Yulon Nissan Motor Company, Ltd. and Subsidiaries

Consolidated Financial Statements for the Years Ended December 31, 2024 and 2023 and Independent Auditors' Report

DECLARATION OF CONSOLIDATION OF FINANCIAL STATEMENTS OF AFFILIATES

The companies required to be included in the consolidated financial statements of affiliates in accordance with the “Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises” for the year ended December 31, 2024 are all the same as the companies required to be included in the consolidated financial statements of parent and subsidiary companies as provided in International Financial Reporting Standard 10 “Consolidated Financial Statements”. Relevant information that should be disclosed in the consolidated financial statements of affiliates has all been disclosed in the consolidated financial statements of parent and subsidiary companies. Hence, we do not prepare a separate set of consolidated financial statements of affiliates.

Very truly yours,

YULON NISSAN MOTOR COMPANY, LTD.

By

CHEN-LI- LIAN YEN
Chairman of the Board

March 11, 2025

Deloitte.

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INDEPENDENT AUDITORS' REPORT

The Board of Directors and Stockholders
Yulon Nissan Motor Company, Ltd.

Opinion

We have audited the accompanying consolidated financial statements of Yulon Nissan Motor Company, Ltd. (the "Company") and its subsidiaries (collectively referred to as the "Group"), which comprise the consolidated balance sheets as of December 31, 2024 and 2023, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the consolidated financial statements, including material accounting policy information (collectively referred to as the "consolidated financial statements").

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

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matter of the Group's consolidated financial statements for the year ended December 31, 2024 is described as follows:

Depreciation of Molds and Dies

In accordance with IAS 16 "Property, Plant and Equipment", the depreciable amount of an asset should be allocated on a systematic basis over its useful life. The Group depreciates molds and dies using the unit production method and reviews the estimated number of vehicles that are expected to be sold in the future for each vehicle model every six months based on market sales. The estimated number of vehicles to be sold is then used to calculate the amount allocated to each mold and die and is used as the basis for the depreciation of molds and dies. The depreciation of molds and dies in 2024 was $201,922 thousand. Since the amount of depreciation of molds and dies is significant and estimates of the units sold are highly dependent on management's judgment. Therefore, the depreciation of molds and dies is considered to be a key audit matter.

The related accounting policies and material accounting judgments are disclosed in Notes 4 and 5 to the consolidated financial statements, respectively; the related amounts are disclosed in Note 13 to the consolidated financial statements.

We understood the Company's depreciation process for molds and dies and related control systems, evaluated the design of the controls and tested the operating effectiveness of the controls. We also obtained the information and documents from management, which are used as the basis for the estimated number of units of each model of vehicle to be sold in the future and assessed the rationality and reliability of the supporting information. In addition, we took appropriate samples of the transactions of molds and dies and checked them against the original documents and cash flows, performed inventory counts and sent confirmation requests. We also recalculated the amount of depreciation of molds and dies on the basis of the estimated production volume and assessed the rationality of the calculated depreciation and the accuracy of the carrying amount of the molds and dies. Moreover, we determined that there was no significant difference between the amended estimated number of units of future sales of vehicles in the previous year's consolidated financial statements and the actual number of units sold, and we confirmed the appropriateness of management's estimation.

Other Matter

We have also audited the parent company only financial statements of Yulon Nissan Motor Company, Ltd., as of and for the years ended December 31, 2024 and 2023 on which we have issued an unmodified opinion.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

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

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2024 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Wan-I Liao and Chien-Hsin Hsieh.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 11, 2025

Notice to Readers

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

For the convenience of readers, the independent auditors' report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and consolidated financial statements shall prevail.

YULON NISSAN MOTOR COMPANY, LTD. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars, Except Par Value)

	2024		2023	
ASSETS	**Amount**	**%**	**Amount**	**%**
CURRENT ASSETS				
Cash and cash equivalents (Note 6)	$ 6,348,256	26	$ 7,592,375	34
Financial assets at fair value through profit or loss (Notes 4 and 7)	1,528,688	6	900,959	4
Financial assets at amortized cost (Notes 4, 8 and 30)	2,175	-	104,383	-
Notes receivable (Notes 4, 9 and 22)	571	-	855	-
Trade receivables (Notes 4, 9 and 22)	83,935	1	26,827	-
Trade receivables - related parties (Notes 4, 22 and 29)	316,512	1	150,101	1
Other receivables (Notes 4 and 9)	42,578	-	16,301	-
Other receivables - related parties (Notes 4 and 29)	72,602	-	95,827	-
Current tax assets (Notes 4 and 24)	14,173	-	-	-
Prepayments	401,111	2	375,533	2
Total current assets	8,810,601	36	9,263,161	41
NON-CURRENT ASSETS				
Investments accounted for using the equity method (Notes 4 and 12)	13,648,183	57	11,424,105	51
Property, plant and equipment (Notes 4, 5, 13 and 29)	783,040	3	968,733	4
Right-of-use assets (Notes 4, 14 and 29)	546,366	3	598,557	3
Computer software (Notes 4 and 15)	33,905	-	40,361	-
Deferred tax assets (Notes 4 and 24)	60,158	-	63,917	-
Other non-current assets (Notes 16 and 29)	270,542	1	246,755	1
Total non-current assets	15,342,194	64	13,342,428	59
TOTAL	$ 24,152,795	100	$ 22,605,589	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Contract liabilities (Notes 22 and 29)	$ -	-	$ 2,022	-
Trade payables	101,799	-	119,294	1
Trade payables - related parties (Note 29)	437,700	2	301,532	1
Other payables (Note 17)	1,058,093	4	1,076,210	5
Other payables - related parties (Note 29)	145,573	1	112,908	-
Current tax liabilities (Notes 4 and 24)	-	-	350,149	2
Provisions (Notes 4, 5 and 18)	205,859	1	197,858	1
Lease liabilities (Notes 4, 14 and 29)	45,747	-	48,885	-
Other current liabilities (Note 19)	7,637	-	7,840	-
Total current liabilities	2,002,408	8	2,216,698	10
NON-CURRENT LIABILITIES				
Provisions (Notes 4, 5 and 18)	77,751	-	74,987	-
Deferred tax liabilities (Notes 4 and 24)	2,277,868	10	1,979,460	9
Lease liabilities (Notes 4, 14 and 29)	511,829	2	558,212	3
Net defined benefit liabilities (Notes 4 and 20)	14,652	-	44,382	-
Total non-current liabilities	2,882,100	12	2,657,041	12
Total liabilities	4,884,508	20	4,873,739	22
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY				
Capital stock - NT$10 par value; authorized 600,000 thousand stocks; issued and outstanding 300,000 thousand stocks	3,000,000	12	3,000,000	13
Capital surplus	5,988,968	25	5,988,968	26
Retained earnings				
Legal reserve	7,510,787	31	7,396,085	33
Special reserve	1,470,531	6	1,470,531	6
Unappropriated earnings	1,847,263	8	1,322,636	6
Total retained earnings	10,828,581	45	10,189,252	45
Other equity	(549,262)	(2)	(1,446,370)	(6)
Total equity	19,268,287	80	17,731,850	78
TOTAL	$ 24,152,795	100	$ 22,605,589	100

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

YULON NISSAN MOTOR COMPANY, LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2024		2023	
	Amount	**%**	**Amount**	**%**
OPERATING REVENUE (Notes 22 and 29)				
Sales (Note 4)	$ 22,921,161	99	$ 25,761,591	99
Service revenue (Note 4)	89,166	-	263,544	1
Other operating revenue	121,689	1	111,062	-
Total operating revenue	23,132,016	100	26,136,197	100
OPERATING COSTS (Notes 10, 23 and 29)	20,473,909	89	23,081,037	88
GROSS PROFIT	2,658,107	11	3,055,160	12
OPERATING EXPENSES (Notes 23 and 29)				
Selling and marketing expenses	1,832,331	8	1,856,700	7
General and administrative expenses	412,689	2	521,667	2
Research and development expenses	351,548	1	555,668	2
Total operating expenses	2,596,568	11	2,934,035	11
OTHER OPERATING INCOME AND EXPENSES (Notes 23 and 29)	(268)	-	(2,712)	-
PROFIT FROM OPERATIONS	61,271	-	118,413	1
NON-OPERATING INCOME AND EXPENSES				
Share of profit of associates	1,613,993	7	1,105,617	4
Foreign exchange gain, net (Note 23)	82,382	1	122,942	1
Gain on fair value changes of financial assets at fair value through profit or loss, net	32,220	-	16,189	-
Interest income (Note 4)	245,946	1	81,739	-
Other revenue	16,405	-	18,804	-
Interest expenses (Note 29)	(6,743)	-	(7,526)	-
Gain on disposal of investments, net (Note 23)	12,214	-	23,064	-
Overseas business expenses (Note 29)	(7,000)	-	(7,334)	-
Other losses	(757)	-	(741)	-
Total non-operating income and expenses	1,988,660	9	1,352,754	5
PROFIT BEFORE TAX	2,049,931	9	1,471,167	6
INCOME TAX EXPENSE (Notes 4 and 24)	379,588	2	310,142	1
NET PROFIT FOR THE YEAR	1,670,343	7	1,161,025	5

(Continued)

YULON NISSAN MOTOR COMPANY, LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2024		2023	
	Amount	**%**	**Amount**	**%**
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans (Note 20)	$ 16,405	-	$ (17,417)	-
Share of other comprehensive loss of associates accounted for using the equity method (Note 12)	(172)	-	(91)	-
Income tax relating to items that will not be reclassified subsequently to profit or loss (Notes 4 and 24)	(3,247)	-	3,502	-
	12,986	-	(14,006)	-
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on the translation of foreign operations	897,108	4	(470,659)	(2)
Other comprehensive loss for the year, net of income tax	910,094	4	(484,665)	(2)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	$ 2,580,437	11	$ 676,360	3
NET PROFIT ATTRIBUTABLE TO:				
Owner of the Company	$ 1,670,343	7	$ 1,161,025	4
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Owner of the Company	$ 2,580,437	11	$ 676,360	3
EARNINGS PER SHARE (Note 25)				
Basic	$5.57		$3.87	
Diluted	$5.57		$3.87	

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

YULON NISSAN MOTOR COMPANY, LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars, Except Cash Dividends Per Share)

			Retained Earnings (Note 21)			Other Equity	
	Capital Stock	Capital Surplus (Note 21)	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translating Foreign Operations	Total Equity
BALANCE AT JANUARY 1, 2023	$ 3,000,000	$ 5,988,968	$ 7,151,689	$ 1,470,531	$ 2,586,013	$ (975,711)	$ 19,221,490
Appropriation of 2022 earnings							
Legal reserve	-	-	244,396	-	(244,396)	-	-
Cash dividends distributed by the Company - NT$7.22 per share	-	-	-	-	(2,166,000)	-	(2,166,000)
	-	-	244,396	-	(2,410,396)	-	(2,166,000)
Net profit for the year ended December 31, 2023	-	-	-	-	1,161,025	-	1,161,025
Other comprehensive loss for the year ended December 31, 2023, net of income tax	-	-	-	-	(14,006)	(470,659)	(484,665)
Total comprehensive income (loss) for the year ended December 31, 2023	-	-	-	-	1,147,019	(470,659)	676,360
BALANCE AT DECEMBER 31, 2023	3,000,000	5,988,968	7,396,085	1,470,531	1,322,636	(1,446,370)	17,731,850
Appropriation of 2023 earnings							
Legal reserve	-	-	114,702	-	(114,702)	-	-
Cash dividends distributed by the Company - NT$3.48 per share	-	-	-	-	(1,044,000)	-	(1,044,000)
	-	-	114,702	-	(1,158,702)	-	(1,044,000)
Net profit for the year ended December 31, 2024	-	-	-	-	1,670,343	-	1,670,343
Other comprehensive income for the year ended December 31, 2024, net of income tax	-	-	-	-	12,986	897,108	910,094
Total comprehensive income for the year ended December 31, 2024	-	-	-	-	1,683,329	897,108	2,580,437
BALANCE AT DECEMBER 31, 2024	$ 3,000,000	$ 5,988,968	$ 7,510,787	$ 1,470,531	$ 1,847,263	$ (549,262)	$ 19,268,287

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

YULON NISSAN MOTOR COMPANY, LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars)

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	$ 2,049,931	$ 1,471,167
Adjustments for:		
Depreciation expenses	294,984	385,785
Amortization expenses	13,786	14,895
Gain on fair value changes of financial assets at fair value through profit or loss, net	(32,220)	(16,189)
Interest expense	6,743	7,526
Interest income	(245,946)	(81,739)
Share of profit of associates	(1,613,993)	(1,105,617)
Loss on disposal of property, plant and equipment, net	268	2,712
Gain on disposal of investment, net	(12,214)	(23,064)
Net (gain) loss on foreign currency exchange	704	(20,180)
Recognition of inventory purchase commitments	9,823	4,457
Warranty costs	120,271	124,961
Net changes in operating assets and liabilities		
Financial assets at fair value through profit or loss	(586,415)	1,481,073
Notes receivable	284	75
Trade receivables	(57,063)	(3,025)
Trade receivables - related parties	(166,411)	206,867
Other receivables	2,159	(1,112)
Other receivables - related parties	23,225	14,758
Prepayments	(236)	2,432
Other financial assets	102,208	(102,263)
Contract liabilities	(2,022)	(68,006)
Trade payables	(17,394)	47,436
Trade payables - related parties	136,168	(140,424)
Other payables	(4,969)	291,292
Other payables - related parties	29,255	(26,860)
Other current liabilities	(203)	845
Provisions	(119,329)	(123,668)
Net defined benefit liabilities	(13,325)	(4,464)
Cash generated from (used in) operations	(81,931)	2,339,670
Interest paid	(6,743)	(7,526)
Income tax paid	(444,990)	(1,175,010)
Net cash generated from (used in) operating activities	(533,664)	1,157,134

(Continued)

YULON NISSAN MOTOR COMPANY, LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars)

	2024	2023
CASH FLOWS FROM INVESTING ACTIVITIES		
Dividends received	$ -	$ 5,848,818
Interest received	217,510	78,396
Payments for property, plant and equipment (Note 26)	(30,790)	(41,205)
Proceeds from disposal of property, plant and equipment	1,492	-
(Increase) decrease in refundable deposits	(62,578)	162,399
Payments for computer software	(7,330)	(1,303)
Net cash generated from investing activities	118,304	6,047,105
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of the principal portion of lease liabilities	(48,590)	(54,494)
Payments of dividends	(1,044,000)	(2,166,000)
Cash used in financing activities	(1,092,590)	(2,220,494)
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	263,831	(4,709)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(1,244,119)	4,979,036
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	7,592,375	2,613,339
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	$ 6,348,256	$ 7,592,375

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

YULON NISSAN MOTOR COMPANY, LTD. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1. GENERAL INFORMATION

Yulon Nissan Motor Company, Ltd. (the “Company”) and its subsidiaries (collectively referred to as the “Group”) are mainly engaged in the research and development of vehicles and the sale of vehicles. The Company started its operations in October 2003. Then Yulon Motor Co., Ltd. (“Yulon”) transferred its sales and research and development businesses to the Company through a spin-off. The Company’s spin-off from Yulon was intended to increase Yulon’s competitive advantage and participation in the global automobile network and to enhance its professional management. The spin-off date was October 1, 2003.

