

**Trio Technology International Group Co.,
Ltd. and subsidiaries**

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

Address: The Grand Pavilion Commercial
Center, Oleander Way, 802 West Bay
Road, P.O. Box 32052, Grand Cayman
KY1-1208, Cayman Islands
Tel: (02) 82279268

(Notice to Readers: This document is prepared in accordance with the Chinese version and for reference only.
If there is any inconsistency between the English version and the Chinese version, the Chinese version shall
prevail.)

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Trio Technology International Group Co., Ltd. :

Opinion

We have audited the accompanying consolidated financial statements of Trio Technology International Group Co., Ltd. And its subsidiaries (collectively referred to as the "Group"), which comprise the consolidated balance sheets as of December 31, 2024 and 2023, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as the "consolidated financial statements").

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

Basis for opinions

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

Key Audit Matters

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

Key audit matters for the Group's 2024 consolidated financial statements are stated as follows:

The Group's sales not conducted through the HUB warehouse accounted for 60% of the consolidated operating revenue in 2024. Compared to HUB warehouse sales, which have standardized third-party delivery confirmation mechanisms, sales not conducted through HUB warehouse involve more varied transaction conditions. Therefore, we have identified the authenticity of non-HUB warehouse sales revenue in 2024 as a key audit matter. For information related to the recognition policy of sales revenue, please refer to Note 4 of the consolidated financial statements.

Our audit procedures included understanding the design and implementation of the Group's internal controls related to sales revenue recognition and sales returns, examining documentation for sales revenue and returns, sampling non-HUB warehouse sales transactions, and testing for significant sales returns in the subsequent period to confirm the authenticity of these transactions.

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

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

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

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditors' Responsibilities for Auditing Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but it is not a guarantee that

an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings,

including any significant deficiencies in internal control that we identify during our audit.

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

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

The engagement partners on the audits resulting in this independent auditors' report are Wu, Ke-Chang and Chang, Chih-Yi.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 13, 2025

Trio Technology International Group Co., Ltd. and subsidiaries
Consolidated Balance Sheet
December 31, 2024 and 2023

(In Thousands of New Taiwan Dollars)

Code	Assets	December 31, 2024		December 31, 2023	
		Amount	%	Amount	%
	Current assets				
1100	Cash and cash equivalents (Notes 4 and 6)	\$ 1,033,514	26	\$ 634,049	23
1136	Financial assets at amortized cost - current (Notes 4, 7 and 25)	138,543	3	233,746	8
1170	Notes and accounts receivable (Notes 4, 8 and 25)	904,614	23	676,252	24
1200	Other receivables (Note 4)	6,123	-	3,620	-
1220	Current tax assets (Note 20)	2,340	-	-	-
130X	Inventories (Notes 4 and 9)	381,794	10	253,181	9
1470	Other current assets	44,333	1	18,065	1
11XX	Total current assets	<u>2,511,261</u>	<u>63</u>	<u>1,818,913</u>	<u>65</u>
	Non-current assets				
1600	Property, plant, and equipment (Notes 4, 11 and 25)	999,472	25	659,540	24
1755	Right-of-use assets (Notes 4, 12 and 25)	103,756	3	115,736	4
1760	Investment properties (Notes 4 and 13)	9,666	-	19,554	1
1780	Other intangible assets, net (Notes 4)	6,034	-	1,844	-
1840	Deferred tax assets (Notes 4 and 20)	23,665	1	25,055	1
1900	Other non-current assets	317,920	8	143,083	5
15XX	Total non-current assets	<u>1,460,513</u>	<u>37</u>	<u>964,812</u>	<u>35</u>
1XXX	Total assets	<u>\$ 3,971,774</u>	<u>100</u>	<u>\$ 2,783,725</u>	<u>100</u>
	Liabilities and Equity				
	Current liabilities				
2100	Short-term borrowings (Notes 14, 24, and 25)	\$ 50,000	1	\$ 572,667	20
2170	Notes and accounts payable	387,349	10	218,567	8
2200	Other payables (Note 15)	318,568	8	211,084	8
2230	Current income tax liabilities (Notes 4 and 20)	135,889	3	170,974	6
2280	Lease liabilities - current (Notes 4 and 12)	17,787	1	16,911	1
2320	Current portion of long-term borrowings (Notes 14, 24, and 25)	4,179	-	1,499	-
2399	Other current liabilities	7,132	-	2,997	-
21XX	Total current liabilities	<u>920,904</u>	<u>23</u>	<u>1,194,699</u>	<u>43</u>
	Non-current liabilities				
2540	Long-term borrowings (Notes 14, 24, and 25)	69,603	2	22,772	1
2570	Deferred tax liabilities	5,391	-	-	-
2580	Lease liabilities - non-current (Notes 4 and 12)	76,323	2	87,334	3
2630	Deferred revenue - non-current (Note 4)	11,455	-	7,397	-
2670	Other non-current liabilities	1,429	-	1,575	-
25XX	Total non-current liabilities	<u>164,201</u>	<u>4</u>	<u>119,078</u>	<u>4</u>
2XXX	Liabilities Total	<u>1,085,105</u>	<u>27</u>	<u>1,313,777</u>	<u>47</u>
	Equity attributable to owners of the company (Notes 4 and 17)				
3110	Ordinary shares	500,000	13	440,000	16
3200	Capital surplus	1,202,283	30	220,000	8
3350	Unappropriated earnings	1,155,705	29	820,482	29
3410	Exchange differences on translation of the financial statements of foreign operations	28,681	1	(10,534)	-
3XXX	Total equity	<u>2,886,669</u>	<u>73</u>	<u>1,469,948</u>	<u>53</u>
	Total liabilities and equity	<u>\$ 3,971,774</u>	<u>100</u>	<u>\$ 2,783,725</u>	<u>100</u>

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

Trio Technology International Group Co., Ltd. and subsidiaries
Consolidated Statements of Comprehensive Income
For the years ended December 31, 2024 and 2023

Unit: NTD Thousand, however
Earnings per share is in NT\$

Code		2024		2023	
		Amount	%	Amount	%
4000	Operating revenue (Notes 4 and 18)	\$ 2,200,240	100	\$ 1,594,621	100
5110	Operating costs (Notes 4 and 9)	1,285,173	59	857,300	54
5900	Gross profit from operations	915,067	41	737,321	46
	Operating expenses (Note 24)				
6100	Selling and marketing expenses	93,721	4	62,967	4
6200	General and administrative expenses	214,734	10	160,218	10
6300	Research and development expenses	61,896	3	28,053	1
6450	Expected credit impairment loss (reversal gain) (Note 8)	519	-	(25)	-
6000	Total operating expenses	370,870	17	251,213	15
6900	Operating profit	544,197	24	486,108	31
	Non-operating income and expenses (Note 19)				
7100	Interest revenue	15,237	1	13,024	1
7010	Other income	20,298	1	19,556	1
7020	Other gains and losses	111,523	5	(17,302)	(1)
7050	Finance costs	(17,451)	(1)	(9,523)	(1)
7000	Total non-operating income and expenses	129,607	6	5,755	-
7900	Net profit before tax	673,804	30	491,863	31
7950	Tax expense (Notes 4 and 20)	(158,181)	(7)	(99,527)	(6)
8200	Net income	515,623	23	392,336	25

<u>C o d e</u>		<u>2024</u>		<u>2023</u>	
		<u>A m o u n t</u>	<u>%</u>	<u>A m o u n t</u>	<u>%</u>
	Other comprehensive income				
8361	Exchange differences arising on translation of foreign operations (Note 17)	<u>\$ 39,215</u>	<u>2</u>	<u>(\$ 11,796)</u>	<u>(1)</u>
8300	Other comprehensive income (loss), net of income tax	<u>39,215</u>	<u>2</u>	<u>(11,796)</u>	<u>(1)</u>
8500	Total comprehensive income	<u>\$ 554,838</u>	<u>25</u>	<u>\$ 380,540</u>	<u>24</u>
	Earnings per share (Note 21)				
	Revenue from continuing operations				
9710	Basic	<u>\$ 11.41</u>		<u>\$ 9.02</u>	
9810	Diluted	<u>\$ 11.41</u>		<u>\$ 9.02</u>	

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

Trio Technology International Group Co., Ltd. and subsidiaries
Consolidated Statements of Changes in Equity
For the years ended December 31, 2024 and 2023

(In Thousands of New Taiwan Dollars)

Code		Ordinary shares	Capital surplus	Unappropriated earnings	Exchange differences on translation of the financial statements of foreign operations	Total
A1	Balance at January 1, 2023	\$ 420,000	\$ 110,000	\$ 604,146	\$ 1,262	\$ 1,135,408
B5	Appropriation of 2022 earnings Cash dividends (Note 17)	-	-	(176,000)	-	(176,000)
E1	Issuance of ordinary shares for cash (Note 17)	20,000	110,000	-	-	130,000
D1	Net profit for the year ended December 31, 2023	-	-	392,336	-	392,336
D3	Other comprehensive income (loss) for the year ended December 31, 2023	-	-	-	(11,796)	(11,796)
D5	Total comprehensive income (loss) for the year ended December 31, 2023	-	-	392,336	(11,796)	380,540
Z1	Balance at December 31, 2023	440,000	220,000	820,482	(10,534)	1,469,948
B5	Appropriation of 2023 earnings: Cash dividends (Note 17)	-	-	(180,400)	-	(180,400)
N1	Employee stock options (Note 19)	-	866	-	-	866
E1	Issuance of ordinary shares for cash (Note 17)	60,000	981,417	-	-	1,041,417
D1	Net profit for the year ended December 31, 2024	-	-	515,623	-	515,623
D3	Other comprehensive income (loss) for the year ended December 31, 2024	-	-	-	39,215	39,215
D5	Total comprehensive income (loss) for the year ended December 31, 2024	-	-	515,623	39,215	554,838
Z1	Balance at December 31, 2024	\$ 500,000	\$ 1,202,283	\$ 1,155,705	\$ 28,681	\$ 2,886,669

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

Trio Technology International Group Co., Ltd. and subsidiaries
Consolidated Statements of Cash Flows
For the years ended December 31, 2024 and 2023
(In Thousands of New Taiwan Dollars)

Code		2024	2023r
	Cash flows from operating activities		
A10000	Net profit before tax	\$ 673,804	\$ 491,863
A20010	Reconcile profit item		
A20100	Depreciation expense	121,790	92,987
A20200	Amortization expense	1,823	633
A20300	Expected credit impairment loss (reversal gain)	519	(25)
A20900	Finance costs	17,451	9,523
A21200	Interest revenue	(15,237)	(13,024)
A21900	Share-based payments	866	-
A22500	Losses on disposals of property, plant and equipment	1,277	23,014
A22800	Losses on disposals of intangible assets other than goodwill	6	-
A23800	Inventories valuation and obsolescence recovery gains	(13,651)	(2,027)
A29900	Gain on lease modification	-	(600)
A29900	Long-term deferred revenue amortization	(2,263)	(1,212)
A30000	Net changes in operating assets and liabilities		
A31130	Notes receivable	(6,063)	(857)
A31150	Accounts receivable	(222,823)	(237,074)
A31180	Other receivables	(245)	67,654
A31200	Inventories	(115,615)	(61,503)
A31240	Other current assets	(26,268)	(12,889)
A31990	Other non-current assets	867	(1,660)
A32130	Notes payable	(275)	(169)
A32150	Accounts payable	169,057	94,563
A32180	Other payables	99,883	31,351
A32230	Other current liabilities	4,135	(2,315)
A32250	Deferred Revenue	5,960	1,443
A33000	Cash inflow generated from operations	694,998	479,676
A33300	Interest paid	(14,311)	(8,574)
A33100	Interest received	12,979	11,913
A33500	Income taxes paid	(188,825)	(95,707)
AAAA	Net cash flows from operating activities	<u>504,841</u>	<u>387,308</u>

