

**Princeton Technology Corp.
and Subsidiaries
Consolidated Financial Statements for the
Three Months Ended March 31, 2025 and 2024
Together with Independent Auditors' Review Report**

English Translation of Financial Statements Originally Issued in Chinese

Independent Auditors' Review Report

The Board of Directors and Stockholders
Princeton Technology Corp.

Introduction

We have reviewed the accompanying consolidated balance sheets of Princeton Technology Corp. and subsidiaries (the Company) as of March 31, 2025 and 2024, and the consolidated statements of comprehensive income, consolidated changes in equity and cash flows for the three month ended and the notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as the “consolidated financial statement”). 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 Accounting Standards 34, “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

Scope of Review

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

Conclusion

Based on our reviews, nothing has come to our attention that caused us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Company as at March 31, 2025 and 2024, and its consolidated financial performance and its consolidated cash flows for the three month then ended March 31, 2025 and 2024 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standards 34, “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

WU MENG TA

PAN JIN SHU

Crowe (TW) CPAs

May 7, 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 review such consolidated financial statements are those generally applied in the Republic of China.

For the convenience of readers, the auditors' review 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 auditors' review report and consolidated financial statements shall prevail.

English Translation of Consolidated Financial Statements Originally Issued in Chinese

Princeton Technology Corp. and Subsidiaries

Consolidated Balance Sheets

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

(Expressed in Thousand New Taiwan Dollars)

Assets	Note	March 31, 2025		December 31, 2024		March 31, 2024	
		Amount	%	Amount	%	Amount	%
Current assets							
Cash and cash equivalents	Note 6	\$ 407,272	18	\$ 445,013	20	\$ 459,469	19
Financial assets at fair value through profit or loss	Note 7	76,285	3	100,627	4	279,455	11
Financial assets at amortized cost	Note 9	45,489	2	44,520	2	-	-
Notes receivable, net	Note 10	6,983	-	2,104	-	400	-
Accounts receivable, net	Note 10	220,780	10	280,860	12	232,306	10
Other receivables	Notes 10&31	5,146	-	3,992	-	8,469	-
Current tax assets	Note 28	-	-	-	-	519	-
Inventories, net	Note 11	483,648	22	475,777	20	526,074	21
Prepayments		19,758	1	15,828	-	20,743	1
Other financial assets	Notes 6&32	27,060	1	27,054	1	2,037	-
Total current assets		<u>1,292,421</u>	<u>57</u>	<u>1,395,775</u>	<u>59</u>	<u>1,529,472</u>	<u>62</u>
Non-current assets							
Financial assets at fair value through profit or loss	Note 7	60,300	3	45,495	2	46,644	2
Financial assets at fair value through other comprehensive income	Note 8	53,233	2	51,362	2	51,066	2
Investments accounted for under the equity method	Note 12	44,766	2	47,540	2	59,246	2
Property, plant and equipment	Notes 13&32	454,318	21	454,439	20	451,695	19
Right-of-use assets	Note 14	4,245	-	4,217	-	4,192	-
Investment property	Notes 15&32	283,590	13	281,541	12	279,308	11
Intangible assets	Note 16	4,145	-	4,050	-	4,006	-
Deferred tax assets	Note 28	12,722	-	12,534	-	13,487	-
Other noncurrent assets	Notes 17&33	47,078	2	64,024	3	45,607	2
Total non-current assets		<u>964,397</u>	<u>43</u>	<u>965,202</u>	<u>41</u>	<u>955,251</u>	<u>38</u>
Total assets		<u>\$ 2,256,818</u>	<u>100</u>	<u>\$ 2,360,977</u>	<u>100</u>	<u>\$ 2,484,723</u>	<u>100</u>
Liabilities and stockholders' equity							
Current liabilities							
Short-term loans	Notes 18&32	\$ 54,586	2	\$ 53,424	2	\$ 35,068	2
Contract liability	Note 23	4,601	-	4,881	-	5,608	-
Accounts payable		79,176	4	95,460	4	91,205	4
Other payables	Note 19	88,429	4	91,486	4	68,615	2
Current tax liabilities	Note 28	89	-	89	-	-	-
Other current liabilities		496	-	816	-	421	-
Total current liabilities		<u>227,377</u>	<u>10</u>	<u>246,156</u>	<u>10</u>	<u>200,917</u>	<u>8</u>
Non-current liabilities							
Deferred tax liability	Note 28	20,058	1	16,426	-	11,375	-
Net defined benefit liability	Note 20	2,341	-	2,835	-	11,805	-
Refundable deposits	Note 21	38,509	2	38,020	2	36,864	2
Total non-current liabilities		<u>60,908</u>	<u>3</u>	<u>57,281</u>	<u>2</u>	<u>60,044</u>	<u>2</u>
Total liabilities		<u>288,285</u>	<u>13</u>	<u>303,437</u>	<u>12</u>	<u>260,961</u>	<u>10</u>
Equity attributable to the parent company							
Capital	Note 22	1,809,437	80	1,809,437	77	1,809,437	73
Additional paid-in capital	Note 22	73,923	3	73,923	3	73,923	3
Retained earnings	Note 22						
Legal reserve		118,086	5	118,086	5	112,070	4
Special capital reserve		45,891	2	45,891	2	37,193	2
(Accumulated losses) unappropriated earnings		(259,302)	(11)	(174,421)	(7)	33,830	2
Total retained earnings		<u>(95,325)</u>	<u>(4)</u>	<u>(10,444)</u>	<u>-</u>	<u>183,093</u>	<u>8</u>
Other components of equity	Note 22	9,562	-	(5,957)	-	(22,088)	(1)
Total equity attributable to the parent		<u>1,797,597</u>	<u>79</u>	<u>1,866,959</u>	<u>80</u>	<u>2,044,365</u>	<u>83</u>
Non-controlling interests	Note 22	170,936	8	190,581	8	179,397	7
Total equity		<u>1,968,533</u>	<u>87</u>	<u>2,057,540</u>	<u>88</u>	<u>2,223,762</u>	<u>90</u>
Total liabilities and equity		<u>\$ 2,256,818</u>	<u>100</u>	<u>\$ 2,360,977</u>	<u>100</u>	<u>\$ 2,484,723</u>	<u>100</u>

The accompanying notes are integral part of consolidated financial statements.

English Translation of Consolidated Financial Statements Originally Issued in Chinese

Princeton Technology Corp. and Subsidiaries

Consolidated Statements of Comprehensive Income

For the three months ended March 31, 2025 & 2024

(Expressed in Thousand New Taiwan Dollars, Except for Earnings Per Share Amounts)

	Note	2025.01.01~2025.03.31		2024.01.01~2024.03.31	
		Amount	%	Amount	%
Net sales	Notes 23&31	\$ 206,263	100	\$ 295,051	100
Cost of goods sold	Notes 11.20&24	(140,995)	(68)	(200,603)	(68)
Gross profit		65,268	32	94,448	32
Operating expenses	Notes 20.24&31				
Marketing		(13,405)	(7)	(13,757)	(5)
General and administrative		(49,026)	(24)	(38,624)	(13)
Research and development		(94,846)	(46)	(89,097)	(30)
Total operating expenses		(157,277)	(77)	(141,478)	(48)
Operating loss		(92,009)	(45)	(47,030)	(16)
Non-operating income and expenses					
Interest income	Note 25	903	-	361	-
Other gain and loss	Notes 26&31	11,418	6	27,765	9
Finance costs	Note 27	(416)	-	(337)	-
Share of loss of associates and joint ventures	Notes 4&12	(2,861)	(1)	(2,808)	(1)
Subtotal		9,044	5	24,981	8
Loss from continuing operations before income tax		(82,965)	(40)	(22,049)	(8)
Income tax expense	Note 28	(28)	-	(532)	-
Net loss		(82,993)	(40)	(22,581)	(8)
Other comprehensive income and loss					
Items that will not be reclassified subsequently to profit or loss:					
Unrealized gain (loss) on investments in equity instruments at fair value through other comprehensive income	Note 22	1,267	-	(2,097)	-
Income tax expense related to items that will not be reclassified subsequently to profit or loss	Note 28	-	-	-	-
Subtotal		1,267	-	(2,097)	-
Items that may be reclassified subsequently to profit or loss:					
Exchange differences on translation of foreign operations	Note 22	19,950	10	39,410	13
Share of other comprehensive income of subsidiaries and associates	Note 22	87	-	82	-
Income tax expense related to items that may be reclassified subsequently to profit or loss	Notes 22&28	(3,541)	(2)	(6,455)	(2)
Subtotal		16,496	8	33,037	11
Total other comprehensive income, net of tax		17,763	8	30,940	11
Total comprehensive income		\$ (65,230)	(32)	\$ 8,359	3
Net (loss) income attributable to:					
Stockholders of the parent		(84,881)	(41)	(27,181)	(9)
Non-controlling interests		1,888	1	4,600	1
		\$ (82,993)	(40)	\$ (22,581)	(8)
Comprehensive income attributable to:					
Stockholders of the parent		\$ (69,362)	(34)	\$ (3,378)	(1)
Non-controlling interests		4,132	2	11,737	4
		\$ (65,230)	(32)	\$ 8,359	3
Earnings per share	Note 29				
Earnings per share-basic		\$ (0.47)		\$ (0.15)	
Diluted earnings per share		\$ (0.47)		\$ (0.15)	

The accompanying notes are integral part of consolidated financial statements.

English Translation of Consolidated Financial Statements Originally Issued in Chinese

Princeton Technology Corp. and Subsidiaries

Consolidated Statements of Changes in Equity

For the three months ended March 31, 2025 & 2024

(Expressed in Thousand New Taiwan Dollars)

	Equity attributable to the parent													Non-controlling interests	Total Equity
	Additional pain-in capital					Retained earnings			Other components of equity						
	Common Stock	Premiums	Recognize changes in subsidiaries' ownership	Share of changes in equities of associates and joint venture	Employee stock options	Legal reserve	Special reserve	(Accumulated losses) unappropriated earnings	Exchange differences arising on translation of foreign operations	Unrealized gain (loss) on investments in equity instruments at fair value through other comprehensive income	Total equity attributable to the parent				
Balance as of January 1, 2024	\$ 1,809,437	\$ 1,102	\$ 39	\$ 68,190	\$ 4,592	\$ 112,070	\$ 37,193	\$ 61,011	\$ (9,122)	\$ (36,769)	\$ 2,047,743	\$ 167,660	\$ 2,215,403		
Net (loss) income for the three months ended March 31, 2024	-	-	-	-	-	-	-	(27,181)	-	-	(27,181)	4,600	(22,581)		
Other comprehensive income for the three months ended March 31, 2024	-	-	-	-	-	-	-	-	25,900	(2,097)	23,803	7,137	30,940		
Total comprehensive income	-	-	-	-	-	-	-	(27,181)	25,900	(2,097)	(3,378)	11,737	8,359		
Balance as of March 31, 2024	<u>\$ 1,809,437</u>	<u>\$ 1,102</u>	<u>\$ 39</u>	<u>\$ 68,190</u>	<u>\$ 4,592</u>	<u>\$ 112,070</u>	<u>\$ 37,193</u>	<u>\$ 33,830</u>	<u>\$ 16,778</u>	<u>\$ (38,866)</u>	<u>\$ 2,044,365</u>	<u>\$ 179,397</u>	<u>\$ 2,223,762</u>		
Balance as of January 1, 2025	\$ 1,809,437	\$ 1,102	\$ 39	\$ 68,190	\$ 4,592	\$ 118,086	\$ 45,891	\$ (174,421)	\$ 33,755	\$ (39,712)	\$ 1,866,959	\$ 190,581	\$ 2,057,540		
Net (loss) income for the three months ended March 31, 2025	-	-	-	-	-	-	-	(84,881)	-	-	(84,881)	1,888	(82,993)		
Other comprehensive income for the three months ended March 31, 2025	-	-	-	-	-	-	-	-	14,252	1,267	15,519	2,244	17,763		
Total comprehensive income	-	-	-	-	-	-	-	(84,881)	14,252	1,267	(69,362)	4,132	(65,230)		
Cash dividends to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(23,777)	(23,777)		
Balance as of March 31, 2025	<u>\$ 1,809,437</u>	<u>\$ 1,102</u>	<u>\$ 39</u>	<u>\$ 68,190</u>	<u>\$ 4,592</u>	<u>\$ 118,086</u>	<u>\$ 45,891</u>	<u>\$ (259,302)</u>	<u>\$ 48,007</u>	<u>\$ (38,445)</u>	<u>\$ 1,797,597</u>	<u>\$ 170,936</u>	<u>\$ 1,968,533</u>		

The accompanying notes are integral part of financial statements.

