Stock Code: 2417

AVerMedia Technologies Inc. and Subsidiaries

Consolidated Financial Statements for the Three Months Ended March 31, 2025 and 2024 and Independent Auditors' Review Report

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Independent Auditor’s Review Report

To AVerMedia Technologies, Inc.:

Introduction

We have reviewed the accompanying consolidated balance sheets of AVerMedia Technologies, Inc. and its subsidiaries (collectively, the “Company”) as of March 31, 2025 and 2024, the related consolidated statements of comprehensive income, changes in equity and cash flows for the three months then ended, and the related notes to the consolidated financial statements including material accounting policy information (collectively referred to as the “consolidated financial statements”). Management is responsible for the preparation and fair presentation o f the consolidated financial statements in accordance with the Regulations Governing the Preparation o f Financial Reports by Securities Issuers and International Accounting Standard 34 “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory' Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

Scope of Review

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

Basis for qualified conclusion

The financial statements of certain immaterial subsidiaries included in the aforementioned consolidated financial statements were not reviewed by accountants, as indicated in Note 12 of the consolidated financial statements. The total assets of these subsidiaries were NT$205,585 thousand and NT$198,421 thousand, respectively, as of March 31, 2025 and 2024. These figures represent 4% and 3% of the total consolidated assets, respectively. The total liabilities of the two entities were NT$32,663 thousand and NT$35,406 thousand, respectively, which accounted for 2% of the total consolidated liabilities for each entity. From January 1 to March 31, 2025, and 2024, the total comprehensive income (loss) for these subsidiaries was NT$(2,350) thousand and NT$(322) thousand, respectively. These figures represent (17%) and (1%) of the total consolidated comprehensive income (loss).

Qualified Conclusion

Based on our reviews, except for the potential adjustments to the consolidated financial statements if the financial statements of certain immaterial subsidiaries had been reviewed by an accountant as described in the Basis for Qualified Conclusion section, nothing has come to our attention that caused us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Company as of March 31, 2025 and 2024, its consolidated financial performance, and its consolidated cash flows for the three months ended March 31, 2025 and 2024, in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission.

The engagement partners on the audit resulting in this independent auditors’ report are Liu, Yi-Ching and Lin, Wen-Chin

Deloitte & Touche
Taipei, Taiwan
Republic of China
May 13, 2025

Notice to Readers

The accompanying consolidated financial statements are intended only to present the consolidated financial position, financial performance and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such consolidated financial statements are those generally applied in the Republic of China. For the convenience of readers, the independent auditors’ report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors’ report and consolidated financial statements shall prevail.

AVerMedia Technologies Inc. and subsidiaries

Consolidated Balance Sheets

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

Unit: In Thousands of New Taiwan Dollars

		March 31, 2025		December 31, 2024		March 31, 2024	
Code	Assets	Amount	%	Amount	%	Amount	%
	Current Assets						
1100	Cash and Cash Equivalents (Note 6)	$ 2,317,299	40	$ 2,379,750	41	$ 2,274,072	39
1110	Financial Assets at Fair Value through Profit or Loss (Note 7)	-	-	40,283	1	60,619	1
1136	Financial assets at amortized cost (Notes 9 and 29)	70,741	1	78,094	1	248,795	4
1150	Notes Receivables	20	-	1,373	-	1,602	-
1170	Accounts Receivable (Note 10)	394,629	7	363,886	6	409,771	7
1200	Other Receivables	15,178	-	13,230	-	13,299	-
1220	Current tax assets	34,785	1	33,248	-	63,451	1
130X	Inventories (Note 11)	588,391	10	561,706	10	569,665	10
1479	Other Current Assets	96,574	2	97,329	2	81,856	2
11XX	Total Current Assets	3,517,617	61	3,568,899	61	3,723,130	64
	Non-current Assets						
1517	Financial assets at fair value through other comprehensive income (Note 8)	60,000	1	60,000	1	-	-
1600	Property, plant and equipment (Notes 13 and 29)	1,430,777	25	1,444,564	25	1,581,288	27
1755	Right-of-use assets (Note 14)	80,399	1	81,608	1	21,499	-
1760	Investment property (Notes 15)	395,017	7	395,780	7	304,191	5
1780	Intangible assets	14,877	-	17,427	-	19,294	-
1840	Deferred income tax assets	208,850	4	203,603	4	170,713	3
1990	Other Non-current Assets (Note 29)	84,493	1	51,874	1	22,121	1
15XX	Total Non-current assets	2,274,413	39	2,254,856	39	2,119,106	36
1XXX	Total Assets	$ 5,792,030	100	$ 5,823,755	100	$ 5,842,236	100
Code	Liabilities and Equity						
	Current liabilities						
2100	Short-term loans (Notes 16 and 29)	$ 580,000	10	$ 580,000	10	$ 750,000	13
2170	Accounts payables	245,699	4	195,819	3	194,409	4
2200	Other payables (Notes 17)	428,738	8	502,831	9	380,604	7
2230	Current tax liabilities	72,005	1	57,735	1	9,118	-
2250	Provision for liabilities (Note 18)	9,979	-	9,703	-	8,032	-
2280	Lease liabilities (Note 14)	22,909	-	22,997	1	14,690	-
2320	Long-term liabilities-current portion (Notes 16 and 29)	2,963	-	2,948	-	2,937	-
2365	Refund Liabilities	87,248	2	71,651	1	65,544	1
2399	Other Current Liabilities	7,515	-	8,699	-	16,114	-
21XX	Total current liabilities	1,457,056	25	1,452,383	25	1,441,448	25
	Non-current Liabilities						
2540	Long-term loans (Notes 16 and 29)	59,306	1	60,052	1	62,241	1
2550	Provision for liabilities (Note 18)	44,684	1	44,824	1	53,231	1
2570	Deferred income tax liabilities	34,054	1	30,285	1	15,533	-
2580	Lease liabilities (Note 14)	65,007	1	65,017	1	6,452	-
2600	Other non-current liabilities	16,125	-	16,434	-	14,445	-
25XX	Total non-current liabilities	219,176	4	216,612	4	151,902	2
2XXX	Total liabilities	1,676,232	29	1,668,995	29	1,593,350	27
	Equity attributable to owners of the Company (Notes 20 and 25)						
3110	Common Share Capital	1,576,189	27	1,576,189	27	1,580,689	27
3200	Capital Surplus	763,802	13	763,802	13	756,160	13
	Retained Earnings						
3310	Legal Capital Reserve	491,192	9	491,192	9	491,015	8
3320	Special Capital Reserves	141,695	2	141,695	2	285,082	5
3350	Unappropriated Earnings	498,622	9	520,360	9	449,208	8
3300	Total Retained Earnings	1,131,509	20	1,153,247	20	1,225,305	21
3400	Other Equity Interests	(19,864)	-	(28,991)	-	(51,686)	(1)
3500	Treasury Stock	(569,957)	(10)	(554,649)	(10)	(517,183)	(9)
31XX	Equity attributable to shareholders of the parent	2,881,679	50	2,909,598	50	2,993,285	51
36XX	Non-controlling interests (Note 12)	1,234,119	21	1,245,162	21	1,255,601	22
3XXX	Total equity	4,115,798	71	4,154,760	71	4,248,886	73
	Total Liabilities and Equity	$ 5,792,030	100	$ 5,823,755	100	$ 5,842,236	100

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

AVerMedia Technologies Inc. and subsidiaries

Consolidated Statements of Comprehensive Income

January 1 to March 31, 2025 and 2024

Unit: NT$ thousand; NT$ for loss per share

		January 1 to March 31, 2025		January 1 to March 31, 2024	
Code		Amount	%	Amount	%
4000	Net Revenue (Note 21)	$ 765,398	100	$ 762,654	100
5000	Cost of Revenue (Note 11 and 22)	336,344	44	349,752	46
5900	Gross Profit	429,054	56	412,902	54
	Operating expenses (Notes 10 and 22)				
6100	Marketing	283,815	37	260,837	34
6200	General and administrative expenses	44,185	6	46,650	6
6300	Research and development expenses	165,823	21	172,154	23
6450	Expected credit impairment (reversal gain) loss	(1,019)	-	1,063	-
6000	Total Operating Expenses	492,804	64	480,704	63
6900	Net Operating Loss	(63,750)	(8)	(67,802)	(9)
	Non-operating income and expenses (Note 22)				
7100	Interest Income	7,936	1	11,715	2
7190	Other Income	9,041	1	8,767	1
7020	Other Gains and Losses	45,130	6	60,263	8
7050	Financial Costs	(4,675)	(1)	(3,570)	(1)
7000	Total Non-operating Income and Expenses	57,432	7	77,175	10
7900	Net profit (loss) before tax	(6,318)	(1)	9,373	1
7950	Income tax expense (Note 4 and 23)	14,760	2	3,140	-
8200	Net Income (loss)	(21,078)	(3)	6,233	1

(Continued)

(Brought forward)

Code		January 1 to March 31, 2025		January 1 to March 31, 2024	
		Amount	%	Amount	%
	Other Comprehensive Income				
8360	Items That May Be Reclassified Subsequently to Profit or Loss:				
8361	Exchange differences arising on translation of foreign operations	$ 7,160	1	$ 15,529	2
8500	Total current comprehensive income	($ 13,918)	(2)	$ 21,762	3
	Net profit (loss) attributable to				
8610	Shareholders of the parent	($ 21,738)	(3)	($ 2,983)	-
8620	Non-controlling interests	660	-	9,216	1
8600		($ 21,078)	(3)	$ 6,233	1
	Total comprehensive income attributable to				
8710	Shareholders of the parent	($ 18,229)	(2)	$ 4,453	1
8720	Non-controlling interests	4,311	-	17,309	2
8700		($ 13,918)	(2)	$ 21,762	3
	Loss per share (Note 24)				
9710	Basic Earnings Per Share	($ 0.17)		($ 0.02)	
9810	Diluted Earnings Per Share	($ 0.17)		($ 0.02)	

