Airmate (Cayman) International Co Limited and Subsidiaries
Consolidated Financial Statements and CPA's Audit Report
Quarter 1 of 2025 and 2024
(Stock Code: 1626)

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Notice to Reader:
For the convenience of readers, this report has been translated into English from the original Chinese version, prepared and used in the Republic of China. The English version has not been audited or reviewed by independent auditors. If there are any discrepancies between the English version and the original Chinese version, or any difference in the interpretation of the two versions, the Chinese-language report shall prevail.

Airmate (Cayman) International Co Limited and Subsidiaries

Consolidated Financial Report and Certified Public Accountant's Audit Report for the Financial Years of Quarter 1 of 2025 and 2024

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Airmate (Cayman) International Co Limited and Subsidiaries
Consolidated Balance Sheets
March 31, 2025, December 31, and March 31, 2024

Unit: NT$ Thousands

	Assets	Note	March 31 , 2025 Amount	%	December 31, 2024 Amount	%	March 31 , 2024 Amount	%
	Current Assets							
1100	Cash and Cash Equivalents	6(1)	$ 521,188	6	$ 748,438	8	$ 595,974	7
1110	Financial Assets at Fair Value through Profit or Loss - Current	6(2)	37,033	-	-	-	-	-
1136	Financial Assets at Amortized Cost - Current	6(3) and 8	495,293	6	712,560	8	426,528	5
1150	Net Amount of Notes Receivable	6(4) and 7	485,403	5	463,392	5	490,502	6
1170	Net Amount of Accounts Receivable	6(4) and 7	1,486,520	17	1,047,401	12	1,296,333	15
1200	Other Receivables	6(5)	29,426	-	28,005	-	23,648	-
130X	Inventories	6(6)	2,467,565	27	2,501,617	28	2,247,915	27
1410	Advance Payment	6(7)	261,766	3	310,825	3	163,512	2
1479	Other Current Assets - Others		21,307	-	22,652	-	13,333	-
1481	Rights of Pending Returning Products - Current	6(24)	45,840	1	66,424	1	49,850	1
11XX	**Total Current Assets**		5,851,341	65	5,901,314	65	5,307,595	63
	Non-current Assets							
1517	Financial Assets at Fair Value through Other Comprehensive Income- Non-current	6(8)	2,498	-	2,462	-	2,435	-
1550	Investments Accounted for Using the Equity Method	6(9)	35,366	-	36,112	-	35,060	-
1600	Property, Plant and Equipment	6(10) and 8	2,505,371	28	2,500,048	28	2,560,915	30
1755	Right-of-use Assets	6(11) and 8	202,372	2	200,792	2	202,230	2
1760	Net amount of investment properties	6(12)	8,903	-	8,843	-	8,947	-
1780	Intangible Assets	6(13)	17,918	-	20,055	-	17,683	-
1840	Deferred Income Tax Assets		230,544	3	236,702	3	216,160	3
1990	Other Non-current Assets - Others	6(14) and 8	186,310	2	128,655	2	138,386	2
15XX	**Total Non-current Assets**		3,189,282	35	3,133,669	35	3,181,816	37
1XXX	**Total Assets**		$ 9,040,623	100	$ 9,034,983	100	$ 8,489,411	10 0

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Airmate (Cayman) International Co Limited and Subsidiaries
Consolidated Balance Sheets
March 31, 2025, December 31, and March 31, 2024

Unit: NT$ Thousands

	Liabilities and Equities	Note	March 31, 2025 Amount	%	December 31, 2024 Amount	%	March 31, 2024 Amount	%
	Current Liabilities							
2100	Short-term loans	6(15) and 8	$ 1,237,336	14	$ 837,450	9	$ 1,083,625	13
2120	Financial Liabilities at Fair Value through Profit or Loss - Current	6(2)	-	-	-	-	109	-
2130	Contract Liabilities - Current	6(24)	197,996	2	359,639	4	264,466	3
2150	Notes Payable	6(16) and 8	1,679,098	19	1,887,336	21	1,391,209	16
2170	Accounts Payable		1,679,197	19	1,715,874	19	1,366,001	16
2200	Other Payables	6(17), 7	834,586	9	772,195	9	809,880	10
2230	Current Income Tax Liabilities		900	-	12,022	-	12,191	-
2250	Provision - Current	6(18)	96,412	1	102,572	1	66,453	1
2365	Refund Liabilities - Current	6(24)	65,896	1	106,960	1	71,619	1
2399	Other Current Liabilities - Others		33,050	-	18,778	-	15,527	-
21XX	**Total Current Liabilities**		5,824,471	65	5,812,826	64	5,081,080	60
	Non-current Liabilities							
2570	Deferred income tax liabilities		23,355	-	22,845	-	37,846	-
2640	Net Defined Benefit Liabilities - Non-current	6(19)	45,506	-	44,534	-	41,962	-
2645	Security Deposits Received		140,402	2	136,711	2	135,652	2
2670	Other Non-current Liabilities - Others	6(20)	71,373	1	70,988	1	72,098	1
25XX	**Total Non-current Liabilities**		280,636	3	275,078	3	287,558	3
2XXX	**Total Liabilities**		6,105,107	68	6,087,904	67	5,368,638	63
	Equities Attributable to Owners of Parent Company							
	Share Capital	6(21)						
3110	Common Stock		1,498,217	17	1,498,217	17	1,528,217	18
	Capital Surplus	6(22)						
3200	Capital Surplus		1,198,630	13	1,198,630	13	1,217,656	14
	Retained Earnings	6(23)						
3310	Legal Reserve		120,328	1	120,328	1	117,657	2
3320	Special Reserve		351,243	4	351,243	4	278,317	3
3350	Undistributed Earnings		49,505)	(1)	15,137	-	185,099	2
	Other Equities							
3400	Other Equities		(183,397)	(2)	(236,476)	(2)	(206,173)	(2)
3XXX	**Total Equities**		2,935,516	32	2,947,079	33	3,120,773	37
	Contingent liabilities and unrecognized commitments	9						
3X2X	Subsequent Events		$9,040,623	100	$ 9,034,983	100	$ 8,489,411	100

Please refer to the accompanying Notes to the Consolidated Financial Statements which are part of the consolidated financial report.

Chairman: Shih, Jui Pin   Manager: Shih, Jui Pin   Accounting Supervisor: Ho, Mei Hsiu

Airmate (Cayman) International Co Limited and Subsidiaries
Consolidated Statements of Comprehensive Income
January 1 to March 31, 2025and 2024

Unit: NT$ Thousands
(Except for the Earnings (Loss) per share in NTD)

	Item	Note	January 1 to March 31, 2025 Amount	%	January 1 to March 31, 2024 Amount	%
4000	Operating Income	6(11)(24) and 7	$ 2,008,429	100	$ 1,736,642	100
5000	Operating Cost	6(6)(11)(13)(19)(27)(28)	(1,691,755)	(84)	(1,451,358)	(83)
5900	Gross Profit		316,674	16	285,284	17
5910	Unrealized Sales Profit	6(9)	(3,471)	-	(2,713)	-
5920	Realized Sales Profit	6(9)	2,565	-	2,421	-
5950	Net Operating Profit		315,768	16	284,992	17
	Operating Expenses	6(11)(13)(19)(27) (28)and 7				
6100	Selling Expenses		(252,882)	(13)	(207,450)	(12)
6200	Administrative Expenses		(68,467)	(4)	(67,813)	(4)
6300	Research and Development Expense		(41,471)	(2)	(41,875)	(2)
6450	Expected Credit Gain (Loss)	12(2)	7,605)	-	4,974	-
6000	Total Operating Expenses		(370,425)	(19)	(312,164)	(18)
6900	Operating loss		(54,657)	(3)	(27,172)	(1)
	Non-operating Income and Expenses					
7100	Interest Income		4,952	-	3,429	-
7010	Other Incomes	6(20)(25)	5,542	-	7,827	1
7020	Other Gains and Losses	6(26)	(8,953)	-	(39,147)	(2)
7050	Finance Costs	6(15)	(11,911)	-	(10,554)	(1)
7060	Share of Profit or Loss of Associates and Joint Ventures Recognized under Equity Method	6(9)	(333)	-	(391)	-
7000	Total Non-operating Income and Expenses		(10,703)	-	(38,836)	(2)
7900	**Net Profit (Loss) Before Tax**		(65,360)	(3)	(66,008)	(3)
7950	Income Tax Profit (Expense)	6(29)	718	-	2,705	-
8200	**Net Loss**		($ 64,642)	(3)	($ 63,303)	(3)
	Other Comprehensive Income					
	Items that may Subsequently be Reclassified to Profit or Loss:					
8361	Exchange Differences from Translation of Financial Statements of Foreign Operating Entities		$ 53,079	2	$ 145,070	8
8300	**Other Comprehensive Profit or Loss (Net)**		$ 53,079	2	$ 145,070	8
8500	**Total Comprehensive Income**		$ 11,563)	(1)	$ 81,767	5
	Net Profit (Loss) attributable to:					
8610	Owners of Parent Company		($ 64,642)	(3)	($ 63,303)	(3)
	Total Comprehensive Income Attributable to:					
8710	Owners of Parent Company		$ 11,563)	(1)	$ 81,767	5
	Loss Per Share	6(30)				
9750	Basic		($ 0.43)		($ 0.41)	

Please refer to the accompanying Notes to the Consolidated Financial Statements which are part of the consolidated financial report.

Chairman: Shih, Jui Pin　　Manager: Shih, Jui Pin　　Accounting Supervisor: Ho, Mei Hsiu

Airmate (Cayman) International Co Limited and Subsidiaries
Consolidated Statement of Changes in Equity
January 1 to March 31, 2025 and 2024

Unit: NT$ Thousands

		Equities Attributable to Owners of Parent Company						
				Retained Earnings				
	Note	Common Stock	Capital Surplus	Legal Reserve	Special Reserve	Undistributed Earnings	Exchange Differences from Translation of Financial Statements of Foreign Operating Entities	Total Equity
January 1 to March 31, 2024								
Balance on January 1, 2024		$ 1,528,2	$ 1,217,656	$ 117,657	$ 278,317	$ 294,249	($ 351,243)	$ 3,084,853
Net Profit of the Current Period		-	-	-	-	(63,303)	-	(63,303)
Other Comprehensive Income of the Current Period		-	-	-	-	-	145,070	145,070
Total Comprehensive Income		-	-	-	-	(63,303)	145,070	81,767
Distribution of 2023 Retained Earnings:								
Cash Dividends for Ordinary Shares	6(23)	-	-	-	-	(45,847)	-	(45,847)
Balance on March 31, 2024		$ 1,528,2	$ 1,217,656	$ 117,657	$ 278,317	$ 185,099	($ 206,173)	$ 3,120,773
January 1 to March 31, 2025								
Balance on January 1, 2025		$ 1,498,2	$ 1,198,630	$ 120,328	$ 351,243	$ 15,137	($ 236,476)	$ 2,947,079
Net Loss of the Current Period		-	-	-	-	(64,642)	-	(64,642)
Other Comprehensive Income of the Current Period		-	-	-	-	-	53,079	53,079
Total Comprehensive Income		-	-	-	-	(64,642)	53,079	(11,563)
Balance on March 31, 2025		$ 1,498,2	$ 1,198,630	$ 120,328	$ 351,243	($ 49,505)	($ 183,397)	$ 2,935,516

Please refer to the accompanying Notes to the Consolidated Financial Statements which are part of the consolidated financial report.

Chairman: Shih, Jui Pin Manager: Shih, Jui Pin Accounting Supervisor: Ho, Mei Hsiu

Airmate (Cayman) International Co Limited and Subsidiaries
Consolidated Statement of Cash Flows
January 1 to March 31, 2025 and 2024
(Reviewed but not audited in accordance with the auditing standards)

Unit: NT$ Thousands

	Note	January 1 to March 31, 2025	January 1 to March 31, 2024
Cash Flows from Operating Activities			
Net Profit (Loss) Before Tax for the Current Period		($ 65,360)	($ 66,008)
Adjustment Items:			
Revenue and Expense Items			
Expected Credit Loss (Gain)	12(2)	7,605	(4,974)
Depreciation Expense	6(10)(11)(12)(12)(27)	64,008	78,369
Amortization Expense	6(13)(27)	2,371	891
Interest Expense	6(15)	11,911	10,554
Interest Income		(4,952)	(3,429)
Share of Profit or Loss of Associates and Joint Ventures Recognized under Equity Method	6(9)	333	391
Net gain on financial assets measured at fair value through profit or loss	6(26)	(30)	5
Gains on disposal of property, plant and equipment	6(26)	80	(84)
Gain on disposal of assets		3,471	2,713
Unrealized Sales Profit	6(9)	(2,565)	(2,421)
Realized Sales Profit	6(9)	(724)	2,955
Unrealized gain on foreign currency exchange		627)	(606)
Amortization of Long-term Deferred Income	6(20)(25)	(2,371	891
Net Changes in Assets related to Operating Activities		11,911	10,554
Financial Assets at Fair Value through Profit or Loss		4,952)	(3,429)
Net Amount of Notes Receivable		(14,961)	46,901
Net Amount of Accounts Receivable		(426,860)	(270,919)
Other Receivables		(1,028)	(347)
Inventories		67,581	(6,158)
Advance Payment		52,034	47,491
Other current assets — other		22,609	(12,240)
Net Changes in Liabilities related to Operating Activities			
Contract liabilities — current		(162,863)	(55,090)
Notes Payable		(230,249)	(171,384)
Accounts Payable		(59,872)	(154,254)
Other Payables		50,775	(35,818)
Provision - Current		(7,466)	9,487
Refund Liabilities - Current		(41,628)	(9,818)
Other Current Liabilities - Others		13,724	(14,939)
Net Defined Benefit Liabilities - Non-current		972	2,104
Cash Outflow Generated from Operations		(721,711)	(606,628)
Interest Received		4,952	3,507
Interest Paid		(11,726)	(9,861)
Income Tax (Paid)Acquired		(822)	(500)
Net Cash Outflow from Operating Activities		(729,307)	(613,482)

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	Note	January 1 to March 31, 2025	January 1 to March 31, 2024
Cash Flows from Investment Activities			-
Current financial assets at fair value through profit or loss		($ 36,150)	$ -
Disposal of financial assets at fair value through profit or loss - current		-	102
Acquisition of Financial Assets at Amortized Cost		(283,537)	(289,060)
Disposal of Financial Assets at Amortized Cost		507,857	247,297
Acquisition of Property, Plant and Equipment		(18,121)	(15,873)
Increase in Advance Payments for Equipment	6(10)	(69,110)	(34,808)
Disposal of Property, Plant, and Equipment		-	84
Acquisition of Intangible Assets	6(13)	-	(1,388)
Other Non-current Assets - Other Increase		36	(539)
Net Cash Outflow from Investment Activities		100,975	(94,185)
Cash Flows from Financing Activities			
Proceeds from Short-term Loans	6(32)	692,729	804,636
Repayment of Short-term Loans	6(32)	(288,116)	(284,444)
Deposit margin increase	6(32)	1,676	10,361
Net cash inflow from financing activities		406,289	530,553
Effect of Exchange Rate Changes on Cash and Cash Equivalents		(5,207)	101,719
Decrease in Cash and Cash Equivalents in the Current Period		(227,250)	(75,395)
Cash and Cash Equivalents at Beginning of the Current Period	6(1)	748,438	671,369
Cash and Cash Equivalents at End of the Current Period	6(1)	$ 521,188	$ 595,974

Please refer to the accompanying Notes to the Consolidated Financial Statements which are part of the consolidated financial report.