English Translation of Consolidated Financial Statements Originally Issued in Chinese

Princeton Technology Corp. and Subsidiaries

Consolidated Statements of Cash Flows

For the three months ended March 31, 2025 & 2024

(Expressed in Thousand New Taiwan Dollars)

	<u>2025.01.01~2025.03.31</u>	<u>2024.01.01~2024.03.31</u>
Cash flows from operating activities:		
Net loss before tax	\$ (82,965)	\$ (22,049)
Adjustments to reconcile net loss to net cash (used in) provided by operating activities:		
Depreciation	14,096	13,210
Amortization expense	7	8
Net loss (income) of financial assets at fair value through profit or loss	2,367	(1,480)
Finance costs	416	337
Interest income	(903)	(361)
Share of loss of associates and joint ventures	2,861	2,808
Gain on disposal of property, plant and equipment, net	(132)	(96)
Changes in operating assets and liabilities:		
Decrease (increase) in :		
Mandatorily classified FVTPL	25,520	65,885
Notes receivable	(4,879)	2,338
Accounts receivable	60,080	77,822
Other receivables	(1,183)	(2,179)
Inventories	(7,871)	952
Prepayments	(3,930)	(8,893)
Other financial asset	(6)	(6)
Increase (decrease) in :		
Contract liability	(280)	(2,070)
Accounts payable	(16,284)	(21,301)
Other payables	(1,189)	(23,787)
Other current liabilities	(320)	(112)
Net defined benefit liabilities	(494)	(461)
Cash (used in) provided by operations	(15,089)	80,565
Interest received	932	167
Interest paid	(411)	(337)
Net cash (used in) provided by operating activities	<u>(14,568)</u>	<u>80,395</u>

(Continued)

	<u>2025.01.01~2025.03.31</u>	<u>2024.01.01~2024.03.31</u>
Cash flows from investing activities:		
Acquisition of Financial assets at amortized cost	(969)	-
Acquisition of financial assets at fair value through profit or loss	(17,500)	(4,500)
Acquisition of property, plant and equipment	(11,171)	(8,048)
Proceeds from disposal of property, plant and equipment	132	96
Acquisition of intangible assets	(14)	-
Decrease in other noncurrent assets	16,946	125,857
Net cash (used in) provided by investing activities	<u>(12,576)</u>	<u>113,405</u>
Cash flows from financing activities		
Increase in guarantee deposits received	489	1,553
(Decrease) increase in non-controlling interests	(21,533)	7,137
Net cash (used in) provided by financing activities	<u>(21,044)</u>	<u>8,690</u>
Effect of exchange rate changes on cash and cash equivalents	10,447	5,678
Net (decrease) increase in cash and cash equivalents	(37,741)	208,168
Cash and cash equivalents at beginning of period	445,013	251,301
Cash and cash equivalents at end of period	<u>\$ 407,272</u>	<u>\$ 459,469</u>

(Concluded)

The accompanying notes are integral part of consolidated financial statements.

English Translation of Financial Statements Originally Issued in Chinese
Princeton Technology Corp. and Subsidiaries
Notes to Consolidated Financial Statements
For the three months ended March 31, 2025 & 2024
(Expressed in Thousand New Taiwan Dollars, unless otherwise specified)

1. Company establishment

Princeton Technology Corp. (PTC) was established in May 1986. It specializes in the development, design, testing and sales of high quality, high value-added consumer integrated circuits (ICs). PTC's common shares were publicly listed on the Gre Tai Securities Market (GTSM) in December, 2001.

2. Date and procedures of authorization of financial statements for issue

The financial statements were reported to the Board of Directors and issued on May 7, 2025.

3. Newly issued or revised standards and interpretations

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

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

New, Revised or Amended Standards and Interpretations	Effective Date Issued by IASB
Amendments to IFRS 21 "Lack of Exchangeability"	January 1, 2025

Note: The amendments will be applied prospectively for annual reporting periods beginning on or after January 1, 2025.

The initial application of the amendments to the IFRSs endorsed and issued into effect by the FSC did not have a significant effect on the Company accounting policies.

b. Effect of new issuances or amendments to IFRSs as endorsed by the FSC but not yet adopted:

New, Revised or Amended Standards and Interpretations	Effective Date Issued by IASB
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)

Note: An entity shall apply the amendments for annual reporting periods beginning on or after January 1, 2026. Early application of the amendments is permitted on January 1, 2025.

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 are described as follows:

- The amendments clarify and add further guidance on assessing whether financial assets meet the solely payments of principal and interest (SPPI) criteria, including the scope of contract terms that modify cash flows based on contingent events (e.g., interest rates linked to environmental, social, and governance (ESG) goals), instruments with nonrecourse features, and contract-linked instruments.
- The amendments add that instruments with contract terms that can change cash flows (e.g., some instruments with features related to ESG goals) should disclose qualitative descriptions of the contingent nature of such terms; quantitative information about the range of possible changes in contractual cash flows resulting from such terms; and the gross carrying amount of financial assets and the amortized cost of financial liabilities under such terms.

As of the date the accompanying consolidated financial statements were issued, the above amended standards and interpretations have no significant impact to the Company's financial position and financial performance based on the Company's assessment.

c. The IFRSs issued by IASB but not yet endorsed and issued into effect by FSC:

New, Revised or Amended Standards and Interpretations	Effective Date Issued by IASB
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 “Insurance Contracts”	January 1, 2023
Amendments to IFRS 17 “Initial Application of IFRS 17 and IFRS 9—Comparative Information”	January 1, 2023
IFRS 18 “Presentation and Disclosure in Financial Statements”	January 1, 2027
IFRS 19 “Subsidiaries without Public Accountability: Disclosures”	January 1, 2027

As of the date the accompanying consolidated financial statements were issued, the Company continues in evaluating the impact of the above amended standards and interpretations on its financial position and financial performance from the initial adoption of the aforementioned standards or interpretations. The related impact will be disclosed when the Company completes the evaluation.

4. Summary of significant accounting policies

Except for the following, the accounting policies applied in these consolidated financial statements are consistent with those applied in the consolidated financial statements for the year ended December 31, 2024. These policies have been consistently applied to all the periods presented, unless otherwise stated.

Statement of Compliance

The accompanying consolidated financial statements have been prepared in conformity with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34, “Interim Financial Reporting” endorsed and issued into effect by the FSC. The consolidated financial statements do not present all the disclosures required for a complete set of annual consolidated financial statements prepared under the IFRSs endorsed and issued into effect the FSC.

Basis of Preparation

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

Basis of Consolidation

a. The basis for the consolidated financial statements

The consolidated financial statements incorporate the financial statements of PTC and entities controlled by PTC (its subsidiaries). Income and expenses of subsidiaries acquired or disposed of are included in the consolidated statement of comprehensive income from the

effective date of acquisition and up to the effective date of disposal, as appropriate. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Company.

All intra-group transactions, balances, income and expenses are eliminated in full on consolidation. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the noncontrolling interests even if this results in the noncontrolling interests having a deficit balance.

Changes in the Company's ownership interests in subsidiaries that do not result in the Company losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Company's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to owners of the Company.

When the Company loses control of a subsidiary, the Company should recognize any resulting differences between (1) the fair value of the consideration received, from the transaction, event or circumstances that resulted in the loss of control; and any investment retained in the former subsidiary at its fair value at the date when control is lost, and (2) the assets (including any goodwill), liabilities and any non-controlling interests of the former subsidiary at their carrying amounts at the date when control is lost.

If the Company loses control of a subsidiary, the Company shall account for all amounts recognized in other comprehensive income in relation to that subsidiary on the same basis as would be required if the Company had directly disposed of the related assets or liabilities.

The fair value of any investment retained in the former subsidiary at the date when control is lost shall be regarded as the cost on initial recognition of an investment in an associate.

b. The subsidiaries in the consolidated financial statements

The detail information of the subsidiaries at the end of reporting period was as follows:

Name of Investor	Name of Investee	Main Businesses and Products	Percentage of Ownership		
			March 31, 2025	December 31, 2024	March 31, 2024
Princeton Technology Corp.	PRINCETON SILICON LIMITED (PRINCETON SILICON)	Holding company	100.00%	100.00%	100.00%
Princeton Technology Corp.	Princeton Capital Corp. (Princeton Capital)	Investment holding	100.00%	100.00%	100.00%
PRINCETON SILICON	Princeton Technology (Shenzhen) Ltd. (Princeton Technology (Shenzhen))	IC sales, design & marketing and software research; the research and development of separators for lithium-ion batteries; communications equipment technical consulting and after-sale service	100.00%	100.00%	100.00%
PRINCETON SILICON	Princeton Technology (Chengdu) Corp. (Princeton Technology (Chengdu))	IC design and software research, technology transfer, technical consulting, after-sales service; modular design of electronic systems, development and sale; IC sale, import and export, communications equipment research, sales, import and export, technical consulting, after-sale service; lithium-ion batteries research, sales, import and export; own house rental	100.00%	100.00%	100.00%
Princeton Technology (Shenzhen)	Chengdu Chip-Rail Microelectronics Co., Ltd. (Chengdu Chip-Rail)	Computer systems development, IC design, computer hardware and software design and technical services	51.00%	51.00%	51.00%

c. Unconsolidated subsidiaries: None.

d. Non-wholly owned subsidiaries that have noncontrolling material interests:

The information on non-controlling interest and respective subsidiaries are as follows:

Name of subsidiary	Principal place of business	Percentage of Ownership of Non-controlling Interest		
		March 31, 2025	December 31, 2024	March 31, 2024
Chengdu Chip-Rail	China	49.00%	49.00%	49.00%

Name of subsidiary	Profit or Loss Distribute to Non-controlling Interest	
	2025.01.01~2025.03.31	2024.01.01~2024.03.31
Chengdu Chip-Rail	\$ 1,888	\$ 4,600

Name of subsidiary	Non-controlling Interest		
	March 31, 2025	December 31, 2024	March 31, 2024
Chengdu Chip-Rail	\$ 170,936	\$ 190,581	\$ 179,397

The summary financial information (including the intra-company transactions) of subsidiaries are as follows :

Balance sheets

	March 31, 2025	December 31, 2024	March 31, 2024
Current assets	\$ 435,047	\$ 436,939	\$ 416,364
Non-current assets	8,769	8,790	8,564
Current liabilities	(94,966)	(56,788)	(58,813)
Non-current liabilities	—	—	—
Equity	\$ 348,850	\$ 388,941	\$ 366,115
Equity attributable to :			
Stockholders of the parent	\$ 177,914	\$ 198,360	\$ 186,718
Non-controlling interests	170,936	190,581	179,397
	\$ 348,850	\$ 388,941	\$ 366,115

Statements of comprehensive incomes

	2025.01.01~2025.03.31	2024.01.01~2024.03.31
Net sales	\$ 76,159	\$ 77,154
Net profit for the period	\$ 3,853	\$ 9,386
Other comprehensive income	4,580	14,566
Total comprehensive income	\$ 8,433	\$ 23,952
Net profit attributable to :		
Stockholders of the parent	\$ 1,965	\$ 4,786
Non-controlling interests	1,888	4,600
	\$ 3,853	\$ 9,386
Comprehensive income attributable to:		
Stockholders of the parent	\$ 4,301	\$ 12,215
Non-controlling interests	4,132	11,737
	\$ 8,433	\$ 23,952
Dividends paid to non-controlling interests	\$ 23,777	\$ —

Statements of cash flows

	<u>2025.01.01~2025.03.31</u>	<u>2024.01.01~2024.03.31</u>
Net cash provided by operating activities	\$ 99,986	\$ 20,643
Net cash used in investing activities	(45,107)	—
Net cash used in financing activities	(45,042)	—
Net increase in cash and cash equivalents	<u>\$ 9,837</u>	<u>\$ 20,643</u>

e. Adjustments for subsidiaries with different balance sheet dates: None.

f. Issuance of securities held by a subsidiary of the parent content: None.

g. Significant restrictions: None.