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

AVerMedia Technologies Inc. and subsidiaries

Consolidated Statement of Changes in Equity

January 1 to March 31, 2025 and 2024

Unit: In thousands of New Taiwan Dollars, unless stated otherwise

		Equity attributable to the owners of the Company													
		Common Share Capital			Retained Earnings				Other Equity Interests						
Code		Shares (In Thousands)	Amount	Capital Surplus	Legal Capital Reserve	Special Capital Reserves	Unappropriated Earnings	Total	Exchange differences arising on translation of foreign operations	Unearned Stock-Based Employee Compensation	Total	Treasury Stock	Total	Non-controlling interests	Equity Total
A1	Balance at January 1, 2024	158,069	$ 1,580,689	$ 756,160	$ 491,015	$ 285,082	$ 452,191	$ 1,228,288	$ 1,735	($ 67,461)	($ 65,726)	($ 517,183)	$ 2,982,228	$ 1,238,292	$ 4,220,520
D1	Net profit (loss) from January 1 to March 31, 2024	-	-	-	-	-	(2,983)	(2,983)	-	-	-	-	(2,983)	9,216	6,233
D3	Other comprehensive income after tax from January 1 to March 31, 2024	-	-	-	-	-	-	-	7,436	-	7,436	-	7,436	8,093	15,529
D5	Total comprehensive income from January 1 to March 31, 2024	-	-	-	-	-	(2,983)	(2,983)	7,436	-	7,436	-	4,453	17,309	21,762
N1	Share-Based Benefit Transactions－Restricted Stock Awards	-	-	-	-	-	-	-	-	6,604	6,604	-	6,604	-	6,604
Z1	Balance at March 31, 2024	158,069	$ 1,580,689	$ 756,160	$ 491,015	$ 285,082	$ 449,208	$ 1,225,305	$ 9,171	($ 60,857)	($ 51,686)	($ 517,183)	$ 2,993,285	$ 1,255,601	$ 4,248,886
A1	Balance at January 1, 2025	157,619	$ 1,576,189	$ 763,802	$ 491,192	$ 141,695	$ 520,360	$ 1,153,247	$ 12,055	($ 41,046)	($ 28,991)	($ 554,649)	$ 2,909,598	$ 1,245,162	$ 4,154,760
D1	Net profit (loss) from January 1 to March 31, 2025	-	-	-	-	-	(21,738)	(21,738)	-	-	-	-	(21,738)	660	(21,078)
D3	Other comprehensive income after tax from January 1 to March 31, 2025	-	-	-	-	-	-	-	3,509	-	3,509	-	3,509	3,651	7,160
D5	Total comprehensive income from January 1 to March 31, 2025	-	-	-	-	-	(21,738)	(21,738)	3,509	-	3,509	-	(18,229)	4,311	(13,918)
N1	Share-Based Benefit Transactions－Restricted Stock Awards	-	-	-	-	-	-	-	-	5,618	5,618	-	5,618	-	5,618
L5	Shares of Parent Company Purchased by a Subsidiary are Considered Treasury Stock	-	-	-	-	-	-	-	-	-	-	(15,308)	(15,308)	(15,354)	(30,662)
Z1	Balance at March 31, 2025	157,619	$ 1,576,189	$ 763,802	$ 491,192	$ 141,695	$ 498,622	$ 1,131,509	$ 15,564	($ 35,428)	($ 19,864)	($ 569,957)	$ 2,881,679	$ 1,234,119	$ 4,115,798

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

AVerMedia Technologies Inc. and subsidiaries

Consolidated Statements of Cash Flows

January 1 to March 31, 2025 and 2024

Unit: In Thousands of New Taiwan Dollars

Code		January 1 to March 31, 2025	January 1 to March 31, 2024
	Cash Flows from Operating Activities		
A10000	Net profit (loss) before tax	($ 6,318)	$ 9,373
A20010	Adjustments to reconcile profit (loss)		
A20100	Depreciation Expense	37,479	42,607
A20200	Amortization Expense	2,724	4,955
A20300	Expected credit impairment (reversal gain) loss	(1,019)	1,063
A20400	Net gain on financial instruments at fair value through profit or loss	(11)	(259)
A20900	Financial Costs	4,675	3,570
A21200	Interest Income	(7,936)	(11,715)
A21900	Remuneration costs of employee share options	5,618	6,604
A22500	Losses on disposal of property, plant and equipment	12	87
A23800	Inventory Write-down and Impairment Reversal	6,549	6,948
A24100	Net gain on foreign currency exchange	(26,483)	(32,348)
A29900	Recognition of Provisions for liabilities	3,456	4,944
A30000	Changes in Operating Assets and Liabilities		
A31115	Financial instruments at fair value through profit or loss	40,294	60,315
A31130	Notes Receivables	1,353	376
A31150	Accounts Receivables	(15,946)	(38,686)
A31180	Other Receivables	(1,317)	(1,062)
A31200	Inventories	(27,106)	35,358
A31240	Other Current Assets	1,096	(6,740)
A32150	Accounts payables	41,782	41,063
A32180	Other Payables	(90,768)	(94,674)
A32200	Provisions for liabilities	(3,338)	(2,361)
A32230	Other Current Liabilities	(1,499)	6,670
A32125	Refund Liabilities	14,341	2,219
A32990	Other non-current liabilities	(482)	(4,315)
A33000	Cash inflow (outflow) from operations	(22,844)	33,992
A33300	Interest Paid	(4,386)	(4,099)
A33500	Income Tax Paid	(2,561)	(2,121)
AAAA	Net cash inflow (outflow) from operating activities	(29,791)	27,772

(Continued)

(Brought forward)

Code		January 1 to March 31, 2025	January 1 to March 31, 2024
	Cash Flows from Investing Activities		
B00040	Acquisition of Financial Assets at Amortized Cost	$ -	($ 16,147)
B00050	Proceeds from disposal of Financial Assets at Amortized Cost	9,495	27,989
B02700	Acquisition of Property, Plant and Equipment	(12,403)	(13,299)
B03800	Decrease in Guarantee Deposits	239	382
B04500	Acquisition of Intangible Assets	(150)	(741)
B07100	Increase in prepayments for land and equipment	(32,813)	-
B07500	Interests Received	7,329	9,500
BBBB	Net cash inflow (outflow) from Financing Activities	(28,303)	7,684
	Cash Flows from Financing Activities		
C00100	Decrease in short-term loans	-	(30,000)
C01700	Repayment of Long-term debt payable	(731)	(725)
C03000	Increase in guarantee deposits received	-	55
C04020	Repayments of the principal portion of lease liabilities	(7,047)	(9,945)
C04900	Purchase of shares of the parent company by subsidiaries	(17,721)	-
CCCC	Net Cash Outflows from Financing Activities	(25,499)	(40,615)
DDDD	Effect of Exchange Rate Changes on Cash and Cash Equivalents	21,142	60,648
EEEE	Increase (decrease) in cash and cash equivalents	(62,451)	55,489
E00100	Cash and Cash Equivalents, Beginning of Year	2,379,750	2,218,583
E00200	Balance, end of period of cash and cash equivalents	$ 2,317,299	$ 2,274,072

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

AVerMedia Technologies Inc. and subsidiaries

Notes to the Consolidated Financial Statements

January 1 to March 31, 2025 and 2024

(Amounts in Thousands of New Taiwan Dollars, Unless Specified Otherwise)

I. Company history

AVerMedia Technologies Inc. (hereinafter referred to as the Company) was founded in January 1990. The main businesses are the sales and research and development of computer system facilities and multimedia products. The Company was listed on the Taipei Exchange in May 1997 and the Taiwan Stock Exchange in September 2000.

The consolidated financial statements are expressed in NT$, which is the Company's functional currency.

II. The Authorization of Financial Statements

These accompanying consolidated financial statements were reported to the Board of Directors on May 13, 2025.

III. Application of new and Revised Financial Reporting standards

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

The application of the IFRSs endorsed and issued into effect by the FSC did not have material impact on the Company’s accounting policies

(II) The IFRS endorsed by the FSC with effective date starting 2026

New/amended/revised standards and interpretations	Effective Date Issued by IASB
Amendments to IFRS 9 and IFRS 7 “Amendments to Financial Instruments: Classification and Measurement” regarding the revised application guidance on the classification of financial assets.	January 1, 2026 (Note 1)

Note 1: Effective for annual reporting periods beginning on or after January 1, 2026, with the option for early adoption starting from January 1, 2025.

As of the publication date of the consolidated financial statements, the Company is still assessing the effects of the amendments to the aforementioned standards and interpretations on its financial situation and performance. The related effects will be disclosed once the assessment is completed.

(III) IFRS accounting standards issued by the IASB but not yet endorsed and issued into effect by the FSC

New/amended/revised standards and interpretations	Effective Date Issued by IASB (Note 1)
"Annual Improvements to IFRS Standards – Cycle 11"	January 1, 2026
Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments" regarding the revised application guidance on financial debt.	January 1, 2026
Amendments to IFRS 9 and IFRS 7 "Contracts Referencing Nature-dependent Electricity"	January 1, 2026
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associates or Joint Ventures"	Undecided
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 of Financial Statements"	January 1, 2027
IFRS 19 "Subsidiaries without Public Accountability: Disclosures"	January 1, 2027

Note 1: Unless otherwise noted, the new, revised or Amended standards or interpretations shall be effective in the annual report period of these dates.

IFRS 18 "Presentation and Disclosure of Financial Statements"

IFRS 18 will supersede IAS 1 "Presentation of Financial Statements" and the main changes include:

- The income and loss items should be divided into business, investment, financing, income tax, and discontinued operations.
- The income statement should present operating profit or loss, profit or loss before financing and tax, as well as subtotal and total profit and loss.
- Provide guidance to strengthen the requirements of aggregation and segmentation: The consolidated company must identify assets, liabilities, equity, income, expenses, and cash flows arising from individual transactions or other events. These items should be classified and aggregated based on shared characteristics to ensure that each line item in the primary financial statements possesses at least one similar characteristic. Items with experiences in similar should body be

broken down in the main financial statements and notes. The consolidated company only marks such items as “others” when no more informative label can be found.

- Increase the disclosure of management-defined performance measures: When the Group engages in public communication outside of the financial statements or communicates with users of the financial statements regarding management’s perspective on a particular aspect of the company’s overall financial performance, it should disclose relevant information about management-defined performance measures in a single note to the financial statements. This includes a description of the measure, how it is calculated, its reconciliation with subtotals or totals specified by IFRS accounting standards, and the impact of related reconciling items on income taxes and non-controlling interests.