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Code		2024	2023
	Cash flows from (used in) investing activities		
B00040	Acquisition of financial assets at amortized cost	(\$ 382,402)	(\$ 233,746)
B00050	Proceeds from disposal of financial assets at amortized cost	477,605	16,213
B02700	Purchase of Property, plant, and equipment	(550,762)	(240,067)
B02800	Proceeds from disposal of property, plant, and equipment price	14	854
B03700	Guarantee deposits paid	(15,436)	(2,442)
B04500	Purchase of Intangible assets	(5,946)	(1,470)
B05400	Purchase of investment property	(686)	(374)
BBBB	Net cash flows used in investing activities	<u>(477,613)</u>	<u>(461,032)</u>
	Cash flows from financing activities		
C00100	Increase in short-term loans	1,108,507	1,004,741
C00200	Decrease in short-term loans	(1,631,174)	(532,074)
C01600	Proceeds from long-term debt	53,220	-
C01700	Repayments of long-term debt	(3,709)	(103,842)
C04020	Repayment of lease principal	(21,286)	(21,147)
C03000	Guarantee deposits received	(146)	(27)
C04600	Proceeds from issuing shares	1,041,417	130,000
C04500	Cash dividends paid	(180,400)	(176,000)
CCCC	Net cash flows from financing activities	<u>366,429</u>	<u>301,651</u>
DDDD	Effect of exchange rate changes on the balance of cash held in foreign currencies	<u>5,808</u>	<u>(898)</u>
EEEE	Cash and cash equivalents net increase	399,465	227,029
E00100	Cash and cash equivalents at the beginning of period	<u>634,049</u>	<u>407,020</u>
E00200	Cash and cash equivalents at the end of the period	<u>\$ 1,033,514</u>	<u>\$ 634,049</u>

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

Trio Technology International Group Co., Ltd. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(Amounts in Thousands of New Taiwan Dollars, Unless Specified Otherwise)

1. General Information

Trio Technology International Group Co., Ltd. (collectively referred to as "the Company") was established in the Cayman Islands on July 13, 2021. The Company and its subsidiaries (collectively referred to as "the Consolidated Company") primarily engage in the manufacturing and sales of inductor components. The Company's stock began trading on the Taiwan Stock Exchange in October 2024.

The consolidated financial statements are denominated in New Taiwan Dollars (NTD), the Company's functional currency.

2. Approval of Financial Reports

The consolidated financial statements were approved by the Company's Board of Directors and authorized for issue on March 13, 2025.

3. Application of Newly Issued and Revised Standards and Interpretations

(1) Initial application of the Financial Supervisory Commission (collectively referred to as FSC) approved and issued International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations and Statement on Internal Control (SIC) (collectively referred to as "IFRS accounting standards")

The initial application of IFRSs endorsed and issued into effect by the Financial Supervisory Commission did not have a material impact on the Consolidated Company's accounting policies.

(2) The IFRSs endorsed by the FSC for application starting from 2025

<u>New Standards, Amendments, and Interpretations</u>	<u>Effective Date Announced by IASB</u>
Amendments to IAS 21 "Lack of Exchangeability"	January 1, 2025 (Note 1)
Amendments to IFRS 9 and IFRS 7 "Amendments to Classification and Measurement of Financial Instruments" regarding the application guidance for the classification of financial assets.	January 1, 2026 (Note 2)

Note 1: Effective for annual reporting periods on or after January 1, 2025. Upon initial implementation of the amendments, comparative periods shall not be restated, and the impacts shall be recognized in retained earnings on the initial application date or in the exchange differences of foreign operations under equity (as appropriate) and related affected assets and liabilities.

Note 2: Effective for annual reporting periods on or after January 1, 2026, with early adoption permitted on January 1, 2025. Upon initial implementation of the amendments, retrospective application is required but restatement of comparative periods is not necessary, and the impacts of initial application shall be recognized on the date of initial implementation. However, if an entity can restate the comparative period without hindsight, it may choose to do so.

As of the date the consolidated financial statements were authorized for issue, the Consolidated Company has assessed that the amendments to other standards and interpretations will not have a material impact on its financial position and financial performance.

(3) The IFRSs is issue but not yet endorsed and issued into effect by the FSC

New Standards, Amendments, and Interpretations	Effective Date Announced by IASB (Note 1)
“Annual Improvements to IFRS Standards - Volume 11”	January 1, 2026
Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments” regarding the application guidance on the derecognition of financial liabilities.	January 1, 2026
Amendments to IFRS 9 and IFRS 7 “Contracts Involving Natural Dependency Power”	January 1, 2026
Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture”	To be determined
IFRS 17, “Insurance Contracts”	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments to IFRS 17 “Initial Application of IFRS 17 and IFRS 9 - Comparative Information”	January 1, 2023
IFRS 18 “Presentation and Disclosure in Financial Statements”	January 1, 2027
IFRS 19 “Subsidiaries Without Public Accountability: Disclosure”	January 1, 2027

Note1: Unless stated otherwise, the above new IFRSs are effective for annual reporting periods on or after their respective dates.

As of the approval date of the consolidated financial statements, the Consolidated Company continues to evaluate the impact of other amendments to standards and interpretations on its financial position and financial performance. The related impacts to be disclosed upon completion of the assessment.

4. Summary of Significant Accounting Policies

a. Compliance Statement

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

b. Basis of preparation

Except for financial instruments measured at fair value, the consolidated financial statements have been prepared under the historical cost convention:

Fair value measurements are categorized into Level 1 through Level 3 based on the observability and importance of the relevant input values:

- 1) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- 2) Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- 3) Level 3 inputs are unobservable inputs of assets or liabilities.

c. Assets and Liabilities Classification of Current and Non-current

Current assets include:

- 1) Assets are held mainly for trading purposes.
- 2) Assets expected to be realized within 12 months from the balance sheet date; and
- 3) Cash and cash equivalents (excluding those restricted from being exchanged or used to settle liabilities for 12 months after the balance sheet date).

Current liabilities include:

- 1) Liabilities held mainly for trading purposes;
- 2) Liabilities due to be settled within 12 months from the balance sheet date (even if refinanced or rescheduled payments on a long-term basis after the balance sheet date and before the approval and issuance of the financial report), and
- 3) Liabilities that do not have substantive rights to defer the settlement period beyond at least 12 months from the balance sheet date.

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

d. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company (subsidiaries). The consolidated statements of comprehensive income include the operating results of acquired or disposed subsidiaries from the effective date of acquisition or up to the effective date of disposal, as appropriate. The financial statements of the subsidiaries have been adjusted to ensure consistency with the accounting policies of the Consolidated Company. All inter-company transactions, balances, income, and expenses are eliminated in full when preparing the consolidated financial statements.

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

See Note 10 for detailed information on subsidiaries (including percentages of ownership and business activities).

e. Foreign currencies

When preparing financial statements, transactions in currencies other than the functional currency of the individual entity (i.e., foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions.

Monetary items in foreign currencies are translated at the closing exchange rate on each balance sheet date. Exchange differences arising from the settlement of monetary items or the translation of monetary items are recognized in profit or loss in the period in which they occur.

Non-monetary items measured at fair value in foreign currencies are translated at the exchange rates prevailing on the date when fair value is determined, with the resulting exchange differences recognized in profit or loss for the period. However, exchange differences arising from fair value changes recognized in other comprehensive income are included in other comprehensive income.

Non-monetary items that are measured at historical cost in a foreign currency are not retranslated.

In the preparation of consolidated financial statements, the assets and liabilities of foreign operations (including subsidiaries located in countries where the currency used is different from that of the Company) are converted into New Taiwan dollars at the exchange rate prevailing at each balance sheet date. The exchange differences arising from translating the income and expense item at the average exchange rate for the period are recognized in other comprehensive income.

If the Consolidated Company disposes of its entire ownership interests in a foreign operation, or disposes of a partial interest in a foreign operation subsidiary resulting in loss of control, or retains an interest in a foreign operation following the disposal of a joint arrangement or associate where such retained interest is treated as a financial asset and accounted for in accordance with financial instrument accounting policies, all cumulative exchange differences attributable to the shareholders of the parent company and related to that foreign operation will be reclassified to profit or loss.

f. Inventories

Inventories include raw materials, semi-finished goods, work in progress, and finished goods. Inventories are measured at the lower cost and net realizable value, with comparisons between cost and net realizable value made on an individual item basis except for similar categories of inventory. Net realizable value represents the value of an asset that can be realized upon its sale, minus the estimated costs of completion and the estimated costs necessary to make the sale. Inventory cost is calculated using the weighted average method.

g. Property, plant, and equipment

Property, plant, and equipment are recognized at cost and subsequently measured at cost less accumulated depreciations and impairment losses.

Property, plant, and equipment under construction are recognized at cost less accumulated impairment loss. Costs include professional fees and borrowing costs eligible for capitalization. Assets are measured at a lower cost and net realizable value before testing whether they can operate normally upon reaching the expected state of use, and their sales price and cost are recognized in profit or loss. Upon completion, these assets are classified into the appropriate category of property, plant, and equipment, and depreciation begins.

Property, plant, and equipment are depreciated separately on a straight-line basis over their useful lives for each significant portion. The Consolidated Company reviews the estimated useful lives, residual values, and depreciation methods at the end of each reporting period and applies the effects of changes in accounting estimates prospectively.

On derecognition of property, plant, and equipment, the difference between the net disposal proceeds and the carrying amount of the assets is recognized in profit or loss.

h. Investment property

An investment property is property held to earn rental income, capital appreciation, or both.

Investment properties owned are initially measured at cost (including transaction costs) and subsequently measured at cost less accumulated depreciation and accumulated impairment loss.

Depreciation was recognized as investment property on a straight-line basis.

Investment property is transferred to property, plant, and equipment at its carrying amount on the date it turns to be self-use.

i. Intangible assets

1) Separate acquisition

Separately acquired intangible assets with finite useful lives are initially measured at cost and subsequently measured at cost less accumulated amortization and accumulated impairment loss. Intangible assets are amortized on a straight-line basis over their useful lives. The Consolidated Company reviews the estimated useful lives, residual values, and amortization methods at least at the end of each reporting period and applies the effects of changes in accounting estimates prospectively. Intangible assets are stated at cost less accumulated under impairment loss.

2) Derecognition

On derecognition of intangible assets, the difference between the net disposal proceeds and the carrying amount of assets is recognized in profit or loss.

j. Impairment of property, plant and equipment, right-of-use assets, investment property, and intangible assets

At each balance sheet date, the Consolidated Company reviews whether there are any indications that property, plant and equipment, right-of-use assets, investment properties, and intangible assets may have suffered an impairment loss. If any such indication exists, the recoverable amount is estimated to determine the extent of the impairment loss.

The recoverable amount is the higher of fair value less costs to sell and in use. If the recoverable amount of individual assets or cash-generating unit is less than its carrying amount, the carrying amount is reduced to its recoverable amount, and impairment loss is recognized in profit or loss.

When impairment loss is subsequently reversed, the carrying amount of the assets or cash-generating unit is increased to the revised estimate of its recoverable amount, but not to an amount that exceeds the carrying amount that would have been determined had impairment loss not been recognized for the assets or cash-generating unit in prior years. The reversal of impairment loss is recognized in profit or loss.

k. Financial instruments

Assets and liabilities are recognized in consolidated balance sheets when the Consolidated Company becomes a party to the contractual provisions of the instruments.