Retirement Benefits

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

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax. Interim period income taxes are assessed on an annual basis and calculated by applying to an interim period's pre-tax income tax rate that would be applicable to expected total annual earnings.

5. Critical accounting judgments and key sources of estimation and uncertainty

The same critical accounting judgments and key sources of estimates and uncertainty have been followed in these consolidated financial statements as those applied in the preparation of the consolidated financial statements for the year ended December 31, 2024.

6. Cash and cash equivalents

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Cash on hand	\$ 527	\$ 469	\$ 461
Checking and savings accounts	384,001	422,284	433,701
Time deposits	22,744	22,260	25,307
	<u>\$ 407,272</u>	<u>\$ 445,013</u>	<u>\$ 459,469</u>

As of March 31, 2025, December 31, 2024 and March 31, 2024, the pledged certificates of bank deposits have been reclassified to other financial assets. Refer to Note 32.

7. Financial assets at FVTPL

a. The details of financial assets at FVTPL are as follows:

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
<u>Financial assets at FVTPL - current</u>			
Mandatorily classified financial assets as at FVTPL			
Wealth management products	\$ 22,750	\$ 53,448	\$ 195,870
Mutual funds	52,861	46,405	51,509
Listed stocks	674	774	32,076
	<u>\$ 76,285</u>	<u>\$ 100,627</u>	<u>\$ 279,455</u>
<u>Financial assets at FVTPL – non- current</u>			
Mandatorily classified financial assets as at FVTPL			
Limited partnership	\$ 60,300	\$ 45,495	\$ 46,644

b. The above financial assets at FVTPL were all not pledged.

8. Financial assets at FVTOCI

a. The details of financial assets at FVTOCI are as follows:

	March 31, 2025	December 31, 2024	March 31, 2024
<u>Financial assets at FVTOCI – non-current</u>			
Investment in equity instruments			
Foreign unlisted equity investment	\$ 47,743	\$ 47,139	\$ 46,008
Non-publicly traded stocks	5,490	3,705	3,990
Listed stocks through private placement	—	518	1,068
	<u>\$ 53,233</u>	<u>\$ 51,362</u>	<u>\$ 51,066</u>

b. These investments in equity instruments are not held for trading; instead, they are held for medium to long-term strategic purposes. Accordingly, the management elected to designate these investments in equity instruments as at FVTOCI as they believe that recognizing short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Company's strategy of holding these investments for long-term purposes.

c. The above financial assets at FVTOCI were all not pledged.

9. Financial assets at amortized cost, current

a. The details of financial assets at amortized cost, current are as follows:

	March 31, 2025	December 31, 2024	March 31, 2024
Time deposits with original maturity of more than 3 months	\$ 45,489	\$ 44,520	\$ —
Interest rate	1.45%	1.75%	—

b. The above financial assets at amortized cost, current were all not pledged.

10. Notes and accounts receivable, net and other receivable

	March 31, 2025	December 31, 2024	March 31, 2024
<u>Notes receivable</u>			
Notes receivable-operating activities	\$ 6,983	\$ 2,104	\$ 400
Notes receivable-non operating activities	—	—	—
Less: allowance for doubtful accounts	—	—	—
	<u>\$ 6,983</u>	<u>\$ 2,104</u>	<u>\$ 400</u>
<u>Accounts receivable</u>			
Accounts receivable	\$ 232,648	\$ 292,520	\$ 242,192
Less: allowance for doubtful accounts	(11,868)	(11,660)	(9,886)
	<u>\$ 220,780</u>	<u>\$ 280,860</u>	<u>\$ 232,306</u>
<u>Other receivables</u>			
Tax refund receivable	\$ 5,146	\$ 3,992	\$ 8,469
Less: allowance for doubtful accounts	—	—	—
	<u>\$ 5,146</u>	<u>\$ 3,992</u>	<u>\$ 8,469</u>

a. The Company applies the simplified approach to provisions for expected credit losses prescribed by IFRS 9, which permits the use of a lifetime expected credit losses provision for all trade receivables. The expected credit losses on receivables are estimated using a provision matrix by reference to past default experience of the customers and an analysis of the customers' current financial positions, as well as the forward-looking indicators such as

macroeconomic business indicator. The Company estimates expected credit losses based on the number of days for which receivables are past due. As the Company's historical credit losses experience does not show significantly different loss patterns for different customer segments, the provision for losses based on past due status is not further distinguished according to the Company's different customer base.

b. The following table details the loss allowance of accounts receivable and other receivables.

	March 31, 2025					Total
	Not Past Due	1 to 60 Days	61 to 90 Days	91 to 180 Days	Over 180 Days	
Gross carrying amount	\$ 225,926	\$ —	\$ —	\$ —	\$ 11,868	\$ 237,794
Estimates expected credit loss rate	0%	0%	0%	0%	100%	
Loss allowance (Lifetime ECL)	—	—	—	—	(11,868)	(11,868)
Amortized cost	<u>\$ 225,926</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 225,926</u>
	December 31, 2024					Total
	Not Past Due	1 to 60 Days	61 to 90 Days	91 to 180 Days	Over 180 Days	
Gross carrying amount	\$ 284,852	\$ —	\$ —	\$ —	\$ 11,660	\$ 296,512
Estimates expected credit loss rate	0%	0%	0%	0%	100%	
Loss allowance (Lifetime ECL)	—	—	—	—	(11,660)	(11,660)
Amortized cost	<u>\$ 284,852</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 284,852</u>
	March 31, 2024					Total
	Not Past Due	1 to 60 Days	61 to 90 Days	91 to 180 Days	Over 180 Days	
Gross carrying amount	\$ 240,775	\$ —	\$ —	\$ —	\$ 9,886	\$ 250,661
Estimates expected credit loss rate	0%	0%	0%	0%	100%	
Loss allowance (Lifetime ECL)	—	—	—	—	(9,886)	(9,886)
Amortized cost	<u>\$ 240,775</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 240,775</u>

The movements of the allowance for doubtful accounts and other receivables

	2025.01.01~2025.03.31	2024.01.01~2024.03.31
Balance, beginning of year	\$ 11,660	\$ 9,738
Effect of exchange rate changes	208	148
Balance, end of year	<u>\$ 11,868</u>	<u>\$ 9,886</u>

c. The above notes and accounts receivable, net and other receivables were all not pledged.

11. Inventories, net

	March 31, 2025	December 31, 2024	March 31, 2024
Merchandises	\$ 6,724	\$ 9,600	\$ 13,216
Finished goods	142,438	122,499	109,794
Work in progress	215,125	209,259	285,084
Raw materials	119,361	134,419	117,980
	<u>\$ 483,648</u>	<u>\$ 475,777</u>	<u>\$ 526,074</u>

a. The cost of goods sold of the Company consisted of the following:

	2025.01.01~2025.03.31	2024.01.01~2024.03.31
Selling cost of inventories	\$ 138,571	\$ 201,044
Loss on decline (gain on reversal) in value of inventory	2,430	(439)
Others	(6)	(2)
	<u>\$ 140,995</u>	<u>\$ 200,603</u>

b. The above inventories, net were all not pledged.

12. Investments accounted for under the equity method

	March 31, 2025	December 31, 2024	March 31, 2024
Investments in associates	\$ 44,766	\$ 47,540	\$ 59,246

Associates consisted of the following:

	March 31, 2025		December 31, 2024		March 31, 2024	
	Carrying value	%	Carrying value	%	Carrying value	%
<u>Common stock</u>						
Foresight Energy Technology Co., Ltd.	\$ 44,766	8.80%	\$ 47,090	8.80%	\$ 57,241	8.80%
Morelink Technology Corporation	—	7.87%	450	7.87%	2,005	7.87%
Microlink Communications Inc.	—	25.00%	—	25.00%	—	25.00%
	<u>\$ 44,766</u>		<u>\$ 47,540</u>		<u>\$ 59,246</u>	

a. Refer to Table 5 for the nature of activities, principal places of business and countries of incorporation of the associates.

b. As of March 31, 2025, the Company's equity in Foresight Energy Technology Co., Ltd. and Morelink Technology Corporation are 8.80% and 7.87%. The Company held less than 20% of Foresight Energy Technology Co., Ltd. and Morelink Technology Corporation's stock with voting rights, but has significant influence over this investee and accounted for the investment by equity method.

c. The stockholders' equity of Morelink Technology Corporation and Microlink Communications Inc. had become negative, and the Company didn't intend to continue its support for the investee company. The Company recognized investment loss that make the carrying amount of long-term investment equal to zero.

Unrecognized investment loss of Morelink Technology Corporation and Microlink Communications Inc. were summarized as follows:

	2025.01.01~2025.03.31	2024.01.01~2024.03.31
Unrecognized investment loss:		
Current year amount	\$ 603	\$ 222
Accumulatd amount	\$ 28,366	\$ 26,350

d. Financial information of the Company's associates was summarized as follows:

	March 31, 2025	December 31, 2024	March 31, 2024
Total assets	\$ 759,948	\$ 813,055	\$ 909,284
Total liabilities	\$ 371,769	\$ 387,608	\$ 340,719

	2025.01.01~2025.03.31	2024.01.01~2024.03.31
Net revenue	\$ 6,494	\$ 19,871
Net loss	\$ (40,559)	\$ (34,015)
The Company's share of other comprehensive income of associates	\$ 990	\$ 931

e. The investment loss for the three months ended March 31, 2025 and 2024 were based on the investees' financial statements review by the auditors for the same years.

f. All the investments accounted for under equity method were not pledged.

13. Property, plant and equipment

	Land	Buildings	Machinery and equipment	Transportation equipment	Furniture	Other equipment	Subtotal
Cost :							
January 1, 2025	\$ 133,228	\$ 420,495	\$ 980	\$ 6,888	\$ 14,578	\$ 86,454	\$ 662,623
Additional	—	—	—	3,430	246	5,622	9,298
Disposals	—	—	—	(622)	(17)	(1,070)	(1,709)
Exchange effect	—	3,862	—	135	177	723	4,897
March 31, 2025	<u>\$ 133,228</u>	<u>\$ 424,357</u>	<u>\$ 980</u>	<u>\$ 9,831</u>	<u>\$ 14,984</u>	<u>\$ 91,729</u>	<u>\$ 675,109</u>
January 1, 2024	\$ 133,228	\$ 377,184	\$ 1,580	\$ 10,712	\$ 13,867	\$ 78,938	\$ 615,509
Additional	—	24,765	—	571	38	5,772	31,146
Disposals	—	—	—	(4,474)	—	(3,014)	(7,488)
Exchange effect	—	10,888	—	157	343	1,982	13,370
March 31, 2024	<u>\$ 133,228</u>	<u>\$ 412,837</u>	<u>\$ 1,580</u>	<u>\$ 6,966</u>	<u>\$ 14,248</u>	<u>\$ 83,678</u>	<u>\$ 652,537</u>
Accumulated depreciation :							
January 1, 2025	\$ 6,201	\$ 132,756	\$ 949	\$ 6,056	\$ 10,673	\$ 51,549	\$ 208,184
Depreciation	—	3,349	31	123	344	8,674	12,521
Disposals	—	—	—	(622)	(17)	(1,070)	(1,709)
Exchange effect	—	934	—	172	144	545	1,795
March 31, 2025	<u>\$ 6,201</u>	<u>\$ 137,039</u>	<u>\$ 980</u>	<u>\$ 5,729</u>	<u>\$ 11,144</u>	<u>\$ 59,698</u>	<u>\$ 220,791</u>
January 1, 2024	\$ 6,201	\$ 115,662	\$ 1,389	\$ 9,540	\$ 9,450	\$ 50,098	\$ 192,340
Depreciation	—	3,086	68	269	355	7,919	11,697
Disposals	—	—	—	(4,474)	—	(3,014)	(7,488)
Exchange effect	—	2,462	—	136	276	1,419	4,293
March 31, 2024	<u>\$ 6,201</u>	<u>\$ 121,210</u>	<u>\$ 1,457</u>	<u>\$ 5,471</u>	<u>\$ 10,081</u>	<u>\$ 56,422</u>	<u>\$ 200,842</u>

a. Depreciation is computed by the average method over these estimated service live to reflect estimated salvage value :

Buildings	10~55 years
Machinery and equipment	3 years
Transportation equipment	4~5 years
Furniture	1~5 years
Other equipment	1~5 years

b. All the property, plant and equipment were pledged. Refer to Notes 18 and 32.

