu City, Taiwan	Engaged in R&D and marketing of near-infrared spectrum and corresponding solutions	48,000	48,000	4,800,000	80.00%	12,478	967	773	Subsidiary
Coretronic Corporation	Coretronic MEMS Corporation	Hsinchu County, Taiwan	Engaged in R&D, production and marketing of MEMS sensor, module and corresponding solutions.	389,178	389,178	18,000,000	100.00%	73,281	3,691	3,691	Subsidiary
Coretronic Corporation	Coretronic Reality Inc.	Hsinchu County, Taiwan	Engaged in R&D, production and marketing of wearable and embedded projector, system, and display solutions.	220,000	220,000	20,000,000	100.00%	27,540	(6,370)	(6,370)	Subsidiary
Coretronic Corporation	Coretronic Vietnam Co., Ltd.	Vietnam	Research and development, manufacturing and sales of optical components such as backlight module, LCD module, LCD TV and panel display.	USD 3,000,000	USD 3,000,000	-	100.00%	(211,196)	(33,102)	(33,102)	Subsidiary
Coretronic Corporation	Coretronic Investment Limited	U.K.	Holding company	EUR 100,000	EUR 100,000	100,000	38.64%	871,969	(58,700)	(22,681)	Subsidiary
Coretronic Corporation	Dynamic Time Investment Limited	Cayman Islands	Holding company	USD 14,122,230	USD 14,122,230	11,164,856	100.00%	2,626,388	356	356	Subsidiary
Coretronic Corporation	Coretronic Intelligent Cloud Service Corporation (JP)	Japan	Engaged in intelligent cloud, IT information, intelligent applications of new media and platform development related business of new media.	JPY 150,000,000	JPY 150,000,000	1,500,000	100.00%	32,969	1	1	Subsidiary

ATTACHMENT 6-1 : (Names, locations and related information of investee companies as of March 31, 2025) (Not including investment in Mainland China)  
(The certain information is based on the unreviewed financial statements)  
(Amounts in Thousands of New Taiwan Dollars, Unless Specified Otherwise)