Initial recognition of financial assets and liabilities not measured at fair value through profit or loss are added with directly attributable transaction costs for acquisition or issuance. Transaction costs directly attributable to the acquisition of financial assets or liabilities at fair value through profit or loss are recognized immediately in profit or loss.

1) Assets

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

a) Measurement categories

Assets held by the Consolidated Company are financial assets measured at amortized cost and debt instrument investments measured at fair value through other comprehensive income.

i. Financial assets at amortized cost

Assets are classified as financial assets measured at amortized cost if:

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

Financial assets measured at amortized cost (including cash and cash equivalents, notes receivable measured at amortized cost, accounts receivable, accounts receivable due from related parties, other receivables, financial assets measured at amortized cost, and refundable deposits) are measured at the total carrying amount determined by the effective interest method less any amortized cost of impairment loss after initial recognition, and any foreign currency exchange gains or losses are recognized in profit or loss.

Interest revenue is calculated by applying the effective interest rate to the total carrying amount of the financial assets, except for the following two cases:

- i) Purchased or originated credit-impaired financial asset, for which interest revenue is calculated by applying the credit-

adjusted effective interest rate to the amortized cost of the financial asset.

- ii) Financial assets that are not purchased or originated credit-impaired but subsequently become credit-impaired, for which interest income is calculated by applying the effective interest rate to the amortized cost of the financial asset in reporting periods after it has become credit-impaired.

Cash equivalents include time deposits with original maturities of less than 3 months from the date of acquisition, which are highly liquid, readily convertible to a known amount of cash, and are subject to an insignificant risk of changes in value.

ii. Investments in debt instruments at Fair Value through Other Comprehensive Income (FVTOCI)

The Consolidated Company's investments in debt instruments are classified as debt investments at fair value through other comprehensive income if they meet the following two conditions:

- i) The financial asset is held within a business model whose objective is to achieve this by collecting contractual cash flows and selling financial assets; and
- ii) The contractual terms of the financial asset give rise to specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt investments at fair value through other comprehensive income are measured at fair value. Changes in the carrying amount are recognized in other comprehensive income, except for interest income calculated using the effective interest method, foreign exchange gains and losses, and impairment losses or reversals, which are recognized in profit or loss. When the investment is derecognized, the cumulative gain or loss previously recognized in other comprehensive income is reclassified from equity to profit or loss.

b) Impairment of financial assets

The Consolidated Company assesses the impairment loss of financial assets measured at amortized cost (including accounts receivable) and debt instrument investments measured at fair value through other comprehensive income on each balance sheet date based on expected credit losses.

The loss allowance for accounts receivable is measured at an amount equal to lifetime expected credit losses. Other financial assets are first assessed to determine whether there has been a significant increase in credit risk since initial recognition. If there has not been a significant increase, then a loss allowance is measured at an amount

equal to 12-month expected credit losses. If there has been a significant increase, then a loss allowance is measured at an amount equal to lifetime expected credit losses.

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

For internal credit risk management purposes, the Consolidated Company determines that the following situations indicate that a financial default has occurred, without considering the collateral held.

- i. There is internal or external information indicating that the debtor is no longer able to settle the debt.
- ii. Past due over 180 days, unless there is reasonable and verifiable information indicating that the deferred default criteria are more appropriate.

Impairment losses on all financial assets are recognized by adjusting their carrying amounts through an allowance account, except for debt investments at fair value through other comprehensive income, for which the loss allowance is recognized in other comprehensive income without reducing their carrying amount.

c) Derecognition of Financial Assets

The Consolidated Company derecognizes a financial asset only when the contractual rights to the cash flows from the financial asset expire or when it transfers the financial asset and substantially all the risks and rewards of ownership of the financial asset have been transferred to other entities.

On derecognition of financial assets measured at amortized cost in its entirety, the difference between the asset's carrying amount and the sum of the consideration received is recognized in profit or loss. On derecognition of debt instrument investments measured at fair value through other comprehensive income, the difference between the carrying amount and the sum of the consideration received plus any cumulative gains or losses recognized in other comprehensive income is recognized in profit or loss. When the equity instrument investments measured at fair value through other comprehensive income are derecognized, the cumulative gain or loss will be directly transferred to retained earnings, without reclassifying to profit or loss.

2) Equity Instruments

The debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of financial liability and equity instruments.

The equity instrument issued by the Company is recognized at the proceeds received, net of direct issue costs.

The repurchase of the Company's own equity instruments is recognized and deducted in equity, and the carrying amount is calculated based on the weighted average of the types of shares. No gain or loss is recognized in profit or loss on the purchase, sale, issue, or cancellation of the Company's own equity instruments.

3) Financial liabilities

a) Subsequent Measurement

Liabilities are measured at amortized cost using the effective interest method.

b) Derecognition of Financial Liabilities

On derecognition of a financial asset in liabilities, the difference between the carrying amount of the financial asset and the consideration paid, including any non-cash assets transferred or liabilities assumed in liabilities, is recognized in profit or loss.

1. Revenue recognition

Sales revenue comes from the sale of inductor components. As the customer has already established a price and the right to use the goods upon arrival at the designated location and bears the primary responsibility for resale and assumes the risk of obsolescence, the Consolidated Company recognizes revenue and accounts receivable at that point in time.

According to business practices, the Consolidated Company accepts sales returns of inductor products due to quality defects. Based on accumulated experience, the Consolidated Company estimates the rate of returns at the most likely amount to establish a liability provision.

m. Leases

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

1. The Consolidated Company as lessor

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Under operating leases, lease payments, net of lease incentives, are recognized as income on a straight-line basis over the relevant lease term. Initial direct costs incurred in obtaining operating leases are added to the carrying amounts of the underlying assets and recognized as expenses on a straight-line basis over the lease terms.

2. The Consolidated Company as lessee

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

Right-of-use assets are initially measured at cost, which comprises the initial measurement of assets' lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs needed to restore the underlying assets, and less any lease incentives received. Right-of-use assets are subsequently measured at cost less accumulated depreciations and accumulated impairment loss and adjusted for any remeasurement of liabilities. Right-of-use assets are separately expressed in the balance sheet.

Right-of-use assets are depreciated on a straight-line basis 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 terms.

Lease liabilities are initially measured at the present value of the lease payments, including fixed payments. The lease payments are discounted using the interest rate implicit in a lease if that rate can be readily determined. If that rate cannot be readily determined, the Consolidated Company uses the lessee's incremental borrowing rate.

Subsequently, lease liabilities are measured at amortized cost using the effective interest method, with interest expense recognized over the lease terms. When there is a change in a lease term, the Consolidated Company remeasures the lease liabilities with a corresponding adjustment to the right-of-use-assets. However, if the carrying amount of the right-of-use assets is reduced to zero, any remaining amount of the remeasurement is recognized in profit or loss. The lease liabilities are separately expressed in the balance sheet.

n. Government grants

Government grants are recognized only when it is reasonably assured that the Consolidated Company will comply with the conditions attached to the government grants and that the grants will be received.

Government grants related to income are recognized systematically as other income over the periods in which the Consolidated Company recognizes as expenses the related costs that the grants are intended to compensate. Government grants conditional upon the Consolidated Company acquiring, constructing, or otherwise obtaining non-current assets are recognized as deferred income and are transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred, or for the purpose of providing immediate financial support to the Consolidated Company with no future related costs, are recognized in profit or loss in the period in which they become receivable.

o. Employee benefits

1) Short-term Employee Benefits

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

2) Retirement Benefits

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

p. Income tax

Income tax expense is the sum of the current income tax and deferred income tax.

1) Current Income Tax

The Consolidated Company determines the current income (loss) in accordance with the laws and regulations established in each tax filing jurisdiction, on which basis the amount of tax payable (recoverable) is calculated.

The adjustments to income tax payable from prior years are included in the current income tax.

2) Deferred Income Tax

Deferred income tax is calculated on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognized for all taxable temporary differences, and deferred income tax assets are recognized when it is

probable that taxable profits will be available against which deductible temporary differences can be utilized.

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

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which liabilities are settled or assets are realized, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Consolidated Company expects, at the end of the assets' liabilities, to recover or settle the carrying amount of its assets and liabilities.

3) Current and Deferred Income Tax

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

5. Critical accounting judgments and key sources of estimation uncertainty

When adopting accounting policies, the management must make relevant judgments, estimates, and assumptions based on historical experience and other pertinent factors for information that is not readily available from other sources. Actual results may differ from these estimates.

Management will continually evaluate the estimates and basic assumptions. If the estimated adjustment only affects the current period, it is recognized in the period of adjustment. If the adjustment of accounting estimates affects both the current period and future periods, it is recognized in current and future periods.

6. Cash and Cash Equivalents

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Cash on hand and petty cash	\$ 2,277	\$ 1,186
Checking accounts and demand deposits	670,602	479,338
Cash equivalents (Investments with original maturities of less than 3 months)		
Time deposits	<u>360,635</u>	<u>153,525</u>
	<u>\$ 1,033,514</u>	<u>\$ 634,049</u>

The interest rate ranges of bank deposits and time deposits at the balance sheet date were as follows:

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Bank Demand deposits	0.03%~0.8%	0.05%~1.45%
Bank Time deposits	4.5%~4.8%	5.10%~5.25%

7. Financial assets measured at amortized cost

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
<u>Current</u>		
Pledged cash deposits	<u>\$ 138,543</u>	<u>\$ 233,746</u>

As of December 31, 2024, and 2023, the interest rates on bank deposits were 0.8% to 4.63% and 1.1% per annum, respectively.

For information on pledged financial assets at amortized cost, please refer to Note 25.

8. Notes and accounts receivable

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
<u>Notes receivable</u>		
Measured at amortized cost		
Gross carrying amount	\$ 9,443	\$ 3,380
Less: loss allowance	-	-
	<u>\$ 9,443</u>	<u>\$ 3,380</u>
<u>Accounts receivable</u>		
Measured at amortized cost		
Carrying amount - non-associates	\$ 714,123	\$ 530,393
Less: loss allowance	(419)	(19)
	<u>713,704</u>	<u>530,374</u>
At fair value through other comprehensive income	<u>181,467</u>	<u>142,498</u>
	<u>\$ 895,171</u>	<u>\$ 672,872</u>
Total	<u>\$ 904,614</u>	<u>\$ 676,252</u>

Notes receivable

As of December 31, 2024, and December 31, 2023, the Consolidated Company's notes receivable are not overdue. The Consolidated Company assesses that the expected recoverable amount is equal to the original carrying amount; therefore, no allowance for impairment loss has been recognized.

Accounts receivable

a. Measured at amortized cost of accounts receivable

The average credit period for sales of goods of the Consolidated Company ranges from 120 to 150 days, and accounts receivable are not subject to interest. The Consolidated Company's policy is to only trade with reputable counterparties and to obtain sufficient collateral, where appropriate, to mitigate the risk of financial loss from defaults. The Consolidated Company uses publicly available financial information and its own trading records to rate its major customers. The Consolidated Company continuously monitors credit risk and the credit ratings of counterparties and diversifies the total transaction amount among different customers that meet the credit rating criteria.

The Consolidated Company recognizes a loss allowance for accounts receivable based on lifetime expected credit losses. Lifetime expected credit losses are calculated using a provision matrix that considers customers' historical default records. Since the Consolidated Company's historical credit loss experience does not demonstrate significantly different loss patterns for different customer segments, the expected credit loss rate is determined solely by the number of days accounts receivable are past due.

