Tai-Tech Advanced Electronics Co., Ltd. and Subsidiaries

Consolidated Financial Statements and Independent Auditors' Report

2024 and 2023

(Stock Code: 3357)

Company address :	No.1 You 4th Road, Youth Industrial District, Yangmei, Taoyuan City 326013, Taiwan
Telephone :	(03)464-1148

Tai-Tech Advanced Electronics Co., Ltd. and Subsidiaries

2024 and 2023 Consolidated Financial Statements and Auditors' Report

Table of Contents

Tai-Tech Advanced Electronics Co., Ltd.
Consolidated Financial Statements of Affiliated Enterprises

The entities that are required to be included in the combined financial statements of the Company as of and for the year ended December 31, 2024 under the Criteria Governing the Preparation of Affiliation Reports, Consolidated Financial Statements of Affiliated Enterprises and Consolidated Business Reports are the same as those required to be included in the consolidated financial statements prepared in conformity with the International Financial Reporting Standards No.10 "Consolidated Financial Statements." In addition, the information required to be disclosed in the combined financial statements is already covered in the consolidated financial statements of Tai-Tech Advanced Electronics Co., Ltd. and Subsidiaries. As such, we do not prepare a separate set of combined financial statements.

Represented by

Company name: Tai-Tech Advanced Electronics Co., Ltd.

Responsible Person: Ming-Yen Hsieh

February 24, 2025

pwc 資誠

Independent Auditor's Report

(114) Caishenbaozi No. 24002672

To Tai-Tech Advanced Electronics Co., Ltd.,

Audit Opinions

We have audited the consolidated financial statements of Tai-Tech Advanced Electronics and Subsidiaries (referred to as the "Group" hereinafter), which comprise the consolidated balance sheets as of December 31, 2024 and 2023, the consolidated statements of comprehensive income, changes in equity, and cash flows for the years from January 1 through December 31, 2024 and 2023, and the notes to the consolidated financial statements, including a summary of significant accounting policies.

In the opinion of this CPA, based on our audits and the reports of the other auditors (see Other Matters), all major aspects of the aforesaid Consolidated Financial Statements are formulated in compliance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers as well as the guidelines, interpretation, and explanations announced by the International Financial Reporting Standards and the International Accounting Standards recognized and declared as effective by the Financial Supervisory Commission. They are sufficient to present the consolidated financial status of Tai-Tech Group for December 31, 2024 and 2023, as well as the Consolidated Financial Performance and Consolidated Cash Flow for January 1 to December 31, 2024 and 2023.

Basis of Audit Opinion

We have conducted the audit according to the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and the Taiwan Standards on Auditing. Our responsibilities under those standards are further described in the section titled "Auditors' Responsibilities for the Audit of the Consolidated Financial Statements" in our report. We are independent of the Group in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China and we have fulfilled our other ethical responsibilities in accordance with these requirements. Based on the audit results of our accountants and the audit reports of other accountants, we are of the opinion that sufficient and appropriate audit evidence has been obtained to be served as the basis for expressing the audit opinion.

PricewaterhouseCoopers, Taiwan
27F, No. 333, Sec. 1, Keelung Rd., Xinyi Dist., Taipei 110208, Taiwan

T: +886 (2) 27296666, F: +886 (2) 27296686, www.pwc.tw

Key Audit Matters

The key audit items refer to the most important audit matters for the 2024 Consolidated Financial Statements of Tai-Tech Group under the professional judgment of this CPA. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and, in forming our opinion thereon. As such, we do not provide a separate opinion on these matters.

The key audit matters for the Group's consolidated financial statements for the year ended 2024 are stated as follows:

Valuation of allowance for inventory valuation losses

Description

Please refer to Notes 4 (13), 5 (2), and 6 (3) of the Notes to Consolidated Financial Statements for detailed descriptions of the accounting policies, important accounting estimates, inventory evaluation assumptions, and accounting items for loss allowance due to inventory impairment. Tai-Tech Group's balances for inventory and loss allowance due to impairment as of December 31, 2024, were NT$957,236 thousand and NT$60,786 thousand, respectively.

The Group mainly engages in manufacturing and processing of electronic parts, magnet cores, multilayer wire-wound and other wire-wound products. Since the value of inventory is subject to market price fluctuation and its lifetime, the risk of becoming obsolete is relatively high. In addition, since the valuation process usually involves subjective judgments, the uncertainly in accounting estimates is high. As such, we determine the valuation of the allowance for inventory valuation loss as one of the key audit matters.

Responsive audit procedures

We perform the following procedures for the inventory that is ageing and individually obsolete:

1. Assess the reasonableness of inventory allowance valuation policies and procedures adopted by the Group according to our understanding of the Group.
2. Review the annual inventory plans of the Group, and observe their annual inventory and management status to assess their management performance and capacity to control obsolete inventories.
3. Verify the completeness and accuracy of the inventory aging report to ensure report data and policy consistency.
4. Evaluate and confirm the accuracy of the inventory depreciation loss calculations, including verifying the accuracy of product selling and purchase prices, and recalculating and evaluating the appropriateness of depreciation loss provisions.

Other Matters - audits conducted by other certified public accountants

We have not audited the financial statements of partial investees under the equity method that are included in the consolidated financial statements of the Group, but other independent auditors have. Therefore, our opinion on the amount in the consolidated financial statements is based on the reports of other independent auditors. As of December 31, 2024 and 2023, the investments in the aforementioned companies under the equity method were NT$1,717,727 thousand and NT$1,463,347 thousand, representing 14% and 13% of the consolidated total assets, respectively; the profit or loss was NT$311,871 thousand and NT$70,078 thousand, representing 25% and 10% of the consolidated comprehensive income, respectively.

Other Matters– parent company only financial report

Tai-Tech Advanced Electronics Co., Ltd. has prepared the parent company only financial statements for 2024 and 2023, for which we have issued an unqualified opinion and the audit report with additional paragraphs for reference.

The Responsibilities of the Management Level and Governance Units for the Consolidated Financial Statements

The responsibilities of the management level are to comply with the Regulations Governing the Preparation of Financial Reports by Securities Issuers as well as the guidelines, interpretation, and explanations announced by the International Financial Reporting Standards and International Accounting Standards as recognized and declared effective by the Financial Supervisory Commission during the preparation of the Consolidated Financial Statements; maintain the necessary internal control mechanism related to the formulation of the Consolidated Financial Statements; and insure that the Consolidated Financial Statements do not contain significant false statements that can lead to fraud or error.

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

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

pwc 資誠

The CPA's Responsibilities during the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance refers to a high degree of assurance, but the audit performed according to the TWSA cannot guarantee that material misrepresentations in the Consolidated Financial Statements will be detected. Misstatements can arise from fraud or error. Misstatements 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.

The CPA has exercised professional judgment and skepticism when conducting audits under the TWSA. We also:

1. Identify and assess the risks of material misstatement of the Consolidated Financial Statements (whether due to fraud or error), design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. The CPA must understand the organization's internal control unit being audited to design the appropriate audit procedure under the circumstances. The objective is not to express an opinion on the effectiveness of the internal control unit for the Tai-Tech Group.
3. Evaluate the appropriateness of the accounting policies adopted by the management level, the rationality of its accounting estimates, and the relevant disclosures.
4. Make a conclusion regarding the appropriateness for the management level to continue to adopt the existing accounting basis and determine whether there are any significant doubts or major uncertainties regarding Tai-Tech Group's ability to continue its operations. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure, and contents of, and the notes to, the consolidated financial statements, and whether the consolidated financial statements fairly present the underlying transactions and events.
6. Acquire sufficient and appropriate audit evidence for the financial information of individuals formed within the Prince Group and issue an opinion regarding 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.