Yulon initially held 100% equity interest in the Company but then transferred 40% of its equity to Nissan Motor Co., Ltd. (“Nissan”), a Japanese motor company, on October 30, 2003. The Company became listed on December 21, 2004 after its initial public offering application was approved by the Taiwan Stock Exchange Corporation on October 6, 2004.

2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Company’s board of directors on March 11, 2025.

3. APPLICATION OF NEW, AMENDED AND REVISED STANDARDS AND INTERPRETATIONS

a. Initial application of the amendments to the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) (collectively, the “IFRS Accounting Standards”) endorsed and issued into effect by the Financial Supervisory Commission (FSC)

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB
Amendments to IFRS 16 “Leases Liability in a Sale and Leaseback”	January 1, 2024
Amendments to IAS 1 “Classification of Liabilities as Current or Non-current” (referred to as the “2020 amendments”) and “Non-current Liabilities with Covenants” (referred to as the “2022 amendments”)	January 1, 2024
Amendments to IAS 7 and IFRS 7 “Supplier Finance Arrangements”	January 1, 2024
Measurement of liabilities for the consideration received from employees, which should be returned if employees resign under the restricted share plan	January 1, 2024

Except for the following, the initial application of the IFRS Accounting Standards endorsed and issued into effect by the FSC did not have a material impact on the Group’s accounting policies.

b. The IFRS Accounting Standards endorsed by the FSC for application starting from 2025

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB
Amendments to IAS 21 "Lack of Exchangeability"	January 1, 2025 (Note 1)
Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments" - the amendments to the application guidance of classification of financial assets	January 1, 2026 (Note 2)

Note 1: An entity shall apply those amendments for annual reporting periods beginning on or after January 1, 2025. Upon initial application of the amendments to IAS 21, the Group shall not restate the comparative information and shall recognize any effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or, if applicable, to the cumulative amount of translation differences in equity as well as affected assets or liabilities.

Note 2: An entity shall apply those amendments for annual reporting periods beginning on or after January 1, 2026. It is permitted to apply these amendments for an earlier period beginning on January 1, 2025. An entity shall apply the amendments retrospectively but is not required to restate prior periods. The effect of initially applying the amendments shall be recognized as an adjustment to the opening balance at the date of initial application. An entity may restate prior periods if, and only if, it is possible to do so without the use of hindsight.

Except for the above impact, as of the date the consolidated financial statements were authorized for issue, the Group has assessed that the application of other standards and interpretations will not have a material impact on the Group's financial position and financial performance.

c. The IFRS Accounting Standards in issue but not yet endorsed and issued into effect by the FSC

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB (Note)
Annual Improvements to IFRS Accounting Standards - Volume 11	January 1, 2026
Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments" - the amendments to the application guidance of derecognition of financial liabilities	January 1, 2026
Amendments to IFRS 9 and IFRS 7 "Contracts Referencing Nature-dependent Electricity"	January 1, 2026
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"	To be determined by IASB
IFRS 17 "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17	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 "Subsidiaries without Public Accountability: Disclosures"	January 1, 2027

Note: Unless stated otherwise, the above IFRS Accounting Standards are effective for annual reporting periods beginning on or after their respective effective dates.

IFRS 18 "Presentation and Disclosure in Financial Statements"

IFRS 18 will supersede IAS 1" Presentation of Financial Statements". The main changes comprise:

- Items of income and expenses included in the statement of profit or loss shall be classified into the operating, investing, financing, income taxes and discontinued operations categories.

- The statement of profit or loss shall present totals and subtotals for operating profit or loss, profit or loss before financing and income taxes and profit or loss.

- Provides guidance to enhance the requirements of aggregation and disaggregation: The Group shall identify the assets, liabilities, equity, income, expenses and cash flows that arise from individual transactions or other events and shall classify and aggregate them into groups based on shared characteristics, so as to result in the presentation in the primary financial statements of line items that have at least one similar characteristic. The Group shall disaggregate items with dissimilar characteristics in the primary financial statements and in the notes. The Group labels items as "other" only if it cannot find a more informative label.

- Disclosures on Management-defined Performance Measures (MPMs): When in public communications outside financial statements and communicating to users of financial statements management's view of an aspect of the financial performance of the Group as a whole, the Group shall disclose related information about its MPMs in a single note to the financial statements, including the description of such measures, calculations, reconciliations to the subtotal or total specified by IFRS Accounting Standards and the income tax and non-controlling interests effects of related reconciliation items.

As of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing the possible impact of the application of the above standards and interpretations on the Group's financial position and financial performance and will disclose the relevant impact when the assessment is completed.

4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

a. Statement of compliance

The consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and IFRS Accounting Standards as endorsed and issued into effect by the FSC.

b. Basis of preparation

The consolidated financial statements have been prepared on a historical cost basis, except for the financial instruments and net defined benefit liabilities, which are measured at the present value of the defined benefit obligation less than the fair value of plan assets.

The fair value measurements, which are grouped into Levels 1 to 3 based on the degree to which the fair value measurement inputs are observable and based on the significance of the inputs to the fair value measurement in its entirety, are described as follows:

1) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities;

2) Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

3) Level 3 inputs are unobservable inputs for the asset or liability

c. Classification of current and non-current assets and liabilities

Current assets include:

1) Assets held primarily for the purpose of trading;

2) Assets expected to be realized within 12 months after the reporting period; and

3) Cash and cash equivalents unless the asset is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

Current liabilities include:

1) Liabilities held primarily for the purpose of trading;

2) Liabilities due to be settled within 12 months after the reporting period; and

3) Liabilities for which the Group does not have the substantial right at the end of the reporting period to defer settlement for at least 12 months after the reporting period.

Assets and liabilities that are not classified as current are classified as non-current.

d. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company (i.e. its subsidiaries).

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Group.

All intra-group transactions, balances, income and expenses are eliminated in full upon consolidation.

See Note 11 and Table 4 for detailed information on subsidiaries (including percentages of ownership and main businesses).

e. Foreign currencies

The financial statements of each individual group entity in the Group are presented in its functional currency, which is the currency of the primary economic environment in which the entity operates. The consolidated financial statements are presented in the Company's functional currency, New Taiwan dollars (NT$). Upon preparing the consolidated financial statements, the operations and financial positions of each individual entity are translated into New Taiwan dollars.

In preparing the financial statements of each individual entity in the Group, transactions in currencies other than the entity's functional currency (i.e., foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Exchange differences on monetary items arising from settlement or translation are recognized in profit or loss in the period in which they arise. Non-monetary items that are measured at historical cost in foreign currencies are not retranslated.

When preparing the consolidated financial statements, the financial statements of the Group's foreign operations that are prepared using functional currencies that are different from the currency of the Company are translated into the presentation currency, the New Taiwan dollar, as follows: Assets and liabilities - period-end rates; profit and loss - average rates for the period; equity - historical rate. Any exchange differences are recognized in other comprehensive income.

f. Inventories

Inventories are stated at the lower of cost or net realizable value. Inventory write-downs are made by item, except where it may be appropriate to group similar or related items. The net realizable value is the estimated selling price of inventories less all estimated costs of completion and costs necessary to make the sale. Inventories are recorded at the weighted-average cost on the balance sheet date.

g. Investment in associates

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor a joint venture.

The Group uses the equity method to account for its investments in associates. Under the equity method, an investment in an associate is initially recognized at cost and adjusted thereafter to recognize the Group's share of the profit or loss and other comprehensive income of the associate. The Group also recognizes the change in the Group's share of equity of associates.

When the Group's share of losses from an associate equals its interest in that associate, the Group discontinues recognizing its share of further losses. Additional losses and liabilities are recognized only to the extent that the Group has incurred legal obligations, or constructive obligations, or made payments on behalf of that associate.

Investments accounted for using the equity method are assessed for indicators of impairment at the end of each reporting period. When there is objective evidence that the investments accounted for using the equity method have been impaired, the impairment losses are recognized in profit or loss.

h. Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost less accumulated depreciation and accumulated impairment loss.

Other than molds and dies, which are depreciated on the basis of the estimated number of vehicles to be sold in the future, other items of property, plant and equipment are depreciated using the straight-line method. The estimated useful lives, residual values and depreciation method of assets are reviewed at the end of each year, and the estimated sales volume is reviewed every six months, with the effect of any changes in estimate accounted for on a prospective basis.

On derecognition of an item of property, plant and equipment, the difference between the sales proceeds and the carrying amount of the asset is recognized in profit or loss.

i. Computer software

Computer software is initially stated at cost and subsequently stated at cost less accumulated amortization. The amortization is recognized on a straight-line basis over 3 years. The estimated useful, residual value and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. The residual value of computer software shall be assumed to be zero unless the Group expects to dispose of the asset before the end of its economic life.

j. Impairment of property, plant and equipment, right-of-use assets and computer software

When the carrying amount of property, plant and equipment, right-of-use assets and computer software exceeds its recoverable amount, the excess is recognized as an impairment loss. When the impairment loss is subsequently reversed, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent of the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years. A reversal of an impairment loss is recognized in profit or loss.

k. Financial instruments

Financial assets and financial liabilities are recognized when the Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issuance of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognized immediately in profit or loss.

Financial assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis.

1) Measurement categories

Financial assets are classified into the following categories: Financial assets at FVTPL and financial assets at amortized cost.

a) Financial assets at FVTPL

Financial assets are classified as at FVTPL when such a financial asset, are mandatorily classified or designated as at FVTPL. Financial assets mandatorily classified as at FVTPL include investments in equity instruments that are not designated as at FVTOCI and debt instruments that do not meet the amortized cost criteria or the FVTOCI criteria.

Financial assets at FVTPL are subsequently measured at fair value, with any gains or losses arising on remeasurement recognized in profit or loss. The net gain or loss recognized in profit or loss does not incorporate any dividends or interest earned on such financial asset. Fair value is determined in the manner described in Note 28.

b) Financial assets at amortized cost

Financial assets that meet the following conditions are subsequently measured at amortized cost:

i. The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and

ii. The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Subsequent to initial recognition, financial assets at amortized cost, including cash and cash equivalents, trade receivables at amortized cost and other receivables, are measured at amortized cost, which equals the gross carrying amount determined using the effective interest method less any impairment loss. Exchange differences are recognized in profit or loss.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of such a financial asset, except for:

i. Purchased or originated credit-impaired financial assets, for which interest income is calculated by applying the credit-adjusted effective interest rate to the amortized cost of such financial assets; and

ii. Financial assets that are not credit-impaired on purchase or origination but have subsequently become credit impaired, for which interest income is calculated by applying the effective interest rate to the amortized cost of such financial assets in subsequent reporting periods.

Cash equivalents include time deposits and repurchase agreements collateralized by bonds with original maturities within 3 months from the date of acquisition, which are highly liquid, readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These cash equivalents are held for the purpose of meeting short-term cash commitments.

2) Impairment of financial assets

The Group recognizes a loss allowance for expected credit losses on financial assets at amortized cost (including trade receivables).

The Group always recognizes lifetime expected credit losses (ECLs) for trade receivables. For all other financial instruments, the Group recognizes lifetime ECLs when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on a financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECLs.

Expected credit losses reflect the weighted average of credit losses with the respective risks of a default occurring reflected in the weights. Lifetime ECLs represent the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECLs represent the portion of lifetime ECLs that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

The Group recognizes an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

3) Derecognition of financial assets

The Group derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

Financial liabilities

1) Subsequent measurement

All the financial liabilities are measured at amortized cost using the effective interest method.

2) Derecognition of financial liabilities

The Group derecognizes a financial liability only when the obligation specified in the contract is discharged, canceled, or expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

l. Provisions

1) Inventory purchase commitments

Where the Group has a commitment for which the unavoidable costs of meeting the obligations exceed the economic benefits expected to be received, the present obligations arising from such commitments are recognized and measured as provisions.