When there is evidence indicating that the counterparty is in severe financial difficulty and the consolidated company cannot reasonably expect to recover the amount, the consolidated company directly writes off the relevant accounts receivable. However, the consolidated company may still engage in enforcement activities to attempt to recover the amounts due, with recovered amounts recognized in profit or loss.

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

December 31, 2024

	Not past due	Overdue 1 ~ 60 days	Overdue 61 ~ 120 days	Overdue 121 ~ 180 days	Overdue Over 181 days	Total
Expected credit loss rate	0.02%	0.36%	37.36%	-%	-%	
Gross carrying amount	\$ 638,381	\$ 75,643	\$ 99	\$ -	\$ -	\$ 714,123
Loss allowance (lifetime expected credit losses)	(111)	(271)	(37)	-	-	(419)
Amortized cost	<u>\$ 638,270</u>	<u>\$ 75,372</u>	<u>\$ 62</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 713,704</u>

December 31, 2023

	Not past due	Overdue 1 ~ 60 days	Overdue 61 ~ 120 days	Overdue 121 ~ 180 days	Overdue Over 181 days	Total
Expected credit loss rate	-%	0.05%	-%	-%	-%	
Gross carrying amount	\$ 504,246	\$ 26,147	\$ -	\$ -	\$ -	\$ 530,393
Loss allowance (lifetime expected credit losses)	(6)	(13)	-	-	-	(19)
Amortized cost	<u>\$ 504,240</u>	<u>\$ 26,134</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 530,374</u>

The above is the aging analysis conducted based on the number of days past due.

The changes in the loss allowance for accounts receivable were as follows:

	2024	2023
Beginning balance	\$ 19	\$ 44
Add: Impairment losses recognized	519	-
Less: Amounts write-off	(124)	-
Less: Impairment losses reversed	-	(25)

Foreign exchange differences	<u>5</u>	<u>-</u>
Ending balance	<u>\$ 419</u>	<u>\$ 19</u>

b. Accounts receivable at fair value through other comprehensive income

For certain major customers' accounts receivable, the Consolidated Company decides to sell them to banks without recourse depending on the working capital situation. The management of the Consolidated Company's business model for such accounts receivable is achieved by collecting contractual cash flows and selling financial assets. Therefore, such accounts receivable are measured at fair value through other comprehensive income in accordance with fair value.

The Consolidated Company entered into a sale agreement for accounts receivable with E.SUN Commercial Bank. The purchasing bank has confirmed that this transaction involves a non-recourse and outright purchase of receivables. According to the contract, the Consolidated Company is only liable for losses arising from commercial disputes.

For information on accounts receivable pledged as collateral for borrowings, please refer to Note 25.

9. Inventories

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Raw materials	\$ 65,263	\$ 35,949
Work in progress	31,103	18,672
Semi-finished progress	23,232	10,949
Finished goods	<u>262,196</u>	<u>187,611</u>
	<u>\$ 381,794</u>	<u>\$ 253,181</u>

For 2024 and 2023, the inventory-related cost of sales amounted to \$1,285,173 thousand and \$857,300 thousand, respectively.

For 2024 and 2023, the Consolidated Company's cost of sales, including the recovery of net realizable value of inventories, amounted to NT \$7,520 thousand and NT \$2,027 thousand, respectively. The recovery of inventory valuation resulted from the sale and use of inventory with longer storage life.

For 2024 and 2023, the cost of sales, including inventory write-off losses, amounted to NT \$19,232 thousand and NT \$21,586 thousand, respectively.

10. Subsidiaries

Subsidiaries included in the consolidated financial statements

The consolidated entities are listed as follows:

<u>Ownership (%)</u>

Name of investor	Name of Subsidiary	Main business activities	2024	2023	Remark
			December 31	December 31	
The Company	TRIO Technology International Co., Ltd.	Investment holding	100	100	—
TRIO Technology International Co., Ltd.	APEC International Group Limited	Investment holding	100	100	—
TRIO Technology International Co., Ltd.	Wonstar International Co., Ltd.	Investment holding	100	100	—
TRIO Technology International Co., Ltd.	Trio Technology Co., Ltd.	Research and sales of inductor components	100	100	—
TRIO Technology International Co., Ltd.	TRIO TECHNOLOGY VIETNAM CO., LTD.	Manufacture and sale of inductor components	100	100	a
APEC International Group Limited	Trio Technology (Suzhou) Co., Ltd.	Research, development, manufacturing, and sales of inductor components	100	100	—
Wonstar International Co., Ltd.	Dongguan Detaili Electronics Co., Ltd.	Manufacture and sale of inductor components	100	100	—

As of December 31, 2024, and 2023, the financial statements of subsidiaries included in the consolidated financial statements are based on financial information audited by independent auditors.

Explanation:

- a. On June 13, 2023, the Company's Board of Directors passed a resolution to establish a subsidiary in Vietnam, TRIO TECHNOLOGY VIETNAM CO., LTD., through its wholly owned subsidiary TRIO Technology International Co., Ltd. On January 16, 2024, and October 11, 2024, TRIO Technology International Co., Ltd. increased its investment in the Vietnamese subsidiary by USD 3,000 thousand and USD 2,000 thousand, respectively. As of December 31, 2024, the paid-in capital amounted to USD 6,500 thousand.

11. Property, Plant, and Equipment

	Freehold land	Buildings	Machinery equipment	Other equipment	Property under Construction and Equipment pending acceptance	Total
<u>Cost</u>						
Balance on January 1, 2024	\$ 23,644	\$ 258,819	\$ 479,726	\$ 75,089	\$ 137,573	\$ 974,851
Additions	42,170	70,570	145,587	21,544	31,926	311,797
Disposals	-	-	(3,595)	(2,575)	(357)	(6,527)
Reclassification	7,908	6,225	152,505	1,839	(81,959)	86,518
Transfer from investment property	-	31,327	-	-	-	31,327
Net exchange differences	-	12,618	28,062	3,630	5,526	49,836
Balance on December 31, 2024	<u>\$ 73,722</u>	<u>\$ 379,559</u>	<u>\$ 802,285</u>	<u>\$ 99,527</u>	<u>\$ 92,709</u>	<u>\$1,447,802</u>
<u>Accumulated depreciation and impairment</u>						
Balance on January 1, 2024	\$ -	\$ 80,130	\$ 189,917	\$ 45,264	\$ -	\$ 315,311
Depreciation expense	-	18,611	66,337	13,396	-	98,344
Disposals	-	-	(2,949)	(2,287)	-	(5,236)
Reclassification	-	-	(52)	52	-	-
Transfer from investment property	-	22,957	-	-	-	22,957
Net exchange differences	-	4,387	10,596	1,971	-	16,954
Balance on December 31, 2024	<u>\$ -</u>	<u>\$ 126,085</u>	<u>\$ 263,849</u>	<u>\$ 58,396</u>	<u>\$ -</u>	<u>\$ 448,330</u>
Net amount on December 31, 2024	<u>\$ 73,722</u>	<u>\$ 253,474</u>	<u>\$ 538,436</u>	<u>\$ 41,131</u>	<u>\$ 92,709</u>	<u>\$ 999,472</u>
<u>Cost</u>						
Balance on January 1, 2023	\$ 23,644	\$ 226,408	\$ 531,804	\$ 83,438	\$ 55,119	\$ 920,413

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	Freehold land	Buildings	Machinery equipment	Other equipment	Property under Construction and Equipment pending acceptance	Total
Cost						
Additions	-	25,469	27,836	14,023	89,137	156,465
Disposals	-	-	(85,807)	(22,119)	-	(107,926)
Reclassification	-	10,937	13,933	852	(4,171)	21,551
Net exchange differences	-	(3,995)	(8,040)	(1,105)	(2,512)	(15,652)
Balance on December 31, 2023	<u>\$ 23,644</u>	<u>\$ 258,819</u>	<u>\$ 479,726</u>	<u>\$ 75,089</u>	<u>\$ 137,573</u>	<u>\$ 974,851</u>
<u>Accumulated depreciation and impairment</u>						
Balance on January 1, 2023	\$ -	\$ 68,012	\$ 211,971	\$ 56,013	\$ -	\$ 335,996
Depreciation expense	-	13,455	46,293	8,634	-	68,382
Disposals	-	-	(65,132)	(18,926)	-	(84,058)
Net exchange differences	-	(1,337)	(3,215)	(457)	-	(5,009)
Balance at December 31, 2023	<u>\$ -</u>	<u>\$ 80,130</u>	<u>\$ 189,917</u>	<u>\$ 45,264</u>	<u>\$ -</u>	<u>\$ 315,311</u>
Net amount at December 31, 2023	<u>\$ 23,644</u>	<u>\$ 178,689</u>	<u>\$ 289,809</u>	<u>\$ 29,825</u>	<u>\$ 137,573</u>	<u>\$ 659,540</u>

Depreciation expense is calculated on a straight-line basis over the following useful lives:

Buildings	8 to 32 years
Machinery equipment	5 to 10 years
Other equipment	3 to 10 years

The amounts of property, plant, and equipment pledged as collateral for bank borrowings are set out in Note 25.

12. Lease Agreement

(1) Right-of-use assets

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Carrying amount		
Land	\$ 14,312	\$ 15,401
Building	86,657	96,744
Transportation equipment	<u>2,787</u>	<u>3,591</u>
	<u>\$ 103,756</u>	<u>\$ 115,736</u>

	<u>2024 fiscal year</u>	<u>2023 fiscal year</u>
Additions to right-of-use assets	<u>\$ 3,359</u>	<u>\$ 106,909</u>
Depreciation charge for right-of-use assets		
Land	\$ 1,686	\$ 1,683
Building	16,009	15,921
Transportation equipment	<u>2,650</u>	<u>2,750</u>
	<u>\$ 20,345</u>	<u>\$ 20,354</u>

The amounts of right-of-use assets pledged as collateral for bank borrowings are set out in Note 25.

(2) Leases Liabilities

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Carrying Amount		
Current	<u>\$ 17,787</u>	<u>\$ 16,911</u>
Non-current	<u>\$ 76,323</u>	<u>\$ 87,334</u>

The range of discount rates for lease Liabilities was as follows:

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Land	2.03%	2.03%
Building	2.01%~3.60%	1.49%~3.60%
Transportation equipment	1.49%~5.58%	1.23%~5.58%

(3) Important leasing activities and terms

The Consolidated Company leases certain transportation equipment for operational use, with lease terms ranging from 1 to 3 years. Upon expiration of the lease term, the Consolidated Company has the option to purchase the equipment at an agreed-upon price.

The Consolidated Company also leases several parcels of land and buildings for use such as factories, offices, and parking lots, with lease terms ranging from 2 to 50 years. At the end of the lease term, the Consolidated Company does not have bargain purchase options to acquire the leased land and buildings, and it is agreed that without the lessor's consent, the Consolidated Company shall not sublease or assign all or part of the leased subject.