14. Lease arrangements

a. Right-of-use assets

	March 31, 2025	December 31, 2024	March 31, 2024
<u>Carrying amounts</u>			
Land	<u>\$ 4,245</u>	<u>\$ 4,217</u>	<u>\$ 4,192</u>
<u>Land</u>			
Cost :			
January 1, 2025		\$	4,827
Additional			—
Disposals and reclassification			—
Exchange effect			62
March 31, 2025		<u>\$</u>	<u>4,889</u>
January 1, 2024		\$	4,521
Additional			—
Disposals and reclassification			—
Exchange effect			191
March 31, 2024		<u>\$</u>	<u>4,712</u>

	<u>Land</u>	
Accumulated depreciation :		
January 1, 2025	\$	610
Depreciation		26
Disposals		—
Exchange effect		8
March 31, 2025	\$	<u>644</u>
January 1, 2024	\$	475
Depreciation		25
Disposals		—
Exchange effect		20
March 31, 2024	\$	<u>520</u>

b. Material lease-in activities and terms

The Company leases certain leasehold land for the use of office with lease terms of 47 years. The Company does not have bargain purchase options to acquire the leasehold land and buildings at the end of the lease terms.

c. Subleases

The Company subleased part of its right-of-use assets for land in Chengdu, China under operating leases. Right-of-use assets that meet the definition of investment properties are reclassified to investment properties. Refer to Note 15 for further information on investment properties.

d. Other lease information

	<u>2025.01.01~2025.03.31</u>	<u>2024.01.01~2024.03.31</u>
Expenses relating to low-value asset leases	\$ 542	\$ 699
Total cash outflow for leases	\$ (542)	\$ (699)

The Company applies the recognition exemption to leases of equipment and others qualifying as short-term leases and low-value asset leases and does not recognize right-of-use assets and lease liabilities for these leases.

15. Investment Property

	<u>Buildings</u>	<u>Right-of-use assets</u>	<u>Subtotal</u>
Cost :			
January 1, 2025	\$ 310,105	\$ 11,437	\$ 321,542
Additional	—	—	—
Disposals and reclassification	—	—	—
Exchange effect	<u>3,978</u>	<u>146</u>	<u>4,124</u>
March 31, 2025	<u>\$ 314,083</u>	<u>\$ 11,583</u>	<u>\$ 325,666</u>
January 1, 2024	\$ 290,400	\$ 10,709	\$ 301,109
Additional	—	—	—
Disposals and reclassification	—	—	—
Exchange effect	<u>12,268</u>	<u>453</u>	<u>12,721</u>
March 31, 2024	<u>\$ 302,668</u>	<u>\$ 11,162</u>	<u>\$ 313,830</u>

	<u>Buildings</u>	<u>Right-of-use assets</u>	<u>Subtotal</u>
Accumulated amortization and impairment :			
January 1, 2025	\$ 38,564	\$ 1,437	\$ 40,001
Depreciation	1,487	62	1,549
Disposals and reclassification	—	—	—
Exchange effect	508	18	526
March 31, 2025	<u>\$ 40,559</u>	<u>\$ 1,517</u>	<u>\$ 42,076</u>
January 1, 2024	\$ 30,563	\$ 1,114	\$ 31,677
Depreciation	1,243	245	1,488
Disposals and reclassification	—	—	—
Exchange effect	1,306	51	1,357
March 31, 2024	<u>\$ 33,112</u>	<u>\$ 1,410</u>	<u>\$ 34,522</u>

a. The Company's R&D building construction in Chengdu, China had been completed and transferred the cost of building to PP&E and investment properties according to estimated purpose, respectively. Because the market for comparable properties is inactive and alternative reliable measurements of fair value were not available; therefore, the Company determined that the fair value of the investment property is not reliably measurable.

b. Rental income from investment property and direct operating expenses arising from investment property are shown below:

	<u>2025.01.01~2025.03.31</u>	<u>2024.01.01~2024.03.31</u>
Rental income from investment property	\$ 5,744	\$ 2,632
Direct operating expenses arising from the investment property that generated rental income during the period	\$ 1,089	\$ 1,046
Direct operating expenses arising from the investment property that did not generate rental income during the period	\$ 460	\$ 442

c. The investment property was depreciated on a straight-line basis over its estimated lives as follows :

Buildings	47 years
Right-of-use assets	47 years

d. All the investment Property were pledged. Refer to Notes 18 and 32.

16. Intangible Assets

	<u>Goodwill</u>	<u>Patents</u>	<u>Subtotal</u>
Cost :			
January 1, 2025	\$ 3,956	\$ 1,659	\$ 5,615
Additional	—	14	14
Disposals and reclassification	—	—	—
Exchange effect	87	35	122
March 31, 2025	<u>\$ 4,043</u>	<u>\$ 1,708</u>	<u>\$ 5,751</u>
January 1, 2024	\$ 3,822	\$ 1,598	\$ 5,420
Additional	—	—	—
Disposals and reclassification	—	—	—
Exchange effect	74	31	105
March 31, 2024	<u>\$ 3,896</u>	<u>\$ 1,629</u>	<u>\$ 5,525</u>

	<u>Goodwill</u>	<u>Patents</u>	<u>Subtotal</u>
Accumulated amortization and impairment :			
January 1, 2025	\$ —	\$ 1,565	\$ 1,565
Amortization expenses	—	7	7
Disposals and reclassification	—	—	—
Exchange effect	—	34	34
March 31, 2025	<u>\$ —</u>	<u>\$ 1,606</u>	<u>\$ 1,606</u>
January 1, 2024	\$ —	\$ 1,481	\$ 1,481
Amortization expenses	—	8	8
Disposals and reclassification	—	—	—
Exchange effect	—	30	30
March 31, 2024	<u>\$ —</u>	<u>\$ 1,519</u>	<u>\$ 1,519</u>

a. Intangible assets were amortized on a straight-line basis over their estimated useful lives as follows:

Patents 5~10 years

b. The Company assesses the recoverable amount of goodwill as of the end of the annual financial reporting period, using the value in use as the basis for calculating the recoverable amount. For the purpose of impairment testing, the recoverable amount was determined on the basis of value in use, a calculation that used the cash flow projections in the financial budgets covering a 5-year period and a discount rate of 16.08% for the years ended December 31, 2024. Since the recoverable amount is greater than the carrying amount, no impairment loss was recognized.

17. Other noncurrent assets

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Capacity guarantee	\$ 45,242	\$ 44,687	\$ 43,610
Rental deposit	393	394	455
Prepayments for investments	—	17,500	—
Balance prepaid-machinery and equipment	—	—	99
Others	1,443	1,443	1,443
	<u>\$ 47,078</u>	<u>\$ 64,024</u>	<u>\$ 45,607</u>

In order to ensure steady capacity, the Company entered into some capacity reservation contracts with suppliers and paid for the purchases over the long-term prepayments in order to ensure fulfillment to the contract. The long-term prepayment will be refunded when terms and conditions set forth in the contract have been satisfied.

18. Short-term loans

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Secured loans			
Bank loans	<u>\$ 54,586</u>	<u>\$ 53,424</u>	<u>\$ 35,068</u>

a. The interest rates of revolving borrowings from banks for the three months ended March 31, 2025 and 2024 were 2.85%~3.20% and 3.65%, respectively.

b. The details of assets pledged as collateral for short-term loans are set in Notes 15 and 32.

c. Unused credit line as of March 31, 2025, December 31, 2024 and March 31, 2024, were amounted to NT\$236,391 thousand, NT\$35,616 thousand and NT\$216,438 thousand, respectively.

19. Other payables

	March 31, 2025	December 31, 2024	March 31, 2024
Salaries and wages payable	\$ 44,210	\$ 64,138	\$ 37,474
Dividends payable to non-controlling interests	22,289	—	—
Service payable	3,121	7,329	3,892
Employee's compensation and remuneration of directors payable	—	—	11,407
Others	18,809	20,019	15,842
	<u>\$ 88,429</u>	<u>\$ 91,486</u>	<u>\$ 68,615</u>

20. Retirement benefit plans

a. Defined contribution plans

The pension mechanism under the Labor Pension Act (the "Act") is deemed a defined contribution plan. Pursuant to the Act, PTC and Princeton Capital Corp., have made monthly contributions equal to 6% of each employee's monthly salary to employees' pension accounts. Furthermore, Princeton Technology (Shenzhen) Ltd., Princeton Technology (Chengdu) Corp. and Chengdu Chip-Rail Microelectronics Co., Ltd are required by local regulations to make monthly contributions at certain percentages of the basic salary of their employees. Pursuant to the aforementioned Act and local regulations, the Company recognized expenses of NT\$8,957 thousand and NT\$7,395 thousand in the consolidated statements of comprehensive income for the three months ended March 31, 2025 and 2024, respectively. The net pension cost under the Labor Pension Act amounted to NT\$2,149 thousand and NT\$1,808 thousand were not paid as of March 31, 2025 and 2024, respectively.

b. Defined benefit plans

PTC have defined benefit plans under the Labor Standards Law that provide benefits based on an employee's length of service and average monthly salary for the six-month period prior to retirement. The aforementioned companies contribute an amount equal to 2% of salaries paid each month to their respective pension funds (the Funds), which are administered by the Labor Pension Fund Supervisory Committee (the Committee) and deposited in the Committee's name in the Bank of Taiwan. Before the end of each year, the Company assesses the balance in the Funds. If the amount of the balance in the Funds 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 Funds are operated and managed by the government's designated authorities; as such, the Company does not have any right to intervene in the investments of the Funds.

The pension costs of the aforementioned defined benefit plans were recognized in profit or loss by the following categories:

	<u>2025.01.01~2025.03.31</u>	<u>2024.01.01~2024.03.31</u>
Cost of goods sold	\$ 1	\$ 2
Marketing expenses	2	5
General and administrative expenses	11	19
Research and development expenses	16	31
	<u>\$ 30</u>	<u>\$ 57</u>

The Company expects to make contributions of NT\$2,123 thousand to the defined benefit plans in the next year starting from March 31, 2025.

21. Guarantee deposits

	March 31, 2025	December 31, 2024	March 31, 2024
Capacity guarantee	\$ 32,922	\$ 32,507	\$ 31,730
Others	5,587	5,513	5,134
	<u>\$ 38,509</u>	<u>\$ 38,020</u>	<u>\$ 36,864</u>

Capacity guarantee deposit mainly consisted of cash received under deposit agreements with customers to ensure they have access to the Company's specified capacity. Guarantee deposits will be refunded to customers when terms and conditions set forth in the deposit agreements have been satisfied.

22. Equity

a. Capital

	March 31, 2025	December 31, 2024	March 31, 2024
Authorized shares (thousand shares)	<u>250,000</u>	<u>250,000</u>	<u>230,000</u>
Authorized	<u>\$ 2,500,000</u>	<u>\$ 2,500,000</u>	<u>\$ 2,300,000</u>
Issued and paid capital shares (thousand shares)	<u>180,943.7</u>	<u>180,943.7</u>	<u>180,943.7</u>
Issued	<u>\$ 1,809,437</u>	<u>\$ 1,809,437</u>	<u>\$ 1,809,437</u>

As of March 31, 2025, December 31, 2024 and March 31, 2024, the authorized capital shares are 250,000, 250,000 and 230,000 thousand shares, with par value of \$10 per share entitled the right to vote and to receive dividends.

b. Capital surplus

	March 31, 2025	December 31, 2024	March 31, 2024
<u>May be used to offset a deficit, distributed as cash dividends, or transferred to share capital (a)</u>			
Premiums	\$ 1,102	\$ 1,102	\$ 1,102
<u>May be used to offset a deficit only</u>			
Recognize changes in subsidiaries' ownership (b)	39	39	39
Share of changes in equities of associates and joint venture	68,190	68,190	68,190
<u>May not be used for any purpose</u>			
Employee stock options	<u>4,592</u>	<u>4,592</u>	<u>4,592</u>
	<u>\$ 73,923</u>	<u>\$ 73,923</u>	<u>\$ 73,923</u>

(a) Such capital surplus 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 share capital (limited to a certain percentage of the Company's paid-in capital and once a year).