Chairman: Shih, Jui Pin Manager: Shih, Jui Pin Accounting Supervisor: Ho, Mei Hsiu

Airmate (Cayman) International Co Limited and Subsidiaries
Notes to Consolidated Financial Statements
Quarter 1 of 2025 and 2024

Unit: NT$ Thousands
(Unless otherwise specified)

I. Overview

Airmate (Cayman) International Co Limited (hereinafter referred to as the "Company") is an overseas holding company incorporated in the British Cayman Islands in March 2004. The main business of the Company and its subsidiaries (hereinafter collectively referred to as the "Group") is the manufacture of household appliances and precision mold treatment. The shares of the Company were officially listed and traded on the Taiwan Stock Exchange since March 21, 2013.

II. Date and Procedures for the Approval of Financial Statements

This consolidated financial report has been issued upon approval by the Board of Directors on May 9, 2025.

III. Application of New Publication and Amendments of Guidelines and Interpretations

(I) The impact of the newly issued or revised International Financial Reporting Standards adopted and effective, as approved and published by the Financial Supervisory Commission (FSC)

The following table summarizes the new, revised, and amended International Financial Reporting Standards and Interpretations that are applicable for the year 2025, as approved and published by the Financial Supervisory Commission (FSC):

Newly issued/amended/revised standards and interpretations	Effective date issued by the International Accounting Standards Board
Amendment to IAS 21 "Lack of Convertibility"	January 1, 2025

The Group has assessed that the above Standards and Interpretations have no material impact on the financial position and financial performance of the Group.

(II) Impact of Yet to Adopt Newly Issued and Revised IFRSs approved by FSC

The following table summarizes the Standards and Interpretations for New Issuance, Amendments and Revisions to the International Financial Reporting Standards issued by the IASB but yet to be approved by the FSC:

New, Revised and Amended Standards or Interpretations	International Accounting Standards Board effective date of issue
Proposed amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments "	January 1, 2026

(III) Impact of International Financial Reporting Standards issued by the International Accounting Standards Board ("IASB") but Yet to be Approved by the FSC

The following table summarizes the Standards and Interpretations for New Issuance, Amendments and Revisions to the International Financial Reporting Standards issued by the

IASB but yet to be approved by the FSC:

New, Revised and Amended Standards or Interpretations	International Accounting Standards Board effective date of issue
Proposed amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments ”	January 1, 2026
Proposed amendments to IFRS 9 and IFRS 7 “Contracts involving natural 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 the International Accounting Standards Board
IFRS 17 (Insurance Contracts)	January 1, 2023
Amendments to IFRS 17 (Insurance Contracts)	January 1, 2023
Amendments 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, ‘Updating the Subsidiaries without Public Accountability: Disclosures Standard”	January 1, 2027
Annual Improvements to IFRS Accounting Standards-Volume 11	January 1, 2026

Except for the relevant impact of the following standards that have yet to be assessed, the Group has assessed that the above standards and interpretations have no significant impact on the Group's financial position and financial performance:

1. Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments"

Updated: Equity instruments designated as fair value through other comprehensive profit or loss (FVOCI) through an irrevocable election should disclose their fair value on a per-category basis and no longer need to disclose their fair value information on a per-subject basis. In addition, the amount of fair value gains and losses recognized in other comprehensive profits and losses during the reporting period should be disclosed, and the amount of fair value gains and losses related to investments excluded during the reporting period and the fair value gains and losses related to investments still held at the end of the reporting period should be separately presented. Amounts of value gains and losses; and accumulated gains and losses that were removed from investments during the reporting period and transferred to equity during the reporting period.

2. IFRS 18 "Presentation and Disclosure of Financial Statements"

IFRS 18 "Presentation and Disclosures in Financial Statements" replaces IFRS 1 and updates the structure of the consolidated income statement, adds disclosures on management performance measurement, and strengthens the summary applied to the main financial statements and notes, and segmentation principles.

IV. Summary Description of Material Accounting Policies

For material accounting policies, in addition to the following explanations of the compliance declaration, the basis of preparation, the basis of consolidation and the additional sections, the rest are the same as Note 4 of the Consolidated Financial Statements in 2024. Unless otherwise stated, these policies apply consistently throughout the reporting period.

(I) Compliance Declaration

1. The Consolidated Financial Statements are prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Accounting Standards No. 34 "Interim Financial Reporting" recognized and issued by the Financial Supervisory Commission.
2. The Consolidated Financial Statements should be read together with the Consolidated Financial Statements in 2024.

(II) Basis of Preparation

1. Except for the following important items, this consolidated financial report is prepared at historical cost:
   (1) Financial assets and liabilities (including derivatives) measured at fair value through profit or loss at fair value.
   (2) Financial assets measured at fair value through other comprehensive profit or loss measured at fair value.
   (3) Defined benefit liabilities recognized on the basis of net present value of retirement fund assets less defined benefit obligations.
2. The preparation of financial statements in accordance with the International Financial Reporting Standards, International Accounting Standards, Interpretations developed by the International Financial Reporting Interpretations Committee or the former Standing Interpretations Committee (hereinafter referred to as "IFRSs"), as approved and published by FSC requires the use of a number of significant accounting estimates and the Management's judgment in the application of the Group's accounting policies, and involve a high degree of judgment or complex items, or items involving material assumptions and estimates in the Consolidated Financial Statements, as detailed in Note 5.

(III) Basis of Consolidation

1. Preparation Principle of Consolidated Financial Reports

   The principle of preparation ofthe Consolidated Financial Statements should be the same as the Consolidated Financial Statements in 2024.
2. Subsidiaries included in the consolidated financial report:

			Percentage of shareholding			
Name of Investor	Name of Subsidiary	Nature of Business	March 31, 2025	December 31, 2024	March 31, 2024	Explanation
The Company	Airmate International Holdings Limited (abbreviated as "Airmate International")	Overseas holding company	100%	100%	100%	
Airmate International	Airmate China International Co., Ltd. (abbreviated as Airmate China)	Overseas holding company	100%	100%	100%	
Airmate China	Waon Development Limited (abbreviated as Waon Company)	Trade business	100%	100%	100%	

Waon Company	Airmate Electric (Shenzhen) Co., Ltd. (abbreviated as Shenzhen Airmate)	Production and sale of household appliances and processing of precision mold	100%	100%	100%	
Waon Company	Airmate Electric (Hongkong) Co., Ltd. (abbreviated as HongkongAirmate)	Sales of household appliances	100%	100%	-	Note 1
Waon Company/Shenzhen Airmate	Airmate Electrical Appliances (Jiujiang) Co., Limited (abbreviated as "JiujiangAirmate")	Production and sale of household appliances and processing of precision mold	100%	100%	100%	Note 2
Shenzhen Airmate	Airmate Technology (Shenzhen) Co., Limited (abbreviated as "Airmate Technology")	Sales, research and development of household appliances	100%	100%	100%	
Shenzhen Airmate	Airmate e-Commerce (Shenzhen) Co., Ltd. (abbreviated as "Airmatee-Commerce")	Sales of household appliances	100%	100%	100%	
Shenzhen Airmate	Material Technology (Foshan) Co., Ltd. (hereinafter referred to as Material Technology)	Sales of household appliances	100%	100%	100%-	
Airmatee-Commerce	Xiangdao Technology (Shenzhen) Co., Ltd (hereinafter referred to as "Xiangdao Technology")	Sales of household appliances	100%	100%	100%	

Note 1: The subsidiary invested in and gained control of the newly established company during August 27,2024.

Note 2: Waon Company and Shenzhen Airmate respectively reinvested in JiujiangAirmate, holding 90% and 10% of equity interests.

3. Subsidiaries not included in the Consolidated Financial Report: Nil.
4. Different accounting adjustment and treatment modes by subsidiaries during the accounting period: Nil.
5. Material limitation: Nil.
6. Non-controlling interests in subsidiaries that are material to the Group: Nil.

(IV) Financial Assets Measured at Fair Value through Profit or Loss

1. Refers to financial assets that are not measured at amortized cost or fair value through other comprehensive income.

2. The Group adopts trade date accounting for financial assets measured at fair value through profit or loss in regular transactions.

3. The Group measures assets at fair value when initially recognized, with related transaction costs recognized in profit or loss. Any subsequent measurement at fair value is recognized in profit or loss.

(V) Employee benefits

Pension cost for an interim period is calculated on a year-to-date basis by using the actuarially determinedpension cost rate at the end of the prior financial year. If there are significant market changes, significant reductions, liquidations, or other significant one-time events after the end of the period, they will be adjusted. Relevant information will be disclosed in accordance with the aforementioned policies.

(VI) Income Tax

The income tax expense for the interim period is calculated by applying the estimated annual average effective tax rate to the pre-tax profit of the interim period. Relevant information is disclosed in accordance with the aforementioned policies.

V. Primary Sources of Uncertainties in Material Accounting Judgments, Estimates, and Assumptions

There are no significant changes in the current period. Please refer to Note 5 of the Consolidated Financial Statements in 2024.

VI. Description of Important Accounting Items

(I) Cash and Cash Equivalents

	March 31, 2025	December 31, 2024	March 31, 2024
Cash On Hand	$ 1,538	$ 1,549	$ 1,193
Cheques and Demand Deposits	497,115	669,373	594,781
Fixed term deposit (Note)	22,535	77,516	-
	$ 521,188	$ 748,438	$ 595,974

Note: Electronic payment deposit.

1. The financial institutions with which the Group engages has good credit quality, and the Group engages in transactions with a number of financial institutions to diversify credit risk. The likelihood of default is very low.
2. The Group does not provide cash and cash equivalents as pledge guarantee.

(II) Financial Assets and Liabilities at Fair Value through Profit or Loss

Items	March 31, 2025	December 31, 2024	March 31, 2024
Financial assets at fair value through profit or loss - current:			

Wealth management products			
Derivatives -	$ 37,033	$ -	$ -
Held for trading financial liabilities - current:			
Forward exchange agreement	$ -	$ -	$ 109

1. Please refer to Note 6 (26) Other gains and losses for the amount of financial assets at fair value through profit or loss recognized in profit or loss.
2. The transactions and contractual information of derivative financial assets not subject to hedge accounting undertaken by the Group are as follows:

	March 31, 2024			
	Contract amount (NTD thousand)		Explanation	Maturity period
Buy forward foreign exchange	USD$	3,000	USD to CNY	2024.04

The option contracts and forward foreign exchange transactions entered into by the Group are to avoid the exchange rate risk which the operating activities are exposed to, the hence hedging accounting is not applied.

There was no such incident on March 31, 2025 and December 31, 2024.

3. The Group does not provide any financial assets measured at fair value through profit or loss as pledge guarantee.
4. Please refer to Note 12(2) for information on the credit risk of financial assets measured at fair value through profit or loss.

(III) Financial Assets at Amortized Cost

	March 31 ,2025	December 31, 2024	March 31, 2024
Current items:			
Reimbursement accounts and pledged time deposits	$ 495,293	$ 712,560	$ 426,528

1. Interest income recognized on financial assets measured at amortized cost is recorded under interest income.
2. Without taking into account the collateral or other credit enhancements held, the financial assets at amortized cost that best represents the Group at the maximum exposure to credit risk were NTD495,293, NTD712,560 and NTD426,528 on March 31, 2025, December 31 and March 31, 2024, respectively.
3. Please refer to Note 8 for the conditions of the provision of financial assets measured at amortised cost as pledge guarantees for details.
4. Please refer to Note 12(2) for information on the credit risk of financial assets measured

at amortized cost.

(IV) Notes receivable and accounts receivable

	March 31 ,2025	December 31, 2024	March 31, 2024
Notes Receivable	$ 743,166	$ 606,534	$ 796,822
Less: Discount on notes receivable	(174,046)	(148,981)	(238,452)
Notes receivable transfer	(86,492)	-	(90,673)
Notes receivable discounted	-	-	-
Net Amount of Notes Receivable	482,628	457,553	467,697
Notes receivable - related parties	2,775	5,839	22,805
	$ 485,403	$ 463,392	$ 490,502
Accounts Receivable	$ 1,452,697	$ 1,014,632	$ 1,267,912
Lease payments receivable	61,253	62,616	60,855
Less: Provision	(42,883)	(34,632)	(38,991)
Net Amount of Accounts Receivable	1,471,067	1,042,616	1,289,776
Accounts receivable - related parties	15,453	4,785	6,557
	$ 1,486,520	$ 1,047,401	$ 1,296,333

Please refer to Note 6 (11) Lease Transaction for the explanation of lease payments receivable and please refer to Note 7 for information on related party transaction.

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

	March 31, 2025		December 31, 2024		March 31, 2024	
	Notes Receivable	Accounts Receivable	Notes Receivable	Accounts Receivable	Notes Receivable	Accounts Receivable
Not Overdue	$ 485,403	$1,136,662	$ 463,392	$ 721,725	$ 490,502	$1,090,980
Due date:						
Within 30 days	-	87,746	-	129,813	-	56,715
31～60 days	-	165,103	-	138,464	-	131,799
61～90 days	-	52,094	-	19,994	-	17,548
91～180 days	-	28,265	-	24,570	-	4,895
181～270 days	-	12,857	-	14,180	-	84
271～365 days	-	14,431	-	1,257	-	138
More than 366 days	-	32,245	-	32,030	-	33,165
	$ 485,403	$1,529,403	$ 463,392	$1,082,033	$ 490,502	$1,335,324

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

2. The balances of accounts and notes receivable as of March 31, 2025, December 31,

2024and March 31, 2024 were generated from customer contracts, and the balance of accounts receivable under customer contracts as of January 1, 2024 was NTD 1,537,524.

3. The bills receivable transferred by the Group are all bank acceptance bills given by the customer. According to a FAQ issued by Securities and Futures Bureau on December 26, 2018, "Whether the transfer of notes receivable in Mainland China can be derecognized?", assess the credit rating of the accepting bank that received the banker's acceptance. Banker's acceptances with a higher credit rating of the accepting bank usually have less credit risk and late payment risk. The main risk associated with a banker's acceptance is interest rate risk, and interest rate risk has been transferred with an endorsement of notes. It is able to judge that almost all risks and rewards of ownership of banker's acceptances have been transferred. Therefore, the endorsement of the banker's acceptance transferred to the supplier is eligible for derecognition. The discounted and transferred notes are reported as a deduction for notes receivable.
4. Without taking into account the collateral or other credit enhancements held, the accounts and notes receivable that best represents the Group at the maximum exposure to credit risk were NTD 1,971,923, NTD 1,510,793 and NTD 1,786,835 as at March 31, 2025, December 31, 2024 and March 31, 2024, respectively.
5. As at March 31, 2024 , the Group had financial assets measured at fair value through other comprehensive income in projected sales receivables of NTD 73.There was no such incident on December 31, 2024 and March 31, 2025.
6. For aging analysis and credit risk information of accounts and notes receivable, please refer to Note 12, (2) for details.
7. The Group does not provide any notes and accounts receivable as pledge guarantees.

