

Accton Technology Corporation
2025 Annual Shareholders' Meeting Agenda



Meeting type : physical shareholders meeting

Meeting time : June 12, 2025 (Thursday) 9.00 am.

Meeting venue : No.1, Creation Road 3, Hsinchu Science Park , Hsinchu City
(Company's conference room).

Quorum : 516,385,996 shares were represented by shareholders in person and by proxy (among them, 418,312,001 shares voted via electronic transmission), which are mounted to 92.39% of the Company's 558,908,030 issued and outstanding shares (deducting 2,209,867 shares held by the subsidiary, Accton Investment Corp. (BVI) from the Company's total issued shares of 561,117,897).

Directors present : Huang, Kuo-Hsiu (Chairman) 、 Wei, Chiu-Hsia (Vice Chairman) 、 Du, Heng-Yi (Director) 、 Huang, Shu-Chieh (Independent director and Chairman of Audit Committee) 、 Lee, Fa-Yauh (Independent director) 、 Eize Kobayashi (Independent director) 、 Chen, Fang-I (CFO) °

Liu, Jian-You, Attorney-at-law of Hong Young Law Office

Chung, Ming-Yuan, CPAs of Deloitte & Touche

Chairman : Huang, Kuo-Hsiu

Recorder : Zeng, Wan-Ru

I.Call the Meeting to Order : The Chairman announced that the aggregate shareholding of the shareholders present in person or proxy constituted a quorum. The Chairman called the meeting to order.

II.Chairman Remarks: (Omitted)

III.Report items

- (1) Report on the Company's 2024 business. (see Attachment I)
- (2) Report on the Company's 2024 Audit Committee's Review Report. (see Attachment II)
- (3) Report on the Company's 2024 employees compensation and directors remuneration distribution.

Explanation:

1. This proposal has been discussed and approved by the Remuneration Committee on 2025.02.26, according to the Articles of Incorporation to decided to the distribution of directors' remuneration and employees' profit sharing bonus.
2. The Company is expected to allocate NT \$ 1,865,075,030 to employees profit sharing bonus, and NT \$ 35,000,000 to directors remuneration.

3. All aforementioned bonus for employees and remuneration for directors shall be paid in cash; the receivers of bonus for employees shall include the employees of the subordinated companies of the Company who meet certain conditions.
4. The distribution of employees' bonus and directors' remuneration were submitted to the shareholders' meeting after the adoption of the Board resolution on Mar. 13, 2025.

IV.Ratification Items

Case 1 [Proposed by the Board of Directors]

Proposal: Adoption of the 2024 Business Report and Financial Statements of the Company.

Explanation:

1. The Company's 2024 Business Report and Financial Statements were audited by Chung, Ming-Yuan and Lin, Hsin-Tung CPAs of Deloitte & Touche, and reviewed by the Audit Committee and approved by the Board of Directors on Mar. 13, 2025.
2. For the 2024 Business Report, Independent Auditors' Report, and Financial Statements were attached hereto as Attachments I and III.
3. Please adopt the proposal.

Resolution : that the above proposal be and hereby was approved as proposed, with a total number of 516,385,996 voting rights.

Voting Results	Total represented share (including votes cast electronically)
Votes in favor :	435,610,056 votes (84.35 % of the total voting rights)
Votes against :	58,874 votes
Votes invalid :	0 votes
Votes abstained :	80,717,066 votes

Case 2 [Proposed by the Board of Directors]

Proposal: Adoption of the proposal for distribution of 2024 earnings of the Company.

Explanation: According to the Articles of Association, the distribution of earnings for 2024 is set out below:

1. The Undistributed earnings of Previous Years was NT\$8,627,900,041, the net profit after-tax of the Company for 2024 was NT\$11,999,671,221, the re-measurement of defined benefit plan recognized in the retained earnings was NT\$ 24,847,306 and disposal of investments in equity instruments at fair value through other comprehensive income was NT\$ 1,351,921,343.
2. In accordance with the law, 10% was appropriated for statutory surplus reserve of NT\$ (1,337,643,987) and special surplus reserve of NT\$438,273,741. The distributable earnings of

this period was NT\$21,104,969,665 (detailed in the following surplus distribution table).

3. Considering the capital requirement of expanding production capacity and new AII construction expenditure, it is proposed to issue a cash dividend of NT\$6,172,296,867, with a cash dividend of NT\$11 per share, and the undistributed surplus will be NT\$14,932,672,798 after the distribution at the end of the period.
4. The shareholders' dividend calculated in the earnings distribution table shall be authorized by the shareholders' meeting to the board of directors to pay the total shareholders bonus in accordance with the resolution on this earnings distribution if the Company purchases its shares or transfers its treasury shares or issues new shares due to the exercise of employee stock option before the date of the distribution of shareholders' bonus, where there is a change in the number of shares circulated in the market on the basis day of dividend distribution to shareholders, the dividend rate of shareholders shall be adjusted according to the actual number of shares circulated in the market on the basis day of bonus distribution.
5. Once the shareholders' cash dividend is approved by the shareholders' meeting, the Board of Directors will set another base date for the dividend distribution, and the chairman is authorized to distribute the part of the cash dividend which is less than NT\$1 shall be transferred to the employee welfare committee of the Company.
6. The proposal has been discussed and approved by the Audit Committee and approved by the Board of Directors in accordance with the law and will be submitted to the Shareholders' Meeting for adoption.
7. Please adopt this proposal.

Accton Technology Corporation
2024 Earning Distribution Proposal

Unit:NT\$

Undistributed earnings of Previous Years		8,627,900,041
Add:		
Remeasurement of defined benefit Obligation	24,847,306	
Disposal of Investments in Equity Instruments at Fair Value through other Comprehensive Income	1,351,921,343	
Net Income of 2024	11,999,671,221	
Undistributed earnings for the Current Period		22,004,339,911
Less:		
10% Legal reserve	(1,337,643,897)	
Add:		
Special reserve	438,273,741	
Distributable earnings for the current period		21,104,969,665
Distribution item:		
Shareholders' dividends — Cash (NT\$11.00 per share)	6,172,296,867	
Unappropriated retained earnings at the end of period		14,932,672,798

Resolution : that the above proposal be and hereby was approved as proposed, with a total number of 516,385,996 voting rights.

Voting Results	Total represented share (including votes cast electronically)
Votes in favor :	438,100,303 votes (84.83 % of the total voting rights)
Votes against :	7,020 votes
Votes invalid :	0 votes
Votes abstained :	78,278,673 votes

V.Discussion Items 【Proposed by the Board of Directors】

Proposal:Amendments to the Articles of Association of the Company.

Explanation:

- 1.Pursuant to the official letter of Financial Supervisory Commission, Financial-Supervisory-Securities-Corporate-No. 1130385442 dated 8 November 2024, listed companies are required to specify in their Articles of Association that a certain percentage of annual earnings be allocated for salary adjustments or compensation distribution to non-executive employees. Accordingly, the Company amend part of the articles of its “Articles of Association”. The definition of non-executive employees refers to the “Regulations on Additional Deduction of Salary Expenses for Salary Increases of Employees in Small and Medium-sized Enterprises.
2. To attract and retain top talent and enhance the Company's competitiveness, the Company amend Article 18 of its “Articles of Association”, adjusting the employee compensation ratio, thereby providing a more flexible compensation structure.
- 3.The comparison of the Articles of Association before and after the amendment is as follows:

Accton Technology Corporation
Comparison Table of Amended Provisions of Articles of Association

Article No.	Amended Provision	Current Provision	Explanatory Notes
18	If the Company has gained profits within a fiscal year, <u>no less than 1%</u> of the profits shall be reserved as the employees' compensation to employees of the parent or subsidiaries of the Company meeting certain specific requirements, and the Board of Directors shall decide whether to distribute in the form of shares or in cash. The Company may, upon resolution by the Board of Directors, reserve no more than 1.5% of the aforesaid profit as directors'	If the Company has gained profits within a fiscal year, 1% to 11.25% of the profits shall be reserved as the employees' compensation to employees of the parent or subsidiaries of the Company meeting certain specific requirements, and the Board of Directors shall decide whether to distribute in the form of shares or in cash. The Company may, upon resolution by the Board of	Flexibly adjust reward system and in response to amendment of Paragraph 6, Article 14 of Securities and Exchange Act.

