FOXTRON VEHICLE TECHNOLOGIES CO., LTD. AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS' REPORT

DECEMBER 31, 2024 AND 2023

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

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of Foxtron Vehicle Technologies Co., Ltd.

Opinion

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

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

Basis for opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Group in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of

China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

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

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

Intangible asset - impairment assessment of car model technology development costs

Description

Refer to Note 4(14) for accounting policies on intangible assets, Note 4(15) for accounting policies on impairment of non-financial assets, Note 5 for significant accounting estimates and assumptions of intangible assets, and Note 6(8) for details of intangible assets.

Car model technology development costs of Foxtron Vehicle Technologies Co., Ltd. amounted to NT$6,570,402 thousand as at December 31, 2024. An impairment assessment is performed annually when there is any indication of impairment. As the calculation of value in use involves management’s judgements, such as the estimation of future cash flows of product life cycles and the determination of discount rate, etc., which are highly uncertain and have a material impact in the estimation of value in use, the impairment assessment of car model technology development costs was identified as a key audit matter.

How our audit addressed the matter

We performed the following audit procedures in respect of the above key audit matter:

1. Obtained an understanding of and assessed the key control procedures performed by management, including review and approval of financial budgets and assumptions.
2. Compared the parameters used in predicting future cash flows with historical experience, economic and industrial forecasts.
3. Compared the parameters used in determining discount rate with the assumptions on capital cost of cash generating units, and with returns rate on similar assets.
4. Verified the valuation model calculation.
5. Assessed the future cash flow sensitivity analysis prepared by management based on the alternative hypothesis using different discount rates, and confirmed whether management had adequately assessed the possible impact of the estimation uncertainty on the impairment valuation.

Sales revenue recognition of electric vehicles

Description

Refer to Note 4(23) for accounting policies on revenue recognition and Note 6(17) for details of sales revenue.

For the year ended December 31, 2024, the net operating revenue recognised by the Group was $8,520,611 thousand, and the sales of various electric vehicle products was the main source of revenue. For the year ended December 31, 2024, the amount and proportion of sales revenue of electric vehicles were material. As the Group may be affected by performance growth pressure and fierce industry competition, the risk of the existence of sales revenue of electric vehicles would increase. Therefore, we identified the existence of sales revenue of electric vehicles a key audit matter.

How our audit addressed the matter

1. Assessed and tested the design and operating effectiveness of the key controls over the existence of sales revenue.
2. Selected samples and performed statistical procedures on sales revenue transactions by checking customer purchase orders, sales transactions vouchers (such as customers' receipts, etc.) and write-off of collection vouchers.
3. Performed confirmation of material counterparties of sales revenue, including examining whether there is any difference between the customer's recognised amount of sales revenue and the amount indicated in the customers' confirmation, and investigated the differences, if any.

Other matter – Parent company only financial reports

We have audited and expressed an unmodified opinion on the parent company only financial statements of Foxtron Vehicle Technologies Co., Ltd. as at and for the years ended December 31, 2024 and 2023.

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

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

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

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

Auditors' responsibilities for the audit of the consolidated financial statements

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

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

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement

resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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

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

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

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

Hsu, Chieh-Ju   Hsu, Sheng-Chung

For and on Behalf of PricewaterhouseCoopers, Taiwan
February 27, 2025

The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.
As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

FOXTRON VEHICLE TECHNOLOGIES CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

	Assets	Notes	December 31, 2024 AMOUNT	%	December 31, 2023 AMOUNT	%
	Current assets					
1100	Cash and cash equivalents	6(1)	$ 4,180,593	20	$ 6,553,115	31
1136	Financial assets at amortised cost - current	6(2) and 12	1,148,041	6	3,048,725	14
1140	Contract assets - current	6(17) and 7	142,532	1	246,560	1
1170	Accounts receivable, net	6(3)	78,351	-	127,336	1
1180	Accounts receivable, net - related parties	7	57,811	-	125,371	-
1200	Other receivables		71,181	-	26,625	-
1220	Income tax assets - current		10,188	-	2,677	-
130X	Inventories	6(4)	1,593,342	8	606,918	3
1410	Prepayments	6(5) and 7	530,528	3	393,278	2
11XX	**Total current assets**		7,812,567	38	11,130,605	52
	Non-current assets					
1600	Property, plant and equipment	6(6)	3,891,731	19	1,167,477	6
1755	Right-of-use assets	6(7) and 7	377,057	2	197,325	1
1780	Intangible assets	6(8)	6,721,446	32	7,213,662	34
1840	Deferred income tax assets	6(21)	1,493,135	7	1,075,457	5
1900	Other non-current assets	6(9) and 7	368,024	2	460,168	2
15XX	**Total non-current assets**		12,851,393	62	10,114,089	48
1XXX	**Total assets**		$ 20,663,960	100	$ 21,244,694	100

(Continued)

FOXTRON VEHICLE TECHNOLOGIES CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

	Liabilities and Equity	Notes	December 31, 2024 AMOUNT	%	December 31, 2023 AMOUNT	%
	Current liabilities					
2130	Contract liabilities - current	6(17) and 7	$ 20,867	-	$ 13,345	-
2170	Accounts payable		1,082,186	5	551,074	3
2180	Accounts payable - related parties	7	219,334	1	84,394	-
2200	Other payables	6(10)	957,691	5	573,317	3
2220	Other payables - related parties	7	103,827	1	72,704	-
2250	Provisions for liabilities - current	6(11)	38,127	-	3,802	-
2280	Lease liabilities - current		79,772	-	81,748	1
2300	Other current liabilities	9	60,617	-	78,292	-
21XX	**Total current liabilities**		2,562,421	12	1,458,676	7
	Non-current liabilities					
2527	Contract liabilities - non-current	6(17)	276,500	1	129,315	1
2550	Provisions for liabilities - non-current	6(11)	51,522	-	8,770	-
2570	Deferred income tax liabilities	6(20)	414,234	2	333,598	1
2580	Lease liabilities - non-current		312,906	2	142,664	1
2600	Other non-current liabilities	6(12)	400	-	1,470	-
25XX	**Total non-current liabilities**		1,055,562	5	615,817	3
2XXX	**Total liabilities**		3,617,983	17	2,074,493	10
	Equity					
	Equity attributable to owners of parent					
	Share capital					
3110	Ordinary share	6(14)	17,413,140	84	17,413,140	82
	Capital surplus	6(15)				
3200	Capital surplus		6,066,557	30	6,053,782	28
	Accumulated deficit					
3350	Accumulated deficit	6(16)	(6,434,477)	(31)	(4,295,580)	(20)
	Other equity					
3400	Other equity interest	6(16)	757	-	(1,141)	-
31XX	**Equity attributable to owners of the parent**		17,045,977	83	19,170,201	90
3XXX	**Total equity**		17,045,977	83	19,170,201	90
	Significant contingent liabilities and unrecognised contract commitments	9				
	Significant events after the balance sheet date	11				
3X2X	**Total liabilities and equity**		$ 20,663,960	100	$ 21,244,694	100

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

FOXTRON VEHICLE TECHNOLOGIES CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars, except for loss per share amount)

			Year ended December 31			
			2024		2023	
	Items	Notes	AMOUNT	%	AMOUNT	%
4000	Operating revenue	6(17) and 7	$ 8,520,611	100	$ 1,043,992	100
5000	Operating costs	6(4)(18)(19) and 7	(6,910,735)	(81)	(886,894)	(85)
5900	Gross profit from operations		1,609,876	19	157,098	15
	Operating expenses	6(18)(19) and 7				
6100	Selling expenses		(47,596)	(1)	(32,752)	(3)
6200	General and administrative expenses		(600,191)	(7)	(435,065)	(42)
6300	Research and development expenses		(3,637,657)	(43)	(2,069,840)	(198)
6000	Total operating expenses		(4,285,444)	(51)	(2,537,657)	(243)
6900	Net operating loss		(2,675,568)	(32)	(2,380,559)	(228)
	Total non-operating income and expenses					
7100	Interest income		82,893	1	27,298	2
7010	Other income	7 and 9	110,399	1	144,339	14
7020	Other gains and losses		13,223	-	17,431	2
7050	Finance costs		(4,627)	-	(1,183)	-
7000	Total non-operating income and expenses		201,888	2	187,885	18
7900	**Loss before income tax**		(2,473,680)	(30)	(2,192,674)	(210)
7950	Income tax benefit	6(20)	336,351	4	265,473	25
8200	**Loss for the year**		($ 2,137,329)	(26)	($ 1,927,201)	(185)
	Components of other comprehensive income that will not be reclassified to profit or loss					
8311	Loss on remeasurement of defined benefit plan	6(12)	($ 1,960)	-	($ 189)	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(20)	392	-	38	-
8310	Other comprehensive loss that will not be reclassified to profit or loss		(1,568)	-	(151)	-
	Components of other comprehensive income that will be reclassified to profit or loss					
8361	Currency translation differences		1,898	-	(1,141)	-
8300	**Other comprehensive income (loss)**		$ 330	-	($ 1,292)	-
8500	**Total comprehensive loss**		($ 2,136,999)	(26)	($ 1,928,493)	(185)
	Loss attributable to:					
8610	Owners of parent		($ 2,137,329)	(26)	($ 1,927,201)	(185)
	Comprehensive loss attributable to:					
8710	Owners of parent		($ 2,136,999)	(26)	($ 1,928,493)	(185)
	Basic and diluted loss per share					
9750	Loss per share	6(21)	($ 1.23)		($ 1.20)	

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

FOXTRON VEHICLE TECHNOLOGIES CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