(V) Other Receivables

	March 31, 2025	December 31, 2024	March 31, 2024
Other receivables - collections	$ 94,167	$ 92,825	$ 116,624
Subsidy receivable (Note)	9,962	9,836	-
Other receivables - others	19,464	18,169	23,648
	123,593	120,830	140,272
Less: Provision	(94,167)	(92,825)	(116,624)
	$ 29,426	$ 28,005	$ 23,648

Note: On November 7, 2024, the board of directors resolved to provide a loan of US$700,000 through its subsidiary, Waon Development Co., Ltd. The loan period is from December 1, 2024 to November 30, 2025, with a monthly interest rate of 0.583‰, and mortgage guarantees are provided by the person in charge of the borrowing company and the real estate held. In addition, the two parties agreed to allocate funds in installments according to the actual funding needs of the borrower, and the funds will be used for specific purposes.

(VI) Inventories

March 31, 2025

	Cost	Provision for loss on valuation	at the end of the period
Raw materials	$ 575,975	($ 78,540)	$ 497,435
Work-in-process	397,865	(27,246)	370,619
Finished product	1,800,990	(201,479)	1,599,511
	$ 2,774,830	($ 307,265)	$ 2,467,565

	December 31, 2024		
	Cost	Provision for loss on valuation	at the end of the period
Raw materials	$ 546,344	($ 73,311)	$ 473,033
Work-in-process	321,483	(18,588)	302,895
Finished product	1,938,206	(212,517)	1,725,689
	$ 2,806,033	($ 304,416)	$ 2,501,617

	March 31, 2024		
	Cost	Provision for loss on valuation	at the end of the period
Raw materials	$ 585,516	($ 54,324)	$ 531,192
Work-in-process	404,757	(23,570)	381,187
Finished product	1,513,013	(177,477)	1,335,536
	$ 2,503,286	($ 255,371)	$ 2,247,915

1. Inventory cost recognized as expenses by the Group in the current period:

	January 1 to March 31, 2025	January 1 to March 31, 2024
Cost of inventories sold	$ 1,687,822	$ 1,451,406
Loss on valuation (recovery gain)	(1,515)	(5,395)
Others	5,448	5,347
	$ 1,691,755	$ 1,451,358

2. Recovery of the net realisable value of inventories due to de-stocking of inventories originally provided as inventory valuation loss is recognized as decrease in costs of goods sold fromJanuary 1 to March 31, 2025 and 2024.

(VII) Advance Payment

	March 31, 2025	December 31, 2024	March 31, 2024
Prepayment	$ 32,276	$ 46,243	$ 24,712
Prepaid Expenses	56,230	64,971	44,413
Retained tax amount	173,260	199,611	94,387
	$ 261,766	$ 310,825	$ 163,512

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

Items	March 31, 2025		December 31, 2024		March 31, 2024	
Non-current items:						
Equity instruments						
Stocks from unlisted companies	$	2,498	$	2,462	$	2,435
Valuation adjustments		-		-		-
	$	2,498	$	2,462	$	2,435

1. The Group has chosen to classify its investments in stocks from unlisted companies, which are strategic investments, as financial assets measured at fair value through other comprehensive income. The fair value of these investments wasNTD 2,498,NTD 2,462 andNTD 2,435 on March 31, 2025, and on December 31 and March 31,2024.
2. Without taking into account the collateral or other credit enhancements held, the financial assets at fair value through other comprehensive income that best represents the Group at the maximum exposure to credit risk and was NTD 2,498,NTD 2,462 and NTD 2,435on March31,2025, and on December 31and March 31, 2024.
3. The Group did not provide any financial assets measured at fair value through other comprehensive income as pledge guarantee.
4. Please refer to Note 12(2) for information on the credit risk of financial assets measured at fair value through other comprehensive income.

(IX) Investments Accounted for Using the Equity Method

	January 1 to March 31, 2025		January 1 to March 31, 2024	
1 January	$	36,112	$	34,381
Share of Investments Accounted for Using the Equity Method	(	333)	(	391)
Net Unrealized Profit and Loss from the Sidestream Transactions Arising from Sales	(	906)	(	292)
Net exchange differences		493		1,362
March 31	$	35,366	$	35,060

Associates in which the Group adopts equity method are individual non-material ones, whose financial information was as follows:

	March 31, 2025	December 31, 2024	March 31, 2024

The book amount of equity at the end of the current period of individual non-material associates	$ 35,366	$ 36,112	$ 35,060

	January 1 to March 31, 2025	January 1 to March 31, 2024
Share attributable to the Consolidated Company:		
Total comprehensive revenue amount of continuous operation units	($ 333)	($ 391)

1. The Group holds 40% of the shares of Zhejiang AirmateElectric Sales Co., Ltd. (hereinafter referred to as Zhejiang AirmateCompany). Because other single major shareholders (not related parties) hold 60% of the shares, it shows that the Group has no actual ability to lead related activities, so it is judged that it has no control over the company and only has a significant impact.

2. The realized (unrealized) gross profit from the sidestream transactions of the Group from January 1 to March 31, 2025 and 2024 arising from the sales to the associates company Zhejiang Airmate Company are as follows:

	January 1 to March 31, 2025	January 1 to March 31, 2024
Unrealized gross profit from sidestream sales	($ 3,471)	($ 2,713)
Realized gross profit from sidestream sales	2,565	2,421
	($ 906)	($ 292)

3. The Group does not provide any investment using the equity method as pledge guarantee.

(X) Property, Plant and Equipment

	Houses and Buildings: For personal use	Houses and Buildings: For lease	Houses and Buildings: Subtotal	Machinery and Equipment	Transportation Facilities	Office Equipment	Other Equipment	Unfinished works and equipment to be inspected	Total
January 1, 2025									
Cost	$2,640,222	$ 170,024	$2,810,246	$ 670,517	$ 49,640	$ 194,715	$2,440,409	$ 8,137	$6,173,664
Accumulated depreciation and impairment	(569,496)	(92,095)	(661,591)	(601,776)	(38,163)	(170,684)	(2,201,402)	-	(3,673,616)
	$2,070,726	$ 77,929	$2,148,655	$ 68,741	$ 11,477	$ 24,031	$ 239,007	$ 8,137	$2,500,048
2025									
January 1	$2,070,726	$ 77,929	$2,148,655	$ 68,741	$ 11,477	$ 24,031	$ 239,007	$ 8,137	$2,500,048
Additions	7,205	-	7,205	661	66	523	11,742	(2,076)	18,121
Reclassification	-	-	-	-	-	187	14,375	-	14,562
Depreciation Expense	(17,657)	(1,133)	(18,790)	(8,439)	(796)	(2,404)	(32,249)	-	(62,678)
Disposal – Cost	-	-	-	(2,150)	-	-	(263)	-	(2,413)
Disposal – Accumulated Depreciation	-	-	-	2,150	-	-	183	-	2,333
Net exchange differences	29,672	1,099	30,771	806	149	296	3,307	69	35,398
March 31	$2,089,946	$ 77,895	$2,167,841	$ 61,769	$ 10,896	$ 22,633	$ 236,102	$ 6,130	$2,505,371
March 31, 2025									
Cost	$2,685,700	$ 172,481	$2,858,181	$ 683,040	$ 50,421	$ 198,220	$2,210,346	$ 6,130	$6,006,338
Accumulated depreciation and impairment	(595,754)	(94,586)	(690,340)	(621,271)	(39,525)	(175,587)	(1,974,244)	-	(3,500,967)
	$2,089,946	$ 77,895	$2,167,841	$ 61,769	$ 10,896	$ 22,633	$ 236,102	$ 6,130	$2,505,371

	Houses and Buildings								
	For personal use	For lease	Subtotal	Machinery and Equipment	Transportation Facilities	Office Equipment	Other Equipment	Unfinished works and equipment to be inspected	Total
January 1, 2024									
Cost	$2,527,173	$ 139,604	$2,666,777	$ 696,563	$ 50,388	$ 220,101	$2,299,747	$ 18,516	$5,952,092
Accumulated depreciation and impairment	(486,856)	(72,175)	(559,031)	(572,736)	(38,576)	(197,465)	(2,062,487)	-	(3,430,295)
	$2,040,317	$ 67,429	$2,107,746	$ 123,827	$ 11,812	$ 22,636	$ 237,260	$ 18,516	$2,521,797
2024									
January 1	$2,040,317	$ 67,429	$2,107,746	$ 123,827	$ 11,812	$ 22,636	$ 237,260	$ 18,516	$2,521,797
Additions	13,498	-	13,498	689	-	1,549	5,092	(4,955)	15,873
Reclassification (Note)	-	-	-	-	-	229	1,049	(535)	743
Depreciation Expense	(17,313)	(945)	(18,258)	(16,444)	(845)	(2,376)	(39,161)	-	(77,084)
Disposal – Cost	-	-	-	-	-	(9)	(1,337)	-	(1,346)
Disposal – Accumulated Depreciation	-	-	-	-	-	9	1,337	-	1,346
Net exchange differences	82,006	2,684	84,690	4,483	448	893	8,500	572	99,586
March 31	$2,118,508	$ 69,168	$2,187,676	$ 112,555	$ 11,415	$ 22,931	$ 212,740	$ 13,598	$2,560,915
March 31, 2024									
Cost	$2,642,159	$ 145,224	$2,787,383	$ 699,465	$ 51,774	$ 189,187	$2,359,179	$ 13,598	$6,100,586
Accumulated depreciation and impairment	(523,651)	(76,056)	(599,707)	(586,910)	(40,359)	(166,256)	(2,146,439)	-	(3,539,671)
	$2,118,508	$ 69,168	$2,187,676	$ 112,555	$ 11,415	$ 22,931	$ 212,740	$ 13,598	$2,560,915

Note: Mainly due to the transfer of prepaid equipment and investment properties; please also refer to Note 6 (11) for detailed description of investment properties.

1. There is no capitalisation of borrowing cost for the Group's property, plant and equipment from January 1 to March 31, 2025 and 2024.
2. The significant components of the Group's houses and buildings include the building and its ancillary works. The buildings are depreciated on a 35-year and 50-year basis respectively while the ancillary works are depreciated on a 10-year and 35-year basis respectively.
3. For the information on guarantees in the form of property, plant and equipment provided by the Group, refer to Note 8 for details.

(XI) Lease Transaction

1. Lessee

(1) The Group has signed contracts with Shenzhen Land Resources Bureau and Administrative Bureau of House Property Baoan Branch respectively to acquire land in the Huangfengling Industrial Zone for the construction of plants and employee dormitories. The term of the lease contract commence from year 2001 to 2051 for a total of 50 years; and with the Land and Resources Bureau of Jiujiang Municipality to acquire the target plant and its land use right of Jiujiang Economic and Technological Development Zone for the construction of target plants and employee dormitories. The term of the lease contract commence from year 2020 to 2070 for a total of 50 years. Also, the land obtained from the local Hong Kong Land Registry and used as office space is at the Fortress Tower on King's Road, North Point, Hong Kong. The term of the lease contract commence from year 1976 to 2051 for a total of 75 years.

(2) Changes in the Group's right-of-use assets in 2025 and January 1 to March 31, 2024 are as follows:

	Land use right	
	2025	2024
January 1	$ 200,792	$ 195,611
Depreciation Expense	(1,264)	(1,221)
Net exchange differences	2,844	7,840
March 31	$ 202,372	$ 202,230

(3) The depreciation details for the right to use assets are as follows:

	January 1 to March 31, 2025	January 1 to March 31, 2024
Operating Cost	$ 296	$ 286
Operating Expenses	968	935
	$ 1,264	$ 1,221

(4) The information on the profit and loss items and total cash outflow from lease in relation to lease contracts are as follows:

	January 1 to March 31, 2025	January 1 to March 31, 2024
Items that affect the profit and loss of the current period		
Expenses attributable to short-term lease contracts	$ 4,483	$ 4,345
Expenses attributable to the lease of low-value assets	48	32
Total cash outflow from lease	$ 4,531	$ 4,377

(5) For the information on guarantees in the form of the right-of-use assets, refer to Note 8 for details.

2. Lessor

(1) The leased assets of the Group include land use rights and buildings. The lease contracts usually range from 2 years to 11 years. They are individually negotiated, containing various terms and conditions.

(2) From January 1 to March 31, 2025, and 2024, the Group recognized hire income of NTD26,678 and NTD25,493, respectively, based on the operating lease contracts. There were no changes in lease payments.

(3) The lease payments analyzed at maturity for the operating leases leased by the Group are as follows:

	March 31, 2025	December 31, 2024	March 31, 2024
Within 1 year	$ 100,055	$ 99,088	$ 78,758
More than 1 year but not exceeding 2 years	106,722	102,243	54,045
More than 2 years but not exceeding 3 years	106,005	103,343	53,731
More than 3 years but not exceeding 4 years	68,429	78,446	52,928
More than 4 years but not exceeding 5 years	60,875	58,354	53,235
More than 5 years	197,536	207,083	246,524
	$ 639,622	$ 648,557	$ 539,221

(4) The Group's lease receivables were not overdue and the amount of credit risk loss incurred was assessed to be insignificant.

(XII) Investment properties

	Right-of-use assets - land	
	2025	2024
January 1	$ 8,843	$ 8,664
Depreciation Expense	(66)	(64)
Net exchange differences	126	347
March 31	$ 8,903	$ 8,947

The investment properties held by the Group are state-owned construction land use rights and buildings located in Shiyan Street (Haigu Science and Technology Building), Bao 'an District, Shenzhen, China. The fair values of the investment properties on December 31, 2024 and December 31, 2023 are RMB590,974 thousand (converted as NTD 2,733,392) and RMB602,635 thousand (converted as NTD 2,787,325), respectively, based on the evaluation results of independent evaluation experts, which are assessed by reference to the comparison method and income method recently adopted for similar real estate, and are fair values at the third level. On March 31, 2025, and March 31, 2024, there were no significant changes in fair value compared to December 31, 2024, and December 31, 2023.

(XIII) Intangible Assets

	2025		
	Computer Software and Network Engineering	Golf license	Total
January 1			
Cost	$ 157,127	$ 22,043	$ 179,170
Accumulated amortization and impairment	(139,454)	(19,661)	(159,115)
	$ 17,673	$ 2,382	$ 20,055
January 1	$ 17,673	$ 2,382	$ 20,055
Amortization Expense	(2,309)	(62)	(2,371)
Net exchange differences	201	33	234
March 31	$ 15,565	$ 2,353	$ 17,918
March 31			
Cost	$ 159,398	$ 22,362	$ 181,760
Accumulated amortization and impairment	(143,833)	(20,009)	(163,842)
	$ 15,565	$ 2,353	$ 17,918

	2024		
	Computer Software and Network Engineering	Golf license	Total
January 1			
Cost	$ 132,387	$ 18,577	$ 150,964
Accumulated amortization and impairment	(126,585)	(18,577)	(145,162)
	$ 5,802	$ -	$ 5,802
January 1	$ 5,802	$ -	$ 5,802
Additions	1,388	-	1,388
Reclassification (Note)	10,792	-	10,792
Amortization Expense	(891)	-	(891)
Net exchange differences	592	-	592
March 31	$ 17,683	$ -	$ 17,683
March 31			
Cost	$ 150,283	$ 18,577	$ 168,860
Accumulated amortization and impairment	(132,600)	(18,577)	(151,177)
	$ 17,683	$ -	$ 17,683

Note: From transfer of prepaid expenses.