Except for the above impact, as of the date the accompanying consolidated financial statements were issued, the Group continues to evaluate the impact on its financial position and financial performance from the initial adoption of the aforementioned standards or interpretations and related applicable period. The related impact will be disclosed when the Company completes its evaluation.

IV. Summary of the Significant Accounting Policies

(I) Statement of compliance

The consolidated financial statements have been prepared in conformity with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 “Interim Financial Reporting” endorsed and issued into effect by the FSC. The consolidated financial statement does not contain all the information disclosed in the annual financial statements as required by IFRS accounting standards.

(II) Basis of preparation

Apart from the financial instruments measured at fair value, the consolidated financial statements have been prepared on a historical cost basis.

Based on the observability and importance of the related input value, the fair value measurement will be divided from Level 1 to Level 3:

1. Level 1 input value: It refers to the quotation of the same asset or liability that can be acquired on the measurement date in the active market (unadjusted).
2. Level 2 input value: It refers to the direct (which is the price) or indirect (which is derived from the price) observable input value, apart from the Level 1 quotation, of the asset or liability.

3. Level 3 input value: It refers to the unobservable input value of the asset or liability.

(III) Basis of consolidation

The consolidated financial statements consist of the financial statement of the Company and the financial statements of the entities (subsidiaries) controlled by the Company. The financial statements of subsidiaries have been adjusted so that the accounting policies are consistent with the Group. When preparing the consolidated financial statements, the transactions, account balances, profit and loss among all entities have been written off. The comprehensive income of subsidiaries belongs to the company's owners and non-controlling interest despite the non-controlling interest becoming the loss balance.

Please refer to Note 12 and Tables 5 and 6 for details of subsidiaries, shareholding ratio and main business.

(IV) Other significant accounting policies

In addition to the following, please refer to the summary of significant accounting policies in the 2024 consolidated financial statements.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred income tax. The interim period income tax expense is accrued using the tax rate that would be applied to expected total annual earning, that is, the estimated average annual effective income tax rate applied to the pre-tax income of the interim period.

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

Please refer to the consolidated financial statements for the year ended December 31, 2024 for the major sources of uncertainty of the major accounting judgments, estimates and assumptions used in this consolidated financial statement.

VI. Cash and cash equivalents

	March 31, 2025	December 31, 2024	March 31, 2024
Cash on hand and petty cash	$ 1,549	$ 1,526	$ 1,603
Checking and demand deposits	1,488,700	1,753,729	1,428,154
Cash equivalents (Investments with original maturities of less than three months)			
Bank time deposits	827,050	624,495	844,315
	$ 2,317,299	$ 2,379,750	$ 2,274,072

VII. Financial instruments measured at fair value through profit or loss

	March 31, 2025	December 31, 2024	March 31, 2024
Financial assets – current			
Mandatorily measured at FVTPL			
Non-derivative financial assets			
- Fund beneficiary certificates	$ -	$ 40,283	$ 60,619

VIII. Financial assets at fair value through other comprehensive income

	March 31, 2025	December 31, 2024	March 31, 2024
Equity Instrument Investments – Non-Current			
Unlisted Domestic Stocks			
Taiwan Bio-Manufacturing Corporation	$ 60,000	$ 60,000	$ -

The Group invests in common shares of Taiwan Bio-Manufacturing Corporation for mid- to long-term strategic purposes and expects to generate profits through long-term investment. The management of the consolidated company believes that including short-term fair value fluctuations of such investments in profit or loss would be inconsistent with the aforementioned long-term investment plan. Therefore, it has elected to designate these investments as measured at fair value through other comprehensive income.

IX. Financial assets measured at amortized costs

	March 31, 2025	December 31, 2024	March 31, 2024
Time deposits with exceed maturities of less than three months	$ 20,934	$ 28,916	$ -
Restricted demand deposits	-	-	58,560
Restricted time deposits	49,807	49,178	190,235
	$ 70,741	$ 78,094	$ 248,795

Please refer to Note 29 for information on financial assets measured at amortized cost that have been pledged as collateral.

X. Accounts Receivables

	March 31, 2025	December 31, 2024	March 31, 2024
Measured at amortized costs			
Gross carrying amount	$ 399,582	$ 369,858	$ 415,978
Less: Allowance for impairment loss	(4,953)	(5,972)	(6,207)
	$ 394,629	$ 363,886	$ 409,771

The average credit period for product sales of the Group is 30 to 120 days. No interests are calculated for the accounts receivables. To reduce the credit risk, the management of the Group assigns a task force, which is responsible for the determination of the line of credit, credit approval, and other monitoring procedures to ensure proper actions are taken for the recovery of Past due receivables. In addition, the Group reviews the recoverable amount of receivables individually at the end of the reporting period to ensure the receivables that cannot be recovered are properly recognized in impairment loss. Therefore, the management of the Group believes the credit risks of the Group have been reduced significantly.

The Group allows for expected credit losses that permit the use of lifetime expected loss allowance for all trade receivables. The expected credit losses are estimated using a provision matrix by reference to the customer’s past default experience and the current financial position and general economic conditions of the industry. The Group’s historical credit loss experience does not show significantly different loss patterns for different customer segments, so the loss allowance based on the past due status is not further distinguished according to the different segments of the Group’s customer base.

The Group has insured the accounts receivables for some of the main customers. The coverage ratio is 80% to 90% of the approved insurance amount. When determining the estimated credit loss rate based on the day of past due accounts receivables, the recoverable amount from the insurance has been taken into consideration.

The Group writes off accounts receivable when information indicates that the debtor is experiencing severe financial difficulty and there is no realistic prospect of recovery. For accounts receivable that have been written off, the Company continues to engage in enforcement activity to recover past-due receivables. Where recoveries are made, these are recognized in profit or loss.

The following table shows the details of the loss allowance of trade receivables based on the Group's provision matrix:

March 31, 2025

	Not past due	Past due 1 to 30 days	Past due 31 to 90 days	Past due 91 to 180 days	Past due Over 181 days	Total
Gross carrying amount	$ 337,334	$ 55,351	$ 3,957	$ 79	$ 2,861	$ 399,582
Loss allowance (lifetime expected credit loss)	(526)	(533)	(1,023)	(10)	(2,861)	(4,953)
Amortized cost	$ 336,808	$ 54,818	$ 2,934	$ 69	$ -	$ 394,629

December 31, 2024

	Not past due	Past due 1 to 30 days	Past due 31 to 90 days	Past due 91 to 180 days	Past due Over 181 days	Total
Gross carrying amount	$ 288,468	$ 69,917	$ 8,612	$ -	$ 2,861	$ 369,858
Loss allowance (lifetime expected credit loss)	(397)	(781)	(1,933)	-	(2,861)	(5,972)
Amortized cost	$ 288,071	$ 69,136	$ 6,679	$ -	$ -	$ 363,886

March 31, 2024

	Not past due	Past due 1 to 30 days	Past due 31 to 90 days	Past due 91 to 180 days	Past due Over 181 days	Total
Gross carrying amount	$ 326,089	$ 80,274	$ 1,543	$ 5,629	$ 2,443	$ 415,978
Loss allowance (lifetime expected credit loss)	(559)	(1,712)	(144)	(3,426)	(366)	(6,207)
Amortized cost	$ 325,530	$ 78,562	$ 1,399	$ 2,203	$ 2,077	$ 409,771

The movements of the loss allowance of accounts receivables are as follows:

	Three Months Ended March 31, 2025	Three Months Ended March 31, 2024
Balance, beginning of period	$ 5,972	$ 5,143
Add: Impairment loss recognized in the current period	-	1,063
Less: Impairment loss reversed in current period	(1,019)	-
Effect of exchange rate changes	-	1
Balance, end of period	$ 4,953	$ 6,207

XI. Inventories

	March 31, 2025	December 31, 2024	March 31, 2024
Finished goods	$ 271,361	$ 274,984	$ 202,434
Work in processing	62,460	39,341	73,696
Raw materials	254,570	247,381	293,535
	$ 588,391	$ 561,706	$ 569,665

The nature of Cost of revenue is as follows:

	Three Months Ended March 31, 2025	Three Months Ended March 31, 2024
Costs of sold inventories	$ 329,795	$ 342,804
Inventory Write-down and Impairment Reversal	6,549	6,948
	$ 336,344	$ 349,752

XII. Subsidiaries

(I) Subsidiaries included in the consolidated financial statements

The entities in the consolidated financial statements are as follows:

Investor company	Name of subsidiary	Main Businesses and Products	Percentage of Ownership March 31, 2025	December 31, 2024	March 31, 2024	Explanation
AVerMedia Technologies Inc.	AVer Information Inc. (AVer Information)	Sales, manufacturing and research and development of computer system equipment, presentation and video conference system products	49.92%	49.92%	49.92%	1
	AVerMedia Technologies (Shanghai), Inc. (AVerMedia Shanghai)	Research, development and sales of video and audio capture and internet video streaming products	100.00%	100.00%	100.00%	-
	AVerMedia Technologies, Inc. (AVerMedia USA)	Sales of video and audio capture and internet video streaming products	100.00%	100.00%	100.00%	-
	AVerMedia Technologies, Inc. (AVerMedia Japan)	Sales of video and audio capture and internet video streaming products	100.00%	100.00%	100.00%	-
	AVT Solutions GmbH. (AVerMedia Germany)	Sales of video and audio capture and internet video streaming products	100.00%	100.00%	100.00%	-
	AVerMedia Information（SPAIN）S.L. (AVerMedia Spain)	Sales of video and audio capture and internet video streaming products	100.00%	100.00%	100.00%	2
	AVerMedia Korea Inc. (AVerMedia Korea)	Sales of video and audio capture and internet video streaming products	100.00%	100.00%	-	3
AVer Information	AVer Information Inc. (USA)	Sales of computer system equipment, presentation and video conference system products	100.00%	100.00%	100.00%	-
	AVer Information Europe B.V.	Sales of computer system equipment, presentation and video conference system products	100.00%	100.00%	100.00%	-
	AVer Information Inc. (Japan)	Sales of computer system equipment, presentation and video conference system products	100.00%	100.00%	100.00%	-
	AVer Information (Vietnam) Co., Ltd.	Sales of computer system equipment, presentation and video conference system products	100.00%	100.00%	100.00%	-
	Yuan Chen Investment Inc.	General Investment	100.00%	100.00%	100.00%	-

1. The Company holds 49.92% of AVer Information Inc.'s shares. Since AVer is a listed company, the remaining 50.08% of the shares are held by thousands of shareholders, and these shareholders are not related to the Company. AVer is

listed as a subsidiary company because the Company determined that it has the substantive ability to lead AVer's relevant activities based on the absolute number, relative scale and distribution of voting rights held by other shareholders.

