Stock Code：6231

INSYDE SOFTWARE CORP. AND SUBSIDIARIES

Consolidated Financial Statements

With Independent Auditors' Review Report

For the Three Months Ended March 31, 2025 and 2024

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Independent Auditors' Review Report

To the Board of Directors of INSYDE SOFTWARE CORP.:

Introduction

We have reviewed the accompanying consolidated balance sheets of INSYDE SOFTWARE CORP. and its subsidiaries as of March 31, 2025 and 2024, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the three months ended March 31, 2025 and 2024, and notes to the consolidated financial statements, including a summary of significant accounting policies. 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 Standard 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 the Standard on Review Engagements 2410, "Review of Financial Information Performed by the Independent Auditor of the Entity" of the Republic of China. A review of the 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 conducted in accordance with the Standards on Auditing of the Republic of China and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our reviews, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of INSYDE SOFTWARE CORP. and its subsidiaries as of March 31, 2025 and 2024, and of its consolidated financial performance and its consolidated cash flows for the three months ended March 31, 2025 and 2024 in accordance with the Regulations Governing the

Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

The engagement partners on the reviews resulting in this independent auditors’ review report are Wu, Cheng-Yen and Chen, Chun-Kuang.

KPMG

Taipei, Taiwan (Republic of China)

May 6, 2025

<u>Notes to Readers</u>

The accompanying consolidated financial statements are intended only to present the consolidated financial position, financial performance and cash flows in accordance with the 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 accepted and applied in the Republic of China.

The independent auditors’ review report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors’ review report and consolidated financial statements, the Chinese version shall prevail.

(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)

INSYDE SOFTWARE CORP. AND SUBSIDIARIES
Consolidated Balance Sheets
March 31, 2025, December 31, 2024 and March 31, 2024
(Expressed in Thousands of New Taiwan Dollar)

		March 31, 2025		December 31, 2024		March 31, 2024	
Code	**Assets**	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
	Current assets:						
1100	Cash and cash equivalents (note 4, 6(a) and 6(n))	$ 1,214,907	69	$ 1,157,491	69	$ 923,438	65
1170	Trade receivables, net (note 4, 6(b), 6(k), 6(n) and 7)	228,918	13	215,452	13	215,405	15
1410	Prepayments	25,668	1	18,495	1	20,028	2
1470	Other current assets (note 4, 6(n) and 8)	70,630	4	73,686	4	60,994	4
	Total current assets	1,540,123	87	1,465,124	87	1,219,865	86
	Non-current assets:						
1600	Property, plant and equipment (notes 4, 6(c) and 6(m))	82,836	5	84,970	5	25,510	2
1755	Right-of-use assets (note 4 and 6(d))	69,776	4	69,779	4	92,394	7
1780	Intangible assets (note 4 and 6(e))	37,013	2	37,201	2	39,684	3
1840	Deferred income tax assets (note 4 and 6(h))	17,039	1	17,112	1	20,983	1
1920	Refundable deposit (note 4 and 6(n))	13,383	1	13,309	1	13,218	1
1990	Other assets(note 6(c))	-	-	-	-	13,000	-
	Total non-current assets	220,047	13	222,371	13	204,789	14
	Total assets	$ 1,760,170	100	$ 1,687,495	100	$ 1,424,654	100
Code	**Liabilities and equity**						
	Current liabilities:						
2130	Current contract liabilities (note 4 and 6(k))	$ 147,971	8	$ 117,783	7	$ 95,837	7
2200	Other payable (note 4, 6(g), 6(l), 6(n) and 7))	258,437	15	302,660	18	213,778	15
2216	Dividend payable (note 6(i))	296,739	17	-	-	95,109	7
2355	Current lease liabilities (note 4, 6(f), 6(m) and 6(n))	48,328	3	46,670	3	45,104	3
2399	Other current liabilities-other	3,808	-	775	-	3,354	-
	Total current liabilities	755,283	43	467,888	28	453,182	32
	Non-current liabilities:						
2527	Non-current contract liabilities (note 6(k))	3,928	-	6,321	-	7,720	1
2551	Non-current defined benefit liabilities (note 4 and 6(g))	2,038	-	2,038	-	2,050	-
2570	Deferred income tax liabilities (note 4 and 6(h))	15,286	1	13,172	1	13,352	1
2613	Non-current lease liabilities (note 4, 6(f), 6(m) and 6(n))	23,165	1	24,915	1	49,352	3
	Total non-current liabilities	44,417	2	46,446	2	72,474	5
	Total liabilities	799,700	45	514,334	30	525,656	37
	Shares (note 6(i)):						
3110	Ordinary shares	456,522	26	456,522	27	380,435	26
	Capital surplus (note 6(i)):						
3211	Capital surplus-additional paid-in capital arising from ordinary share	48,769	3	48,769	3	48,769	4
3260	Capital surplus-changes in equity of associates and joint ventures accounted for using equity method	281	-	281	-	281	-
3280	Capital surplus-others	18,427	1	18,427	1	18,427	1
		67,477	4	67,477	4	67,477	5
	Retained earnings (note 6(i):						
3310	Legal reserve	224,132	13	224,132	13	205,644	14
3320	Special reserve	10,537	1	10,537	1	23,865	2
3351	Unappropriated retained earnings	172,455	9	391,539	23	208,228	15
		407,124	23	626,208	37	437,737	31
	Other equity:						
3490	Other equity-other	29,347	2	22,954	2	13,349	1
	Equity attributable to owners of parent	960,470	55	1,173,161	70	898,998	63
	Total equity	960,470	55	1,173,161	70	898,998	63
	Total liabilities and equity	$ 1,760,170	100	$ 1,687,495	100	$ 1,424,654	100

(See accompanying notes to consolidated financial statements)

(English Translation of Consolidated Financial Statements and Reprot Originally Issued in Chinese)

INSYDE SOFTWARE CORP. AND SUBSIDIARIES
Consolidated Statements of Comprehensive Income
For the years ended March 31, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollar, except earnings per share)

		For the three months ended March 31			
		2025		2024	
Code		Amount	%	Amount	%
4110	**Operating revenues (note 4, 6(k) and 7)**	$ 406,978	100	$ 370,893	100
5000	**Operating costs**	108,851	27	74,844	20
	Gross profit from operations	298,127	73	296,049	80
	Operating expenses (notes 4, 6, 7 and 12):				
6100	Selling expenses	30,270	7	30,696	8
6200	Administrative expenses	58,270	14	50,880	14
6300	Research and development expenses	128,541	32	135,782	37
		217,081	53	217,358	59
	Net operating income	81,046	20	78,691	21
	Non-operating income and expenses (note 6(f), 6(m), and 6(n):				
7100	Interest income	6,056	1	5,423	2
7020	Other gains and losses, net	11,691	3	8,250	2
7050	Finance costs	(436)	-	(580)	-
	Total non-operating income and expenses	17,311	4	13,093	4
7900	**Profit before income tax**	98,357	24	91,784	25
7951	**Less: income tax expenses (note 4 and 6(h))**	20,702	5	19,803	5
	Profit	77,655	19	71,981	20
8300	**Other comprehensive income:**				
8310	**Items that may not be reclassified subsequently to profit or loss:**				
8311	Gains (losses) on remeasurements of defined benefit plans	-	-	-	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	-	-	-	-
	Components of other comprehensive income that may not be reclassified subsequently to profit or loss	-	-	-	-
8360	**Items that may be reclassified subsequently to profit or loss:**				
8361	Exchange differences on translation to foreign financial statements	6,393	2	13,252	4
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	-	-	-	-
	Components of other comprehensive income that may be reclassified subsequently to profit or loss	6,393	2	13,252	4
8300	**Other comprehensive income, net of tax:**	6,393	2	13,252	4
8500	**Total comprehensive income**	**84,048**	**21**	**85,233**	**24**
	Profit (loss) attributable to:				
8610	Owners of parent	77,655	19	71,981	19
8620	Non-controlling interests	-	-	-	-
		77,655	**19**	**71,981**	**19**
	Comprehensive income (loss) attributable to:				
8710	Owners of parent	**84,048**	**21**	**85,233**	**24**
8720	Non-controlling interests	-	-	-	-
		84,048	**21**	**85,233**	**24**
	Earnings per share (expressed in dollars) (note 6(j))				
9750	**Basic earnings per share**		1.70		1.58
9850	**Diluted earnings per share**		1.69		1.56

(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)

INSYDE SOFTWARE CORP. AND SUBSIDIARIES
Consolidated Statements of Changes in Equity
For the months ended March 31, 2025 and 2024
(Expressed in Thousands of New Taiwan Dollar)