(b) Such capital surplus arises from the effect of changes in ownership interest in a subsidiary resulted from equity transactions other than actual disposal or acquisition, or from changes in capital surplus of subsidiaries accounted for by using equity method.

c. Retained earnings and dividend policy

According to the retained earnings distribution policy in the Incorporation of the Company, if the Company has earning upon settlement for a fiscal year, after taxes are paid by law and accumulated deficits are set off, ten percent shall be appropriated as legal earning reserves; however, if the amount of the legal earning reserves has attained the amount of paid-in

capital of the Company, no further appropriation shall be made. The remainder shall be appropriated or reversed as special earning reserves. If there still has balance, considering together with accumulated undistributed earnings, the Board of Directors shall prepare the proposal for earning distribution, which shall be submitted to the stockholders' meeting for a resolution of distribution of dividends and bonuses to stockholders.

According the amended Article of Incorporation of the Company, the dividend policy of the Company is to deliberately distribute dividends, in the light of present and future development plan, taking into consideration the investment environments, fund demands, and domestic competition status, as well as factors of interests of stockholders; provided. However, the amount of proposed earning distribution of current year may not be less than 50% of accumulated distributable earnings. In distributing dividends and bonuses to stockholders, the distribution may be made by stocks or cash, of which cash dividends may not be less than 50% of total amount of dividends.

The Company no longer has supervisors since June 13, 2008. The required duties of supervisors are being fulfilled by the Audit Committee.

The appropriation for legal capital reserve shall be made until the reserve equals the Company's paid-in capital. The reserve may be used to offset a deficit, or be distributed as dividends in cash or stocks for the portion in excess of 25% of the paid-in capital if the Company incurs no loss.

Pursuant to existing regulations, the Company is required to set aside additional special capital reserve equivalent to the net debit balance of the other components of stockholders' equity, such as the accumulated balance of foreign currency translation reserve, unrealized valuation gain/loss from available-for-sale financial assets, gain/loss from changes in fair value of hedging instruments in cash flow hedges, etc. For the subsequent decrease in the deduction amount to stockholders' equity, any special reserve appropriated may be reversed to the extent that the net debit balance reverses.

The resolution of 2024 deficit compensation had been proposed by the Board of Directors on February 27, 2025. The Company didn't appropriate dividend, besides reverse special reserve NT\$39,934 thousand.

The Company's appropriation of earnings for 2023 was approved in the shareholders' meeting held on June 18, 2024. The appropriations and cash dividends per share were as follows:

	<u>Appropriation of Earnings</u>	<u>Dividends Per Share (NT\$)</u>
Legal reserve	\$ 6,016	
Special reserve	8,698	
Cash dividend to shareholders	<u>45,236</u>	<u>\$ 0.25</u>
	<u>\$ 59,950</u>	

Information about the bonus to employees and remuneration to directors is available on the Market Observation Post System Website of the Taiwan Stock Exchange.

d. Others

(a) Foreign Currency Translation Reserve

	<u>2025.01.01~2025.03.31</u>	<u>2024.01.01~2024.03.31</u>
Balance, beginning of period	\$ 33,755	\$ (9,122)
Foreign currency translation reserve	17,706	32,273
Share of other comprehensive loss of subsidiaries and associates	87	82
Income tax effect	<u>(3,541)</u>	<u>(6,455)</u>
Balance, end of period	<u>\$ 48,007</u>	<u>\$ 16,778</u>

The exchange differences arising from the translation of foreign operation's net assets from its functional currency to PTC's presentation currency are recognized directly in other comprehensive income and also accumulated in the foreign currency translation reserve. When those foreign operation's net assets have been disposed of or are determined to be impaired subsequently, the related cumulative gains or losses in other comprehensive income are reclassified to profit or loss.

(b) Changes in Unrealized loss on financial assets at FVTOCI

	<u>2025.01.01~2025.03.31</u>	<u>2024.01.01~2024.03.31</u>
Balance, beginning of period	\$ (39,712)	\$ (36,769)
Changes in unrealized gain (loss) on financial assets at FVTOCI	<u>1,267</u>	<u>(2,097)</u>
Balance, end of period	<u>\$ (38,445)</u>	<u>\$ (38,866)</u>

Investments in equity instruments at FVTOCI are subsequently measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in other equity. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments, instead, they will be transferred to retained earnings.

e. Noncontrolling interests

	<u>2025.01.01~2025.03.31</u>	<u>2024.01.01~2024.03.31</u>
Balance, beginning of period	\$ 190,581	\$ 167,660
Share of noncontrolling interests:		
Net income	1,888	4,600
Other comprehensive income	2,244	7,137
Cash dividends to non-controlling interests	<u>(23,777)</u>	<u>—</u>
Balance, end of period	<u>\$ 170,936</u>	<u>\$ 179,397</u>

23. Revenue

	<u>2025.01.01~2025.03.31</u>	<u>2024.01.01~2024.03.31</u>
Revenue from contracts with customers		
Net revenue from sale of goods	\$ 206,083	\$ 295,051
Net revenue from rendering of services	<u>180</u>	<u>—</u>
	<u>\$ 206,263</u>	<u>\$ 295,051</u>

Relevant information of revenue from contracts with customers for the three months ended March 31, 2025 and 2024 is as follows:

a. Disaggregation of revenue

The revenue of the Company could be breakdown by major products and geographical locations, the related information was refer to Note 40. The disaggregation of revenue recognition point is as follows:

	<u>2025.01.01~2025.03.31</u>	<u>2024.01.01~2024.03.31</u>
Revenue recognition point:		
At a point in time	\$ 206,083	\$ 295,051
Satisfies the performance obligation over time	<u>180</u>	<u>—</u>
	<u>\$ 206,263</u>	<u>\$ 295,051</u>

b.Contract balances

	March 31, 2025	December 31, 2024	March 31, 2024
Contract liabilities - current			
Sales of goods	\$ 4,601	\$ 4,881	\$ 5,608

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

The Company recognized revenue from the beginning balance of contract liability, which amounted to NT\$4,557 thousand and NT\$4,796 thousand for the three months ended March 31, 2025 and 2024, respectively.

c.Transaction price allocated to unsatisfied performance obligations

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

d.Assets recognized from costs to fulfil a contact: None.

24. Additional information of expenses by nature

As of March 31, 2025, December 31, 2024 and March 31, 2024, the Company's employees numbered 348, 355 and 323, respectively. There all were 7 non-employee directors.

The Company's net loss includes the following items:

	2025.01.01~2025.03.31			2024.01.01~2024.03.31		
	As cost of goods sold	As operating expenses	Total	As cost of goods sold	As operating expenses	Total
Employment expenses						
Salaries	\$ 1,400	\$ 85,785	\$ 87,185	\$ 1,421	\$ 73,556	\$ 74,977
Insurance	190	5,155	5,345	188	4,446	4,634
Pension						
Defined contribution plans	72	11,214	11,286	73	7,322	7,395
Defined benefit plans	1	29	30	2	55	57
Remuneration of directors	—	180	180	—	180	180
Others	107	3,336	3,443	105	3,289	3,394
	<u>\$ 1,770</u>	<u>\$ 105,699</u>	<u>\$ 107,469</u>	<u>\$ 1,789</u>	<u>\$ 88,848</u>	<u>\$ 90,637</u>
Depreciation expenses	<u>\$ 165</u>	<u>\$ 13,931</u>	<u>\$ 14,096</u>	<u>\$ 201</u>	<u>\$ 13,009</u>	<u>\$ 13,210</u>
Amortization expenses	<u>\$ —</u>	<u>\$ 7</u>	<u>\$ 7</u>	<u>\$ —</u>	<u>\$ 8</u>	<u>\$ 8</u>

In accordance with to the R.O.C. Company Act and the articles of incorporation of the Company, the Company shall allocate 5%~20% of profit as employees' profit sharing bonus and no more 1.5% of profit as directors' compensation for each profitable fiscal year. However, the Company's accumulated losses shall be reserved. The employees' profit sharing bonus under the preceding paragraph will be entitled to receive shares or cash. The employees of the PTC's subsidiaries who fulfill specific requirements finalized by the Board of Directors may be granted such bonus. The appropriations of profit sharing bonus to employees and compensation to directors shall be submitted to the stockholders' meeting.

The Company didn't accrue any compensation expenses for the three months ended March 31, 2025 and 2024 due to the accumulated deficit.

The differences of the amounts between the resolved and accrual amounts of the profit sharing bonus to employees and the compensation to directors resulted from changing the base of the estimate and had been adjusted in profit and loss for the next year.

Information about the profit sharing bonus to employees and compensation to directors is available on the Market Observation Post System Website of the Taiwan Stock Exchange.

25. Other income

	For the three months ended	
	March 31, 2025	March 31, 2024
Interest income		
Bank deposits	\$ 903	\$ 361

26. Other gains and losses

	For the three months ended	
	March 31, 2025	March 31, 2024
Other gains:		
Net gain on financial instruments at FVTPL	\$ —	\$ 1,480
Gain on disposal of property, plant and equipment, net	132	96
Net exchange gain	1,108	10,602
Rent income	5,744	2,632
Others	6,801	12,955
	<u>13,785</u>	<u>27,765</u>
Other losses:		
Net loss on financial instruments at FVTPL	(2,367)	—
	<u>(2,367)</u>	<u>—</u>
	\$ <u>11,418</u>	\$ <u>27,765</u>

27. Finance costs

	For the three months ended	
	March 31, 2025	March 31, 2024
Interest Expense:		
Interest on loans	\$ 416	\$ 337

28. Income tax**a. Income tax expense consisted of the following****(a) Income tax expense recognized in profit or loss:**

	For the three months ended	
	March 31, 2025	March 31, 2024
Current income tax expense		
Current tax expense recognized for the current period	\$ 28	\$ 11
Deferred income tax expense		
Temporary differences	—	521
Income tax expense recorded in profit or loss	\$ <u>28</u>	\$ <u>532</u>

(b) Income tax expense recognized in other comprehensive income:

	For the three months ended	
	March 31, 2025	March 31, 2024
Deferred income tax expense		
Foreign currency translation reserve	\$ <u>3,541</u>	\$ <u>6,455</u>

b. The differences between the expected income tax based on the pre-tax loss at the statutory income tax rate and the actual income tax expense reported in the accompanying statements of income are summarized as follows:

	For the three months ended	
	March 31, 2025	March 31, 2024
Expected income tax expense calculated using the statutory tax date	\$ (17,625)	\$ (947)
Additional income tax on the unappropriated earnings	—	11
Permanent differences	517	(30)
Tax loss carry forward	13,208	(468)
Loss recognized by equity method	3,413	1,661
Loss on decline in value of inventory	515	305
Income tax expense recorded in profit or loss	<u>\$ 28</u>	<u>\$ 532</u>

Princeton Technology (Shenzhen) Ltd. and Princeton Technology (Chengdu) Corp. amended income tax rate of 25% in accordance with the law of the “People’s Republic of China on Enterprise Income Tax” and related laws.