2. Due to the adjustment of the business strategy in the European market, in order to simplify the group organization and cost control, the Company’s Board of Directors resolved on March 13, 2024 to organize the dissolution and clearing of AVERMEDIA Information (SPAIN) SL. The liquidation process is currently underway.

3. As approved by the Board of Directors on January 25, 2024, in response to the business marketing needs of developing the Korean market, the Company established the Korean subsidiary, AverMedia Korea Inc., to further operate the Korean market in the long term, and the establishment was completed on April 3, 2024.

Except for AVer Information, which is a significant subsidiary, the other subsidiaries are non-significant, and their financial reports have not been reviewed by an auditor.

(II) Subsidiary with significant non-controlling interest

	Number of shares held of non-controlling interest and the voting right ratio		
Name of subsidiary	March 31, 2025	December 31, 2024	March 31, 2024
AVer Information	50.08%	50.08%	50.08%

Please refer to Table 5 for information on principal places of business and countries of incorporation.

	Profit or loss distributed to non-controlling interest		Non-controlling interests		
Name of subsidiary	January 1 to March 31, 2025	January 1 to March 31, 2024	March 31, 2025	December 31, 2024	March 31, 2024
AVer Information	$ 660	$ 9,216	$ 1,234,119	$ 1,245,162	$ 1,255,601

The consolidated financial information of the following subsidiaries is prepared based on the amounts before the elimination of intercompany transactions:

AVer Information and its subsidiaries

	March 31, 2025	December 31, 2024	March 31, 2024
Current Assets	$ 2,302,021	$ 2,274,076	$ 2,298,174
Non-current Assets	2,282,555	2,485,722	2,187,571
Current liabilities	(1,028,519)	(994,902)	(1,000,193)
Non-current Liabilities	(149,618)	(146,276)	(71,469)
Equity	$ 3,406,439	$ 3,618,620	$ 3,414,083
Equity attributed to:			
Shareholders of the parent	$ 1,700,599	$ 1,806,527	$ 1,704,417
Non-controlling interest of AVer Information	1,705,840	1,812,093	1,709,666
	$ 3,406,439	$ 3,618,620	$ 3,414,083

	Three Months Ended March 31, 2025	Three Months Ended March 31, 2024
Net Revenue	$ 557,953	$ 591,635
Net Income	$ 1,316	$ 18,404
Other Comprehensive Income	(213,497)	170,767
Total comprehensive income	($ 212,181)	$ 189,171
Net profit attributed to:		
Shareholders of the parent	$ 656	$ 9,188
Non-controlling interest of AVer Information	660	9,216
	$ 1,316	$ 18,404
Total comprehensive income attributed to:		
Shareholders of the parent	($ 105,927)	$ 94,442
Non-controlling interest of AVer Information	(106,254)	94,729
	($ 212,181)	$ 189,171
Cash flow		
Operating activities	($ 8,277)	$ 28,927
Investment activities	(16,907)	(17,813)
Financing activities	(5,021)	(8,111)
Effects of exchange rate changes	16,262	22,726
Net cash inflow (outflow)	($ 13,943)	$ 25,729

XIII. Property, plant and equipment

	March 31, 2025	December 31, 2024	March 31, 2024
Carrying amount of each category			
Land	$ 539,583	$ 539,583	$ 633,463
Buildings	728,217	733,477	756,515
Machinery and Equipment	56,827	62,086	89,242
Computers and Office Equipment	21,445	18,208	22,196
Transportation Equipment	7,695	8,257	7,163
Leasehold improvements	1,828	1,858	2,395
Other Equipment	21,457	25,409	44,247
Construction in progress and equipment pending acceptance	53,725	55,686	26,067
	$ 1,430,777	$ 1,444,564	$ 1,581,288

There was no material disposal or impairment of the consolidated Company's property, plant and equipment from January 1 to March 31, 2025 and 2024.

The depreciation expenses are recognized on a straight-line basis over the estimated useful life of the asset:

Buildings	
Main Buildings	40 to 51 years
Accessory equipment of houses	5 to 10 years
Machinery and Equipment	2 to 10 years
Computers and Office Equipment	3 to 5 years
Transportation Equipment	5 to 6 years
Leasehold improvements	3 to 15 years
Other Equipment	2 to 3 years

Please refer to Note 28 for the amount of property, plant and equipment that the Consolidated Company pledged to secure bank borrowings.

XIV. Lease agreement

(I) Right-of-use assets

	March 31, 2025	December 31, 2024	March 31, 2024
Carrying amount of right-of-use assets			
Buildings	$ 80,399	$ 81,608	$ 21,499

	Three Months Ended March 31, 2025	Three Months Ended March 31, 2024
Additions to right-of-use assets	$ 5,619	$ 1,064
Depreciation of right-of-use assets		
Buildings	$ 8,090	$ 7,585

Except for new leases and recognized depreciation expenses, the consolidated Company did not have significant subleases or impairments of the right-of-use assets during the three months ended March 31, 2025 and 2024.

(II) Lease liabilities

	March 31, 2025	December 31, 2024	March 31, 2024
Carrying amounts of lease liabilities			
Current portion	$ 22,909	$ 22,997	$ 14,690
Noncurrent portion	$ 65,007	$ 65,017	$ 6,452

Range of discount rate for lease liabilities:

	March 31, 2025	December 31, 2024	March 31, 2024
Buildings	0.001%～7.80%	0.001%～7.80%	0.001%～7.00%

(III) Material leasing activities and terms

The Group leased several buildings as offices, plants, and dorms. The lease period is between 1 to 5 years. By the end of the leasing period, the Group does not enjoy the preference purchasing right on the investment properties.

(IV) Other lease information

	Three Months Ended March 31, 2025	Three Months Ended March 31, 2024
Short-term leasing expenses	$ 44	$ 196
Total leasing cashing outflow	($ 8,703)	($ 10,240)

XV. Investment property

	March 31, 2025	December 31, 2024	March 31, 2024
Completed investment properties	$ 395,017	$ 395,780	$ 304,191

Except for the recognition of depreciation expenses, there were no significant additions to or impairments of the consolidated Company's investment property during the three months ended March 31, 2025 and 2024. The useful lives of investment properties are depreciated on a 36-to-51-year straight-line basis.

The fair values of investment properties of the Group as of December 31 of 2024 and 2023 were NT$ 1,141,862 thousand and NT$ 1,007,019 thousand. The fair values estimated by the management of the Group using the transaction prices of similar properties in the nearby areas. The consolidated company's management has assessed that there was no significant change in the fair value as of March 31, 2025 and 2024 from December 31, 2024 and 2023.

The leasing period for investment properties is 1 to 3 years. The lessee agrees to adjust the rent according to the market rent when exercising the right to renew the lease. By the end of the leasing period, the lessees do not enjoy the preference purchasing right on the investment properties.

The total amount of lease payments expected to be received in the future for the lease of investment properties under operating leases is as follows:

	March 31, 2025	December 31, 2024	March 31, 2024
1 year	$ 27,972	$ 21,803	$ 27,888
1 to 5 years	19,775	24,719	39,550
	$ 47,747	$ 46,522	$ 67,438

XVI. Loans

(I) Short-term loans

	March 31, 2025	December 31, 2024	March 31, 2024
Unsecured loans	$ 550,000	$ 550,000	$ 550,000
Annual rate of interest (%)	1.92%~1.96%	1.85%～1.92%	1.64%~1.83%
Last maturity date	2025/4/18	2025/1/20	2024/4/25
Secured loans	$ 30,000	$ 30,000	$ 200,000
Annual rate of interest (%)	1.79%	1.78%	1.50%～1.63%
Last maturity date	2025/4/17	2025/1/17	2024/4/25

(II) Long-term loans

	March 31, 2025	December 31, 2024	March 31, 2024
Secured loans	$ 62,269	$ 63,000	$ 65,178
Less: Loans classified as the current position	2,963	2,948	2,937
Long-term loans	$ 59,306	$ 60,052	$ 62,241
Annual rate of interest (%)	2.02%	2.02%	1.90%
Last maturity date	2042/11/1	2042/11/1	2042/11/1

XVII. Other payables

	March 31, 2025	December 31, 2024	March 31, 2024
Payroll and bonus payables	$ 135,006	$ 223,814	$ 136,984
Leave payables	61,610	61,460	57,032
Royalty payable	51,001	50,547	50,188
Remuneration of employees and directors' payables	37,135	34,402	19,037
Others	143,986	132,608	117,363
	$ 428,738	$ 502,831	$ 380,604

XVIII. Provision for liabilities

	March 31, 2025	December 31, 2024	March 31, 2024
Warranty – current	$ 9,979	$ 9,703	$ 8,032
Warranty – non-current	44,684	44,824	53,231
	$ 54,663	$ 54,527	$ 61,263

The warranty provisions for liabilities are the present value of the best estimation by the management of the Company on the future economic efficiency outflow resulting from warranty obligations on the contractual agreement for the sales of products. The estimation uses the historical warranty experience as the basis.

XIX. Retirement Benefit Plans

The pension system under the Labor Pension Act applicable to the Company and the Consolidated Company is a government-managed defined contribution pension plan. The pension is allocated at 6% of employees’ monthly salaries to the Bureau of Labor Insurance in individual accounts.

The subsidiaries of the Group recognize the pension expenses in accordance with local laws and regulations.