This accountant has decided the key audit items for the 2024 Consolidated Financial Statements of Tai-Tech Group based on the items communicated with the governance unit. We describe these matters in our 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.

PricewaterhouseCoopers Taiwan

Certified Public Accountant (CPA)	Wei-hao Wu Ya-Hui Cheng

Financial Supervisory Commission
Official Approval Letter No.: Jin Guan Zheng Shen Zi No. 1080323093
Former Financial Supervisory Commission and Securities and Futures Bureau of the Executive Yuan
Official Approval Letter No.: Jin Guan Zheng Liu Zi No. 0960072936
February 26, 2025

Tai-Tech Advanced Electronics Co., Ltd. and Subsidiaries
Consolidated Balance Sheets
December 31, 2024 and 2023

Unit: NT$ thousand

	Assets	Note	December 31, 2024 Amount	%	December 31, 2023 Amount	%
	Current assets					
1100	Cash and cash equivalents	6 (1)	$ 1,780,997	15	$ 2,152,634	20
1136	Financial assets measured at amortized cost－current	6 (1)	-	-	30,705	-
1150	Notes receivable, net	6 (2)	36,806	-	49,844	1
1170	Accounts receivable, net	6 (2)	1,996,348	16	1,464,122	13
1180	Accounts receivable from related parties, net	6 (2) and 7	129,489	1	94,850	1
1200	Other receivables		33,711	-	14,002	-
1210	Other receivables due from related parties	7	140	-	-	-
1220	Current income tax assets	6 (25)	2	-	6,717	-
130X	Inventory	6 (3)	896,450	8	768,123	7
1410	Pre-payments	6 (13)	104,091	1	42,632	-
1470	Other current assets		3,811	-	267	-
11XX	**Total current assets**		4,981,845	41	4,623,896	42
	Non-current assets					
1510	Financial assets at fair value through profit or loss - non-current	6 (11)	770	-	880	-
1517	Financial assets at fair value through other comprehensive income - non-current	6 (4) and 12 (3)	567,634	5	558,896	5
1550	Investment accounted for using the equity method	6 (5)	2,178,533	18	1,470,603	14
1600	Property, plant and equipment	6 (6) and 8	4,358,293	35	4,100,494	38
1755	Right-of-use assets	6 (7) and 7	34,809	-	37,587	-
1780	Intangible assets		54,094	-	49,980	1
1840	Deferred income tax assets	6 (25)	3,237	-	26,638	-
1900	Other non-current assets	6 (8)	71,613	1	17,075	-
15XX	**Total non-current assets**		7,268,983	59	6,262,153	58
1XXX	**Total assets**		$ 12,250,828	100	$ 10,886,049	100

(Continued)

Tai-Tech Advanced Electronics Co., Ltd. and Subsidiaries
Consolidated Balance Sheets
December 31, 2024 and 2023

Unit: NT$ thousand

	Liabilities and equity	Note	December 31, 2024 Amount	%	December 31, 2023 Amount	%
	Current liabilities					
2100	Short-term borrowings	6 (9)	$ 330,000	3	$ 100,000	1
2150	Notes payable		16,011	-	17,460	-
2170	Accounts payable		806,684	7	550,535	5
2180	Accounts payable - related parties	7	2,622	-	3,111	-
2200	Other payables	6 (10) and 7	587,956	5	553,461	5
2230	Current income tax liabilities	6 (25)	35,275	-	49,655	1
2250	Liability reserve - current		4,492	-	4,278	-
2280	Lease liabilities - current	7	2,311	-	4,085	-
2320	Current portion of long-term borrowings	6 (12)	243,158	2	37,733	-
21XX	**Total current liabilities**		2,028,509	17	1,320,318	12
	Non-current liabilities					
2530	Corporate bonds payable	6 (11)	1,066,426	9	1,048,695	10
2540	Long-term borrowings	6 (12)	1,266,554	10	1,504,712	14
2570	Deferred income tax liabilities	6 (25)	267,624	2	257,748	2
2580	Lease liabilities - non-current	7	5,376	-	7,182	-
2640	Net defined benefit liabilities－non-current	6 (13)	1,415	-	1,053	-
2670	Other non-current liabilities - others		7,207	-	10,014	-
25XX	**Total non-current liabilities**		2,614,602	21	2,829,404	26
2XXX	**Total liabilities**		4,643,111	38	4,149,722	38
	Equity attributable to shareholders of the parent					
	Share capital	6 (14)				
3110	Common shares		1,020,349	8	1,020,340	9
	Capital surplus	6 (15)				
3200	Capital surplus		1,854,376	15	1,854,279	17
	Retained earnings	6 (16)				
3310	Legal reserve		720,465	6	657,300	6
3320	Special reserve		76,642	1	76,642	1
3350	Unappropriated earnings		3,312,481	27	2,928,035	27
	Other equity	6 (17)				
3400	Other equity		496,692	4	139,049	1
31XX	**Total equity attributable to owners of the parent company**		7,481,005	61	6,675,645	61
36XX	**Non-controlling interests**		126,712	1	60,682	1
3XXX	**Total equity**		7,607,717	62	6,736,327	62
	Significant Commitments or Contingencies	9				
3X2X	**Total liabilities and equity**		$ 12,250,828	100	$ 10,886,049	100

The accompanying notes are an integral part of the consolidated financial statements; please refer to them altogether.

Tai-Tech Advanced Electronics Co., Ltd. and Subsidiaries
Consolidated Statement of Comprehensive Income
January 1 to December 31, 2024 and 2023
Unit: NT$ thousand

(Except Earnings Per Share)

	Item	Note	2024 Amount	2024 %	2023 Amount	2023 %
4000	Operating revenue	6 (18) and 7	$ 5,506,106	100	$ 4,431,789	100
5000	Operating costs	6 (3)(23) (24) and 7	(4,174,131)	(76)	(3,314,106)	(75)
5900	Gross profit		1,331,975	24	1,117,683	25
	Operating expenses	6 (23) (24) and 7				
6100	Selling and marketing expenses		(351,291)	(6)	(291,705)	(7)
6200	General and administrative expenses		(211,724)	(4)	(208,508)	(5)
6300	Research and development expenses		(202,633)	(4)	(155,250)	(3)
6450	Expected credit impairment gain	12 (2)	-	-	924	-
6000	Total operating expenses		(765,648)	(14)	(654,539)	(15)
6900	Operating gains		566,327	10	463,144	10
	Non-operating income and expenses					
7100	Interest income	6 (19)	41,617	1	39,485	1
7010	Other income	6 (20) and 7	65,796	1	99,406	2
7020	Other gains and losses	6 (21)	81,625	2	16,172	1
7050	Financial costs	6 (9) (12) (22)	(41,075)	(1)	(28,396)	(1)
7060	Share of profit (loss) of associates and joint ventures accounted for using equity method	6 (5)	137,054	3	79,414	2
7000	Total non-operating incomes and expenses		285,017	6	206,081	5
7900	**Income before income tax**		851,344	16	669,225	15
7950	Income tax expenses	6 (25)	(104,458)	(2)	(76,442)	(2)
8200	**Net profit (loss) for current period**		$ 746,886	14	$ 592,783	13