2) Warranties

Provisions for the expected cost of warranty obligations are recognized at the date of sale of the relevant products, at the best estimate by the management of the Group of the expenditure required to settle the Group's obligation.

m. Revenue recognition

The Group identifies contracts with the customers, allocates the transaction price to the performance obligations, and recognizes revenue when performance obligations are satisfied.

1) Revenue from the sale of goods

Revenue from the sale of goods comes from the sale of vehicles and parts. Revenue from the sale of goods is recognized when the goods are delivered and legal ownership of the goods has been transferred to the customer.

2) Revenue from the rendering of services

Revenue from the rendering of services comes from the provision of design and research and development services for cars. Contract assets and revenue are recognized by reference to the stage of completion of the respective contract, and contract assets are reclassified to trade receivables when the remaining obligation is performed. If the milestone payment exceeds the revenue recognized to date, then the Group recognizes a contract liability for the difference.

n. Leases

At the inception of a contract, the Group assesses whether the contract is, or contains, a lease.

<u>The Group as lessee</u>

The Group recognizes right-of-use assets and lease liabilities for all leases at the commencement date of a lease, except for short-term leases and low-value asset leases accounted for by applying a recognition exemption where lease payments are recognized as expenses on a straight-line basis over the lease terms.

Right-of-use assets are initially measured at cost, which comprises the initial measurement of lease liabilities adjusted for lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs needed to restore the underlying assets, and less any lease incentives received. Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses and adjusted for any remeasurement of the lease liabilities. Right-of-use assets are presented on a separate line in the consolidated balance sheets.

Right-of-use assets are depreciated using the straight-line method from the commencement dates to the earlier end of the useful lives of the right-of-use assets or the end of the lease terms.

Lease liabilities are initially measured at the present value of the lease payments, which comprise fixed payments.

The lease payments are discounted using the interest rate implicit in a lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses the lessee’s incremental borrowing rate.

Subsequently, lease liabilities are measured at amortized cost using the effective interest method, with interest expense recognized over the lease terms. When there is a change in a lease term, the Group remeasures the lease liabilities with a corresponding adjustment to the right-of-use-assets. However, if the carrying amount of the right-of-use assets is reduced to zero, any remaining amount of the remeasurement is recognized in profit or loss. Lease liabilities are presented on a separate line in the consolidated balance sheets.

o. Employee benefits

1) Short-term employee benefits

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related services.

2) Retirement benefits

Payments to defined contribution retirement benefit plans are recognized as expenses when employees have rendered services, entitling them to the contributions.

Defined benefit costs (including service costs, net interest and remeasurement) under the defined benefit retirement benefit plans are determined using the projected unit credit method. Service costs and net interest on the net defined benefit liabilities are recognized as employee benefits expenses in the period in which they occur. Remeasurement, comprising actuarial gains and losses and the return on plan assets (excluding interest), is recognized in other comprehensive income in the period in which it occurs. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss.

Net defined benefit liabilities represent the actual deficit in the Group’s defined benefit plans.

p. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

1) Current tax

Current tax payable is dependent on current taxable income. Taxable income is different from the net income before tax on the consolidated statement of comprehensive income for the reason that some revenue and expenses are taxable or deductible items in other periods, or not taxable or deductible items according to the Income Tax Act. The Group’s current tax liabilities are calculated using the legislated tax rate on the balance sheet date.

According to the Income Tax Act in the ROC, an additional tax on unappropriated earnings is provided for in the year the stockholders approve to retain earnings.

Adjustments of prior years’ tax liabilities are added to or deducted from the current year’s tax provision.

2) Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in associates, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. A previously unrecognized deferred tax asset is also reviewed at the end of each reporting period and recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liabilities are settled or the assets are realized.

3) Current and deferred tax for the year

Current and deferred taxes are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income, in which case, the current and deferred taxes are also recognized in other comprehensive income.

5. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group’s accounting policies, management is required to make judgments, estimates and assumptions on the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the key assumptions and other key sources of estimation uncertainty at the end of the reporting period.

a. Property, plant and equipment molds and dies

The Group depreciates molds and dies on the basis of units of production and examines the estimated units sold of each model according to the changes in the market semiannually as a basis to calculate amounts allocated to each mold and die.

b. Provisions for the expected cost of warranties

The provisions for warranties are calculated on the basis of the estimate of quarterly warranty expenditure per car and the estimated units subject to warranty during the future warranty period. The estimate of quarterly warranty expenditure per car is calculated based on the average of actual warranty expenses in the past and the estimated number of units of cars subject to warranty at the end of every quarter. As of December 31, 2024 and 2023, the carrying amounts of provisions for warranties were $150,714 thousand and $149,772 thousand, respectively.

6. CASH AND CASH EQUIVALENTS

	December 31	
	2024	**2023**
Checking accounts and demand deposits	$ 438,663	$ 493,362
Foreign currency demand deposits	364,768	3,891,317
Cash equivalents		
Foreign currency time deposits	4,127,857	2,733,382
Time deposits	678,300	6,900
Repurchase agreements collateralized by bonds	738,668	467,414
	$ 6,348,256	$ 7,592,375

Cash equivalents include time deposits and repurchase agreements collateralized by bonds with original maturities of 3 months or less from the date of acquisition. The Group considers its cash equivalents to be highly liquid, readily convertible to a known amount of cash and are subject to an insignificant risk of change in value. These cash equivalents are held for the purpose of meeting short-term cash commitments.

The market interest rate intervals of demand deposits, time deposits and repurchase agreements collateralized by bonds at the end of the reporting period were as follows:

	December 31	
	2024	**2023**
Demand deposits and time deposits	0.002%-4.82%	0.001%-5.52%
Repurchase agreements collateralized by bonds	4.5%-5%	5.50%

7. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	December 31	
	2024	2023
Financial assets mandatorily classified as at FVTPL		
Non-derivative financial assets		
Mutual funds	$ 1,528,688	$ 900,959

8. FINANCIAL ASSETS AT AMORTIZED COST

	December 31	
	2024	2023
Current		
Time deposit - restricted (a)	$ 2,175	$ 2,145
Time deposits with original maturities of more than 3 months (b)	-	102,238
	$ 2,175	$ 104,383

a. Financial assets at amortized cost pledged as collateral for the maintenance of military vehicles are set out in Note 30.

b. As of December 31, 2023, the interest rates of time deposits with original maturity of more than 3 months ranged from 2.45% to 5.22%.

9. NOTES RECEIVABLE, TRADE RECEIVABLES AND OTHER RECEIVABLES

	December 31	
	2024	2023
Notes receivable		
At amortized cost	$ 571	$ 855
Trade receivables		
At amortized cost	$ 83,935	$ 26,827
Other receivables		
Interest receivables	$ 37,321	$ 8,885
Others	5,257	7,416
	$ 42,578	$ 16,301

a. Notes receivable

In order to minimize credit risk, the sales department monitors payment collection regularly to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debt at the end of the reporting period to ensure that adequate allowance is made for possible irrecoverable amounts. In this regard, the management believes the Group's credit risk was significantly reduced.

The Group applies the simplified approach to provisions for expected credit losses prescribed by IFRS 9, which permits the use of a lifetime expected losses provision for all notes receivables. The expected credit losses on notes receivable are estimated using a provision matrix by reference to past default experience with the respective debtor and an analysis of the debtor's current financial position, adjusted for the general economic conditions of the industry in which the debtor operates and an assessment of both the current as well as the forecasted direction of economic conditions at the reporting date. The provision for losses based on the past due status of receivables is further distinguished by domestic customers and foreign customers. Nevertheless, the Group did not recognize an expected losses provision for notes receivable due to the estimation performed by the Group at the end of the reporting period, which shows that there was not a significant change in the credit quality of the receivables and the amounts were still considered recoverable.

The following table details the loss allowance of notes receivable based on the Group's provision matrix.

December 31, 2024

	Not Past Due	Up to 60 Days	61 to 120 Days	121 to 180 Days	Over 180 Days	Total
Expected credit loss rate	-	-	-	-	-	
Gross carrying amount	$ 571	$ -	$ -	$ -	$ -	$ 571
Loss allowance (Lifetime ECL)	-	-	-	-	-	-
Amortized cost	$ 571	$ -	$ -	$ -	$ -	$ 571

December 31, 2023

	Not Past Due	Up to 60 Days	61 to 120 Days	121 to 180 Days	Over 180 Days	Total
Expected credit loss rate	-	-	-	-	-	
Gross carrying amount	$ 855	$ -	$ -	$ -	$ -	$ 855
Loss allowance (Lifetime ECL)	-	-	-	-	-	-
Amortized cost	$ 855	$ -	$ -	$ -	$ -	$ 855

b. Trade receivables

In order to minimize credit risk, the sales department traces payment collection regularly to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debt at the end of the reporting period to ensure that adequate allowance is made for possible irrecoverable amounts. In this regard, the management believes the Group's credit risk was significantly reduced.

The Group applies the simplified approach to provisions for expected credit losses prescribed by IFRS 9, which permits the use of a lifetime expected losses provision for all trade receivables. The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience with the respective debtor and an analysis of the debtor's current financial position, adjusted for the general economic conditions of the industry in which the debtor operates and an assessment of both the current as well as the forecasted direction of economic conditions at the reporting date. The provision for losses based on the past due status of receivables is further distinguished by domestic customers and foreign customers. Nevertheless, the Group did not recognize an expected losses provision for trade receivables due to the estimation performed by the Group at the end of the reporting period, which shows that there was not a significant change in the credit quality of the receivables and the amounts were still considered recoverable.

The following table details the loss allowance of accounts receivable based on the Group's provision matrix.

December 31, 2024

	Not Past Due	Up to 60 Days	61 to 120 Days	121 to 180 Days	Over 180 Days	Total
Expected credit loss rate	-	-	-	-	-	
Gross carrying amount	$ 83,935	$ -	$ -	$ -	$ -	$ 83,935
Loss allowance (Lifetime ECL)	-	-	-	-	-	-
Amortized cost	$ 83,935	$ -	$ -	$ -	$ -	$ 83,935

December 31, 2023

	Not Past Due	Up to 60 Days	61 to 120 Days	121 to 180 Days	Over 180 Days	Total
Expected credit loss rate	-	-	-	-	-	
Gross carrying amount	$ 26,827	$ -	$ -	$ -	$ -	$ 26,827
Loss allowance (Lifetime ECL)	-	-	-	-	-	-
Amortized cost	$ 26,827	$ -	$ -	$ -	$ -	$ 26,827

c. Other receivables

When there is objective evidence that other receivables were impaired, the Group assesses impairment losses on other receivables individually.

There were no past due other receivable balances at the end of the reporting period, and the Group did not recognize an allowance for impairment loss.

10. INVENTORIES

	December 31	
	2024	2023
Parts	$ -	$ -

The cost of inventories recognized as cost of goods sold for the year ended December 31, 2024 was $20,473,909 thousand, which included warranty costs of $120,271 thousand and a loss on inventory purchase commitment of $9,823 thousand. The cost of inventories recognized as cost of goods sold for the year ended December 31, 2023 was $23,081,037 thousand, which included warranty costs of $124,961 thousand and a loss on inventory purchase commitments of $4,457 thousand.

11. SUBSIDIARIES

Subsidiaries Included in the Consolidated Financial Statements

			% of Ownership	
			December 31	
Investor	Investee	Main Business	2024	2023
Yulon Nissan Motor Company, Ltd	Yi-Jan Overseas Investment Co., Ltd.	Investment	100.00	100.00
Yi-Jan Overseas Investment Co., Ltd.	Jetford Inc.	Investment	100.00	100.00

12. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	December 31	
	2024	2023
Material associate		
Guangzhou Aeolus Automobile Co., Ltd.	$ 12,503,830	$ 10,446,810
Associates that are not individually material		
Aeolus Xiangyang Automobile Co., Ltd.	1,144,353	977,295
	$ 13,648,183	$ 11,424,105

a. Material associate

			Proportion of Ownership and Voting Rights	
			December 31	
Company Name	Main Business	Location	2024	2023
Guangzhou Aeolus Automobile Co., Ltd.	Developing and manufacturing of parts and vehicles and related services	Guangdong Province	42.69%	42.69%

The summarized financial information below represents amounts shown in the associate's financial statements prepared in accordance with IFRS Accounting Standards purposes.

Guangzhou Aeolus Automobile Co., Ltd.

	December 31 2024	December 31 2023
Current assets	$ 13,685,090	$ 7,852,319
Non-current assets	29,509,168	30,584,073
Current liabilities	(12,552,470)	(12,779,630)
Non-current liabilities	(1,229,184)	(1,070,452)
Equity	$ 29,412,604	$ 24,586,310
Equity attributable to the Group	$ 12,556,241	$ 10,495,896
Deferred gain on disposal of investment	(52,411)	(49,086)
Carrying amount	$ 12,503,830	$ 10,446,810

	For the Year Ended December 31 2024	For the Year Ended December 31 2023
Revenue	$ 13,309,496	$ 15,911,048
Net profit for the period	$ 3,510,823	$ 2,575,198
Dividends received from Guangzhou Aeolus Automobile Co., Ltd.	$ -	$ 5,550,655

b. Aggregate information of associates that are not individually material

	For the Year Ended December 31 2024	For the Year Ended December 31 2023
The Group's share of:		
Net profit for the period	$ 115,222	$ 6,265
Other comprehensive income	(172)	(91)
Total comprehensive income for the period	$ 115,050	$ 6,174

c. Other information

The investments accounted for using the equity method and the share of profit of those investments at 2024 and 2023 were based on the associates' financial statements reviewed by the auditors for the same periods.