(4) Other lease information

	<u>2024</u>	<u>2023</u>
Expenses relating to short-term leases	<u>\$ 888</u>	<u>\$ 1,567</u>
Expenses relating to low-value asset leases	<u>\$ 90</u>	<u>\$ 429</u>
Total cash (outflow) for leases	<u>(\$ 22,264)</u>	<u>(\$ 23,143)</u>

13. Investment property

	<u>Investment property</u>
<u>Cost</u>	
Balance on January 1, 2024	\$ 69,346
Additions	686
Reclassifications	(31,327)
Net exchange differences	<u>3,264</u>
Balance on December 31, 2024	<u>\$ 41,969</u>
 <u>Accumulated depreciation and impairment</u>	
Balance on January 1, 2024	\$ 49,792
Depreciation expense	3,101
Reclassifications	(22,957)
Net exchange differences	<u>2,367</u>
Balance on December 31, 2024	<u>\$ 32,303</u>
 Carrying amount on December 31, 2024	 <u>\$ 9,666</u>
 <u>Cost</u>	
Balance on January 1, 2023	\$ 70,002
Additions	374
Property, plant, and equipment reclassified	160
Net exchange differences	<u>(1,190)</u>
Balance on December 31, 2023	<u>\$ 69,346</u>
 <u>Accumulated depreciation and impairment</u>	
Balance on January 1, 2023	\$ 46,407
Depreciation expense	4,251
Net exchange differences	(866)
Balance on December 31, 2023	<u>\$ 49,792</u>
 Carrying amount on December 31, 2023	 <u>\$ 19,554</u>

The total lease payments to be received in the future for leasing out investment properties under operating leases are as follows:

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Year 1	\$ 5,175	\$ 14,254
Year 2	-	8,226
Year 3	-	-
Year 4	-	-
Year 5	-	-
Over 5 years	<u>-</u>	<u>-</u>
	<u>\$ 5,175</u>	<u>\$ 22,480</u>

Investment properties are depreciated on a straight-line basis over the following useful lives:

Building 20 years

14. Borrowings

Short-term borrowings

	December 31, 2024	December 31, 2023
<u>Secured loans (Note 25)</u>		
Bank loan	\$ -	\$ 542,667
<u>Unsecured loans</u>		
Credit line borrowing	50,000	30,000
	\$ 50,000	\$ 572,667

- (1) The interest rates for the Consolidated Company's short-term borrowing as of December 31, 2024, and December 31, 2023, were 2.38% and 2% ~ 3.6%.
- (2) The collateral and guarantees provided to the lending bank as required by the loan agreement of the Consolidated Company are set out in Notes 24 and 25.

Long-term borrowings

	Interest rate %	December 31, 2024	December 31, 2023
E.Sun Bank			
Long-term credit borrowings, with a period from April 12, 2019, to April 12, 2034, will be charged interest at a floating rate from the date of borrowing, with monthly installments for the repayment of principal and interest.	2.15/2.03	\$ 3,901	\$ 4,276
E.Sun Bank			
Long-term secured loans, with a term from April 12, 2019, to April 12, 2039, are charged interest at a floating rate from the date of the loan, with monthly principal and interest repayments, and a grace period of 2 years for principal repayment.	2.15/2.03	18,878	19,995
Chang Hwa Bank			
Long-term secured borrowings, with a term from February 27, 2024, to February 27, 2044, will be charged interest at a floating rate from the date of borrowing, with principal and interest repaid on a monthly average basis.	2.01/-	51,003	-

	73,782	24,271
Less: Current portion of long-term borrowings	<u>(4,179)</u>	<u>(1,499)</u>
	<u>\$ 69,603</u>	<u>\$ 22,772</u>

The collateral and guarantees provided to the lending bank as required by the loan agreement of the Consolidated Company are set out in Notes 24 and 25.

15. Other Payables

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Payables for salaries and bonuses	\$ 130,651	\$ 80,104
Payables for purchases of equipment	24,474	16,653
Payables for social security	99,091	75,416
Others	<u>64,352</u>	<u>38,911</u>
	<u>\$ 318,568</u>	<u>\$ 211,084</u>

16. Retirement Benefit Plans

Trio Technology (Suzhou) Co., Ltd., Dongguan Detaili Electronics Co., Ltd., and Trio Technology Co. Ltd. have all adopted pension plans, which are government-managed defined contribution plans. Trio Technology (Suzhou) Co., Ltd. and Dongguan Detaili Electronics Co., Ltd. are subject to the endowment insurance system established by the People's Republic of China. Under the pension insurance system stipulated by the People's Republic of China government, these companies contribute a percentage of employees' statutory salaries to pension insurance funds monthly, which are deposited into independent accounts for each employee based on their household registration. Trio Technology Co., Ltd. has adopted a pension plan under the Labor Pension Act (LPA), contributing 6% of employees' monthly salaries to individual accounts. The aforementioned company has no further obligation beyond these monthly contributions.

17. Equity

(1) Share capital

<u>Ordinary shares</u>	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Authorized shares (in thousands)	<u>200,000</u>	<u>200,000</u>
Authorized capital	<u>\$ 2,000,000</u>	<u>\$ 2,000,000</u>
Issued and fully paid shares (in thousands)	<u>50,000</u>	<u>44,000</u>
Issued capital	<u>\$ 500,000</u>	<u>\$ 440,000</u>

On December 20, 2022, the Board of Directors of the Company resolved to increase capital by issuing 2,000 thousand new shares. The capital

increase was completed in March 2023, with a par value of NT\$10 per share and an issue price of NT\$65 per share.

On April 12, 2024, the Board of Directors of the Company resolved to issue 6,000 thousand new shares for cash for its initial public offering, with a par value of NTD 10, totaling 60,000 thousand. After the capital increase, the paid-in capital was 500,000 thousand. The aforementioned proceeds from issuing shares will have a base date of October 21, 2024. The record date for this capital increase was October 21, 2024. The public subscription price and weighted average winning bid price from competitive auction were NT\$135 and NT\$193.5 per share, respectively, raising a total of NT\$1,048,617 thousand. The issuance costs of NT\$7,200 thousand were recorded as a deduction from capital surplus.

As of December 31, 2024 and 2023, the paid-in capital after the capital increase amounted to NT\$500,000 thousand and NT\$440,000 thousand, respectively.

(2) Capital surplus

Common Shares

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
<u>Maybe used to offset a deficit, distributed cash, or transferred to share capital</u>		
Share premium	<u>\$ 1,202,283</u>	<u>\$ 220,000</u>

Capital surplus arising from the premium on the issuance of shares in excess of par value may be used to offset a deficit. In addition, when the Consolidated Company has no deficit, such capital surplus may be distributed as cash dividends or transferred to share capital, subject to a certain percentage of paid-in capital per year.

(3) Retained earnings and dividend policy

The Company is in a growth phase. Based on the needs for capital expenditure, business expansion, and sound financial planning for sustainable development, the Company's dividend policy will distribute cash dividends and/or stock dividends to the shareholders according to the Company's future capital expenditure budget and funding requirements.

According to the surplus distribution policy outlined in the original Articles of Incorporation of the Company, if there is any surplus in the annual accounts, the Board of Directors shall resolve the earnings appropriation proposal. The Company amended its Articles of Incorporation on August 26, 2021. Per the surplus distribution policy in the amended Articles of Incorporation, during the listing period, unless otherwise stipulated by Cayman law, listing regulations, or these Articles of Incorporation, if there is any surplus in the annual accounts,

taxes shall be paid in accordance with the law, accumulated losses shall be offset, and then 10% shall be allocated as a legal reserve, followed by special reserve as required by laws and regulations. The remaining balance, along with accumulated undistributed earnings, shall be proposed by the Board of Directors as a profit distribution proposal for shareholder approval.

Legal reserve shall be set aside until it equals the total amount of the company's paid-in share capital. The legal reserve may be used to offset a deficit. When the Company has no losses, the portion of legal reserve exceeding 25% of the total paid-in capital may be distributed as cash dividends or transferred to share capital.

The Company held its annual general meetings on April 9, 2024, and June 29, 2023, respectively, and resolved the earnings appropriation for the years 2023 and 2022 as follows:

	<u>2023</u>	<u>2022</u>
Cash Dividends	<u>\$ 180,400</u>	<u>\$ 176,000</u>
Cash dividends per share	\$ 4.1	\$ 4

On March 13, 2025, the Board of Directors of the Company proposed the following earning appropriation plan for the fiscal year 2024:

	<u>2024</u>
Cash Dividends	<u>\$ 300,000</u>
Cash dividends per share (NT \$)	\$ 6

The profit distribution proposal for the year 2024 is subject to approval at the Annual Shareholders' Meeting scheduled for June 12, 2025.

(4) Other equity

Exchange differences on translation of the financial statements of foreign operations

	<u>2024</u>	<u>2023</u>
Balance on January 1	(\$ 10,534)	\$ 1,262
Exchange differences in the translation of the financial statements of foreign operations	<u>39,215</u>	<u>(11,796)</u>
Balance on December 31	<u>\$ 28,681</u>	<u>(\$ 10,534)</u>

18. Revenue

	<u>2024</u>	<u>2023</u>
Revenue from customer contracts		
Revenue from sale of goods	<u>\$ 2,200,240</u>	<u>\$ 1,594,621</u>

Please refer to Note 4 (12) for the description of customer contracts for the years 2024 and 2023.

19. Net profit from continuing operations

(1) Interest income

	<u>2024</u>	<u>2023</u>
Bank deposits	\$ 15,198	\$ 12,978
Others	<u>39</u>	<u>46</u>
	<u>\$ 15,237</u>	<u>\$ 13,024</u>

(2) Other income

	<u>2024</u>	<u>2023</u>
Rental income	\$ 10,258	\$ 13,561
Subsidy income	4,472	2,177
Others	<u>5,568</u>	<u>3,818</u>
	<u>\$ 20,298</u>	<u>\$ 19,556</u>

(3) Other gains and losses

	<u>2024</u>	<u>2023</u>
Losses on disposals of property, plant, and equipment	(\$ 1,277)	(\$ 23,014)
Net foreign exchange gains	114,002	9,057
Others	<u>(1,202)</u>	<u>(3,345)</u>
	<u>\$ 111,523</u>	<u>(\$ 17,302)</u>

(4) Depreciation and amortization

	<u>2024</u>	<u>2023</u>
Property, plant, and equipment	\$ 98,344	\$ 68,382
Investment property	3,101	4,251
Right-of-use assets	20,345	20,354
Intangible assets	<u>1,823</u>	<u>633</u>
Total	<u>\$ 123,613</u>	<u>\$ 93,620</u>
Depreciation expense by function		
Operating costs	\$ 84,535	\$ 65,034
Operating expenses	<u>37,255</u>	<u>27,953</u>
	<u>\$ 121,790</u>	<u>\$ 92,987</u>
Amortization expense by function		
Operating costs	\$ 82	\$ 116
Operating expenses	<u>1,741</u>	<u>517</u>
	<u>\$ 1,823</u>	<u>\$ 633</u>

(5) Employee benefits expense

	<u>2024</u>	<u>2023</u>
Short-term benefits	\$ 462,693	\$ 359,368
Post-employment benefits		
Defined contribution plan	<u>44,771</u>	<u>30,189</u>
	<u>\$ 507,464</u>	<u>\$ 389,557</u>
	<u>2024</u>	<u>2023</u>
Employee benefit expenses by function		
Operating costs	\$ 294,918	\$ 233,745
Operating expenses	<u>212,546</u>	<u>155,812</u>
	<u>\$ 507,464</u>	<u>\$ 389,557</u>

The Company issued new shares as detailed in Note 17 and, in accordance with relevant regulations, granted employees 250,000 shares for subscription. On September 23, 2024 (grant date), employee stock options were valued using the Black-Scholes valuation model, recognizing compensation costs of \$866 thousand. The input values used in the valuation model are as follows:

Share price at grant date	NTD 134.38
Exercise price	NTD 135
Expected volatility of share prices	30%
Expected Term	0.08 years
Expected dividend yield	0%
Risk-free interest rate	1.195%
Compensation cost per share	3.4626

(6) Compensation of employees and remuneration of directors

According to the Company's Articles, employee compensation and director compensation shall be appropriated at not less than 5% and not more than 3%, respectively, of the profit before tax after deducting the amounts of employee and director compensation.