		Equity attributable to owners of the parent				
	Notes	Ordinary share	Capital surplus	Accumulated deficit	Exchange differences on translation of foreign financial statements	Total equity
2023						
Balance at January 1		$ 15,576,000	$ -	($ 2,368,228)	$ -	$ 13,207,772
Loss for the year		-	-	(1,927,201)	-	(1,927,201)
Other comprehensive loss for the year		-	-	(151)	(1,141)	(1,292)
Total comprehensive loss for the year		-	-	(1,927,352)	(1,141)	(1,928,493)
Issuance of employee restricted stocks	6(13)(14)(15)	337,140	33,148	-	-	370,288
Issuance of new shares	6(14)(15)	1,500,000	6,000,000	-	-	7,500,000
Acquisition of subsidiaries	6(15)	-	8,759	-	-	8,759
Share-based payments	6(13)(15)	-	11,875	-	-	11,875
Balance at December 31		$ 17,413,140	$ 6,053,782	($ 4,295,580)	($ 1,141)	$ 19,170,201
2024						
Balance at January 1		$ 17,413,140	$ 6,053,782	($ 4,295,580)	($ 1,141)	$ 19,170,201
Loss for the year		-	-	(2,137,329)	-	(2,137,329)
Other comprehensive (loss) income for the year		-	-	(1,568)	1,898	330
Total comprehensive (loss) income for the year		-	-	(2,138,897)	1,898	(2,136,999)
Share-based payments	6(14)(15)	-	12,775	-	-	12,775
Balance at December 31		$ 17,413,140	$ 6,066,557	($ 6,434,477)	$ 757	$ 17,045,977

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

FOXTRON VEHICLE TECHNOLOGIES CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31 2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before tax		($ 2,473,680)	($ 2,192,674)
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(18)	660,605	364,041
Amortisation	6(18)	966,513	852,917
(Impairment gain) expected credit losses	12(2)	(1,492)	1,719
Finance costs		4,627	1,183
Interest income		(82,893)	(26,328)
Share-based payments	6(13)	12,775	45,023
Loss on disposal of property, plant and equipment		74	-
Changes in operating assets and liabilities			
Changes in operating assets			
Contract assets		104,087	(189,059)
Accounts receivable		50,319	(118,984)
Accounts receivable - related parties		67,660	(124,481)
Other receivables		(44,554)	(16,255)
Inventories		(997,607)	(354,350)
Prepayments		(137,240)	122,771
Changes in operating liabilities			
Contract liabilities		154,706	(11,790)
Accounts payable		531,111	423,372
Accounts payable - related parties		134,940	81,213
Other payables		332,889	360,468
Other payables - related parties		24,546	16,094
Provisions for liabilities		77,078	10,533
Other current liabilities		(17,980)	61,481
Net defined benefit liability		(3,016)	(154)
Cash outflow generated from operations		(636,532)	(693,260)
Interest received		82,893	26,328
Interest paid		(4,627)	(120)
Income tax paid		(7,512)	(2,496)
Net cash flows used in operating activities		(565,778)	(669,548)
CASH FLOWS FROM INVESTING ACTIVITIES			
Decrease (increase) in net financial assets at amortized cost – current		1,900,684	(3,045,178)
Acquisition of property, plant and equipment	6(22)	(3,162,415)	(770,048)
Proceeds from disposal of property, plant and equipment		282	-
Acquisition of intangible assets		(474,297)	(1,018,436)
Decrease in other non-current assets		-	198
Decrease in guarantee deposits		1,656	5,629
Net cash flows used in investing activities		(1,734,090)	(4,827,835)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payments of lease liabilities		(74,769)	(2,349)
Proceeds from issuance of shares	6(14)	-	7,500,000
Net cash flows (used in) from financing activities		(74,769)	7,497,651
Net effect of changes in foreign currency exchange rates		2,115	(691)
Net (decrease) increase in cash and cash equivalents		(2,372,522)	1,999,577
Cash and cash equivalents at beginning of year		6,553,115	4,553,538
Cash and cash equivalents at end of year		$ 4,180,593	$ 6,553,115

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

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

1. History and Organisation

Foxtron Vehicle Technologies Co., Ltd. (the "Company") was incorporated as a company limited by shares under the provisions of the Company Act of the Republic of China (R.O.C.) on November 6, 2020 and was listed on the Taiwan Innovation Board on November 20, 2023. The Company and its subsidiaries (collectively referred herein as the "Group") are primarily engaged in the design and manufacture of vehicles and related components. As of December 31, 2024, Hon Hai Precision Ind. Co., Ltd. holds 46% equity interest in the Group, and is the Group's ultimate parent company.

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

These consolidated financial statements were authorised for issuance by the Board of Directors on February 27, 2025.

3. Application of New Standards, Amendments and Interpretations

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

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

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

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

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

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

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

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

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

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

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

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

IFRS 18, ‘Presentation and disclosure in financial statements’

IFRS 18, ‘Presentation and disclosure in financial statements’ replaces IAS 1. The standard introduces a defined structure of the statement of profit or loss, disclosure requirements related to management-defined performance measures, and enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes.

4. Summary of Material Accounting Policies

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

(1) Compliance statement

The consolidated financial statements of the Group have been prepared in accordance with the

"Regulations Governing the Preparation of Financial Reports by Securities Issuers", International Financial Reporting Standards, International Accounting Standards, IFRIC® Interpretations, and SIC® Interpretations as endorsed by the FSC (collectively referred herein as the "IFRSs").

(2) Basis of preparation

A. Except for defined benefit liabilities recognised based on the net amount of pension fund assets less present value of defined benefit obligation, the consolidated financial statements have been prepared under the historical cost convention.

B. The preparation of financial statements in conformity with International Financial Reporting Standards, International Accounting Standards, IFRIC® Interpretations, and SIC® Interpretations that came into effect as endorsed by the FSC (collectively referred herein as the "IFRSs") requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

(3) Basis of consolidation

A. Basis for preparation of consolidated financial statements:

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

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

(c) Profit or loss and each component of other comprehensive income are attributed to the owners of the parent and to the non-controlling interests. Total comprehensive income is attributed to the owners of the parent and to the non-controlling interests even if this results in the noncontrolling interests having a deficit balance.

(d) Changes in a parent's ownership interest in a subsidiary that do not result in the parent losing control of the subsidiary (transactions with non-controlling interests) are accounted for as equity transactions, i.e. transactions with owners in their capacity as owners. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity.

(e) When the Group loses control of a subsidiary, the Group remeasures any investment retained in the former subsidiary at its fair value. That fair value is regard ed as the fair value on initial recognition of a financial asset or the cost on initial recognition of the associate or joint venture. Any difference between fair value and carrying amount is recognised in profit or loss. The accounting principles of all amounts previously recognised in other comprehensive income in relation to the subsidiary shall be as same as the basis of dispose of related assets or liabilities, which means any gain or loss previously recognised as other comprehensive income upon disposal of the related assets or liabilities will be reclassified to profit or loss when control of the subsidiary is lost.

B. Subsidiaries included in the consolidated financial statements:

			Ownership (%)		
Investor	Subsidiary	Main Business Activities	December 31, 2024	December 31, 2023	Note
Foxtron Vehicle Technologies Co., Ltd.	Foxtron Vehicle Technologies (Hangzhou) Co., Ltd.	Mainly engaging in vehicle component design and development.	100	100	(a)
Foxtron Vehicle Technologies Co., Ltd.	Foxtron Vehicle Technologies USA, Inc.	The Group engages in activities such as accepting orders for complete vehicles and components, vehicle regulatory certifications, and quality assurance.	100	-	(b)

(a) On April 20, 2023, the Company acquired 100% of the share capital of Foxtron Vehicle Technologies (Hangzhou) Co., Ltd. for RMB 10 million. The acquisition is an asset acquisition transaction.

(b) On April 15, 2024, the Group injected USD 1.2 million to establish Foxtron Vehicle Technologies USA, Inc., holding 100% of its equity. It has been included in the consolidated financial statements since its establishment.

(4) Foreign currency translation

The functional currency of the Group is determined by the primary economic environment in which the Company operates. The consolidated financial statements are presented in New Taiwan dollars, which is the Company’s functional and the Group’s presentation currency.

A. Foreign currency transactions and balances

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

(b) Monetary items denominated in foreign currencies are translated at the closing rate at the balance sheet date. Exchange differences arising upon translation at the balance sheet date are recognised in profit or loss.

(c) All foreign exchange gains and losses are presented in the statement of comprehensive income within ‘other gains and losses’.

B. Translation of foreign operations

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

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

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

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

(5) Classification of current and non-current items

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

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

(b) Assets held mainly for trading purposes;

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

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

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

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

(b) Liabilities arising mainly from trading activities;

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

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

(6) Cash equivalents

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

(7) Financial assets at amortised cost

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

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

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

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

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

(8) Accounts and notes receivable

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

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

(9) Impairment of financial assets

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

(10) Derecognition of financial assets

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

(11) Inventories

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

(12) Property, plant and equipment

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

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

C. Land is not depreciated. Other property, plant and equipment apply cost model and are depreciated using the straight-line method to allocate their cost over their estimated useful lives or the units of production method to allocate their cost over their estimated benefits. Each part of an item of property, plant, and equipment with a cost that is significant in relation to the total cost of the item must be depreciated separately.

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

Molding equipment	3 ~ 5 years
Other equipment	2 ~ 9 years

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

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

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

(a) Fixed payments, less any lease incentives receivable;

(b) Variable lease payments that depend on an index or a rate;

(c) Amounts expected to be payable by the lessee under residual value guarantees;

(d) The exercise price of a purchase option, if the lessee is reasonably certain to exercise that option; and

(e) Payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

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

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

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

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

(c) Any initial direct costs incurred by the lessee; and

(d) An estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

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

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

(14) Intangible assets

A. Car model technology is stated at acquisition cost based on the technical value and amortised on a straight-line basis over the estimated useful life of 8 years.

B. Internally generated intangible assets—research and development expenditures

(a) Research expenditures are recognised as an expense as incurred.