Princeton Technology (Chengdu) Corp. and Chengdu Chip-Rail Microelectronics Co., Ltd. meet the regulations has the local taxation bureau filed and approved the application of high-tech enterprises within three years from 2023 and 2022 had been approved to apply preferential tax rate is 15%.

c. Current tax assets and liabilities

	March 31, 2025	December 31, 2024	March 31, 2024
Current tax assets			
Income tax receivable	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 519</u>
Current tax liabilities			
Income tax payable	<u>\$ 89</u>	<u>\$ 89</u>	<u>\$ —</u>

d. The analysis of deferred income tax in the consolidated balance sheets was as follows:

For the three months ended March 31, 2025	Balance, Beginning of Period	Recognized in			Balance, End of Period
		Profit or Loss	Other Comprehensive Income	Exchange effect	
Deferred income tax assets					
Loss on decline value of inventory	\$ 10,369	\$ —	\$ —	\$ 98	\$ 10,467
Unrealized intercompany profits	519	93	—	—	612
Others	1,646	(30)	—	27	1,643
	<u>\$ 12,534</u>	<u>\$ 63</u>	<u>\$ —</u>	<u>\$ 125</u>	<u>\$ 12,722</u>
Deferred income tax liabilities					
Unrealized foreign exchange gain	\$ 498	\$ 91	\$ —	\$ —	\$ 589
Foreign currency translation reserve	12,796	—	3,541	—	16,337
Actuarial gains and losses on defined benefit plan	3,132	—	—	—	3,132
	<u>\$ 16,426</u>	<u>\$ 91</u>	<u>\$ 3,541</u>	<u>\$ —</u>	<u>\$ 20,058</u>

For the three months ended March 31, 2024	Balance, Beginning of Period	Recognized in		Exchange effect	Balance, End of Period
		Profit or Loss	Other Comprehensive Income		
Deferred income tax assets					
Loss on decline value of inventory	\$ 11,592	\$ (169)	\$ —	\$ 175	\$ 11,598
Unrealized intercompany profits	500	(10)	—	—	490
Others	1,390	(24)	—	33	1,399
	<u>\$ 13,482</u>	<u>\$ (203)</u>	<u>\$ —</u>	<u>\$ 208</u>	<u>\$ 13,487</u>
Deferred income tax liabilities					
Unrealized foreign exchange gain	\$ 887	\$ 318	\$ —	\$ —	\$ 1,205
Foreign currency translation reserve	2,095	—	6,455	—	8,550
Actuarial gains and losses on defined benefit plan	1,620	—	—	—	1,620
	<u>\$ 4,602</u>	<u>\$ 318</u>	<u>\$ 6,455</u>	<u>\$ —</u>	<u>\$ 11,375</u>

e. Investment tax credits, tax loss carry forward and five-year exemption from tax on income from sales:

There were no unused investment tax credits available as of March 31, 2025.

Tax loss carry forward were as follows:

	Unused tax loss carry forward	Expiration date
PTC	\$ 236,159	December 31, 2035
Princeton Capital Corp.	44,448	December 31, 2032
Princeton Technology(Shenzehn) Corp.	6,296	December 31, 2035
Princeton Technology(Chengdu) Corp.	176,223	December 31, 2035
Chengdu Chip-Rail	96,376	December 31, 2033
	<u>\$ 559,502</u>	

f. Income tax examination

The tax authorities have examined income tax returns of PTC and Princeton Capital Corp. through 2023 and 2022.

29. Earning per shares

	For the three months ended	
	March 31, 2025	March 31, 2024
<u>Earning per shares</u>		
Basic EPS	<u>\$ (0.47)</u>	<u>\$ (0.15)</u>
Diluted EPS	<u>\$ (0.47)</u>	<u>\$ (0.15)</u>
<u>Net loss</u>		
Net loss used to compute the basic and diluted EPS	<u>\$ (84,881)</u>	<u>\$ (27,181)</u>
<u>The number of common stocks</u>		
Weighted average number of common shares used in the computation of basic and diluted EPS (in thousands)	<u>\$ 180,944</u>	<u>\$ 180,944</u>

30. Cash flow information

a. Non-cash transactions:

	<u>For the three months ended</u>	
	<u>March 31, 2025</u>	<u>March 31, 2024</u>
Additions of property, plant and equipment	\$ 9,298	\$ 31,146
Changes in prepaid to contractors and equipment suppliers	—	(23,096)
Changes in payables to contractors and equipment suppliers	1,873	(2)
Payments for acquisition of property, plant and equipment	<u>\$ 11,171</u>	<u>\$ 8,048</u>

b. Reconciliation of liabilities arising from financing activities:

<u>For the three months ended March 31, 2025</u>	<u>Balance, Beginning of Period</u>	<u>Financing Cash Flow</u>	<u>Non-cash changes</u>	<u>Balance, End of Period</u>
			<u>Other Changes</u>	
Short-term loans	\$ 53,424	\$ —	\$ 1,162	\$ 54,586
Guarantee deposits	<u>38,020</u>	<u>489</u>	<u>—</u>	<u>38,509</u>
	<u>\$ 91,444</u>	<u>\$ 489</u>	<u>\$ 1,162</u>	<u>\$ 93,095</u>

<u>For the three months ended March 31, 2024</u>	<u>Balance, Beginning of Period</u>	<u>Financing Cash Flow</u>	<u>Non-cash changes</u>	<u>Balance, End of Period</u>
			<u>Other Changes</u>	
Short-term loans	\$ 34,407	\$ —	\$ 661	\$ 35,068
Guarantee deposits	<u>35,311</u>	<u>1,553</u>	<u>—</u>	<u>36,864</u>
	<u>\$ 69,718</u>	<u>\$ 1,553</u>	<u>\$ 661</u>	<u>\$ 71,932</u>

31. Related-party transactions

Intercompany balances and transactions between PTC and its subsidiaries, which are related parties of PTC, have been eliminated upon consolidation; therefore those items are not disclosed in this note. The following is a summary of transactions between the Company and other related parties:

a. Related party name and nature of relationship

<u>Related Parties</u>	<u>Relationship</u>
Morelink Technology Corporation	Associates
Foresight Energy Technology Co., Ltd.	Associates
All directors, supervisors, general manager and deputy general manager	Main manager echelon of the Company

b. Professional fee

<u>Account</u>	<u>For the three months ended</u>	
	<u>March 31, 2025</u>	<u>March 31, 2024</u>
Associates Other revenue	<u>\$ 286</u>	<u>\$ 286</u>

c. Receivables

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Other receivables			
Associates	<u>\$ 100</u>	<u>\$ 100</u>	<u>\$ 100</u>

d. Compensation of key management personnel

	For the three months ended	
	March 31, 2025	March 31, 2024
Short-term employee benefits	\$ 6,056	\$ 1,993
Retirement benefits	2,399	54
	<u>\$ 8,455</u>	<u>\$ 2,047</u>

The information about the Company's appropriation of remuneration to all directors, supervisors, general manager and deputy general manager is available on the shareholders' meeting annual report.

32. Assets mortgaged or pledged

As of March 31, 2025, December 31, 2024 and March 31, 2024, the following assets had been pledged or mortgaged as collateral:

	March 31, 2025	December 31, 2024	March 31, 2024
Land	\$ 80,881	\$ —	\$ —
Buildings	153,907	120,340	113,772
Investment Property	273,524	271,541	258,022
Other financial assets-bank deposits	27,060	27,054	2,037
	<u>\$ 535,372</u>	<u>\$ 418,935</u>	<u>\$ 373,831</u>

33. Significant contingent liabilities and unrecognized commitments

1. Under certain agreement, the Company shall pay royalties at a percentage of net sales (as defined in the agreement) with respect to certain products.
2. Refer to Table of Note 39 (Table 2) for endorsements/guarantees provided.
3. In order to ensure steady capacity, the Company entered into some capacity reservation contracts with suppliers and paid for the purchases over the long-term prepayments in order to ensure fulfillment to the contract. The long-term prepayment will be refunded when terms and conditions set forth in the contract have been satisfied.

34. Significant loss: None.

35. Subsequent events: None.

36. Capital management

The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios to support its business and maximize the stockholders' value.

The management reviews the capital structure of the Company quarterly. As part of this review, the management considers the cost of capital and the risks associated with each class of capital. According to the management's suggestion, the Company maintains a balanced capital structure through paying cash dividends, increasing its share capital, purchasing treasury stock, proceeds from new debt or repayment of debt.

37. Disclosure of financial instruments

a. Fair values of financial instruments :

	March 31, 2025	December 31, 2024	March 31, 2024
<u>Financial assets</u>			
<u>FVTPL</u>			
Mandatorily classified financial assets as at FVTPL	\$ 136,585	\$ 146,122	\$ 326,099
<u>FVTOCI</u>			
Equity instruments	53,233	51,362	51,066
Financial assets measured at amortized cost (Note 1)	758,365	848,624	746,746
	<u>\$ 948,183</u>	<u>\$ 1,046,108</u>	<u>\$ 1,123,911</u>

Financial liabilities

Financial liabilities measured at amortized cost (Note 2)	<u>\$ 260,700</u>	<u>\$ 278,390</u>	<u>\$ 231,752</u>
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Note 1: Including cash and cash equivalents, financial assets at amortized cost, notes & accounts receivable-net, other receivables, refundable deposit.

Note 2: Including short-term loans, notes & accounts payable, other payables, refundable deposits and other financial liabilities.

b. Fair value of financial instruments

(a) The Fair value measurements are grouped into Levels 1 to 3 based on the degree to which the fair value is observable:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities;
- 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
- Level 3 inputs are unobservable inputs for the asset or liability.

(b) Fair value of financial instruments carried at amortized cost

The Company considers that the carrying amounts of financial assets and financial liabilities recognized in the consolidated financial statements approximate their fair values.

(c) Fair value of financial instruments

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value:

	March 31, 2025			
	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTPL</u>				
Wealth management products	\$ —	\$ 22,750	\$ —	\$ 22,750
Mutual funds	52,861	—	—	52,861
Listed stocks	674	—	—	674
Limited partnerships	—	—	60,300	60,300
	<u>\$ 53,535</u>	<u>\$ 22,750</u>	<u>\$ 60,300</u>	<u>\$ 136,585</u>
<u>Financial assets at FVTOCI</u>				
Unlisted equity investment	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 53,233</u>	<u>\$ 53,233</u>

	December 31, 2024			
	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTPL</u>				
Wealth management products	\$ —	\$ 53,448	\$ —	\$ 53,448
Mutual funds	46,405	—	—	46,405
Listed stocks	774	—	—	774
Limited partnerships	—	—	45,495	45,495
	<u>\$ 47,179</u>	<u>\$ 53,448</u>	<u>\$ 45,495</u>	<u>\$ 146,122</u>
<u>Financial assets at FVTOCI</u>				
Listed stocks through private placement	\$ —	\$ —	\$ 518	\$ 518
Unlisted equity investment	—	—	50,844	50,844
	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 51,362</u>	<u>\$ 51,362</u>
	March 31, 2024			
	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTPL</u>				
Wealth management products	\$ —	\$ 195,870	\$ —	\$ 195,870
Mutual funds	51,509	—	—	51,509
Listed stocks	32,076	—	—	32,076
Limited partnerships	—	—	46,644	46,644
	<u>\$ 83,585</u>	<u>\$ 195,870</u>	<u>\$ 46,644</u>	<u>\$ 326,099</u>
<u>Financial assets at FVTOCI</u>				
Listed stocks through private placement	\$ —	\$ —	\$ 1,068	\$ 1,068
Non-publicly traded stocks	—	—	49,998	49,998
	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 51,066</u>	<u>\$ 51,066</u>

There were no transfers between Level 1 and 2 for the three months ended March 31, 2025 and 2024.

(d) Valuation techniques and assumptions applied for the purposes of measuring fair value

The fair values of financial assets and financial liabilities are determined as follows:

- The fair values of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices (includes publicly traded stocks and money market funds).
- The fair values of other financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis.
- The fair values of private funds are determined using the asset based approach. The Company assesses that the amount of its net assets attributable to its investment approaches the fair value of the equity investment. The Company assesses the total value of the individual assets and liabilities covered by the target to reflect the overall value of the business.