Investor company	Investee company	Address	Main businesses and products	Initial Investment		Investment as of March 31, 2025			Net income (loss) of investee company	Investment income (loss) recognized	Note
				Ending balance	Beginning balance	Number of shares	Percentage of ownership	Carrying amount			
Coretronic Intelligent Robotics Corporation	Coretronic Intelligent Logistics Solutions Corporation	Hsinchu County, Taiwan	System integration and application service solutions for intelligent logistics and smart manufacturing.	\$270,000	\$270,000	20,000,000	100.00%	\$24,303	(\$4,362)	(Note a)	Sub-subsidiary
Coretronic BVI	Greendale	Samoa	Holding company	USD 46,400,000	USD 46,400,000	46,400	100.00 %	USD 239,834,751	USD 228,438	(Note a)	Sub-subsidiary
Visicorp	Wisdom Success	Cayman Islands	Holding company	USD 10,176,000	USD 10,176,000	43,300	100.00 %	USD 364,370,104	USD 1,137,366	(Note a)	Sub-subsidiary
Visicorp	Bigshine	Samoa	Holding company	USD 3,000,000	USD 3,000,000	3,000	100.00 %	USD 6,481,559	USD 288,053	(Note a)	Sub-subsidiary
Visicorp	Lead Bright	Samoa	Holding company	USD 4,700,000	USD 4,700,000	4,700	100.00 %	USD 31,221,169	USD 79,593	(Note a)	Sub-subsidiary
Visicorp	Elite View	Samoa	Holding company	USD 5,000,400	USD 5,000,400	5,000	100.00 %	USD 16,747,187	USD 91,035	(Note a)	Sub-subsidiary
Visicorp	Tecpoint	B.V.I.	Holding company	USD 5,204,902	USD 5,204,902	5,204,902	12.11 %	USD 13,384,324	USD 427,844	(Note a)	Subsidiary
Coretronic (Suzhou)	Coretronic Technology (HK)	HK	Holding company	USD 138,000,000	USD 138,000,000	138,000,000	100.00 %	RMB 1,029,737,603	(RMB 13,041,896)	(Note a)	Sub-subsidiary
Wisdom Success	Wisdom Success (HK)	HK	Holding company	USD 18,000,000	USD 18,000,000	18,000	100.00 %	USD 237,488,159	USD 286,827	(Note a)	Sub-subsidiary
Wisdom Success	Lead Bright (HK)	HK	Holding company	USD 13,300,000	USD 13,300,000	13,300	73.89 %	USD 88,354,290	USD 304,836	(Note a)	Sub-subsidiary
Wisdom Success	Elite View (HK)	HK	Holding company	USD 7,999,600	USD 7,999,600	8,000	61.54 %	USD 26,797,089	USD 236,700	(Note a)	Sub-subsidiary
Wisdom Success	Bigshine (HK)	HK	Holding company	USD 5,000,000	USD 5,000,000	5,000	62.50 %	USD 10,704,325	USD 767,124	(Note a)	Sub-subsidiary
Coretronic Technology (HK)	Coretronic Technology (BRVT)	Vietnam	Research and development, manufacturing and sales of optical components such as backlight module, LCD module, LCD TV and	USD 78,000,000	USD 78,000,000	-	100.00 %	USD 79,546,816	(USD 2,351,947)	(Note a)	Sub-subsidiary
Bigshine	Bigshine (HK)	HK	Holding company	USD 3,000,000	USD 3,000,000	3,000	37.50 %	USD 6,422,595	USD 767,124	(Note a)	Sub-subsidiary
Lead Bright	Lead Bright (HK)	HK	Holding company	USD 4,700,000	USD 4,700,000	4,700	26.11 %	USD 31,221,146	USD 304,836	(Note a)	Sub-subsidiary
Elite View	Elite View (HK)	HK	Holding company	USD 5,000,400	USD 5,000,400	5,000	38.46 %	USD 16,747,092	USD 236,700	(Note a)	Sub-subsidiary
Sinolink	Mat Limited	Samoa	Holding company	USD 980,000	USD 980,000	980	100.00 %	USD 45,542,423	USD 128,469	(Note a)	Sub-subsidiary
Tecpoint	Great Pride	Samoa	Holding company	USD 11,800,000	USD 11,800,000	11,800,000	100.00 %	USD 86,422,153	USD 425,968	(Note a)	Sub-subsidiary
Great Pride	Great Pride (HK)	HK	Holding company	USD 11,800,000	USD 11,800,000	11,800	100.00 %	USD 86,954,492	USD 425,914	(Note a)	Sub-subsidiary
Nano Precision (Suzhou)	Nano Precision Taiwan	Hsinchu County, Taiwan	Engaged in the production, R&D, marketing and imports/exports of high-end electronic devices' plastic enclosures, frames, and optical	300,000	300,000	30,000,000	100.00 %	(RMB 11,302,066)	RMB 856,294	(Note a 、 Note b)	Sub-subsidiary
Chung Tsen Investment	Venture Orient	Samoa	Holding company	USD 5,550,000	USD 5,550,000	5,550	100.00 %	499,195	(2,626)	(Note a)	Sub-subsidiary
Chung Tsen Investment	Tsen Ming Investment	New Taipei City, Taiwan	Investment company for strategic purposes	102,000	102,000	32,443,180	100.00 %	567,913	1,488	(Note a)	Sub-subsidiary
Venture Orient	Tecpoint	B.V.I.	Holding company	USD 4,226,399	USD 4,226,399	4,226,399	9.83%	USD 10,868,144	USD 427,844	(Note a)	Subsidiary

Note a : The share of profits/losses of investee company is not reflected herein, as such amount is already included in the share of profits/losses of the investor company.

Note b : Nano Precision Taiwan was disregistered on April 9, 2024, which was approved by regulatory authority. As of March 31, 2025, the liquidation is still in progress.