The estimated employee compensation and director remuneration for the year 2024 was resolved by the Board of Directors on March 13, 2025, as follows:

Estimated Percentage

	<u>2024</u>
Compensation of employees	5%
Remuneration of directors	0%

Amount

	<u>2024</u>
Compensation of employees	<u>\$ 35,500</u>
Remuneration of directors	\$ -

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

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

20. Income taxes related to continuing operations

(1) Major components of income tax expense (benefit) are as follows:

	<u>2024</u>	<u>2023</u>
Current tax		
Current year	\$ 149,109	\$ 105,800
Adjustments for prior years	1,200	335
Deferred income tax		
Current year	7,872	(7,232)
Effect of Tax Rate Changes	-	727
Adjustments for prior years	-	(103)
Income tax expense recognized in profit or loss	<u>\$ 158,181</u>	<u>\$ 99,527</u>

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

	<u>2024</u>	<u>2023</u>
Profit before tax from continuing operations	<u>\$ 673,804</u>	<u>\$ 491,863</u>
Income tax expense calculated at the statutory rate	\$ 140,486	\$ 98,820
Nondeductible expenses	22	32
Tax rate changes	-	727
Adjustments for prior years	1,200	232
Others	<u>16,473</u>	<u>(284)</u>
Income tax expense recognized in profit or loss	<u>\$ 158,181</u>	<u>\$ 99,527</u>

TRIO Technology Co., Ltd. is subject to the Income Tax Act, with a corporate income tax rate of 20%. The subsidiary, Trio Technology (Suzhou) Co., Ltd applies the provisions of the Law of the People's Republic of China on Enterprise Income Tax, with a statutory tax rate of 25%. In 2023, Dongguan Detaili Electronics Co., Ltd. qualified for the preferential policies regarding small low-profit enterprises and individual businesses as announced by the Ministry of Finance's Taxation Administration (Announcement No. 6 of 2023), with an adjusted tax rate of 5%. In 2024, as it no longer meets the requirements for small and micro enterprises, it is subject to the Enterprise Income Tax Law of the People's Republic of China with a statutory tax rate of 25%.

(2) Current tax assets and liabilities

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Current tax assets		
Prepaid income tax	<u>\$ 2,340</u>	<u>\$ -</u>
Current tax liabilities		
Income tax payable	<u>\$ 135,889</u>	<u>\$ 170,974</u>

Due to the impact of the novel coronavirus pneumonia (COVID-19), Trio Technology International applied to the local tax collection authority and obtained approval to pay the corporate income tax for the years 2021 and 2022 in installments, in accordance with Article 26 of the Tax Collection Act and the Ministry of Finance's order No. 10904533690 dated March 19, 2020.

(3) Deferred tax assets

The changes of deferred tax assets were as follows:

For the year ended December 31, 2024

	<u>Beginning balance</u>	<u>Recognized in profit or loss</u>	<u>Exchange differences</u>	<u>Ending balance</u>
<u>Deferred tax assets</u>				
Temporary differences				
Unrealized exchange loss	\$ 3,410	(\$ 10,169)	\$ -	(\$ 6,759)
Allowance for inventory valuation	4,982	(4,516)	170	636
Deferred revenue	1,860	908	107	2,875
Refund liabilities	-	823	-	823
Other	14,803	5,082	814	20,699
Total	<u>\$ 25,055</u>	<u>(\$ 7,872)</u>	<u>\$ 1,091</u>	<u>\$ 18,274</u>
Account for deferred tax assets	<u>\$ 25,055</u>			<u>\$ 23,665</u>
Account for deferred tax liabilities	<u>\$ -</u>			<u>\$ 5,391</u>

For the year ended December 31, 2023

	<u>Beginning balance</u>	<u>Recognized in profit or loss</u>	<u>Exchange differences</u>	<u>Ending balance</u>
<u>Deferred tax assets</u>				
Temporary differences				
Unrealized exchange loss	\$ 268	\$ 3,142	\$ -	\$ 3,410
Allowance for inventory valuation	3,690	1,365	(73)	4,982
Deferred revenue	1,825	67	(32)	1,860
Other	13,024	2,034	(255)	14,803
Total	<u>\$ 18,807</u>	<u>\$ 6,608</u>	<u>(\$ 360)</u>	<u>\$ 25,055</u>
Account for deferred tax assets	<u>\$ 18,807</u>			<u>\$ 25,055</u>

- (4) The amounts of deductible temporary differences related to Consolidated Balance Sheets not recognized in deferred tax assets.

As of December 31, 2024, the amount of deductible temporary differences not recognized as deferred tax assets was NT\$5,553 thousand.

(5) Income Tax Approval Situation

The corporate income tax returns of TRIO Technology Co., Ltd. have been approved by the tax authorities up to the year 2022.

21. Earnings per share

	<u>2024</u>	<u>2023</u>
<u>Net income for the period</u> (Thousand)		
Net income used in the calculation of basic eps.	<u>\$ 515,623</u>	<u>\$ 392,336</u>
Net income used in the calculation of diluted eps.	<u>\$ 515,623</u>	<u>\$ 392,336</u>
<u>Shares (thousand shares)</u>		
Weighted average number of ordinary shares for basic eps	45,180	43,507
<u>Earnings per share (NT \$)</u>		
Basic earnings per share	<u>\$ 11.41</u>	<u>\$ 9.02</u>
Diluted earnings per share	<u>\$ 11.41</u>	<u>\$ 9.02</u>

22. Capital Risk Management

The Consolidated Company's capital risk management is aimed at ensuring that it has the necessary financial resources and operational plans to support the working capital, capital expenditures, commissions expense, and debt repayment needs for the next 12 months.

23. Financial Instruments

(1) Categories of financial instruments

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
<u>Financial assets</u>		
Financial assets measured at amortized cost (Note 1)	\$ 1,925,558	\$ 1,413,965
Financial assets at FVTOCI		
Debt instruments	181,467	142,498
	<u>December 31, 2024</u>	<u>December 31, 2023</u>
<u>Liabilities</u>		
Amortized cost (Note 2)	831,128	1,028,164

Note 1: The balances include cash and cash equivalents, financial assets measured at amortized cost, notes receivable, accounts receivable measured at amortized cost, other receivables, and guarantee deposits paid, which are financial assets measured at amortized cost.

Note 2: The balances include financial liabilities measured at amortized cost, which comprise short-term borrowings, notes payable, accounts payable, other payables, long-term borrowings due within one year, long-term borrowings, and guarantee deposits received.

(2) Financial risk management objectives and policies

The Consolidated Company's major financial instruments include cash and cash equivalents, assets measured at amortized cost, notes receivable, accounts receivable, other receivables, guarantee deposits paid, short-term borrowings, accounts payable to related parties, other payables, other payables due to related parties, current portion of long-term borrowings, long-term borrowings, and guarantee deposits received. The Consolidated Company's corporate treasury function provides services to various business units, coordinating operations in both domestic and international financial markets, and monitoring and managing financial risks relevant to Group operations through internal risk reports which analyze exposures by degree and magnitude of risks. These include market risks (including foreign exchange risk and interest rate risk), credit risk, and liquidity risk.

a. Market risk

The main financial risks arising from the Consolidated Company's operating activities are foreign currency exchange rate risk and interest rate risk.

a) Foreign exchange risk

The Company and its subsidiaries engage in sales and purchase transactions denominated in foreign currencies, which exposes the Consolidated Company to foreign exchange rate risk. The Consolidated Company has assessed its positions in foreign currency assets and liabilities and found no exposure to significant exchange rate risk and, therefore, has not implemented any additional hedging, resulting in no applicable hedge accounting treatment.

For monetary assets and liabilities denominated in currencies other than the functional currency of the entity where the transaction occurred on the balance sheet date (including monetary items denominated in non-functional currencies that have been eliminated in the consolidated financial statements), please refer to Note 28.

Sensitivity Analysis

The Consolidated Company is primarily affected by fluctuations in the exchange rate of the USD.

The following table details the Consolidated Company's sensitivity analysis when the NTD (the functional currency) increases and decreases against relevant foreign currencies by 1%. Sensitivity analysis includes only outstanding foreign currency monetary items and adjusts their end-of-period conversion for exchange rate fluctuations of 1%. A positive number below indicates the amount by which profit before tax will decrease when the New Taiwan Dollar appreciates by 1% against the relevant currency; when the New Taiwan Dollar depreciates by 1% against the relevant foreign currency, the impact on profit before tax will be a negative number of the same amount.

	<u>USD Impact</u>	
	<u>2024</u>	<u>2023</u>
Profits or (loss)	\$ 15,622	\$ 11,033

b) Interest rate risk

The Consolidated Company's interest rate risk primarily arises from fixed and floating rate short-term borrowings and lease liabilities, exposing the Consolidated Company to fair value and cash flow interest rate risks.

The carrying amounts of the Consolidated Company's financial assets and liabilities with exposure to interest rates at the date of the balance sheet were as follows:

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Fair value interest rate risk		
– Finance assets	\$ 499,178	\$ 387,271
– Finance liabilities	94,110	174,187
Cash flow interest rate risk		
– Finance assets	670,602	479,338
– Finance liabilities	123,782	539,871

The sensitivity analysis regarding interest rate risk is based on the fair value changes of floating-rate financial assets and liabilities at the end of the financial reporting period.

If interest rates increase/decrease by 1%, and all other variables remain constant, the Consolidated Company's pre-tax profit for the years ended December 31, 2024, and 2023 will decrease/increase by 5,468 thousand and (605) thousand, respectively.

b. Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations, resulting in a financial loss to the Company. To mitigate credit risk, the Consolidated Company's management assigned a dedicated team responsible for the determination of credit limits, credit approvals, and other monitoring procedures to ensure that appropriate actions have been taken for the recovery of overdue receivables. In addition, the Consolidated Company will review the recoverable amount of trade receivable individually on the balance sheet date to ensure appropriate impairment losses have been recognized for uncollectible receivables. Accordingly, the management believes the Consolidated Company's credit risk was significantly reduced.

c. Liquidity risk

The Consolidated Company manages and maintains sufficient cash and cash equivalents to support company operations and mitigate the impact of cash flow fluctuations. The Consolidated Company's management monitors the usage of bank financing facilities and ensures compliance with loan agreement terms.

a) Liquidity and Interest Rate Risk Tables for Non-Derivative Financial Instruments of Liabilities

The maturity analysis of non-derivative financial liabilities is prepared based on the earliest date on which the Consolidated Company can be required to pay, according to the undiscounted cash flows of financial liabilities (including principal and estimated interest). Therefore, bank loans that can be requested for immediate repayment are listed in the earliest period in the table below, regardless of the probability of banks immediately exercising this right; the maturity analysis of other non-derivative financial instruments liabilities was prepared based on the agreed repayment date.

December 31, 2024

	Less than 1 year	1 ~ 3 years	Over 3 years	Total
<u>Non-derivative</u>				
<u>financial liabilities</u>				
Non-interest-bearing liabilities.	\$ 707,346	\$ -	\$ -	\$ 707,346
Leases liabilities	20,683	33,271	50,397	104,351
Variable interest instruments	<u>54,179</u>	<u>8,459</u>	<u>61,144</u>	<u>123,782</u>
	<u>\$ 782,208</u>	<u>\$ 41,730</u>	<u>\$ 111,541</u>	<u>\$ 935,479</u>

December 31, 2023

	Less than 1 year	1 ~ 3 years	Over 3 years	Total
<u>Non-derivative</u>				
<u>financial liabilities</u>				
Non-interest-bearing liabilities.	\$ 431,226	\$ -	\$ -	\$ 431,226
Leases liabilities	20,114	36,096	60,910	117,120
Variable interest instruments	517,099	3,090	19,682	539,871
Fixed interest instruments	<u>57,067</u>	-	-	<u>57,067</u>
	<u>\$ 1,025,506</u>	<u>\$ 39,186</u>	<u>\$ 80,592</u>	<u>\$ 1,145,284</u>

(b) Financing facilities

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Unsecured bank facility		
— Amount utilized	\$ 86,000	\$ 36,000
— Amount unused	<u>68,412</u>	<u>50,000</u>
	<u>\$ 154,412</u>	<u>\$ 86,000</u>
Secured bank facilities		
— Amount utilized	\$ 585,810	\$ 615,667
— Amount unused	<u>788,567</u>	<u>428,975</u>
	<u>\$ 1,374,377</u>	<u>\$ 1,044,642</u>

24. Related Party Transactions

25. Transactions, account balances, revenue, and expenses between the Company and its subsidiaries (which are related parties of the Company) are eliminated in full upon consolidation and are not disclosed in this note. In addition to those disclosed in other notes, transactions between the Consolidated Company and other related parties are disclosed below.