Article No.	Amended Provision	Current Provision	Explanatory Notes
	<p>compensation. Proposals for the distribution of employees' compensation and directors' compensation shall be submitted to the shareholders' meeting.</p> <p>In case of accumulated loss, the Company shall reserve a specific amount to make up for losses. The Company shall then distribute employees and directors compensation according to aforementioned ratios.</p> <p><u>No less than 10% of the aforesaid profit shall be reserved as compensation distribution for non-executive employees.</u></p>	<p>Directors, reserve no more than 1.5% of the aforesaid profit as directors' compensation. Proposals for the distribution of employees' compensation and directors' compensation shall be submitted to the shareholders' meeting.</p> <p>In case of accumulated loss, the Company shall reserve a specific amount to make up for losses. The Company shall then distribute employees and directors compensation according to aforementioned ratios.</p>	
21	<p>The Articles of Association was established on February 2, 1988.</p> <p>.....</p> <p>The 34th amendment was on June 17, 2016. The 35th amendment was on June 13, 2018. The 36th amendment was on June 16, 2022. The 37th amendment was on June 15, 2023. The 38th amendment was on June 13, 2024. <u>The 39th amendment was on June 12, 2025.</u></p>	<p>The Articles of Association was established on February 2, 1988.</p> <p>.....</p> <p>The 34th amendment was on June 17, 2016. The 35th amendment was on June 13, 2018. The 36th amendment was on June 16, 2022. The 37th amendment was on June 15, 2023. The 38th amendment was on June 13, 2024.</p>	Added the date of the latest amendment.

4.Submitted for resolution.

Resolution : that the above proposal be and hereby was approved as proposed, with a total number of 516,385,996 voting rights.

Voting Results	Total represented share (including votes cast electronically)
Votes in favor :	437,923,572 votes (84.80 % of the total voting rights)
Votes against :	10,807 votes
Votes invalid :	0 votes
Votes abstained :	78,451,617 votes

VI.Election Matters 【Proposed by the Board of Directors】

Proposal : Election of an additional Director.

Explanation :

1. According to the Articles of Incorporation, the Company shall have 5 to 9 directors, with at least 3 independent directors, and at least one-fifth of the board seats. The current directors (including independent directors) have been duly elected at the 2024 Annual Shareholders' Meeting, and their term of office is from June 13, 2024, to June 12, 2027.
2. To strengthen the function of the board of directors and implement corporate governance, it is proposed to elect one additional director. Following the election, the Board of Directors will consist of eight directors(including four independent directors).
3. The newly elected independent director will assume office immediately after the Annual Shareholders' Meeting. The term of office will commence on June 12, 2025, and conclude on June 12, 2027, which is the same as the original term.
4. Elections of the Company's directors shall be conducted in accordance with the candidate nomination system set out in the Articles of Association and Article 192-1 of the Company Act.
5. List of director candidates is as follows:

Accton Technology Corporation

List of Director candidate

Category of candidate(s)	Name of the candidate(s)	Academic qualifications	Principal experience	Current Position	Shareholdings (Unit: Share)
Director	Golden Tengis Co., Ltd.	N/A	None	None	45,113,765

6. Submit for election.

Election results:

Title	Account Number	Acconut (Name)	Elected Votes
Director	192057	Golden Tengis Co., Ltd.	182,425,122

VII.Other Motions 【Proposed by the Board of Directors】

Proposal: Release of the non-compete restriction on the Company's directors and their representatives.

Explanation:

1. Pursuant to Article 209 of the Company Act, "A Director who does anything for himself or on behalf of another person that is within the scope of the company's business, shall explain to the meeting of shareholders the essential contents of such an act and secure its approval."
2. In response to the Company's business needs, the directors of the Company are often assigned to assume directorship in related companies and other companies that are in line with or similar to the Company's business operations. Therefore, it is hereby proposed to lift the non-

competition restriction on the Company's directors and their representatives, which is submitted for resolution at the Annual Shareholder's Meeting.

3. As the Company adopts a candidate nomination system for the election of its directors, and in order to facilitate shareholders' exercise of their voting rights electronically, the Company discloses the list of directors for whom the non-compete clause has been lifted below.

Category	Name of Candidate	Concurrent Position Held
Director	Huang, Kuo-Hsiu	Director of Accton Technology (China) Co.,Ltd. Director of Accton Century Holding (BVI) Co. Ltd. Director of Accton Asia Investments Corp. Director of Accton Investment Corporation
Director	Kuan Xin Investment Corp. Legal Representative: Wei, Chiu-Hsia	Director of Accton Logistics Corporation Director of Accton Global, Inc.
Independent Director	Huang, Shu-Chieh	Independent Director of Far Eastern New Century Corporation Director of Jie-Heng Consultant Ltd.

4. Submitted for resolution.

Resolution : that the above proposal be and hereby was approved as proposed, with a total number of 516,385,996 voting rights.

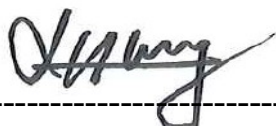
Voting Results	Total represented share (including votes cast electronically)
Votes in favor :	418,616,478 votes (81.06 % of the total voting rights)
Votes against :	1,453,141 votes
Votes invalid :	0 votes
Votes abstained :	96,316,377 votes

VIII.Extemporary Motions

IX.Meeting Adjourned : 9:30 am.

There was no question raised by shareholders at this shareholders meeting.

**In case of any discrepancy between the English and Chinese version of those minutes of 2025 Annual General Shareholders' Meeting of Accton Technology Corporation, the Chinese version shall prevail.



Chairman : Huang, Kuo-Hsiu



Recorder : Zeng, Wan-Ru

Attachments

Accton Technology Corporation
2024 Business Report

I. Business Performance in Year 2024

1. Overview and Results of the Business Plan Implementation

In 2024, the company's consolidated revenue reached NT\$110.425 billion, representing approximately 31.2% growth compared to the previous year. Consolidated net profit after tax was NT\$12.00 billion, reflecting a year-over-year growth of about 34.5%. In terms of revenue contribution by product line, network switches accounted for 57% of total revenue, network application equipment contributed 36%, and network access equipment made up 4%.

Looking ahead, the company will continue to invest in core capabilities critical to the next-generation network infrastructure. We are also actively investing in adjacent markets, expanding our technological coverage into computing and storage in the AI era, and incubating long-term business growth.

2. Budget Execution Status

Revenue and profitability for 2024 met the company's internal budget targets.

3. Research and Development Progress

2024 was a year of rapid growth and significant achievements. We repositioned ourselves as a technology-driven company that provides high-quality services, evolving beyond our traditional ODM model toward new service offerings and business models. In line with this strategy, we remain committed to high-quality technological and business innovation, maintaining our core leadership in Design for Manufacturing (DFM). Not only have we continued to launch industry-leading products, but our dedication to high quality has also earned us strong customer recognition and a leading position in the industry. Our fast-paced, high-quality technological iterations provide us and our customers with a competitive edge in quickly entering the market.