(b) Development expenditures that do not meet the following criteria are recognised as expenses as incurred, but are recognised as intangible assets when the following criteria are met:

i. It is technically feasible to complete the intangible asset so that it will be available for use or sale;

ii. An entity intends to complete the intangible asset and use or sell it;

iii. An entity has the ability to use or sell the intangible asset;

iv. It can be demonstrated how the intangible asset will generate probable future economic benefits;

v. Adequate technical, financial and other resources to complete the development and to use or sell the intangible asset are available; and

vi. The expenditure attributable to the intangible asset during its development can be reliably measured.

(c) Upon being available for use, internally generated intangible assets are amortised using the units of production method over their estimated benefits.

C. Patents are amortised on a straight-line basis over their estimated useful lives of 3~14 years.

D. Computer software is stated at cost and amortised on a straight-line basis over the period of 2 to 5 years.

(15) Impairment of non-financial assets

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

B. The recoverable amounts of intangible assets that have not yet been available for use are evaluated periodically. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

(16) Accounts and notes payable

A. Accounts payable are liabilities for purchases of raw materials, goods or services and those resulting from operating and non-operating activities.

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

(17) Derecognition of financial liabilities

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

(18) Provisions

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

(19) Employee benefits

A. Short-term employee benefits

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

B. Pensions

(a) Defined contribution plan

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

(b) Defined benefit plan

i. Net obligation under a defined benefit plan is defined as the present value of an amount of pension benefits that employees will receive on retirement for their services with the Group in current period or prior periods. The liability recognised in the balance sheet in respect of defined benefit pension plan is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets. The net defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The rate used to discount is determined by using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability; when there is no deep market in high-quality corporate bonds, the Group uses interest rates of government bonds (at the balance sheet date) instead.

ii. Remeasurements arising on defined benefit plan are recognised in other comprehensive income in the period in which they arise and are recorded as retained earnings.

iii. Past service costs are recognised immediately in profit or loss.

C. Employees' compensation and directors' and supervisors' remuneration

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

(20) Employee share-based payment

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

(21) Income tax

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

B. The current income tax expense is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Group operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in accordance with applicable tax regulations. It establishes provisions where appropriate based on the amounts expected to be paid to the tax authorities. An additional tax is levied on the unappropriated retained earnings and is recorded as income tax expense in the year the stockholders resolve to retain the earnings.

C. Deferred tax is recognised, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated balance sheet. However, the deferred tax is not accounted for if it arises from initial recognition of goodwill or of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences.

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

(22) Share capital

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

(23) Revenue recognition

A. Sales of goods

The Group sells electric buses and electric vehicles. Sales are recognised when control of the products has transferred, being when the products are delivered to the buyer, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. The amount of sales revenue can be measured reliably and it is probable that the future economic benefits associated with the transaction will flow to the Group. The delivery of goods is completed when the significant risks and rewards of ownership have been transferred to the customer, the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold, and the customer has accepted the goods based on the sales contract or there is objective evidence showing that all acceptance provisions have been satisfied. Revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. The estimation is subject to an assessment at each reporting date.

B. Service revenue

Service revenue mainly arises from providing technical support services and is recognised under the percentage-of-completion method. The stage of completion is determined based on the proportion of costs invested to the estimated total costs for each individual contract. If the outcome of a contract cannot be reasonably estimated, revenue is recognised only to the extent of expenses incurred that are expected to be recovered. Any changes in construction contract consideration or estimated construction total costs are accounted for as changes in accounting estimates.

C. The customer pays at the time specified in the payment schedule. If the products provided exceed the payment, a contract asset is recognised. If the payments exceed the products provided, a contract liability is recognised.

(24) Government grants

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

(25) Operating segments

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

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

Accounting estimates are based on the situation at the balance sheet date to estimate future events, though there could be differences between the actual events and estimation. Estimates and assumptions on the risk of possible critical adjustments to the carrying amount of assets and liabilities for the next fiscal year are as follows:

A. Impairment assessment of tangible and intangible assets (excluding goodwill)

The Group assesses impairment based on its subjective judgement and determines the separate cash flows of a specific group of assets, useful lives of assets and the future possible income and expenses arising from the assets depending on how assets are utilised and industrial characteristics. Any changes of economic circumstances or estimates due to the change of Group strategy might cause material impairment on assets in the future.

B. Realisability of deferred tax assets

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilised. Assessment of the realisability of deferred tax assets involves critical accounting judgements and estimates of the management, including the assumptions of expected future sales revenue growth rate and profit rate, available tax credits, tax planning, etc. Any variations in global economic environment, industrial environment, and laws and regulations might cause material adjustments to deferred tax assets.

As of December 31, 2024, the Group recognised deferred tax assets amounting to $1,493,135.

6. Details of Significant Accounts

(1) Cash and cash equivalents

	December 31, 2024	December 31, 2023
Cash on hand	$ 30	$ 30
Demand deposits	4,180,563	6,553,085
	$ 4,180,593	$ 6,553,115

Details of the Group's restricted cash which is classified as 'financial assets at amortised cost – current' are provided in Note 9.

(2) Financial assets at amortised cost

Items	December 31, 2024	December 31, 2023
Current items:		
Restricted assets	$ 48,041	$ 48,725
Time deposits with maturity over three months	1,100,000	3,000,000
	$ 1,148,041	$ 3,048,725

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

	Years ended December 31,	
	2024	2023
Interest income	$ 36,334	$ 7,778

(3) Accounts receivable

	December 31, 2024	December 31, 2023
Accounts receivable	$ 78,442	$ 128,826
Less: Allowance for uncollectible accounts	(91)	(1,490)
	$ 78,351	$ 127,336

A. As of December 31, 2024 and 2023, accounts receivable were all from contracts with customers. As of January 1, 2023, the balance of accounts receivable from contracts with customers amounted to $915.

B. The Group has no accounts receivable pledged to others as collateral.

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

(4) Inventories

	December 31, 2024	December 31, 2023
Raw materials	$ 954,003	$ 210,983
Work in progress	547,420	60,867
Finished goods	-	3,184
Inventory in transit	103,741	338,418
	1,605,164	613,452
Less: Allowance for inventory valuation losses	(11,822)	(6,534)
	$ 1,593,342	$ 606,918

The cost recognised as expense for the year:

	Years ended December 31, 2024	Years ended December 31, 2023
Cost of goods sold	$ 6,822,711	$ 848,188
Warranty costs	80,199	10,568
Valuation losses	5,288	4,130
Other service costs	2,537	24,008
	$ 6,910,735	$ 886,894

(5) Prepayments

	December 31, 2024	December 31, 2023
Excess business tax paid	$ 412,260	$ 372,668
Prepayments to suppliers	66,942	14,891
Other prepayments	51,326	5,719
	$ 530,528	$ 393,278

(6) Property, plant and equipment

	Molding equipment	Other equipment	Construction in progress and equipment under acceptance	Total
At January 1, 2024				
Cost	$ 1,695,638	$ 210,404	$ 145,978	$ 2,052,020
Accumulated depreciation	(820,591)	(63,952)	-	(884,543)
	$ 875,047	$ 146,452	$ 145,978	$ 1,167,477
Opening net book amount as at January 1, 2024	$ 875,047	$ 146,452	$ 145,978	$ 1,167,477
Additions	1,436,847	437,530	1,447,133	3,321,510
Disposals	-	(356)	-	(356)
Transfers	680,247	156,661	(836,531)	377
Depreciation	(495,179)	(102,123)	-	(597,302)
Net exchange difference	-	25	-	25
Closing net book amount as at December 31, 2024	$ 2,496,962	$ 638,189	$ 756,580	$ 3,891,731
At December 31, 2024				
Cost	$ 3,812,732	$ 804,264	$ 756,580	$ 5,373,576
Accumulated depreciation	(1,315,770)	(166,075)	-	(1,481,845)
	$ 2,496,962	$ 638,189	$ 756,580	$ 3,891,731

	Molding equipment	Other equipment	Construction in progress and equipment under acceptance	Total
At January 1, 2023				
Cost	$ 1,426,680	$ 108,173	$ 16,669	$ 1,551,522
Accumulated depreciation	(519,661)	(29,208)	-	(548,869)
	$ 907,019	$ 78,965	$ 16,669	$ 1,002,653
Opening net book amount as at January 1, 2023	$ 907,019	$ 78,965	$ 16,669	$ 1,002,653
Additions	256,360	82,899	141,907	481,166
Transfers	12,598	19,344	(12,598)	19,344
Depreciation	(300,930)	(34,744)	-	(335,674)
Net exchange difference	-	(12)	-	(12)
Closing net book amount as at December 31, 2023	$ 875,047	$ 146,452	$ 145,978	$ 1,167,477
At December 31, 2023				
Cost	$ 1,695,638	$ 210,404	$ 145,978	$ 2,052,020
Accumulated depreciation	(820,591)	(63,952)	-	(884,543)
	$ 875,047	$ 146,452	$ 145,978	$ 1,167,477

(7) Leasing arrangements－lessee

A. The Group leases various assets including land, buildings and structures and other equipment. Rental contracts are as follows:

Land: 20 years

Buildings and structures: 1~20 year(s)

Other equipment: 1~6 year(s)

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose covenants, but leased assets may not be used as security for borrowing purposes.

B. Short-term leases with a lease term of 12 months or less comprise certain dormitories and offices.

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

	December 31, 2024	December 31, 2023
	Carrying amount	Carrying amount
Land	$ 148,353	$ -
Buildings and structures	227,419	195,876
Other equipment	1,285	1,449
	$ 377,057	$ 197,325

	Years ended December 31,	
	2024	2023
	Depreciation	Depreciation
Land	$ 5,675	$ -
Buildings and structures	57,007	28,280
Other equipment	621	87
	$ 63,303	$ 28,367

D. For the years ended December 31, 2024 and 2023, the additions to right-of-use assets were $243,035 and $225,555, respectively.