XX. Equity

(I) Common stock

	March 31, 2025	December 31, 2024	March 31, 2024
Number of shares authorized (in thousands of shares)	320,000	320,000	320,000
Amount of shares authorized	$ 3,200,000	$ 3,200,000	$ 3,200,000
Number of shares issued and fully paid (in thousands of shares)	157,619	157,619	158,069
Amount of shares issued	$ 1,576,189	$ 1,576,189	$ 1,580,689

The face value of each share issued is NT$ 10, and each share enjoys one voting right and the right to collect dividends. 20,000 thousand of the aforementioned amount of shares authorized were retained for the issuance of employee stock option certificates.

Due to the resignation of employees who were allocated restricted shares in 2024, the Company withdrew 450 thousand restricted employee shares, respectively, and completed the cancellation registration.

On June 20, 2024, the Company resolved in the shareholders' meeting to issue new shares for cash capital increase through private placement, within the limit of 40,000 thousand common shares. However, this has not yet been executed and the issuance deadline is about to expire. The Board of Directors resolved on March 11, 2025 to suspend the private placement for the remainder of the term. In addition, the Company's board of directors proposed to issue new shares through private placement for cash issue, within the limit of 40,000 thousand common shares, at a face value of NT$10 per share, within one year from the resolution date of the shareholders' meeting, either at once or in installments.

(II) Capital surplus

	March 31, 2025	December 31, 2024	March 31, 2024
May be used to offset losses, distribute cash or capitalize on share capital (1)			
Additional paid-in capital	$ 431,007	$ 431,007	$ 431,007
Treasury stock transaction	53,198	53,198	50,056
The difference in the sale price of shares and the book value of the equity of actually acquired or disposed subsidiaries	140,257	140,257	140,257
Donated assets	40	40	40
Expired employee share options	6,129	6,129	6,129
Executed employee share options	39,264	39,264	39,264
Can only be used for offsetting deficits			
Recognize the changes in the ownership equity of subsidiaries (2)	14,556	14,556	14,556
Not for any purpose			
Employee restricted shares	79,351	79,351	74,851
	$ 763,802	$ 763,802	$ 756,160

1. This type of capital surplus will be used for offsetting deficits. Where the Company has no deficit, such capital surplus will be distributed in cash or set aside as capital. When setting aside as capital, it is limited to a certain percentage of the Company's paid-in capital on a yearly basis.
2. This type of capital surplus is the equity transaction effects recognized due to the changes in the equity of subsidiaries when the Company does not practically acquire or dispose of the equity of subsidiaries.

(III) Retained earnings and dividend policy

Under the dividend policy set forth in the Articles of Incorporation of the Company, where there is a profit in a fiscal year, the profit shall be first utilized for tax payments, offsetting losses of previous years, and setting aside 10% of the remaining balance as legal reserve. When the legal reserve reaches the paid-in capital, the profit will be exempted from setting aside as the legal reserve. After setting asides or revering a special reserve in accordance with laws and regulations, the remaining profit together with any undistributed retained earnings of the past year shall be used by the Company's Board of Directors for the distribution of dividends and bonuses for shareholders. Please refer to Note 22(V) Employees' and Directors' Remuneration for the policy on the distribution of employees' and Directors' remuneration in accordance with the Company's Articles of Incorporation.

Besides this, in accordance with the Articles of Incorporation of the Company, the distributed cash dividends each year shall not be less than 10% of the amount for the distribution of dividends and bonuses to shareholders in order to meet the long-term financial planning of the Company and the cash inflow demand of shareholders.

The legal capital reserve shall be distributed until the balance reaches the amount of paid-in capital of the Company. The legal capital reserve will be used for offsetting deficits. When the Company has no deficit, the portion of legal capital reserve exceeding 25% of the paid-in capital can be set aside for capital, but also distributed in cash.

The appropriations of earnings for 2024 and 2023 were approved in the board meeting on March 11, 2025 and the shareholders' meeting on June 20, 2024, respectively. The appropriations are as follows:

	Years Ended December 31,2024	Years Ended December 31,2023
Legal Capital Reserve	$ -	$ 177
Reversal of Special Capital Reserve	($ 141,695)	($ 143,387)
Cash Dividends to shareholders	$ 31,524	$ 23,710
Cash Dividends per Share (NT$)	$ 0.20	$ 0.15

The 2024 earnings distribution proposal is pending a resolution at the shareholders' meeting to be held on June 18, 2025.

(IV) Special Reserves

When distributing profits, the company is required to allocate a special retained earnings account in accordance with the laws and regulations for any net reduction in other equity items (such as foreign currency translation differences in financial statements of overseas operating entities) as of the end of the reporting period. Subsequently, when there is a reversal of the net reduction in other equity items, the company may allocate the reversed portion to the special retained earnings account for profit distribution.

Additionally, when a subsidiary holds the company's shares at a market price lower than their carrying amount, the company is required to make additional provisions to the special retained earnings account based on the difference between the market price and the carrying amount, proportionate to the subsidiary's ownership percentage. Subsequently, if the market price recovers, the company may reverse a portion of the provision in the special retained earnings account.

(V) Treasury stock

Unit: thousand shares

Reason of repurchase	Number of shares at the beginning of the period	Increase in the current period	Decrease in the current period	Number of shares at the end of period
January 1 to March 31, 2025				
Shares of parent company held by subsidiaries	22,711	693	-	23,404
January 1 to March 31, 2024				
Shares of parent company held by subsidiaries	20,893	-	-	20,893

To stabilize the long-term operating direction and cultivate the strategic cooperation of both parties to improve the overall operating performance, the subsidiaries held shares of the Company at the end of the reporting period. The information is as follows:

March 31, 2025

Name of subsidiary	Number of shares held (thousand shares)	Acquisition costs	Market price
AVer Information	23,404	$ 1,141,672	$ 941,995

December 31, 2024

Name of subsidiary	Number of shares held (thousand shares)	Acquisition costs	Market price
AVer Information	22,711	$ 1,111,010	$ 1,132,123

March 31, 2024

Name of subsidiary	Number of shares held (thousand shares)	Acquisition costs	Market price
AVer Information	20,893	$ 1,035,960	$ 906,738

The treasury stock held by the Company shall not be pledged and shall not enjoy the right of dividend distribution and voting rights in accordance with the provisions of the Securities and Exchange Act. The shares of the Company held by subsidiaries are considered treasury stock. The Company recognizes NT$569,957 thousand of treasury stock based on the shareholding ratio and Non-controlling interest NT$571,715 thousand on March 31, 2025. Apart from that, the holders of the treasury stock are not allowed to participate in the new shares to be issued for cash. The rest of the rights are consistent with ordinary shareholders.

XXI. Revenue

	Three Months Ended March 31, 2025	Three Months Ended March 31, 2024
Product sales revenue	$ 750,161	$ 742,910
Labor and other revenue	15,237	19,744
	$ 765,398	$ 762,654

XXII. Current net profit (loss)

(I) Other income

	Three Months Ended March 31, 2025	Three Months Ended March 31, 2024
Rental income	$ 7,140	$ 6,471
Others	1,901	2,296
	$ 9,041	$ 8,767

(II) Other gains and losses

	Three Months Ended March 31, 2025	Three Months Ended March 31, 2024
Net gain of financial instruments measured at fair value through profit or loss	$ 11	$ 259
Net gain on net foreign currency exchange	45,911	60,886
Losses on disposal of property, plant and equipment	(12)	(87)
Others	(780)	(795)
	$ 45,130	$ 60,263

(III) Depreciation and amortization

	Three Months Ended March 31, 2025	Three Months Ended March 31, 2024
Property, plant and equipment	$ 28,626	$ 34,259
Right-of-use assets	8,090	7,585
Investment properties	763	763
Intangible assets	2,724	4,955
	$ 40,203	$ 47,562
Summary of depreciation by function		
Cost of Revenue	$ 15,546	$ 19,026
Operating Expenses	21,170	22,818
Non-operating expenses	763	763
	$ 37,479	$ 42,607
Summary of amortization by function		
Cost of Revenue	$ 36	$ 1,007
Marketing	176	163
General and administrative expenses	1,140	3,004
Research and development expenses	1,372	781
	$ 2,724	$ 4,955

(IV) Employee benefits expenses

	Three Months Ended March 31, 2025	Three Months Ended March 31, 2024
Short-term employee benefits	$ 358,066	$ 351,130
Post-employment benefits		
Defined contribution plans	11,002	10,844
Stock-based compensation		
Equity settlement	$ 5,618	$ 6,604
Total employee benefits expenses	$ 374,686	$ 368,578
Summary by function		
Cost of Revenue	$ 34,317	$ 34,706
Operating Expenses	340,369	333,872
	$ 374,686	$ 368,578

(V) Remuneration of employees and directors

According to the Articles of Incorporation, the Company shall allocate no less than 5% and no more than 20% for employee remuneration and no more than 2% for director remuneration according to the current year's pre-tax benefits before deducting the employee and director remuneration distribution. In accordance with the amendment to the Securities and Exchange Act in August 2024, the Company plans to revise its Articles of Incorporation with the resolution of the 2025 shareholders' meeting. The revision will specify that, based on the annual pre-tax profits before deducting employee and director remuneration, no less than 5% and no more than 20% shall be allocated for employee remuneration, with at least 1% of that amount designated for Frontline employees.

The period from January 1 to March 31 in 2025 and 2024 are net loss before tax, so employees' remuneration and directors' remuneration are not estimated.

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

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

XXIII. Income tax

(I) Main components of income tax expenses recognized in profit or loss

	Three Months Ended March 31, 2025	Three Months Ended March 31, 2024
Current income tax expense		
Current tax expense recognized in the current period	$ 15,277	$ 2,672
Income tax adjustments on prior years	200	(681)
	15,477	1,991
Deferred income tax		
Current tax expense recognized in the current period	(717)	1,149
Income tax expense recognized in profit or loss	$ 14,760	$ 3,140

(II) Income tax examination

The years in which the profit-seeking enterprise income tax returns of the Company and its subsidiaries have been approved by the tax collection authority are listed as follows:

Name	Year of approval
AVerMedia Technologies Inc.	Years Ended December 31, 2023
AVer Information	Years Ended December 31, 2023

XXIV. Loss per share

The net loss and the weighted average number of ordinary shares used to calculate the loss per share are as follows:

Net loss for the period

	Three Months Ended March 31, 2025	Three Months Ended March 31, 2024
Net loss used to calculate basic and diluted loss per share	($ 21,738)	($ 2,983)

Number of shares

Unit: thousand shares

	Three Months Ended March 31, 2025	Three Months Ended March 31, 2024
Weighted average number of ordinary shares used to calculate basic loss per share	131,327	133,421

If the Group offered to settle compensation or bonuses paid to employees in cash or shares, the Group assumed the entire amount of the compensation or bonuses would be settled in shares. If the effect is dilutive, the resulting potential shares were included in the weighted average number of outstanding shares used in the computation of diluted earnings per share. Such dilutive effect of the potential shares was included in the computation of diluted earnings per share until the number of shares to be distributed to employees is resolved in the next fiscal year.