The company will continue investing in cutting-edge innovations and services to establish itself as a premier provider of high-end hardware and open-source network infrastructure. We are also expanding into computing and storage, exploring new technologies and business models to adapt to emerging market trends.

Key R&D Highlights for 2024:

1. The 51.2T switch and 800G optical interfaces saw fast adoption and continued growth, while the development of next generation 102T switches and 1.6T interconnect optical technology progressed.
2. We expanded production of high-density 100G/400G switches for Hyperscalers and general-purpose data centers, broadening our customer base and securing opportunities for next-generation switches.

3. Launched an industry-leading energy-efficient switch based on the patented VLC (Vertical Line Card) design.
4. Continued development of industry-leading AI switches, CXL (Compute Express Link) switches, and Smart Appliance solutions.
5. Ongoing innovation in AI training and inference solutions.
6. Continued collaboration with partners to develop industry-leading wireless technologies.
7. Sustained investments in foundational technologies, including power systems, fans, cooling, immersion cooling, signal integrity (SI), and power integrity (PI).
8. Strengthened smart manufacturing capabilities to support global expansion under the "Manufacturing as a Service" model.

II. Summary of Business Plans for Year 2025

1. Business Strategy

In 2025, Accton will continue executing its existing strategy, leveraging its four key pillars: ODM services, JDM services, the Open Infrastructure Division, and strategic technology investments and partnerships. With a focus on rapid and continuous innovation, we aim to deliver high-quality network infrastructure products and services to our customers.

Additionally, we are actively exploring new business models and expanding beyond networking into AI computing-related technologies and products. By integrating open networking with computing platforms, we will offer innovative solutions for enterprises and telecom customers. These new offerings require us to broaden our perspective, foster strategic partnerships, and co-develop and market solutions to drive technology adoption.

In response to the rapidly changing global landscape, Accton is accelerating its efforts in global R&D, manufacturing, and supply chain optimization. By modernizing our technology and workforce, we aim to enhance our operational flexibility and resilience against global geopolitical uncertainties. Furthermore, we remain committed to driving open networking solutions from both hardware and software perspectives while integrating AI computing infrastructure as a comprehensive solution. This will enhance user experience, lower adoption barriers, and accelerate market deployment. To support our global expansion and innovation, we are actively recruiting top talent worldwide, further strengthening our overall capabilities.

2. Manufacturing and Sales Strategy

In 2024, Accton demonstrated resilience and adaptability to the evolving macroeconomic and geopolitical landscape. Through direct investment in new manufacturing facilities and collaboration with overseas partners, we expanded our global manufacturing footprint. Our "Manufacturing-as-a-Service" model is becoming a key competitive advantage, enabling us to serve new markets efficiently.

For years, agility, flexibility, quality, and on-time delivery have been Accton's core values. These principles will remain central to our investments in sales, manufacturing, and logistics in 2025.

Our diverse customer base spans multiple industries, providing a solid foundation to navigate market fluctuations. This includes network equipment providers, supercomputing system vendors, and network service providers, with rapid expansion into AI/machine learning infrastructure markets. While enterprises and telecom providers were major growth drivers in previous years—especially during the pandemic—AI has emerged as the new growth engine. This has helped offset slower growth in other sectors, mitigating revenue decline and positioning AI as a primary driver of future revenue expansion.

To capitalize on this momentum, Accton will continue its sales strategy by remaining open to emerging markets, actively investing in expanding sales coverage, and broadening its customer base.

III. Future Growth Strategy

Accton's transformation from a traditional ODM to a leading technology and service provider highlights our commitment to growth and innovation. To maintain our competitive edge, we will continue investing in R&D, sales, manufacturing, supply chain optimization, strategic partnerships, technology alliances, and talent acquisition.

Brand development will be a key focus area. We aim to strengthen our recognition among global networking infrastructure solution providers and expand our brand presence. As networking, computing, and storage converge, and as AI/machine learning workloads surge, we see both opportunities and challenges. In response to rapid technological, market, and industry shifts, Accton will allocate more resources than ever before to deepen our competitive advantages and ensure continued leadership in the new era.

IV. Impact of External Competition, Legal Environment, and Overall Business Landscape

Given the macroeconomic and geopolitical challenges, we anticipate these difficulties will persist into 2025.

On one hand, we made significant progress in inventory management in 2024. However, the rapid growth of AI-driven demand is expected to create new supply chain pressures. With ongoing geopolitical tensions between the U.S. and China and a global trend toward deglobalization, Accton will continue accelerating its global manufacturing and supply chain strategies. Our goal is to enhance production flexibility and responsiveness to unpredictable demand fluctuations.

On the other hand, the explosive growth in AI-driven applications across multiple industries is driving sustained demand for networking, computing, and storage infrastructure. This presents Accton with tremendous market opportunities .

These achievements and strategic plans are the result of our long-term commitment to an open business mindset and forward-looking investments. We have consistently positioned ourselves ahead of industry demand curves, particularly in foundational technology and manufacturing. At Accton, we believe we have the right strategy and business agility to excel. Our strengths in

engineering design, architectural innovation, and operational excellence will continue to drive our success.

Finally, we would like to express my gratitude to our customers and technology partners. we would also like to extend special thanks to all Accton employees for their hard work and dedication. Most importantly, we sincerely appreciate the continued support of our shareholders in Accton's vision for growth.

Wishing you all good health and happiness.

Chairman: Huang, Kuo-Hsiu Manager: Jun Shi Accounting Supervisor: Chen, Fang- I

Accton Technology Corporation
2024 Audit Committee's Review Report

The Board of Directors has prepared and submitted the Company's 2024 Business Report, Financial Statements, and Earnings Distribution Table, among which the financial statements were audited and completed by Deloitte & Touche, and an audit report was issued. The aforementioned business reports, financial statements, and earnings distribution table have been examined by the Audit Committee and found to be consistent. Please review them in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act.

Sincerely,

2025 Annual Shareholders' Meeting of Accton Technology Corporation

Convener of Audit Committee: Shu-Chieh Huang

A handwritten signature in black ink, reading "Shu-Chieh Huang". The signature is written in a cursive, flowing style.

Mar. 13, 2025

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders

Accton Technology Corporation

Opinion

We have audited the accompanying financial statements of Accton Technology Corporation (the “Company”) which comprise the balance sheets as of December 31, 2024 and 2023, and the statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the financial statements, including material accounting policy information (collectively referred to as the “financial statements”).

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

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

Key Audit Matters

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

Key audit matters for the Company’s financial statements for the year ended December 31, 2024 are stated as follows:

Revenue recognition

For the year ended December 31, 2024, the Company’s net operating revenue was NT\$103,703,241 thousand. Refer to Notes 4 and 22 to the financial statements for detailed information on accounting policies regarding revenue.

We evaluated that certain sales models of the Company carry the risk of sales authenticity. Therefore, we have identified this as a key audit matter for the year ended December 31, 2024 and have performed the following audit procedures to address this risk.

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

1. We evaluated the appropriateness of the Company’s revenue recognition accounting policies, obtained an understanding of the internal control design and operating procedures regarding the sales transaction cycle, and we assessed the effectiveness of the internal control operations.

2. We selected appropriate samples from sales and inspected and confirmed that purchase orders and delivery orders were consistent with invoices.
3. We selected samples of revenue details and confirmed that actual receipts and certificates of remittances were consistent with the recorded amount from corresponding entities; we examined relevant documents and checked the credit period of receivables that had not been received.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance (including the audit committee) are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

1. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision, and performance of the audit. We remain solely responsible for our audit opinion.