1. Details on the amortization of intangible assets are as follows:

	January 1 to March 31, 2025	January 1 to March 31, 2024
Operating Cost	$ 39	$ 130
Operating Expenses	2,332	761
	$ 2,371	$ 891

2. The Group does not provide any intangible asset as pledge guarantee.

(XIV) Other non-current assets

	March 31, 2025	December 31, 2024	March 31, 2024
Advance payment for equipment	$ 164,890	$ 107,502	$ 112,825
Refundable Deposits	19,612	19,226	24,062
Others	1,808	1,927	1,499
	$ 186,310	$ 128,655	$ 138,386

For details on payment of security deposits as pledge guarantee, please refer to Note 8.

(XV) Short-term loans

	March 31, 2025	December 31, 2024	March 31, 2024
Bank loans			
Unsecured loans	$ 734,208	$ 501,273	$ 670,794
Secured loans	503,128	336,177	412,831
	$ 1,237,336	$ 837,450	$ 1,083,625
Unutilised line of credit	$ 1,438,419	$ 1,737,815	$ 2,000,903
Interest range	2.41%～5.32%	2.88%～6.23%	3.35%～6.34%

1. Interest expense recognized in profit or loss from January 1 to March 31, 2025 and 2024 was NTD11,911and NTD10,554, respectively.
2. Please refer to Note 8 for details of collateral for bank loans.

(XVI) Notes Payable

1. As on March 31, 2025, December 31, and March 31, 2024, the Group's notes payable with guarantees or commitments from financial institutions were NTD1,679,098, NTD1,886,536 and NTD1,391,209, respectively.
2. Please refer to Note 8 for details of collateral for notes payable.

(XVII) Other Payables

	March 31, 2025	December 31, 2024	March 31, 2024

Payable contribution expense	$ 501,933	$ 501,950	$ 410,902
Payables for salary and incentives	192,135	135,964	195,705
Payable transportation expense	55,875	48,368	44,359
Payable tax	16,205	16,059	25,762
Discounted notes receivable	5,782	-	-
Compensation payable to directors	4,580	4,580	5,207
Dividends Payable	-	-	45,847
Other expenses payable	30,818	32,575	49,273
Other Payables	27,258	32,699	32,825
	$ 834,586	$ 772,195	$ 809,880

(XVIII) Provision - Current (Warranty liabilities)

	2025	2024
January 1	$ 102,572	$ 54,472
Additional provisions made in the current period	13,708	18,531
Provision amounts used during the current period	(21,350)	(8,742)
Net exchange differences	1,482	2,192
March 31	$ 96,412	$ 66,453

The Group's provision for warranty liabilities is mainly related to the sale of electronic appliances by distributors in Mainland China and the export of home appliances, and is estimated based on historical warranty information for similar product transactions. The Group anticipates that most of these liabilities will incur in the year following the sale.

(XIX) Pensions

1. Defined benefit plan

(1) In accordance with the provisions of the "Labor Standards Act", the Group's Waon Company and its Taiwan Branch company have established defined benefit of retirement pension that apply to the service years of all permanent employees before the implementation of the "Labor Pension Act" on July 1, 2005, as well as to the subsequent service years that continue to apply the Labor Standards Law after the implementation of the "Labor Pension Act". If an employee meets the retirement conditions, the payment of the retirement pension is calculated based on the service years and the average salary of the 6 months before retirement. For service years within 15 years (inclusive), two base amounts are given for each full year of service, and the service years beyond 15 years, one base amount is given for each full year of service, provided that the cumulative maximum is 45 base amounts. Waon Company and its Taiwan Branch allocate 2% of the total salary to the Retirement Fund on a monthly basis. The Fund is deposited with the Bank of Taiwan in the name of the Supervisory Committee of Labor Retirement Reserve. In addition, before the end of each year, Waon Company and its Taiwan branch shall estimate the balance of the designated account for the Labor Retirement Reserve mentioned in the preceding paragraph. If the balance falls short of the amount of the retirement pension calculated according to the foregoing calculation for the employees who meet the retirement

conditions within the next year of payment, the differences shall be contributed in one payment before the end of March of the following year.

(2) The Group's anticipated contribution for retirement plans within the next one year is NT$33.

(3) From January 1 to March 31, 2025, and 2024, the Group recognized pension costs of NT$491, NT$483 under the above pension scheme, respectively.

2. Defined contribution plan

(1) The Waon Company allocates pensions to designated account of the provident fund in accordance with the Mandatory Provident Fund Schemes Ordinance of Hong Kong.

(2) The Taiwan Branch of Waon Company contributes 6% of the salary sum to the designated account for Labor Retirement Fund of the Bureau of Labor Insurance in accordance with the Labor Pension Act. The payment of the employee's retirement pension is based on the individual employee's retirement pension account and the amount of accumulated income by monthly payment or in a lump sum.

(3) Airmate Shenzhen, Airmate Jiujiang and Airmate Technology shall allocate pension insurance premiums in accordance with the pension insurance system stipulated by the Government of the People's Republic of China at a fixed rate based on the total salary of local employees every month. Retirement benefits for each employee are managed and arranged by the Government, and the Group has no further obligations other than the monthly contribution.

(4) From January 1 to March 31, 2025, and 2024, the Group recognized pension costs of NT$12,988 and NT$13,594 under the above pension scheme, respectively.

(XX) Other Non-current Liabilities

Long-term deferred income is mainly incentives for the purchase of housing tax provided by the Jiujiang Economic and Technological Development Zone Management Committee, which is amortized as other income for the period of 35 to 50 years. The changes in the current period are as follows:

	2025	2024
January 1	$ 70,988	$ 69,910
Amortization in the current period	(627)	(606)
Net exchange differences	1,012	2,794
March 31	$ 71,373	$ 72,098

The above long-term deferred income amortization is listed under "Other income", please refer to Note 6 (25).

(XXI) Share Capital

1. As of March 31, 2025, the Company had an authorized capital of NTD 2,162,500 divided into 216,250 thousand shares. The paid-up capital is NTD 1,498,217 with a nominal value of NTD 10 per share. The issued shares capital of the Company have been received.
2. The adjustment of the number of the Company ordinary shares in circulation at the beginning and end of the period are as follows:

Unit: Thousand shares

	2025	2024
January 1 (and March 31)	149,822	152,822

3. To repay loans and improve the financial structure, new shares issued through increasing cash capital are resolved by the Company’s Board of Directors on August 9, 2023. The maximum number of shares to be issued is limited to 20,000 thousand, with a par value of NT$10 per share. The actual issue price and related matters will be handled in accordance with legal regulations once the application is effectively registered with the competent authority. As of March 31, 2025, no application has been submitted to the regulatory authorities.
4. Treasury Stock

(1) The Securities and Exchange Act provides that the proportion of a company's outstanding shares that it may repurchase may not exceed 10% of the total number of shares issued by the company, and the total amount of shares repurchased may not exceed the amount of retained earnings plus the premium on the issued shares and the amount of realized capital reserves.

(2) Treasury stocks held by the Company may not be pledged in accordance with the Securities and Exchange Act, and the Company may not enjoy shareholder rights before they are transferred.

(3) Pursuant to the Securities and Exchange Act, shares repurchased for transfer to employees must be transferred within five years from the date of repurchase. If they are not transferred within the specified period, they will be deemed to be unissued shares by the company and the company must register the change to cancel the shares. For shares repurchased to protect the company's credit and shareholders' rights and interests, the change of registration and cancellation of shares should be completed within six months from the date of repurchase.

(4) In order to safeguard the company's credit and shareholders' interests, the Company repurchased 3,000,000 shares of the Company's stock between August 26 and October 9, 2024, at a total cost of $49,026. On November 7, 2024, the Board of Directors resolved to cancel 3,000,000 treasury shares, reducing the capital by $30,000. The treasury shares that were approved by the Taiwan Stock Exchange Corporation on November 14, 2024 and held on November 19 of the same year have been cancelled.

(XXII) Capital Surplus

In accordance with the Company Act, the capital surplus from the excess amount of the shares issued in excess of the par value and the capital surplus received from gifts shall be used to compensate for losses, and when the Company has no cumulative losses, it shall be distributed as new shares or cash in proportion to the original shareholding ratio of the shareholders. In addition, in accordance with the relevant provisions of the Securities and Exchange Act, when the above capital surplus is allocated to the capital, the total amount of the capital surplus shall not exceed 10% of the paid-up capital each year. The Company shall not use the capital surplus to make good its capital loss, unless the surplus reserve is insufficient to make good such loss.

The details of the Company's capital surplus are as follows:

	2025			
	Issuance premium	Overdue expiration of employee share option	Share option of convertible corporate bonds	Total
January 1 (and March 31)	$ 1,186,473	$ 7,425	$ 4,732	$ 1,198,630

	2024			
	Issuance premium	Overdue expiration of employee share option	Share option of convertible corporate bonds	Total

January 1 (and March 31)	$ 1,210,231	$ 7,425	$ -	$ 1,217,656

(XXIII) Retained Earnings

1. In accordance with the Articles of Incorporation of the Company, during the period when the Company's shares are listed for sale on a trading platform or are listed on the Stock Exchange, the Board of Directors shall, when proposing the distribution of surplus earnings, make provision for the following from the surplus earnings of each fiscal year:

   (i) Provision for the payment of the relevant tax for the fiscal year;

   (ii) Amount to offset past losses;

   (iii) 10% surplus reserve (referred to as "statutory surplus reserve" below) (unless the statutory surplus reserve has reached the paid-in capital of the Company); and

   (iv) Special Reserve as required by the securities supervisory authority in accordance with the rules on company with public issuance.

   When the Company is required to set aside special reserves by the securities supervisory authority in accordance with the rules on company with public issuance, the net amount of other equity deductions and the net increase in the fair value of investment properties held by the Company recognized in previous cumulations should set aside the same amount of special reserve as the undistributed earnings from the previous period. If it is insufficient, the amount of undistributed earnings in the current period shall be set aside by including net profit after tax plus other items other than net profit after tax in the current period.

   The dividend distribution policy of the company must consider factors such as the current and future investment environment, funding needs, industry competition, and capital budgeting, while balancing shareholder interests and long-term financial planning. The dividend payment principle is not less than 25% of the "current distributable profits" (referred to as the "dividend distribution base ratio"), distributed to shareholders according to their shareholding proportions. Dividends distributed to shareholders may be in the form of stock dividends and cash dividends, with cash dividends not less than 10% of the total dividend distribution amount. However,(i)after considering the aforementioned factors, if the board of directors deems it appropriate to adopt a conservative dividend policy for the year, dividends may be distributed to shareholders within the range of not less than 50% of the aforementioned dividend distribution base ratio, with cash dividends not less than 10% of the total dividend distribution amount; and(ii)if the "current distributable profits" are less than 5% of the issued capital, no distribution may be made, subject to resolution by the shareholders' meeting.

   "Distributable earnings in the current period" mentioned in the previous paragraph refers to the earnings for the current year, which, as per the above regulations, the earnings after paying the taxes, offsetting previous years' losses, setting aside legal reserve and special reserves and excluding the accumulated undistributed earnings from the beginning of the current period.

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

2． Legal Reserve

In accordance with provisions of the Company Act, the Company shall contribute 10% of the net profit after tax as a legal reserve until the amount of the reserve is equivalent with the total amount of capital. When there is no loss in the Company, the legal reserve will be used to issue new shares or cash upon resolution at the Shareholders' Meeting, but shall be limited to the part of the reserve that has exceeded 25% of the paid-up capital.

3． Special Reserve

The amount of interest arising out of retained earnings of cumulative translation adjustment generated due to financial statement translation of foreign operation under the item of shareholders equity by the Company when applying the exemption item in IFRS No.1 "First-time Adoption of International Financial Reporting Standards" was NTD185,271 thousand. Besides, in accordance with the provision of FSC Jin-Guan-Zheng-Fa-Zi No. 1010012865 on April 6, 2012, the same amount was recognized as a special reserve, and when relevant assets are used, handled, and re-classified, the earnings are distributed according to the ratio of the original recognized special reserve.

In accordance with the above provisions, in distributing distributable earnings by the Company, the difference between the net amount recognized of other shareholders equity deduction occurred in the current year and the special reserve balance mentioned above is set aside as special reserve from current year profit or loss and previous undistributed earnings; the cumulative other shareholders' equity deduction through previous cumulation is set aside as special reserve that could not be distributed from previous undistributed earnings. Afterward, if other shareholders' equity deduction has been reversed, the reversal shall be applicable to earnings distribution.

4． Earnings distribution

(1) On March 15, 2024, the Company's Board of Directors passed a resolution to distribute dividends for 2023. The cash dividend per ordinary share is NT$0.3, with a total dividend amounting to $45,847,and report to the shareholdings meeting on June 18,2024.

(2) On February 27, 2025, the board of directors of our company resolved that the operating results for the year 2024 would result in a loss, and therefore no

dividends would be distributed.

(XXIV) Operating Income

	January 1 to March 31, 2025	January 1 to March 31, 2024
Customer contract revenue	$ 1,981,751	$ 1,711,149
Lease income (note)	26,678	25,493
	$ 2,008,429	$ 1,736,642

Note: Please refer to Note 6, (11). 2. Lease transaction- explanation of lessor.

1. Break down of customer contract revenue

   The Group's operating income mainly derived from customer contract revenue mainly from the transfer of control over commodities to customers to meet performance obligations. Revenue can be broken down into the following geographical areas and main product lines:

	January 1 to March 31, 2025	January 1 to March 31, 2024
Main regional markets		
China	$ 1,292,967	$ 1,114,035
Other countries	688,784	597,114
	$ 1,981,751	$ 1,711,149
Main products:		
Electric fans	$ 1,449,310	$ 1,258,928
Electric heaters	318,802	244,084
Others	213,639	208,137
	$ 1,981,751	$ 1,711,149

2. Contract Liabilities

   The Group recognizes the contract liabilities related to the customer contract revenue as follows:

	March 31, 2025	December 31, 2024	March 31, 2024	January 1, 2024
Contract Liabilities	$ 197,996	$ 359,639	$ 264,466	$ 309,398

Income Recognized in the Current Period from the Contract Liabilities at the Beginning of the Period

From the opening balance of the Group's contract liabilities, the amounts of income recognized in 2025 and January 1 to March 31, 2024 were NTD 249,956 and NTD

224,857, respectively.