(Continued)

Tai-Tech Advanced Electronics Co., Ltd. and Subsidiaries

Consolidated Statement of Comprehensive Income

January 1 to December 31, 2024 and 2023

Unit: NT$ thousand
(Except Earnings Per Share)

	Item	Note	2024 Amount	2024 %	2023 Amount	2023 %
	Other comprehensive income/(loss) for the year, net of income tax					
	Components of other comprehensive income that will not be reclassified to profit or loss	6 (17)				
8316	Unrealized gain (loss) on investments in equity instruments at fair value through other comprehensive income	6 (4)	$ 107,717	2	$ 192,848	5
8320	Share of profit (loss) of associates and joint ventures accounted for using equity method - Components of other comprehensive income that will not be reclassified to profit or loss		155,561	3	3,721	-
8310	Total components of other comprehensive income that will not be reclassified to profit or loss		263,278	5	196,569	5
	Items that may be reclassified subsequently to profit or loss	6 (17)				
8361	Exchange differences on translating the financial statements of foreign operations		223,418	4	(71,946)	(2)
8370	Share of profit (loss) of associates and joint ventures accounted for using equity method - Components of other comprehensive income that might be reclassified to profit or loss		31,585	-	(13,801)	-
8360	Total of items that may be reclassified subsequently to profit or loss		255,003	4	(85,747)	(2)
8300	**Other comprehensive income/(loss) for the year, net of income tax**		$ 518,281	9	$ 110,822	3
8500	**Total comprehensive income (loss) for the current period**		$ 1,265,167	23	$ 703,605	16
	Net income attributable to:					
8610	shareholders of the parent		$ 748,155	14	$ 593,383	13
8620	Non-controlling interests		($ 1,269)	-	($ 600)	-
	Total comprehensive income (loss) attributable to:					
8710	shareholders of the parent		$ 1,264,407	23	$ 706,953	16
8720	Non-controlling interests		$ 760	-	($ 3,348)	-
	Earnings per share	6 (26)				
9750	Basic earnings per share attributable to shareholders of the parent company		$ 7.33		$ 5.82	
9850	Diluted earnings per share attributable to shareholders of the parent company		$ 6.83		$ 5.73	

The accompanying notes are an integral part of the consolidated financial statements; please refer to them altogether.

Tai-Tech Advanced Electronics Co., Ltd. and Subsidiaries

Consolidated Statement of Changes in Equity

January 1 to December 31, 2024 and 2023

Unit: NT$ thousand

	Note	Equity attributable to shareholders of the parent								Non-controlling interests	Total equity
				Retained earnings			Other equity				
		Common shares	Capital surplus	Legal reserve	Special reserve	Unappropriated earnings	Exchange differences on translating the financial statements of foreign operations	Unrealized gain/(loss) on financial assets at fair value through other comprehensive income	Total		
2023											
Balance as of January 1, 2023		$ 1,020,340	$ 1,798,320	$ 552,955	$ 76,642	$ 3,012,932	($ 134,642)	$ 198,390	$ 6,524,937	$ -	$ 6,524,937
Net profit (loss) for current period		-	-	-	-	593,383	-	-	593,383	(600)	592,783
Other comprehensive income for the year	6 (17)	-	-	-	-	-	(82,999)	196,569	113,570	(2,748)	110,822
Total comprehensive income (loss) for the current period		-	-	-	-	593,383	(82,999)	196,569	706,953	(3,348)	703,605
Appropriation and distribution of earnings:	6 (16)										
Legal reserve		-	-	104,345	-	(104,345)	-	-	-	-	-
Cash dividends		-	-	-	-	(612,204)	-	-	(612,204)	-	(612,204)
Issuance of convertible bonds	6 (11)	-	55,190	-	-	-	-	-	55,190	-	55,190
Changes in associates and joint ventures accounted for using the equity method		-	769	-	-	-	-	-	769	-	769
Increase in non-controlling interests		-	-	-	-	-	-	-	-	64,030	64,030
Disposal of equity instruments measured at fair value through other comprehensive income	6 (17)	-	-	-	-	38,269	-	(38,269)	-	-	-
Balance as of December 31, 2023		$ 1,020,340	$ 1,854,279	$ 657,300	$ 76,642	$ 2,928,035	($ 217,641)	$ 356,690	$ 6,675,645	$ 60,682	$ 6,736,327
2024											
Balance as of January 1, 2024		$ 1,020,340	$ 1,854,279	$ 657,300	$ 76,642	$ 2,928,035	($ 217,641)	$ 356,690	$ 6,675,645	$ 60,682	$ 6,736,327
Net profit (loss) for current period		-	-	-	-	748,155	-	-	748,155	(1,269)	746,886
Other comprehensive income for the year	6 (17)	-	-	-	-	-	252,974	263,278	516,252	2,029	518,281
Total comprehensive income (loss) for the current period		-	-	-	-	748,155	252,974	263,278	1,264,407	760	1,265,167
Appropriation and distribution of earnings:	6 (16)										
Legal reserve		-	-	63,165	-	(63,165)	-	-	-	-	-
Cash dividends		-	-	-	-	(459,153)	-	-	(459,153)	-	(459,153)
Changes in associates and joint ventures accounted for using the equity method		-	9	-	-	-	-	-	9	-	9
Convertible corporate bond conversion	6 (11)	9	88	-	-	-	-	-	97	-	97
Increase in non-controlling interests		-	-	-	-	-	-	-	-	65,270	65,270
Disposal of equity instruments measured at fair value through other comprehensive income	6 (17)	-	-	-	-	158,609	-	(158,609)	-	-	-
Balance as of December 31, 2024		$ 1,020,349	$ 1,854,376	$ 720,465	$ 76,642	$ 3,312,481	$ 35,333	$ 461,359	$ 7,481,005	$ 126,712	$ 7,607,717

The accompanying notes are an integral part of the consolidated financial statements; please refer to them altogether.