(e) Reconciliation of Level 3 recurring fair value measurements of financial instruments:

	Financial Assets at FVTPL	Financial Assets at FVTOCI	Subtotal
For the three months ended March 31, 2025			
Balance, beginning of Period	\$ 45,495	\$ 51,362	\$ 96,857
Additional/ Disposals	17,500	—	17,500
Recognized in profit or loss	(2,695)	—	(2,695)
Recognized in other comprehensive income	—	1,267	1,267
Exchange effect	—	604	604
Balance, end of Period	<u>\$ 60,300</u>	<u>\$ 53,233</u>	<u>\$ 113,533</u>
For the three months ended March 31, 2024			
Balance, beginning of Period	\$ 42,291	\$ 51,281	\$ 93,572
Additional/ Disposals	4,500	—	4,500
Recognized in profit or loss	(147)	—	(147)
Recognized in other comprehensive income	—	(2,097)	(2,097)
Exchange effect	—	1,882	1,882
Balance, end of Period	<u>\$ 46,644</u>	<u>\$ 51,066</u>	<u>\$ 97,710</u>

(f) Valuation techniques and inputs applied for the purpose of measuring Level 3 fair value measurement:

As of March 31, 2025:

Financial assets :

Financial assets at FVTOCI :

	Valuation technique	Significant unobservable inputs	Quantitative information	Interrelationship between inputs and fair value	Sensitivity analysis of the inputs to fair value
Stock	Market Approach	Price-Book ratio of similar entities	2.0	The higher the Price-Book ratio of similar entities, the higher the fair value estimated	10% increase (decrease) in the Price-Book ratio of similar entities would result in an increase (decrease) in equity by NT\$0thousand
Stock	Assets Approach	Lack of marketability and Price-Book ratio of similar entities	1.47-31.68	The higher the lack of marketability, the lower the fair value estimated	10% increase (decrease) in the Price-Book ratio of the equity instruments would result in an increase (decrease) in equity by NT\$549thousand

As of December 31, 2024:

Financial assets :

Financial assets at FVTOCI :

	Valuation technique	Significant unobservable inputs	Quantitative information	Interrelationship between inputs and fair value	Sensitivity analysis of the inputs to fair value
Stock	Market Approach	Price-Book ratio of similar entities	2.3	The higher the Price-Book ratio of similar entities, the higher the fair value estimated	10% increase (decrease) in the Price-Book ratio of similar entities would result in an increase (decrease) in equity by NT\$52thousand
Stock	Assets Approach	Lack of marketability and Price-Book ratio of similar entities	2.36-30.21	The higher the lack of marketability, the lower the fair value estimated	10% increase (decrease) in the Price-Book ratio of the equity instruments would result in an increase (decrease) in equity by NT\$371thousand

As of March 31, 2024:

Financial assets :

Financial assets at FVTOCI :

	Valuation technique	Significant unobservable inputs	Quantitative information	Interrelationship between inputs and fair value	Sensitivity analysis of the inputs to fair value
Stock	Market Approach	Price-Book ratio of similar entities	2.95	The higher the Price-Book ratio of similar entities, the higher the fair value estimated	10% increase (decrease) in the Price-Book ratio of similar entities would result in an increase (decrease) in equity by NT\$107thousand
Stock	Assets Approach	Lack of marketability and Price-Book ratio of similar entities	1.88-32.01	The higher the lack of marketability, the lower the fair value estimated	10% increase (decrease) in the Price-Book ratio of the equity instruments would result in an increase (decrease) in equity by NT\$399thousand

c. Financial risk management objectives

The Company seeks to ensure sufficient cost-efficient funding readily available when needed. The Company manages its exposure to foreign currency risk, interest rate risk, equity price risk, credit risk and liquidity risk with the objective to reduce the potentially adverse effects the market uncertainties may have on its financial performance.

The plans for material treasury activities are reviewed by Audit Committees and/or Board of Directors in accordance with procedures required by relevant regulations or internal controls. During the implementation of such plans, Corporate Treasury function must comply with certain treasury procedures that provide guiding principles for overall financial risk management and segregation of duties.

d. Market risk

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

(a) Foreign currency risk

The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities and the Company's net investments in foreign subsidiaries. Some assets and liabilities of the Company denominated in the same foreign currency and were expected to mostly offset gains or losses of changes in foreign exchange rate. Furthermore, as net investments in foreign subsidiaries are for strategic purposes, they are not hedged by the Company.

The carrying amounts of significant foreign currency denominated monetary assets and monetary liabilities are as follows:

	March 31, 2025		December 31, 2024		March 31, 2024	
	Foreign Currency (thousand)	Exchange Rate	Foreign Currency (thousand)	Exchange Rate	Foreign Currency (thousand)	Exchange Rate

(Foreign currencies : functional currency)

Financial Assets

Monetary items

USD : TWD	\$	6,539	33.155	\$	7,429	32.735	\$	9,810	31.95
JPY : TWD		43,507	0.2207		45,786	0.2079		41,660	0.2095
CNY : USD		162,126	0.1372		163,868	0.1360		167,492	0.1372
HKD : TWD		5	4.238		5	4.192		5	4.059
EUR : TWD		2	35.77		2	33.94		2	34.26

	March 31, 2025		December 31, 2024		March 31, 2024	
	Foreign Currency (thousand)	Exchange Rate	Foreign Currency (thousand)	Exchange Rate	Foreign Currency (thousand)	Exchange Rate
<u>Non-monetary items</u>						
CNY : USD	\$ 145,664	0.1514	\$ 151,538	0.1514	\$ 152,229	0.1515
USD : CNY	1,440	33.155	1,440	32.735	1,440	31.95
<u>Investments accounted for under the equity method</u>						
USD : TWD	\$ 27,927	33.155	\$ 28,076	32.735	\$ 28,346	31.95
<u>Financial Liabilities</u>						
<u>Monetary items</u>						
USD : TWD	\$ 3,263	33.255	\$ 4,545	32.835	\$ 4,778	32.05
JPY : TWD	2,964	0.2247	1,141	0.2119	1,190	0.2135
HKD : USD	2	4.2980	—	—	—	—
CNY : USD	36,982	0.1372	30,097	0.1360	27,432	0.1372

The Company's sensitivity analysis to foreign currency risk mainly focuses on the foreign currency monetary items at the end of the reporting period. Assuming depreciation / appreciation of 1% in the foreign exchanges against the New Taiwan dollar, the net loss for the three months ended March 31, 2025 and 2024 would have increased /decreased by NT\$6,868 thousand and NT\$7,853 thousand, respectively.

(b)Interest rate risk

The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's loans at floating interest rates. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Sensitivity analysis of interest is calculated based on the financial liabilities exposed to cash flow interest rate risk at the end of each reporting period.

If interest rates had been 0.25% higher/lower, the Company's net cash flows for the three months ended March 31, 2025 and 2024 would increase/decrease by NT\$3 thousand.

(c)Other price risk

The Company were exposed to equity price risk through their investments in Financial assets at FVTPL.

A change of 5% in the price of the listed stocks classified under at fair value through profit or loss could cause the net loss for three months ended March 31, 2025 and 2024 to increase/decrease by NT\$2,677 thousand and NT\$4,179 thousand.

The sensitivity analysis information of other equity instruments or derivatives that are linked to such equity instruments whose fair value measurement is categorized under Level 3 of the fair value hierarchy. Please refer to Note 37.

e.Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company is exposed to credit risk from operating activities, primarily trade receivables, and from financing activities, primarily deposits, fixed-income investments and other financial instruments with banks. Credit risk is managed separately for business related and financial related exposures.

(a)Business related credit risk

In order to maintain the credit quality of trade receivables, the Company has established procedures to monitor and limit exposure to credit risk on trade receivables.

Credit evaluation is performed in the consideration of the relevant factors which may affect the customer's paying ability such as financial condition, external and internal credit scoring, historical experience, and economic conditions. The Company holds some of the credit enhancements such as prepayments and collateral to mitigate its credit risks.

As of March 31, 2025, December 31, 2024 and March 31, 2024 the Company's ten largest customers accounted for 88%, 87% and 81% of total trade receivables, respectively.

(b) Financial credit risk

The Company's exposure to financial credit risk which pertained to bank deposits, fixed income investments and other financial instruments were evaluated and monitored by Corporate Treasury function. The Company only deals with creditworthy counterparties and banks so that no significant credit risk was identified.

f. Liquidity risk

The objective of liquidity risk management is to ensure the Company has sufficient liquidity to fund its business requirements of cash and cash equivalents and the unused of financing facilities associated with existing operations.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

	March 31, 2025				
	Less Than 1 Year	2-3 Years	4 to 5 Years	5+ Years	Total
<u>Non-derivative financial liabilities</u>					
Short-term loans	\$ 54,586	\$ —	\$ —	\$ —	\$ 54,586
Accounts payable (including related parties)	79,176	—	—	—	79,176
Other payables	88,429	—	—	—	88,429
	<u>\$ 222,191</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 222,191</u>
	December 31, 2024				
	Less Than 1 Year	2-3 Years	4 to 5 Years	5+ Years	Total
<u>Non-derivative financial liabilities</u>					
Short-term loans	\$ 53,424	\$ —	\$ —	\$ —	\$ 53,424
Accounts payable (including related parties)	95,460	—	—	—	95,460
Other payables	91,486	—	—	—	91,486
	<u>\$ 240,370</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 240,370</u>
	March 31, 2024				
	Less Than 1 Year	2-3 Years	4 to 5 Years	5+ Years	Total
<u>Non-derivative financial liabilities</u>					
Short-term loans	\$ 35,068	\$ —	\$ —	\$ —	\$ 35,068
Accounts payable (including related parties)	91,205	—	—	—	91,205
Other payables	68,615	—	—	—	68,615
	<u>\$ 194,888</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 194,888</u>

38. Reclassifications

Certain 2024 accounts have been reclassified to conform to the 2025 financial statement presentation.

39. Additional disclosures

Following are the additional disclosures:

- a. Financial provided : Table 1 (attached)
- b. Endorsement/guarantee provided : Table 2 (attached)
- c. Marketable securities held (excluding investments in subsidiaries and jointly controlled entities): Table 3 (attached)
- d. Total purchase from or sale to related parties amounting to at least NT\$100 million or 20% of the paid-in capital : None
- e. Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital : None
- f. The business relationship between the parent and the subsidiaries and between each subsidiary, and significant transactions between them: Table 4 (attached)
- g. Names, locations and related information of investees on which the Company exercises significant influence : Table 5 (attached)
- h. Investment in Mainland China : Table 6 (attached)

40. Operating segments information

- a. The Company mainly develops, design, testing and sales of high quality, high value-added consumer integrated circuits (ICs) and operates in the IC design industry only.
- b. Major product and service revenue:

	For the three months ended	
	March 31, 2025	March 31, 2024
Integrated circuits (ICs) revenue	\$ 206,083	\$ 295,051
Design revenue	180	—
	<u>\$ 206,263</u>	<u>\$ 295,051</u>

- c. Operations in different geographic areas :

Area	2025.01.01~2025.03.31		2024.01.01~2024.03.31	
	Revenue	Noncurrent assets	Revenue	Noncurrent assets
Japan	\$ 35,224	\$ —	\$ 80,880	\$ —
Mainland China(including HK)	143,808	541,060	189,241	538,769
Taiwan	19,565	297,082	13,571	305,285
Korea	4,411	—	4,097	—
Other	3,255	—	7,262	—
	<u>\$ 206,263</u>	<u>\$ 838,142</u>	<u>\$ 295,051</u>	<u>\$ 844,054</u>

- d. Major customers with sales at least 10% of the Company's total sales were as follows:

	2025.01.01~2025.03.31		2024.01.01~2024.03.31	
	Amount	Percentage of net sales	Amount	Percentage of net sales
C22	\$ 25,538	12.38	\$ 22,268	7.55
C20	24,211	11.74	21,357	7.24
C16	21,285	10.32	64,015	21.70
	<u>\$ 71,034</u>	<u>34.44</u>	<u>\$ 107,640</u>	<u>36.49</u>

Table 1

Financial provided

For the three months ended March 31, 2025

(Amounts in Thousands of New Taiwan Dollars and RMB Dollars, unless otherwise specified)

No	Financing Company	Counter-party	Financial Statement Account	Related Party	Maximum Balance for the Period	Ending Balance (Note 1)	Amount Actually Drawn	Interest Rate	Nature for Financing	Transaction Amounts	Reason for Financing	Allowance for Bad Debt	Collateral		Financing Limits for Each Borrowing Company (Notes 3)	Financing Company's Total Financing Amount Limits (Notes 4)
													Item	Value		
1	Princeton Technology (Shenzhen) Ltd..	Princeton Technology (Chengdu) Corp.	Other receivables from related parties	Yes	RMB30,000	—	—	—	Note 2	—	Operating capital	—	—	—	190,337	228,404

Note1 : The maximum balance for the period and ending balance represent the amounts approved by the Board of Directors.