3. Refund liabilities

The Group gives the right to return the goods to some domestic distributors of electrical appliances in mainland China. When the products are transferred to the distributors, the anticipated return sum from part of the consideration received is recognized as a refund liability. The right to recover the goods when the distributors return the goods is recognized as a right to the products to be returned. As at March 31, 2025, December 31, 2024 and March 31, 2024, the balance of the Group's rights to products to be returned based on historical return information of similar product transactions was NTD 45,840, NTD 66,424 and NTD 49,850, respectively, and the balance of the refund liabilities was NTD 65,896, NTD 106,960 and NTD 71,619, respectively.

(XXV) Other Incomes

	January 1 to March 31, 2025	January 1 to March 31, 2024
System annual fee income	$ 1,847	$ 2,083
Government subsidy income	1,322	3,936
Amortization of Long-term Deferred Income	627	606
Others	1,746	1,202
	$ 5,542	$ 7,827

(XXVI) Other Gains and Losses

	January 1 to March 31, 2025	January 1 to March 31, 2024
Net gain on financial assets measured at fair value through profit or loss	$ 30	($ 5)
Gains on disposal of property, plant and equipment	(80)	84
Gain (loss) on foreign currency exchange	(5,583)	(37,786)
Miscellaneous Disbursements	(3,320)	(1,440)
	($ 8,953)	($ 39,147)

(XXVII) Additional Information on the Nature of the Expense

	January 1 to March 31, 2025	January 1 to March 31, 2024
Employee Benefits Expenses	$ 294,000	$ 260,934
Depreciation expense for property, plant and equipment	62,678	77,084
Depreciation expense of right-of-use assets	1,264	1,221
Depreciation expense for investment properties	66	64
Amortization expense for intangible assets	2,371	891
	$ 360,379	$ 340,194

(XXVIII) Employee Benefits Expenses

	January 1 to March 31, 2025	January 1 to March 31, 2024
Salary Expenses	$ 267,627	$ 232,161
Retirement benefit Expenses	13,479	14,077
Labor insurance expense (Note)	8,865	10,743
Other personnel costs	4,029	3,953
	$ 294,000	$ 260,934

Note: Including insurances like local medicare, unemployment, work injury and birth for subsidiaries in Mainland China.

1. In accordance with the provisions of the Articles of Incorporation of the Company, unless otherwise provided by the Cayman Company Law, the Rules on Public Offering Company or Articles of Incorporation, if the Company is profitable at a particular fiscal year, the remuneration of employees and directors shall be allocated as follows. However, when the Company is at a cumulative loss, an amount shall first be retained to offset its loss:

   (1) One percent to ten percent for the remuneration of employees, including employees of affiliated companies; and

   (2) Not more than three percent for the remuneration of directors (not including independent directors).

   Distribution of the employees' and directors' remuneration shall be resolved at Board of Directors' Meetings, with over two-thirds of directors in attendance and approved by over half of the directors present in the meeting, and reported at the Shareholder's Meeting. However, when the Company is at a cumulative loss, the make-up sum shall first be retained, and then allocate the employees' and directors' remunerations at the percentage mentioned above. The above "profit" refers to the net profit before tax of the Company. For the avoidance of doubt, net profit before tax refers to the amount before payment of remunerations for employees and directors. Without violating the provisions of any applicable laws, the above mentioned employees' remunerations shall be in the form of cash or shares.

   Without violating the provisions of any applicable laws, the employees' remunerations shall be in the form of cash or shares.

2. For January 1 to March 31, 2025 and 2024, due to losses, no provision was made for employee compensation and director compensation.

   The board of directors has decided that due to the loss in the operating results in 2024, no employee and director remuneration will be distributed.

   Information on the remuneration of employees and directors passed by the Board of Directors of the Company can be found at the Market Observation Post System.

(XXIX) Income Tax

Income tax expense (gain) component:

	January 1 to March 31, 2025	January 1 to March 31, 2024
Current income tax:		
Income tax generated from current income	$ 7,387	($ 11,787)
Overestimation of income tax in the previous year	(2)	181
	7,385	(11,606)
Deferred income tax:		
Occurrence and reversal of temporary differences	(6,667)	14,311
Income Tax (Profit) Expense	$ 718	$ 2,705

1. The applicable tax rates for each entity consolidated are as follows:
   (1) For the Waon Company, in accordance with Hong Kong tax law, the income tax rates of 16.5% shall apply if the income is derived domestically in Hong Kong.
   (2) In accordance with the tax laws of the Republic of China, the income tax rate of the profit-making business of the Waon Company Taiwan Branch is 20%.
   (3) In accordance with the tax laws of Mainland China, the income tax rate applicable to Shenzhen Airmate, JiujiangAirmate, Airmate Technology, Airmate Electronic Commerce, Material TechnologyandXiangdao Technology is 25% if the tax preference is not applied.

   On December 2024, Shenzhen Airmate obtained the preferential tax treatment for high-tech enterprises at the applicable tax rate of 15%, which is valid for three years and expires in 2026.
2. Income Tax Audit

   The corporate income tax of Jiujiang Airmate, ShenzhenAirmate ,Airmate Technology, Airmate Electronic Commerce ,Material TechnologyandXiangdao Technologyhas been reported to the local tax authorities up to year 2023; Waon Company Taiwan Branch's profit-making business income tax return has been reviewed by the tax audit authority up to year 2023.

(XXX) Earnings (Loss) Per Share

	January 1 to March 31, 2025		
	After-tax amount	Weighted average number of foreign shares in thousand	Loss per share (NTD)
Basic loss per share			
Net loss in the current period attributable to ordinary shareholders of the parent company	($ 64,642)	149,822	($ 0.43)

	January 1 to March 31, 2024		
	After-tax amount	Weighted average number of foreign shares in thousand	Earning Per Share (NTD)
Basic earnings per share			
Net profit in the current period attributable to common shareholders	($ 63,303)	152,822	($ 0.41)

(XXXI) Supplementary Information on Cash Flow

Investment and financing activities that do not affect cash flow:

	January 1 to March 31, 2025	January 1 to March 31, 2024
Transfer of prepayments for equipment to property, plant and equipment	$ 14,562	$ 743
Transfer of prepayments for expenses to Intangible Assets	$ -	$ 10,792
Declared but unpaid cash dividends	$ -	$ 45,847

(XXXII) Changes in Liabilities due to Financing Activities

	January 1, 2025	Cash Flow	Non-cash changes/exchange rate changes	March 31, 2025
Short-term loans	$ 837,450	$ 404,613	($ 4,727)	$ 1,237,336
Security Deposits Received	136,711	1,676	2,015	140,402
Other Non-current Liabilities	70,988	-	385	71,373
Total liabilities from financing activities	$ 1,045,149	$ 406,289	($ 2,327)	$ 1,449,111

	January 1, 2024	Cash Flow	Non-cash changes/exchange rate changes	March 31, 2024
Short-term loans	$ 549,060	$ 520,192	$ 14,373	$ 1,083,625
Security Deposits Received	120,126	10,361	5,165	135,652
Dividend Payable(Note)	-	-	45,847	45,847
Other Non-current Liabilities	69,910	-	2,188	72,098
Total liabilities from financing activities	$ 739,096	$ 530,553	$ 67,573	$ 1,337,222

Note: Listed under “Other Payables,” other non-cash changes are declared as cash dividends to be paid.

(XXXIII) Operation Seasonality

The primary products of the Group are electric fans and electric heaters, hence the operation is subject to seasonal fluctuation due to weather conditions. Among them, the sales of electric fan in the first quarter of each year is unfavorably influenced by winter weather conditions; downstream customers will order in advance in the second quarter to meet the demand of electric fan in summer and in the fourth quarter to meet the demand for electric heater in winter; in July it will depend on changes in the weather; while in August to December, it is remain constant. The Group tries to meet the supply demand for the period through flexible adjustment of the production of electric fans, electric heaters and other products according to the market adjustment, weather changes and customer demand, as well as inventory management satisfy the demand during these period to reduce the seasonal impact.

VII. Related Party Transaction

(I) The Names and Relationships of the Related Parties

Name of Related Party	Relationship with the Group
Zhejiang Airmate Electrical Appliance Sales Co., Ltd.	Associated Enterprises
Tung Fu Electric Co Limited	Other related party. The chairman of the Board of Directors of this company is the Chairman of the

	Board of Directors of the Company
Rui-Bin, Shih	Chairman of the Board of Directors of the Company
Zheng-Fu, Cai	Director of the Company

(II) Significant Transactions with Related Parties

1. Operating Income

	January 1 to March 31, 2025	January 1 to March 31, 2024
Merchandise sales:		
Associated Enterprises	$ 25,392	$ 18,886
Other related party	7,622	6,988
	$ 33,014	$ 25,874

The transaction price and payment terms for the sale of goods are agreed upon by both parties. No guarantee or interest is received for receivables from related parties, and no provision for losses has been made after assessment.

2. Receivables from related parties

	March 31, 2025	December 31, 2024	March 31, 2024
Notes receivable:			
Associated Enterprises	$ 2,775	$ 5,839	$ 22,805
Trade receivables:			
Associated Enterprises	8,231	-	-
Other related party	7,222	4,785	6,557
	15,453	4,785	6,557
	$ 18,228	$ 10,624	$ 29,362

3. Expenses paid to related parties

The related expenses incurred by the Group for the services rendered by the related parties are as follows:

	Transaction amount	
	January 1 to March 31, 2025	January 1 to March 31, 2024
Associated Enterprises	$ 568	$ 432
Other related party	99	138
	$ 667	$ 570

	Other payable payment to related party		
	March 31, 2025	December 31, 2024	March 31, 2024
Associated Enterprises	$ 1,211	$ 1,749	$ 841
Other related party	-	-	6
	$ 1,211	$ 1,749	$ 847

The outstanding balance with this type of related party shall be settled with cash within three months from the reporting date, and for common expenses, the payment shall be made within the same month. There is no significant difference between the transaction price and those with non-related parties.

4. Endorsement and Guarantee Provided by Related Parties

As on March 31, 2025, December 31, and March 31, 2024, some of the key Management of the Group act as joint guarantor for the Group's financing from financial institutions.

(III) Information on Remuneration of Key Management

	January 1 to March 31, 2025	January 1 to March 31, 2024
Short-term Employee Benefits	$ 7,272	$ 6,442
Post-employment Benefits	15	15
	$ 7,287	$ 6,457

VIII. Pledged Assets

The details of the carrying value of the assets pledged and guaranteed by the Group are as follows:

	Book value			
Assets	March 31, 2025	December 31, 2024	March 31, 2024	Pledge guarantee object
Provision account (listed "after amortization" Current financial assets measured at cost)	$ 495,293	$ 712,560	$ 426,528	Notes payable acceptance guarantee, Short-term loan and financing limit
Property, Plant and Equipment	1,464,748	1,456,986	1,480,079	Short-term loan and financing limit
Right-of-use Assets	86,766	86,144	87,178	Short-term loan and financing limit
Guarantee deposits (listed under "other non-current assets")	19,612	19,226	24,062	Performance bond
	$ 2,066,419	$ 2,274,916	$ 2,017,847	

IX. Significant Commitments and Contingencies

Capital expenditures contracted but not yet incurred:

	March 31, 2025	December 31, 2024	March 31, 2024
Property, Plant and Equipment	$ 79,445	$ 91,221	$ 91,647

X. Material Disaster Losses

Nil.

XI. Subsequent Events

Nil.

XII. Others

(I) Capital Management

The Group's capital management objectives are based on sound capital to maintain the confidence of investors, creditors and markets and to support the development of future operations. Capital includes the share capital, capital surplus, retained earnings and other equity interests of the Group. The Board of Directors controls the capital return rate and the ordinary shares dividend level.

The Group's debt-to-capital ratios as on March 31, 2025, December 31, and March 31, 2024 are as follows:

	March 31, 2025	December 31, 2024	March 31, 2024
Total Liabilities	$ 6,105,107	$ 6,087,904	$ 5,368,638
Less: cash and cash equivalents	(521,188)	(748,438)	(595,974)
Net liability	$ 5,583,919	$ 5,339,466	$ 4,772,664
Total Equity	$ 2,935,516	$ 2,947,079	$ 3,120,773
Liability capital ratio	190%	181%	153%

(II) Financial Instruments

1. Types of financial instruments

	March 31, 2025	December 31, 2024	March 31, 2024
at amortized cost			
Financial Assets at Fair Value through Profit or Loss			
Financial assets mandatorily measured at fair value through profit or loss			
Wealth management products	$ 37,033	$ -	$ -
Financial Assets at fair value through other comprehensive income			
Investments in designated equity instruments chosen	$ 2,498	$ 2,462	$ 2,435
Accounts receivable expected to be sold	-	-	73
	$ 2,498	$ 2,462	$ 2,508

	March 31, 2025	December 31, 2024	March 31, 2024
Financial Liabilities			
Financial Liabilities at Fair Value			
Financial liabilities held for trading			
Derivatives - forward foreign exchangecontracts	$ -	$ -	$ 109
Financial Assets at Amortized Cost			
Cash and Cash Equivalents	$ 521,188	$ 748,438	$ 595,974
Financial Assets at Amortized Cost	495,293	712,560	426,528
Notes Receivable	485,403	463,392	490,502
Accounts Receivable	1,486,520	1,047,401	1,296,260
Other Receivables	29,426	28,005	23,648
Refundable Deposits	19,612	19,226	24,062
	$ 3,037,442	$ 3,019,022	$ 2,856,974
Financial liabilities through amortized cost			
Short-term loans	$ 1,237,336	$ 837,450	$ 1,083,625
Notes Payable	1,679,098	1,887,336	1,391,209
Accounts Payable	1,679,197	1,715,874	1,366,001
Other Payables	834,586	772,195	809,880
Security Deposits Received	140,402	136,711	135,652
	$ 5,570,619	$ 5,349,566	$ 4,786,367

2. Risk Management Policy

The Group's financial management department provides services to various business units, coordinates access to domestic and international financial markets, and oversees and manages the financial risks associated with the Group's operations through internal risk reporting which analyzes the risk exposure according to their risk level and breadth. The Group uses derivative financial instruments to avoid exposure to risk in order to mitigate the impact of such risks. The use of derivative financial instruments is governed by the policies approved by the Board of Directors of the Group and is governed by the written principles of exchange rate risk, interest rate risk, credit risk, the use of derivative and non-derivative financial instruments and the investment of residual liquidity. The Internal Auditors continuously review the conformity to policies and risk exposure limits. The Group does not deal in financial instruments (including derivative financial instruments) for speculative purposes.

3. Nature and extent of material financial risk

(1) Market risk

Market risk refers to the risk of changes in market prices, such as changes in exchange rates, interest rates and equity instruments, affecting the Group's earnings or the value of financial instruments held. The objective of market risk management lies in optimizing the investment return by controlling the market risk exposure within the acceptable range.

The Group manages market risk by engaging in derivative transactions and thereby generating financial liabilities. The execution of all transactions must abide by the designated staff authorized by the Board of Directors.

Exchange rate risk

A. The Group is exposed to exchange rate risk arising from sales, purchases and borrowing transactions that are not denominated in the functional currencies of each Group companies. The functional currency of the Group companies is mainly NTD, followed by RMB and HKD. The main currencies used in these transactions are denominated in NTD, RMB, JPY, USD and HKD.