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

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

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

The engagement partners on the audits resulting in this independent auditors' report are Ming Yuan Chung and Hsin Tung Lin.

Ming - Yuan Chung Hsin - Tung Lin

Deloitte & Touche

Taipei, Taiwan

Republic of China

March 13, 2025

Notice to Readers

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

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

ACCTON TECHNOLOGY CORPORATION

BALANCE SHEETS

DECEMBER 31, 2024 AND 2023

(In Thousands of New Taiwan Dollars)

ASSETS	2024		2023	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents (Notes 4, 6 and 31)	\$13,656,341	15	\$10,026,071	18
Financial assets at fair value through profit or loss - current (Notes 4, 7 and 31)	743,036	1	1,786,172	3
Financial assets at fair value through other comprehensive income - current (Notes 4, 8 and 31)	140,143	-	279,690	1
Financial assets at amortized cost - current (Notes 4, 9 and 31)	5,786,405	6	6,554,925	12
Notes and trade receivables, net (Notes 4, 5, 10, 22 and 31)	16,404,844	18	7,638,138	14
Receivables from related parties (Notes 4, 5, 31 and 32)	9,727,324	11	6,206,705	11
Other receivables, net (Notes 4, 10 and 31)	910,091	1	522,787	1
Other receivables from related parties (Notes 4, 31 and 32)	9,619,151	11	888,918	2
Inventories (Notes 4, 5 and 11)	13,657,144	15	9,053,885	16
Prepayments (Notes 16 and 32)	493,352	1	264,933	-
Other current assets-other (Note 16)	<u>7,235</u>	<u>-</u>	<u>9,466</u>	<u>-</u>
Total current assets	<u>71,145,066</u>	<u>79</u>	<u>43,231,690</u>	<u>78</u>
NON-CURRENT ASSETS				
Financial assets at fair value through profit or loss - non-current (Notes 4, 7 and 31)	242,366	-	244,620	1
Financial assets at fair value through other comprehensive income - non-current (Notes 4, 8 and 31)	451,381	1	31,930	-
Financial assets at amortized cost - non-current (Notes 9 and 31)	1,219,145	1	-	-
Investments accounted for using the equity method (Notes 4, 12 and 32)	9,775,500	11	7,296,598	13
Property, plant and equipment (Notes 4, 13 and 32)	4,359,671	5	2,516,321	5
Right-of-use assets (Notes 4 and 14)	1,764,378	2	1,260,276	2
Intangible assets (Notes 4, 15 and 32)	174,800	-	134,040	-
Deferred income tax assets (Notes 4 and 24)	273,576	-	314,069	1
Prepayments for equipment	506,870	1	134,396	-
Refundable deposits (Note 31)	51,187	-	37,048	-
Net defined benefit assets - non-current (Note 20)	8,429	-	-	-
Other financial assets - non-current (Notes 16, 31 and 33)	72,242	-	79,623	-
Other non-current assets-other (Note 16)	<u>21,516</u>	<u>-</u>	<u>21,470</u>	<u>-</u>
Total non-current assets	<u>18,921,061</u>	<u>21</u>	<u>12,070,391</u>	<u>22</u>
TOTAL	<u>\$90,066,127</u>	<u>100</u>	<u>\$55,302,081</u>	<u>100</u>

(Continued)

ACCTON TECHNOLOGY CORPORATION

BALANCE SHEETS

DECEMBER 31, 2024 AND 2023

(In Thousands of New Taiwan Dollars)

LIABILITIES AND EQUITY	2024		2023	
	Amount	%	Amount	%
CURRENT LIABILITIES				
Contract liabilities - current (Notes 4 and 22)	\$6,658,199	7	\$6,197,366	11
Trade payables (Note 31)	24,769,917	28	11,054,225	20
Trade payables to related parties (Notes 31 and 32)	8,790,909	10	3,015,410	5
Accrued compensation of employees and remuneration of directors (Note 23)	1,909,397	2	1,498,111	3
Payables to contractors and equipment suppliers (Note 31)	495,928	1	183,003	-
Other payables (Notes 18 and 31)	5,041,912	6	2,686,214	5
Other payables to related parties (Notes 31 and 32)	416,116	-	342,967	1
Income tax payable (Notes 4 and 24)	2,300,237	3	2,574,587	5
Provisions - current (Notes 4 and 19)	186,816	-	257,467	-
Lease liabilities - current (Notes 4 and 14)	140,956	-	113,909	-
Deferred revenue - current (Notes 17 and 27)	5,117	-	8,303	-
Long-term borrowings - current portion (Notes 4, 17, 27 and 31)	300,558	-	300,558	1
Refund liabilities - current (Note 22)	<u>40,425</u>	<u>-</u>	<u>17,106</u>	<u>-</u>
Total current liabilities	<u>51,056,487</u>	<u>57</u>	<u>28,249,226</u>	<u>51</u>
NON-CURRENT LIABILITIES				
Long-term borrowings (Notes 4, 17, 27 and 31)	241,376	-	537,747	1
Deferred income tax liabilities (Notes 4 and 24)	965,814	1	364,939	-
Lease liabilities - non-current (Notes 4 and 14)	1,474,976	2	938,195	2
Deferred revenue - non-current (Notes 17 and 27)	98	-	5,835	-
Net defined benefit liabilities - non-current (Notes 4 and 20)	-	-	17,534	-
Guarantee deposits (Note 31)	<u>816</u>	<u>-</u>	<u>816</u>	<u>-</u>
Total non-current liabilities	<u>2,683,080</u>	<u>3</u>	<u>1,865,066</u>	<u>3</u>
Total liabilities	<u>53,739,567</u>	<u>60</u>	<u>30,114,292</u>	<u>54</u>
EQUITY (Notes 4, 21 and 26)				
Share capital				
Ordinary shares	<u>5,611,179</u>	<u>6</u>	<u>5,603,564</u>	<u>10</u>
Capital surplus	<u>898,877</u>	<u>1</u>	<u>874,754</u>	<u>2</u>
Retained earnings				
Legal reserve	4,528,737	5	3,636,972	7
Special reserve	438,274	1	462,016	1
Unappropriated earnings	<u>22,004,339</u>	<u>24</u>	<u>15,099,756</u>	<u>27</u>
Total retained earnings	<u>26,971,350</u>	<u>30</u>	<u>19,198,744</u>	<u>35</u>
Other equity	<u>2,896,153</u>	<u>3</u>	<u>(438,274)</u>	<u>(1)</u>
Treasury shares	<u>(50,999)</u>	<u>-</u>	<u>(50,999)</u>	<u>-</u>
Total equity	<u>36,326,560</u>	<u>40</u>	<u>25,187,789</u>	<u>46</u>
TOTAL	<u>\$90,066,127</u>	<u>100</u>	<u>\$55,302,081</u>	<u>100</u>

Chairman: Huang, Kuo-Hsiu

Manager: Jun Shi

Accounting Supervisor: Chen, Fang- I

(Concluded)