Note2 : The need for short-term financing.

Note3 : The amount that can be financing limits for each borrowing company is 50% of the guarantor's net assets.

$$(NT\$ 380,674 \times 50\% = NT\$190,337)$$

Note4 : The amount that can be financing company's total financing is 60% of the guarantor's net assets.

$$(NT\$ 380,674 \times 60\% = NT\$228,404)$$

Table 2

Endorsement/guarantee provided

For the three months ended March 31, 2025

(Amounts in Thousands of New Taiwan Dollars, unless otherwise specified)

No	Endorser/ guarantor	Counter-party		Limits on endorsement/ guarantee amount provided to each guaranteed party	Maximum balance for the period	Ending balance	Amount actually drawn	Value of collaterals property, plant, or equipment	Ratio of accumulated amount of collateral to net equity as shown in the latest financial statement	Maximum collateral/ guarantee amounts allowable	The holding company to subsidiary	Subsidiary to holding company	Endorsement/ guarantee in Mainland China
		Name	Relation										
0	Princeton Technology Corp.	Princeton Technology (Chengdu) Corp.	Note1	808,919	16,578	16,578	—	—	0.92%	880,823	Y	N	Y

Note1 : Direct investment exceeding 100% of parent company by the Company.

Note2 : The maximum amount that can be guaranteed to individual counter-party is 45% of the guarantor's net assets.

(NT\$ 1,797,597× 45% = NT\$808,919)

Note3 : The maximum amount that can be guaranteed is 49% of the guarantor's net assets.

(NT\$ 1,797,597× 49% = NT\$880,823)

Table 3

Marketable securities held

For the three months ended March 31, 2025

(Shares in thousands ,Amounts in Thousands of New Taiwan Dollars, unless specified)

Investor	Description of Stock		Relationship with the Investor	Financial statement account	March 31, 2025			
					Shares	Carrying value	Percentage of ownership	Fair Value
Princeton Technology Corp.	Common stock	Innorich Venture Capital Corp.	—	Financial assets at FVTOCI	1,500	5,490	—	5,490
Princeton Capital Corp.	Fund	Capital Money Market Fund	—	Financial assets at FVTPL- current	1,219	20,585	—	20,585
Princeton Capital Corp.	Fund	Taishin 1699 Money Market Fund	—	Financial assets at FVTPL- current	746	10,599	—	10,599
Princeton Capital Corp.	Fund	KGI Real Assets Multi-asset Fund - TWD A	—	Financial assets at FVTPL- current	500	5,504	—	5,504
Princeton Capital Corp.	Fund	Eastspring Investments Well Pool Money Market Fund	—	Financial assets at FVTPL- current	438	6,218	—	6,218
Princeton Capital Corp.	Fund	UPAMC Quality Low Volatility Multi-Asset Fund-ACC	—	Financial assets at FVTPL- current	1,000	9,955	—	9,955
Princeton Capital Corp.	Common stock	Advanced Microelectronic Products Inc.	—	Financial assets at FVTPL- current	56	674	—	674
Princeton Capital Corp.	Limited partnership	Foryou Private Equity Limited Partnership	—	Financial assets at FVTPL – non current	—	14,168	—	14,168
Princeton Capital Corp.	Limited partnership	Qingfeng Capital Venture Capital Limited Partnership	—	Financial assets at FVTPL – non current	—	28,842	—	28,842
Princeton Capital Corp.	Limited partnership	CDIB-TEN Capital Limited Partnership	—	Financial assets at FVTPL – non current	—	17,290	—	17,290
Princeton Capital Corp.	Common stock	Advanced Microelectronic Products Inc.	—	Financial assets at FVTOCI	288	—	—	—
Chengdu Chip-Rail Microelectronics Co., Ltd.	Financial products	Bank of Communications Yuntong Wealth Term Structured Deposit	—	Financial assets at FVTPL- current	5,000	22,750	—	22,750
Princeton Silicon LTD	Unlisted equity investment	ARK HDPS SEMICONDUCTOR PTE. (Shenzhen) Ltd.	—	Financial assets at FVTOCI	—	47,743	3.07%	47,743

Table 4

Significant intercompany transactions between consolidated entities

For the three months ended March 31, 2025

(Shares in thousands ,Amounts in Thousands of New Taiwan Dollars, unless specified)

Related Party	Counterparty	Relationship with the Company(Note1)	Transactions			
			Account	Amount	Terms	Percentage of consolidated operating revenues or consolidated total assets
Princeton Technology Corp.	Princeton Technology (Chengdu) Corp.	1	Sales	45,971	No significant difference	22.29%
Princeton Technology Corp.	Princeton Technology (Chengdu) Corp.	1	Purchase	2,813	No significant difference	1.36%
Princeton Technology Corp.	Princeton Technology (Chengdu) Corp.	1	Manufacturing expenses	468	No significant difference	0.23%
Princeton Technology Corp.	Princeton Technology (Chengdu) Corp.	1	Accounts receivable	46,515	No significant difference	2.06%
Princeton Technology Corp.	Princeton Technology (Chengdu) Corp.	1	Accounts payable	2,035	No significant difference	0.09%
Princeton Technology (Shenzhen) Ltd.	Princeton Technology (Chengdu) Corp.	2	Service incomes	2,675	No significant difference	1.30%
Princeton Technology (Shenzhen) Ltd.	Princeton Technology (Chengdu) Corp.	2	Accounts receivable	1,157	No significant difference	0.05%
Princeton Technology (Chengdu) Corp.	Chengdu Chip-Rail Microelectronics Co.,Ltd.	2	Sales	1,293	No significant difference	0.63%
Princeton Technology (Chengdu) Corp.	Chengdu Chip-Rail Microelectronics Co.,Ltd.	2	Purchase	373	No significant difference	0.18%
Princeton Technology (Chengdu) Corp.	Chengdu Chip-Rail Microelectronics Co.,Ltd.	2	Rental incomes	460	No significant difference	0.22%
Princeton Technology (Chengdu) Corp.	Chengdu Chip-Rail Microelectronics Co.,Ltd.	2	Service incomes	379	No significant difference	0.18%
Princeton Technology (Chengdu) Corp.	Chengdu Chip-Rail Microelectronics Co.,Ltd.	2	Accounts receivable	785	No significant difference	0.03%
Princeton Technology (Chengdu) Corp.	Chengdu Chip-Rail Microelectronics Co.,Ltd.	2	Other incomes	131	No significant difference	0.06%
Princeton Technology (Chengdu) Corp.	Chengdu Chip-Rail Microelectronics Co.,Ltd.	2	Other advances	1,046	No significant difference	0.05%
Princeton Technology (Chengdu) Corp.	Chengdu Chip-Rail Microelectronics Co.,Ltd.	2	Refundable deposits	345	No significant difference	0.02%
Princeton Technology (Chengdu) Corp.	Princeton Technology (Shenzhen) Ltd.	2	Rental incomes	149	No significant difference	0.07%

Note 1: Transactions are categorized as follows:

1. The holding company to subsidiary.
2. The subsidiary company to subsidiary.

Table 5

Name, locations, and other information of investee on which the Company exercises significant influence

For the three months ended March 31, 2025

(Amounts in Thousands of New Taiwan Dollars and Chinese Yuan, unless otherwise specified)

Investor	Investee	Location	Main business and products	Original investment amount		Balance as of March 31, 2025			Net income (loss) of the investee	Equity in net income (net loss)
				Mar 31, 2025	Dec 31, 2024	Shares (in thousand)	Percentage of ownership	Carrying value		
Princeton Technology Corp.	Princeton Silicon LTD	Hong Kong	Holding company	1,056,197	1,056,197	33,500	100.00%	971,283	(10,208)	(9,945)
Princeton Technology Corp.	Princeton Capital Corp.	Taiwan	Investment holding	150,000	150,000	15,000	100.00%	184,882	(4,262)	(4,262)
Princeton Technology Corp.	Microlink Communications Inc.	Taiwan	Wireless communications products research , manufacture and sales & marketing	80,000	80,000	8,000	25.00%	—	(108)	—
Princeton Technology Corp	Morelink Technology Corporation	Taiwan	Wireless communications products and Electronic components maintenance & sales; Importer of Restricted RF/Telecom device	15,800	15,800	1,580	7.87%	—	(13,040)	(450)
Princeton Technology Corp	Foresight Energy Technology Co., LTD	Taiwan	Electronic components and battery manufacturing, Electric equipment wholesale, Electronic material wholesale and sales	13,442	13,442	1,344	2.59%	13,157	(27,411)	(709)
Princeton Capital Corp.	Foresight Energy Technology Co., LTD	Taiwan	Electronic components and battery manufacturing, Electric equipment wholesale, Electronic material wholesale and sales	40,905	40,905	3,229	6.21%	31,609	(27,411)	(1,702)
Princeton Technology (Shenzhen) Ltd.	Chengdu Chip-Rail Microelectronics Co ., Ltd.	China	Computer systems development, IC design, computer hardware and software design and technical services	RMB 16,530	RMB 16,530	6,375	51.00%	RMB 37,242	RMB 855	RMB 436

Table 6
Investment in Mainland China
For the three months ended March 31, 2025

Investee	Main business and products	Total amount of paid-in capital	Investment type	Accumulated outflow of investment from Taiwan as of December 31, 2024	Investment flows		Accumulated outflow of investment from Taiwan as of March 31, 2025	Net income of the investee	% Ownership director or indirect investment	Investment gain(loss)	Carrying value as of March 31, 2025	Accumulated inward remittance of earnings as of March 31, 2025
					Outflow	Inflow						
Princeton Technology (Shenzhen) Ltd.	IC sales, design & marketing and software research; the research and development of separators for lithium-ion batteries; communications equipment technical consulting and after-sale service	417,942 (USD13,000)	Indirect : Through Princeton Silicon Inc(a wholly owned subsidiary of Princeton Technology Corp.)	417,942 (USD13,000)	—	—	417,942 (USD13,000)	(1,747) (USD (53))	100%	(1,711)	380,674	—
Princeton Technology (Chengdu) Corp.	IC design and software research, technology transfer, technical consulting, after-sales service; modular design of electronic systems, development and sale; IC sale, import and export, communications equipment research, sales, import and export, technical consulting, after-sale service; lithium-ion batteries research, sales, import and export; own house rental	591,690 (USD19,000)	Indirect : Through Princeton Silicon Inc(a wholly owned subsidiary of Princeton Technology Corp.)	591,690 (USD19,000)	—	—	591,690 (USD19,000)	(8,471) (USD (258))	100%	(8,498)	545,256	—
ARK HDPS SEMICONDUCTOR PTE. (Shenzhen) Ltd.	R&D and sales of semiconductors, testing equipment, automation equipment, electromechanical equipment and related equipment, materials and consumables; related technical consulting, technology transfer and scientific and technological services; technology development, technology transfer and technical services in the field of new energy; import and export related matters	RMB10,905	Indirect : Through Princeton Silicon Inc(a wholly owned subsidiary of Princeton Technology Corp.)	43,343 (USD 1,396)	—	—	43,343 (USD1,396)	(63,800)	3.07%	Note2	47,743	—
Accumulated investment in Mainland China as of March 31, 2025		Investment amounts authorized by Investment Commission, MOEA		Upper limit on investment defined by Investment Commission, MOEA(Note1)								
1,052,975(USD 33,396)		1,056,197(USD 33,500)		1,078,558								

Note1: Recognition of the upper limit was based on reviewed financial statement as of March 31, 2025. The limit was NT\$1,078,558 (NT\$1,797,597× 60% = NT\$1,078,558)

Note2: Financial assets measured at FVTOCI – non- current.