ATTACHMENT 6-2 : (Names, locations and related information of investee companies as of March 31, 2025) (Not including investment in Mainland China)

(The certain information is based on the unreviewed financial statements)

(Amounts in Thousands of New Taiwan Dollars, Unless Specified Otherwise)

Investor company	Investee company	Address	Main businesses and products	Initial investment		Investment as of March 31, 2025			Net income (loss) of investee company	Investment income (loss) recognized	Note
				Ending balance	Beginning balance	Number of shares	Percentage of ownership	Carrying amount			
Young Green Energy	Boom Power	B.V.I.	Holding company	USD 1,000,000	USD 1,000,000	10,000	100.00%	\$128,767	-	(Note a)	Sub-subsidiary
Coretronic Intelligent Cloud Service Corp.	Coretronic System Engineering Limited	Samoa	Holding company	USD 1,500,000	USD 1,500,000	1,500,000	100.00%	36,290	2,146	(Note a)	Sub-subsidiary
Coretronic System Engineering Limited	Coretronic System Engineering (HK)	HK	Holding company	USD 1,500,000	USD 1,500,000	1,500,000	100.00%	USD 1,092,917	USD 65,307	(Note a)	Sub-subsidiary
Coretronic Investment Limited	Optoma Holding Limited	U.K.	Holding company	EUR 40,680,793	EUR 40,680,793	32,620,000	97.39%	USD 67,928,916	(USD 1,827,996)	(Note a)	Sub-subsidiary
Young Lighting Limited	Coretronic Investment Limited	U.K.	Holding company	USD 46,776,000	USD 46,776,000	158,808	61.36%	USD 41,703,236	(USD 1,788,172)	(Note a)	Subsidiary

Note a : The share of profits/losses of investee company is not reflected herein, as such amount is already included in the share of profits/losses of the investor company.

ATTACHMENT 6 -3 (Names, locations and related information of investee companies as of March 31, 2025) (Not including investment in Mainland China)  
(The certain information is based on the unreviewed financial statements)  
(Amounts in Thousands of New Taiwan Dollars, Unless Specified Otherwise)