(1) Related party name and category

<u>Related party name</u>	<u>Relationship with the Consolidated Company</u>
Mercurry Investment Co., Ltd. (collectively referred to as "Mercurry")	Other Related party
Lin, Huo-Li	Chairman of the Company
Chen, Hsiu-Wei	Directors of the Company
Lin, Chih-Chun	Affiliate in substance
Lin, Nien-Hsuan	Affiliate in substance
Lin, Yen-Chen	Affiliate in substance
Tai, Shao-Lun	Affiliate in substance
Tsui, Yung-Sheng	Affiliate in substance

(2) Lease agreement

<u>Acquisition of right-to-use assets</u>			
<u>Related party name</u>		<u>2024</u>	<u>2023</u>
Acquisition of right-to-use assets			
Other related parties		<u>\$ -</u>	<u>\$ 16,314</u>
		<u>December 31, 2024</u>	<u>December 31, 2023</u>
<u>Accounted for item</u>	<u>Related party name</u>		
Leases liabilities	Other Related party	<u>\$ 9,560</u>	<u>\$ 16,314</u>
<u>Related party name</u>		<u>2024 fiscal year</u>	<u>2023 fiscal year</u>
Interest expense			
Other related parties		<u>\$ 237</u>	<u>\$ 54</u>

(3) Endorsement and guarantee

The affiliates of the Consolidated Company are guarantors of the Consolidated Company's borrowings, and the details of the guarantee are as follows:

<u>Related party</u>	<u>Guarantee nature</u>	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Lin, Huo-Li	Bank loan	\$ 1,528,789	\$ 610,202
Lin, Huo-Li and Chen, Hsiu-Wei	Bank loan	-	520,440
		<u>\$ 1,528,789</u>	<u>\$ 1,130,642</u>

(4) Operating expenses

<u>Account item</u>	<u>Type of related party</u>	<u>2024</u>	<u>2023</u>
Operating expenses	Affiliate in substance	<u>\$ 8,232</u>	<u>\$ 6,622</u>

(5) Refundable deposits

<u>Related party name</u>	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Other Related party	<u>\$ 406</u>	<u>\$ 668</u>

This refers to the right-of-use assets acquired by the Consolidated Company from affiliates, with a security deposit paid in accordance with the lease agreement.

(6) Remuneration of key management personnel

The total remuneration of directors and key management personnel is as follows:

	<u>2024</u>	<u>2023</u>
Short-term employee benefits	\$ 31,502	\$ 31,073
Post-employment benefits	187	179
	<u>\$ 31,689</u>	<u>\$ 31,252</u>

The remuneration of directors and key executives is determined by the compensation committee based on individual performance and market trends.

26. Pledged Assets

The following assets have been provided as collateral for the bank loans:

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Pledged cash in banks (Note 7)	\$ 138,543	\$ 233,746
Accounts receivable (Note 8)	-	168,331
Land	73,722	23,644
Buildings	28,328	162,159
Right-of-use assets - Land	-	11,556
	<u>\$ 240,593</u>	<u>\$ 559,436</u>

27. Significant Contingent Liabilities and Unrecognized Contractual Commitments

The unrecognized contractual commitments of the Consolidated Company are as follows:

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Acquisition of property, plant, and equipment/land use rights		
Contracted amount	\$ 818,500	\$ 593,538
Amount unpaid	378,188	406,863

28. Other Matters

On March 13, 2025, the Board of Directors of the Company passed a resolution to evaluate the investment in establishing a subsidiary in Thailand and to assess the planning for acquiring land, with an estimated investment amount of USD 25,000 thousand.

29. Information on significant foreign currency assets and liabilities

The following information is aggregated based on foreign currencies other than the functional currency of each entity in the Consolidated Company. The disclosed exchange rates refer to the exchange rates for converting these foreign currencies into the functional currency. Significant foreign currency assets and liabilities are as follows:

December 31, 2024

	Unit: Foreign Currencies / NTD Thousand		
	Foreign Currency	Exchange differences	New Taiwan Dollars
<u>Assets</u>			
<u>Monetary item</u>			
US Dollar	\$ 48,327	32.79	\$ 1,584,401
<u>Liabilities</u>			
<u>Monetary item</u>			
US Dollar	677	32.79	22,195

December 31, 2023

	Unit: Foreign Currencies / NTD Thousand		
	Foreign Currency	Exchange differences	New Taiwan Dollars
<u>Assets</u>			
<u>Monetary item</u>			
US Dollar	\$ 36,183	30.705	\$ 1,110,999
Hong Kong Dollar	454	3.929	1,784
<u>Liabilities</u>			
<u>Monetary item</u>			
US Dollar	251	30.705	7,707

30. Supplementary Disclosures

(1) Significant Transactions and (2) Information Related to Investments

- 1) Loans to others (Table 1)
- 2) Endorsement and guarantees provided (Table 2)
- 3) Marketable securities held (excluding investments in subsidiaries) (None)
- 4) Accumulated purchases or sales of the same marketable securities reaching NT\$300 million or 20% of paid-in capital or more (None)
- 5) Acquisition of real estate reaching NT\$300 million or 20% of paid-in capital or more (None)
- 6) Disposal of individual real estate properties reaching NT\$300 million or 20% of paid-in capital or more (None)
- 7) Purchases from or sales to related parties amounting to NT\$100 million or 20% of paid-in capital or more (Table 3)
- 8) Receivables from related parties reaching NT\$100 million or 20% of paid-in capital or more (Table 4)

- 9) Information about the derivative financial instruments transaction (None)
 - 10) Others: The business relationship between the parent and the subsidiaries and significant transactions between subsidiaries (Table 5)
 - 11) Information on investees (Table 6)
- (3) Information on investments in mainland China
- 1) The name of investee in mainland China, the main business and products, its issued capital, method of investment, information on inflow or outflow of capital, percentage of ownership, income (losses) of the investee, share of profits/losses of investee, ending balance, amount received as dividends from the investee, and the limitation on investee. (Table 7)
 - 2) Significant transactions occurring directly or indirectly through third regions with investee companies in Mainland China, and their prices, payment terms, and unrealized gains or losses: (None)
 - a. The amount and percentage of purchases and the amount and percentage of the related payables of ending balances.
 - b. The amount and percentage of sales and the amount and percentage of the related receivables of ending balances.
 - c. Amounts of property transactions and amounts of the resultant gains or losses.
 - d. Ending balances and purposes of endorsements/guarantees or collateral provided.
 - e. Maximum balance, ending balance, interest rate range, and total interest for financing activities.
 - f. Other transactions that have a material effect on current profit/loss or financial status, such as provision or receipt of services.

(4) Information of major Shareholders

Information on Major Shareholders: Names, number of shares held, and shareholding percentages of shareholders with ownership of 5% or more. (Table 8)

31. Segment Information

The primary operating decision-maker regards the design, research and development, production, and sales units of inductor products as individual operating departments. However, when preparing consolidated financial statements, the measure is based on operating profit and serves as the basis for performance evaluation. This measurement basis is consistent with the basis for preparing financial statements; therefore, these operating departments are aggregated and viewed as a single operating department. For related department revenue and results, please refer to the Consolidated Statements of Comprehensive Income.

(1) Geographic information

The Consolidated Company's revenue from external customers by operating location and non-current assets by asset location are shown below.

	<u>Revenue from external customers</u>		<u>Non-current assets</u>	
	<u>2024 fiscal year</u>	<u>2023 fiscal year</u>	<u>December 31, 2024</u>	<u>December 31, 2023</u>
China	\$ 1,074,672	\$ 848,714	\$ 1,035,589	\$ 752,403
Taiwan	735,818	506,739	239,781	131,814
Hong Kong	96,448	113,053	-	-
Other	<u>293,302</u>	<u>126,115</u>	<u>136,454</u>	<u>-</u>
	<u>\$ 2,200,240</u>	<u>\$ 1,594,621</u>	<u>\$ 1,411,824</u>	<u>\$ 884,217</u>

Revenue is attributed to countries based on the location of the customers. Non-current assets exclude financial instruments and deferred tax assets.

(2) Information on major customers

Single customers who contributed more than 10% to the Consolidated Company's total revenue were as follows:

	<u>2024</u>		<u>2023</u>	
	<u>Amount</u>	<u>Percentage (%)</u>	<u>Amount</u>	<u>Percentage (%)</u>
Company A	\$ 438,789	19.94	\$ 369,041	23.14
Company B	350,311	15.92	307,649	19.29
Company C	252,706	11.49	64,040	4.02
Company D	<u>228,285</u>	<u>10.38</u>	<u>170,053</u>	<u>10.66</u>
	<u>\$ 1,270,091</u>		<u>\$ 910,783</u>	

Trio Technology International Group Co., Ltd. and subsidiaries
Financing provided
For the year ended December 31, 2024

Table 1

Unit: NTD Thousand / Foreign currency in Yuan

Number (Note 1)	Company providing loan	Borrower	Transaction item	Related party	Maximum amount for the period	Ending balance	Actual amount disbursed	Interest rate range	Nature of loan (note 2)	Transaction amount	Reasons for short-term financing.	Allowance for bad debts	Collateral		Individual lending limit (note 3)	Total lending limit (note 3)	Remark
													Name	Value			
0	Trio Technology International Group Co., Ltd.	Trio Technology Co., Ltd.	Other receivabl es due from associates	Yes	\$ 819,625	\$ 819,625	\$ 819,625	2%	2	\$ -	Operating turnover	\$ -	-	\$ -	\$ 7,216,673	\$ 8,660,007	
"	"	Trio Technology (Suzhou) Co., Ltd.	Other receivabl es due from associates	Yes	327,850	327,850	196,710	2%	2	-	Operating turnover	-	-	-	7,216,673	8,660,007	
"	"	Dongguan Detaili Electronics Co., Ltd.	Other receivabl es due from associates	Yes	163,925	163,925	-	2%	2	-	Operating turnover	-	-	-	7,216,673	8,660,007	
1	Trio Technology Co., Ltd.	Trio Technology International Group Co., Ltd.	Other receivabl es due from associates	Yes	492,525	485,218	-	3%	2	-	Operating turnover	-	-	-	2,142,021	2,570,425	
"	"	Trio Technology (Suzhou) Co., Ltd.	Other receivabl es due from associates	Yes	390,862	-	-	3%	2	-	Operating turnover	-	-	-	2,142,021	2,570,425	
"	"	Dongguan Detaili Electronics Co., Ltd.	Other receivabl es due from associates	Yes	92,275	-	-	3%	2	-	Operating turnover	-	-	-	2,142,021	2,570,425	

Note 1: The information regarding financing provided to others by the Company and its subsidiaries should be presented in two separate tables, with the method for filling in the numbering column as follows:

1. Parent company: 0
2. The subsidiaries are numbered sequentially starting from "1" in the order presented in the table above.