	Share capital		Retained earnings				Other equity	
	Ordinary shares	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Total	Exchange differences on translation of foreign financial statements	Total equity
Balance on January 1, 2024	**$ 380,435**	**67,477**	**205,644**	**23,865**	**231,356**	**460,865**	**97**	**908,874**
Profit for the three months ended March 31, 2024	-	-	-	-	71,981	71,981	-	71,981
Other comprehensive income for the three months ended March 31, 2024	-	-	-	-	-	-	13,252	13,252
Comprehensive income for the three months ended March 31, 2024	-	-	-	-	71,981	71,981	13,252	85,233
Appropriation and distribution of retained earnings:								
Cash dividends on ordinary shares	-	-	-	-	(95,109)	(95,109)	-	(95,109)
Balance on March 31, 2024	**380,435**	**67,477**	**205,644**	**23,865**	**208,228**	**437,737**	**13,349**	**898,998**
Balance on January 1, 2025	**$ 456,522**	**67,477**	**224,132**	**10,537**	**391,539**	**626,208**	**22,954**	**1,173,161**
Profit for the year ended January 1, 2025	-	-	-	-	77,655	77,655	-	77,655
Other comprehensive income for the three months ended March 31, 2025	-	-	-	-	-	-	6,393	6,393
Comprehensive income for the three months ended March 31, 2025	-	-	-	-	77,655	77,655	6,393	84,048
Appropriation and distribution of retained earnings:								
Cash dividends on ordinary shares	-	-	-	-	(296,739)	(296,739)	-	(296,739)
Balance on March 31, 2025	**$ 456,522**	**67,477**	**224,132**	**10,537**	**172,455**	**407,124**	**29,347**	**960,470**

(See accompanying notes to consolidated financial statements)

(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)

INSYDE SOFTWARE CORP. AND SUBSIDIARIES
Consolidated Statements of Cash Flows
For the years ended March 31, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollar)

	For the three months ended March 31	
	2025	2024
Cash flows from (used in) operating activities:		
Profit before tax	$ **98,357**	$ **91,784**
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expense	16,587	15,773
Amortization expense	2,190	2,193
Finance costs	436	580
Interest income	(6,056)	(5,423)
Gain on lease modification	-	2
Loss from disposal of property, plant and equipment	9	-
Total adjustments to reconcile profit	13,166	13,125
Changes in operating assets and liabilities:		
Changes in operating assets:		
Trade receivables	(13,466)	(32,522)
Prepayments	(10,461)	1,569
Other current assets	2,972	(732)
Contract liabilities	27,795	30,752
Other payable	(44,223)	(38,005)
Other current liabilities-other	3,033	3,265
Total changes in operating assets and liabilities	(21,184)	(22,548)
Cash inflow generated from operations	77,173	69,236
Interest received	6,054	5,553
Income taxes paid	(15,226)	(18,184)
Net cash flows from operating activities	68,001	56,605
Cash flows from (used in) investing activities:		
Acquisition of property, plant and equipment	(1,911)	(2,430)
Refundable deposit	(74)	(51)
Acquisition of intangible assets	(1,974)	(96)
Other assets	-	(13,000)
Net cash flows used in investing activities	(3,959)	(15,577)
Payment of lease liabilities	(12,522)	(12,141)
Interest paid	(436)	(580)
Net cash flows used in financing activities	(12,958)	(12,721)
Effect of exchang rate changes on cash and cash equivalents	6,332	13,081
Net increase in cash and cash equivalents	57,416	41,388
Cash and cash equivalents at beginning of period	1,157,491	882,050
Cash and cash equivalents at end of period	$ **1,214,907**	$ **923,438**

(See accompanying notes to Consolidated financial statements)

(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese.)

INSYDE SOFTWARE CORP. AND SUBSIDIARIES
Notes to Consolidated Financial Statements
March 31, 2025 and 2024

(expressed in Thousands of New Taiwan Dollar, Unless Otherwise Specified)

(1) Company history

INSYDE SOFTWARE CORP. (hereinafter referred to as the "Company") was founded on September 18, 1998 under the approval of Ministry of Economic Affairs, R.O.C. The address of the Company's registered office is 16F., No.120, Sec.2, Jianguo N. Rd., Zhongshan District. Taipei, Taiwan, R. O. C. The Company start its operating activities on September 30, 1998. The Company's common shares were listed on the Taipei Exchange (TPEx) on January 23, 2003. The consolidated financial statements comprise the Company and subsidiaries (hereinafter together referred to as the "Group" and individually as "Group entities"). The major business activities of the Group are the software and system firmware design and development, installation, and program modification. Please refer to note 4(c).

(2) Approval date and procedures of the consolidated financial statements

These consolidated financial statements were authorized for issue by the Board of Directors on May 6, 2025.

(3) New standards, amendments and interpretations adopted

(a) The impact of the International Financial Reporting Standards ("IFRSs") endorsed by the Financial Supervisory Commission, R.O.C. which have already been adopted.

The Group has initially adopted the (following) new amendments, which do not have a significant impact on its financial statements, from January 1, 2025:

- Amendments to IAS21"Lack of Exchangeability"
- Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments" regarding the application guidance requirements for Section 4.1 of IFRS 9 and related disclosure requirements of IFRS 7.

(b) The impact of IFRS Accounting Standards endorsed by the FSC but not yet effective:

The following new and amended standards, which may be relevant to the Group, have been issued by the International Accounting Standards Board (IASB), but have yet to be endorsed by the FSC :

Standards or Interpretations	Content of amendment	Effective date per IASB
IFRS 18 "Presentation and Disclosure in Financial Statements"	The new standard introduces three categories of income and expenses, two income statement subtotals and one single note on management performance measures. The three amendments, combined with enhanced guidance on how to disaggregate information, set the stage for better and more consistent information for users, and will affect all the entities. ● A more structured income statement: under current standards, companies use different formats to present their results, making it difficult for investors to compare financial performance across companies. The new standard promotes a more structured income statement, introducing a newly defined 'operating profit' subtotal and a requirement for all income and expenses to be allocated between three new distinct categories based on a Group's main business activities. ● Management performance measures (MPMs): the new standard introduces a definition for management performance measures, and requires companies to explain in a single note to the financial statements why the measure provides useful information, how it is calculated and reconcile it to an amount determined under IFRS Accounting Standards. ● Greater disaggregation of information: the new standard includes enhanced guidance on how companies group information in the financial statements. This includes guidance on whether information is included in the primary financial statements or is further disaggregated in the notes.	January 1, 2027

The Group is evaluating the impact on its consolidated financial position and consolidated financial performance upon the initial adoption of the abovementioned standards or interpretations. The results thereof will be disclosed when the Group completes its evaluation.

The Group does not expect the (following) other new and amended standards, which have yet to be endorsed by the FSC, to have a significant impact on its consolidated financial statements:

- Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture"
- IFRS 17 "Insurance Contracts" and amendments to IFRS 17 "Insurance Contracts"
- IFRS 19 "Subsidiaries without Public Accountability: Disclosures"
- Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments" regarding the application guidance requirements for Section 3.1 and 3.3 of IFRS 9 and the related disclosure requirements of IFRS 7

- Annual Improvements to IFRS Accounting Standards—Volume 11
- Amendments to IFRS 9 and IFRS 7 "Contracts Referencing Nature-dependent Electricity"

(4) Summary of material accounting policies

(a) Statement of compliance

These consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers (hereinafter referred to as "the Regulations") and IAS 34 "Interim Financial Reporting" which are endorsed and issued into effect by the Financial Supervisory Commission (hereinafter referred to as FSC). The consolidated financial statements do not include all of the information required by the Regulations and International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations and SIC Interpretations endorsed and issued into effect by the FSC (altogether referred to "IFRS Accounting Standards" endorsed by the FSC) for a complete set of the annual consolidated financial statements.

(b) Basis of preparation

(i) Basis of measurement

Except for significant accounts on the balance sheet - financial assets measured at fair value through profit or loss, these consolidated financial statements have been prepared based on historical cost basic.

(ii) Functional and presentation currency

The functional currency of each Group entity is determined based on the primary economic environment in which the entity operates. The consolidated financial statements are presented in New Taiwan Dollar (NTD), which is the Group's functional currency. All financial information presented in NTD has been rounded to the nearest thousand.

(c) Basis of consolidation

(i) Principles of preparation of the consolidated financial statements

The consolidated financial statements comprise the Group and subsidiaries. Subsidiaries are entities controlled by the Group. The Group 'controls' an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases. Intragroup balances and transactions, and any unrealized income and expenses arising from Intragroup transactions are eliminated in preparing the consolidated financial statements. The Group attributes the profit or loss and each component of other comprehensive income to the owners of the parent and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

(ii) List of subsidiaries in the consolidated financial statements

Name of investor	Name of subsidiary	Principal activity	Shareholding			Description
			March 31, 2025	December 31, 2024	March 31, 2024	
The Company	Clean Slate Ltd.	Obtain foreign intellectual property and investment holding	100%	100%	100%	Founded in November 1998. As of March 31, 2025, the value of authorized ordinary shares amounted to USD2,512 thousand.
Clean Slate Ltd.	Insyde Software Inc.	Sale of software and service rendered	100%	100%	100%	Founded on December 15, 2006. As of March 31, 2025, the value of authorized ordinary shares amounted to USD 1.
The Company	Insyded Software LTD.	Sale of software and service rendered	100%	100%	100%	Founded on July 20, 2012. As of March 31, 2025, the value of authorized ordinary shares amounted to USD 5,500 thousand.

(d) Foreign currencies

(i) Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of the G at the exchange rates at the dates of the transactions. At the end of each subsequent reporting period, monetary items denominated in foreign currencies are translated into the functional currencies using the exchange rate at that date. Non-monetary items denominated in foreign currencies that are measured at fair value are translated into the functional currencies using the exchange rate at the date that the fair value was determined. Non-monetary items denominated in foreign currencies that are measured based on historical cost are translated using the exchange rate at the date of the transaction.