ACCTON TECHNOLOGY CORPORATION

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

	2024		2023	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 4, 22 and 32)	\$ 103,703,241	100	\$ 78,945,746	100
OPERATING COSTS (Notes 4, 11, 20, 23 and 32)	<u>83,796,380</u>	<u>81</u>	<u>62,721,034</u>	<u>80</u>
GROSS PROFIT	19,906,861	19	16,224,712	20
UNREALIZED REALIZED GAIN ON TRANSACTIONS WITH SUBSIDIARIES (Note 4)	<u>(65,363)</u>	<u>-</u>	<u>(225,437)</u>	<u>-</u>
REALIZED GROSS PROFIT	<u>19,841,498</u>	<u>19</u>	<u>15,999,275</u>	<u>20</u>
OPERATING EXPENSES (Notes 4, 10, 20, 23, 32 and 35)				
Selling and marketing	1,476,777	1	1,315,387	1
General and administrative	1,876,906	2	1,548,737	2
Research and development	3,954,442	4	3,009,527	4
Expected credit (gain) loss	<u>-</u>	<u>-</u>	<u>(219)</u>	<u>-</u>
Total operating expenses	<u>7,308,125</u>	<u>7</u>	<u>5,873,432</u>	<u>7</u>
OPERATING INCOME	<u>12,533,373</u>	<u>12</u>	<u>10,125,843</u>	<u>13</u>
NON-OPERATING INCOME AND EXPENSES (Notes 4, 12, 23, 27 and 32)				
Interest income	709,413	1	502,019	1
Other income	132,812	-	117,896	-
Other gains and losses	619,474	-	(448,209)	(1)
Finance costs	(40,799)	-	(46,438)	-
Share of profit of subsidiaries and associates	<u>724,096</u>	<u>1</u>	<u>962,017</u>	<u>1</u>
Total non-operating income and expenses	<u>2,144,996</u>	<u>2</u>	<u>1,087,285</u>	<u>1</u>
PROFIT BEFORE INCOME TAX	14,678,369	14	11,213,128	14
INCOME TAX EXPENSE (Notes 4 and 24)	<u>2,678,698</u>	<u>2</u>	<u>2,292,963</u>	<u>3</u>
NET INCOME FOR THE YEAR	<u>11,999,671</u>	<u>12</u>	<u>8,920,165</u>	<u>11</u>
OTHER COMPREHENSIVE INCOME (LOSS) (Notes 4, 20 and 21)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans	24,847	-	(12,059)	-
Unrealized (loss) gain on investments in equity instruments at fair value through other comprehensive income	(1,137,847)	(1)	138,398	-
Share of the other comprehensive income (loss) of subsidiaries accounted for using the equity method	5,544,814	5	(10,963)	-
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of the financial statements of foreign operations	<u>279,382</u>	<u>-</u>	<u>(94,147)</u>	<u>-</u>
Other comprehensive income for the year, net of income tax	<u>4,711,196</u>	<u>4</u>	<u>21,229</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 16,710,867</u>	<u>16</u>	<u>\$ 8,941,394</u>	<u>11</u>
EARNINGS PER SHARE (Note 25)				
Basic	<u>\$ 21.49</u>		<u>\$ 15.99</u>	
Diluted	<u>\$ 21.35</u>		<u>\$ 15.86</u>	

Chairman: Huang, Kuo-Hsiu

Manager: Jun Shi

Accounting Supervisor: Chen, Fang- I

ACCTON TECHNOLOGY CORPORATION

STATEMENTS OF CHANGES IN EQUITY FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars)

	Share Capital	Capital Surplus	Retained Earnings			Other Equity		Treasury Shares	Total Equity
			Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translation of the Financial Statements of Foreign Operations	Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income		
BALANCE AT JANUARY 1, 2023	\$ 5,601,399	\$857,568	\$ 2,818,364	\$ 494,541	\$ 11,169,304	\$ (371,447)	\$ (90,569)	\$ (50,999)	\$ 20,428,161
Adjustments to capital surplus due to the distribution of cash dividends to subsidiaries	-	16,574	-	-	-	-	-	-	16,574
Appropriation of 2022 earnings									
Legal reserve	-	-	818,608	-	(818,608)	-	-	-	-
Special reserve	-	-	-	(32,525)	32,525	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	(4,201,117)	-	-	-	(4,201,117)
Net profit for the year ended December 31, 2023	-	-	-	-	8,920,165	-	-	-	8,920,165
Other comprehensive (loss) income for the year ended December 31, 2023, net of income tax	-	-	-	-	(12,059)	(94,147)	127,435	-	21,229
Total comprehensive income (loss) for the year ended December 31, 2023, net of income tax	-	-	-	-	8,908,106	(94,147)	127,435	-	8,941,394
Share-based payment arrangements	2,165	612	-	-	-	-	-	-	2,777
Disposal of investments in equity instruments at fair value through other comprehensive income	-	-	-	-	9,546	-	(9,546)	-	-
BALANCE AT DECEMBER 31, 2023	5,603,564	874,754	3,636,972	462,016	15,099,756	(465,594)	27,320	(50,999)	25,187,789
Adjustments to capital surplus due to the distribution of cash dividends to subsidiaries	-	22,089	-	-	-	-	-	-	22,089
Appropriation of 2023 earnings									
Legal reserve	-	-	891,765	-	(891,765)	-	-	-	-
Special reserve	-	-	-	(23,742)	23,742	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	(5,603,834)	-	-	-	(5,603,834)
Net profit for the year ended December 31, 2024	-	-	-	-	11,999,671	-	-	-	11,999,671
Other comprehensive income for the year ended December 31, 2024, net of income tax	-	-	-	-	24,847	279,382	4,406,967	-	4,711,196
Total comprehensive income for the year ended December 31, 2024, net of income tax	-	-	-	-	12,024,518	279,382	4,406,967	-	16,710,867
Share-based payment arrangements	7,615	2,034	-	-	-	-	-	-	9,649
Disposal of investments in equity instruments at fair value through other comprehensive income	-	-	-	-	1,351,922	-	(1,351,922)	-	-
BALANCE AT DECEMBER 31, 2024	<u>\$ 5,611,179</u>	<u>\$898,877</u>	<u>\$ 4,528,737</u>	<u>\$ 438,274</u>	<u>\$ 22,004,339</u>	<u>\$ (186,212)</u>	<u>\$ 3,082,365</u>	<u>\$ (50,999)</u>	<u>\$ 36,326,560</u>

Chairman: Huang, Kuo-Hsiu

Manager: Jun Shi

Accounting Supervisor: Chen, Fang- I

ACCTON TECHNOLOGY CORPORATION

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

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 14,678,369	\$ 11,213,128
Adjustments for:		
Depreciation expense	678,382	609,430
Amortization expense	59,224	53,759
Expected credit gain	-	(219)
Net loss (profit) on fair value charges of financial assets designated as at fair value through profit or loss	41,998	(26,667)
Finance costs	40,799	46,438
Interest income	(709,413)	(502,019)
Dividend income	(16,870)	(14,360)
Share of profit of subsidiaries and associates	(724,096)	(962,017)
Gain on disposal of property, plant and equipment, net	(47,252)	(2,623)
(Reversal) write-downs of inventories	(7,470)	492,151
Unrealized gain on the transactions with subsidiaries	109,653	239,687
Unrealized (gain) loss on foreign currency exchange	(387,678)	115,909
Amortization of grant revenue	(8,046)	(8,556)
Changes in operating assets and liabilities		
Trade receivables, net	(8,271,935)	2,414,474
Receivables from related parties	(3,085,770)	(3,707,842)
Other receivables	(303,399)	7,297
Other receivables from related parties	(8,511,988)	(482,474)
Inventories	(4,595,789)	474,307
Prepayments	(228,419)	256
Other current assets	2,231	(8,694)
Contract liabilities	460,833	5,369,255
Trade payables	12,922,361	1,824,437
Trade payables to related parties	5,494,771	(1,821,041)
Accrued compensation of employees and remuneration of directors	411,286	149,459
Other payables	2,256,864	575,945
Other payables to related parties	65,853	174,091
Provisions	(70,651)	(3,227)
Refund liabilities	23,319	(53,066)
Net defined benefit liabilities	(1,116)	(2,251)
Cash generated from operations	10,276,051	16,164,967
Interest paid	(38,100)	(41,502)
Income tax paid	(3,430,236)	(1,720,409)
Net cash generated from operating activities	<u>6,807,715</u>	<u>14,403,056</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at fair value through other comprehensive income	(352,579)	(32,333)
Proceeds from sale of financial assets at fair value through other comprehensive income	120,032	42,458