Note 2: The nature of the loan is described as follows:

1. Business relations.
2. Those who require short-term financing.

Note 3: According to the Company's procedures for lending funds to others, when engaging in short-term financing between directly and indirectly 100% owned foreign subsidiaries, or from such foreign subsidiaries to the Company, the total lending amount shall not exceed 300% of the lender's net worth of the current period, and the individual lending limit shall not exceed 250% of the lender's net worth of the current period.

Trio Technology International Group Co., Ltd. and subsidiaries
Endorsement and guarantees provided
For the year ended December 31, 2024

Table 2

Unit: Unless otherwise specified
, for NTD Thousand

Number (Note1)	Name of Endorser Company	Endorsement and guarantee object		Limit on endorsements/ guarantees provided for a single enterprise (Note 3)	Maximum Balance for the Period	Ending Balance	Actual amount disbursed	Amount of endorsements/ guarantees secured with collateral	Ratio of accumulated endorsement/guarantee amount to net worth per latest financial statement (%)	Maximum endorsement and guarantee amount allowed(Note)	Endorsement and guarantee by the parent company to the subsidiary.	Endorsement and guarantee by the subsidiary to the parent company	Endorsement and guarantee for investments in China.	Remark
		Company Name	Relationship (Note 2)											
0	Trio Technology International Group Co., Ltd.	Trio Technology Co., Ltd.	4	\$ 8,660,007	\$ 50,000	\$ -	\$ -	\$ -	-	\$ 8,660,007	Y	-	-	-
1	Trio Technology Co., Ltd.	Trio Technology (Suzhou) Co., Ltd.	4	2,570,425	49,178	49,178	-	-	5.74	2,570,425	-	-	Y	-
2	Trio Technology (Suzhou) Co., Ltd.	Dongguan Detaili Electronics Co., Ltd.	4	1,820,678	68,175	67,170	-	-	11.07	1,820,678	-	-	Y	-

Note 1: The explanation for the number column is as follows:

- (1) Issuer: 0
- (2) The subsidiaries are numbered sequentially from "1" in the order presented in the table above.

Note 2: The relationship between the endorser/guarantor and the party being endorsed/guaranteed can be classified into seven categories, just indicate the category:

- (1) Companies with business dealings.
- (2) Companies directly and indirectly hold more than 50% of the voting shares.
- (3) Companies that directly or indirectly hold more than 50% of the voting shares in the company.
- (4) Companies that directly or indirectly hold more than 90% of the voting shares.
- (5) Companies that require mutual guarantees in accordance with contractual requirements based on needs arising from project contracting or builders who provide mutual guarantees.
- (6) Companies that are guaranteed by all contributing shareholders in proportion to their shareholding ratio due to the joint investment relationship.
- (7) Companies that provide joint and several guarantees for the fulfillment of contracts for pre-sale housing between companies in the same industry in accordance with the Consumer Protection Act.

Note 3: According to the Company's procedures for financing provided to others, the total amount of endorsements and guarantees provided by foreign companies in which the Company directly and indirectly holds 100% of the voting shares, or by foreign companies that directly and indirectly hold 100% of the voting shares in the Company, shall not exceed 300% of the current net value of the endorsing and guaranteeing company.

Trio Technology International Group Co., Ltd. and subsidiaries
 Total purchases from or sales to related parties amounting to at least NTD 100 million or 20% of the paid-in capital
 For the year ended December 31, 2024

Table 3

Unit: NTD Thousand / Foreign currency in original amount

Purchase (sales) company	Transaction counterparty	Relationship	Transaction details				Differences in transaction terms compared to normal transactions		Notes and accounts receivable (payable)		Remark
			Purchase (sales)	Amount	Percentage of Total Purchases/Sales (%)	Credit period	Unit price	Credit period	Balance	Percentage of notes and accounts receivable (payable) (%)	
Trio Technology Co., Ltd.	Trio Technology (Suzhou) Co., Ltd.	Sister Company	Transaction details	\$ 883,602	63.31	120-day monthly settlement	-	-	(\$ 18,646)	(19.16)	
"	Dongguan Detaili Electronics Co., Ltd.	"	"	503,205	36.05	"	-	-	(75,797)	(77.88)	

Trio Technology International Group Co., Ltd. and subsidiaries
 Receivables from related parties amounting to at least NTD 100 million or 20% of the paid-in capital
 December 31, 2024

Table 4

Unit: NTD Thousand / Foreign currency in original amount

Receivables from the Company	Transaction object	Relationship	Ending balance of receivables from related party	Turnover rate	Overdue receivables		Amount of receivables from related party collected subsequent to the balance sheet date	Allowance for bad debts
					Amount	Action taken		
Trio Technology International Co., Ltd.	Trio Technology Co., Ltd.	Subsidiary	\$ 821,828	-	\$ -	-	\$ -	\$ -
"	Trio Technology (Suzhou) Co., Ltd.	Subsidiary	USD 25,065,278	-	-	-	USD -	-
			197,213				-	
			USD 6,015,333				USD -	

Trio Technology International Group Co., Ltd. and subsidiaries
The business relationship between the parent and the subsidiaries and significant transactions between them
For the year ended December 31, 2024

Table 5

Unit: NTD Thousand / Foreign currency in original amount

Number (Note 1)	Name of transaction party	Transaction object	Relationship with the counterparty (Note 2)	Transaction details			
				Account	Amount	Transaction terms	Percentage of consolidated total revenue or total assets (Note 3)
0	Trio Technology International Co., Ltd.	Trio Technology Co., Ltd.	1	Other receivables due from associates	\$ 821,828 USD 25,065,278	-	20.68%
"	"	Trio Technology (Suzhou) Co., Ltd.	1	Other receivables due from associates	197,213 USD 6,015,333	-	4.97%
1	Trio Technology Co., Ltd.	Trio Technology (Suzhou) Co., Ltd.	3	Accounts payable to related parties	18,646 USD 568,721	-	0.47%
"	"	Dongguan Detaili Electronics Co., Ltd.	3	Cost of sales	883,602	-	40.16%
				Accounts payable to related parties	75,797 USD 2,311,951	-	1.91%
				Cost of sales	503,205	-	22.87%

Note 1: Information on business transactions between the parent company and subsidiaries should be indicated separately in the numbered column, with the method for filling in the numbers as follows:

- 1) Parent company: 0
- 2) The subsidiaries are numbered sequentially from "1" in the order presented in the table above.

Note 2: The relationship with the transaction counterparty has the following three types, just indicate the type:

- 1) Parent company to subsidiary.
- 2) Subsidiary to parent company.
- 3) Subsidiary to subsidiary.

Note 3: Regarding the calculation of transaction amounts as a percentage of consolidated total revenue or total assets, for balance sheet items, calculate using the ending balance as a percentage of consolidated total assets; for income statement items, calculate using the accumulated amount for the period as a percentage of consolidated total revenue.

Trio Technology International Group Co., Ltd. and subsidiaries
Information on investees
For the year ended December 31, 2024

Table 6

Unit: NTD Thousand / Foreign currency in original amount

Name of investor	Name of investee company	Location	Main business item	Original investment amount		Ending Balance			Current profit and loss of investee company	Current profit and loss of recognized investment	Remark
				End of Current Period	End of last year	Shares	Percentage (%)	Carrying Amount			
The Company	Trio Technology International Co., Ltd.	Samoa	Investment holding	\$ 718,384	\$ 576,474	500,000	100	\$ 1,828,740	\$ 491,984	\$ 491,984	
Trio Technology International Co., Ltd.	Trio Technology Co., Ltd.	Seychelles	Investment holding and sales of inductor components	61,660	61,660	500,000	100	856,808	417,916	417,916	
"	APEC International Group Limited	Samoa	Investment holding	419,696	419,696	1,000,000	100	688,910	51,328	51,328	
"	Wonstar International Co., Ltd.	Samoa	Investment holding	33,548	33,548	1,000,000	100	89,796	33,481	33,481	
"	TRIO TECHNOLOGY VIETNAM CO., LTD.	v	Manufacture and sale of inductor components	203,388	45,968	USD 6,500,000 (Note 2)	100	211,488	(1,477)	(1,477)	

Note 1: For information related to investee companies in mainland China, please refer to Table 7.

Note 2: The ending shares held represent the actual investment amount.

Trio Technology International Group Co., Ltd. and subsidiaries
Information on investments in mainland China
For the year ended December 31, 2024

Table 7

Unit: NTD Thousand / Foreign currency in original amount

I. Information on any investee company in mainland China, including company name, principal business item, paid-in capital, method of investment, inward and outward remittance of funds, equity ownership percentage, investment profit and loss, carrying amount of the investment, and repatriation of investment income:

Name of investee company in mainland China	Main business item	Paid-in capital	Method of investment	Accumulated Outward Remittance for Investment from Taiwan at Beginning of Period	Investment Flows		Accumulated Outward Remittance for Investment from Taiwan at End of Period	Net Income (Loss) of the Investee	Percentage of Direct or Indirect Investment Holding (%)	Investment Income (Loss) Recognized (Note 1)	Carrying Amount of Investment at End of Period	Accumulated Repatriation of Investment Income as of the End of Period	Remark
					Outflow	Inflow							
Trio Technology (Suzhou) Co., Ltd.	Manufacture and sale of inductor components	\$ 432,238 USD 13,000,000	Investment in mainland China through the third party, APEC International Group Limited.	\$ 432,238 USD 13,000,000	\$ -	\$ -	\$ 432,238 USD 13,000,000	\$ 61,438	100	\$ 61,438	\$ 606,893	\$ -	
Dongguan Detaili Electronics Co., Ltd.	Manufacture and sale of inductor components	33,548 HKD 8,000,000	Investment in mainland China through the third party, Wonstar International Co., Ltd.	33,548 HKD 8,000,000	-	-	33,548 HKD 8,000,000	31,377	100	31,377	63,165	-	

Note 1: For figures in this table involving foreign currencies, except for investment income (loss) recognized, which is calculated based on the monthly weighted average exchange rate for 2024, other amounts are converted to NT\$ using the exchange rate on the original investment date.

II. Limit on Investment in Mainland China:

Accumulated Amount of Remittance from Taiwan to Mainland China at the End of Period	Investment Amount Approved by the Investment Commission, Ministry of Economic Affairs (MOEA)	Investment Amount Stipulated by the Investment Commission, MOEA
Not Applicable	Not Applicable	Not Applicable

Trio Technology International Group Co., Ltd.
Major Shareholders Information
December 31, 2024

Table 8

Name of Major Shareholders	Shares	
	Shares Held	Shareholding ratio
Rich Fame Investments Limited	12,085,520	24.17%
Golden Century Investment Holdings Limited	7,920,000	15.84%
Gold Falcon International Limited	7,599,480	15.19%

Note 1: The information of Major Shareholders presented in this table is provided by Taiwan Depository & Clearing Corporation based on the total number of ordinary shares held by shareholders with ownership of 5% or greater, that have been issued without physical registration (including treasury shares) as of the last business day of the current quarter. The number of shares of share capital recorded in the Consolidated Company's consolidated financial statements and the actual number of shares delivered without physical registration may differ due to different calculation bases.

Note 2: If a shareholder delivers their shares to a trust, the above information is disclosed by the individual beneficiary accounts opened by the trustee. For shareholders who declare insider shareholdings exceeding 10% in accordance with securities regulations, their shareholdings include their own shares plus those shares delivered to trusts over which they have control. For information regarding insider shareholding declarations, please refer to the Market Observation Post System.