Tai-Tech Advanced Electronics Co., Ltd. and Subsidiaries

Consolidated Cash Flow Statement

January 1 to December 31, 2024 and 2023

Unit: NT$ thousand

	Note	January 1 to December 31, 2024	January 1 to December 31, 2023
Cash flow from operating activities			
Income before income tax		$ 851,344	$ 669,225
Adjustments			
Adjustments for income and expenses			
Expected credit impairment gain	12 (2)	-	(924)
Depreciation expenses (including right-of-use assets)	6 (23)	540,703	511,098
Amortization	6 (23)	8,021	6,201
Net gain on financial assets and liabilities at fair value through profit or loss	6 (21)	(6,916)	(1,672)
Loss (gain) on disposal of property, plant and equipment	6 (21)	(260)	1,886
Interest income	6 (19)	(41,617)	(39,485)
Dividends income	6 (21)	(23,151)	(33,534)
Interest expenses	6 (22)	41,075	28,396
Share of profit of associates accounted for using equity method	6 (5)	(137,054)	(79,414)
Miscellaneous expenses		6,141	-
Loss on disposal of investment	6 (21)	2,985	-
Changes in operating assets and liabilities			
Changes in operating assets			
Financial assets compulsorily measured at fair value through profit or loss - current		7,026	1,232
Notes receivable		13,038	10,541
Accounts Receivable		(523,095)	161,849
Accounts receivable due from related parties		(34,639)	17,695
Other receivables		(6,942)	(575)
Other receivables due from related parties		(140)	-
Inventory		(125,480)	176,072
Pre-payments		(61,112)	(9,868)
Other current assets		(3,485)	202
Changes in operating liabilities, net			
Notes payable		(764)	5,624
Accounts payable		249,736	17,111
Accounts payables to related parties		(489)	(2,216)
Other payables		47,393	(101,186)
Liability reserve - current		214	4,278
Net defined benefit liabilities		362	275
Other noncurrent liabilities		(1,767)	(2,272)
Cash generated from operating activities		801,127	1,340,539
Interest paid		(23,247)	(25,454)
Income taxes paid		(92,857)	(104,754)
Net cash inflow from operating activities		685,023	1,210,331

(Continued)

Tai-Tech Advanced Electronics Co., Ltd. and Subsidiaries

Consolidated Cash Flow Statement

January 1 to December 31, 2024 and 2023

Unit: NT$ thousand

	Note	January 1 to December 31, 2024	January 1 to December 31, 2023
Cash flows from investing activities			
Interests received		$ 41,617	$ 39,485
Dividends received		23,151	33,534
Acquisition of financial assets at fair value through other comprehensive income		(78,845)	(49,918)
Disposal of financial assets at fair value through other comprehensive income		-	64,431
Increase in financial assets measured at amortized cost		-	(81,860)
Decrease in financial assets at amortized cost		30,705	50,000
Investment accounted for using the equity method		(261,360)	(1,458,000)
Cash dividend of long-term equity investment under equity method		57,500	57,500
Acquisition of property, plant and equipment	6 (28)	(765,011)	(248,208)
Proceeds from disposal of property, plant and equipment		7,155	4,591
Acquisition of intangible assets		(11,719)	(12,765)
Increase in refundable deposits		(4,932)	(93)
Decrease in other noncurrent assets		88	-
Capital surplus distributed in cash		482	-
Cash proceeds from business combination	6 (27)	2,219	-
Net cash flows used in investing activities		(958,950)	(1,601,303)
Cash flows from financing activities			
Increase in short-term borrowings		1,000,000	2,650,000
Decrease in short-term borrowings		(770,000)	(2,550,000)
Issuance of convertible bonds		-	1,100,502
Increase in long-term borrowings		-	453,999
Repayment for long-term borrowings		(37,733)	(37,733)
Repayment of the principal portion of lease liabilities	6 (29)	(4,082)	(6,735)
Decrease in deposits received		(1,040)	-
Cash dividends appropriated	6 (16)	(459,153)	(612,204)
Increase in non-controlling interests		65,270	64,030
Net cash generated from (used in) financing activities		(206,738)	1,061,859
Exchange rate adjustments		109,028	(47,130)
Increase (decrease) in cash and cash equivalents for the period		(371,637)	623,757
Cash and cash equivalents - beginning balance		2,152,634	1,528,877
Cash and cash equivalents - ending balance		$ 1,780,997	$ 2,152,634

The accompanying notes are an integral part of the consolidated financial statements; please refer to them altogether.

Tai-Tech Advanced Electronics Co., Ltd. and Subsidiaries
Notes to Consolidated Financial Statements
2024 and 2023

Unit: NT$ thousand
(unless otherwise specified)

I. Company History and Business Scope

Tai-Tech Advanced Electronics (hereinafter referred to as the "Company") was incorporated on November 2, 1992. The Company and its subsidiaries (hereinafter collectively referred to as the "Group") mainly engages in manufacturing and processing of electronic parts, magnet cores, multilayer wire-wound and other wire-wound products and acts as an agent for domestic and foreign companies in terms of quotation, bidding, distribution and import and export of the said products. The Company's shares were listed on Taipei Exchange for trading on April 27, 2021.

II. Approval Date and Procedure of Financial Statements

The Consolidated Financial Statements have passed the board of directors resolution and were published on February 24, 2025.

III. Application of New and Amended Standards and Interpretations

(I) The impact of the adoption of the new and revised International Financial Reporting Standards (IFRS) recognized and promulgated by the Financial Supervisory Commission (FSC)

The following table sets forth the standards and interpretations for the new issues, amendments, and revisions of International Financial Reporting Standards (IFRS) approved and promulgated into effect by the FSC for application in 2024:

New, Revised or Amended Standards and Interpretations	Effective date announced by IASB
Amendments to IFRS 16 "Lease liabilities of after-sale and leaseback"	January 1, 2024
Amendments to IAS 1 "Classification of liabilities as current or non-current"	January 1, 2024
Amendments to IAS 1 "Non-current liabilities with covenants"	January 1, 2024
Amendments to IAS 7 and IFRS 7 "Supplier finance arrangements"	January 1, 2024

The Group has assessed the aforementioned standards and interpretations and concluded that they do not have significant effects on the Group's financial position and financial performance.

(II) Effects of Not Adopting the Newly Issued or Amended IFRSs Endorsed by the FSC

The following table sets forth the standards and interpretations for the new issues, amendments, and revisions of International Financial Reporting Standards (IFRS) recognized by the FSC for application in 2025:

New, Revised or Amended Standards and Interpretations	Effective date announced by IASB
Amendments to IAS 21 "Lack of Exchangeability"	January 1, 2025

The Group has assessed the aforementioned standards and interpretations and concluded that they do not have significant effects on the Group's financial position and financial performance.

(III) <u>Effects of the IFRSs issued by IASB but not yet endorsed by the FSC</u>

New standards, interpretations, and amendments to the IFRSs issued by IASB but not yet endorsed by the FSC are as follows:

New, Revised or Amended Standards and Interpretations	Effective date announced by IASB
Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments”	January 1, 2026
Amendments to IFRS 9 and IFRS 7 "Contracts Referencing Nature-dependent Electricity"	January 1, 2026
Amendments to IFRS 10 and IAS 28 - “Sale or Contribution of Assets between an Investor and its Associate or Joint Venture”	Yet to be decided by IASB
IFRS 17 “Insurance Contracts”	January 1, 2023
Amendments to IFRS 17 “Insurance Contracts”	January 1, 2023
Amendment to IFRS 17 Initial application of IFRS 17 and IFRS 9 — Comparative information	January 1, 2023
IFRS No. 18 "Presentation and Disclosures in Financial Statements"	January 1, 2027
IFRS 19 “Subsidiaries without Public Accountability: Disclosures”	January 1, 2027
Annual Improvements to IFRS Accounting Standards—Volume 11	January 1, 2026

Except for the following, the Group has assessed the aforementioned standards and interpretations and concluded that they do not have significant effects on the Group’s financial position and financial performance.