As the exercise price of the outstanding stock warrants of the Company was higher than the average market price of the shares from January 1 to March 31, 2025, they were anti-dilutive and were therefore not included in the calculation of diluted earnings per share.

XXV. Share-based Payment Agreement

Employee Restricted Stock Awards

On November 19, 2020, the company held a special shareholders' meeting and resolved to issue 5,000 thousand shares of restricted stock. On March 24, 2022, the board of directors further resolved to issue 4,115 thousand shares of restricted stock through a non-cash issuance. The record date for the capital increase was set as April 20, 2022. The restricted shares granted to employees will vest at 15%, 30%, and 55% upon completing 3, 4, and 5 years of service, respectively, provided they meet the company's operational goals and individual performance targets.

On August 8, 2024, the Board of Directors resolved to amend the regulations for issuing new shares with restricted employee rights. Employees allocated such shares will vest 45% of the allocated shares upon completing 4 years of service from the grant date, and 55% upon completing 5 years of service, provided they meet the company's operational goals and individual performance indicators.

Until the vesting conditions are met, the allocated shares to employees remain restricted as follows:

(I) During the vesting period, employees shall not pledge, transfer, give, create, or otherwise dispose of such RSAs to others.

(II) Apart from the aforementioned restrictions, the rights associated with the restricted employee shares, including but not limited to dividends, bonuses, entitlements to capital surplus distributions, and subscription rights to cash capital increases, are equivalent to those of the Company's issued common shares.

(III) Upon issuance of the restricted employee stock units, they should be immediately delivered to a trustee, and employees are not allowed to request the return of the restricted employee stock units from the trustee before meeting the vesting conditions.

(IV) In the event of a non-statutory reduction of capital, such as cash reduction, during the vesting period, the restricted employee stock units should be canceled proportionally to the reduction. If it is a cash reduction, the refunded cash should be held by the trustee and delivered to employees only after meeting the vesting conditions. However, if the vesting conditions are not met, the company will reclaim the refunded cash.

If an employee violates the employment contract or work rules after receiving the restricted stock options, the company has the right to retrieve and cancel the shares that have been granted but have not yet met the vested conditions without compensation.

If the employee fails to meet the vested conditions, the Company shall recover the restricted employee stocks issued according to law and cancel them without compensation.

The relevant information regarding the issuance of restricted employee stock units is as follows:

	Three Months Ended March 31, 2025	Three Months Ended March 31, 2024
	Shares (In Thousands)	Shares (In Thousands)
Balance, beginning and end of period	3,305	3,755
Weighted Average Fair Value of Restricted Stock Granted in the Current period (NT$)	$ 30.35	$ 30.35

The remuneration costs recognized by the Company due to the issuance of new restricted employee shares during January 1 to March 31, 2025 and 2024 were NT$5,618 thousand and NT$6,604 thousand, respectively. As of March 31, 2025, December 31, 2024, and March 31, 2024, the balances of unearned employee remuneration were NT$35,428 thousand, NT$41,046 thousand, and NT$60,857 thousand, respectively, and were recognized as deductions from other equity.

XXVI. Capital Risk Management

The Group adopts the business model of in-house R&D and production, and has no major capital expenditure plan currently and in the future. The capital management of the Group is conducted in accordance with the scale of the operation and the future growth and development of the industry to meet the demands of operating funds, expenses for research and development, and dividend expenditures. The Group reviews the capital risk management policy on a regular basis, and the principle is stable and conservative.

The consolidated company's capital structure consists of net debt (i.e. borrowings minus cash and cash equivalents) and equity (i.e. capital stock, capital reserves, retained earnings, and other equity items).

The Group is exempted from other external capital regulations.

XXVII. Financial Instruments

(I) Fair values – financial instruments not measured at fair value

The management of the Group believes that the carrying amount of the financial assets and liabilities not measured at fair value is close to their fair value.

(II) Fair value – financial instruments measured at fair value on a recurring basis

1. Levels of fair value

March 31, 2025

	Level 1	Level 2	Level 3	Total
Financial assets at fair value through other comprehensive income				
Equity Instrument Investments				
Unlisted Domestic Stocks	$ -	$ -	$ 60,000	$ 60,000

December 31, 2024

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Beneficiary Certificates of Funds	$ 40,283	$ -	$ -	$ 40,283
Financial assets at fair value through other comprehensive income				
Equity Instrument Investments				
Unlisted Domestic Stocks	$ -	$ -	$ 60,000	$ 60,000

March 31, 2024

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Beneficiary Certificates of Funds	$ 60,619	$ -	$ -	$ 60,619

There were no transfers between Level 1 and Level 2 fair value measurements from January 1 to March 31, 2025.

2. Assessment method and input of Level 3 financial instruments at fair value

The fair value of the unlisted domestic equity investments held by the Group is measured based on the cash capital increase price set by the investee company.

(III) Categories of financial instruments

	March 31, 2025	December 31, 2024	March 31, 2024
Financial assets			
Classified as at fair value through profit or loss			
Mandatorily measured at FVTPL	$ -	$ 40,283	$ 60,619
Measured at amortized costs (Note 1)	2,816,461	2,854,844	2,968,613
Investments in Equity Instruments Measured at Fair Value through Other Comprehensive Income	60,000	60,000	-
Financial liabilities			
Measured at amortized costs (Note 2)	1,087,789	1,026,794	1,181,994

Note 1: The balance includes cash and cash equivalents, notes receivable, accounts receivable, other receivables, and refundable deposits, all measured at amortized cost.

Note 2: The balance includes financial liabilities measured at amortized cost, such as short-term borrowings, accounts payable, other payables, long-term borrowings (including current portions due within one year), and guarantee deposits.

(IV) The objectives and policies of financial risk management

The objectives of the financial risk management of the Group are to manage the market risks (including exchange rate risks and interest risks), credit risks, and liquidity risks related to operating activities. To lower the related financial risks, the Group strives to identify, assess and avoid market uncertainty to minimize the potential negative effect of market changes on the financial performance of the Company.

The significant financial activities of the Group were reviewed by the Board of Directors and the Audit Committee in accordance with the related regulations and internal control mechanisms.

1. Market risks

The Group is exposed to foreign exchange rate risk and interest rate risk as a result of its operating activities.

The Group does not change the risk exposure of market risks of the financial instruments and the management and measurement method on such risk exposure.

(1) Exchange rate risks

The Group engages in sales and purchase transactions priced in foreign currency, exposing the Group to exchange rate variation risk. To prevent the loss from exchange rate variation, the Group pays close attention to the exchange rate variation and determines the foreign currency position based on the actual fund demands and the level of the exchange rate to lower the operating risks.

Please refer to Note 31 for the carrying amount of monetary assets and liabilities of the Group priced in non-functional currency at the end of the reporting period.

Sensitivity analysis

The Group is mainly under the influence of variations in the exchange rates of USD, EURO, JPY and RMB.

The table below demonstrates the sensitivity analysis of the Group when the exchange rate of NT$ (functional currency) to all related foreign currencies increases and decreases by 5%. The positive numbers in the table below indicate the amount by which income (or loss) before tax would increase if the NT$ depreciated by 5% against the relevant foreign currencies. Conversely, if the NT$ appreciated by 5%, the effect on income (or loss) before tax would be the same amount but in the opposite (negative) direction.

	Profit or loss	
	Three Months Ended March 31, 2025	Three Months Ended March 31, 2024
USD	$ 55,590	$ 62,662
EURO	14,307	12,669
JPY	7,997	9,788
RMB	2,802	3,906

(2) Interest rate risks

The carrying amount of financial assets and liabilities of the Group exposed in the interest rate risk at the end of the reporting period is as follows:

	March 31, 2025	December 31, 2024	March 31, 2024
Fair value interest rate risks			
- Financial assets	$ 898,872	$ 703,613	$ 1,034,595
- Financial liabilities	117,916	118,014	571,142
Cash flow interest rate risks			
- Financial assets	1,382,974	1,635,954	1,294,221
- Financial liabilities	612,269	613,000	265,178

The Group holds time deposits and loans with fixed interest rates and is, thus, exposed to fair value interest rate risks. In addition, the consolidated company holds deposits and loans with floating interest rates and is, thus, exposed to cash flow interest rate risks.

Sensitivity analysis

The following sensitivity analysis is based on interest rate risk as of the balance sheet date. If the interest rate were to increase or decrease by 1%, with all other variables held constant, the Group’s net loss before tax for the period from January 1 to March 31, 2025 would decrease or increase by NT$1,927 thousand, and the net income before tax for the same period in 2024 would increase or decrease by NT$2,573 thousand.

(3) Other Price Risks

The Group is exposed to price risk due to its holdings of equity securities investments and fund beneficiary certificates.

Price sensitivity analysis

The following sensitivity analysis is based on the equity price risk as of the balance sheet date. If the price had increased or decreased by 0.5%, the net income before tax for the period from January 1 to March 31, 2024 would have increased or decreased by NT$303 thousand due to changes in the fair value of investments measured at fair value through profit or loss (FVTPL). For the period from January 1 to March 31, 2025, other comprehensive income before tax would have increased or decreased by NT$300 thousand due to changes in the fair value of financial assets measured at fair value through other comprehensive income (FVOCI).

2. Credit Risks

Credit risks refer to the risks that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. As of the balance sheet date, the Group's maximum credit risk exposure, which may cause a financial loss due to a counterparty's failure to perform its obligations, is mainly derived from the carrying amount of the financial assets recognized in the consolidated balance sheet.