Exchange differences are generally recognized in profit or loss, except for those differences relating to the following, which are recognized in other comprehensive income:

1) an investment in equity securities designated as at fair value through other comprehensive income;
2) a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; or
3) qualifying cash flow hedges to the extent that the hedges are effective.

(ii) Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated into the presentation currency at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into the presentation currency at the average exchange rate. Exchange differences are recognized in other comprehensive income.

When a foreign operation is disposed of such that control, significant influence, or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. When The Group disposes of only part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to non-controlling interests. When The Group disposes of only part of its investment in an associate or joint venture that includes a foreign operation while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

When the settlement of a monetary receivable from or payable to a foreign operation is neither planned nor likely to occur in the foreseeable future, Exchange differences arising from such a monetary item that are considered to form part of the net investment in the foreign operation are recognized in other comprehensive income.

(e) Classification of current and non-current assets and liabilities

The Group classifies the asset as current under one of the following criteria, and all other assets are classified as non-current.

(i) It is expected to be realized, or intended to be sold or consumed, in the normal operating cycle;

(ii) It is held primarily for the purpose of trading;

(iii) It is expected to be realized within twelve months after the reporting period; or

(iv) The asset is cash or a cash equivalent (as defined in IAS 7) unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

The Group classifies the liability as current under one of the following criteria, and all other liabilities are classified as non-current.

An entity shall classify a liability as current when:

(i) It is expected to be settled in the normal operating cycle;

(ii) It is held primarily for the purpose of trading;

(iii) It is due to be settled within twelve months after the reporting period; or

(iv) The Group does not have the right at the end of the reporting period to defer settlement of the liability for at least twelve months after the reporting period.

(f) Cash and cash equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value. Time deposits which meet the above definition and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes should be recognized as cash equivalents.

Time deposits maturity with three months to one year which meet the above definition and are held for the purpose of meeting short term cash commitments rather than for investment or other purposes, and can be readily converted to fixed amount of cash with minimal risk of change in value, should be recognized as cash equivalents.

(g) Financial instruments

Trade receivables and debt securities issued are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Group becomes a party to the contractual provisions of the instrument. A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

(i) Financial assets

The Group major financial assets is amortized cost.

The Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

1) Financial assets measured at amortized cost

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

These assets are subsequently measured at amortized cost, which is the amount at which the financial asset is measured at initial recognition, plus/minus, the cumulative amortization using the effective interest method, adjusted for any loss allowance. Interest income, foreign currency exchange gains and losses, as well as impairment, are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

(ii) Impairment of financial assets

The Group recognizes loss allowances for expected credit losses (ECL) on financial assets measured at amortized cost (including cash and cash equivalents, amortized costs, trade receivables and notes receivable, other receivables, guarantee deposit paid and other financial assets).

Loss allowance for trade receivables are always measured at an amount equal to lifetime ECL.

Lifetime ECL are the ECL that result from all possible default events over the expected life of a financial instrument.

12-month ECL are the portion of ECL that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECL is the maximum contractual period over which the Group is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, The Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on The Group's historical experience and informed credit assessment as well as forward-looking information.

ECL are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e the difference between the cash flows due to The Group in accordance with the contract and the cash flows that The Group expects to receive). ECL are discounted at the effective interest rate of the financial asset.

At each reporting date, The Group assesses whether financial assets carried at amortized cost and debt securities at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer；
- a breach of contract such as a default or being more than 90 days past due；
- the lender of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession that the lender would not otherwise consider；
- it is probable that the borrower will enter bankruptcy or other financial reorganization；or
- the disappearance of an active market for a security because of financial

difficulties.

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets. For debt securities at FVOCI, the loss allowance is charge to profit or loss and is recognized in other comprehensive income instead of reducing the carrying amount of the asset.

The gross carrying amount of a financial asset is written off when The Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For corporate customers, The Group individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Group expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with The Group's procedures for recovery of amounts due.

(iii) Financial liabilities and equity instruments

1) Classification of debt or equity instruments

Debt or equity instruments issued by the Group are classified as financial liabilities or equity instruments in accordance with the substance of the contractual agreement.

Equity instruments refer to surplus equities of the assets after the deduction of all the debts for any contracts. Equity instruments issued are recognized based on amount of consideration received less the direct issuance cost.

2) Financial liabilities at fair value through profit or loss

A financial liability is classified in this category if it is classified as held-for-trading or is designated as such on initial recognition. A financial liability is classified as held-for-trading if it is acquired principally for the purpose of selling in the short term. Financial liabilities, other than the ones classified as held-for-trading, are designated as at fair value through profit or loss at initial recognition under one of the following situations:

- Such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognizing the gains and losses on them on a different basis;
- Performance of the financial liabilities is evaluated on a fair value basis;
- A hybrid instrument contains one or more embedded derivatives.

Attributable transaction costs are recognized in profit or loss as incurred. Financial liabilities at fair value through profit or loss are measured at fair value, and changes therein, which take into account any interest expense, are recognized in profit or loss, under other gains and losses of non-operating income and expenses.

(iv) Other financial liabilities

At initial recognition, financial liabilities not classified as held-for-trading, or designated as at fair value through profit or loss, which comprise of loans and borrowings, and trade and other payables, are measured at fair value, plus, any directly attributable transaction cost. Subsequent to initial recognition, they are measured at amortized cost using the effective interest method. Interest expense not capitalized as capital cost is recognized in profit or loss, under other gains and losses of non-operating income and expenses.

(v) Derecognition of financial liabilities

A financial liability is derecognized when its contractual obligation has been discharged or cancelled or expires.

(vi) Offsetting of financial assets and liabilities

Financial assets and liabilities are presented on a net basis when the Group has the legally enforceable rights to offset, and intends to settle such financial assets and liabilities on a net basis or to realize the assets and settle the liabilities simultaneously.

(h) Derivative financial instruments and hedge accounting

The Group holds derivative financial instruments to hedge its foreign currency and interest rate exposures. Derivatives are recognized initially at fair value, and attributable transaction costs are recognized in profit or loss as incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are recognized in profit or loss and included in statement of comprehensive income. When a derivative is designated as a hedging instrument, its timing of recognition in profit or loss is determined based on the nature of the hedging relationship. When the fair value of a derivative instrument is positive, it is classified as a financial asset, and when the fair value is negative, it is classified as a financial liability.

Embedded derivatives are separated from the host contract and accounted for separately when the economic characteristics and risk of the host contract and of the embedded derivatives are not closely related.

(i) Property, plant and equipment.

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure that is directly attributed to the acquisition of the asset.

The cost of a self-constructed asset comprises material, labor, any cost directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, and any borrowing cost that eligible for capitalization. Cost also includes transfers from equity of any gain or loss on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment. The cost of the software is capitalized as part of the property, plant and equipment if the purchase of the software is necessary for the property, plant and equipment to be capable of operating.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately, unless the useful life and the depreciation method of the significant part of an item of property, plant and equipment are the same as the useful life and depreciation method of another significant part of that same item.

The gain or loss arising from the derecognition of an item of property, plant and equipment is determined on the difference between the net disposal proceeds, if any, and the carrying amount of the item, and is recognized in profit or loss account as other gains and losses.

(ii) Subsequent cost

Subsequent expenditure is capitalized only when it is probable that the future economic benefits associated with the expenditure will flow to the Group. The carrying amount of those parts that are replaced is derecognized. Ongoing repairs and maintenance is expensed as incurred.

(iii) Depreciation

The depreciable amount of an asset is determined after deducting its residual amount and is allocated using the straight-line method over its useful life. The items of property, plant and equipment with the same useful life may be grouped in determining the depreciation charge. The remainder of the items may be depreciated separately. The depreciation charge for each period is recognized in profit or loss. If there is reasonably certainty that the lessee will obtain ownership by the end of the lease term, the period of expected use is the useful life of the leasehold improvements and leased asset; otherwise, the asset is depreciated over the shorter of the lease term and its useful life.

The estimated useful lives for the current and comparative years of significant items of property, plant and equipment are as follows:

1) Building 22 years
2) Fixtures and fittings 3~5 years
3) Leasehold improvements 1~3 years

Depreciation methods, useful lives, and residual values are reviewed at each reporting date. If expectations differ from the previous estimates, the change(s) is accounted for as a change in an accounting estimate.

(iv) Disposal

Any gain or loss on disposal of an item of property, plant and equipment is recognized in profit or loss.

(j) Leases

(i) Identifying a lease

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

(ii) As a leasee

The Group recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be reliably determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

1) fixed payments, including in-substance fixed payments;
2) variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
3) amounts expected to be payable under a residual value guarantee; and
4) payments for purchase or termination options that are reasonably certain to be exercised.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when:

1) there is a change in future lease payments arising from the change in an index or rate; or
2) there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee; or
3) there is a change in the lease term resulting from a change of its assessment on

whether it will exercise an option to purchase the underlying asset, or

4) there is a change of its assessment on whether it will exercise a extension or termination option; or

5) there is any lease modification

When the lease liability is remeasured, other than lease modifications, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or in profit and loss if the carrying amount of the right-of-use asset has been reduced to zero.

When the lease liability is remeasured to reflect the partial or full termination of the lease for lease modifications that decrease the scope of the lease, the Group accounts for the remeasurement of the lease liability by decreasing the carrying amount of the right-of-use asset to reflect the partial or full termination of the lease, and recognize in profit or loss any gain or loss relating to the partial or full termination of the lease.