1. Amendments to IFRS No. 9 and IFRS No. 7 "“Amendments to the Classification and Measurement of Financial Instruments"

   The amendments are as follows:

   Update the fair value of the equity instruments designated through other comprehensive income (FVOCI) through an irrevocable election should be disclosed for each type of equity instrument, and there is no need to disclose the fair value information for each underlying subject. In addition, the amount of fair value gain or loss recognized in other comprehensive income shall be disclosed. The amount of fair value gain or loss on the investment derecognized during the reporting period shall be presented separately. and accumulated gains and losses from investments that are derecognized during the reporting period and transferred to equity during the reporting period.

2. IFRS No. 18 "Presentation and Disclosures in Financial Statements"

   IFRS No. 18 "Financial Statement Presentation and Disclosure" replaces IAS No. 1 and updates the structure of the comprehensive income statement, adds the disclosure of management performance measurement, and strengthens the application in the summary of the main financial statements and notes and segmentation.

IV. Summary of Significant Accounting Policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the periods presented unless otherwise stated.

(I) Statement of Compliance

The consolidated financial statements are based on the Regulations Governing the Preparation of Financial Reports by Securities Issuers, the International Financial Reporting Standards and International Accounting Standards approved and promulgated by the FSC, as well as their interpretations and interpretation announcements (hereafter "IFRSs").

(II) Preparation Basis

1. Except for the following significant accounts, the consolidated financial statements have been prepared under the historical cost convention:

   (1) Financial assets measured at fair value through profit or loss (including derivatives).

   (2) Financial assets at fair value through other comprehensive income.

   (3) Defined benefit liabilities recognized based on the net amount of pension fund assets less present value of defined benefit obligation.

2. Preparing financial statements in conformity with the IFRSs endorsed by the FSC require using some important accounting estimates. The management level's judgments were needed when applying the Group's accounting policies. Please refer to Note 5 for items involving high levels of judgment or complexity or significant assumptions and estimates of consolidated financial reports.

(III) Consolidation Basis

1. Principles for preparing the consolidated financial statements

   (1) All subsidiaries are included in the Group's consolidated financial statements. Subsidiaries are all entities (including structured entities) controlled by the Group. The Group controls an entity when the Group is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Consolidation of subsidiaries in the financial statements begins from the date the Group obtains control of the subsidiaries and ceases when the Group loses control of the subsidiaries.

   (2) Inter-company transactions, balances, and unrealized gains or losses on transactions between companies within the Group are eliminated. Accounting policies of subsidiaries have been adjusted where necessary to ensure consistency with the policies adopted by the Group.

   (3) Profit or loss and every component of other comprehensive income attribute to either owners of the parent company or non-controlling interests, so does the total comprehensive income even if this results in the non-controlling interests having a deficit balance.

   (4) Changes in shareholding in subsidiaries that do not result in loss of control (i.e., transaction with non-controlling interests) are accounted for as equity transaction and as a transaction with owners. The differences between the adjustments to non-controlling interests and the fair value of consideration paid or received are directly recognized in equity.

2. Subsidiaries included in the consolidated financial statements:

Name of Investor	Subsidiary name	Business nature	Shareholding percentage December 31, 2024	Shareholding percentage December 31, 2023	Remarks
The Company	NORTH STAR INTERNATIONAL LIMITED	Invested business	100%	100%	
The Company	BEST BLISS INVESTMENTS LIMITED	Invested business	100%	100%	
The Company	TECHWORLD ELECTRONICS SINGAPORE PTE. LTD.	Reinvestment and trading-related business	60%	60%	Note 1
The Company	JDX Technology Co., Ltd.	Sale of electronic components	83.33%	26.67%	Note 2
BEST BLISS INVESTMENTS LIMITED	TAI-TECH Advanced Electronics (Kunshan) Co., Ltd.	Production, processing and sale of electronic components	100%	100%	
BEST BLISS INVESTMENTS LIMITED	FIXED ROCK HOLDING LTD.	Invested business	100%	100%	
BEST BLISS INVESTMENTS LIMITED	TAIPAQ Electronic Components (Si-Hong) Co., Ltd.	Production, processing and sale of electronic components	26.60%	26.60%	
FIXED ROCK HOLDING LTD.	TAIPAQ Electronic Components (Si-Hong) Co., Ltd.	Production, processing and sale of electronic components	73.40%	73.40%	
TECHWORLD ELECTRONICS SINGAPORE PTE. LTD.	TECHWORLD ELECTRONICS (M) SDN. BHD.	Production, processing and sale of electronic components	100%	100%	Note 3
TAIPAQ Electronic Components (Si-Hong) Co., Ltd.	TAI-TECH Advanced Electronics (Shenzhen) Co., Ltd.	Sale of electronic components	100%	100%	

Note 1 : Incorporated in June 2023.

Note 2 : In November 2024, the Group acquired additional shares in the company, thereby gaining control over the company and making it a new consolidated entity. Please refer to Note 6(27) for details on business combination.

Note 3 : Incorporated in July 2023.

3. Subsidiaries not included in the consolidated financial statements

   None.

4. Adjustments for subsidiaries with different accounting periods

   None.

5. Major restrictions

   None.

6. Subsidiaries with significant non-controlling interest for the Group

   None.

(IV) Foreign Currency Translation

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in New Taiwan Dollars, which is the Group's functional currency.

1. Foreign currency transactions and balance

   (1) Foreign currency derived from transactions was translated into the functional currency using the spot exchange rate prevailing on the trade date or the measurement date, with the resulting exchange difference recognized as gain or loss.

   (2) The balance of monetary assets or liabilities denominated in foreign currency is adjusted by the exchange rate prevailing at the balance sheet date, with the resulting differences recognized as gain or loss.

   (3) Non-monetary assets or liabilities denominated in foreign currency are adjusted by the spot exchange rate on the balance sheet date, with the resulting difference recognized in profit or loss if they are measured at fair value through profit or loss, or in other comprehensive income if they are measured at fair value through other comprehensive income. If they are not measured at fair value, they are measured by applying the historical exchange rate on the transaction date.

2. Translation of foreign operations financial statements

   The results and financial position of associates and entities within the Group whose functional currency is not the presentation currency are translated into the presentation currency using the following procedures:

   (1) Assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;

   (2) Income and expenses for each statement of comprehensive income (including comparatives) are translated at the average exchange rates for the period; and

   (3) All resulting exchange differences are recognized in other comprehensive income.

(V) Classification of Current and Noncurrent Assets and Liabilities

1. Assets that meet one of the following criteria are classified as current assets:

   (1) Assets that are expected to be realized, or are intended to be sold or consumed within the normal operating cycle;

   (2) They are held primarily for trading.

   (3) Assets that are expected to be realized within 12 months after the balance sheet date.

   (4) Cash and cash equivalents, excluding those that are restricted, or to be exchanged or used to settle liabilities at least twelve months after the balance sheet date.

Otherwise they are classified as noncurrent assets.

2. Liabilities that meet one of the following criteria are classified as current liabilities:

   (1) Liabilities that are expected to be settled within the normal operating cycle.

   (2) They are held primarily for trading.

   (3) Liabilities that are expected to be settled within 12 months after the balance sheet date.

   (4) Liabilities with a repayment deadline that cannot be unconditionally deferred for at least 12 months after the balance sheet date Liabilities that do not meet the above criteria are classified as non-current liabilities by the Group.

(VI) <u>Cash Equivalents</u>

Cash equivalents are highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value. Time deposits that fit the said definition and are intended to meet short-term operating cash commitments are classified as cash equivalents.