13. PROPERTY, PLANT AND EQUIPMENT - USED BY THE GROUP

	Molds	Dies	Computer Equipment	Other Equipment	Transportation Equipment	Machinery and Equipment	Leasehold Improvements	Tools	Total
Cost									
Balance at January 1, 2023	$ 3,228,200	$ 697,208	$ 58,404	$ 316,280	$ 14,833	$ 2,312	$ 24,224	$ 8,212	$ 4,349,673
Additions	6,315	25,301	5,026	30,429	959	-	-	-	68,030
Disposals	(1,618,060)	(260,458)	-	(3,849)	-	-	-	-	(1,882,367)
Balance at December 31, 2023	$ 1,616,455	$ 462,051	$ 63,430	$ 342,860	$ 15,792	$ 2,312	$ 24,224	$ 8,212	$ 2,535,336

(Continued)

	Molds	Dies	Computer Equipment	Other Equipment	Transportation Equipment	Machinery and Equipment	Leasehold Improvements	Tools	Total
Accumulated depreciation and impairment									
Balance at January 1, 2023	$ (2,395,762)	$ (455,808)	$ (42,622)	$ (193,456)	$ (5,540)	$ (2,288)	$ (16,263)	$ (6,314)	$ (3,118,053)
Depreciation expenses	(234,863)	(59,236)	(5,609)	(21,436)	(1,766)	(15)	(4,845)	(435)	(328,205)
Disposals	1,618,060	260,458	-	1,137	-	-	-	-	1,879,655
Balance at December 31, 2023	$ (1,012,565)	$ (254,586)	$ (48,231)	$ (213,755)	$ (7,306)	$ (2,303)	$ (21,108)	$ (6,749)	$ (1,566,603)
Carrying amount, net, December 31, 2023	$ 603,890	$ 207,465	$ 15,199	$ 129,105	$ 8,486	$ 9	$ 3,116	$ 1,463	$ 968,733
Cost									
Balance at January 1, 2024	$ 1,616,455	$ 462,051	$ 63,430	$ 342,860	$ 15,792	$ 2,312	$ 24,224	$ 8,212	$ 2,535,336
Additions	16,580	-	637	37,754	4,872	-	-	-	59,843
Disposals	-	-	(7,157)	(1,394)	(3,327)	(315)	(23,995)	(75)	(36,263)
Reversal	-	(101)	-	-	-	-	-	-	(101)
Balance at December 31, 2024	$ 1,633,035	$ 461,950	$ 56,910	$ 379,220	$ 17,337	$ 1,997	$ 229	$ 8,137	$ 2,558,815
Accumulated depreciation and impairment									
Balance at January 1, 2024	$ (1,012,565)	$ (254,586)	$ (48,231)	$ (213,755)	$ (7,306)	$ (2,303)	$ (21,108)	$ (6,749)	$ (1,566,603)
Depreciation expenses	(153,693)	(48,229)	(5,865)	(30,269)	(2,244)	(9)	(3,055)	(311)	(243,675)
Disposals	-	-	7,157	1,394	1,567	315	23,995	75	34,503
Balance at December 31, 2024	$ (1,166,258)	$ (302,815)	$ (46,939)	$ (242,630)	$ (7,983)	$ (1,997)	$ (168)	$ (6,985)	$ (1,775,775)
Carrying amount, net, December 31, 2024	$ 466,777	$ 159,135	$ 9,971	$ 136,590	$ 9,354	$ -	$ 61	$ 1,152	$ 783,040

(Concluded)

The above reversal is due to the decline of the original cost of molds from suppliers.

No impairment loss or reversal of impairment loss was recognized for the years ended December 31, 2024 and 2023.

Except for molds and dies which are depreciated on the basis of the estimated number of vehicles to be sold, other property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives as follows:

Computer equipment	3 to 5 years
Other equipment	
Powered equipment	15 years
Experimental equipment	3 to 8 years
Office and communication equipment	3 to 5 years
Other equipment	1 to 10 years
Transportation equipment	4 to 5 years
Machinery and equipment	3 to 10 years
Leasehold improvements	5 years
Tools	2 to 10 years

14. LEASE ARRANGEMENTS

a. Right-of-use assets

	December 31	
	2024	2023
Carrying amount		
Buildings	$ 546,199	$ 596,118
Transportation equipment	167	2,439
	$ 546,366	$ 598,557

	For the Year Ended December 31	
	2024	2023
Additions to right-of-use assets	$ 1,272	$ 4,417
Depreciation charge for right-of-use assets		
Buildings	$ 49,037	$ 52,095
Transportation equipment	2,272	5,485
	$ 51,309	$ 57,580

Except for the aforementioned addition and recognized depreciation, the Group did not have significant sublease or impairment of right-of-use assets during the years ended December 31, 2024 and 2023.

In addition, the Group early terminated part of the lease contract during the year ended December 31, 2024, which resulted in a decrease of $2,154 thousand in right-of-use assets and recognition of a lease modification benefit of $49 thousand. The Group early terminated part of the lease contract during the year ended December 31, 2023, which resulted in a decrease of $844 thousand in right-of-use assets and recognition of a lease modification benefit of $6 thousand.

b. Lease liabilities

	December 31	
	2024	2023
Carrying amount		
Current	$ 45,747	$ 48,885
Non-current	$ 511,829	$ 558,212

The discount rates for lease liabilities were as follows:

	December 31	
	2024	2023
Buildings	0.91%	0.91%
Transportation equipment	0.91%	0.91%

c. Material leasing activities and terms

The Group leases certain cars for the use of its executives with lease terms of 3 to 4 years. The Group does not have bargain purchase options to acquire the leasehold cars at the end of the lease terms.

The Group also leases buildings for the use of plants, offices and dormitory with lease terms of 2 to 30 years. If the lease term is not specified in the lease contract with the related party, the lease term is based on the useful lives of the right-of-use assets; please refer to Note 29. The Group does not have bargain purchase options to acquire the leasehold buildings at the end of the lease terms.

d. Other lease information

	For the Year Ended December 31	
	2024	**2023**
Expenses relating to short-term leases	$ 2,301	$ 3,288
Total cash outflow for leases	$ (56,220)	$ (63,593)

The Group's leases of certain transportation equipment qualify as short-term leases. The Group has elected to apply the recognition exemption and thus did not recognize right-of-use assets and lease liabilities for these leases.

15. COMPUTER SOFTWARE

	Amount
Cost	
Balance at January 1, 2023	$ 67,011
Additions	1,303
Disposals	(18,693)
Balance at December 31, 2023	$ 49,621
Accumulated amortization	
Balance at January 1, 2023	$ (13,058)
Amortization expenses	(14,895)
Disposals	18,693
Balance at December 31, 2023	$ (9,260)
Carrying amount at December 31, 2023	$ 40,361
Cost	
Balance at January 1, 2024	$ 49,621
Additions	7,330
Disposals	(3,418)
Balance at December 31, 2024	$ 53,533

(Continued)

	Amount
Accumulated amortization	
Balance at January 1, 2024	$ (9,260)
Amortization expenses	(13,786)
Disposals	3,418
Balance at December 31, 2024	$ (19,628)
Carrying amount at December 31, 2024	$ 33,905

(Concluded)

No impairment loss or reversal of impairment loss was recognized for the years ended December 31, 2024 and 2023.

16. OTHER NON-CURRENT ASSETS

	December 31	
	2024	2023
Refundable deposits (Note 29)	$ 267,468	$ 204,890
Prepayments for equipment	3,074	41,865
	$ 270,542	$ 246,755

17. OTHER PAYABLES

	December 31	
	2024	2023
Advertising and promotion fees	$ 802,815	$ 772,180
Salaries and bonuses	196,151	183,087
Purchases of equipment	422	13,570
Taxes	-	5,572
Others	58,705	101,801
	$ 1,058,093	$ 1,076,210

18. PROVISIONS

	December 31	
	2024	2023
Current		
Inventory purchase commitments	$ 132,896	$ 123,073
Warranties	72,963	74,785
	$ 205,859	$ 197,858
Non-current		
Warranties	$ 77,751	$ 74,987

	Inventory Purchase Commitments	Warranties	Total
Balance at January 1, 2023	$ 118,616	$ 148,479	$ 267,095
Additional provisions recognized	4,457	124,961	129,418
Paid	-	(123,668)	(123,668)
Balance at December 31, 2023	$ 123,073	$ 149,772	$ 272,845
Balance at January 1, 2024	$ 123,073	$ 149,772	$ 272,845
Additional provisions recognized	9,823	120,271	130,094
Paid	-	(119,329)	(119,329)
Balance at December 31, 2024	$ 132,896	$ 150,714	$ 283,610

The provisions for losses on inventory purchase commitments represent the present obligations of which the unavoidable costs for meeting the obligations under the commitments exceed the economic benefits expected to be received from the commitments.

The provisions for warranty claims represent the present value of management's best estimate of the future outflow of economic benefits that will be required under the Group's obligations for warranties under the local sale of goods legislation. The estimate had been made on the basis of historical warranty trends.

19. OTHER LIABILITIES

	December 31	
	2024	2023
Current		
Withholding	$ 3,454	$ 3,403
Others	4,183	4,437
	$ 7,637	$ 7,840

20. RETIREMENT BENEFIT PLANS

a. Defined contribution plan

The Company adopted a pension plan under the Labor Pension Act (LPA), which is a state-managed defined contribution plan. Under the LPA, an entity makes monthly contributions to employees' individual pension accounts at 6% of monthly salaries and wages.

The total expense recognized in profit or loss for the years ended December 31, 2024 and 2023 was $16,077 thousand and $15,514 thousand, respectively, representing contributions payable to these plans by the Company at rates specified in the rules of the plans.

An analysis by function of the amounts recognized in profit or loss in respect of the defined contribution plan is as follows:

	For the Year Ended December 31	
	2024	**2023**
Selling and marketing expenses	$ 5,232	$ 4,976
General and administrative expenses	4,119	3,086
Research and development expenses	6,706	7,452
Non-operating expenses	20	-
	$ 16,077	$ 15,514

There were no regular employees for Yi-Jan Overseas Investment Co., Ltd. and Jetford Inc. as of December 31, 2024; therefore, the subsidiaries had no pension plan for employees.

b. Defined benefit plan

The defined benefit plan adopted by the Company in accordance with the Labor Standards Act is operated by the government. Pension benefits are calculated on the basis of the length of service and average monthly salaries of the 6 months before retirement. The Company contributes amounts equal to 2% of total monthly salaries and wages to a pension fund administered by the pension fund monitoring committee. Pension contributions are deposited in the Bank of Taiwan in the committee's name. Before the end of each year, the Company assesses the balance in the pension fund. If the amount of the balance in the pension fund is inadequate to pay retirement benefits for employees who conform to retirement requirements in the next year, the Company is required to fund the difference in one appropriation that should be made before the end of March of the next year. The pension fund is managed by the Bureau of Labor Funds, Ministry of Labor ("the Bureau"); the Company has no right to influence the investment policy and strategy.

The amounts included in the consolidated balance sheets in respect of the Group's defined benefit plans were as follows:

	December 31	
	2024	**2023**
Present value of funded defined benefit obligation	$ 311,961	$ 330,283
Fair value of plan assets	(297,309)	(285,901)
Deficit	$ 14,652	$ 44,382
Net defined benefit liabilities	$ 14,652	$ 44,382

Movements in net defined benefit liabilities were as follows:

	Present Value of the Defined Benefit Obligation	Fair Value of the Plan Assets	Net Defined Benefit Liabilities (Assets)
Balance at January 1, 2023	$ 314,666	$ (283,237)	$ 31,429
Service cost			
Current service cost	1,460	-	1,460
Net interest expense (income)	4,720	(4,297)	423
Recognized in profit or loss	6,180	(4,297)	1,883
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	(1,715)	(1,715)
Actuarial loss - changes in financial assumptions	6,488	-	6,488
Actuarial loss - experience adjustments	12,644	-	12,644
Recognized in other comprehensive income	19,132	(1,715)	17,417
Contributions from the employer	-	(6,347)	(6,347)
Benefits paid	(9,695)	9,695	-
Balance at December 31, 2023	$ 330,283	$ (285,901)	$ 44,382
Balance at January 1, 2024	$ 330,283	$ (285,901)	$ 44,382
Service cost			
Current service cost	1,562	-	1,562
Net interest expense (income)	4,109	(3,595)	514
Recognized in profit or loss	5,671	(3,595)	2,076
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	(25,520)	(25,520)
Actuarial loss - changes in financial assumptions	5,530	-	5,530
Actuarial loss - experience adjustments	3,585	-	3,585
Recognized in other comprehensive income	9,115	(25,520)	(16,405)
Contributions from the employer	-	(6,490)	(6,490)
Benefits paid	(24,197)	24,197	-
Payment from the employer	(8,911)	-	(8,911)
Balance at December 31, 2024	$ 311,961	$ (297,309)	$ 14,652

An analysis by function of the amounts recognized in profit or loss in respect of the defined benefit plans is as follows:

	For the Year Ended December 31	
	2024	2023
Selling and marketing expenses	$ 564	$ 675
General and administrative expenses	717	120
Research and development expenses	795	1,068
Non-operating expenses	-	20
	$ 2,076	$ 1,883

Through the defined benefit plans under the Labor Standards Act, the Company is exposed to the following risks:

1) Investment risk: The plan assets are invested in domestic and foreign equity and debt securities, bank deposits, etc. The investment is conducted at the discretion of the Bureau or under the mandated management. However, in accordance with relevant regulations, the return generated by plan assets should not be below the interest rate for a 2-year time deposit with local banks.

2) Interest risk: A decrease in the government/corporate bond interest rate will increase the present value of the defined benefit obligation; however, this will be partially offset by an increase in the return on the plan's debt investments.

3) Salary risk: The present value of the defined benefit obligation is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the present value of the defined benefit obligation.