(Continued)

ACCTON TECHNOLOGY CORPORATION

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

	2024	2023
Purchase of financial assets at amortized cost	\$(17,848,773)	\$(15,428,602)
Proceeds from sale of financial assets at amortized cost	17,526,595	14,630,107
Purchase of financial assets at fair value through profit or loss	(2,230,420)	(3,343,169)
Proceeds from sale of financial assets at fair value through profit or loss	3,167,164	1,627,570
Acquisition of subsidiary	(594,340)	(420,745)
Net cash outflow on disposal of subsidiaries	-	2,683
Proceeds from capital reduction of investments accounted for using equity method	30,519	-
Acquisition of property, plant and equipment	(2,375,071)	(1,440,607)
Proceeds from disposal of property, plant and equipment	67,060	3,638
Increase in refundable deposits	(14,139)	(3,657)
Acquisition of intangible assets	(99,984)	(48,275)
Decrease (increase) in other financial assets	7,381	(204)
Increase in other non-current assets	(46)	(21,470)
Interest received	636,874	490,487
Dividends received from investments accounted for using the equity method	4,556,999	2,037,622
Dividends received	<u>16,870</u>	<u>14,360</u>
Net cash generated from (used in) investing activities	<u>2,614,142</u>	<u>(1,890,137)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term borrowings	1,000	500,000
Repayments of short-term borrowings	(1,000)	(500,000)
Proceeds from long-term borrowings	-	100,000
Repayments of long-term borrowings	(300,558)	(2,800,557)
Repayment of the principal portion of lease liabilities	(169,584)	(161,505)
Dividends paid to owners of the Company	(5,603,834)	(4,201,117)
Employee share options	<u>9,649</u>	<u>2,777</u>
Net cash used in financing activities	<u>(6,064,327)</u>	<u>(7,060,402)</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES	<u>272,740</u>	<u>(172,091)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	3,630,270	5,280,426
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>10,026,071</u>	<u>4,745,645</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 13,656,341</u>	<u>\$ 10,026,071</u>

Chairman: Huang, Kuo-Hsiu

Manager: Jun Shi
(Concluded)

Accounting Supervisor: Chen, Fang- I

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Accton Technology Corporation

Opinion

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

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

Basis for Opinion

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

Key Audit Matters

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

Key audit matters for the Group's consolidated financial statements for the year ended December 31, 2024 are stated as follows:

Revenue recognition

For the year ended December 31, 2024, the Group's net operating revenue was NT\$110,424,744 thousand. Refer to Notes 4, 25 and 40 to the consolidated financial statements for detailed information on accounting policies regarding revenue.

We evaluated that certain sales models of the Group carry the risk of sales authenticity. Therefore, we have identified this as a key audit matter for the year ended December 31, 2024 and have performed the following audit procedures to address this risk:

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

1. We evaluated the appropriateness of the Group's revenue recognition accounting policies, obtained an understanding of the internal control design and operating procedures regarding the sales transaction cycle, and we assessed the effectiveness of the internal control operations.
2. We selected appropriate samples from sales and inspected and confirmed that purchase orders and delivery orders were consistent with invoices.

3. We selected samples of revenue details and confirmed that actual receipts and certificates of remittances were consistent with the recorded amount from corresponding entities; we examined relevant documents and checked the credit period of receivables that had not been received.

Other Matter

We have also audited the parent company only financial statements of Accton Technology Corporation as of and for the years ended December 31, 2024 and 2023 on which we have issued an unmodified opinion.

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

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

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such

disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

The engagement partners on the audits resulting in this independent auditors' report are Ming Yuan Chung and Hsin Tung Lin.

Ming - Yuan Chung Hsin - Tung Lin

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 13, 2025

Notice to Readers

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

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

ACCTON TECHNOLOGY CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

DECEMBER 31, 2024 AND 2023

(In Thousands of New Taiwan Dollars)

ASSETS	2024		2023	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents (Notes 4, 6 and 34)	\$ 18,116,346	21	\$ 14,070,421	25
Financial assets at fair value through profit or loss - current (Notes 4, 7 and 34)	793,090	1	1,786,172	3
Financial assets at fair value through other comprehensive income - current (Notes 4, 8 and 34)	150,436	-	306,112	-
Financial assets at amortized cost - current (Notes 4, 9 and 34)	6,404,894	7	8,169,991	14
Notes and trade receivables, net (Notes 4, 5, 10, 25 and 34)	20,762,760	24	11,118,994	20
Receivables from related parties (Notes 4, 5, 34 and 35)	33	-	122	-
Other receivables (Notes 4, 10, 26 and 34)	951,654	1	603,214	1
Other receivables from related parties (Notes 4, 34 and 35)	16	-	16	-
Inventories (Notes 4, 5 and 11)	19,370,957	23	13,550,704	24
Prepayments (Note 19)	460,406	1	360,798	1
Non-current assets held for sale (Note 12)	3,620,754	4	-	-
Other current assets-other	8,149	-	24,772	-
Total current assets	<u>70,639,495</u>	<u>82</u>	<u>49,991,316</u>	<u>88</u>
NON-CURRENT ASSETS				
Financial assets at fair value through profit or loss - non-current (Notes 4, 7 and 34)	299,313	-	261,658	1
Financial assets at fair value through other comprehensive income - non-current (Notes 4, 8 and 34)	4,429,279	5	46,909	-
Financial assets at amortized cost - non-current (Notes 9 and 34)	1,219,145	2	-	-
Investments accounted for using the equity method (Notes 4 and 14)	70,639	-	7,751	-
Property, plant and equipment (Notes 4, 15, 36 and 40)	5,445,217	6	3,181,458	6
Right-of-use assets (Notes 4, 16 and 40)	2,270,182	3	1,898,651	3
Goodwill (Notes 4, 17 and 40)	1,930	-	1,930	-
Intangible assets (Notes 4, 18 and 40)	847,685	1	154,420	-
Deferred income tax assets (Notes 4 and 27)	351,850	-	325,345	1
Prepayments for equipment (Note 40)	506,871	1	492,510	1
Refundable deposits (Notes 34 and 40)	126,499	-	112,548	-
Net defined benefit assets - non-current (Notes 4 and 23)	8,429	-	-	-
Other financial assets - non-current (Notes 19, 34, 36 and 40)	72,242	-	79,623	-
Other non-current assets-other (Notes 19 and 40)	31,457	-	21,470	-
Total non-current assets	<u>15,680,738</u>	<u>18</u>	<u>6,584,273</u>	<u>12</u>
TOTAL	<u>\$ 86,320,233</u>	<u>100</u>	<u>\$ 56,575,589</u>	<u>100</u>

(Continued)

ACCTON TECHNOLOGY CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

DECEMBER 31, 2024 AND 2023

(In Thousands of New Taiwan Dollars)