The Group presents right-of-use assets that do not meet the definition of investment and lease liabilities as a separate line item respectively in the statement of financial position.

The Group has elected not to recognize right-of-use assets and lease liabilities for short-term leases of computer machinery that have a lease term of 12 months or less and leases of low-value assets, including IT equipment. The Group recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(k) Intangible assets

(i) Research & Development

During the research phase, activities are carried out to obtain and understand new scientific or technical knowledge. Expenditures during this phase are recognized in profit or loss as incurred.

Expenditures arising from the development phase shall be recognized as an intangible asset if all the conditions described below can be demonstrated; otherwise, they will be recognized in profit or loss as incurred.

1) The technical feasibility of completing the intangible asset so that it will be available for use or sale.
2) Its intention to complete the intangible asset and use or sell it.
3) Its ability to use or sell the intangible asset.
4) How the intangible asset will generate probable future economic benefits.
5) The availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset.
6) Its ability to measure reliably the expenditure attributable to the intangible asset during its development.

(ii) Other intangible assets

Other intangible assets that are acquired by the Group are measured at cost, less accumulated amortization and any accumulated impairment losses.

(iii) Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognized in profit or loss as incurred.

(iv) Amortization

The amortizable amount is the cost of an asset, or other amount substituted for cost, less its residual value.

Amortization is recognized in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill and intangible assets with all indefinite useful life, from the date that they are available for use. The estimated useful lives for the current and comparative periods are as follows:

1) Trademarks 10 years
2) Patents 7~15 years
3) Computer software 1.5~10 years

The residual value, the amortization period, and the amortization method for an intangible asset with a finite useful life shall be reviewed at least annually at each fiscal year-end. Any change shall be accounted for as changes in accounting estimates.

(l) Impairment of non-financial assets

The Group evaluates the impairment losses and estimates the recoverable amounts of the impaired assets on each reporting date in terms of inventories, contract assets, deferred tax assets, assets arising from employee benefits and non-financial assets other than non-current assets held for sale. If it is not possible to determine the recoverable amount (fair value less cost to sell and value in use) for the individual asset, then the Group determines the recoverable amount for the asset's cash-generating unit (CGU).

The recoverable amount for individual asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use. If, and only if, the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss. An impairment loss is recognized immediately in profit or loss.

The Group assesses at the end of each reporting period whether there is any indication that an impairment loss recognized in prior periods for an asset other than goodwill may no longer exist or may have decreased. If any such indication exists, the Group estimates the recoverable amount of that asset.

Notwithstanding whether indicators exist, recoverability of goodwill and intangible assets with indefinite useful lives or those not yet in use are tested at least annually. Impairment loss is recognized if the recoverable amount is less than the carrying amount. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the acquirer's cash-generating units, or groups of cash-generating units, that is expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquire are assigned to those units or group of units.

If the carrying amount of the cash-generating units exceeds the recoverable amount of the unit, the Group recognizes the impairment loss and the impairment loss is allocated to reduce the carrying amount of each asset in the unit.

Reversal of an impairment loss for goodwill is prohibited.

(m)Revenue

(i) Revenue from contracts with customers

1) Software licenses and installation services

Licenses for software provide the customer with a right to use software and installation services owned by the Group, and the revenue is recognized in accordance with the agreement. Revenue is recognized based on the actual quantity of the software purchased or services are rendered with the completion of the contract, or in installments over the license period. The Group also provides software OEM and other technical services to customers. Revenue is recognized when services are rendered in accordance with the agreement and the amount is measurable. Related costs and expenses are also recognized in the current period.

Except for the above accounting policy, the following are effective on and after January 1, 2018:

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring goods or services to the customer. The Group recognizes revenue when it satisfies a performance obligation by transferring control of a good or a service to the customer. Some contracts include multiple deliverables, such as the installation of software. In most cases, the installation is simple, does not include integrated services, and could be performed by other parties. It is therefore accounted for as a separate performance obligation. In this case, the transaction price is allocated to each performance obligation based on the stand-alone selling price. Where prices are not directly observable, they are estimated based on the expected cost plus margin. Estimates of revenues, costs and extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in revenues are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known to the management.

In case of fixed-price contracts, the customer pays the fixed amount based on the payment schedule. If the services rendered by the Group exceed the payment, a contract asset is recognized. If the payments exceed the services rendered, a contract liability is recognized.

If the contract includes the hourly fee, the revenue is recognized in the amount to which the Group has the right to issue invoices. Customers are invoiced on a monthly basis, and the consideration is payable when invoiced.

2) Financing components

The Group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

(n) Employee benefits

(i) Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided.

(ii) Short term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognized for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

(o) Share-based payment

The grant-date fair value of share-based payment awards granted to employee is recognized as employee expenses, with a corresponding increase in equity, over the period that the employees become unconditionally entitled to the awards. The amount recognized as an expense is adjusted to reflect the number of awards which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognized as an expense is based on the number of award that meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions, and there is no true-up for differences between expected and actual outcomes.

(p) Income taxes

Income tax expenses include both current taxes and deferred taxes. Except for expenses related to business combinations or recognized directly in equity or other comprehensive income, all current and deferred taxes shall be recognized in profit or loss.

Current taxes include tax payables and tax deduction receivables on taxable gains (losses) for the year calculated using the statutory tax rate on the reporting date or the actual legislative tax rate, as well as tax adjustments related to prior years.

Deferred taxes arise due to temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases. Deferred taxes shall not be recognized for the following exceptions:

(i) Assets and liabilities that are initially recognized but are not related to the business combination and have no effect on net income or taxable gains (losses) during the transaction.

(ii) Temporary differences arising from equity investments in subsidiaries or joint ventures where there is a high probability that such temporary differences will not reverse.

(iii) Initial recognition of goodwill.

Deferred tax assets and liabilities shall be measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled based on tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities may be offset against each other if the following criteria are met:

(i) The entity has the legal right to settle tax assets and liabilities on a net basis; and

(ii) the taxing of deferred tax assets and liabilities fulfill one of the below scenarios:

   1) levied by the same taxing authority; or

   2) levied by different taxing authorities, but where each such authority intends to settle tax assets and liabilities (where such amounts are significant) on a net basis every year of the period of expected asset realization or debt liquidation, or where the timing of asset realization and debt liquidation is matched.

A deferred tax asset should be recognized for the carry-forward of unused tax losses, unused tax credits, and deductible temporary differences to the extent that it is probable that future taxable profit will be available against which the unused tax losses, unused tax credits, and deductible temporary differences can be utilized. Such unused tax losses, unused tax credits, and deductible temporary differences shall also be re-evaluated every year on the financial reporting date, and they shall be adjusted based on the probability that the related income tax benefit will be realized.

The income tax expenses have been prepared and disclosed in accordance with paragraph B12 of IAS 34 “Interim Financial Reporting”.

Income tax expenses for the period are measured by multiplying together the pre-tax income for the interim reporting period and the management’s best estimate of effective annual tax rate. This should be recognized fully as tax expense for the current period (and allocated to current and deferred taxes based on its proportionate size).

For a change in tax rate that is substantively enacted in an interim period, the effect of the change should immediately be recognized in the interim period in which the change occurs.

Temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases shall be measured based on the tax rates that have been enacted or substantively enacted at the time of the asset or liability is recovered or settled, and be recognized directly in equity or other comprehensive income as tax expense.

The subsidiary, Clean Slate Ltd., was founded in the British Virgin Islands and is exempt from tax on its income under the Act.

Insyde Software Inc., a second-tier subsidiary, was founded in the United States and its income tax is assessed at the income tax rate set by the local government in the United States.

The subsidiary, Insyde Software LTD., was founded in mainland China, and its income tax expense is assessed at the tax rate prescribed by the local government in mainland China for pre-tax accounting income.

According to the laws of each country of incorporation, the income tax of the consolidated company shall be reported by each company, cannot be declared on a consolidated basis.

(q) Earnings per share

The Group discloses the basic and diluted earnings per share attributable to ordinary shareholders of the Group. Basic earnings per share is calculated as the profit attributable to ordinary shareholders of the Group divided by the weighted average number of ordinary shares outstanding. Diluted earnings per share is calculated as the profit attributable to ordinary shareholders of the Group divided by the weighted average number of ordinary shares outstanding after adjustment for the effects of all potentially dilutive ordinary shares, such as convertible bonds and employee compensation.

(r) Operating segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the Group). Operating results of the operating segment are regularly reviewed by the Group's chief operating decision maker to make decisions about resources to be allocated to the segment and to assess its performance. Each operating segment consists of standalone financial information.

(5) Significant accounting assumptions and judgments, and major sources of estimation uncertainty:

The preparation of the consolidated financial statements in conformity with the Regulations and IAS 34 "Interim Financial Reporting" endorsed by the FSC requires management to make judgments, estimates, and assumptions that affect the application of the accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The management continues to monitor the accounting estimates and assumptions. It recognizes any changes in accounting estimates during the period and the impact of those changes in accounting estimates in the future periods.

(6) Explanation of significant accounts

(a) Cash and cash equivalents

	March 31, 2025	December 31, 2024	March 31, 2024
Cash on hand	408	392	386
Demand deposits	49,796	62,978	50,998
Foreign currency deposits	515,045	437,084	463,559
Cash equivalents	649,658	657,037	408,495
Total	**1,214,907**	**1,157,491**	**923,438**

Time deposits maturity with three months to one year held for the purpose of meeting short-term cash commitments are classified as cash and cash equivalents because they can be converted to a fixed amount of cash at any time, and the risk of changes in value is minimal.