The actuarial valuations of the present value of the defined benefit obligation were carried out by qualified actuaries. The principal assumptions used for the purposes of the actuarial valuations were as follows:

	December 31	
	2024	**2023**
Discount rate(s)	1.50%	1.25%
Expected rate(s) of salary increase	3.00%	2.50%

If possible reasonable change in each of the significant actuarial assumptions occurs and all other assumptions will remain constant, the present value of the defined benefit obligation would increase (decrease) as follows:

	December 31	
	2024	**2023**
Discount rate(s)		
0.25% increase	$ (5,845)	$ (6,489)
0.25% decrease	$ 6,012	$ 6,682
Expected rate(s) of salary increase		
0.25% increase	$ 5,820	$ 6,482
0.25% decrease	$ (5,688)	$ (6,327)

The sensitivity analysis presented above may not be representative of the actual change in the present value of the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

	December 31	
	2024	**2023**
The expected contributions to the plan for the next year	$ 6,609	$ 6,615
The average duration of the defined benefit obligation	7.6 years	8 years

21. EQUITY

a. Capital surplus

	December 31	
	2024	2023
Excess from spin-off	$ 5,986,507	$ 5,986,507
Generated from investments accounted for using the equity method	2,461	2,461
	$ 5,988,968	$ 5,988,968

The capital surplus arising from shares issued in excess of par (including excess from spin-off) may be used to offset a deficit; in addition, when the Company has no deficit, such capital surplus may be distributed as cash dividends or transferred to capital stock (limited to a certain percentage of the Company’s capital surplus and to once a year).

The capital surplus from investments accounted for using the equity method may not be used for any purpose.

b. Retained earnings and dividend policy

Under the dividend policy as set forth in the amended Articles, where the Company made a profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting losses of previous years, setting aside as legal reserve 10% of the remaining profit, setting aside or reversing special reserve in accordance with the laws and regulations, and then any remaining profit together with any undistributed retained earnings shall be used by the Company’s board of directors as the basis for proposing a distribution plan, which should be resolved in the stockholders’ meeting for the distribution of dividends and bonuses to stockholders. For the policies on the distribution of compensation of employees after the amendment, refer to Note 23-e on compensation of employees.

The Company operates in a mature and stable industry. In determining the distribution of dividends, the Company considers factors such as the impact of dividends on reported profitability, cash required for future operations, any potential changes in the industry, interest of the stockholders and the effect on the of Company’s financial ratios. The amount of dividends, which can be cash dividends or stock dividends, is formulated to be less than 90% of net income, though the final issued ratios would be proposed and approved by the board of directors. Cash dividends should be at least 20% of total dividends to be distributed to the stockholders.

Appropriation of earnings to the legal reserve shall be made until the legal reserve equals the Company’s capital surplus. The legal reserve may be used to offset deficit. If the Company has no deficit and the legal reserve has exceeded 25% of the Company’s capital surplus, the excess may be transferred to capital or distributed in cash.

When a special reserve is appropriated for cumulative net debit balance reserves from prior period, the special reserve is only appropriated from the prior unappropriated earnings.

The appropriations of earnings for 2023 and 2022 approved in the stockholders' meetings on June 27, 2024 and June 30, 2023, respectively, were as follows:

	Appropriation of Earnings For the Year Ended December 31		Dividends Per Share (NT$) For the Year Ended December 31	
	2023	2022	2023	2022
Legal reserve	$ 114,702	$ 244,396		
Cash dividends	1,044,000	2,166,000	$3.48	$7.22

22. REVENUE

a. Contract balances

	December 31, 2024	December 31, 2023	January 1, 2023
Notes receivable (Note 9)	$ 571	$ 855	$ 930
Trade receivables (Note 9)	$ 83,935	$ 26,827	$ 23,800
Trade receivables - related parties (Note 29)	$ 316,512	$ 150,101	$ 356,964
Contract liabilities			
Designing and performing R&D of cars	$ -	$ 2,022	$ 70,028

The changes in the contract liability balances primarily result from the timing difference between the Group's satisfaction of performance obligations and the customer's payment.

Revenue recognized in the current year from the satisfaction of performance obligations of contract liabilities at the beginning of the year is as follows:

	For the Year Ended December 31	
	2024	2023
From contract liabilities at the beginning of the year		
Designing and performing R&D of cars	$ 2,022	$ 68,006

b. Disaggregation of revenue

Refer to Note 34 for information about disaggregation of revenue.

c. Partially completed contracts

The performance obligations that are not fully satisfied and the expected timing for recognition of revenue are as follows.

	December 31	
	2024	2023
Designing and performing R&D of cars		
January 2024 to December 2024	$ -	$ 2,022

23. NET PROFIT

a. Other operating income and expenses

	For the Year Ended December 31	
	2024	2023
Loss on disposal of property, plant and equipment	$ (279)	$ (2,712)
Gain on disposal of property, plant and equipment	11	-
Net loss on disposal of property, plant and equipment	$ (268)	$ (2,712)

b. Depreciation and amortization

	For the Year Ended December 31	
	2024	2023
An analysis of depreciation by function		
Operating costs	$ 201,922	$ 294,099
Operating expenses	93,062	91,686
	$ 294,984	$ 385,785
An analysis of amortization by function		
Operating costs	$ 6,555	$ 8,751
Operating expenses	7,231	6,144
	$ 13,786	$ 14,895

c. Remuneration for technical services

	For the Year Ended December 31	
	2024	2023
Operating costs (Note 29)	$ 282,234	$ 344,482

Remuneration for technical services is the payment for technical services.

d. Employee benefits expense

	For the Year Ended December 31	
	2024	2023
Post-employment benefits (Note 20)		
Defined contribution plans	$ 16,077	$ 15,514
Defined benefit plans	2,076	1,883
	18,153	17,397
Labor and health insurance	39,540	38,123
Salary	483,410	443,797
Remuneration of directors	13,200	13,200
Other employee benefits	30,821	41,209
	566,971	536,329
Total employee benefits expense	$ 585,124	$ 553,726

(Continued)

	For the Year Ended December 31	
	2024	2023
An analysis of employee benefits expense by function		
Operating expenses	$ 585,104	$ 553,706
Non-operating expenses	20	20
	$ 585,124	$ 553,726

(Concluded)

e. Compensation of employees

The Company accrued compensation of employees at rates no less than 0.1% of net profit before income tax and compensation of employees. The compensation of employees for the years ended December 31, 2024 and 2023, which have been approved by the Company's board of directors on March 11, 2025 and March 12, 2024, respectively, was as follows:

Accrual rate

	For the Year Ended December 31	
	2024	2023
Compensation of employees	0.33%	0.20%

Amount

	For the Year Ended December 31	
	2024	2023
	Cash	Cash
Compensation of employees	$ 6,830	$ 2,934

If there is a change in the amounts after the annual consolidated financial statements were authorized for issue, the differences are recorded as a change in accounting estimate.

There was no difference between the actual amounts of compensation of employees paid and the amounts recognized in the consolidated financial statements for the years ended December 31, 2023 and 2022.

Information on the compensation of employees resolved by the Company's board of directors is available at the Market Observation Post System website of the Taiwan Stock Exchange.

f. Gain on foreign currency exchange, net

	For the Year Ended December 31	
	2024	2023
Foreign exchange gains	$ 148,174	$ 202,891
Foreign exchange losses	(65,792)	(79,949)
Net gain	$ 82,382	$ 122,942

g. Gain on disposal of investments, net

	For the Year Ended December 31	
	2024	2023
Gains on disposal of investments	$ 12,214	$ 23,350
Losses on disposal of investments	-	(286)
Net gain	$ 12,214	$ 23,064

24. INCOME TAXES

a. Income tax recognized in profit or loss

The major components of tax expense were as follows:

	For the Year Ended December 31	
	2024	2023
Current tax		
In respect of the current year	$ 74,309	$ 612,520
Income tax on unappropriated earnings	-	26,419
Adjustments for prior years	6,359	(4,294)
Deferred tax		
In respect of the current year	298,920	(324,503)
Income tax expense recognized in profit or loss	$ 379,588	$ 310,142

A reconciliation of accounting profit and income tax expenses is as follows:

	For the Year Ended December 31	
	2024	2023
Profit before tax	$ 2,049,931	$ 1,471,167
Income tax expense calculated at the statutory rate	$ 409,986	$ 294,233
Adjustments of expenses in determining taxable income	1,937	1,634
Tax-exempt income	(8,887)	(7,850)
Income tax on unappropriated earnings	-	26,419
Unrecognized deductible temporary differences	(29,807)	-
Adjustments for prior years' tax	6,359	(4,294)
Income tax expense recognized in profit or loss	$ 379,588	$ 310,142

Under the laws of the Cayman Islands and the British Virgin Islands, Yi-Jan Overseas Investment Co., Ltd. and Jetford Inc., respectively, are tax-exempt.

b. Income tax recognized in other comprehensive income

	For the Year Ended December 31	
	2024	**2023**
Deferred tax		
In respect of the current year		
Share of other comprehensive income of subsidiary accounted for using the equity method	$ (34)	$ (18)
Remeasurement of defined benefit plans	3,281	(3,484)
Recognized in other comprehensive income (loss)	$ 3,247	$ (3,502)

c. Current tax assets and liabilities

	December 31	
	2024	**2023**
Current income tax asset		
Tax refund receivable	$ 14,173	$ -
Current tax liabilities		
Income tax payable	$ -	$ 350,149

d. Deferred tax assets and liabilities

The movements of deferred tax assets and deferred tax liabilities were as follows:

For the year ended December 31, 2023

	Opening Balance	**Recognized in Profit or Loss**	**Recognized in Other Compre-hensive Income**	**Closing Balance**
Deferred tax assets				
Temporary differences				
Defined benefit obligation	$ 6,618	$ (893)	$ 3,484	$ 9,209
Provisions for warranties	29,697	259	-	29,956
Provisions for loss on inventory purchase commitments	23,724	891	-	24,615
Share of other comprehensive loss of associates accounted for using the equity method	119	-	18	137
	$ 60,158	$ 257	$ 3,502	$ 63,917

(Continued)

	Opening Balance	Recognized in Profit or Loss	Recognized in Other Compre-hensive Income	Closing Balance
Deferred tax liabilities				
Temporary differences				
Shares of profit of subsidiaries	$ 2,302,860	$ (324,440)	$ -	$ 1,978,420
Unrealized exchange gain, net	846	194	-	1,040
	$ 2,303,706	$ (324,246)	$ -	$ 1,979,460

(Concluded)

For the year ended December 31, 2024

	Opening Balance	Recognized in Profit or Loss	Recognized in Other Compre-hensive Income	Closing Balance
Deferred tax assets				
Temporary differences				
Defined benefit obligation	$ 9,209	$ (2,665)	$ (3,281)	$ 3,263
Provisions for warranties	29,956	188	-	30,144
Provisions for loss on inventory purchase commitments	24,615	1,965	-	26,580
Share of other comprehensive loss of associates accounted for using the equity method	137	-	34	171
	$ 63,917	$ (512)	$ (3,247)	$ 60,158
Deferred tax liabilities				
Temporary differences				
Shares of profit of subsidiaries	$ 1,978,420	$ 288,948	$ -	$ 2,267,368
Unrealized exchange gain, net	1,040	9,460	-	10,500
	$ 1,979,460	$ 298,408	$ -	$ 2,277,868

e. Income tax assessments

The Company’s tax returns through 2022 have been assessed by the tax authorities.

25. EARNINGS PER SHARE

The earnings and weighted-average number of common stock outstanding used in the computation of earnings per share were as follows:

Net Profit for the Year

	For the Year Ended December 31	
	2024	**2023**
Earnings used in the computation of basic and diluted earnings per share	$ 1,670,343	$ 1,161,025

Weighted-average Number of Common Stock Outstanding (In Thousands of Shares)

	For the Year Ended December 31	
	2024	**2023**
Weighted-average number of common stock used in the computation of basic earnings per share	300,000	300,000
Effect of potential dilutive common stock:		
Compensation of employees	48	15
Weighted average number of common stock used in the computation of diluted earnings per share	300,048	300,015

The Group may settle compensation paid to employees in cash or stocks; therefore, the Group assumes that the entire amount of the compensation will be settled in stocks and the resulting potential stocks are included in the weighted average number of stocks outstanding used in the computation of diluted earnings per share, as the effect is dilutive. Such dilutive effect of the potential stocks is included in the computation of diluted earnings per share until the number of stocks to be distributed to employees is resolved in the following year.

26. CASH FLOW INFORMATION

a. Non-cash transactions

For the years ended December 31, 2024 and 2023, the Group entered into the following non-cash investing activities:

	For the Year Ended December 31	
	2024	**2023**
Investing activities affecting both cash and non-cash transactions		
Increase in property, plant and equipment	$ 59,843	$ 68,030
Decline of the original cost of molds	(101)	-
Net changes of prepayment for equipment	(38,791)	(24,014)
Net changes of trade payables	9,839	(2,811)
Cash paid for acquisition of property, plant and equipment	$ 30,790	$ 41,205

b. Changes in liabilities arising from financing activities

2024

	Opening Balance	Cash Flows	New Leases	Leases Terminated	December 31, 2024
Lease liabilities	$ 607,097	$ (48,590)	$ 1,272	$ (2,203)	$ 557,576

2023

	Opening Balance	Cash Flows	New Leases	Leases Terminated	December 31, 2023
Lease liabilities	$ 658,024	$ (54,494)	$ 4,417	$ (850)	$ 607,097

27. CAPITAL MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximizing the return to stakeholders through the optimization of the debt and equity balance.