Investor company	Investee company	Address	Main businesses and products	Initial investment		Investment as of March 31, 2025			Net income (loss) of investee company	Investment income (loss) recognized	Note
				Ending balance	Beginning balance	Number of shares	Percentage of ownership	Carrying amount			
Optoma Holding	Optoma USA	USA	Marketing and after-sales service of Optoma in Americas region	EUR 6,328,202	EUR 6,328,202	825,000	100.00 %	EUR 21,512,436	(EUR 810,663)	(Note a)	Sub-subsidiary
Optoma Holding	Optoma Europe	U.K.	Marketing and after-sales service of Optoma in European region	EUR 24,911,549	EUR 24,911,549	1,200,000	100.00 %	EUR 31,181,731	(EUR 854,458)	(Note a)	Sub-subsidiary
Optoma Holding	Optoma Corporation	New Taipei City, Taiwan	Marketing and after-sales service of Optoma in the Asia-Pacific region	EUR 931,677	EUR 931,677	3,000,000	100.00 %	EUR 4,864,552	(EUR 313,109)	(Note a)	Sub-subsidiary
Optoma Europe	Optoma Deutschland GmbH	Germany	Marketing and after-sales service of Optoma in European region	EUR 958,000	EUR 958,000	-	100.00 %	EUR 2,450,803	EUR 6,793	(Note a)	Sub-subsidiary
Optoma Europe	Optoma France	France	Marketing and after-sales service of Optoma in European region	GBP 67,376	GBP 67,376	100,000	100.00 %	EUR 672,313	(EUR 157,689)	(Note a)	Sub-subsidiary
Optoma Europe	Optoma Scandinavia. A.S.	Norway	Marketing and after-sales service of Optoma in European region	GBP 8,260	GBP 8,260	100	100.00 %	EUR 65,146	(EUR 14,633)	(Note a)	Sub-subsidiary
Optoma Europe	Optoma Espana, S.L.	Spain	Marketing and after-sales service of Optoma in European region	EUR 103,006	EUR 103,006	5,150,280	100.00 %	EUR 366,623	(EUR 55,507)	(Note a)	Sub-subsidiary
Optoma Europe	Optoma Benelux B.V.	Netherlands	Marketing and after-sales service of Optoma in European region	EUR 18,000	EUR 18,000	18,000	100.00 %	EUR 500,697	(EUR 93,784)	(Note a)	Sub-subsidiary
Optoma Corporation	Optoma Australia Pty Ltd	Australia	Marketing and after-sales service of Optoma in European region	AUD 150,000	AUD 150,000	150,000	100.00 %	3,538	(52)	(Note a)	Sub-subsidiary
Optoma Corporation	Optoma Technology India Private Limited	India	Marketing service of Optoma in India region	INR 4,000,000	INR 4,000,000	4,000,000	100.00 %	3,017	1,258	(Note a)	Sub-subsidiary
Young Optics	Masterview	B.V.I.	Holding company	USD 200,000	USD 200,000	200,000	100.00 %	1,072,737	(64,023)	(Note a)	Sub-subsidiary
Masterview	Best Alpha	Samoa	Holding company	USD 1,000,000	USD 1,000,000	1,000,000	100.00 %	USD 13,638,964	(USD 64,839)	(Note a)	Sub-subsidiary
Masterview	Grace China	Cayman Islands	Holding company	USD 2,356,458	USD 2,356,458	2,356,458	100.00 %	USD 14,325,947	(USD 557,511)	(Note a)	Sub-subsidiary
Masterview	Young Optics (BD)	Bengal	Manufacturing of optics components	USD 12,000,000	USD 12,000,000	10,089,436	80.00 %	(USD 6,963,868)	(USD 1,624,673)	(Note a)	Sub-subsidiary
Grace China	Young Optics (BD)	Bengal	Manufacturing of optics components	USD 3,000,000	USD 3,000,000	2,479,960	20.00 %	(USD 1,740,967)	(USD 1,624,673)	(Note a)	Sub-subsidiary

Note a : The share of profits/losses of investee company is not reflected herein, as such amount is already included in the share of profits/losses of the investor company.

ATTACHMENT 7 (Investment in Mainland China as of March 31, 2025)  
(The certain information is based on the unreviewed financial statements)  
(Amounts in Thousands of New Taiwan Dollars, Unless Specified Otherwise)