   In order to avoid the decrease in the value of foreign currency assets and fluctuations in future cash flows caused by exchange rate fluctuations, the Group uses short-term borrowings and derivative financial instruments to hedge against exchange rate risks. The use of such derivative financial instruments can help the Group reduce but still cannot completely eliminate the impact of foreign exchange rate fluctuations. In recent years, 70% of the Group's sales have come from China and are denominated in RMB, while the other 30% are mainly from Europe, the United States, Japan and South Korea, and are mainly denominated in US dollars and Japanese yen; and the purchases are mainly denominated in RMB. Therefore, in addition to the natural hedging effect of RMB due to the offsetting of purchases and sales, the exchange rate changes of other currencies still have an offsetting effect. In addition to adopting natural hedging, the Group also uses forward foreign exchange contracts and exchange rate option contracts to avoid exchange rate risks when appropriate. However, as the Group considers the future growth of operations, foreign currency holdings will continue to increase, and domestic financing and future dividends to domestic investors will all need to be converted into USD dollars, which will generate the risk of exchange rate fluctuations between the USD dollar and the Taiwan dollar. Therefore, the Group will strengthen the control of foreign exchange positions. The possible response measures are as follows:

   (a) Continuously strengthen the concept of foreign exchange hedging among finance personnel, and determine the trend of exchange rate fluctuations using methods such as the real-time online exchange rate system and the strengthening contacts with financial institutions as the basis for reference.

   (b) To the extent possible, make payment for the purchase and related expenses by sales revenue in the same currency to achieve the natural hedging effect.

   (c) Decide whether to adopt derivatives for hedging to avoid exchange rate risks according to the Company's operational status.

	March 31, 2025			
	Foreign currency (thousands)	Currency Exchange Rate		NTD
(Foreign currency: functional currency)				
at amortized cost				
Monetary Items				
USD	$ 67,000	33.2050	$	2,224,735
JPY	840,550	0.2227		187,190
Financial Liabilities				
Monetary Items				
USD	53,593	33.2050		1,779,556
RMB	98,000	4.6251		453,260

B. The Group's financial assets and liabilities which are exposed to significant foreign currency exchange rate risk (including monetary items in non-functional

	December 31, 2024			
	Foreign currency (thousands)	Currency Exchange Rate		NTD
at amortized cost				
Monetary Items				
USD	$ 67,761	32.7850	$	2,221,544
JPY	866,310	0.2099		181,838
Financial Liabilities				
Monetary Items				
USD	59,994	32.7850		1,966,903
HKD	63,000	4.5593		287,236

	March 31, 2024			
	Foreign currency (thousands)	Currency Exchange Rate		NTD
at amortized cost				
Monetary Items				
USD	$ 96,474	32.0000	$	3,087,168
JPY	1,010,803	0.2115		213,785

Financial Liabilities

Monetary Items

USD	74,705	32.0000	2,390,560
RMB	28,000	4.5103	126,288

C. The Group's exchange rate risk arises primarily from cash and cash equivalents, accounts receivable and other receivables, loans, accounts payable and other payables, etc. denominated in foreign currencies, which results in foreign currency exchange gains and losses in translation. From January 1 to March 31, 2025 and 2024,when the value of NTD depreciates or appreciates by 5% against USD, JPY, RMB and HKD, the net profit before tax from January 1 to March 31, 2025 and 2024 would increase or decrease by NTD 8,955 and NTD 39,205, respectively, using the same basis for both periods of analysis and all other factors remained unchanged.

D. The Group's exchange gains (losses) recognized in respect of monetary items from January 1 to March 31, 2025 and 2024 due to exchange rate fluctuations (both realized and unrealized) totalled at NTD 5,583 and NTD 37,786.

Price risk

The Group is exposed to price risk through equity instruments, which are financial assets measured at fair value through profit or loss and financial assets measured at fair value through other comprehensive income. The prices of these equity instruments are affected by the uncertainty of the future value of the underlying investments. If the prices of these equity instruments increase or decrease by 5%, while all other factors remain unchanged, the pre-tax net profit from January 1 to March 31, 2025 and 2024 will increase or decrease by $1,852 and $0, respectively, due to the gains or losses from equity instruments measured at fair value through profit or loss.

Interest rate risk

The Group's borrowings are measured at amortised cost and re-priced annually as contracted, thus exposing the Group to the risk of future changes in market interest rates. The Group's interest rate risk arises from loans at floating interest rates. Currency market interest rates have risen slowly in recent years but the changes in loan rate of the Group's loans is minimal. However, if there is a significant fluctuation in future interest rate trends, and the Group still has demand for loan, in addition to adopting other capital market financing instruments, the Group has to observe interest rate trends and choose to borrow at fixed or floating interest rates to avoid the risk of interest rate fluctuations. If the loan interest rate increases or decreases by 1% from January 1 to March 31, 2025 and 2024, with all other factors remain unchanged, the increase or decrease in interest expense from the Group's loans floating interest rate will result in a decrease or increase in net profit after tax of NTD 1,025 and NTD 2,996 from January 1 to March 31, 2025 and 2024, respectively.

(2) Credit risk

The Group's credit risk is the risk of financial loss arising from the inability of a customer or counterparty to meet its contractual obligations, mainly arising from accounts receivable from customers of the Group.

Investment

The credit risk of bank deposits (including repayable accounts and pledged time deposits), fixed income investments and other financial instruments are measured and monitored by the Group's Finance Department. As the transacting party and the counterparties of the Group are banks with good creditworthiness and financial institutions with investment grade and above, corporate bodies and government agencies, there are no significant performance concerns and therefore no significant credit risks.

Notes receivable, accounts receivable and other receivables

A. The Group's Finance Department together with the Market Department, establishes a credit policy under which the credit rating of each new customer is analysed individually before standard payment and delivery terms and conditions are granted according to the policy. The Group's review includes external ratings (if available) and, in certain cases, bank notes. Customers who do not meet the Group's benchmark credit rating may only transact with the Group on an advance receipt basis.

B. In monitoring the credit risk of customers, the Group categories the customers according to the credit characteristics of the customers, including whether they are individuals or legal entities; whether they are distributors, retailers or end customers; and the scale of operation, distributor target achievement rate and whether there were late payment. The Group's accounts receivable and other receivables are primarily attributed to the Group's customers who are distributors. Customers rated with high risk will be included into the list of restricted customers and put under the monitoring of Market Department, and future sales with this type of customers will be conducted on the advance receipt basis.

C. The Group has allocated an impairment loss allowance account to reflect the estimated loss on accounts receivable and other receivables. The main components of allowance account include specific loss components related to individual material risk exposure and portfolio loss components for losses already incurred yet unidentified within similar asset group. The portfolio loss allowance account is determined by historical payment statistical data of similar financial assets.

D. In accordance with the credit risk management procedures of the Group, a breach of contract is deemed to have occurred when the counterparty fails to honour the agreement between the parties without consulting the Company.

E. The Group applies a simplified approach to the estimation of expected credit losses for all notes receivable and accounts receivable, which are measured using the duration of the expected credit losses. For measurement purposes, these notes receivable and accounts receivable are grouped according to the common credit risk characteristics of the ability to pay all amounts due on behalf of the customer in accordance with the terms of the contract, and have been included in the forward-looking information such as historical credit loss experience and reasonable expectations of future economic conditions.

The expected credit losses of the Group's notes receivable and accounts receivable are analyzed as follows:

March 31, 2025

Group A

	Number of days overdue								
	Not Overdue	Within 30 days	31～60 days	61～90 days	91～180 days	181～270 days	271～365 days	More than 366 days	Total
Total book value (including related parties)	$1,426,738	$ 52,935	$ 76,312	$ 17,920	$ 24,952	$ 12,857	$ 14,431	$ 15	$1,626,160
Expected credit loss during the duration	(5,629)	(208)	(556)	(145)	(187)	(326)	(2,759)	(15)	(9,825)
	$1,421,109	$ 52,727	$ 75,756	$ 17,775	$ 24,765	$ 12,531	$ 11,672	$ -	$1,616,335
Expected Loss Rate	0%～0.10%	0%～0.55%	0%～0.82%	0%～1.30%	0%～1.31%	0%～13.33%	0%～51.68%	0%～100%	

Group B

	Number of days overdue								
	Not Overdue	Within 30 days	31～60 days	61～90 days	91～180 days	181～270 days	271～365 days	More than 366 days	Total
Total book value (including related parties)	$ 195,327	$ 34,811	$ 88,791	$ 34,174	$ 3,313	$ -	$ -	$ 32,230	$ 388,646
Expected credit loss during the duration	-	-	-	-	(828)	-	-	(32,230)	(33,058)
	$ 195,327	$ 34,811	$ 88,791	$ 34,174	$ 2,485	$ -	$ -	$ -	$ 355,588
Expected Loss Rate	0%	0%	0%	0%	25%	50%	75%	100%	

December 31, 2024

Group A

	Number of days overdue								
	Not Overdue	Within 30 days	31～60 days	61～90 days	91～180 days	181～270 days	271～365 days	More than 366 days	Total
Total book value (including related parties)	$ 980,146	$ 42,728	$ 47,425	$ 19,926	$ 23,787	$ 14,180	$ 1,257	$ 14	$1,129,463
Expected credit loss during the duration	(993)	(225)	(229)	(181)	(246)	(292)	(240)	(14)	(2,420)
	$ 979,153	$ 42,503	$ 47,196	$ 19,745	$ 23,541	$ 13,888	$ 1,017	$ -	$1,127,043
Expected Loss Rate	0%～0.10%	0%～0.73%	0%～0.99%	0%～1.28%	0%～1.32%	0%～13.66%	0%～44.62%	0%～100%	

Group B

	Number of days overdue								
	Not Overdue	Within 30 days	31～60 days	61～90 days	91～180 days	181～270 days	271～365 days	More than 366 days	Total
Total book value (including related parties)	$ 204,971	$ 87,085	$ 91,039	$ 68	$ 783	$ -	$ -	$ 32,016	$ 415,962
Expected credit loss during the duration	-	-	-	-	(196)	-	-	(32,016)	(32,212)
	$ 204,971	$ 87,085	$ 91,039	$ 68	$ 587	$ -	$ -	$ -	$ 383,750
Expected Loss Rate	0%	0%	0%	0%	25%	50%	75%	100%	

March 31, 2024

Group A

	Number of days overdue								
	Not Overdue	Within 30 days	31～60 days	61～90 days	91～180 days	181～270 days	271～365 days	More than 366 days	Total
Total book value (including related parties)	$1,401,125	$ 53,524	$ 40,801	$ 8,293	$ 3,956	$ 74	$ 62	$ 4	$1,507,839
Expected credit loss during the duration	(3,709)	(618)	(606)	(320)	(257)	(5)	(14)	(4)	(5,533)
	$1,397,416	$ 52,906	$ 40,195	$ 7,973	$ 3,699	$ 69	$ 48	$ -	$1,502,306
Expected Loss Rate	0%～0.28%	0%～1.40%	0%～1.91%	0%～4.50%	0%～6.50%	0%～18.36%	0%～52.03%	0%～100%	

Group B

	Number of days overdue								
	Not Overdue	Within 30 days	31～60 days	61～90 days	91～180 days	181～270 days	271～365 days	More than 366 days	Total
Total book value (including related parties)	$ 180,357	$ 3,191	$ 90,998	$ 9,255	$ 939	$ 10	$ 76	$ 33,161	$ 317,987
Expected credit loss during the duration	-	-	-	-	(235)	(5)	(57)	(33,161)	(33,458)
	$ 180,357	$ 3,191	$ 90,998	$ 9,255	$ 704	$ 5	$ 19	$ -	$ 284,529
Expected Loss Rate	0%	0%	0%	0%	25%	50%	75%	100%	

Group A: General Distributors and Foreign Sales Customers.

Group B: Customers such as e-commerce platforms and mass sales channels.

F. Changes in impairment losses on accounts receivable and notes receivable adopted by the Group in a simplified manner are as follows:

	January 1 to March 31, 2025	January 1 to March 31, 2024
Opening Balance	$ 34,632	$ 42,415
(Reversal) Provision for impairment loss	7,605	(4,974)
Effect of Exchange Rate Changes	646	1,550
Closing balance	$ 42,883	$ 38,991

The Group recognized impairment gain of NTD ($7,605) and NTD 4,974 on receivables arising from customer contracts from January 1 to March 31, 2025 and 2024, respectively.

G. The Group's credit risk exposure is mainly affected by the individual circumstances of each customer. However, the Management also considers the statistical information of the Group's customer base, including the risk of default in the customer's industry and country, as these factors may affect credit risk.

(3) Liquidity risk

A. Liquidity risk is the risk that the Group will not be able to settle its financial liabilities in cash or other financial assets and not able to meet the relevant obligations. The Group's approach to managing liquidity is to ensure, to the extent possible, that the Group has sufficient liquidity to meet its liabilities as they fall due under both normal and pressuring circumstances, without incurring unacceptable losses or exposing the Group to reputational damage.

B. The Group ensures that sufficient cash is available to meet the anticipated operating expense requirements for 60 days, including the fulfilment of financial obligations, but excludes potential impacts that cannot be reasonably expected in extreme circumstances, such as natural disasters. In addition, the Group's unused lines of credit as on March 31, 2025, December 31, and March 31, 2024, totalled at NTD 1,618,803, NTD 1,984,019 and NTD 2,312,105 respectively.

C. The following table shows the Group's non-derivative financial liabilities and derivative financial liabilities closed on a net or aggregate basis, grouped according to the relevant maturity dates. Non-derivative financial liabilities are analyzed according to the remaining period from the balance sheet date to the contract maturity date; derivative financial liabilities are analyzed according to the remaining period from the balance sheet date to the expected maturity date. The amounts of contractual cash flows disclosed in the following table is the undiscounted amounts.

March 31, 2025

	Within 1 year	1~2 years	2~3 years	More than 3 years
Non-derivative financial liabilities:				
Short-term loans	$ 1,252,428	$ -	$ -	$ -
Notes Payable	1,679,098	-	-	-
Accounts Payable	1,679,197	-	-	-
Other Payables	834,586	-	-	-
	$ 5,445,309	$ -	$ -	$ -

Derivative financial liabilities:None.

December 31, 2024

	Within 1 year	1~2 years	2~3 years	More than 3 years
Non-derivative financial liabilities:				
Short-term loans	$ 846,734	$ -	$ -	$ -
Notes Payable	1,887,336	-	-	-
Accounts Payable	1,715,874	-	-	-
Other Payables	772,195	-	-	-
	$ 5,222,139	$ -	$ -	$ -

Derivative financial liabilities:None.