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

	Years ended December 31,	
Items affecting profit or loss	2024	2023
Interest expense on lease liabilities	$ 4,271	$ 1,183
Expense on short-term lease contracts	$ 23,740	$ 57,881
Expense on leases of low-value assets	$ 20	$ -

F. For the years ended December 31, 2024 and 2023, the Group’s total cash outflow for leases were $102,800 and $60,350, respectively.

(8) Intangible assets

	Patents	Computer software	Car model technology costs	Total
At January 1, 2024				
Cost	$ 90,000	$ 173,987	$ 8,336,665	$ 8,600,652
Accumulated amortisation and impairment	(47,273)	(75,413)	(1,264,304)	(1,386,990)
	$ 42,727	$ 98,574	$ 7,072,361	$ 7,213,662
Opening net book amount as at January 1, 2024	$ 42,727	$ 98,574	$ 7,072,361	$ 7,213,662
Additions - acquired separately	-	71,116	-	71,116
Additions - from internal development	-	-	403,181	403,181
Amortisation	(14,724)	(46,649)	(905,140)	(966,513)
Closing net book amount as at December 31, 2024	$ 28,003	$ 123,041	$ 6,570,402	$ 6,721,446
At December 31, 2024				
Cost	$ 90,000	$ 245,103	$ 8,739,846	$ 9,074,949
Accumulated amortisation and impairment	(61,997)	(122,062)	(2,169,444)	(2,353,503)
	$ 28,003	$ 123,041	$ 6,570,402	$ 6,721,446

	Patents	Computer software	Car model technology costs	Total
At January 1, 2023				
Cost	$ 90,000	$ 140,215	$ 7,352,001	$ 7,582,216
Accumulated amortisation and impairment	(28,973)	(40,560)	(464,540)	(534,073)
	$ 61,027	$ 99,655	$ 6,887,461	$ 7,048,143
Opening net book amount as at January 1, 2023	$ 61,027	$ 99,655	$ 6,887,461	$ 7,048,143
Additions - acquired separately	-	33,772	-	33,772
Additions - from internal development	-	-	984,664	984,664
Amortisation	(18,300)	(34,853)	(799,764)	(852,917)
Closing net book amount as at December 31, 2023	$ 42,727	$ 98,574	$ 7,072,361	$ 7,213,662
At December 31, 2023				
Cost	$ 90,000	$ 173,987	$ 8,336,665	$ 8,600,652
Accumulated amortisation and impairment	(47,273)	(75,413)	(1,264,304)	(1,386,990)
	$ 42,727	$ 98,574	$ 7,072,361	$ 7,213,662

A. The Group assessed the impairment of recoverable amount for the car model technology costs at the end of financial reporting period and used the value-in-use as the basis for calculating the recoverable amount. These calculations for value-in use used future cash flow projections of product life cycles of the Group. The annual discount rates used as of December 31, 2024 and 2023 were 11.66% and 16.54%, respectively. No impairment loss was recognised on the Group's car model technology costs for the years ended December 31, 2024 and 2023.

B. For the years ended December 31, 2024 and 2023, the amounts of the Group's intangible assets under development shown as the above car model technology costs were $739,194 and $360,398, respectively.

C. Details of amortisation on intangible assets are as follows:

	Years ended December 31,	
	2024	2023
Operating costs	$ 110,140	$ 4,764
Operating expenses	856,373	848,153
	$ 966,513	$ 852,917

(9) Other non-current assets

	December 31, 2024	December 31, 2023
Prepayments for business equipments	$ 348,856	$ 450,175
Guarantee deposits	8,348	9,993
Net defined benefit asset	14	-
Other non-current assets	10,806	-
	$ 368,024	$ 460,168

(10) Other payables

	December 31, 2024	December 31, 2023
Wages and salaries payable	$ 550,398	$ 314,285
Design and development fee payable	200,695	20,742
Payable on machinery and equipment	111,495	33,575
Service fees payable	21,557	45,834
Taxes payable	13,566	36,153
Material expenses payable	732	34,902
Other payables	59,248	87,826
	$ 957,691	$ 573,317

(11) Provisions

	2024	2023
	Warranty provision	Warranty provision
At January 1,	$ 12,572	$ 2,039
Additions	83,540	11,231
Used during the year	(3,122)	(35)
Reversal	(3,341)	(663)
At December 31	$ 89,649	$ 12,572
Analysis of total provisions:		
Current	$ 38,127	$ 3,802
Non-current	$ 51,522	$ 8,770

Provision for warranty arising from the sales of electric buses is adjusted and calculated by considering attrition rates of parts and components in the future or other factors that affect product quality when the Group has a present legal or constructive obligation, and it is probable that an outflow of economic resources will be required to settle the obligation. The Group accrues liabilities for parts and components with warranty obligations and the amount of the obligation can be reliably estimated. Most of the warranties provided by the Group last for 3 to 8 years. The Group's provision for warranty is calculated based on purchasing costs of the new products.

(12) Pensions

A. Defined benefit plan

(a) The Group has a defined benefit pension plan, which applies to employees who transferred on November 6, 2020. Also, the Group would assess the balance in the aforementioned labor pension reserve account by the end of December 31, every year. If the account balance is insufficient to pay the pension calculated by the aforementioned method to the employees expected to qualify for retirement in the following year, the Group will make contributions for the deficit by next March.

(b) The amounts recognised in the balance sheet are as follows:

	December 31, 2024	December 31, 2023
Present value of defined benefit obligations	$ 47,809	$ 48,851
Fair value of plan assets	(47,823)	(47,780)
Net defined benefit (asset) liability (shown as 'other non-current assets' and 'other non-current liabilities')	($ 14)	$ 1,071

(c) Movements in net defined benefit liabilities are as follows:

	2024		
	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liability
At January 1	$ 48,851	$ 47,780	$ 1,071
Current service cost	180	-	180
Interest expense (income)	586	574	12
	$ 49,617	$ 48,354	$ 1,263
Remeasurements:			
Return on plan assets (excluding amounts included in interest income or expense)	-	(568)	568
Experience adjustments	1,392	-	1,392
	1,392	(568)	1,960
Pension fund contribution	-	37	(37)
Paid pension	(3,200)	-	(3,200)
At December 31	$ 47,809	$ 47,823	($ 14)

	2023		
	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liability
At January 1	$ 54,598	$ 53,562	$ 1,036
Current service cost	9	-	9
Interest expense (income)	655	643	12
	$ 55,262	$ 54,205	$ 1,057
Remeasurements:			
Return on plan assets (excluding amounts included in interest income or expense)	-	(637)	637
Experience adjustments	(448)	-	(448)
	(448)	(637)	189
Pension fund contribution	-	175	(175)
Paid pension	(5,963)	(5,963)	-
At December 31	$ 48,851	$ 47,780	$ 1,071

(d) The Fund of the Company's defined benefit pension plan is comprised of demand deposits that were used exclusively for specific purposes.

(e) The principal actuarial assumptions used were as follows:

	Years ended December 31,	
	2024	2023
Discount rate	1.6%	1.2%
Future salary increases	1.0%	1.0%

Assumptions regarding future mortality experience are set based on actuarial advice in accordance with published statistics and experience in each territory.

Because the main actuarial assumption changed, the present value of defined benefit obligation is affected. The analysis was as follows:

	Discount rate		Future salary increases	
	Increase 0.25%	Decrease 0.25%	Increase 0.25%	Decrease 0.25%
December 31, 2024				
Effect on present value of defined benefit obligation	($ 727)	$ 746	$ 756	($ 741)
December 31, 2023				
Effect on present value of defined benefit obligation	($ 825)	$ 847	$ 871	($ 853)

The sensitivity analysis above is based on one assumption which changed while the other conditions remain unchanged. In practice, more than one assumption may change all at once. The method of analysing sensitivity and the method of calculating net pension liability in the balance sheet are the same.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous period.

(f) Expected contributions to the defined benefit pension plan of the Group for the year ending December 31, 2025 amount to $37.

(g) As of December 31, 2024, the weighted average duration of the retirement plan is 7 years.

B. Defined contribution plan

(a) Effective July 1, 2005, the Group has established a defined contribution pension plan (the "New Plan") under the Labor Pension Act (the "Act"), covering all regular employees with R.O.C. nationality. Under the New Plan, the Group contributes monthly an amount based on 6% of the employees' monthly salaries and wages to the employees' individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment.

(b) The subsidiaries in mainland China have defined contribution pension plans and contribute an amount monthly based on 21% of employees' monthly salaries and wages to an independent fund administered by a government agency. The plan is administered by the government of mainland China. Other than the monthly contributions, the Group does not have further pension liabilities.

(c) The pension costs under the defined contribution pension plan of the Group for the years ended December 31, 2024 and 2023 were $43,050 and $34,763, of which $6,354 and $18,375 were capitalised as part of internally generated intangible assets, respectively.

(13) Share-based payment

A. For the year ended December 31, 2024, the Group's share-based payment arrangements were as follows:

Type of arrangement	Grant date	Quantity granted	Vesting conditions
Employee stock options	2023.1.18	46,728,000 shares	Note

Note: Employees who were granted the employee stock options starting from the date of grant and employees who will serve until September 30, 2025 can exercise their employee stock options in batches at the ratio of 72.15% and 27.85%, respectively.

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

	2024		
	No. of options		Weighted-average exercise price (in dollars)
Options outstanding at January 1	12,686	$	10
Options granted	-		-
Options exercised	-		-
Options expired	(178)		-
Options outstanding at December 31	12,508	$	10

	2023		
	No. of options		Weighted-average exercise price (in dollars)
Options outstanding at January 1	-	$	-
Options granted	46,728		10
Options exercised	(33,714)		10
Options expired	(328)		10
Options outstanding at December 31	12,686	$	10

C. The fair value of stock options granted is measured using the Black-Scholes option-pricing model. Relevant information is as follows:

Type of arrangement	Grant date	Stock price (in dollars)	Exercise price (in dollars)	Expected price volatility (%)(Note)	Expected option life	Risk-free interest rate	Fair value per unit
Employee stock options	January 18, 2023	$ 10.86	$ 10.00	32.00~ 34.04	0.08~ 2.78	0.87~ 1.08	$ 0.9832~ 2.788

Note: Expected price volatility rate pertained to the standard deviation of return on the target stock.