LIABILITIES AND EQUITY	2024		2023	
	Amount	%	Amount	%
CURRENT LIABILITIES				
Short-term borrowings (Notes 20 and 34)	\$ 174,526	-	\$ 133,253	-
Contract liabilities - current (Notes 4, 25 and 35)	6,769,478	8	6,245,622	11
Notes and trade payables (Note 34)	25,954,859	30	13,681,233	24
Accrued compensation of employees and remuneration of directors (Note 26)	2,108,651	3	1,690,169	3
Payables to contractors and equipment suppliers (Note 34)	533,038	1	205,572	-
Other payables (Notes 21 and 34)	5,338,071	6	3,426,176	6
Other payables to related parties (Notes 34 and 35)	416	-	531	-
Income tax payable (Notes 4 and 27)	2,352,424	3	2,803,761	5
Provisions - current (Notes 4 and 22)	237,268	-	304,128	1
Liabilities directly associated with non-current assets held for sale (Note 12)	2,876,210	3	-	-
Lease liabilities - current (Notes 4 and 16)	191,914	-	210,380	-
Deferred revenue - current (Notes 20 and 30)	5,117	-	8,303	-
Long-term borrowings - current portion (Notes 20, 30 and 34)	301,683	-	300,558	1
Refund liabilities - current (Note 25)	<u>76,135</u>	<u>-</u>	<u>69,846</u>	<u>-</u>
Total current liabilities	<u>46,919,790</u>	<u>54</u>	<u>29,079,532</u>	<u>51</u>
NON-CURRENT LIABILITIES				
Long-term borrowings (Notes 20, 30 and 34)	280,679	1	537,747	1
Deferred income tax liabilities (Notes 4 and 27)	965,814	1	364,939	1
Lease liabilities - non-current (Notes 4 and 16)	1,844,411	2	1,381,397	2
Deferred revenue - non-current (Notes 20 and 30)	98	-	5,835	-
Net defined benefit liabilities - non-current (Notes 4 and 23)	14,719	-	17,534	-
Guarantee deposits (Note 34)	816	-	816	-
Other non-current liabilities	<u>5,237</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total non-current liabilities	<u>3,111,774</u>	<u>4</u>	<u>2,308,268</u>	<u>4</u>
Total liabilities	<u>50,031,564</u>	<u>58</u>	<u>31,387,800</u>	<u>55</u>
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Notes 4, 24 and 29)				
Share capital				
Ordinary shares	<u>5,611,179</u>	<u>7</u>	<u>5,603,564</u>	<u>10</u>
Capital surplus	<u>898,877</u>	<u>1</u>	<u>874,754</u>	<u>2</u>
Retained earnings				
Legal reserve	4,528,737	5	3,636,972	6
Special reserve	438,274	1	462,016	1
Unappropriated earnings	<u>22,004,339</u>	<u>25</u>	<u>15,099,756</u>	<u>27</u>
Total retained earnings	<u>26,971,350</u>	<u>31</u>	<u>19,198,744</u>	<u>34</u>
Other equity	<u>2,896,153</u>	<u>3</u>	<u>(438,274)</u>	<u>(1)</u>
Treasury shares	<u>(50,999)</u>	<u>-</u>	<u>(50,999)</u>	<u>-</u>
Total equity attributable to owners of the Company	<u>36,326,560</u>	<u>42</u>	<u>25,187,789</u>	<u>45</u>
NON-CONTROLLING INTERESTS	<u>(37,891)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total equity	<u>36,288,669</u>	<u>42</u>	<u>25,187,789</u>	<u>45</u>
TOTAL	<u>\$86,320,233</u>	<u>100</u>	<u>\$56,575,589</u>	<u>100</u>

Chairman: Huang, Kuo-Hsiu

Manager: Jun Shi
(Concluded)

Accounting Supervisor: Chen, Fang- I

ACCTON TECHNOLOGY CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2024		2023	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 4, 25, 35 and 40)	\$ 110,424,744	100	\$ 84,188,426	100
OPERATING COSTS (Notes 4, 11, 23 and 26)	<u>87,633,643</u>	<u>79</u>	<u>64,925,625</u>	<u>77</u>
GROSS PROFIT	22,791,101	21	19,262,801	23
UNREALIZED GAIN ON TRANSACTIONS WITH ASSOCIATES	<u>(13,395)</u>	<u>-</u>	<u>-</u>	<u>-</u>
REALIZED GROSS PROFIT	<u>22,777,706</u>	<u>21</u>	<u>19,262,801</u>	<u>23</u>
OPERATING EXPENSES (Notes 4, 10, 23, 26 and 35)				
Selling and marketing	2,031,575	2	1,913,778	2
General and administrative	2,443,219	2	2,067,547	2
Research and development	4,702,401	5	3,780,598	5
Expected credit gain	<u>(966)</u>	<u>-</u>	<u>(219)</u>	<u>-</u>
Total operating expenses	<u>9,176,229</u>	<u>9</u>	<u>7,761,704</u>	<u>9</u>
OPERATING INCOME	<u>13,601,477</u>	<u>12</u>	<u>11,501,097</u>	<u>14</u>
NON-OPERATING INCOME AND EXPENSES (Notes 4, 14, 26, 30 and 35)				
Interest income	869,845	1	639,337	1
Other income	121,220	-	87,808	-
Other gains and losses	631,622	1	(420,174)	(1)
Finance costs	(87,458)	-	(72,971)	-
Share of loss of associates	<u>(2,919)</u>	<u>-</u>	<u>(2,636)</u>	<u>-</u>
Total non-operating income and expenses	<u>1,532,310</u>	<u>2</u>	<u>231,364</u>	<u>-</u>
PROFIT BEFORE INCOME TAX	15,133,787	14	11,732,461	14
INCOME TAX EXPENSE (Notes 4 and 27)	<u>3,135,041</u>	<u>3</u>	<u>2,812,296</u>	<u>3</u>
NET INCOME FOR THE YEAR	<u>11,998,746</u>	<u>11</u>	<u>8,920,165</u>	<u>11</u>
OTHER COMPREHENSIVE INCOME (LOSS) (Notes 4, 23 and 24)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans	24,847	-	(12,059)	-
Unrealized gain (loss) on investments in equity instruments at fair value through other comprehensive income	4,406,967	4	127,435	-
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of the financial statements of foreign operations	<u>279,397</u>	<u>-</u>	<u>(94,147)</u>	<u>-</u>
Other comprehensive income for the year, net of income tax	<u>4,711,211</u>	<u>4</u>	<u>21,229</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 16,709,957</u>	<u>15</u>	<u>\$ 8,941,394</u>	<u>11</u>
NET PROFIT (LOSS) ATTRIBUTABLE TO:				
Shareholders of the parent	\$ 11,999,671	11	\$ 8,920,165	11
Non-controlling interests	<u>(925)</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 11,998,746</u>	<u>11</u>	<u>\$ 8,920,165</u>	<u>11</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Shareholders of the parent	\$ 16,710,867	15	\$ 8,941,394	11
Non-controlling interests	<u>(910)</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 16,709,957</u>	<u>15</u>	<u>\$ 8,941,394</u>	<u>11</u>
EARNINGS PER SHARE (Note 28)				
Basic	<u>\$ 21.49</u>		<u>\$ 15.99</u>	
Diluted	<u>\$ 21.35</u>		<u>\$ 15.86</u>	