Please refer to note 6(n) for the exchange rate risk, interest rate risk, and sensitivity analysis of the financial assets and liabilities of the Group.

(b) Trade receivables

	March 31, 2025	December 31, 2024	March 31, 2024
Trade receivables from operating activities	229,496	216,030	215,983
Less: Loss allowance	(578)	(578)	(578)
Net amount	**228,918**	**215,452**	**215,405**

Please refer to note 6(n) for the marketing risk and credit risk of the Group.

(c) Property, plant and equipment

		Lands	Buildings	Fixtures and fittings	Leasehold improvements	Total
Cost	Balance on January 1, 2025	13,423	47,944	78,825	55,998	196,190
	Additions			1,911	-	1,911
	Transfer in	-	-	86	-	86
	Disposal	-	-	(45)	-	(45)
	Effect of movements in exchange rates	-	-	152	35	187
	Balance on March 31, 2025	**13,423**	**47,944**	**80,929**	**56,033**	**198,329**
	Balance on January 1, 2024	-	-	69,631	55,272	124,903
	Additions	-	-	2,430	-	2,430

		Lands	Buildings	Fixtures and fittings	Leasehold improvements	Total
	Transfer in			1,840	-	1,840
	Disposal	-	-	(1,516)	-	(1,516)
	Effect of movements in exchange rates	-	-	239	81	320
	Balance on March 31, 2024	**-**	**-**	**72,624**	**55,353**	**127,977**
Accumulated depreciation	Balance on January 1, 2025	-	703	55,616	54,901	111,220
	Depreciation	-	521	3,355	293	4,169
	Disposal	-	-	(36)	-	(36)
	Effect of movements in exchange rates	-	-	114	26	140
	Balance on March 31, 2025	**-**	**1,224**	**59,049**	**55,220**	**115,493**
	Balance on January 1, 2024	-	-	46,576	53,593	100,169
	Depreciation	-	-	3,285	316	3,601
	Disposal	-	-	(1,516)	-	(1,516)
	Effect of movements in exchange rates	-	-	170	43	213
	Balance on March 31, 2024	**-**	**-**	**48,515**	**53,952**	**102,467**
Carrying amounts	**Balance on March 31, 2025**	**13,423**	**46,720**	**21,880**	**813**	**82,836**
	Balance on December 31, 2024	**13,423**	**47,241**	**23,209**	**1,097**	**84,970**
	Balance on March 31, 2024	**-**	**-**	**24,109**	**1,401**	**25,510**

For the consideration of its sustainable operation, the Company entered into an agreement on March 29, 2024 to purchase the real estate in Taichung for its office use at the amount of NT$63,000 thousand, wherein the ownership certificate was obtained on September 5, 2024.

(d) Right-of-use assets

	January 1, 2025	Additions	Less	Effect of movements in exchange rates	March 31, 2025
Cost	145,120	12,203	3,551	533	154,305
Accumulated depreciation	75,341	12,418	3,551	321	84,529
Carrying amounts	69,779	(215)	-	212	69,776

	January 1, 2024	Additions	Less	Effect of movements in exchange rates	March 31, 2024
Cost	150,840	265	1,943	1,027	150,189
Accumulated depreciation	46,996	12,172	1,943	570	57,795
Carrying amounts	103,844	(11,907)	-	457	92,394

(e) Intangible assets

		Trademarks	Patents	Computer software－internally developed	Computer software－purchased	Total
Cost	Balance on January 1, 2025	281	366,620	74,479	57,711	499,091
	Additions	19	-	-	1,955	1,974
	Effect of movements in exchange rates	-	615	-	103	718
	Balance on March 31, 2025	**300**	**367,235**	**74,479**	**59,769**	**501,783**
	Balance on January 1, 2024	281	359,885	74,479	56,800	491,445
	Additions	-	-	-	96	96
	Effect of movements in exchange rates	-	1,912	-	257	2,169
	Balance on March 31, 2024	**281**	**361,797**	**74,479**	**57,153**	**493,710**
Accumulated amortization	Balance on January 1, 2025	270	332,824	74,479	54,317	461,890
	Amortization	1	1,109	-	1,080	2,190
	Effect of movements in exchange rates	-	615	-	75	690
	Balance on March 31, 2025	**271**	**334,548**	**74,479**	**55,472**	**464,770**
	Balance on January 1, 2024	251	325,550	74,479	49,508	449,788
	Amortization	6	1,007	-	1,180	2,193
	Effect of movements in exchange rates	-	1,912	-	133	2,045
	Balance on March 31, 2025	**257**	**328,469**	**74,479**	**50,821**	**454,026**
Carrying amounts	**Balance on March 31, 2025**	**29**	**32,687**	**-**	**4,297**	**37,013**
	Balance on December 31, 2024	**11**	**33,797**	**-**	**3,393**	**37,201**
	Balance on March 31, 2024	**24**	**33,328**	**-**	**6,332**	**39,684**

	Consolidated statement of comprehensive income	**For the three months ended March 31**	
		2025	**2024**
The amortization of intangible assets	Operating expenses	2,190	2,193
Research and development expenses, related to internally developed intangible assets	Operating expenses	128,541	135,782

(f) Lease liabilities

	March 31, 2025	December 31, 2024	March 31, 2024
Current lease liabilities	48,328	46,670	45,104
Non-current lease liabilities	23,165	24,915	49,352
Total	**71,493**	**71,585**	**94,456**

		For the three months ended March 31	
		2025	2024
Consolidated statement of comprehensive income	Interest expense	436	580
Consolidated statements of cash flows	Payment of lease liabilities	12,958	12,721

On March 31, 2025, the Group leases buildings for its office space, which are typically leased for a period of 1 to 5 years.

(g) Employee benefits

(i) Defined benefit plans

As of March 30, 2023, the Group applied for the settlement of the old pension plan in accordance with the Labor Standards Act and the Labor Pension Act. On April 20, 2023, the Group has received approval from the Ministry of Labor. The Group no longer has any Taiwanese employees who meet the criteria for the defined benefit plan in 2024.

(ii) Defined contribution plans

The Group shall apply the Taiwan Determination Pension Contribution Method to make the pension expenses, and the pension expenses have been allocated to the Labor Insurance Bureau. The foreign consolidated company shall make pension expenses in accordance with local laws and regulations.

The breakdown of the pension allocation of the Group was as follows:

	For the three months ended March 31	
	2025	2024
Selling expenses	413	363
Administrative expenses	1,106	1,123
Research and development expenses	8,655	7,633
Total	**10,174**	**9,119**

(iii) Short-term employee benefit liability - Employee benefit payable and compensated absences liability were as follows:

	March 31, 2025	December 31, 2024	March 31, 2024
Employee benefit liability (Accrued for the current period)	13,396	56,575	11,931
Employee benefit liability (Unpaid accrued from previous period)	56,575	-	30,115
Compensated absences payable	12,694	12,694	12,694
Total	**82,665**	**69,269**	**54,740**

(h) Income taxes

(i) Income taxes

	For the three months ended March 31	
	2025	2024
Current tax expense:		
Current period	18,515	18,515
Adjustment for prior periods	-	-
Subtotal current tax expense	**18,515**	**18,515**
Deferred tax expense:		
Origination and reversal of temporary differences	2,187	1,288
Subtotal deferred tax expense	2,187	1,288
Income tax expense from continuing operations	**20,702**	**19,803**

There was no recognized income tax expenses (income) under other comprehensive income for the three months ended March 31, 2025 and 2024.

(i) Income tax rate:

1) For entities subject to the Income Tax Act of the Republic of China for the year 2025 and 2024, the tax rate applicable to the Group shall be 20%.
2) The federal tax rate applicable to U.S. subsidiaries is 21%, and the state tax rate is calculated according to the provisions of each state's tax system.
3) The applicable tax rate for mainland China subsidiaries is 25%.

(ii) The Group’s tax returns for the years through 2022 have been approved by the Taipei National Tax Administration.

(i) Capital and other equity

(i) Ordinary Shares

	March 31, 2025	December 31, 2024	March 31, 2024
The value of authorized ordinary shares	$800,000	$800,000	$600,000
The number of authorized ordinary shares (in thousands of shares)	80,000	80,000	60,000
The number of issued ordinary shares (in thousands)	45,652	45,652	38,044

The total amount of authorized share capital consists of common stock and preferred stock mentioned above, with a par value of $10 per share. All issued shares were paid up upon issuance.

(ii) Capital surplus

	March 31, 2025	December 31, 2024	March 31, 2024
Premium of common stock	48,769	48,769	48,769
Long-term investments	281	281	281
Other	18,427	18,427	18,427
Total	**67,477**	**67,477**	**67,477**

According to the R.O.C. Company Act, capital surplus can only be used to offset a deficit, and only the realized capital surplus can be used to increase the common stock or be distributed as cash dividends. The aforementioned realized capital surplus includes capital surplus resulting from premium on issuance of capital stock and earnings from donated assets received. According to the Regulations Governing the Offering and Issuance of Securities by Securities Issuers, capital increases by transferring capital surplus in excess of par value should not exceed 10% of the total common stock outstanding.