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

	Years ended December 31,	
	2024	2023
Equity-settled	$ 12,775	$ 45,023

(14) Share capital

A. The Group was incorporated by Hua-Chuang Automobile Information Technical Center Co., Ltd. ("Hua-Chuang") and Hon Hai Precision Ind. Co., Ltd. ("Hon Hai") jointly on November 6, 2020. As of December 31, 2024, the Company's authorised capital was $25,000,000, consisting of

2,500,000 thousand shares of ordinary stock, and the paid-in capital was $17,413,140 with a par value of $10 (in dollars) per share. Movements in the number of the Company's ordinary shares outstanding are as follows:

	2024	2023
	Number of shares (in thousands)	Number of shares (in thousands)
At January 1	1,741,314	1,557,600
Capital injection	-	150,000
Employee stock options exercised	-	33,714
At December 31	1,741,314	1,741,314

B. The Group issued 33,714 thousand ordinary shares relative to the exercise of employee share options in accordance with the employee share options plan with the subscription price of NT$10 (in dollars) per share, totaling $337,140. The effective date of the capital increase was on January 31, 2023. The registration of the capital increase had been completed on March 30, 2023.

C. On July 24, 2023, the Company's Board of Directors resolved to increase capital by issuing 150,000 thousand new shares to the public underwriting before listing on the Innovation Board. The capital increase had been approved by the Financial Supervisory Commission on September 6, 2023. The issued shares amounted to 150,000 thousand with a par value of NT$10 (in dollars) per share and the investment amount was $7,500,000. The registration of the capital increase had been completed on December 22, 2023.

(15) Capital surplus

Pursuant to the R.O.C. Company Act, capital surplus arising from paid-in capital in excess of par value on issuance of common stocks and donations can be used to cover accumulated deficit or to issue new stocks or cash to shareholders in proportion to their share ownership, provided that the Company has no accumulated deficit. Further, the R.O.C. Securities and Exchange Act requires that the amount of capital surplus to be capitalised mentioned above should not exceed 10% of the paid-in capital each year. Capital surplus should not be used to cover accumulated deficit unless the legal reserve is insufficient.

	2024		
	Share premium	Employee stock options	Total
At January 1	$ 6,041,907	$ 11,875	$ 6,053,782
Share-based payments	-	12,775	12,775
At December 31	$ 6,041,907	$ 24,650	$ 6,066,557

	2023		
	Share premium	Employee stock options	Total
At January 1	$ -	$ -	$ -
Share-based payments	-	45,023	45,023
Employee stock options exercised	33,148	(33,148)	-
Capital injection	6,000,000	-	6,000,000
Reorganisation	8,759	-	8,759
At December 31	$ 6,041,907	$ 11,875	$ 6,053,782

(16) Accumulated deficit

A. The current year's earnings, if any, shall first be used to pay all taxes and offset prior years' operating losses and then 10% of the remaining amount shall be set aside as legal reserve and special reserve as regulated by the competent authority. However, if the legal reserve has accumulated to an amount equal to the paid-in capital, this provision shall not apply. In addition, after the special reserve is set aside or reversed in accordance with the relevant laws and regulations, the remainder plus the beginning unappropriated earnings comprise the cumulative distributable earnings, which shall be distributed to shareholders according to the distribution plan proposed by the Board of Directors and submitted to the shareholders for approval.

Dividends and bonuses and all or part of capital surplus or legal reserve distributed in the form of cash regulated by Article 241 of the Company Act shall be authorised to be resolved by the Board of Directors with a majority vote at its meeting attended by two-thirds of the total number of directors and reported to the shareholders during their meeting and are not subject to the aforementioned regulations of resolutions from the shareholders.

When planning the Company's dividend distribution plan, the Company considers its profitability, capital requirements for future operating plan and changes in the industrial environment, taking into consideration the shareholder's long-term equity and the Company's long-term financial plan, at least 30% of the Company's distributable earnings for the year shall be appropriated as dividends in the form of cash or shares, and cash dividends shall account for at least 10% of the total dividends distributed.

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

C. For the information relating to employees' compensation and directors' and supervisors' remuneration, refer to Note 6(19).

D. The Company had accumulated losses for the year ended December 31, 2024 as resolved by the Board of Directors on February 27, 2025. The Company had accumulated losses for the year ended December 31, 2023 as resolved by the shareholders at their meeting on May 23, 2024. The Company had no earnings for distribution because of the accumulated losses for both years. For details regarding the resolution of the Board of Directors and the shareholders, please refer to the Market Observation Post System of the Taiwan Stock Exchange.

(17) Operating revenue

A. Disaggregation of revenue from contracts with customers

The Group derives revenue from the transfer of goods and services over time and at a point in time in the following major product lines and geographical regions:

	Year ended December 31,	
	2024	2023
Sales revenue	$ 8,491,505	$ 933,894
Service revenue	29,106	110,098
	$ 8,520,611	$ 1,043,992

Year ended December 31, 2024	Taiwan	China	Others	Total
At a point in time	$ 8,474,719	$ 2,971	$ 13,815	$ 8,491,505
Over time	29,047	-	59	29,106
	$ 8,503,766	$ 2,971	$ 13,874	$ 8,520,611

Year ended December 31, 2023	Taiwan	China	Others	Total
At a point in time	$ 933,844	$ -	$ 50	$ 933,894
Over time	101,211	7,908	979	110,098
	$ 1,035,055	$ 7,908	$ 1,029	$ 1,043,992

(a) The sales of electric bus are subject to variable consideration. For the years ended December 31, 2024 and 2023, the sales revenue of the aforementioned electric bus were $264,753 and $850,292, of which $49,897 and $250,667, respectively, represents the amount with variable consideration. Under the agreement, the aforementioned variable consideration was based on the maximum subsidy amount that can be fully obtained from the relevant units of the Ministry of Transportation and Communications and the portion that cannot be reached will be deducted from the payment. Based on the Group's assessment, it is highly probable that a significant reversal in the variable consideration with the added value rate will not occur. However, the payment will only be made after the customer obtains the government subsidy. By considering the uncertainty of variable consideration with the availability, the Group recognises it under contract liabilities, and transfers it to revenue when the uncertainty is subsequently eliminated.

(b) As of December 31, 2024, the supporting documents with added value rate of more than 50% had been prepared by the Group. Certain customers had obtained the aforementioned subsidy of variable consideration and were still in the review process by the competent authority. In accordance with the Group's submission experience and records in previous years, it is highly possible to obtain supporting documents with added value rate of more than 50%.

(c) As of December 31, 2024, certain consideration with the availability had been met the aforementioned subsidy of variable consideration and had been transferred to revenue. Certain consideration will be transferred to revenue once the subsidy of variable consideration is met.

B. Contract assets and liabilities

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

	December 31, 2024	December 31, 2023
Contract assets - current:		
Service contracts	$ -	$ 1,115
Sales contracts	142,532	245,445
	$ 142,532	$ 246,560
Contract liabilities - current:		
Sales contracts	($ 20,867)	($ 13,345)
Contract liabilities - non-current:		
Sales contracts	(276,500)	(129,315)
	($ 297,367)	($ 142,660)

(a) Contract assets - service contracts pertain to services rendered but not yet billed; contract assets - sales contracts have variable consideration that is highly probable that a significant reversal will not occur; and contract liabilities represents advance sales receipts. Refer to Note 7 for the information on related parties.

(b) Revenue recognised that was included in the contract liability balance at the beginning of the years ended December 31, 2024 and 2023 was $13,345 and $25,135, respectively.

(18) Expenses by nature

The additional disclosure information relating to operating costs and operating expenses is as follows:

	Years ended December 31,	
	2024	2023
Employee benefit expense	$ 1,157,382	$ 546,774
Depreciation	660,605	364,041
Amortisation	966,513	852,917
	$ 2,784,500	$ 1,763,732

(19) Employee benefit expense

	Years ended December 31, 2024	Years ended December 31, 2023
Wages and salaries	$ 1,222,862	$ 989,095
Share-based payments	12,775	45,023
Labour and health insurance fees	79,707	72,001
Pension costs	43,242	34,784
Other personnel expenses	8,734	3,713
	$ 1,367,320	$ 1,144,616
The above items are grouped into the following:		
Operating costs and expenses	$ 1,157,382	$ 546,774
Internally generated intangible assets	209,938	597,842
	$ 1,367,320	$ 1,144,616

A. In accordance with the Articles of Incorporation of the Group, a ratio of distributable profit of the current year, after covering accumulated losses, shall be distributed as employees' compensation. The ratio shall be 5% to 7%. for employees' compensation. directors' remuneration is determined based on the contribution of the directors and the usual level in the industry.

B. The Group did not accrue employees' compensation and directors' and supervisors' remuneration for the years ended December 31, 2024 and 2023 due to the net losses for both years.