Investee company	Main businesses and products	Total amount of paid-in capital	Method of investment	Accumulated outflow of investment from Taiwan as of January 1, 2025	Investment flows		Accumulated outflow of investment from Taiwan as of March 31, 2025	Net income (loss) of investee company	Percentage of ownership	Investment income (loss) recognized	Carrying value as of March 31, 2025	Accumulated inward remittance of earnings as of March 31, 2025
					Outflow	Inflow						
Coretronic Projection (Kunshan)	Digital projectors, LCD monitors and related components or the research and development, processing, manufacturing and sales of the company's products and engaged in after-sales maintenance services	\$ 610,026 (USD 18,400,000)	Indirect investment from the third region (Greendale)	\$ 1,525,064 (USD 46,000,000)	-	-	\$ 1,525,064 (USD 46,000,000)	\$8,098	100.00%	\$8,098	\$7,018,607	\$ 428,855 (USD 14,065,436) (Note a and Note c)
Technology Service (Kunshan)	LCD monitor maintenance and technical services	13,259 (USD 400,000)	Indirect investment from the third region (Greendale)	13,259 (USD 400,000)	-	-	13,259 (USD 400,000)	345	100.00%	345	36,478	-
Boom Power Electronics (Suzhou)	Research and development, production and sales of cold cathode tube drive and related products	RMB 8,236,258	Indirect investment from the Mainland China subsidiary (Coretronic Projection (Kunshan))	USD 1,000,000	-	-	USD 1,000,000	276	100.00%	276	56,960	-
Coretronic Optics (Kunshan)	Production and sales of projector module products and spectrometer	RMB 42,000,000	Indirect investment from the Mainland China subsidiary (Coretronic Projection (Kunshan))	-	-	-	-	5,410	100.00%	5,410	977,341	-
Vimax (Kunshan)	Design, research and development and production of projectors, sales of the company's own products and provide after sales maintenance services for self-produced and non-self-produced products	62,252 (USD 1,800,000)	Indirect investment from the third region (Mat Limited)	62,252 (USD 1,800,000)	-	-	62,252 (USD 1,800,000)	4,158	100.00%	4,158	1,501,791	-
Coretronic (Suzhou)	Research and development, manufacturing backlight module and related components, sales of the company's own products and provide after-sales maintenance services	89,157 (USD 2,000,000)	Indirect investment from the third region (Wisdom Success HK)	271,297 (USD 8,000,000)	-	-	271,297 (USD 8,000,000)	(59,086)	100.00%	(59,086)	4,957,093	-
Coretronic Optics (Suzhou)	Research and development, manufacturing backlight module and related components, sales of the company's own products and provide after-sales maintenance services	USD 10,000,000	Indirect investment from the third region (Wisdom Success HK)	88,972 (RMB 2,967,283)	-	-	88,972 (RMB 2,967,283)	53,841	100.00%	53,841	481,241	-
Coretronic Optotech (Suzhou)	Research and development, manufacturing and processing optical components such as backlight module, LCD module, LCD TV and panel display. Sales of the company's own products and after-sales maintenance services	390,000 (USD 12,000,000)	Indirect investment from the third region (Wisdom Success HK)	-	-	-	-	14,524	100.00%	14,524	1,820,874	-
Coretronic (Shanghai)	Research and development, manufacturing backlight module and related components, sales of the company's own products and provide after-sales maintenance services	257,829 (USD 8,000,000)	Indirect investment from the third region (Bighshine HK)	95,254 (USD 3,000,000)	-	-	95,254 (USD 3,000,000)	25,197	100.00%	25,197	211,325	81,790 (USD 2,800,000) (Note a , Note d and Note j)
Coretronic (Ningbo)	Research and development, manufacturing backlight module and related components, sales of the company's own products and provide after-sales maintenance services	65,005 (USD 2,000,000)	Indirect investment from the third region (Lead Bright HK)	151,490 (USD 4,700,000)	-	-	151,490 (USD 4,700,000)	10,021	100.00%	10,021	3,372,179	139,650 (USD 4,619,805) (Note a and Note j)
Nano Precision (Suzhou)	Manufacture and sales of acrylic panels and light guide plate	426,839 (USD 13,300,000)	Indirect investment from the third region (Great Pride HK)	330,478 (USD 10,392,880)	-	-	330,478 (USD 10,392,880)	13,983	100.00%	13,983	2,742,477	85,228 (USD 2,795,270) (Note a and Note e)
Coretronic (Guangzhou)	Research and development, manufacturing backlight module and related components, sales of the company's own products and provide after-sales maintenance services	417,580 (USD 13,000,000)	Indirect investment from the third region (Elite View HK)	USD 4,368,797	-	-	USD 4,368,797	7,782	100.00%	7,782	1,445,867	-
Coretronic System Engineering (Shanghai)	Contractor in intelligent building engineering and provide related services to customers	USD 1,500,000	Indirect investment from the third region (Coretronic System Engineering HK)	USD 1,500,000	-	-	USD 1,500,000	2,146	100.00%	2,146	36,290	-
Optoma China	Marketing and after-sales service of Optoma's technology products in Mainland China	USD 1,200,000	Indirect investment from the third region (Optoma Holding Limited)	USD 1,200,000	-	-	USD 1,200,000	(5,208)	97.39%	5,073	74,396	-
Coretronic Robotek (Kunshan)	Provide intelligent solutions for warehousing and manufacturing	RMB 12,000,000	Indirect investment from the Mainland China subsidiary (Coretronic Projection (Kunshan) and Coretronic (Suzhou) )	-	-	-	-	(829)	100.00%	(829)	44,936	-