The Group adopts the policy that it only engages in transactions with counterparties with excellent credits, and its financial department reviews and approves and line of credits of the transaction counterparties on a regular basis to control the credit risk exposure.

To reduce the credit risks, the management of the Group is responsible for determining the line of credits, credit approval, and other monitoring procedures to ensure proper actions are taken to recover overdue receivables. The target of accounts receivables involves numerous customers. The Group continues to assess the financial situation of customers with accounts receivables and insures the accounts receivables for some of the main customers. The coverage ratio is 80% to 90% of the approved insurance amount. In addition, the Group reviews the recoverable amount of receivables individually at the end of the reporting period to ensure the receivables that cannot be recovered are properly recognized in impairment loss. Therefore, the management of the Group believes the credit risks of the Group have been reduced significantly.

Besides this, the main transaction counterparties of liquidity are financial institutions with excellent credit, so the credit risk is limited.

3. Liquidity risk

The Group manages and maintains a sufficient position of the cash and cash equivalents to support the operation of the Group and reduce the effect of cash flow volatility. The operating funds of the Group are sufficient, so there is no concern about fund shortage. Even if there is any fund demand, it belongs to short-term demand, which can be resolved by comprehensive bank loan commitments. As a result, the liquidity risk is not serious.

Please refer to (2) Loan commitments below for the undrawn loan commitments.

(1) Liquidity and interest risk rate table for non-derivative financial liabilities

The following table shows the remaining contractual maturity analysis of the Group's non-derivative financial liabilities with agreed-upon repayment periods, which were based on the date the Group will be required to pay the first repayment and financial liabilities is evaluated based on undiscounted cash flows, including cash flows of interest and principal.

	March 31, 2025			
	Instant maturity or less than 1 year	1 to 5 years	Over 6 years	Total
Non-interest-bearing liabilities	$ 442,212	$ 9,139	$ 6,286	$ 457,637
Floating interest rate instruments	552,963	12,470	46,836	612,269
Fixed interest rate instruments	30,000	-	-	30,000
Lease liabilities	32,501	78,660	-	111,161
	$ 1,057,676	$ 100,269	$ 53,122	$ 1,211,067

	December 31, 2024			
	Instant maturity or less than 1 year	1 to 5 years	Over 6 years	Total
Non-interest-bearing liabilities	$ 380,484	$ 9,188	$ 6,526	$ 396,198
Floating interest rate instruments	552,948	12,407	47,645	613,000
Fixed interest rate instruments	30,000	-	-	30,000
Lease liabilities	28,966	74,182	-	103,148
	$ 992,398	$ 95,777	$ 54,171	$ 1,142,346

	March 31, 2024			
	Instant maturity or less than 1 year	1 to 5 years	Over 6 years	Total
Non-interest-bearing liabilities	$ 363,476	$ 9,134	$ 6,801	$ 379,411
Floating interest rate instruments	202,937	12,323	49,918	265,178
Fixed interest rate instruments	550,000	-	-	550,000
Lease liabilities	15,177	6,726	-	21,903
	$ 1,131,590	$ 28,183	$ 56,719	$ 1,216,492

(2) Loan commitments

	March 31, 2025	December 31, 2024	March 31, 2024
Unsecured bank loan commitments			
- Drawn amount	$ 550,500	$ 550,500	$ 550,000
- Undrawn amount	951,308	950,678	932,000
	$ 1,501,808	$ 1,501,178	$ 1,482,000
Secured bank loan commitments			
- Drawn amount	$ 99,000	$ 99,000	$ 269,000
- Undrawn amount	550,000	550,000	180,000
	$ 649,000	$ 649,000	$ 449,000

XXVIII. Related Party Transactions

The transactions, account balance, income, and expenses between the Company and subsidiaries (the related parties of the Company) have been written off in the consolidation, so they were not disclosed in the Note. Apart from the information disclosed in other notes, the major transactions between the Group and other related parties are as follows:

Compensation of key management personnel

	Three Months Ended March 31, 2025	Three Months Ended March 31, 2024
Short-term employee benefits	$ 29,345	$ 26,770
Post-employment benefits	297	315
Stock-based compensation	1,241	1,284
	$ 30,883	$ 28,369

The remuneration of directors and other key management personnel were determined by the Remuneration Committee in accordance with individual performance and market trends.

XXIX. Pledged Assets

The following assets of the Group have been pledged as the collateral for the bank loans and as the security of standby letter of credit for technology licensing:

	March 31, 2025	December 31, 2024	March 31, 2024
Houses and buildings – net amount	$ 113,645	$ 113,749	$ 318,624
Pledge certificate of deposit (recognized refundable deposits and financial assets at amortized costs)	50,887	50,202	249,838
	$ 164,532	$ 163,951	$ 568,462

XXX. Significant Contingent Liabilities and Unrecognized Contractual Commitments

As of March 31, 2025, the Company had issued promissory notes totaling NT$669,735 thousand in accordance with general banking practices in connection with credit facilities and financing arrangements with various banks.

XXXI. Significant Financial Assets and Liabilities Denominated in Foreign Currencies

The following information is summarized based on foreign currencies other than the functional currencies of each entity within the consolidated company. The disclosed exchange rates represent the rates used to convert these foreign currencies into their respective functional currencies. Significant Financial Assets and Liabilities Denominated in Foreign Currencies are as follows:

March 31, 2025

Assets denominated in foreign currencies	Foreign currencies	Exchange rate	Carrying value
Monetary items			
USD	$ 39,980	33.21 (USD: NTD)	$ 1,327,536
EURO	8,115	35.97 (EUR: NTD)	291,897
JPY	718,155	0.22 (JPY: NTD)	159,933
RMB	13,546	4.57 (RMB: NTD)	61,946
Foreign currency liabilities			
Monetary items			
USD	6,497	33.21 (USD: NTD)	215,733
RMB	1,293	4.57 (RMB: NTD)	5,913
EURO	160	35.97 (EUR: NTD)	5,755

December 31, 2024

Assets denominated in foreign currencies	Foreign currencies	Exchange rate	Carrying value
Monetary items			
USD	$ 39,361	32.79 (USD: NTD)	$ 1,290,450
EURO	10,565	34.14 (EUR: NTD)	360,689
JPY	677,645	0.21 (JPY: NTD)	142,238
RMB	14,442	4.48 (RMB: NTD)	64,671
Foreign currency liabilities			
Monetary items			
USD	5,587	32.79 (USD: NTD)	183,170
RMB	157	34.14 (EUR: NTD)	5,360
EURO	381	4.48 (RMB: NTD)	1,706

March 31, 2024

Assets denominated in foreign currencies	Foreign currencies	Exchange rate	Carrying value
Monetary items			
USD	$ 44,879	32.00 (USD: NTD)	$ 1,436,128
EURO	7,456	34.46 (EUR: NTD)	256,934
JPY	925,540	0.2115 (JPY: NTD)	195,752
RMB	18,827	4.408 (RMB: NTD)	82,989
Foreign currency liabilities			
Monetary items			
USD	5,715	32.00 (USD: NTD)	182,880
RMB	1,104	4.408 (RMB: NTD)	4,866
EURO	103	34.46 (EUR: NTD)	3,549

The Group company recognized net foreign exchange gains of NT$45,911 thousand and NT$60,886 thousand for the periods from January 1 to March 31, 2025, and 2024, respectively. Due to the wide variety of foreign currency transactions, it is not practicable to disclose the exchange gains and losses by each significant currency.

XXXII. Additional Disclosures

(I) Significant transactions:

1. Financing provided to others: None.
2. Endorsements/guarantees provided: None.
3. Marketable securities held (not including investment subsidiaries): Table 2.
4. Total purchases from or sales to related parties amounting to at least NT$100 million or 20% of the paid-in capital: Table 1.
5. Receivables from related parties amounting to at least NT$100 million or 20% of the paid-in capital: Table 3.
6. Others: The business relationship between the parent and the subsidiaries and significant transactions and amount between them: Table 4.

(II) Information on investees: Table 5.

(III) Information on investments in Mainland China:

1. Name of invested company in China, main business items, paid-in capital, investment method, situation of funds inflow and outflow, percentage of shareholding, year-end investment book value, profit or loss on repatriated investment, and investment quota in China: Table 6.
2. Significant transactions directly or indirectly through a third place with the investee companies in China and the price, payment terms, and unrealized profit or loss: Table 7
   (1) Amount and percentage of purchase and the balance at the end of the reporting period and the percentage of related payables.
   (2) Amount and percentage of sales and the balance at the end of the reporting period and the percentage of related receivables.
   (3) Asset transaction amount and the amount of profit or loss derived.
   (4) The balance at the end of the reporting period and objectives of endorsements/guarantee or collateral provided.
   (5) The maximum balance, balance at the end of the reporting period, interest interval, and the total interests of the current year of bank accommodation.
   (6) Other transactions that have a significant impact on the current profit or loss or financial situation, such as the offering and receipt of labor service.

XXXIII. Department information

The information provided to the major operating decision makers for resources allocation and departmental performance assessment tends to be the type of product or labor delivered or provided. Departments of the Group that shall be reported:

Department of computer related equipment and multimedia

Department of education and video conference

(I) Operating segment revenue and operating results

The analysis of the revenue of continuing operating unit of the Group and the operating performance based on the departments is as follows:

	Department of computer related equipment and multimedia	Department of education and video conference	Internal write-off	Total
January 1 to March 31, 2025				
Income from external customers	$ 214,023	$ 551,375	$	$ 765,398
Income between departments	111,865	6,578	(118,443)	-
Department income	$ 325,887	$ 557,953	($ 118,443)	765,398
Consolidated income				$ 765,398
Department profit or loss	($ 28,732)	$ 9,167	$ -	($ 19,565)
Costs of general management department and remuneration to directors				(44,185)
Interest Income				7,936
Other Income				9,041
Other Gains and Losses				45,130
Financial Costs				(4,675)
Net loss before tax				($ 6,318)
January 1 to March 31, 2024				
Income from external customers	$ 178,430	$ 584,224	$ -	$ 762,654
Income between departments	81,700	7,411	(89,111)	-
Department income	$ 260,130	$ 591,635	($ 89,111)	762,654
Consolidated income				$ 762,654
Department profit or loss	($ 32,324)	$ 11,173	$ -	($ 21,151)
Costs of general management department and remuneration to directors				(46,651)
Interest Income				11,715
Other Income				8,767
Other Gains and Losses				60,263
Financial Costs				(3,570)
Income Before Tax				$ 9,373

The department profit or loss refers to the profits earned by each department, not including the costs of general management department and remuneration to directors, interest income, other income, other gains and loss, and finance costs. The measured amount is provided to the major operating decision makers for resource allocation and performance assessment.