28. FINANCIAL INSTRUMENTS

a. Fair value of financial instruments that are not measured at fair value

The carrying amounts of the financial assets and financial liabilities that are not measured at fair value are approximately equal to their fair values.

b. Fair value of financial instruments that are measured at fair value on a recurring basis

1) Fair value hierarchy

December 31, 2024

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Mutual funds	$ 1,528,688	$ -	$ -	$ 1,528,688

December 31, 2023

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Mutual funds	$ 900,959	$ -	$ -	$ 900,959

There were no transfers between Levels 1 and 2 in the current and prior periods.

2) Valuation techniques and assumptions applied for the purpose of fair value measurement

The fair value of mutual funds traded on the active market is the net asset value on the balance sheet date. If there is no market price, the fair value is determined by the redemption value. The estimates and assumptions used by the Group were consistent with those that market participants would use in setting a price for the financial instrument.

c. Categories of financial instruments

	December 31	
	2024	**2023**
Financial assets		
Fair value through profit or loss (FVTPL)		
Mandatorily at FVTPL	$ 1,528,688	$ 900,959
Loans and receivables (Note 1)	6,866,629	7,986,669
Financial liabilities		
Financial liabilities at amortized cost (Note 2)	1,547,014	1,426,857

Note 1: The balances included financial assets measured at amortized cost, which comprise cash and cash equivalents, within 3 months from the date of acquisition time deposits, notes receivable, trade receivables, other receivables and restricted deposits.

Note 2: The balances included financial liabilities measured at amortized cost, which comprise trade payables and part of other payables.

d. Financial risk management objectives and policies

The Group's major financial instruments include financial assets at fair value through profit or loss, trade receivables, trade payables, and lease liabilities. The Group's corporate treasury function coordinates access to domestic and international financial markets, and manages the financial risks relating to the operations of the Group through internal risk reports which analyze exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

1) Market risk

The Group's activities exposed it primarily to the financial risks of changes in foreign currency exchange rates, interest rates and other prices.

There had been no change to the Group's exposure to market risks or the manner in which these risks were managed and measured. Sensitivity analysis evaluates the impact of a reasonably possible change in interest or foreign currency rates over a year. Details of the sensitivity analysis for foreign currency risk and for interest rate risk are set out in (a) and (b) below.

a) Foreign currency risk

The carrying amounts of the Group's foreign currency-denominated monetary assets and monetary liabilities at the end of the reporting period are set out in Note 32.

Sensitivity analysis

The Group is mainly exposed to the RMB, U.S. dollar and Japanese yen.

The following table details the Group's sensitivity to a 5% increase and decrease in the functional currency against the relevant foreign currencies. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis included only outstanding foreign currency-denominated monetary items, and adjusts their translation at the end of the reporting period for a 5% change in foreign currency rates. A negative number below indicates a decrease in pre-tax profit associated with the functional currency weakening 5% against the relevant currency. For a 5% strengthening of the functional currency against the relevant currency, there would be an equal and opposite impact on pre-tax profit and the balances below would be positive.

	RMB		**U.S. Dollar**		**Japan Yen**	
	For the Year Ended December 31		**For the Year Ended December 31**		**For the Year Ended December 31**	
	2024	**2023**	**2024**	**2023**	**2024**	**2023**
Loss	$ (53,854)	$ (539,390)	$ (51,582)	$ (25,255)	$ (814)	$ (1,114)

These were mainly attributable to the exposure on outstanding RMB, U.S. dollar and Japanese yen-denominated cash in bank, repurchase agreements collateralized by bonds, receivables and payables, which were not hedged at the end of the reporting period.

b) Interest rate risk

The carrying amounts of the Group's financial assets and financial liabilities with exposure to interest rates at the end of the reporting period were as follows:

	December 31	
	2024	**2023**
Fair value interest rate risk		
Financial assets	$ 4,871,913	$ 3,308,875
Financial liabilities	557,576	607,097
Cash flows interest rate risk		
Financial assets	1,478,518	4,387,883

Sensitivity analysis

The sensitivity analyses below were determined based on the Group's exposure to interest rates for non-derivative instruments at the end of the reporting period. A 25 basis point increase or decrease was used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 25 basis points higher/lower and all other variables were held constant, the Group's pre-tax profit for the year ended December 31, 2024 would have increased/decreased by $3,696 thousand, which was mainly attributable to the Group's exposure to interest rates on its demand deposits and time deposits.

If interest rates had been 25 basis points higher/lower and all other variables were held constant, the Group's pre-tax profit for the year ended December 31, 2023 would have increased/decreased by $10,970 thousand, which was mainly attributable to the Group's exposure to interest rates on its demand deposits and time deposits.

c) Other price risk

The Group was exposed to price risk through its investments in funds. The Group manages this exposure by investing in a diversified portfolio of investments with different risks.

Sensitivity analysis

The sensitivity analysis below was determined based on the exposure to equity price risks at the end of the reporting period.

If the fund's value had been 1% higher/lower, pre-tax profit for the years ended December 31, 2024 and 2023 would have been higher/lower by $15,287 thousand and $9,010 thousand, respectively, as a result of the changes in fair value of financial assets at FVTPL.

2) Credit risk

The Group's concentration of credit risk of 56% and 40% in total trade receivables as of December 31, 2024 and 2023, respectively, was related to the Group's largest customer within the vehicle department and the five largest customers within the parts department.

3) Liquidity risk

The Group manages liquidity risk by monitoring and maintaining a level of cash and cash equivalents deemed adequate to finance the Group's operations and mitigate the effects of fluctuations in cash flows. In addition, management monitors the utilization of bank borrowings and ensures compliance with loan covenants.

The Group relies on bank borrowings as a significant source of liquidity. As of December 31, 2024 and 2023, the available unutilized borrowing facilities were both $5,700,000 thousand.

The following tables detail the Group's remaining contractual maturities for its non-derivative financial liabilities with agreed repayment periods. The tables had been drawn up based on the undiscounted cash flows of financial liabilities from the earliest date on which the Group can be required to pay.

December 31, 2024

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	5+ Years
Non-derivative financial liabilities					
Non-interest bearing	$ 1,518,914	$ 24,636	$ 3,464	$ -	$ -
Lease liabilities	4,311	8,622	37,731	145,753	412,179
	$ 1,523,225	$ 33,258	$ 41,195	$ 145,753	$ 412,179

Additional information about the maturity analysis for lease liabilities:

	Less than 1 Year	1-5 Years	5-10 Years	10-15 Years	15-20 Years	20+ Years
Lease liabilities	$ 50,664	$ 145,753	$ 156,844	$ 122,872	$ 76,269	$ 56,194

December 31, 2023

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	5+ Years
Non-derivative financial liabilities					
Non-interest bearing	$ 1,384,480	$ 29,408	$ 12,969	$ -	$ -
Lease liabilities	4,423	8,846	38,419	164,081	443,547
	$ 1,388,903	$ 38,254	$ 51,388	$ 164,081	$ 443,547

Additional information about the maturity analysis for lease liabilities:

	Less than 1 Year	1-5 Years	5-10 Years	10-15 Years	15-20 Years	20+ Years
Lease liabilities	$ 51,688	$ 164,081	$ 156,843	$ 136,499	$ 79,336	$ 70,869

29. TRANSACTIONS WITH RELATED PARTIES

In addition to those disclosed in other notes, the Group had business transactions with the following related parties:

a. Related parties

Related Party	Relationship with the Group
Investors that have significant influence over the Group	
Nissan Motor Corporation (“Nissan”)	Equity-method investor of the Company
Yulon Motor Co., Ltd. (“Yulon”)	Same as above
Other related parties	
Nissan Trading Co., Ltd.	Subsidiary of Nissan
Nissan Trading China Co., Ltd.	Same as above
Nissan Mexicana, S.A. De C. V.	Same as above
Nissan Motor (Thailand) Co., Ltd.	Same as above
PT.Nissan Motor Distributor Indonesia	Same as above
Nissan Motor Asia Pacific Co., Ltd.	Same as above
Nissan Do Brasil Automoveis Ltda	Same as above
Nissan Motor Egypt S.A.E.	Same as above
Nissan Import Egypt, Ltd.	Same as above
Nissan Motorsports & Customizing Co., Ltd	Substantial related party of Nissan
Nissan (China) Investment Co., Ltd.	Same as above
Taiwan Acceptance Corporation	Subsidiary of Yulon
Yueki Industrial Co., Ltd	Same as above
Yu Pong Business Co., Ltd	Same as above
Yushin Motor Co., Ltd.	Same as above
Yu Chang Motor Co., Ltd.	Same as above
Ka-Plus Automobile Leasing Co., Ltd.	Same as above
Yu Sing Motor Co., Ltd.	Same as above
Empower Motors Co., Ltd.	Same as above

(Continued)

Related Party	Relationship with the Group
Uni Auto Parts Co., Ltd.	Subsidiary of Yulon
Yulon It Solutions Inc.	Same as above
Y-teks Co., Ltd.	Same as above
Sinjang Co., Ltd.	Same as above
Luxgen Motor Co., Ltd.	Same as above
Yue Sheng Industrial Co., Ltd.	Same as above
Yuea Ching Business Co., Ltd.	Same as above
Yufong Property Management Co., Ltd.	Sub-subsidiary of Yulon
Univation Motor Philippines, Inc.	Substantial related party of Yulon
Uni Calsonic Corporation	Same as above
COC Tooling & Stamping Co., Ltd.	Same as above
Yuan Lon Motor Co., Ltd.	Same as above
Chen Long Co., Ltd.	Same as above
Yulon Management Co., Ltd.	Same as above
Yu Tang Motor Co., Ltd.	Same as above
Tokio Marine Newa Insurance Co., Ltd.	Same as above
Hua-Chuang Automobile Information Technical Center Co., Ltd.	Same as above
Taiway, Ltd.	Same as above
Kian Shen Corporation	Substantial related party of Yulon
Hui-Lian Motor Co., Ltd.	Same as above
Le-Wen Co., Ltd.	Same as above
Tai Yuen Textile Co., Ltd.	Same as above
San Long Industrial Co., Ltd.	Same as above
Foxtron Vehicle Technologies Co., Ltd	Substantial related party of Hua-Chuang
Singgual Technology Co., Ltd.	Subsidiary of Singan Co., Ltd.
Hsiang Shou Enterprise Co., Ltd.	Same as above
Hong Shou Culture Enterprise Co., Ltd.	Same as above
Shinshin Credit Corporation	Subsidiary of Taiwan Acceptance Corporation
Yu Pool Co., Ltd.	Subsidiary of Yushin Motor Co., Ltd.
Tang Li Enterprise Co., Ltd.	Subsidiary of Yu Tang Motor Co., Ltd.
Ding Long Motor Co., Ltd.	Subsidiary of Chen Long Co., Ltd.
Lian Cheng Motor Co., Ltd.	Same as above
CL Skylite Trading Co., Ltd.	Sub-subsidiary of Chen Long Co., Ltd.
Yuan Jyh Motor Co., Ltd.	Subsidiary of Yuan Lon Motor Co., Ltd.
Da Teng Transportation Co., Ltd.	Sub-subsidiary of Ka-Plus Automobile Leasing Co., Ltd.
Diamond Leasing Service Co., Ltd.	Subsidiary of Ka-Plus Automobile Leasing Co., Ltd.
YES Charging Service Co., Ltd.	Same as above
Hsieh Kuan Manpower Service Co., Ltd.	Subsidiary of Diamond Leasing Service Co., Ltd.
Tan Wang Co., Ltd.	Subsidiary of Yu Chang Motor Co., Ltd.
Carnival Textile Industrial Corporation	Substantial related party of the Company
DFS Industrial Group Co., Ltd.	Substantial related party of Dongfeng Nissan Passenger Vehicle Co.
Kuen You Trading Co., Ltd.	Investee of Yu Sing Motor Co., Ltd.
Fengye Leasing Co., Ltd.	Subsidiary of CL Skylite Trading Co., Ltd.
Euniton Enterprise Co., Ltd.	Substantial related party of Empower Motors Co., Ltd.

(Concluded)

b. Related party transaction details

Balances and transactions between the Group and its subsidiaries, which were related parties of the Company, had been eliminated on consolidation and are not disclosed in this note. Details of transactions between the Group and its related parties were disclosed below:

1) Operating transactions

		For the Year Ended December 31	
Line Item	**Related Party Category/Name**	**2024**	**2023**
Sales	Taiwan Acceptance Corporation	$ 19,474,010	$ 21,933,002
	Investors that have significant influence	3,183	2,493
	Other related parties	3,149,825	3,541,630
		$ 22,627,018	$ 25,477,125
Service revenue	Nissan	$ 89,146	$ 263,544
	Other related parties	20	-
		$ 89,166	$ 263,544

The Company designs and performs R&D of cars mainly for Nissan. Service revenue is recognized according to the related contracts.

	For the Year Ended December 31	
	2024	**2023**
Other operating revenue		
Yu Chang Motor Co., Ltd.	$ 16,082	$ 12,718
Yuan Lon Motor Co., Ltd.	12,413	-
Investors that have significant influence	4,332	2,458
Nissan Trading Co., Ltd.	-	15,587
Other related parties	60,459	59,316
	$ 93,286	$ 90,079

Other operating revenue mainly arose from the sale of the extended warranty services.

	For the Year Ended December 31	
	2024	**2023**
Operating costs - purchases		
Yulon	$ 19,723,712	$ 22,057,244
Investors that have significant influence	8,779	17,340
Other related parties	22,256	55,604
	$ 19,754,747	$ 22,130,188

	For the Year Ended December 31	
	2024	2023
Operating costs - remuneration for technical services		
Nissan	$ 282,181	$ 344,331
Nissan Motorsports & Customizing Co., Ltd	53	151
	$ 282,234	$ 344,482

The remuneration for technical services is the payment for technical services provided by Nissan and Nissan Motorsports & Customizing Co., Ltd. based on the Company's technical cooperation agreements with the two companies. The remuneration for technical services provided by Nissan is calculated based on the purchase costs less the commodity tax of each vehicle model, while the remuneration for technical services provided by Nissan Motorsports & Customizing Co., Ltd. is calculated based on the R&D fees of each vehicle model plus the royalty fees of each vehicle sold.