Accumulated investment in Mainland China as of March 31, 2025 (Note a, b)	Investment amounts authorized by Investment Commission, MOEA (Note b, Note i, j)	Upper limit on investment
\$2,433,349 (USD 77,191,338)	\$2,149,269 (USD 77,191,338)	\$14,435,186

Note a : To use historical currency rates.

Note b : The investment amounts in Flying Success and Coretronic (Nanjing) has not been remitted to Coretronic Corporation in the event of liquidation in December 2012 and June 2018, and related registration processes for Investment Commission, MOEA were not applicable.

Note c : Greendale Investments Limited received cash dividends amounting to USD 14,065,436.4 from Coretronic Projection (Kunshan) from 2006 to 2007 and had remitted those back to Coretronic Corporation.

Note d : Bighshine (HK)Limited received cash dividends amounting to USD 8,735,525.72 for distribution profits from Coretronic (Shanghai) in 2006 and had remitted it back USD 1,000,000 to Coretronic Corporation.

Note e : Tecpoint received USD 2,795,270 in 2019 from Nano Precision (Suzhou), which was from the liquidation of Nano Precision (Nanjing) in 2006. Tecpoint had remitted it back to Coretronic Corporation.

Note f : Great Pride (HK) Investments Limited received cash dividends amounting to USD 3,565,645 for distribution profits from Nano Display (Suzhou) in 2018 and had remitted USD 3,215,142 back to Coretronic Corporation.

Note g : Nano Precision Investments Limited received cash dividends amounting to USD 2,290,604 for distribution profits from Nano Precision (Nanjing) in 2018 and had remitted USD 2,065,438 back to Coretronic Corporation.

Note h : The dissolution of Nano Display (Suzhou) and its merger with Coretronic (Suzhou) were approved by regulatory authority in August 2019.

Note i : Includes the investment of USD2,966,301 from Nano Precision (Nanjing) which was liquidated in April 2019. The investment amount cancellation was approved by MOEA.

Note j : In 2020, Viscorp received cash dividends amounting to USD 1,800,000 and USD 4,619,805 from Coretronic (Shanghai) and Coretronic (Ningbo), respectively, and had remitted totally USD 6,419,805 to Coretronic Corporation.

Besides, the rest of the capital of Nano Precision (Nanjing) amounting to USD 460,098 and the income from the liquidation of Coretronic (Nanjing) amounting to USD 490,094 had been remitted back to Coretronic Corporation.

Therefore, Coretronic Corporation has applied for the cancellation for investment in the amount of USD 7,369,997 in China, which was approved by MOEA.

Note k : Young Lighting Limited acquired 49% of shares of YLG Limited in December 2020. The ownership percentage of YLG Optotech was increased to 100%.

Note l : Young Bright Optical (Suzhou) was deregistered in August 2023.

Note m : In December 2023, Nano Display (Guangzhou) and YLG Optotech were absorbed by Coretronic (Guangzhou). This absorption was approved by authorities.

Note n : Coretronic Display (Suzhou) was absorbed by Coretronic Optics (Suzhou) from June 1, 2024. Related registration processes was in progress, which has not been approved by authorities yet.

Note o : To use the currency rate 1 USD =33.205 NTD as of March 31, 2025.