(20) Income tax

A. Income tax benefit

(a) Components of income tax benefit:

	Years ended December 31, 2024	Years ended December 31, 2023
Current tax:		
Income tax on current income	$ 299	$ 229
Deferred tax:		
Prior year income tax (over) underestimation	(392)	11,463
Origination and reversal of temporary differences	(336,258)	(277,165)
Total deferred tax	(336,650)	(265,702)
Income tax benefit	($ 336,351)	($ 265,473)

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

	Years ended December 31,	
	2024	2023
Remeasurement of defined benefit obligations	($ 392)	($ 38)

B. Reconciliation between income tax benefit and accounting profit

	Years ended December 31,	
	2024	2023
Tax income calculated based on loss before tax and statutory tax rate	($ 494,497)	($ 438,352)
Expenses disallowed by tax regulation	158,538	161,416
Prior year income tax (over) underestimation	(392)	11,463
Income tax benefit	($ 336,351)	($ 265,473)

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

	2024			
	January 1	Recognised in profit or loss	Recognised in other comprehensive income	December 31
Deferred tax assets:				
Temporary differences:				
Employee benefits/welfare	$ 13,053	($ 6,526)	$ -	$ 6,527
Tax losses	1,045,261	362,900	-	1,408,161
Others	17,143	60,912	392	78,447
	$ 1,075,457	$ 417,286	$ 392	$ 1,493,135
Deferred tax liabilities:				
Temporary differences:				
Capitalisation of research and development expense	($ 333,598)	($ 80,636)	$ -	($ 414,234)
	$ 741,859	$ 336,650	$ 392	$ 1,078,901

	2023			
	January 1	Recognised in profit or loss	Recognised in other comprehensive income	December 31
Deferred tax assets:				
Temporary differences:				
Employee benefits/welfare	$ 19,579	($ 6,526)	$ -	$ 13,053
Tax losses	454,468	590,793	-	1,045,261
Others	2,072	15,033	38	17,143
	$ 476,119	$ 599,300	$ 38	$ 1,075,457
Deferred tax liabilities:				
Temporary differences:				
Capitalisation of research and development expense	$ -	($ 333,598)	$ -	($ 333,598)
	$ 476,119	$ 265,702	$ 38	$ 741,859

D. Expiration dates of unused tax losses and amounts of unrecognised deferred tax assets are as follows:

December 31, 2024				
Year incurred	Amount filed/ assessed	Unused amount	Unrecognised deferred tax assets	Expiry year
2024	$ 1,927,797	$ 1,927,797	$ -	2034
2023	2,251,001	2,251,001	-	2033
2022	1,780,454	1,780,454	-	2032
2021	1,034,296	1,034,296	-	2031
2020	47,255	47,255	-	2030

December 31, 2023				
Year incurred	Amount filed/ assessed	Unused amount	Unrecognised deferred tax assets	Expiry year
2023	$ 2,251,001	$ 2,251,001	$ -	2033
2022	1,780,454	1,780,454	-	2032
2021	1,034,296	1,034,296	-	2031
2020	47,255	47,255	-	2030

E. The Company’s income tax returns through 2022 have been assessed and approved by the Tax Authority.

(21) Loss per share

	Year ended December 31, 2024		
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Loss per share (in dollars)
Basic and diluted loss per share			
Loss attributable to ordinary shareholders of the parent	($ 2,137,329)	1,741,314	($ 1.23)

	Year ended December 31, 2023		
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Loss per share (in dollars)
Basic and diluted loss per share			
Loss attributable to ordinary shareholders of the parent	($ 1,927,201)	1,607,079	($ 1.20)

The employee share options was not included in the calculation of diluted loss per share as it will have an anti-dilutive effect because of loss incurred for the years ended December 31, 2024 and 2023.

(22) Supplemental cash flow information

A. Investing activities with partial cash payments:

	Years ended December 31,	
	2024	2023
Purchase of property, plant and equipment	$ 3,321,510	$ 481,166
Add: Opening balance of payable on equipment	60,023	120,161
Add: Ending balance of prepayments on equipment	348,856	450,175
Less: Ending balance of payable on equipment	(117,799)	(60,023)
Less: Opening balance of prepayments on equipment	(450,175)	(221,431)
Cash paid during the year	$ 3,162,415	$ 770,048

B. Financing activities with no cash flow effects:

As described in Note 6(14), the shares issued amounting to $337,140 arose from the exercise of employee share options in 2023.

7. Related Party Transactions

(1) Names of related parties and relationship

Names of related parties	Relationship with the Company
Hon Hai Precision Ind. Co., Ltd. and its subsidiaries (Hon Hai Group)	Group that has control over the Company
Hon Hai Precision Ind. Co., Ltd. (Hon Hai)	〃
Jusda International Logistics (Taiwan) Co., Ltd. (Jusda)	〃
Scienbizip Consulting (Far East) Co., Ltd.	〃
Nanjing Futeng New Energy Automobile Technology Co., Ltd.	〃
Futaihua Industrial (Shenzhen) Co., Ltd.	〃
Cloud Network Technology Singapore Pte. Ltd.	〃
FORTUNEBAY TECHNOLOGY PTE LTD.	〃
SHARP JUSDA LOGISTICS CORPORATION	〃
Yulon Motor Co., Ltd. and its subsidiaries (Yulon Group)	Group that has significant influence over the Company
Yulon Motor Co., Ltd. (Yulon Motor)	〃
Hua-Chuang Automobile Information Technical Center Co., Ltd. (Hua-Chuang)	〃
Luxgen Motor Co., Ltd. (Luxgen)	〃
Yueki Industrial Co., Ltd. (Yueki Industrial)	〃
Y-Teks Co., Ltd. (Y-Teks)	〃
Uni Auto Parts Manufacture Co., Ltd.	〃
Yue Sheng Industrial Co., Ltd. (Yue Sheng Industrial)	〃
Yufong Property Management Co., Ltd.	〃
Luxgen Taipei Motor Co., Ltd.	〃
Chuang Jie New Energy Vehicle (HZ) Limited	〃
Yulon Motor Co., Ltd. (China)	〃
Luxgen (Hangzhou) Motor Sales Co., Ltd. (Luxgen Hangzhou)	〃
Hangzhou Hua-chuang Automobile Information Technical Center Co., Ltd.	〃
Pan-International Industrial Corp. (Pan-International)	Associate of Hon Hai Group
Linker Vision Co., Ltd.	〃
Maxnerva Technology Service Inc. (Maxnerva)	〃
GENERAL INTERFACE SOLUTION LIMITED (GIS)	〃
GARUDA INTERNATIONAL LIMITED	〃
Sharp (Taiwan) Electronics Corporation	〃
Yonglin Foundation (Yonglin)	Other related party

(2) Significant related party transactions

A. Operating revenue

	Years ended December 31,	
	2024	2023
Sales of goods:		
Luxgen	$ 8,190,410	$ 72,516
Other related parties	169,830	29,970
Associates of Hon Hai Group	1,508	-
Yulon Group	-	71
Others	10,550	-
Sales of services:		
Luxgen	23,472	98,894
Hon Hai Group	3,639	7,945
Associates of Hon Hai Group	-	1,400
Others	145	-
	$ 8,399,554	$ 210,796

(a) Services are sold based on the price lists in force and terms that would be available to third parties.

(b) Except for those circumstances wherein there are no similar transactions for reference and the prices and credit periods are negotiated by both parties, other prices for the Group's sales and provision of services to the abovementioned related parties are similar to the prices for sales and provision of services to third parties.

(c) The abovementioned other sales of goods for the year ended December 31, 2024 pertains to the tripartite contract signed between Hon Hai Precision Ind. Co., Ltd., the Employee Welfare Committee of Hon Hai Precision Ind. Co., Ltd. and the Company to purchase the electric bus of the Company. In accordance with relevant laws and regulations, the vehicle license was registered under Hon Hai Precision Ind. Co., Ltd. and the payment was made by the Employee Welfare Committee of Hon Hai Precision Ind. Co., Ltd..

(d) The abovementioned revenue from the services contracted but unfulfilled was $86,509 and $7,232 for the years ended December 31, 2024 and 2023, respectively.

B. Purchases

	Years ended December 31, 2024	Years ended December 31, 2023
Purchases of goods:		
Hon Hai Group	$ 242,216	$ 36,398
Associates of Hon Hai Group	38,859	16,364
Yulon Group	28,504	53,609
	$ 309,579	$ 106,371

Except for those circumstances wherein there are no similar transactions for reference and the prices and credit periods are negotiated by both parties, the Group purchases other goods from the abovementioned related parties based on the current price and associates on normal commercial terms and conditions.

C. Receivables from related parties

	December 31, 2024	December 31, 2023
Accounts receivable:		
Luxgen	$ 57,840	$ 90,570
Yonglin	-	34,865
Less: Allowance for uncollectible accounts	(29)	(64)
	$ 57,811	$ 125,371

The receivables are due 7 to 45 days after the date of sales. The receivables are unsecured in nature and bear no interest.

D. Contract assets - service contracts

	December 31, 2024	December 31, 2023
Luxgen	$ -	$ 1,116

E. Contract liabilities - service contracts

	December 31, 2024	December 31, 2023
Luxgen	$ 20,858	$ -

F. Payables to related parties

	December 31, 2024	December 31, 2023
Yulon Motor	$ 143,559	$ 54,762
Hon Hai Group	51,576	22,856
Associates of Hon Hai Group	19,607	5,364
Yulon Group	4,592	1,412
	$ 219,334	$ 84,394

The payables are due 30 to 90 days after the date of purchase or the date the service has been provided. The payables bear no interest.

G. Prepayments (shown as ‘prepayments’ and ‘other non-current assets’)

	December 31, 2024	December 31, 2023
Yulon Group	$ 63,311	$ 94,469
Associates of Hon Hai Group	-	57
	$ 63,311	$ 94,526

Prepayments mainly consist of prepayments for business equipment and research and development prototype costs, etc.

H. Other payables

	December 31, 2024	December 31, 2023
Hon Hai Group	$ 68,502	$ 18,817
Yulon Group	34,961	52,548
Associates of Hon Hai Group	364	1,339
	$ 103,827	$ 72,704

Other payables mainly refer to payment on behalf of others, administration service fee, design and development fee and payable on equipment, etc.

I. Lease transactions - lessee

(a) The Group leased laboratories from Yulon Motor for the year ended December 31, 2024. Rental contracts were typically made for periods of 20 years. Rents are paid monthly. The Group leased offices from Hon Hai for the year ended December 31, 2023. Rental contracts were typically made for periods of 2 years. Rents were paid quarterly or annually. The Group obtained right-of-use assets amounting to $88,548 and $207,159 from Yulon Motor and Hon Hai for the years ended December 31, 2024 and 2023, respectively.