(II) Total assets and liabilities of departments

The assets and liabilities Information on the Group is not provided to the operating decision makers, so the measured amount of assets and liabilities is not disclosed.

AVerMedia Technologies Inc. and subsidiaries

Marketable Securities Held

March 31, 2025

Table 1

Unit: In thousands of New Taiwan Dollars, unless stated otherwise

Held company name	Marketable Securities Type and Name	Relationship with the Company	Financial Statement Account	March 31, 2025				Note
				Shares/Units (In Thousands)	Carrying value	Ownership Percentage	Fair value	
AVer Information	Shares AVerMedia Technologies Inc.	Parent company	Financial assets at fair value through other comprehensive income – non-current	23,404	$ 941,995	14.85%	$ 941,995	Note

Note: Please refer to Note 20(5) Treasury stock description.

AVerMedia Technologies Inc. and subsidiaries

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

January 1 to March 31, 2025

Table 2

Unit: In Thousands of New Taiwan Dollars

Purchase (Sale) Company	Related Party	Nature of Relationships	Transaction Details				Situation and reason for Abnormal Transaction		Notes/Accounts Payable or Receivable		Note
			Purchases (sales)	Amount	% to Total Purchase (Sales)	Payment terms	Unit price	Payment terms	Balance	% to Total Notes/Accounts Receivables (Payables)	
AVer Information	AVer Information Inc. (USA)	Subsidiary	Sale	$ 191,984	(44)	After Shipping 90 days	$ -	—	$ 140,801	42	Note

Note: It was written off while preparing the consolidated financial statements.

AVerMedia Technologies Inc. and subsidiaries

Receivables from related parties amounting to at least NT$100 million or 20% of the paid-in capital

March 31, 2025

Table 3

Unit: In Thousands of New Taiwan Dollars

Company Name Recognized as Receivables	Related Party	Nature of Relationships	Balance, end of period of Receivables from Related Party (Note 2)		Turnover rate (times/year)	Overdue receivables from related parties		Amounts Received in Subsequent Period (Note 1)	Allowance for Bad Debts
						Amount	Action Taken		
AVerMedia Technologies Inc.	AVerMedia USA	Subsidiary	Accounts Receivables	$ 147,345	1.90	$ 29,321	-	$ 22,739	$ -
AVer Information	AVer Information Inc. (USA)	Subsidiary	Accounts Receivables	140,801	6.63	-	-	56,462	-

Note 1: The amount recovered as of May 7, 2025.

Note 2: It was written off while preparing the consolidated financial statements.

AVerMedia Technologies Inc. and subsidiaries

Business relationship and significant transactions between the parent company and subsidiaries and among subsidiaries

January 1 to March 31, 2025

Table 4

Unit: In Thousands of New Taiwan Dollars

No.	Company Name	Counterparty	Nature of Relationship (Note 1)	Intercompany Transactions			
				Account	Amount	Transaction terms	Percentage of Consolidated Net Revenue or Total Assets
0	The Company	AVerMedia USA	1	Sales income	$ 66,481	Note 2	9
				Accounts Receivables	147,345	Note 3	3
		AVerMedia Japan	1	Accounts Receivables	14,799	Note 3	-
		AVerMedia Germany	1	Accounts Receivables	33,032	Note 3	1
		AVerMedia Shanghai	1	Sales income	28,165	Note 2	4
				Accounts Receivables	28,823	Note 3	-
1	AVer Information	AVer Information Inc. (USA)	1	Sales income	191,984	Note 2	25
				Accounts Receivables	140,801	Note 3	2
		AVer Information Europe B.V.	1	Sales income	85,818	Note 2	11
				Accounts Receivables	75,367	Note 3	1
		AVer Information Inc. (Japan)	1	Sales income	27,157	Note 2	4
				Accounts Receivables	35,705	Note 3	1
		AVer Information (Vietnam) Co., Ltd.	1	Sales income	8,703	Note 2	1
				Accounts Receivables	8,835	Note 3	-

Note 1: The relationship with the trader is as follows:

1. Parent to subsidiaries
2. Subsidiaries to parent
3. Subsidiaries to subsidiaries

Note 2: It is stipulated based on the local market condition. The transaction terms are similar to ordinary customers.

Note 3: General transaction terms and receivables are collected based on the capital conditions.

AVerMedia Technologies Inc. and subsidiaries

Names, Locations, And Related Information of Investees Over Which the Company Exercises Significant Influence

January 1 to March 31, 2025

Table 5

Unit: In Thousands of New Taiwan Dollars

Investor company	Investee company	Location	Main business and products	Original investment amount		Balance at the end of period			Net Income (Losses) of the Investee	Share of Profits/Losses of Investee	Note
				March 31, 2025	December 31, 2024	Shares (In Thousands)	Percentage of ownership %	Carrying value			
AVerMedia Technologies Inc.	AVer Information	Taiwan	Sales, manufacturing and research and development of computer system equipment, presentation and video conference system products	$ 706,623	$ 706,623	46,389	49.92	$ 1,230,326	$ 1,316	$ 657	
	AVerMedia USA	USA	Sales of video and audio capture and internet video streaming products	45,843	45,843	3,000	100.00	(59,023)	411	411	
	AVerMedia Japan	Japan	Sales of video and audio capture and internet video streaming products	3,579	3,579	0.2	100.00	(2,281)	(2,937)	(2,937)	
	AVerMedia Germany	Germany	Sales of video and audio capture and internet video streaming products	3,591	3,591	(Note 1)	100.00	(10,979)	(671)	(671)	
	AVerMedia Spain	Spain	Sales of video and audio capture and internet video streaming products	3,517	3,517	(Note 1)	100.00	1,923	-	-	Note 3
	AVerMedia Korea	South Korea	Sales of video and audio capture and internet video streaming products	6,031	6,031	51	100.00	6,306	618	618	
AVer Information	AVer Information Inc. (USA)	USA	Sales of computer system equipment, presentation and video conference system products	217,848	217,848	6,990	100.00	184,465	(57,184)	(57,184)	
	AVer Information Europe B.V.	Netherlands	Sales of computer system equipment, presentation and video conference system products	131,089	131,089	(Note 1)	100.00	26,511	(1,579)	(1,579)	
	AVer Information Inc. (Japan)	Japan	Sales of computer system equipment, presentation and video conference system products	24,828	24,828	1.4	100.00	(173)	3,175	3,175	
	AVer Information (Vietnam) Co., Ltd.	Vietnam	Sales of computer system equipment, presentation and video conference system products	10,710	10,710	(Note 1)	100.00	20,415	(299)	(299)	
	Yuan Chen Investment Inc.	Taiwan	General Investment	500	500	50	100.00	438	-	-	

Note 1: The certificate of incorporation only states the investment amount without the record of the number of shares.

Note 2: Please refer to Table 6 for the investee company in China.

Note 3: On March 13, 2024, the board of directors of the company passed a resolution to proceed with the dissolution and liquidation of AVerMedia Spain.

AVerMedia Technologies Inc. and subsidiaries

Information on Investment in Mainland China

January 1 to March 31, 2025

Table 6

Unit: In Thousands of New Taiwan Dollars and foreign currencies in thousands

Investee company	Main business and products	Total Amount of Paid-in Capital	Method of investment (Note 1)	Accumulated Outflow of investment from Taiwan as of January 1, 2025	Investment Flows		Accumulated Outflow of investment from Taiwan as of March 31, 2025	Net Income (Losses) of the Investee Company	Percentage of Ownership	Share of Profits/Losses	Carrying Amount as of March 31, 2025	Accumulated Inward Remittance of Earnings as of March 31, 2025	Note
					Outflow	Inflow							
AVerMedia Shanghai	Sales of video and audio capture and internet video streaming products	$ 40,323 (USD 1,200)	1	$ 40,323 (USD 1,200)	$ -	$ -	$ 40,323 (USD 1,200)	$ 4,123	100%	$ 4,123	$ 16,764	$ -	

Accumulated Investment in Mainland China as of March 31, 2025	Investment Amounts Authorized by Investment Commission, MOEA	Maximum amount of investment stipulated by Investment Commission, Ministry of Economic Affairs (Note 2)
$ 40,323(USD 1,200 thousand)	$ 40,323(USD 1,200 thousand)	$ 1,729,007

Note 1: The investment methods are classified into the following 3 types. Only the type is required to be labeled:

(1) Direct investment in China.

(2) Investment in a company in a third area and reinvestment from that company in China.

(3) Other methods.

Note 2: Calculated as 60% of the net value according to the “Principles for the Review of Investments or Technical Cooperation in Mainland China” stipulated by the Investment Commission.

Note 3: AVerMedia Shanghai’s paid-in capital is listed based on the accumulated actual outward remittance from Taiwan. The average exchange rate is US$1 = NT$33.60.

AVerMedia Technologies Inc. and subsidiaries

Significant transactions directly or indirectly through a third place with the investee companies in China and the price, payment terms, unrealized profit or loss, and other related information

January 1 to March 31, 2025

Table 7

Unit: In Thousands of New Taiwan Dollars

Related Party	Nature of Relationships between the Company and Related Party	Type of transactions	Amount	Transaction terms			Notes/Accounts Payable or Receivable		Unrealized profit or loss
				Price	Payment terms	Comparison with general transactions	Balance	Percentage (%)	
AVerMedia Shanghai	Subsidiary	Sale	$ 28,165	Note	Note	Note	$ 28,823	-	$ 7,230
		Labor expenditures	22	Note	Note	Note	(216)	-	-

Note: The transactions between the Company and related parties are conducted in accordance with the agreed transaction price and payment terms.