Chairman: Huang, Kuo-Hsiu

Manager: Jun Shi

Accounting Supervisor: Chen, Fang- I

ACCTON TECHNOLOGY CORPORATION AND SUBSIDIARIES

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

	Equity Attributable to Shareholders of the Parent										
	Share Capital	Capital Surplus	Retained Earnings			Other Equity		Treasury Shares	Total	Non-controlling Interests	Total Equity
			Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translation of the Financial Statements of Foreign Operations	Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income				
BALANCE AT JANUARY 1, 2023	\$ 5,601,399	\$ 857,568	\$ 2,818,364	\$ 494,541	\$ 11,169,304	\$ (371,447)	\$ (90,569)	\$ (50,999)	\$ 20,428,161	\$ -	\$ 20,428,161
Adjustments to capital surplus due to the distribution of cash dividends to subsidiaries	-	16,574	-	-	-	-	-	-	16,574	-	16,574
Appropriation of 2022 earnings											
Legal reserve	-	-	818,608	-	(818,608)	-	-	-	-	-	-
Special reserve	-	-	-	(32,525)	32,525	-	-	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	(4,201,117)	-	-	-	(4,201,117)	-	(4,201,117)
Net profit for the year ended December 31, 2023	-	-	-	-	8,920,165	-	-	-	8,920,165	-	8,920,165
Other comprehensive (loss) income for the year ended											
December 31, 2023, net of income tax	-	-	-	-	(12,059)	(94,147)	127,435	-	21,229	-	21,229
Total comprehensive income (loss) for the year ended											
December 31, 2023, net of income tax	-	-	-	-	8,908,106	(94,147)	127,435	-	8,941,394	-	8,941,394
Share-based payment arrangements	2,165	612	-	-	-	-	-	-	2,777	-	2,777
Disposal of investments in equity instruments at fair value through other comprehensive income	-	-	-	-	9,546	-	(9,546)	-	-	-	-
BALANCE AT DECEMBER 31, 2023	5,603,564	874,754	3,636,972	462,016	15,099,756	(465,594)	27,320	(50,999)	25,187,789	-	25,187,789
Adjustments to capital surplus due to the distribution of cash dividends to subsidiaries	-	22,089	-	-	-	-	-	-	22,089	-	22,089
Appropriation of 2023 earnings											
Legal reserve	-	-	891,765	-	(891,765)	-	-	-	-	-	-
Special reserve	-	-	-	(23,742)	23,742	-	-	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	(5,603,834)	-	-	-	(5,603,834)	-	(5,603,834)
Net profit for the year ended December 31, 2024	-	-	-	-	11,999,671	-	-	-	11,999,671	(925)	11,998,746
Other comprehensive income for the year ended											
December 31, 2024, net of income tax	-	-	-	-	24,847	279,382	4,406,967	-	4,711,196	15	4,711,211
Total comprehensive income (loss) for the year ended											
December 31, 2024, net of income tax	-	-	-	-	12,024,518	279,382	4,406,967	-	16,710,867	(910)	16,709,957
Share-based payment arrangements	7,615	2,034	-	-	-	-	-	-	9,649	-	9,649
Disposal of investments in equity instruments at fair value through other comprehensive income	-	-	-	-	1,351,922	-	(1,351,922)	-	-	-	-
Non-controlling Interests	-	-	-	-	-	-	-	-	-	(36,981)	(36,981)
BALANCE AT DECEMBER 31, 2024	\$ 5,611,179	\$ 898,877	\$ 4,528,737	\$ 438,274	\$ 22,004,339	\$ (186,212)	\$ 3,082,365	\$ (50,999)	\$ 36,326,560	\$ (37,891)	\$ 36,288,669

Chairman: Huang, Kuo-Hsiu

Manager: Jun Shi

Accounting Supervisor: Chen, Fang- I

ACCTON TECHNOLOGY CORPORATION AND SUBSIDIARIES

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

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 15,133,787	\$ 11,732,461
Adjustments for:		
Depreciation expense	1,071,421	878,146
Amortization expense	91,259	75,303
Expected credit gain	(966)	(219)
Net loss (profit) on fair value changes of financial assets designated as at fair value through profit or loss	33,314	(19,531)
Finance costs	87,458	72,971
Interest income	(869,845)	(639,337)
Dividend income	(17,331)	(15,329)
Share of loss of associates	2,919	2,636
Gain on disposal of property, plant and equipment, net	(30,195)	(332)
Write-downs of inventories	97,649	490,282
Unrealized gain on transactions with associates	32,730	-
Unrealized (gain) loss on foreign currency exchange	(202,696)	21,023
Amortization of grant revenue	(8,046)	(8,556)
Gain on lease modification	(36)	-
Changes in operating assets and liabilities		
Notes and trade receivables, net	(10,595,272)	1,899,594
Receivables from related parties	89	1,021
Other receivables	(271,782)	3,057
Other receivables from related parties	-	10,978
Inventories	(7,167,347)	(1,252,203)
Prepayments	(140,358)	(74,937)
Other current assets	10,825	(33,836)
Contract liabilities	467,799	5,368,769
Notes and trade payables	13,978,036	1,482,870
Accrued compensation of employees and remuneration of directors	418,482	175,253
Other payables	2,093,480	466,146
Other payables to related parties	(115)	(143)
Provisions	(67,075)	21,962
Refund liabilities	4,137	(59,223)
Net defined benefit liabilities	(2,149)	(2,251)
Cash generated from operations	14,150,172	20,596,575
Interest paid	(84,703)	(67,810)
Income tax paid	(4,123,242)	(2,157,520)
Net cash generated from operating activities	9,942,227	18,371,245
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at fair value through other comprehensive income	(352,578)	(32,333)
Proceeds from sale of financial assets at fair value through other comprehensive income	1,728,116	42,458
Purchase of financial assets at amortized cost	(19,712,733)	(17,698,321)

(Continued)

ACCTON TECHNOLOGY CORPORATION AND SUBSIDIARIES

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

	2024	2023
Proceeds from sale of financial assets at amortized cost	\$ 20,439,210	\$ 15,422,560
Purchase of financial assets at fair value through profit or loss	(2,485,218)	(3,583,169)
Proceeds from sale of financial assets at fair value through profit or loss	3,340,683	1,881,904
Acquisition of investments accounted for using the equity method	(97,905)	-
Acquisition of property, plant and equipment	(2,761,702)	(2,244,885)
Proceeds from disposal of property, plant and equipment	43,454	13,278
Increase in refundable deposits	(24,111)	(31,627)
Acquisition of intangible assets	(142,503)	(66,850)
Proceeds from disposal of intangible assets	-	8
Net cash (outflow) inflow arising from merger	(534,157)	424
Decrease (increase) in other financial assets	7,380	(204)
Increase in other non-current assets	(9,099)	-
Interest received	805,481	615,486
Dividends received	<u>17,331</u>	<u>15,329</u>
Net cash generated from (used in) investing activities	<u>261,649</u>	<u>(5,665,942)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term borrowings	133,502	711,923
Repayments of short-term borrowings	(171,178)	(574,913)
Proceeds from long-term borrowings	-	100,000
Repayments of long-term borrowings	(300,558)	(2,800,557)
Repayments of the principal portion of lease liabilities	(304,628)	(310,239)
Decrease in other non-current liabilities	(191)	-
Dividends paid to owners of the Company	(5,581,745)	(4,184,543)
Employee share options	<u>9,649</u>	<u>2,777</u>
Net cash used in financing activities	<u>(6,215,149)</u>	<u>(7,055,552)</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES	<u>634,742</u>	<u>(274,702)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	4,623,469	5,375,049
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	14,070,421	8,695,372
CASH AND CASH EQUIVALENTS INCLUDED IN DISPOSAL GROUPS HELD FOR SALE	<u>(577,544)</u>	<u>-</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 18,116,346</u>	<u>\$ 14,070,421</u>

Chairman: Huang, Kuo-Hsiu

Manager: Jun Shi
(Concluded)

Accounting Supervisor: Chen, Fang- I