Lease liabilities

	December 31, 2024	December 31, 2023
Hon Hai	$ 143,798	$ 208,223
Yulon Motor	87,011	-
	$ 230,809	$ 208,223

The Group's interest expense arising from lease liabilities for the years ended December 31, 2024 and 2023 amounted to $2,382 and $1,064, respectively.

(b) The Group leased offices from Yulon Motor and Yulon Group and leased warehouses from Hon Hai Group for the years ended December 31, 2024 and 2023. Rental contracts were both made for periods of 12 months or less.

Rent expense

	Years ended December 31,	
	2024	2023
Yulon Motor	$ 17,518	$ 45,229
Yulon Group	888	1,373
Hon Hai Group	43	-
	$ 18,449	$ 46,602

J. Other costs and expenses

	Years ended December 31,	
	2024	2023
Professional service fees		
- Yulon Motor	$ 73,289	$ 74,251
- Hon Hai Group	11,965	7,689
- Associates of Hon Hai Group	1,579	-
- Yulon Group	108	-
Other costs and expenses		
- Yulon Motor	3,371,924	9,784
- Yulon Group	96,492	11,596
- Associates of Hon Hai Group	91,952	1,204
- Hon Hai Group	78,542	16,595
	$ 3,725,851	$ 121,119

The cost for Yulon Motor parts for the year ended December 31, 2024 amounted to $2,999,627. Other costs and expenses primarily consisted of shipping fees, prototyping costs and subcontracting fees.

K. Non-operating income

	Years ended December 31,	
	2024	2023
Hon Hai Group	$ 144	$ -
Yulon Group	75	8,496
Associates of Hon Hai Group	15	-
	$ 234	$ 8,496

Non-operating income for the year ended December 31, 2023 refers to the relocation subsidy that the Taoyuan City Government paid to Hua-Chuang because of the expropriation of aerotropolis. Hua-Chuang transferred the corresponding subsidy from the received relocation subsidy to the Group for the ownership of the equipment belonging to the Group.

L. Property transactions

(a) Acquisition of property and equipment

	Years ended December 31,	
	2024	2023
Yulon Group	$ 774,534	$ 49,124
Luxgen (Hangzhou)	61,888	116,582
Luxgen	32,811	116,710
Hon Hai Group	6,010	-
Associates of Hon Hai Group	1,161	-
	$ 876,404	$ 282,416

(b) Acquisition of intangible assets

	Years ended December 31,	
	2024	2023
Yulon Group	$ 1,626	$ 17,283
Associates of Hon Hai Group	-	135
	$ 1,626	$ 17,418

(c) Acquisition of subsidiaries

	Year ended December 31, 2023		
	Accounts	Objects	Consideration
-Futaihua Industrial (Shenzhen)	Investments accounted for using equity method	Foxtron Vehicle Technologies (Hangzhou) Co., Ltd.	$ 44,361

(3) Key management compensation

	Years ended December 31,	
	2024	2023
Short-term employee benefits	$ 72,229	$ 69,772
Post-employment benefits	1,147	1,055
Share-based payments	12,775	11,875
	$ 86,151	$ 82,702

8. Pledged Assets

None.

9. Significant Contingent Liabilities and Unrecognised Contract Commitments

(1) Contract Commitments

A. The Group participated in the subsidy plan of the Science and Technology Research and Development Project of the Ministry of Economic Affairs. The period of the plan was from December 1, 2020 to November 30, 2022. The Group shall pay a performance guarantee of $128,000 based on the contract as of December 31, 2022. The guarantee had been pledged by the joint performance guarantee letter issued by the bank. As of December 31, 2024 and 2023, the Group had applied for and received subsidy totaling $128,000 and $128,000, respectively. However, as certain parts of the project have not yet been completed, portions of the subsidy amounting to $3,551 and $3,551 have been classified as restricted deposits (shown as 'financial assets at amortised cost - current').

B. The Company participated in the Industrial Upgrading Innovation Platform Guidance Program of the Ministry of Economic Affairs. The period of the program is from January 1, 2023 to June 30, 2025. The program was approved on May 18, 2023. The signing of the subsidy contract had been completed on September 22, 2023. The Company will receive subsidy of $269,474 based on the progress of execution.

As of December 31, 2024 and 2023, the Group had applied for and received a subsidy of $250,000 and $180,000, respectively, and recognised gain on deferred government grants in the amount of $22,501 and $45,174 (shown as 'other current liabilities'), respectively. The Group recognised gain on government grants in the amount of $89,097 and $134,826 (shown as 'other income') for the years ended December 31, 2024 and 2023, respectively.

C. The Group also participated in the A+ Corporate Innovation R&D Project of the Ministry of Economic Affairs from April 1, 2024 to March 31, 2027. The project was approved on April 12, 2024, and the subsidy contract was signed in June 2024. The Group is eligible to receive subsidies totaling $125,000 based on the project execution progress.

As of December 31, 2024, the Group had applied for and received a subsidy of $40,771, and recognised gain on deferred government grants in the amount of $21,986 (shown as 'other current liabilities'). The Group recognised gain on government grants in the amount of $18,785 (shown as 'other income') for the year ended December 31, 2024.

(2) Commitments

Capital expenditure contracted for at the balance sheet date but not yet incurred is as follows:

	December 31, 2024	December 31, 2023
Property, plant and equipment	$ 548,905	$ 1,124,459

10. Significant Disaster Loss

None.

11. Significant Events after the Balance Sheet Date

On February 27, 2025, the Company's Board of Directors resolved to increase capital by issuing ordinary shares to participate in the issuance of the global depositary receipts with the amount not exceeding 180,000 thousand shares. The Board of Directors was authorised to resolve the actual number of issued shares within the aforementioned interval.

12. Others

(1) Capital management

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

(2) Financial instruments

A. Financial instruments by category

	December 31, 2024	December 31, 2023
Financial assets		
Financial assets at amortised cost		
Cash and cash equivalents	$ 4,180,593	$ 6,553,115
Financial assets at amortised cost	1,148,041	3,048,725
Accounts receivable (including related parties)	136,162	252,707
Other receivables	71,181	26,625
Guarantee deposits	8,348	9,993
	$ 5,544,325	$ 9,891,165

	December 31, 2024	December 31, 2023
Financial liabilities		
Financial liabilities at amortised cost		
Accounts payable (including related parties)	$ 1,301,520	$ 635,468
Other payables	1,061,518	646,021
Guarantee deposits received	400	400
	$ 2,363,438	$ 1,281,889
Lease liability	$ 392,678	$ 224,412

B. Financial risk management policies

(a) The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial position and financial performance.

(b) Group treasury identifies, evaluates and hedges financial risks in close cooperation with the Group's operating units. The Board provides written policies covering specific areas and matters, such as operating procedures on acquisition or disposal of assets and use of derivative financial instruments.

C. Significant financial risks and degrees of financial risks

(a) Market risk

Foreign exchange risk

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

	December 31, 2024					
				Sensitivity analysis		
	Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
(Foreign currency: functional currency)						
Financial assets						
Monetary items						
USD:NTD	$ 4,136	32.79	$ 135,623	1%	$ 1,356	$ -
RMB:NTD	78,324	4.478	350,734	1%	3,507	-
Foreign operations						
USD:NTD	$ 1,219	32.79	$ 39,971	1%	-	$ 400
RMB:NTD	9,601	4.478	42,995	1%	-	430
Financial liabilities						
Monetary items						
USD:NTD	$ 6,468	32.79	$ 212,083	1%	$ 2,121	$ -
RMB:NTD	146,688	4.478	656,869	1%	6,569	-

	December 31, 2023								
					Sensitivity analysis				
	Foreign currency amount (in thousands)	Exchange rate		Book value (NTD)	Degree of variation		Effect on profit or loss		Effect on other comprehensive income
(Foreign currency: functional currency)									
Financial assets									
Monetary items									
USD:NTD	$ 382	30.71	$	11,731	1%	$	117	$	-
RMB:NTD	2,014	4.327		8,715	1%		87		-
Foreign operations									
RMB:NTD	$ 9,221	4.327	$	39,898	1%		-	$	399
Financial liabilities									
Monetary items									
USD:NTD	$ 4,309	30.71	$	132,329	1%	$	1,323	$	-
RMB:NTD	111,783	4.327		483,685	1%		4,837		-

The total exchange gain, including realised and unrealised, arising from significant foreign exchange variation on the monetary items held by the Group for the years ended December 31, 2024 and 2023, amounted to $13,297 and $17,470, respectively (shown as 'other gains and losses').

Price risk

There was no significant market risk of variation in price as the Group did not engage in investment target with price risk.

Cash flow and fair value interest rate risk

There was no cash flow risk of change in interest rate as the Group did not invest in interest rate products and had no borrowings.

(b) Credit risk

i. Credit risk refers to the risk of financial loss to the Group arising from default by the clients or counterparties of financial instruments on the contract obligations.

According to the Group's credit policy, the Group is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Board of Directors. The utilisation of credit limits is regularly monitored. Credit risk arises from cash and cash equivalents, deposits with banks and financial institutions, as well as credit exposures to other financial instruments. The Group had no significant credit risk as its counterparties and performing parties were all banks with good credit quality and had no significant compliance concern.

ii. If the contract payments were past due over 90 days based on the terms, there has been a significant increase in credit risk on that instrument since initial recognition. The default occurs when the contract payments are past due over 360 days.