March 31, 2024

	Within 1 year	1~2 years	2~3 years	More than 3 years
Non-derivative financial liabilities:				
Short-term loans	$ 1,098,919	$ -	$ -	$ -

Notes Payable	1,391,209	-	-	-
Accounts Payable	1,366,001	-	-	-
Other Payables	809,880	-	-	-
	$ 4,666,009	-	-	-
Derivative financial liabilities:				
Forward exchange Agreement (Net settlement)	$ 109	$ -	$ -	$ -

(III) Information on Fair Value

1. The hierarchy of valuation techniques used to measure the fair value of financial and non-financial instruments are defined as follows:

   Level 1: quoted prices (unadjusted) in the active market for the same assets or liabilities that an enterprise may acquire at the measurement date. An active market is a market in where assets or liabilities are traded with sufficient frequency and quantity to provide pricing information on a continuing basis. The wealth management products invested by the Group is included.

   Level 2: The observable input value of the asset or liability, directly or indirectly, except for the quotation included in Level 1. The fair values of hybrid instruments, derivatives and accounts receivable expected to be sold invested by the Company are all included.

   Level 3: non-observable input value of the asset or liability.

2. For the fair value information of investment property measured at cost, please refer to Note 6, (12).

3. Financial instruments not measured at fair value

   Includes cash and cash equivalents, assets measured at amortized cost, notes receivable, accounts receivable, other receivables, short-term loans, notes payable, accounts payable, other payables, corporate bonds payable (including those maturing within one year or one operating cycle), long-term loans (including those maturing within one year or one operating cycle), and the carrying amount of security deposits received is a reasonable approximation of fair value.

4. The Group classified financial and non-financial instruments measured at fair value according to the nature, characteristics and risks of assets and liabilities and fair value level. The relevant information is as follows:

(1) The Group's classification based on the nature of assets and liabilities, the relevant information is as follows:

March 31, 2025

	Level 1	Level 2	Level 3	Total
Assets				
Repetitive fair value				
Financial Assets at Fair Value through Profit or Loss				
Wealth management products	$ 37,033	$ -	$ -	$ 37,033
Financial Assets at Fair Value through Other Comprehensive Income				
Investments in designated equity instruments chosen	-	-	2,498	2,498
	$ 37,033	$ -	$ 2,498	$ 39,531

Liabilities: None.

December 31, 2024

	Level 1	Level 2	Level 3	Total
Assets				
Repetitive fair value				
Financial Assets at Fair Value through Other Comprehensive Income				
Investments in designated equity instruments chosen	$ -	$ -	$ 2,462	$ 2,462

Liabilities: None.

March 31, 2024

	Level 1	Level 2	Level 3	Total
Assets				
Repetitive fair value				
Financial Assets at Fair Value through Other				
Accounts receivable expected to be sold	$ -	$ 73	$ -	$ 73
Investments in designated equity instruments chosen	-	-	2,435	2,435
	$ -	$ 73	$ 2,435	$ 2,508
Liabilities:				
Repetitive fair value				
Financial Liabilities at Fair Value Through Profit or Loss				
Derivatives -Forward exchange Agreement	$ -	$ 109	$ -	$ 109

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

A. When evaluating non-standard and less complex financial instruments, such as debt instruments with no active market, the Group employs valuation techniques widely used by market participants. The parameters used in the evaluation model of such financial instruments are generally market-observable information.

B. The evaluation of wealth management products is to use the net value of the market price as the input value of the fair value (that is, the first level).

C. The valuation of derivative financial instruments is based on valuation models that are widely accepted by market users, such as the discounting method and the option pricing model. Forward foreign exchange contracts are usually evaluated based on the current forward foreign exchange rate.

D. The Group incorporates credit risk valuation adjustments into the fair value calculation of financial and non-financial instruments to reflect the credit risk of counterparties and the Group's credit quality respectively.

E. The Group’s equity investments with fair value classified as Level 3 are mainly investments in domestic unlisted companies. The valuation process for these investments is carried out by the Finance Department, which regularly uses the net asset value method for valuation and measurement.

5. There were no transfers between Level 1 and Level 2 from January 1 to March 31, 2025 and 2024.
6. There were no transfers about Level 3 from January 1 to March 31, 2025 and 2024.

XIII. Note Disclosure

(I) Information on Significant Transactions

1. Funds Loaned to Others: Please refer to Schedule I.
2. Endorsement or Guarantee for Others: Please refer to Schedule II.
3. Marketable securities held at the end of the period (excluding parts controlled by investment subsidiaries, Associates and Joint Venture): Please refer to Schedule III.
4. The amount of goods purchased and sold transacted with related parties amounted to NTD 100 million or over 20% of the paid-up capital: Please refer to Schedule IV.
5. Receivables from related parties amounted to NTD 100 million or over 20% of the paid-up capital: Please refer to Schedule V.
6. Significant transactions and amounts of business relationships between the Parent Company and the Subsidiaries and between Subsidiaries: Please refer to Schedule VI.

(II) Information on Investees

Relevant information such as the name and location of the investee company (excluding the investee companies in Mainland China): Please refer to the Schedule VII.

(III) Information on Investments in Mainland China

1. Basic information: Please refer to Schedule VIII.
2. Significant transactions that occurred directly or indirectly through third-region undertakings and reinvestment in investee companies in Mainland China: Nil.

XIV. Segment Information

(I) General Information

The reportable departments of the Group are categorized into the Domestic Market and Export market. The Domestic Market is the business unit responsible for sales in Mainland China. The Export Market is the business unit responsible for sales in Northeast Asia, Europe, and America.

(II) Information on the Reporting Department's profit and loss, assets, liabilities and measurement basis and adjustment

The Group uses the departmental pre-tax profit and loss (excluding income tax, non-frequently occurring profit or loss, gains and losses on financial assets measured at fair value and exchange gains and losses) in internal management reports reviewed by the key operational decision makers as the basis for resource allocation and performance evaluation. The information and adjustment of operating segments of the consolidated company were as follows:

	January 1 to March 31, 2025				
	Domestic sales market	Export sales market	Others	Adjustment and elimination	Total
Revenue:					
Revenue from external customers	$ 1,292,967	$ 688,784	$ 26,678	$ -	$ 2,008,429
Inter-departmental revenue	136,015	645,627	-	(781,642)	-
Total revenue	$ 1,428,982	$ 1,334,411	$ 26,678	($ 781,642)	$ 2,008,429
Report department profit or loss	($ 16,818)	($ 68,375)	$ 25,386	($ 5,553)	($ 65,360)
Report department assets	$ 7,140,455	$ 16,116,447	$ -	($ 14,216,279)	$ 9,040,623

	January 1 to March 31, 2024				
	Domestic sales market	Export sales market	Others	Adjustment and elimination	Total
Revenue:					
Revenue from external customers	$ 1,114,035	$ 597,114	$ 25,493	$ -	$ 1,736,642
Inter-departmental revenue	135,090	558,109	-	(693,199)	-
Total revenue	$ 1,249,125	$ 1,155,223	$ 25,493	($ 693,199)	$ 1,736,642
Report department profit or loss	$ 14,121	($ 66,580)	$ 24,242	($ 37,791)	($ 66,008)
Report department assets	$ 6,311,906	$ 16,638,638	$ -	($ 14,461,133)	$ 8,489,411

In 2025 and January 1 to March 31,2024 the reported departmental profit and loss adjustment items are the net loss on financial assets and liabilities measured at fair value through profit or loss, foreign currency exchange gains of NT$5,553, NT$37,791 , respectively.

Airmate (Cayman) International Co Limited and Subsidiaries
Funds Loaned to Others
January 1 to March 31, 2025

Table 1

Unit: NT$ Thousands
(Unless otherwise specified)

No. (Note 1)	Companies that lend funds	Counterparty	Transaction item	Is it a related party	Maximum amount in the current period	Closing balance	Actual disbursement amount	Interest range	Capital loans and its nature (Note 2)	Amount of business transactions	Reasons for the need for short-term financing	Appropriated amount for loss allowance	Collateral		Loan limit for individual objects	Capital loans and total limits	Remark
													Name	Value			
1	Airmate International Co. Limited China	Airmate Electric Appliances (Shenzhen) Co Limited	Long-term receivables - related parties	Yes	$ 514,613	$ 514,613	$ 514,613	2%～2.5%	2	$ -	Business turnover	$ -	Nil	$ -	$2,147,128	$ 4,294,256	Note 3
2	Waon Development Co Limited	Airmate Electric Appliances (Jiujiang) Co. Limited	Long-term receivables - related parties	Yes	277,514	277,514	277,514	2%～2.5%	2	-	Business turnover	-	Nil	-	1,780,756	3,561,513	Note 3
2	Waon Development Co Limited	MN CORPORATION	Other receivables	No	23,244	23,244	9,962	0.58‰	2	-	Working capital requirement	-	Real estate	53,960	1,424,605	1,424,605	Note 3
2	Waon Development Co Limited	The Company	Other receivables - related parties	Yes	1,400,000	1,400,000	1,331,799	-	2	-	Business turnover	-	Nil	-	1,424,605	3,561,513	Note 3
3	Airmate e-Commerce (Shenzhen) Co., Ltd.	Appliances (Shenzhen) Co Limited	Other receivables - related parties	Yes	23,126	23,126	23,126	-	2	-	Business turnover	-	Nil	-	30,864	77,161	Note 3

Note 1: The explanation for this column is as follows:
(1) Fill 0 for the issuer.
(2) The investee company is numbered sequentially starting with Arabic numeral 1 for each entity.

Note 2: Capital loans and its nature code:
(1) Companies with business transactions
(2) Company which requires short-term financing.

Note 3: The operating procedures for fund lending to others are as follows:
(1) The amount of individual loans for the company or bank which has business transactions with the company lending funds shall not exceed the amount of business transactions between the two parties. The term "business transaction" refers to the purchase or sale of goods by both parties.
(2) The amount of individual loans for the company or bank with short-term financing funds necessary shall be limited to 40% of the net value of the company lending funds.
(3) The amount of financing for individual counterparty which engages in capital lending to the subsidiaries with the company lending funds shall be limited to no more than 50% of the net value of the company's latest financial statements.
(4) The total loan and amount of the company lending funds shall not exceed 40% of the net value of the company lending funds; provided, however, that the total amount of the loan does not exceed 100% of the net value of the company lending funds between foreign companies directly or indirectly holding 100% of the voting shares of the parent company, or 100% of the voting shares held directly or indirectly by the parent company.

Note 4: Except for the loan transaction between subsidiary Waon Development Co., Ltd. and MN CORPORATION, all other transactions have been eliminated when preparing the consolidated financial statements.

Airmate (Cayman) International Co Limited and Subsidiaries
Endorsement or Guarantee for Others
January 1 to March 31, 2025

Table 2

Unit: NT$ Thousands
(Unless otherwise specified)

No. (Note 1)	Endorsement Guarantor Company Name	Recipient of endorsements/guarantees: Company name	Recipient of endorsements/guarantees: Relationship (Note 2)	Endorsement guarantee limit for single enterprise	Maximum endorsement guarantee balance for the current period	Endorsement guarantee balance at the end of the period	Actual disbursement amount	Endorsement guarantee amount secured by property.	Ratio of accumulated endorsement guarantee amount to the net value of the latest financial statements	Maximum limit of endorsement Guarantee	Endorsement guarantee to the subsidiary by the parent company	Endorsement guarantee to the parent company by a subsidiary	Endorsement Guarantee to Mainland China.	Remark
0	The Company	Waon Development Co Limited	2	$ 5,871,032	$ 2,589,990 (USD 78,000thousand)	$ 2,589,990 (USD 78,000thousand)	$ 526,517 (USD 15,856thousand)	$ -	88.23%	$14,677,580	Y	N	N	Note 3
0	The Company	Airmate Electric Appliances (Jiujiang) Co. Limited	2	5,871,032	522,651 (RMB113,000thousand)	522,651 (RMB113,000thousand)	268,263 (RMB 58,000thousand)	-	17.80%	14,677,580	Y	N	Y	Note 3, note 4
0	The Company	Airmate Electric Appliances (Shenzhen) Co Limited	2	5,871,032	555,028 (RMB120,000thousand)	555,028 (RMB120,000thousand)	77,241 (RMB 16,700thousand)	-	18.91%	14,677,580	Y	N	Y	Note 3, note 5
1	Airmate Electric Appliances (Shenzhen) Co Limited	Airmate Electric Appliances (Jiujiang) Co. Limited	4	4,507,462	2,148,420 (RMB464,500thousand)	2,148,420 (RMB464,500thousand)	1,246,484 (RMB269,496thousand)	-	95.33%	11,268,655	N	N	Y	Note 3
2	Airmate Electric Appliances (Jiujiang) Co. Limited	Airmate Electric Appliances (Shenzhen) Co Limited	4	4,744,086	2,497,625 (RMB540,000thousand)	2,497,625 (RMB540,000thousand)	701,740 (RMB151,720thousand)	-	105.29%	11,860,215	N	N	Y	Note 3
3	Waon Development Co Limited	Airmate Electric Appliances (Shenzhen) Co Limited	4	7,123,026	370,019 (RMB 80,000thousand)	370,019 (RMB 80,000thousand)	89,406 (RMB 19,330thousand)	-	10.39%	17,807,565	N	N	Y	Note 3

Note 1: The explanation for this column is as follows:
(1) Fill 0 for the issuer.
(2) The investee company is numbered sequentially starting with Arabic numeral 1 for each entity.

Note 2: There are 7 types of relationship between the endorsement guarantor and the endorsee as follows, please specify the type:
(1) Companies with business dealings.
(2) Companies where the Company directly or indirectly holds over 50% voting shares.
(3) Companies that directly or indirectly hold more than 50% of the voting rights in the company.
(4) The Company directly and indirectly holds more than 90% of the voting shares of the company.
(5) Companies that are mutually guaranteed by the contract between peers or co-contractors based on the needs of the underwriting project.
(6) Companies to which all investing shareholders endorse a guarantee based on its shareholding ratio as a result of the joint investment relationship.
(7) Joint and several guarantees of performance bonds for pre-sale housing sales contracts with peers in the same industry in accordance with the regulations of the Consumer Protection Act.

Note 3: The Company's endorsement and guarantee procedures are as follows:
(1) For companies with business transaction, the total amount of endorsement guarantee shall not exceed 40% of the net value of the company, and individual objects shall not exceed the amount of business transactions.
(2) The total amount of the endorsement guarantee of the company exceeding 50% of the shares directly and indirectly held by the company shall not exceed 40% of the net value of the company, and the individual counterparty shall not exceed the amount of their investment.
(3) The total amount of the Company's overall external endorsement guarantee is limited to not more than 40 percent of the net value of the latest financial statements; and the limit for a single enterprise is limited to 40 percent of its net value.
For subsidiaries which the Company holds 100% voting shares and between subsidiaries, the endorsement guarantee shall not exceed 500% of the net value based on the latest financial report. For each individual counterparty, the amount of endorsement guarantee shall not exceed 200% of the net value based on the latest financial report. And the project shall be reported to the board of directors for review.

Note 4: Wherein the balance endorsement guarantee at the end of the period amounted to NTD 393,145, which is the bank financing limit shared with Airmate Electric (Shenzhen) Co., Ltd., totaling to not more than NTD485,649; the actual disbursement amounted to NTD 12,026.

Note 5: Wherein the balance endorsement guarantee at the end of the period amounted to NTD 462,524, which is the bank financing limit shared with Airmate Electric (Jiujiang) Co., Ltd., totaling to not more than NTD485,649; the actual disbursement amounted to NTD 217,385.