(VII) <u>Financial assets at fair value through profit or loss</u>

1. Financial assets not measured at cost after amortization or measured at fair value through other comprehensive income.

2. The Group's financial assets measured at fair value through other comprehensive income according to the trading conventions are accounted for on the trade date.

3. At initial recognition, the Group measures financial assets at fair value plus relevant transaction costs, and subsequently, the Group measures the financial assets at fair value and its gain or loss is recognized in profit or loss.

4. The Group recognizes dividends income in profit or loss when (a) the Group’s right to the dividends is established; (b) the economic benefits associated with dividends are probable to flow to the Group; and (c) such dividends can be reliably measured.

(VIII) <u>Financial assets at fair value through other comprehensive income</u>

1. It means the Group made an irrevocable election upon initial recognition to recognize the fair value changes in equity instruments not held for trading at other comprehensive income.

2. The Group's financial assets measured at fair value through other comprehensive income according to the trading conventions are accounted for on the trade date.

3. The Group has added the transaction cost measurement at fair value during the original recognition, which is subsequently measured via the fair value method. When changes in the fair value of equity instruments recognized as other comprehensive gains or losses are being derecognized, the cumulative profits or losses previously recognized as other comprehensive gains or losses are not subsequently reclassified to gain or loss and are transferred to retained earnings. The Group recognizes dividend income in profit or loss when (a) the Group’s right to the dividends is established; (b) the economic benefits associated with dividends are probable to flow to the Group; and (c) such dividends can be reliably measured.

(IX) <u>Financial assets at amortized cost</u>

1. Financial assets that simultaneously satisfy the following criteria are classified in this category:

   (1) The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows.

(2) The contractual terms of the financial assets give rise on specified date to cash flow that are solely payments of principal and interest on the principal amount outstanding.

2. The Group recognizes its time deposits not qualified as cash equivalents at the investment amount because they are held for a short period of time and so have insignificant discount effect.

(X) Accounts Receivables and Notes Receivables

1. Accounts receivable and notes receivable denote that the Group has unconditional right to the consideration, in the form of receivables or notes, for the goods and services transferred.
2. The Group measures short-term accounts receivable and notes receivables that do not bear an interest at the invoice value because they have insignificant discount effect.

(XI) Impairment of Financial Assets

At the end of each reporting period, the Group considers financial assets at amortized cost, investments in debt instruments that are measured at fair value through other comprehensive income, and receivables (including significant financial components) and takes into consideration all reasonable and supporting information (including the forward-looking information). For financial assets of which the credit risk does not significantly increase since initial recognition, the Group recognizes an allowance equal to 12-month expected credit losses; for financial assets of which the credit risk significantly increases since initial recognition, the Group recognizes an allowance equal to the lifetime expected credit loss; for accounts receivables that do not contain significant financial components or plan assets, the Group recognizes an allowance equal to the lifetime expected credit loss.

(XII) Derecognition of Financial Assets

The Group derecognizes a financial asset when the contractual rights to receive cash flows from the financial asset expire.

(XIII) Inventory

Inventories are measured at the lower of cost and net realizable value. Cost is determined using the weighted average method. The cost of finished goods and work in progress comprises raw materials, direct labor, other direct costs, and related production overheads (allocated based on normal operating capacity), excluding borrowing costs. The item by item approach is used in applying the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and estimated cost necessary for completion of the sale.

(XIV) Investment Accounted for Using the Equity Method ─ Associates

1. An associate refers to an associate over which the Group has no control but significant influence, typically those in which the Group has at least 20% of the total number of voting shares directly or indirectly. The Group accounts for investment in associates using the equity method and recognizes them at cost upon acquisition.
2. The Group's share of profit or loss in an associate after acquisition shall be recognized as current gain or loss, and its share of other comprehensive income after acquisition shall be recognized in other comprehensive income. When the Group’s loss in any associate exceeds the equity (including any unsecured receivables) in such an associate, the Group does not recognize further losses except when any legal obligation or constructive obligation is incurred or the Group has made payment on behalf of the associate.
3. When an associate experiences equity changes not attributable to changes in any component of profit or loss or other comprehensive income and not impacting the Group’s shareholding in such an associate, the Group accounts for such equity changes as “capital surplus” in proportion to its shareholding percentage.

4. Unrealized gain or loss arising from transactions between the Group and associates has been eliminated in proportion to the Group's shareholding percentage in the associates; unrealized loss is also eliminated unless evidence proves the impairment of the assets transferred in the transaction. Accounting policies of associates have been adjusted where necessary to ensure consistency with the policies adopted by the Group.

5. If the Group loses significant influence over an associate, the Group shall account for all amounts recognized in other comprehensive income in relation to that associate on the same basis as would be required if the associate had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognized in other comprehensive income by an associate would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when it loses significant influence over the associate. If significant influence over the associate remains, the Group only proportionally reclassifies the amounts previously recognized in other comprehensive income.

(XV) Property, plant, and equipment

1. Property, plant and equipment are initially recorded at cost. Borrowing costs incurred during the construction period are capitalized.

2. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repair and maintenance is recognized in profit or loss when accrued.

3. Property, plant and equipment are subsequently measured at cost. Land is not depreciated. Other property, plant and equipment apply cost model and are depreciated using the straight-line method to allocate their cost over their estimated useful lives. Property, plant and equipment are depreciated individually if they contain any significant components.

4. The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each end of reporting year. If expectations for the assets' residual values and useful lives differ from previous estimates or the patterns of consumption of the assets' future economic benefits embodied in the assets have changed significantly, any change is accounted for as a change in estimate under IAS 8, "Accounting Policies, Changes in Accounting Estimates and Errors," from the date of the change. The estimated useful lives of property, plant and equipment are as follows:

Buildings and structures	8 - 50 years
Machinery	5 - 12 years
Utilities equipment	10 - 15 years
Transportation equipment	4 - 5 years
Office equipment	5 - 10 years
Other equipment	2 - 12 years

(XVI) Lease Transactions of a Lessee - Right-of-use Assets/Lease Liabilities

1. The Group recognizes right-of-use assets and lease liabilities for all leases at the date when they are available for the Group's use. Low-value assets and short-term leases are recognized as expenses on a straight-line basis over the lease period.

2. The Group measures its lease liability at commencement date by discounting future lease payments using its incremental borrowing interest rate. Lease payments include:

   Fixed payments, less any lease incentives receivable

   that are measured in subsequent periods using the effective interest rate method and amortized over the lease term. When a change in lease payments occurs not due to contract modification, lease liability will be remeasured, with such remeasurements adjusted to right-of-use assets.

3. Right-of-use assets are recognized at costs at the inception of the lease. Cost includes:

   (1) The initial lease liability measured;

   (2) Lease payments made before or at the inception of the lease;

   (3) Any original direct costs incurred.

   Right-of-use assets are subsequently measured at costs. Depreciation of right-of-use assets is recognized at the earlier of the end of the useful life and the end of the lease term. When a lease liability is remeasured, the Group adjusts the right-of-use asset for any remeasurements.

(XVII) Intangible Assets

1. Computer software

   Computer software is measured at the acquisition cost and amortized using the straight line method over its estimated useful life, which is 2-10 years.