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

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

(ii) Default or delinquency in interest or principal repayments;

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

iv. The ageing analysis of accounts receivable (including related parties) that were past due but not impaired is as follows:

	December 31, 2024	December 31, 2023
Not past due	$ 136,282	$ 251,295
0 to 90 days	-	2,966
	$ 136,282	$ 254,261

The above ageing analysis was based on past due date.

v. The Group applies the following approaches to assess the expected credit losses (ECLs) of accounts receivable and contract assets:

(i) Assess the ECLs on an individual basis if a significant default has occurred to certain customers;

(ii) Classify the other customers' accounts receivable based on the Group's credit rating standards and estimates the ECLs using loss rate methodology or provision matrix;

(iii) Adjust the loss rates constructed from historical and recent information by taking into account the business cycle indicators of the National Development Council and forecasts of the Basel Committee on Banking Supervision.

(iv) The loss allowance for accounts receivable (including related parties) and contract assets using loss rate methodology or provision matrix on December 31, 2024 and 2023 is as follows:

	Group 1	Group 2	Groups 3 and 4	Total
December 31, 2024				
Expected loss rate	0.0500%	0.1100%	10.87%~19.25%	
Total book value	$ 57,840	$ 221,092	$ 39	$ 278,971
Loss allowance	$ 29	$ 243	$ 5	$ 277

	Group 1	Group 2	Groups 3 and 4	Total
December 31, 2023				
Expected loss rate	0.0375%	0.0875%	10.92%~24.66%	
Total book value	$ 91,686	$ 402,780	$ 6,570	$ 501,036
Loss allowance	$ 34	$ 353	$ 1,382	$ 1,769

Group 1: Standard Poor's, Fitch's, or Moody's rating of A-level, or rated as A-level in accordance with the Group's credit policies for those that have no external credit ratings.

Group 2: Standard Poor's or Fitch's rating of BBB, Moody's rating of Baa, or rated as B or C in accordance with the Group's credit policies for those that have no external credit ratings.

Group 3: Standard Poor's or Fitch's rating of BB + and below, or Moody's rating of Ba1 and below.

Group 4: Rated as other than A, B, or C in accordance with the Group's credit policies for those that have no external credit ratings.

vi. Movements in loss allowance for accounts receivable (including related parties) and contract assets are as follows:

	2024	2023
At January 1	$ 1,769	$ 50
(Gain on reversal of) impairment loss	(1,492)	1,719
At December 31	$ 277	$ 1,769

(c) Liquidity risk

i. Cash flow forecasting is performed in the operating entities of the Group and aggregated by Group treasury. Group treasury monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times.

ii. The table below analyses the Group's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Additionally, the Group has no derivative financial liabilities.

December 31, 2024	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
Non-derivative financial liabilities					
Lease liability	$ 84,872	$ 71,286	$ 73,878	$ 204,468	$ 434,504

December 31, 2023	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
Non-derivative financial liabilities					
Lease liability	$ 83,666	$ 56,956	$ 87,844	$ -	$ 228,466

(3) Fair value information

A. The Group had no financial and non-financial instruments measured at fair value on December 31, 2024 and 2023.

B. The carrying amounts of the Group's financial instruments not measured at fair value (cash and cash equivalents, financial assets at amortised cost, contract assets, accounts receivable, other current assets, other non-current assets, contract liabilities, accounts payable, other payables and other current liabilities) are approximate to their fair values.

13. Supplementary Disclosures

(1) Significant transactions information

A. Loans to others: None.

B. Provision of endorsements and guarantees to others: None.

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

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

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

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

G. Purchases or sales of goods from or to related parties reaching $100 million or 20% of paid-in capital or more: Refer to table 1.

H. Receivables from related parties reaching $100 million or 20% of paid-in capital or more: Refer to table 2.

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

J. Significant inter-company transactions during the reporting periods: None.

(2) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China): Please refer to table 3.

(3) Information on investments in Mainland China

A. Basic information: Refer to table 4.

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

(4) Major shareholders information

Major shareholders information: Refer to table 5.

14. Segment Information

(1) General information

The Group operates business only in a single industry. The Board of Directors, who allocates resources and assesses performance of the Group as a whole, has identified that the Group has only one reportable operating segment.

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

The Group operates business only in a single industry. The Group's information about segment profit or loss, assets and liabilities is in agreement with those shown in the financial statements. Refer to the balance sheets and statements of comprehensive income.

(3) Information on products and geographical information

Refer to Note 6(17) and the statement of operating revenue. Geographical information for the years ended December 31, 2024 and 2023 is as follows:

	Year ended December 31, 2024		Year ended December 31, 2023	
	Revenue	Non-current assets	Revenue	Non-current assets
Taiwan	$ 8,503,766	$ 11,357,326	$ 1,035,055	$ 9,037,611
China	2,971	932	7,908	1,021
Others	13,874	-	1,029	-
	$ 8,520,611	$ 11,358,258	$ 1,043,992	$ 9,038,632

(4) Major customer information

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

	Years ended December 31,			
	2024		2023	
Company A	$	8,213,882	$	171,410
Company E		11,866		264,284
Company F		8,103		180,096
	$	8,233,851	$	615,790

Foxtron Vehicle Technologies Co., Ltd. and Subsidiaries

Purchases or sales of goods from or to related parties reaching NT$100 million or 20% of paid-in capital or more

Year ended December 31, 2024

Expressed in thousands of NTD

Table 1

(Except as otherwise indicated)

			Transaction				Differences in transaction terms compared to third party transactions		Notes/accounts receivable (payable)		
Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	Footnote
The Company	Luxgen Motor Co., Ltd.	Subsidiaries of the Group with significant influence to the Company	Sales of goods and services	$ 8,213,882	96	Note 1	Note 2	Note 2	$ 57,840	42	
The Company	Cloud Network Technology Singapore Pte, Ltd.	Subsidiary of the Group that has control over the Company	Purchases	$ 151,279	3	60 days from invoice date	Note 2	Note 2	($ 17,109)	(1)	

Note 1: Sales of goods are settled on a net 7 days basis, and service income is settled on a net 45 days basis from the end of the month in which the invoice is issued.

Note 2: Except for the fact that there is no similar transaction to be compared with and the terms of the transaction were determined by mutual agreement, the other terms of the transaction are approximately the same as the transaction terms made with the third party.

Foxtron Vehicle Technologies Co., Ltd. and Subsidiaries

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

Year ended December 31, 2024

Table 2

Expressed in thousands of NTD

(Except as otherwise indicated)

Creditor	Counterparty	Relationship with the counterparty	December 31, 2024	Turnover rate	Overdue receivables Amount	Overdue receivables Action taken	Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
The Company	Luxgen Motor Co., Ltd.	Subsidiaries of the Group with significant influence to the Company	$ 57,840	115	$ -	-	$ 57,840	$ 29

Foxtron Vehicle Technologies Co., Ltd. and Subsidiaries

Information on investees

Year ended December 31, 2024

Table 3

Expressed in thousands of NTD

(Except as otherwise indicated)

				Initial investment amount		Shares held as at December 31, 2024			Net profit (loss) of the investee for the year	Investment income(loss) recognised by the Company	
Investor	Investee	Location	Main business activities	Balance as at December 31, 2024	Balance as at December 31, 2023	Number of shares	Ownership (%)	Book value	ended December 31, 2024	for the year ended December 31, 2024	Footnote
The Company	Foxtron Vehicle Technologies USA, INC	USA	Engaging in the business of receiving orders for complete vehicles and parts, vehicle certification, and quality assurance.	$ 38,859	$ -	12,000	100.00	$ 39,971	$ 616	$ 616	Note

Note : Foxtron Vehicle Technologies USA, Inc. was established on April 15, 2024 with a capital injection of US$1.2 million and has been consolidated since its establishment.

Foxtron Vehicle Technologies Co., Ltd. and Subsidiaries

Information on investments in Mainland China

Year ended December 31, 2024

Table 4

Expressed in thousands of NTD
(Except as otherwise indicated)

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2024	Amount remitted from Taiwan to Mainland China/Amount remitted back to Taiwan for the year ended December 31, 2024: Remitted to Mainland China	Amount remitted from Taiwan to Mainland China/Amount remitted back to Taiwan for the year ended December 31, 2024: Remitted back to Taiwan	Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2024	Net income of investee for the year ended December 31, 2024	Ownership held by the Company (direct or indirect)	Investment income for the year ended December 31, 2024 (Note 3)	Book value of investments in Mainland China as of December 31, 2024	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2024	Footnote
Foxtron Vehicle Technologies(Hangzhou) Co., Ltd.	Mainly engaging in vehicle component design and development.	$ 44,780	(1)	$ 44,361	$ -	$ -	$ 44,361	$ 1,695	100	$ 1,695	$ 42,995	$ -	Note 2 and 3

Company name	Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2024 (Note 5)	Investment amount approved by the Commission of the Ministry of Economic Affairs (MOEA) (Note 5)	Ceiling on investments in Mainland China imposed by the investment Commission of MOEA
Foxtron vehicle technologies Co., Ltd.	$ 44,361	$ 44,780	$ 10,227,586

Note 1: Investment methods are classified into the following three categories; fill in the number of category each case belongs to :

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

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

(3) Others

Note 2:Foxtron Vehicle Technologies(Hangzhou) Co., Ltd. investment amount of RMB10,000,000 was approved by the Investment Commission of the Ministry of Economic Affairs (MOEA). The capital injection was completed on April 20, 2023.

Note 3: The ‘Investment income (loss) recognised by the Company for the year ended December 31, 2024’ column was recognised based on the financial statements that were audited and attested by CPA.

Note 4: Limit on the Company's investment in Mainland China is 60% of the Company's net assets.

Note 5: The investment amount approved by the Investment Commission of Ministry of Economic Affairs (MOEA) and the investment amount transmitted from Taiwan to mainland China at the end of the year both amounted to RMB10,000,000, and the difference was due to the exchange rate.

Foxtron Vehicle Technologies Co., Ltd. and Subsidiaries

Major shareholders information

December 31, 2024

Table 5

Major shareholders information	Shares	
	Number of shares held	Ownership (%)
Hon Hai Precision Ind. Co., Ltd.	794,400,000	45.62%
Hua-Chuang Automobile Information Technical Center Co., Ltd	763,200,000	43.83%