	For the Year Ended December 31	
	2024	2023
Selling and marketing expenses		
Investors that have significant influence	$ 20,521	$ 25,476
Other related parties	1,076,412	874,910
	$ 1,096,933	$ 900,386
General and administrative expenses		
Yulon Management Co., Ltd.	$ 33,375	$ 233,048
Investors that have significant influence	27,371	13,728
Other related parties	18,517	7,966
	$ 79,263	$ 254,742
Research and development expenses		
Yulon	$ 29,066	$ 109,468
Investors that have significant influence	12,223	11,178
Other related parties	2,135	8,851
	$ 43,424	$ 129,497

Selling and marketing expenses are payments to other related parties for advertisement and promotion.

General and administrative expenses are payments to Yulon Management Co., Ltd. for consulting, labor dispatch and IT services.

Research and development expenses are payments for prototype fees, sample fees and services related to the provision of system platform research for each vehicle model.

2) Non-operating transactions

	For the Year Ended December 31	
	2024	2023
Overseas business expenses		
Yulon	$ 5,564	$ 5,911

3) Receivables from related parties

	December 31	
	2024	2023
Trade receivables		
Taiwan Acceptance Corporation	$ 249,675	$ 50,752
Nissan	24,423	19,707
Investors that have significant influence	5,544	977
Other related parties	36,870	78,665
	$ 316,512	$ 150,101
Other receivables		
Yulon	$ 70,450	$ 79,685
Investors that have significant influence	250	-
Other related parties	1,902	16,142
	$ 72,602	$ 95,827

Other receivables from Yulon are mainly purchase discounts and commodity taxes paid by the Company on behalf of Yulon. Other receivables from other related parties are the allocated advertising and promotion fees.

Trade receivables from related parties are unsecured. For the years ended December 31, 2024 and 2023, no impairment loss was recognized on trade receivables from related parties.

4) Refundable deposits

	December 31	
	2024	2023
Yulon	$ 266,632	$ 203,013

Refundable deposits are mainly for materials the Company paid to Yulon.

5) Contract liabilities

	December 31	
	2024	2023
Nissan	$ -	$ 2,022

The Company designs and performs R&D of cars mainly for Nissan and receives payments before satisfying performance obligations.

6) Payables to related parties

	December 31			
	2024		2023	
Trade payables				
Yulon	$	389,919	$	222,524
Nissan		46,376		65,415
Other related parties		1,405		13,593
	$	437,700	$	301,532
Other payables				
Yulon	$	13,389	$	18,870
Other related parties		132,184		94,038
	$	145,573	$	112,908

Trade payables to related parties are unsecured as of December 31, 2024 and 2023; the balance of payables for purchases of equipment from other payables was $3,383 thousand and $74 thousand, respectively.

7) Acquisition of property, plant and equipment

	Acquisition Price For the Year Ended December 31			
Related Party Category/Name	2024		2023	
Yulon	$	4,872	$	959
Yueki Industrial Co., Ltd.		1,381		-
Other related parties		125		-
Uni Auto Parts Co., Ltd.		-		90
	$	6,378	$	1,049

8) Disposal of property, plant and equipment

	Disposal Price		Gain on Disposal	
Related Party Category/Name	For the Year Ended December 31, 2024		For the Year Ended December 31, 2024	
Yulon	$	11	$	11

9) Lease arrangements - the Group is lessee

Related Party Category/Name	For the Year Ended December 31 2024	2023
Acquisition of right-of-use assets		
Yulon	$ -	$ 1,563

The Company's rental expenses paid monthly are comprised of an activity center for its executives for the year ended 2023. The lease term of the contract was 5 years.

Line Item	Related Party Category/Name	December 31 2024	2023
Lease liabilities	Yulon	$ 555,714	$ 602,437
	Other related parties	170	2,466
		$ 555,884	$ 604,903

If the lease term is not specified in the lease contract with Yulon, the lease term is until the date of lease termination as agreed by both parties.

Related Party Category/Name	For the Year Ended December 31 2024	2023
Interest expense		
Yulon	$ 5,299	$ 5,725
Other related parties	9	52
	$ 5,308	$ 5,777

Interest expense is for lease liabilities.

Related Party Category/Name	For the Year Ended December 31 2024	2023
Lease expense		
Yulon	$ 1,989	$ 2,551
Other related parties	312	737
	$ 2,301	$ 3,288

Lease expenses included expenses relating to short-term leases that do not depend on an index or a rate.

Future lease payables related to short-term leases are as follows:

	December 31 2024	2023
Future lease payables	$ 2,393	$ 2,433

c. Remuneration of key management personnel

	For the Year Ended December 31	
	2024	2023
Short-term employee benefits	$ 40,228	$ 35,323
Post-employment benefits	351	1,990
	$ 40,579	$ 37,313

The remuneration of directors and key executives was determined by the remuneration committee and was based on the performance of individuals and market trends.

d. Other transactions with related parties

1) Trade receivables sold to Taiwan Acceptance Corporation

The Company sold to Taiwan Acceptance Corporation trade receivables which amounted to $1,962,585 thousand and $2,004,961 thousand for the years ended December 31, 2024 and 2023, respectively. As of December 31, 2024 and 2023, the Company had received cash payments of $1,938,167 thousand and $1,974,678 thousand, respectively. Based on the contract, the amount of receivables sold is limited to the amount of guarantee provided by the original debtor to Taiwan Acceptance Corporation. The interest rate intervals of the Company's trade receivables sold to Taiwan Acceptance Corporation for the years ended December 31, 2024 and 2023 were 3.12%-3.27% and 3.03%-3.12%; and the interest expenses recognized were $1,415 thousand and $1,402 thousand, respectively.

As of December 31, 2024 and 2023, the Company sold trade receivables to Taiwan Acceptance Corporation without recourse. The sale resulted in the derecognition of these trade receivables because the Company transferred the significant risks and rewards relating to the accounts to the buyer.

2) Molds contract signed with Diamond Leasing Service Co., Ltd.

The contract is valid from the date of signing of the contract to the production end date of the car model. As of December 31, 2024, the contract amount of molds still under production, which was paid in installments based on the progress of the contract, was $370,088 thousand (excluding business tax, including the molds contract, which amounted to $69,360 thousand with Chan Yun Technology Co., Ltd. which was undertaken by Diamond Leasing Service Co., Ltd.), and had been paid in full and recognized as property, plant and equipment. In addition, within the contract period, before the end of January every year, the Company should pay Diamond Leasing Service Co., Ltd., the amount of $2.6 for every ten thousand dollars of the accumulated amount paid for molds in the prior year.

3) Molds contract signed with Shinshin Credit Corporation

The contract is valid from the date of signing of the contract to the production end date of the car model. As of December 31, 2024, the contract amount of molds still under production, which was paid in installments based on the progress of the contract, was $488,226 thousand (excluding business tax) and had been paid in full and recognized as property, plant and equipment. In addition, within the contract period, before the end of January every year, the Company should pay Shinshin Credit Corporation the amount of $2.6 for every ten thousand dollars of the accumulated amount paid for molds in the prior year.

4) Molds contract signed with Sinjang Co., Ltd.

The contract is valid from the date of signing of the contract to the production end date of the car model. As of December 31, 2024, the contract amount of molds still under production, which was paid in installments based on the progress of the contract, was $485,303 thousand (excluding business tax) and had been paid in full and recognized as property, plant and equipment. In addition, within the contract period, before the end of January every year, the Company should pay Sinjang Co., Ltd. the amount of $2.6 for every ten thousand dollars of the accumulated amount paid for molds in the prior year.

30. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The following assets were provided as the deposits for the maintenance of military vehicles:

	December 31	
	2024	**2023**
Pledged deposits (classified as financial assets at amortized cost)	$ 2,175	$ 2,145

31. SIGNIFICANT CONTINGENCIES AND UNRECOGNIZED COMMITMENTS

In addition to those disclosed in other notes, significant commitments and contingencies of the Group as of December 31, 2024 were as follows:

a. The Company re-signed a manufacturing contract with Yulon, effective on or after May 1, 2015, for 5 years. This contract, for which the first expiry date was on April 30, 2020, is automatically extended annually unless either party issues a termination notice at least three months before expiry. The contract states that the Company authorizes Yulon to manufacture Nissan automobiles and parts, and the Company is responsible for the subsequent development of new automobile parts. The manufacturing volume of Yulon under the contract should correspond to the Company’s sales projection for the year. In addition, the Company has authorized Yulon as the original equipment manufacturer (OEM) of automobile parts and after-sales service.

   The Company is responsible for developing new car models, refining designs, and providing the sales projection to Yulon. Yulon is responsible for transforming the sales projections into manufacturing plans, making the related materials orders and purchases, providing product quality assurance, delivering cars, and shouldering warranty expenses due to any defects in products made by Yulon.

b. The Company has a contract with Taiwan Acceptance Corporation for sale and purchase of vehicles. Besides, Taiwan Acceptance Corporation separately signed with dealers contracts for display of vehicles. If any dealer violates the display contract, resulting in the need for Taiwan Acceptance Corporation to recover the display vehicles, the Company must assist in the settlement or buy-back the vehicles at the original price. From the date of signing the sale and purchase contract to December 31, 2024, no buy-back of vehicles has occurred.

c. Unrecognized commitments

	December 31	
	2024	**2023**
Acquisition of property, plant and equipment	$ 242	$ 1,396

32. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The Group's significant financial assets and liabilities denominated in foreign currencies aggregated by the foreign currencies other than functional currencies and the related exchange rates between the foreign currencies and the respective functional currencies were as follows:

(In Thousands of New Taiwan Dollars and Foreign Currencies)

December 31, 2024

	Foreign Currency	Exchange Rate	Carrying Amount
Financial assets			
Monetary items			
RMB	$ 315	4.4780 (RMB:NTD)	$ 1,411
USD	31,467	32.785 (USD:NTD)	1,031,646
RMB	235,871	0.1391 (RMB:USD)	1,075,665
JPY	78,165	0.2099 (JPY:NTD)	16,407
			$ 2,125,129
Non-monetary items			
USD	416,294	32.785 (USD:NTD)	$ 13,648,183
Financial liabilities			
Monetary items			
JPY	565	0.2099 (JPY:NTD)	$ 119

December 31, 2023

	Foreign Currency	Exchange Rate	Carrying Amount
Financial assets			
Monetary items			
RMB	$ 596,146	4.3270 (RMB:NTD)	$ 2,579,524
USD	16,450	30.705 (USD:NTD)	505,097
RMB	1,893,250	0.1412 (RMB:USD)	8,208,272
JPY	102,637	0.2172 (JPY:NTD)	22,293
			$ 11,315,186
Non-monetary items			
USD	372,060	30.705 (USD:NTD)	$ 11,424,105
Financial liabilities			
Monetary items			
JPY	92	0.2172 (JPY:NTD)	$ 20

The significant realized and unrealized foreign exchange gains (losses) were as follows:

	For the Year Ended December 31			
	2024		2023	
Foreign Currency	Exchange Rate	Net Foreign Exchange Gain (Loss)	Exchange Rate	Net Foreign Exchange Gain (Loss)
RMB	4.4540 (RMB:NTD)	$ 13,486	4.3960 (RMB:NTD)	$ 3,896
RMB	0.1404 (RMB:USD)	(25,423)	0.1420 (RMB:USD)	121,170
USD	32.112 (USD:NTD)	95,267	31.155 (USD:NTD)	(1,689)
JPY	0.2121 (JPY:NTD)	(948)	0.2221 (JPY:NTD)	(435)
		$ 82,382		$ 122,942

33. SEPARATELY DISCLOSED ITEMS

a. Information about significant transactions and investees:

1) Financing provided to others: None

2) Endorsements/guarantees provided: None

3) Marketable securities held (excluding investment in subsidiaries and associates) (Table 1)

4) Marketable securities acquired or disposed of at costs or prices of at least NT$300 million or 20% of the paid-in capital: None

5) Acquisition of individual real estate at costs of at least NT$300 million or 20% of the paid-in capital: None

6) Disposal of individual real estate at prices of at least NT$300 million or 20% of the paid-in capital: None

7) Total purchases from or sales to related parties amounting to at least NT$100 million or 20% of the paid-in capital (Table 2)

8) Receivables from related parties amounting to at least NT$100 million or 20% of the paid-in capital: (Table 3)

9) Trading in derivative instruments: None

10) Information on investees (Table 4)

11) Intercompany relationships and significant intercompany transactions (Table 5)

b. Information on investments in mainland China

1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, net income or loss, investment income or loss, carrying amount of the investment at the end of the period, repatriated investment income, and limit on the amount of investments in the mainland China area (Table 6)

2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third area, and their prices, payment terms, and unrealized gains or losses: None

   a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period.

   b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period.

   c) The amount of property transactions and the amount of the resultant gains or losses.

   d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes.

   e) The highest balance, the end of period balance, the interest rate range, and total current period interest with respect to financing of funds.

   f) Other transactions that have a material effect on the profit or loss for the period or on the financial position, such as the rendering or receiving of services.

c. Information of major shareholders

   List all shareholders with ownership of 5% or greater showing the name of the shareholder, the number of shares owned, and percentage of ownership of each shareholder (Table 7)

34. SEGMENTS INFORMATION

Information reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance focuses on the types of goods or services delivered or provided. Specifically, the Group's reportable segments were as follows:

Vehicle segment: Vehicle sales
Parts segment: Parts sales
Investment segment: Overseas business activities
Other segment: Other operating activities other than the above segments

a. Segment revenues and results

The following was an analysis of the Group's revenue and results from continuing operations by reportable segments.