2. Goodwill

   Goodwill results form mergers or acquisition.

3. Patent rights

   Patents are amortized at a period of 13 years using the straight line method.

(XVIII) Impairment of Financial Assets

1. The Group assesses at the end of reporting period the recoverable amounts of those assets where there is an indication that they are impaired. An impairment loss is recognized for the amount by which the asset’s carrying amount exceeds its recoverable amount. The recoverable amount is an asset’s fair value less costs to sell or its value in use, whichever is higher. When there is an indication that the impairment loss recognized in prior years for an asset other than goodwill decreases or no long exists, the impairment loss is reversed to the extent of the loss previously recognized in profit or loss. However, the increased carrying amount of an asset other than goodwill attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined (net of amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

2. The Group regularly measures the recoverable amount of goodwill, intangible assets with uncertain useful life and intangible assets not available for use. Impairment is recognized when the recoverable amount is lower than the carrying amount. Impairment of goodwill is not reversed in subsequent periods.

(XIX) Borrowings

Borrowings mean short- and long-term loans borrowed from banks. Borrowings are initially recognized at the fair value less any transaction costs, and subsequently at amortized cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the borrowing period using the effective interest rate method.

(XX) Accounts Receivables and Notes Receivables

1. Accounts receivable and notes receivable are the debt incurred by credit purchase of raw materials, goods, or services and the notes receivables incurred by operating and non-operating activities.

2. The Group measures short-term accounts receivable and notes receivable that do not bear an interest at the invoice value because they have insignificant discount effect.

(XXI) Convertible corporate bonds payable

The convertible bonds issued by the Group are embedded with conversion rights (i.e. holders have the right to convert the bonds into the Group's common shares with a fixed amount for a fixed number of shares) and repurchase options. At the time of initial issuance, the issuance price is divided into financial assets, financial liabilities or equity according to the issuance conditions, and the treatment is as follows:

1. Embedded resale rights and repurchase rights: at the time of initial recognition, the net fair value is stated as “financial assets or liabilities measured at fair value through profit and loss.” Subsequently, the difference at the balance sheet date is recognized as “gain or loss on financial assets (liabilities) measured at fair value through profit or loss”.
2. Master contract of corporate bonds: The difference between the fair value measurement at the time of initial recognition and the redemption value is recognized as the premium or discount of corporate bonds payable. Subsequently, the effective interest method is recognized in profit or loss as an adjustment item for “finance costs” on an amortized basis over the period of liquidity.
3. Embedded conversion options (complying with the definition of equity): at the time of initial recognition, the residual value of the issued amount after deducting the above-mentioned “financial assets or liabilities at fair value through profit or loss” and “corporate bonds payable” is accounted for as “capital surplus - options” and will not be remeasured subsequently.
4. The transaction costs directly attributable to the issuance are allocated to the components of each liability and equity in accordance with the original carrying amount of each of the above-mentioned components.
5. Upon conversion by the holders, the liabilities components (including “corporate bonds payable” and “financial assets or liabilities measured at fair value through profit or loss”) are accounted for in accordance with the subsequent measurement methods of their classification, and then the carrying amount of the aforementioned liability components plus the carrying amount of “capital surplus - stock options” is used as the issuance cost of the common shares exchanged.

(XXII) Derecognition of Financial Liabilities

The Group derecognizes financial liabilities when, and only when, the Group’s obligations are contractual obligations, canceled, or they expire.

(XXIII) Provisions for liabilities

Provisions (sales return and allowance) are recognized when the Group has a present legal or constructive obligation as a result of past events, and it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be reliably estimated. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation on the balance sheet date, which is discounted using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to passage of time is recognized as interest expense. Provisions are not recognized for future operating losses.

(XXIV) Employee Benefits

1. Short-term employee benefits

   Short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in respect of service rendered by employees in a period and should be recognized as expenses in that period when the employees render service.

2. Pension

   (1) Defined contribution plans

   For defined contribution plans, the contributions are recognized as pension expenses when they are due on an accrual basis. Prepaid contributions are recognized as an asset to the extent of a cash refund from the plan or a reduction in future contributions to the plan.

   (2) Defined benefit plans

   A. Net obligation under a defined benefit plan is defined as the present value of an amount of pension benefits that employees will receive on retirement for their services with the Group in current period or prior period. The liability recognized in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets. The net defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The discount rate is determined by using the interest rates of government bonds (at the balance sheet date) of a currency and term consistent with the currency and term of the defined benefit plans. If there is no deep market in such bonds in a country, the discount rate shall be the market yields on government bonds.

   B. Remeasurements arising on defined benefit plans are recognized in other comprehensive income in the period in which they arise and are recorded as retained earnings.

   C. Past service costs are recognized immediately in profit or loss.

3. Employee compensation and directors' and supervisors' remuneration

   Employees' compensation and directors' and supervisors' remuneration are recognized as expenses and liabilities, provided that such recognition is required under legal or constructive obligations and those amounts can be reliably estimated. Any difference between the amount accrued and the amount actually distributed is accounted for as a change in accounting estimate. When employee compensation is appropriated in shares, the basis for calculating the number of shares shall be the closing price at the date before the date the Board of Directors resolves on the appropriation.

(XXV) Income Tax

1. The tax expense comprises current tax and deferred income tax. Tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or items recognized directly in equity, in which cases the tax is recognized in other comprehensive income or equity.

2. The current income tax charge is calculated by applying the taxable income to the tax rate specified in the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Group operates. Management periodically evaluates positions taken in tax returns with respect to situations in accordance with applicable tax regulations. Where appropriate, management also estimate income tax liabilities based on the amounts expected to be paid to the tax authorities. An additional tax is levied on the unappropriated retained earnings and is recorded as income tax expense in the year the stockholders resolve to retain the earnings.

3. Deferred income tax is recognized, using the balance sheets liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts

in the consolidated balance sheets. The deferred income tax liabilities arising from the initially recognized goodwill shall not be recognized. If the deferred income tax is derived from the initial recognition of the assets or liabilities in the transaction (excluding business merger), and if it does not affect the accounting profit or taxable income (tax loss) and does not generate an equivalent taxable and deductible temporary difference, it is not recognized. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realized or the deferred tax liability is settled.

4. Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. At each balance sheet date, unrecognized and recognized deferred income tax assets are reassessed.
5. Current income tax assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. Deferred income tax assets and liabilities are offset on the balance sheet when the entity has the legally enforceable right to offset current tax assets against current tax liabilities and they are levied by the same taxation authority on either the same entity or different entities that intend to settle on a net basis or realize the asset and settle the liability simultaneously.
6. A deferred tax asset shall be recognized for the carryforward of unused tax credits resulting from acquisitions of equipment or technology, research and development expenditures and equity investments to the extent that it is possible that future taxable profit will be available against which the unused tax credits can be utilized.

(XXVI) Share capital

1. Common shares are classified as equity. Incremental costs directly attributable to the issue of new shares or stock options are recognized in equity as a deduction from the proceeds.
2. When the Company repurchased shares previously issued, the consideration paid includes any directly attributable additional costs and the net amount after tax is recognized as a deduction of the shareholders' equity. During the subsequent reissuance of repurchased shares, any directly attributable additional costs and income tax are deducted from the consideration received, and the difference from the carrying amount is then recognized as an adjustment of shareholders' equity.