(iii) Retained earnings

The Group's article of incorporation stipulates that Group's net earnings should first be used to offset the prior years' deficits, if any, before paying any income taxes. Of the remaining balance, 10% is to be appropriated as legal reserve, and then any remaining profit together with any undistributed retained earnings shall be distributed according to the distribution plan proposed by the Board of Directors and submitted to the stockholders' meeting for approval. The Group authorizes the board of directors, with the attendance of more than two-thirds of the directors and a resolution passed by a majority of the attending directors, to distribute all or part of the shareholders' dividends and bonuses, capital surplus, or legal reserve in cash, and report to the shareholders' meeting.

For dividend distribution, the surplus dividend policy will be adopted based on the future operational planning, business development, capital expenditure budget and requirement of capital fund. Distribution of dividend may be made by cash dividend or by stock dividend, provided that the percentage of cash dividend shall exceed 10% of total distributed dividend, and the plan of distribution shall be proposed by the Board of Directors and shall be implemented after the distribution plan is approved by Shareholder' Meetings. Shareholders of the Group dividend distribution, of which cash dividends shall not be lower than 10% of the total shareholders' dividends distributed for the same year.

1) Legal reserve

When a company incurs no loss, it may, pursuant to a resolution by a shareholders' meeting, distribute its legal reserve by issuing new shares or by distributing cash, and only the portion of legal reserve which exceeds 25% of capital may be distributed.

2) Special reserve

In accordance with Ruling No. 1010012865 issued by the FSC on April 6, 2012, a portion of current earnings and previous unappropriated earnings shall be set aside as a special reserve during earnings distribution. The amount to be set aside should equal the total amount of contra accounts that are accounted for as deductions to other equity interests. A portion of previous unappropriated earnings shall be set aside as a special reserve, which should not be distributed, to account for cumulative changes to other equity interests pertaining to prior periods. The special reserve shall be made available for appropriation when the net deductions of other equity interests are reversed in the subsequent periods.

3) Earnings distribution

	Earnings distribution	**2024**	**2023**
Date	Date of the board of directors	**2025.02.27**	**2024.02.29**
	Date of shareholders meeting	**2025.05.27**	**2024.05.21**
Amount per share	Cash	6.5 (Approval by the board of directors)	2.5 (Approval by the board of directors)
	Shares	0	2.0 (Proposed by the board of directors)
	Amount per share	6.5 (Approval by the board of directors)	4.5 (Approval by the board of directors)

Dividends distributed to ordinary shareholder	Cash (thousand)	296,739 (Approval by the board of directors)	95,109 (Approval by the board of directors)
	Shares (thousand)	0	76,087 (Proposed by the board of directors)
	Total	296,739 (Approval by the board of directors)	171,196 (Approval by the board of directors)

(j) Earnings per share

	For the three months ended March 31	
	2025	**2024**
Basic earnings per share:		
Profit of the Company for the year	77,655	71,981
Weighted average number of ordinary shares	45,652	45,652
Weighted average number of ordinary shares	**1.70**	**1.58**
Profit attributable to ordinary shareholders of the Company (diluted)	77,655	71,981
Weighted average number of ordinary shares	45,652	45,652
Effect of dilutive potential ordinary shares －Effect of employee share bonus	300	215
Weighted average number of ordinary shares (diluted)	45,952	45,867
Diluted earnings per share	**1.69**	**1.56**

(k) Revenue from contracts with customers

(i) Details of revenue

The major business activities of the Group are the software design and development, installation, and program modification, and other professional information services, which is a standalone industry department. For the details of products and regional revenue, please refer to note 14(c) and 14(d).

(ii) Contract balances

	March 31, 2025	**December 31, 2024 (January 1, 2025)**	**March 31, 2024**
Trade receivables	229,496	216,030	215,983
Less: allowance for impairment	(578)	(578)	(578)
Total	**228,918**	**215,452**	**215,405**
Current contract liabilities	147,971	117,783	95,837

Non-current contract liabilities	3,928	6,321	7,720
Contract liabilities —Licensing service	**151,899**	**124,104**	**103,557**

	For the three months ended March 31	
	2025	**2024**
The amount of revenue recognized was transferred from contractual liabilities in the respective quarter of the years.	52,607	31,055

For details on trade receivables and allowance for impairment, please refer to note 6(n).

(l) Employee', directors' and supervisors' remuneration

In accordance with the new Company Act of Article 231-1 was formulated in 2015 and the articles of incorporation was formulated in June 2016. The Group should contribute 10%~15% of the profit as employee remuneration and less than 3% as directors' and supervisors' remuneration when there is profit for the year. However, if the Group has accumulated deficits, the profit should be reserved to offset the deficit.

Operating expenses	For the three months ended March 31	
	2025	**2024**
Employees' remuneration	13,396	11,931
Directors' and supervisors' remuneration	2,679	2,386
Total	**16,075**	**14,317**

The estimated amounts mentioned above are based on the net profit before tax without the remunerations to employees, directors, and supervisors of each respective ending period, multiplied by the percentage of the compensation to employees, directors, and supervisors, which was approved by the management. The differences between the amounts estimated and recognized in the financial statements, if any, are accounted for as changes in accounting estimates and recognized as profit or loss in the distribution year.

The amounts as started in the financial statements are identical to those of the actual distributions for 2024 and 2023. Related information would be available on the Market Observation Post System website.

(m) Non-operating income and expenses

(i) Other income

	For the three months ended March 31	
	2025	**2024**
Interest income	6,056	5,423

(ii) Other gains and losses

	For the three months ended March 31	
	2025	**2024**
Foreign currency exchange (losses) gains	11,235	7,848
(Losses)gains on disposals of property, plant and equipment	(8)	-
Other	464	402
Total	**11,691**	**8,250**

(iii) Finance costs

	For the three months ended March 31	
	2025	**2024**
Interest expense (Lease liabilities)	(436)	(580)

(n) Financial instruments

(i) Financial risk management objectives

The Group manages the financial risks associated with its operating activities by controlling market risk (foreign currency risk), credit risk, and liquidity risk. In order to reduce the related financial risks, the Group strives to identify, evaluate and hedge market uncertainties, so as to minimize the potential adverse effects of market changes on the Group's financial performance.

(ii) Risk Management Framework

The establishment of the Company's risk management policy is to identify and analyze the risks faced by the Company, and to regularly review it to reflect the market conditions and changes in the Company's operations. The Company develops a disciplined and constructive control environment through training, management guidelines, and operational procedures, ensuring that all employees understand their roles and responsibilities.

The audit committee of the Company oversees the compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework related to the risks faced by the Company. Internal auditors assist the audit committee in performing its supervisory role.

(iii) Market risk (foreign currency risk)

The Group is mainly exposed to market risk from changes in foreign currency exchange rates, using certain derivative financial instruments to manage the related risk.

1) Foreign currency exchange rate risk

The Group's financial assets and liabilities exposed to significant foreign currency risk are as follows:

Financial assets Monetary items									
Currency	March 31, 2025			December 31, 2024			March 31, 2025		
	Foreign currency	Exchange rate	TWD	Foreign currency	Exchange rate	TWD	Foreign currency	Exchange rate	TWD
USD	5,267	33.15	174,596	4,045	32.74	132,440	5,898	31.95	188,434
JPY	17,955	0.2207	3,963	13,466	0.2082	2,804	17,205	0.2096	3,606
CNY	3,973	4.55	18,078	1,650	4.455	7,352	19,825	4.387	86,972
Financial liabilities Monetary items									
Currency	March 31, 2025			December 31, 2024			March 31, 2025		
	Foreign currency	Exchange rate	TWD	Foreign currency	Exchange rate	TWD	Foreign currency	Exchange rate	TWD
USD	259	33.15	8,580	24	32.74	775	17	31.95	543
CNY	1,378	4.55	6,268	1,382	4.455	6,157	1,238	4.387	5,433
Financial assets and liabilities, net			**181,789**			**135,664**			**273,036**

Since the Group has many kinds of functional currencies, the information of exchange gains (losses) on monetary items is disclosed by total amount.

	For the three months ended March 31	
	2025	2024
Foreign currency exchange gains (losses) − including realized and unrealized portions	11,235	7,848

Most of the Group's sales activities are denominated in foreign currencies. Consequently, the Group is exposed to foreign currency risk. To prevent the reduction in the value of foreign-currency assets and the fluctuation of future cash flows due to changes in foreign exchange rates, the Group enters into forward exchange contracts with financial institutions for the purpose of trading to hedge the exchange rate risk.

The use of such derivative financial instruments can help the Group to reduce, but cannot completely eliminate, the impact of changes in foreign currency exchange rates.

The maturity dates of the derivative financial instruments undertaken by the Group are less than six months and do not meet the conditions for hedging accounting.

The Group's exposure to foreign currency risk arises from the translation of the foreign currency exchange gains and losses on cash and cash equivalents, trade and other payables that are denominated in foreign currency.

Regarding the sensitivity analysis of foreign currency exchange rate risk, the Group's exposure to foreign currency risk arises from the translation of the foreign currency exchange gains and losses on foreign currency-denominated cash and cash equivalents, trade receivables and other payables.