ATTACHMENT 7-1 (Investment in Mainland China as of March 31, 2025)  
(The certain information is based on the unreviewed financial statements)  
(Amounts in Thousands of New Taiwan Dollars, Unless Specified Otherwise)

Investee company	Main businesses and products	Total amount of paid-in capital	Method of investment	Accumulated outflow of investment from Taiwan as of January 1, 2025	Investment flows		Accumulated outflow of investment from Taiwan as of March 31, 2025	Net income (loss) of investee company	Percentage of ownership	Investment income (loss) recognized (Note a)	Carrying value as of March 31, 2025 (Note a)	Accumulated inward remittance of earnings as of March 31, 2024
					Outflow	Inflow						
Young Optics (Kunshan)	Researching and developing, manufacturing of optics engine and related optics electronic equipment	\$217,275 (USD 5,000,000) (Note c, d, l and m)	Indirect investment from the third region (Best Alpha and Grace China)	\$-	\$-	\$-	\$-	\$(10,884) (-USD 330,939)	100.00%	\$(10,884) (-USD 330,939)	\$692,011 (USD 20,840,569)	\$230,950 (USD 7,457,289) (Note b, Note i~j, Note n~Note o )
Young Optics (Suzhou)	Researching and developing, manufacturing of optics engine and related optics electronic equipment	33,951 (USD 1,000,000)	Indirect investment from the third region (Best Alpha)	33,951 (USD 1,000,000)	-	-	33,951 (USD 1,000,000)	(74) (-USD 2,350)	100.00%	(74) (-USD 2,350)	245,731 (USD 7,400,413)	1,328,957 (USD 31,295,415 and RMB 80,635,502) (Note b, Note e~Note h and Note k)

Accumulated investment in Mainland China as of March 31, 2025 (Note b)	Investment amounts authorized by Investment Commission, MOEA (Note b)	Upper limit on investment
\$33,951 (USD 1,000,000)	\$33,951 (USD 1,000,000)	\$1,700,741

Note a : The investments were fully consolidated in accordance with the Regulations.

Note b : To use historical currency rates.

Note c : Young Optics (Kunshan) invested USD 9,800,000 through capitalization of earnings in 2007. Best Alpha Investments Limited invested USD 2,300,000.

Note d : Young Optics (Kunshan) invested USD 1,300,000 through capitalization of earnings in April 2009. Grace China Investments Limited invested USD 824,850. Best Alpha Investments Limited invested USD 2,975,150.

Note e : Best Alpha Investments Limited received cash dividends amounting to USD 20,235,299 for distribution profits from Young Optics (Suzhou) in 2011 and had remitted it back to Young Optics.

Note f : Best Alpha Investments Limited received cash dividends amounting to RMB 27,691,452 and USD 4,509,641 for distribution profits from Young Optics (Suzhou) in 2014. The RMB 24,922,307 of them had been remitted back to Young Optics.

Note g : Best Alpha Investments Limited received cash dividends amounting to RMB 52,944,050 for distribution profits from Young Optics (Suzhou) in 2015 and had remitted it back to Young Optics.

Note h : Best Alpha Investments Limited received cash dividends amounting to USD 4,528,402 for distribution profits from Young Optics (Suzhou) in 2017 and had remitted it back to Young Optics.

Note i : Best Alpha Investments Limited received cash dividends amounting to USD 603,264 for distribution profits from Young Optics (Kunshan) in 2017 and had remitted it back to Young Optics.

Note j : Grace China Investments Limited received cash dividends amounting to USD 1,854,025 for distribution profits from Young Optics (Kunshan) in 2017 and had remitted it back to Young Optics.

Note k : Best Alpha Investments Limited received cash dividends amounting to USD 6,531,714 for distribution profits from Young Optics (Suzhou) in 2018 and had remitted it back to Young Optics.

Note l : Young Optic (Kunshan) conducted capital reduction amounting to USD10,000,000 in December 2020.

Note m : Young Optics (Kunshan) conducted capital reduction amounting to USD7,200,000 in November 2023, and completed the procedure in January, 2024.

Note n : The capital reduction amounts in Note l and Note m only USD 10,000,000 was remitted to Young Optics. USD 5,000,000 came from capitalization of earnings in Note c and Note d. The rest USD 5,000,000 was the original investment amount.

Note o : Accumulated inward remittance of earnings was approved by Investment Commission, MOEA, to be deducted in the investment amounts Mainland China.