Note 6: The above transactions had been written off in preparing the consolidated financial report.

Airmate (Cayman) International Co Limited and Subsidiaries
Marketable securities held at the end of the period (excluding parts controlled by investment subsidiaries, Associates and Joint Venture)
January 1 to March 31, 2025

Table 3

Unit: NT$ Thousands
(Unless otherwise specified)

				End of the period				
Company held	Types and names of negotiable securities	Relationship with Securities Issuer	Account Columns	Number of shares (thousand shares)	at the end of the period	Percentage of Ownership	Fair value	Remark
Airmate e-Commerce (Shenzhen) Co., Ltd.	Bank of China Wealth Management - Enjoy Every Day No.02	Nil	Financial Assets at Fair Value through Profit or Loss - Current	4,003	$ 18,516	-	$ 18,516	
Airmate Technology (Shenzhen) Co Limited	Bank of China Wealth Management - Enjoy Every Day No.10	Nil	Financial Assets at Fair Value through Profit or Loss - Current	4,003	18,517	-	18,517	

Airmate (Cayman) International Co Limited and Subsidiaries

The amount of goods purchased and sold transacted with related parties amounted to NTD 100 million or over 20% of the paid-up capital

January 1 to March 31, 2025

Table 4

Unit: NT$ Thousands
(Unless otherwise specified)

			Transaction details				Cases and Reasons for Different Trading Conditions from General Trading		Notes and Accounts Receivable (Payable)		
Supplier (Buyer) Company	Transaction counterparty	Relationship	Purchase/Sale	Amount	Ratio to total inputs (sales)	Credit period	Unit price	Credit period	Balance	Ratio of total notes receivable (paid) to accounts receivable	Remark
Airmate Electric Appliances (Jiujiang) Co. Limited	Waon Development Co Limited	Parent/Subsidiary Company	(Sales)	($ 447,911)	(26%)	According to mutual agreement	Note	Note	$ 850,596	36%	
Airmate Electric Appliances (Shenzhen) Co.Limited	Waon Development Co Limited	Parent/Subsidiary Company	(Sales)	(196,571)	(64%)	According to mutual agreement	Note	Note	1,208,210	86%	
Waon Development Co Limited	Airmate Electric Appliances (Jiujiang) Co. Limited	Parent/Subsidiary Company	Purchase	447,911	69%	According to mutual agreement	Note	Note	(850,596)	(34%)	
Waon Development Co Limited	Airmate Electric Appliances (Shenzhen) Co. Limited	Parent/Subsidiary Company	Purchase	196,571	30%	According to mutual agreement	Note	Note	(1,208,210)	(48%)	

Note: Except where there were no similar transactions as precedence, the trading conditions were determined by negotiation between the parties, while the remaining are not materially different from normal trading conditions.

Airmate (Cayman) International Co Limited and Subsidiaries
Receivables from related parties amounted to NTD 100 million or over 20% of the paid-up capital
March 31, 2025

Table 5

Unit: NT$ Thousands
(Unless otherwise specified)

The companies that record such transactions as receivables	Transaction counterparty	Relationship	Accounts receivable balance from related parties	Turnover	Overdue accounts receivable from related party		Amount collected after the due date for accounts receivable from related parties	Appropriated amount for loss allowance
					Amount	Handling method		
Airmate Electric Appliances (Shenzhen) Co.Limited	Waon Development Co.Limited	Parent/Subsidiary Company	$ 1,682,936	0.15	$ -	-	$ 121,569	$ -
Airmate Electric Appliances (Shenzhen) Co.Limited	Airmate Electric Appliances (Jiujiang) Co. Limited	Affiliated companies	260,164	0.58	-	-	28,092	-
Waon Development Co.Limited	Airmate Electric Appliances (Jiujiang) Co. Limited	Parent/Subsidiary Company	316,141	-	-	-	-	-
Waon Development Co.Limited	The Company	Parent/Subsidiary Company	1,331,799	-	-	-	-	-
Airmate Electric Appliances (Jiujiang) Co. Limited	Waon Development Co.Limited	Parent/Subsidiary Company	862,082	0.16	-	-	166,807	-
Airmate International Co. Limited China	Airmate Electric Appliances (Shenzhen) Co.Limited	Parent/Subsidiary Company	733,622	-	-	-	-	-

Note: the above transactions had been written off in preparing the consolidated financial report.

Airmate (Cayman) International Co Limited and Subsidiaries
Significant transactions and amounts of business relationships between the Parent Company and the Subsidiaries and between Subsidiaries
January 1 to March 31, 2025

Table 6

Unit: NT$ Thousands
(Unless otherwise specified)

Where the amount of transactions between the parent company and its subsidiaries or between subsidiaries exceeds NTD 10,000,000 and is disclosed in Note 3, its counterparty transactions will not be repeated.

				Transaction terms			
No. (Note 1)	Name of transacting party	Transacting party	Relationship with counterparty (Note 2)	Account	Amount	Transaction terms	Ratio to total consolidated revenue or total assets
0	The Company	Waon Development Co Limited	1	Other payables - capital loans	$ 1,331,799	Administered according to mutual agreement	15%
1	Airmate International Co. Limited China	Airmate Electric Appliances (Shenzhen) Co Limited	1	Long-term receivables - capital loans (Note 4)	733,622	Administered according to mutual agreement	8%
2	Airmate Electric Appliances (Shenzhen) Co Limited	Airmate Electric Appliances (Jiujiang) Co. Limited	3	Sales	58,813	Administered according to mutual agreement	3%
2	Airmate Electric Appliances (Shenzhen) Co Limited	Airmate Electric Appliances (Jiujiang) Co. Limited	3	Accounts Receivable	128,084	Administered according to mutual agreement	1%
2	Airmate Electric Appliances (Shenzhen) Co Limited	Airmate Electric Appliances (Jiujiang) Co. Limited	3	Other Receivables	132,080	Administered according to mutual agreement	1%
2	Airmate Electric Appliances (Shenzhen) Co Limited	Airmate Electric Appliances (Jiujiang) Co. Limited	3	Accounts Receivable	35,300	Administered according to mutual agreement	-
2	Airmate Electric Appliances (Shenzhen) Co Limited	Airmate Electric Appliances (Jiujiang) Co. Limited	3	Brand licensing income	22,594	Administered according to mutual agreement	1%
2	Airmate Electric Appliances (Shenzhen) Co Limited	Airmate Electric Appliances (Jiujiang) Co. Limited	3	Human Resources income	53,132	Administered according to mutual agreement	3%
2	Airmate Electric Appliances (Shenzhen) Co Limited	Waon Development Co Limited	2	Sales	196,571	Administered according to mutual agreement	10%
2	Airmate Electric Appliances (Shenzhen) Co Limited	Waon Development Co Limited	2	Accounts Receivable	1,208,210	Administered according to mutual agreement	13%
2	Airmate Electric Appliances (Shenzhen) Co Limited	Waon Development Co Limited	2	Other Receivables	474,726	Administered according to mutual agreement	5%
2	Airmate Electric Appliances (Shenzhen) Co Limited	Airmate e-Commerce (Shenzhen) Co., Ltd.	1	Other Receivables	14,819	Administered according to mutual agreement	-
3	Waon Development Co Limited	Airmate Electric Appliances (Jiujiang) Co. Limited	1	Long-term receivables - capital loans (Note 5)	290,368	Administered according to mutual agreement	3%
3	Waon Development Co Limited	Airmate Electric Appliances (Jiujiang) Co. Limited	1	Other Receivables	25,773	Administered according to mutual agreement	-
4	Airmate Electric Appliances (Jiujiang) Co. Limited	Airmate Electric Appliances (Shenzhen) Co Limited	3	Sales	41,889	Administered according to mutual agreement	2%
4	Airmate Electric Appliances (Jiujiang) Co. Limited	Waon Development Co Limited	2	Sales	447,911	Administered according to mutual agreement	22%
4	Airmate Electric Appliances (Jiujiang) Co. Limited	Waon Development Co Limited	2	Accounts Receivable	850,596	Administered according to mutual agreement	9%
4	Airmate Electric Appliances (Jiujiang) Co. Limited	Waon Development Co Limited	2	Other Receivables	11,486	Administered according to mutual agreement	-
4	Airmate Electric Appliances (Jiujiang) Co. Limited	Material Technology (Foshan) Co., Ltd.	3	Accounts Receivable	39,649	Administered according to mutual agreement	-
5	Airmate Technology (Shenzhen) Co. Limited	Airmate Electric Appliances (Jiujiang) Co. Limited	3	Advance Payment	70,743	Administered according to mutual agreement	1%
6	Airmate e-Commerce (Shenzhen) Co., Ltd.	Airmate Electric Appliances (Shenzhen) Co Limited.	3	Other Receivables- capital loans	23,126	Administered according to mutual agreement	-

Note 1: Fill in the numbers as follows:
(1) 0 stands for parent company.
(2) Subsidiaries are numbered sequentially starting with Arabic numeral 1 by company.
Note 2: The transaction was carried out in accordance with the agreement between the two parties and was not materially different from the ordinary transaction.
(1) Parent to Subsidiary.
(2) Subsidiary to parent company.
(3) Subsidiary to Subsidiary.
Note 3: Only the information on the sale of goods and accounts receivable from the business relationship and significant transactions between the parent company and the subsidiary are disclosed, while the purchase of goods and accounts payable by the counterparty will not be described herein.
Note 4: The long-term receivables of Airmate International Co. Limited China from Airmate Electric Appliances (Shenzhen) Co Limited is NTD 514,613 in capital loans and NTD 219,009 in interest.
Note 5: The long-term receivables of Waon Development Co., Limited. from Airmate Electric Appliances (Jiujiang) Co. Limited is NTD 277,514 in capital loans and NTD 12,854 in interest.

Airmate (Cayman) International Co Limited and Subsidiaries
Relevant information such as the name and location of the investee company (excluding the investee companies in Mainland China)
January 1 to March 31, 2025

Table 7

Unit: NT$ Thousands
(Unless otherwise specified)

Name of Investor	Name of investee	Location	Main business items	Initial Investment (Note 1): End of the current period	Initial Investment (Note 1): End of previous year	Number of Shares: Held at the end of the Period	Number of Shares: Ratio	Number of Shares: at the end of the period	Profit or loss of investee for the current period	Recognized gains and losses on investments for the current period (Note 2)	Remark
The Company	Airmate International Holding Limited	British Virgin Islands	Holding company	$ 2,124,273 (USD 63,974 thousand)	$ 2,124,273 (USD 63,974 thousand)	63,974,492	100%	$ 4,293,416	($ 56,042)	($ 56,042)	Directly invested subsidiary companies of the Company
Airmate International Holding Limited	Airmate International Co. Limited China	British Virgin Islands	Holding company	2,316,421 (USD 69,761 thousand)	2,316,421 (USD 69,761 thousand)	69,761,220	100%	4,294,256	(56,031)	(56,031)	Indirectly invested subsidiary of the Company
Airmate International Co. Limited China	Waon Development Co Limited	Hong Kong	Trading company	3,501,032 (HK $820,298 thousand)	3,501,032 (HK $820,298 thousand)	-	100%	3,561,439	(67,985)	(67,985)	Indirectly invested subsidiary of the Company
Waon Development Co Limited	Airmate Electric (Hongkong) Co., Ltd.	Hong Kong	Sales of household appliances	854 (HK $200 thousand)	854 (HK $200 thousand)	-	100%	779	(1)	(1)	Indirectly invested subsidiary of the Company

Note 1: Converted using the exchange rate of USD: NTD: 1: 33.2050, RMB: HKD: 1: 1.0837, HKD: NTD: 1: 4.2680 at the date of the financial report.

Note 2: The above transactions had been written off in preparing the consolidated financial report.

Airmate (Cayman) International Co Limited and Subsidiaries
Information on Investments in Mainland China - Basic Information
January 1 to March 31, 2025

Table 8

Unit: NT$ Thousands
(Unless otherwise specified)

Name of investee company in Mainland China	Main business items	Paid-up capital (Note 4)	Investment method (Note 1)	Cumulative investment amount transferred from Taiwan at the beginning of the current period	Exported or recovered investment amount for the current period (Note 2) Remit	Exported or recovered investment amount for the current period (Note 2) Recovered	Cumulative investment amount transferred from Taiwan at the end of the current period	Profit or loss of investee for the current period	Shareholding ratio of the Company's direct or indirect investment	Profit or loss on investment recognized in the current period	Book value of investments at the end of the period	Investment income recovered as of the current period	Remark
Airmate Electric Appliances (Shenzhen) Co Limited	Production and sale of household appliances and processing of precision mold	$ 1,062,560	(2)	$ -	$ -	$ -	$ -	($ 70,139)	100%	($ 70,139)	$ 2,253,731	$ -	Note 3 and 5
Airmate Electric Appliances (Jiujiang) Co. Limited	Production and sale of household appliances and processing of precision mold	2,417,324	(2) and (3)	-	-	-	-	(2,786)	100%	(2,786)	2,372,043	-	Note 3 and 5
Zhejiang Airmate Electrical Appliance Sales Co., Ltd.	Sales of electric appliances	48,565	(3)	-	-	-	-	(833)	40%	(333)	35,366	-	Note 3 and 5
Airmate Technology (Shenzhen) Co. Limited	Sales, research and development of household appliances	46,252	(3)	-	-	-	-	4,054	100%	4,054	61,712	-	Note 3 and 5
Airmate e-Commerce (Shenzhen) Co., Ltd.	Sales of household appliances	46,252	(3)	-	-	-	-	16,668	100%	16,668	77,161	-	Note 3 and 5
Material Technology (Foshan) Co., Ltd.	Sales of household appliances	2,313	(3)	-	-	-	-	(15)	100%	(15)	(33,209)	-	Note 3 and 5
Xiangdao Technology (Shenzhen) Co., Ltd	Sales of household appliances	2,313	(3)	-	-	-	-	(4)	100%	(4)	2,292	-	Note 3 and 5

Company name	Accumulated investment amount from Taiwan to Mainland China at the end of the current Period	Investment Review Committee of the Ministry of Economic Affairs Approved investment amount	Imvestment Limit Onto Mainland China According to Ministry of Economic Affairs Investment Commission
(Note 2)	-	-	-

Note 1: The investment methods are divided into the following three types. Please indicate the type as follows:
(1) Direct investment in mainland China.
(2) Reinvestment in Mainland China through a third region (Waon Development Co Limited).
(3) Other method, reinvestment through Airmate Electric Appliances (Shenzhen) Co Limited

Note 2: The Company is an overseas company, so it is not bound by the limitations of "Review Principles on Investment or Technological Cooperation in Mainland China".

Note 3: The financial reports audited by CPAs of the invested company during the same period will be recognized.

Note 4: Converted using the exchange rate of USD: NTD: 1: 33.2050, RMB: HKD: 1: 1.0837, HKD: NTD: 1: 4.2680 at the date of the financial report.

Note 5: Except for Zhejiang Airmate Electrical Appliance Sales Co., Ltd., the above transactions have been written off during the preparation of the Consolidated Financial Report.