As of March 31, 2025, and 2024 when all other factors remain unchanged, the sensitivity analysis of strengthening (weakening) of the NTD against the USD, JPY, and CNY was as following:

As of March 31, 2025 and 2024, financial assets and liabilities of monetary items —Sensitivity analysis			The NTD against the USD, JPY, and CNY	
			Strengthening 1%	Weakening 1%
Effect of net profit after tax	**For the three months ended March 31**	**2025**	(1,454)	1,454
		2024	(2,184)	2,184

(iv) Credit risk management

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in a financial loss to the Group. The Group is exposed to credit risk from operating activities, primarily from trade receivables (business related credit risk) and cash and cash equivalents (financial related credit risk).

1) Business related credit risk

In order to maintain the quality of trade receivables, the Group has established management procedures to the credit risk. To reflect the possibility of recovery of trade receivables in the financial report in a timely manner, the Group has specially formulated an assessment method for impairment of trade receivables. To reflect the possibility of recovery of trade receivables in a timely manner in the financial report, the Group has specially formulated an assessment method for impairment of trade receivables. The Group's customers are mainly from the high-tech industry. And to mitigate trade receivables credit risk, the Group constantly assesses the financial status of the customers, and regularly assesses the probability of collection of trade receivables, and requests collateral or guarantee from the counterparties when necessary, and the concentration of trade receivables is as follows.

		March 31, 2025	**December 31, 2024**	**March 31, 2024**
Trade receivables	% of balance	59%	61%	67%
	Aggregated number of customers in the above ratio	9	9	7

The aging analyses of trade receivables was determined as follows:

	March 31, 2025		December 31, 2024		March 31, 2024	
	Gross carrying amount	Loss allowance provision	Gross carrying amount	Loss allowance provision	Gross carrying amount	Loss allowance provision
Current	183,794	-	154,974	-	211,391	-
1 to 90 days past due	38,414	-	60,062	-	4,592	(578)
Over 90 days past due	7,288	(578)	994	(578)	-	-
Total	**229,496**	**(578)**	**216,030**	**(578)**	**215,983**	**(578)**

As of March 31, 2025 and 2024, the allowance for losses is mainly due to the economic environment, where it is expected that several customers will not be able to repay their outstanding balances.

2) Financial credit risk

Cash and cash equivalents were controlled and measurement by the Group's finance segment. The Group's counterparty financial institutions are all banks with good credit ratings, and each bank has decentralized control over the balances of its deposits, so that the Group does not have any significant financial credit risk.

(v) Liquidity risk management

The objective of liquidity risk management is to ensure the Group has sufficient liquidity to maintain cash and cash equivalents for its operations.

The following table shows the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements.

	Carrying amount	Contractual cash flows	Within 6 months	6-12 months	1-2 years	2-5 years
March 31, 2025						
Non-derivative financial liabilities						
Other payables	258,437	258,437	208,918	24,929	24,590	-
Dividend payables	296,739	296,739	296,739	-	-	-
Lease liabilities	71,493	73,121	25,347	24,074	15,287	8,413
Total	626,669	628,297	531,004	49,003	39,877	8,413
December 31, 2024						
Non-derivative financial liabilities						
Other payables	302,660	302,660	204,591	98,069	-	-
Lease liabilities	71,585	72,977	24,675	23,114	23,508	1,680
Total	**374,245**	**375,637**	**229,266**	**121,183**	**23,508**	**1,680**
March 31, 2024						

Non-derivative financial liabilities						
Other payables	213,778	213,778	171,807	23,240	18,731	-
Dividend payables	95,109	95,109	95,109	-	-	-
Lease liabilities	94,456	96,862	24,887	21,877	40,861	9,237
Total	**403,343**	**405,749**	**291,803**	**45,117**	**59,592**	**9,237**

The Group does not expect the cash flows included in the maturity analysis to occur significantly earlier or at significantly different amounts. Based on the current operating conditions, cash and cash equivalents are sufficient to cover the Group's financial liabilities.

(vi) Fair value of financial instruments

1) Fair value and carrying amount

Except for financial liabilities designated as at fair value through profit or loss at the time of original recognition, which are measured at fair value, the carrying amounts of financial assets and financial liabilities measured at fair value through amortized cost in the consolidated financial statements approximate their fair values.

2) Valuation techniques and assumptions for financial instruments measured at fair value

The fair values of financial assets and liabilities are determined using the following techniques and assumptions:

A. Financial instruments traded in active markets are based on quoted market prices.

B. Forward exchange contracts are measured using quoted forward exchange rates and yield curves derived from quoted interest rates over the maturity period of the contracts..

C. The fair value of other financial assets is determined by using the generally accepted evaluation model based on discounted cash flow analysis.

3) Fair value of levels

Fair value of levels was defined as follow:

A. Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

B. Level 2 fair value measurements are those derived from 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).

C. Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

		Fair values			
	Carrying amount	Level 1	Level 2	Level 3	Total
March 31, 2025					
Financial assets					
Cash and cash equivalents	1,214,907	-	-	-	-
Trade receivables	228,918	-	-	-	-
Other current assets	5,980	-	-	-	-
Refundable deposit	13,383	-	-	-	-
Total	1,463,188	-	-	-	-
Financial liabilities					
Other payable	258,437	-	-	-	-
Dividend payables	296,739	-	-	-	-
Lease liabilities	71,493	-	-	-	-
Total	626,669	-	-	-	-
December 31, 2024					
Financial assets					
Cash and cash equivalents	1,157,491	-	-	-	-
Trade receivables	215,452	-	-	-	-
Other current assets	5,980	-	-	-	-
Refundable deposit	13,309	-	-	-	-
Total	**1,392,232**	**-**	**-**	**-**	**-**
Financial liabilities					
Other payable	302,660	-	-	-	-
Lease liabilities	71,585	-	-	-	-
Total	**374,245**	**-**	**-**	**-**	**-**
March 31, 2024					
Financial assets					
Cash and cash equivalents	923,438	-	-	-	-
Trade receivables	215,405	-	-	-	-
Other current assets	5,980	-	-	-	-
Refundable deposit	13,218	-	-	-	-
Total	**1,158,041**	**-**	**-**	**-**	**-**
Financial liabilities					
Other payable	213,778	-	-	-	-
Dividend payables	95,109	-	-	-	-
Lease liabilities	94,456	-	-	-	-
Total	**403,343**	**-**	**-**	**-**	**-**

4) Valuation techniques for financial instruments not measured at fair value

A. Financial assets measured at amortized cost (Held-to-maturity financial assets)

If the quoted prices in active markets are available, the market price is established as the fair value. However, if quoted prices in active markets are not available, the estimated valuation or prices used by counterparties are adopted.

B. Financial assets and financial liabilities measured at amortized cost (current investments in debt instrument without active market) and financial liabilities measured at amortized cost

If there is quoted price generated by transactions, the recent transaction price and quoted price data are used as the basis for fair value measurement. However, if no quoted prices are available, the discounted cash flows are used to estimate fair values.

5) Valuation techniques for financial instruments measured at fair value

A. Non-derivative financial instruments

Financial instruments trade in active markets are based on quoted market prices. The quoted price of a financial instrument obtained from the main exchanges and on-the-run bonds from Taipei Exchange can be used as a base to determine the fair value of the listed companies' equity instrument and debt instrument of the quoted price in an active market. If a quoted price of a financial instrument can be obtained in time and often from exchanges, brokers, underwriters, industrial unions, pricing institutions, or authorities and such price represents actual and frequent arm's-length market transactions, then the financial instrument is considered to have a quoted price in an active market. If a financial instrument is not in compliance with the conditions mentioned above, then the market is considered inactive. In general, wide bid-ask spreads, significant increase in bid-ask spreads or low trading volume are all indicators of an inactive market.

The measurements on fair value of the financial instruments without an active market are determined using the valuation technique or the quoted market price of the counterparties. Fair value measured using the valuation technique can be calculated by reference to the current fair value of other financial instruments with similar substantive terms and characteristics, by discounted cash flow techniques or by using other valuation techniques, including the application of models based on market information available at the date of the consolidated balance sheet.

B. Derivative financial instruments

Measurement of the fair value of derivative instruments is based on the valuation models that are generally accepted by market users. Forward exchange contracts are generally valued based on current forward exchange rates.

(O) Capital management

The Group is a highly labor-intensive industry. It mostly operates with its own funds. Except for the development of new products related to the core business in collaboration with strategic partners in recent years, fundraising has also been conducted through private placement of convertible bonds, with the proportion of capital stock being maintained at approximately 50% ~60%.

The Group's capital management is to ensure that it has the necessary financial resources and operating plans to support the working capital, capital expenditures and dividend payments for the next twelve months.

(7) Related-party transactions

(a) Parent company and ultimate controlling company

The Company is both the parent company and the ultimate controlling party of the Group.

(b) Names and relationship with the Group

The followings are entities that have had transactions with related party during the periods covered in the consolidated financial statements.

Name of related party	**Relationship with the Group**
Professional Computer Technology Limited	The director of board of the Group
Silicon Professional Tech. (China) Ltd.	The third-tier subsidiary of the Professional Computer Technology Limited
All board of directors, general manager, and deputy general manager	The main managements of the Group

(c) Significant transactions with related parties

(i) The related parties provided the sales of agent and management service, and payment were as follows:

	Commission and management services		**Other payables**		
Associates	**For the three months ended March 31**		**March 31, 2025**	**December 31, 2024**	**March 31, 2024**
	2025	**2024**			
Professional Computer Technology Limited					
Management service	710	-	716	707	-
Commission	6,587	9,226	7,466	12,111	10,966
Silicon Professional Tech. (China) Ltd.					
Other expense	20	59	22	35	63
Total	**7,317**	**9,285**	**8,204**	**12,853**	**11,029**

The transactions with related parties were dealt with agreed payment terms and conditions.