	Revenue		Profit Before Tax	
	For the Year Ended December 31		For the Year Ended December 31	
	2024	2023	2024	2023
Vehicle segment	$ 19,488,401	$ 22,270,551	$ (433,058)	$ (425,898)
Parts segment	3,432,760	3,491,040	635,732	643,095
Investment segment	-	-	1,606,993	1,098,283
Other segment	210,855	374,606	(112,287)	(64,809)
	$ 23,132,016	$ 26,136,197	1,697,380	1,250,671
Loss on disposal of property, plant and equipment			(268)	(2,712)
Interest income			245,946	81,739
Gain on financial assets at fair value through profit or loss, net			32,220	16,189
Foreign exchange gain, net			82,382	122,942
Interest expense			(6,743)	(7,526)
Gain on disposal of investments, net			12,214	23,064
Central administration costs			(13,200)	(13,200)
Profit before tax			$ 2,049,931	$ 1,471,167

Segment revenue reported above represents revenue generated from external customers. There were no inter-segment sales for the years ended December 31, 2024 and 2023.

Segment profit represents the profit earned by each segment, excluding the allocation of loss on disposal of property, plant and equipment, interest income, gain on financial assets at fair value through profit or loss, net, foreign exchange gain, net, interest expense, gain on disposal of investments, net, central administration costs and remuneration of directors, and income tax expense. The amount is provided to the chief operating decision maker for allocating resources and assessing the performance.

b. Segment total assets

	December 31	
	2024	2023
Vehicle segment	$ 626,023	$ 811,519
Parts segment	8,527	10,725
Investment segment	13,648,183	11,424,105
Other segment	148,490	146,489
	14,431,223	12,392,838
Unallocated assets	9,721,572	10,212,751
Consolidated total assets	$ 24,152,795	$ 22,605,589

c. Revenue from major products and services

The following is an analysis of the Group's revenue from its major products and services.

	For the Year Ended December 31	
	2024	2023
Vehicles	$ 19,488,401	$ 22,270,551
Parts	3,432,760	3,491,040
Others	210,855	374,606
	$ 23,132,016	$ 26,136,197

d. Geographical information

The Group's revenues from external customers by location of operations are detailed below:

	For the Year Ended December 31	
	2024	2023
Domestic	$ 23,001,960	$ 25,832,737
Overseas	130,056	303,460
	$ 23,132,016	$ 26,136,197

The Group's non-current assets by location of assets are detailed below:

	December 31	
	2024	2023
Domestic	$ 1,633,853	$ 1,856,551
Overseas	-	-
	$ 1,633,853	$ 1,856,551

e. Information about major customers

The Group's revenue from major customers is detailed below:

	For the Year Ended December 31	
	2024	2023
A specific customer from the vehicle segment	$ 19,474,010	$ 21,933,002

No other single customer contributed 10% or more to the Group's revenue for the years ended December 31, 2024 and 2023.

YULON NISSAN MOTOR COMPANY, LTD. AND SUBSIDIARIES

MARKETABLE SECURITIES HELD
DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars)

Investor	Type and Name of Marketable Securities	Relationship with the Investor	Financial Statement Account	December 31, 2024				Note
				Stocks (In Thousands)	Carrying Amount	Percentage of Ownership	Market Value or Net Asset Value (Note)	
Yulon Nissan Motor Company, Ltd.	Beneficiary certificates							
	Taishin 1699 Money Market Fund	-	Financial assets at fair value through profit or loss	29,618	$ 419,027	-	$ 419,027	
	SinoPac TWD Money Market Fund	-	Financial assets at fair value through profit or loss	19,858	288,070	-	288,070	
	FSITC Taiwan Money Market Fund	-	Financial assets at fair value through profit or loss	11,386	181,799	-	181,799	
	PGIM Money Market Fund	-	Financial assets at fair value through profit or loss	9,194	151,593	-	151,593	
	Taishin Ta-Chong Money Market Fund	-	Financial assets at fair value through profit or loss	8,174	121,135	-	121,135	
	Fubon Chi-Hsiang Money Market Fund	-	Financial assets at fair value through profit or loss	6,183	100,976	-	100,976	
	Allianz Global Investors Taiwan Money Market Fund	-	Financial assets at fair value through profit or loss	7,725	100,968	-	100,968	
	PineBridge Preferred Securities Income Fund USD A	-	Financial assets at fair value through profit or loss	133	55,505	-	55,505	
	PineBridge Global Multi - Strategy High Yield Bond Fund I TWD	-	Financial assets at fair value through profit or loss	2,545	31,434	-	31,434	
	Nomura Global Equity Fund	-	Financial assets at fair value through profit or loss	800	27,256	-	27,256	
	Allianz Global Investors Taiwan Intelligence Trends Fund	-	Financial assets at fair value through profit or loss	186	26,466	-	26,466	
	Nomura Global Financial Bond Fund	-	Financial assets at fair value through profit or loss	1,520	16,150	-	16,150	
	FSITC Global Utilities and Infrastructure Fund	-	Financial assets at fair value through profit or loss	277	4,339	-	4,339	
	Fuh Hwa Heirloom No. 2 Balance Fund	-	Financial assets at fair value through profit or loss	66	3,970	-	3,970	

Note: The fair value of the financial asset at fair value through profit or loss is calculated based on the asset’s net value as of December 31, 2024.

YULON NISSAN MOTOR COMPANY, LTD. AND SUBSIDIARIES

TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES AMOUNTING TO AT LEAST NT$100 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars)

Company Name	Related Party	Nature of Relationship	Transaction Details				Abnormal Transaction (Note 1)		Note/Accounts Payable or Receivable		Note
			Purchase/ Sale	Amount	% to Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% to Total (Note 2)	
Yulon Nissan Motor Company, Ltd.	Yulon	Equity-method investor of the Company	Purchase	$ 19,723,712	99	4 days after sales for parts 3 days after sales for vehicles	$ -	-	$ (389,919)	72	-
	Taiwan Acceptance Corporation	Subsidiary of Yulon	Sale	19,474,010	85	Same as above	-	-	249,675	62	-
	Yu Chang Motor Co., Ltd.	Same as above	Sale	454,006	2	14 days after sales for parts	-	-	4,733	1	-
	Yuan Lon Motor Co., Ltd.	Substantial related party of Yulon	Sale	435,287	2	14 days after sales for parts Immediate payment for vehicles	-	-	3,893	1	-
	Empower Motors Co., Ltd.	Subsidiary of Yulon	Sale	369,215	2	14 days after sales for parts	-	-	4,046	1	-
	Yu Sing Motor Co., Ltd.	Same as above	Sale	367,662	2	14 days after sales for parts Immediate payment for vehicles	-	-	3,319	1	-
	Hui-Lian Motor Co., Ltd.	Substantial related party of Yulon	Sale	348,836	2	Same as above	-	-	472	-	-
	Yushin Motor Co., Ltd.	Subsidiary of Yulon	Sale	274,540	1	14 days after sales for parts	-	-	1,714	-	-
	Yu Tang Motor Co., Ltd.	Substantial related party of Yulon	Sale	252,134	1	Same as above	-	-	94	-	-
	Chen Long Co., Ltd.	Same as above	Sale	225,933	1	14 days after sales for parts Immediate payment for vehicles	-	-	1,834	-	-

Note 1: Transaction terms are based on agreements.

Note 2: Balances shown here are based on the carrying amount of the Company.

YULON NISSAN MOTOR COMPANY, LTD. AND SUBSIDIARIES

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT$100 MILLION OR 20% OF THE PAID-IN CAPITAL
DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars and U.S. Dollars)

Company Name	Related Party	Nature of Relationship	Financial Statement Account and Ending Balance	Turnover Rate (Note)	Overdue		Amounts Received in Subsequent Period	Allowance for Bad Debts
					Amount	Action Taken		
Yulon Nissan Motor Company, Ltd.	Yulon Finance orporation	Subsidiary of Yulon	Trade receivables $ 249,675	129.64	$ -	-	$ 249,675	$ -

Note: Balances shown here are based on the carrying amount of the Company.

YULON NISSAN MOTOR COMPANY, LTD. AND SUBSIDIARIES

INFORMATION ON INVESTEES
FOR THE YEAR ENDED DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of December 31, 2024			Net Income of the Investee	Share of Profit	Note
				December 31, 2024	December 31, 2023	Stocks (In Thousands)	%	Carrying Amount			
Yulon Nissan Motor Company, Ltd.	Yi-Jan Overseas Investment Co., Ltd.	Cayman Islands	Investment	$ 1,847,983 (US$ 57,371)	$ 1,847,983 (US$ 57,371)	84,987	100	$ 18,268,466	$ 1,757,234	$ 1,757,234	Notes 1 and 2
Yi-Jan Overseas Investment Co., Ltd.	Jetford Inc.	British Virgin Islands	Investment	US$ 57,171	US$ 57,171	71,772	100	US$ 557,058	US$ 54,728	US$ 54,728	Notes 1 and 2

Note 1: The carrying amount and related shares of profit of the equity investment were calculated based on the reviewed financial statements and percentage of ownership.

Note 2: Eliminated.

YULON NISSAN MOTOR COMPANY, LTD. AND SUBSIDIARIES

INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS
FOR THE YEAR ENDED DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars)

Number (Note 1)	Company Name	Related Party	Relationship (Note 2)	Transaction Details			
				Financial Statement Account	Amount (Note 3)	Payment Terms (Note 4)	% to Total Sales or Assets (Note 5)
0	Yulon Nissan Motor Company, Ltd.	Jetford Inc.	1	Trade receivables from related parties	$ 4,227	-	-
				Reduction of general and administrative expenses	13,090	-	-

Note 1: Intercompany relationships are numbered as follows:

a. The Company is numbered as 0.
b. Subsidiaries are numbered from number 1.

Note 2: Nature of relationships is numbered as follows:

a. The Company to subsidiaries is numbered as 1.
b. Subsidiaries to the Company is numbered as 2.
c. Subsidiaries to subsidiaries is numbered as 3.

Note 3: Eliminated.

Note 4: The prices and payment terms for related-party transactions were based on agreements.

Note 5: If the transaction amounts are related to the balance sheet accounts, the percentages are those of the year-end balances to the consolidated total assets. If the transaction amounts are related to the income statement accounts, the percentages are the total amounts of the year to the consolidated total sales.

YULON NISSAN MOTOR COMPANY, LTD. AND SUBSIDIARIES

INFORMATION ON INVESTMENTS IN MAINLAND CHINA
FOR THE YEAR ENDED DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars, U.S. Dollars and RMB)

Investee Company	Main Businesses and Products	Paid-in Capital	Method of Investment (e.g., Direct or Indirect)	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2024	Investment Flows		Accumulated Outward Remittance for Investment from Taiwan as of December 31, 2024	% Ownership of Direct or Indirect Investment	Net Income of the Investee	Investment Gain (Note 2)	Carrying Amount as of December 31, 2024	Accumulated Repatriation of Investment Income as of December 31, 2024
					Outflow	Inflow						
Aeolus Xiangyang Automobile Co., Ltd.	Developing and manufacturing of parts and vehicles and related services	$ 4,529,078 (RMB 1,032,500)	Note 1	$ 716,856 (US$ 21,700)	$ -	$ -	$ 716,856 (US$ 21,700)	16.55	$ 696,209 (US$ 21,681)	$ 115,222 (US$ 3,588)	$ 1,144,353 (US$ 34,905)	$ 5,510,103 (US$ 179,214)
Guangzhou Aeolus Automobile Co., Ltd.	Developing and manufacturing of parts and vehicles and related services	9,486,261 (RMB 2,303,250)	Note 1	1,124,786 (US$ 35,471)	-	-	1,124,786 (US$ 35,471)	42.69	3,510,823 (US$ 109,331)	1,498,771 (US$ 46,673)	12,503,830 (US$ 381,389)	46,900,641 (US$ 1,537,567)

Accumulated Outward Remittance for Investment in Mainland China as of December 31, 2024	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA (Note 3)
$1,841,642 (US$57,171)	$3,279,922 (US$103,622)	$11,560,972

Note 1: The Company indirectly owns these investees through Jetford Inc., an investment company registered in a third region.

Note 2: The carrying amount and related investment income of the equity investment were calculated based on the reviewed financial statements and percentage of ownership.

Note 3: The upper limit was calculated in accordance with the “Regulation Governing the Approval of Investment or Technical Cooperation in Mainland China” issued by the Investment Commission under the Ministry of Economic Affairs on August 22, 2008

TABLE 7

YULON NISSAN MOTOR COMPANY, LTD. AND SUBSIDIARIES

INFORMATION OF MAJOR SHAREHOLDERS
FOR THE YEAR ENDED DECEMBER 31, 2024

Name of Major Shareholder	Shares	
	Number of Shares	Percentage of Ownership (%)
Yulon Motor Co., Ltd.	143,500,000	47.83
Nissan Motor Corporation	120,000,000	40.00

Note: The main shareholder information in this table is calculated by the Taiwan Depository & Clearing Corporation on the last business day at the end of the quarter, and the total number of ordinary shares and special shares held by the shareholders who have completed the non-physical securities delivery (including treasury shares) is more than 5%. The share capital recorded in the Company’s consolidated financial report and the actual number of non-physical securities delivered may be different or different due to the basis of preparation and calculation.