(d) Key management personnel compensation:

The directors and key management personnel compensation comprised:

	For the three months ended March 31	
	2025	**2024**
Short-term employee benefits	19,672	24,283
Post-employment benefits	198	117
Total	**19,870**	**24,400**

(8) Assets pledged as security

Assets pledged as security	Balance sheet	Liabilities secured by pledges	**March 31, 2025**	**December 31, 2024**	**March 31, 2024**
Time deposits	Other current assets	Forward exchange contracts	2,990	2,990	2,990
Time deposits	Other current assets	Deposits of import for Customs Administration	2,990	2,990	2,990
Total			**5,980**	**5,980**	**5,980**

(9) Significant Commitments and Contingencies:

(a) Unrecognized contract commitment

In January 2025, the Company signed the renovation and air conditioning engineering contracts with Kai Jue Interior Design Co., Ltd. and Dai Chi Air Conditioning Engineering Co., Ltd., for the design and renovation of its newly purchased Taichung office. The unrecognized contract amount details are as follows:

	Total amount	Unpaid amount
Air conditioning engineering contract	2,500	1,750
Renovation engineering contract	11,730	4,130
Total	14,230	5,880

(10) Losses due to major disasters: None.

(11) Subsequent events: None.

(12) Other

A summary of employee benefits, depreciation, and amortization, by function, is as follows:

By function / By item	For the three months ended March 31							
	2025				2024			
	Selling expenses	Administrative expenses	Research and development expense	Total	Selling expenses	Administrative expenses	Research and development expense	Total
Employee benefits								
Salary	16,861	30,515	185,114	232,490	14,707	27,926	162,772	205,405
Labor and health insurance	1,018	4,558	14,212	19,788	917	2,847	12,945	16,709
Pension	413	1,106	8,655	10,174	363	1,123	7,633	9,119
Others	106	851	4,620	5,577	188	631	4,245	5,064
Depreciation	812	3,465	12,310	16,587	734	2,876	12,163	15,773
Amortization	10	1,025	1,155	2,190	-	1,128	1,065	2,193

If any of the research and development expense incurred is on a project basis, it will be transferred to operating costs based on the number of hours invested.

	The Group's total number of employees	The Group's number of non-employee directors	Total
March 31, 2025	682	6	688
December 31, 2024	683	6	689
March 31, 2024	626	7	633

Seasonality of operation:

The operations of the Group are not affected by seasonality or cyclicality.

(13) Other disclosures

(a) Information on significant transactions

The following is the information on significant transactions required by the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" for the Group:

(i) Loans to other parties: None.

(ii) Guarantees and endorsements for other parties: None.

(iii) Securities held as of March 31, 2025 (excluding investment in subsidiaries, associates, and joint ventures): None.

(iv) Related-party transactions for purchases and sales with amounts exceeding the lower of TWD100 million or 20% of the capital stock: None.

(v) Receivables from related parties with amounts exceeding the lower of NT$100 million or 20% of capital stock: None.

(vi) Business relationships and significant intercompany transactions:

No. (Note1)	Name of company	Name of counter-party	Nature of relationship (Note2)	Intercompany transactions, For the three months ended March 31, 2025			
				Account name	Amount	Trading terms	% of the consolidated net revenue or total assets
0	The Company	Insyde Software Inc.	1	Sales revenue	51,347	Based on contract	13%
0			1	Service expenses	559		-
0			1	Trade receivables	23,379		1%
0			1	Other receivables	8,003		-
0			1	Other payables	573		-
0		Insyde Software LTD.	1	Service revenue	88		-
0			1	Commission expense	6,427		2%
0			1	Other payables	6,268		-
1	Insyde Software Inc.	Insyde Software LTD	3	Commission expense	123		-
1			3	Other payables	166		-

Note 1: Company numbering as follows:
(1) Parent company – 0
(2) Subsidiary starts from 1

Note 2: The numbering of the relationship between transaction parties as follows:
(1) Parent company to subsidiary – 0
(2) Subsidiary to parent company – 2
(3) Subsidiary to subsidiary – 3

Note3: The amount of the transaction and the ending balance had been offset in the consolidated financial statements.

(b) Information on investees:

The following is the information on investees for the three months ended March 31, 2025 (excluding information on investees in Mainland China):

(In Thousands of New Taiwan Dollar / In Thousands of US Dollar)

Name of investor	Name of investee	Location	Main businesses and products	Original investment amount		Balance of December 31, 2023			Net income (losses) of investee	Share of profits/losses of investee	Note
				March 31, 2025	December 31, 2024	Shares	Percentage of ownership	Carrying value			
The Company	Clean Slate Ltd.	BVI	Acquisition of foreign intellectual property rights and investments	USD2,512	USD2,512	2,512,000	100.00%	402,940	6,031	6,031	Subsidiaries of the Company
Clean Slate Ltd.	Insyde Software Inc.	State of Delaware USA	Sale of software and service rendered	USD 435	USD 435	1	100.00%	512,333	6,031	6,031	Second-tier subsidiaries of the Company

(c) Information on investment in Mainland China:

(i) The names of investees in Mainland China, the main businesses and products, and other information:

(In Thousands of New Taiwan Dollar)

Name of investee	Main businesses and products	Total amount of capital surplus	Method of investment	Accumulated outflow of investment from Taiwan as of January 1,2024	Investment flows		Accumulated outflow of investment from Taiwan as of December 31,2024	Net income (losses) of the investee	percentage of ownership	Investment income (losses)	Book value	Accumulated remittance of earnings in current period
					Outflow	Inflow						
Insyde Software LTD.	Sale of software and service rendered	169,045	Note1	169,045	-	-	169,045	1,613	100%	1,613	69,894	-

Note1: The Company directly invests in China.

(ii) Limitation on investment in Mainland China：

(In Thousands of New Taiwan Dollar / In Thousands of US Dollar)

Accumulated Investment in Mainland China as of December 31, 2023	Investment Amount Authorized by Investment Commission, MOEA	Upper Limit on Investment
169,045 (USD5,500)	USD5,500	576,282 (Note1)

Note1: In accordance with the "Regulations Governing the Examination of Investment or Technical Cooperation in Mainland China" amended on August 29, 2008, the cumulative investment amount or investment proportion to China cannot be over the Group's net value of 60%.

(iii) Significant transactions：

The significant transactions between the company and its investees in Mainland China, directly or indirectly, in the three months ended March 31, 2025 (which have been eliminated in the preparation of the consolidated statements), are disclosed in "Information on significant transactions".

(14) Segment information:

(a) The major business activities of the Group are the software design and development, installation, and program modification, and other professional information services, which is a standalone industry department.

(b) Geographical information

	Taiwan	USA	China	Other	Adjustment and elimination	total
For the three months ended March 31, 2025						
Revenue:						
Revenue from external customers	280,726	99,533	26,719	-	-	406,978
Intersegment revenues	51,435	599	6,550	-	(58,544)	-
Interest revenue	2,330	3,705	21	-	-	6,056
Total revenue	**334,491**	**103,797**	**33,290**	**-**	**(58,544)**	**413,034**
Reportable segment profit or loss	**77,655**	**6,031**	**1,613**	**6,031**	**(13,675)**	**77,655**

For the three months ended March 31, 2024						
Revenue:						
Revenue from external customers	260,844	85,078	24,971	-	-	370,893
Intersegment revenues	26,715	539	5,023	-	(32,277)	-
Interest revenue	1,473	3,880	70	-	-	5,423
Total revenue	**289,032**	**89,497**	**30,064**	**-**	**(32,277)**	**376,316**
Reportable segment profit or loss	**71,981**	**20,150**	**199**	**20,150**	**(40,499)**	**71,981**
Reportable segment assets:						
March 31, 2025	**1,662,781**	**512,333**	**95,426**	**402,940**	**(913,310)**	**1,760,170**
December 31, 2024	**1,605,594**	**463,881**	**96,093**	**391,953**	**(870,025)**	**1,687,495**
March 31, 2024	**1,328,791**	**404,120**	**147,220**	**342,565**	**(798,042)**	**1,424,654**

(c) Regional sales information

The Group's classification of regional sales information is expressed based on the sales amount of salespersons in each region.

	For the three months ended March 31			
	2025		**2024**	
	Amount	**%**	**Amount**	**%**
Taiwan	202,663	50	185,851	50
U.S.A	100,730	25	97,455	26
China	94,018	23	77,309	21
Other	9,567	2	10,278	3
Total	**406,978**	**100**	**370,893**	**100**

(d) Product information

	For the three months ended March 31			
	2025		**2024**	
	Amount	**%**	**Amount**	**%**
InsydeH2O..	338,821	83	324,802	87
Supervyse..	68,157	17	46,091	13
Total	**406,978**	**100**	**370,893**	**100**

(e) Major customers

Customers generation over 10% of total revenue for the three months ended March 31, 2025 and 2024 were as follows:

Type of customers	For the three months ended March 31			
	2025		**2024**	
	Amount	**%**	**Amount**	**%**
Customer G	82,715	20	61,157	16
Customer C	32,041	8	41,128	11
Total	**114,756**	**28**	**102,285**	**27**