(XXVII) Dividend Appropriation

Dividends appropriated to shareholders of the Company are recognized on the date the Board of Directors' meeting resolves on such appropriation. Appropriation in cash is recognized as liability.

(XXVIII) Revenue Recognition

Sale of goods

1. The Group manufactures and sells electronic parts, magnet cores, multilayer wire-wound and other wire-wound products. Sales revenue is recognized when the control of products is transferred to clients, i.e., when products are delivered to clients to be handled at their discretion and the Group has no unperformed further obligation that may impact clients from accepting the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the clients, and either the clients have accepted the products in accordance with the sales contract, or the Group has objective evidence that all criteria for acceptance have been satisfied.
2. A receivable is recognized when the goods are delivered as this is the point in time that the

consideration is unconditional because only the passage of time is required before payment is due.

(XXIX) Government Grants

Government grants are recognized at their fair value only when there is reasonable assurance that the Group will comply with any conditions attached to the grants and the grants will be received. Government grants are recognized in profit or loss on a systematic basis over the periods in which the Group recognizes expenses for the related costs for which the grants are intended to compensate. Government grants related to property, plant, and equipment are recognized as noncurrent liabilities and are amortized to profit or loss over the estimated useful lives of the related assets using the straight-line method.

(XXX) Business Combinations

1. The Group uses the acquisition method for business combinations. The acquisition consideration is calculated based on the fair value of transferred assets, incurred or assumed liabilities, and issued equity instruments. The transfer consideration includes the fair value of any assets and liabilities arising from contingent consideration agreements. Acquisition-related costs are recognized as expenses when incurred. Identifiable assets acquired and liabilities assumed in a business combination are measured at their fair values at the acquisition date. On a transaction-by-transaction basis, for components of non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation, the Group chooses to measure them either at fair value at the acquisition date or at the proportionate share of the acquiree's identifiable net assets attributable to the non-controlling interests; all other components of non-controlling interests are measured at fair value at the acquisition date.
2. If the aggregate of the transfer consideration, the non-controlling interests in the acquiree, and the fair value of previously held equity interests in the acquiree exceeds the fair value of the identifiable assets acquired and liabilities assumed, the excess is recognized as goodwill at the acquisition date. If the fair value of the identifiable assets acquired and liabilities assumed exceeds the aggregate of the transfer consideration, the non-controlling interests in the acquiree, and the fair value of previously held equity interests in the acquiree, the difference is recognized as profit or loss in the current period at the acquisition date.

(XXXI) Operating Segments

The information on operating segments is reported in a manner consistent with the way the internal management report is provided to management. The key operating decision makers are responsible for allocating resources to operating segments and evaluate their performance. The Group identifies the Board of Directors as its key operating decision markers.

V. Significant Accounting Judgments, Estimates, and Major Sources of Uncertainty for Assumptions

When preparing this consolidated financial statements, management has exercised their professional judgment to determine the accounting policies to be applied and made accounting estimates and assumptions based on reasonable expectation as to how future events will hold for the circumstances that exist on the balance sheets date. The significant accounting estimates and assumptions being made may deviate from the actual outcomes and will be consistently measured and adjusted in accordance with historical experience and for other factors. Such estimates and assumptions may lead to the risk of significant adjustment being made to the carrying amount of the assets and liabilities on the balance sheet. Significant accounting judgments and the uncertainty in accounting estimates and assumptions are stated below:

(I) Significant Judgements in Applying Accounting Policies

Please see the description in Note 6 (5)5.

(II) Significant Accounting Estimates and Assumptions

Since inventory is measured at the lower of costs and the net realizable value, the Group needs to exercise judgment and estimates to determine the net realizable value of inventory at the balance sheet date. Since the value of inventory is subject to market price fluctuation and its lifetime, the Group evaluates the market selling price and value lost due to obsolescence of inventory at the balance sheet date, and writes down inventory costs to net realization value. This inventory evaluation is mainly based on the current market conditions and past historical experience, so there may be major changes.

As of December 31, 2024, the carrying amount of the inventories of the Group was NT$896,450.

VI. Description of Significant Accounts

(I)Cash and cash equivalents

	December 31, 2024	December 31, 2023
Cash on hand and revolving funds	$ 2,593	$ 2,325
Checking deposits and demand deposits	1,127,595	1,566,640
Time deposits	650,809	523,669
Commercial paper with repurchase agreement	-	60,000
Total	$ 1,780,997	$ 2,152,634

1. Since the Group corresponds with multiple financial institutions with good credit quality to diversify credit risks, the risk of default is expected to be low.
2. The Group did not pledge any cash and cash equivalents as collaterals.
3. For December 31, 2024 and 2023, the Group recognized NT$0 and NT$30,705, respectively, for time deposits originally due within three months that are presented as "financial assets measured at amortized cost - current".

(II) Notes and accounts receivable

	December 31, 2024	December 31, 2023
Notes receivable	$ 36,806	$ 49,844
Accounts Receivable	$ 1,997,803	$ 1,465,544
Less: Allowance for losses	(1,455)	(1,422)
	$ 1,996,348	$ 1,464,122
Accounts receivable due from related parties	$ 129,578	$ 94,939
Less: Allowance for losses	(89)	(89)
	$ 129,489	$ 94,850

1. The aging analysis of accounts receivable and notes receivable is as follows:

	December 31, 2024		December 31, 2023	
	Accounts Receivable	Notes receivable	Accounts Receivable	Notes receivable
Not yet due	$ 2,125,571	$ 36,806	$ 1,534,345	$ 49,844
Within 30 days	1,810	-	24,900	-
31~90 days	-	-	1,230	-
91~180 days	-	-	8	-
	$ 2,127,381	$ 36,806	$ 1,560,483	$ 49,844

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

2. The accounts and bills receivables in December 31, 2024 and 2023 were all due to client contracts, and the balance of receivables from client contracts as of January 1, 2023 was NT$1,801,892.

3. Without considering the collateral held or other credit enhancements; the maximum exposure amounts for credit risks that can best represent the Group's bills receivable as of December 31, 2024 and 2023 were NT$36,806 and NT$49,844, respectively; and the maximum credit risk amounts that can best represent the Group's accounts receivable as of December 31, 2024 and 2023 were NT$2,125,837 and NT$1,558,972, respectively.

4. Credit risks associated with accounts receivable and notes receivable are stated in Note 12(2).

(III) Inventory

	December 31, 2024		
	Cost	Allowance for inventory valuation	Carrying amount
Raw materials	$ 211,787	($ 10,272)	$ 201,515
Supplies	22,947	(2,585)	20,362
Work in process	334,976	(22,582)	312,394
Finished products	355,674	(23,031)	332,643
Goods	31,852	(2,316)	29,536
Total	$ 957,236	($ 60,786)	$ 896,450

	December 31, 2023		
	Cost	Allowance for inventory valuation	Carrying amount
Raw materials	$ 135,708	($ 13,036)	$ 122,672
Supplies	23,504	(3,093)	20,411
Work in process	340,197	(22,637)	317,560
Finished products	310,994	(27,793)	283,201
Goods	26,870	(2,591)	24,279
Total	$ 837,273	($ 69,150)	$ 768,123

1. The inventory costs recognized as expenses by the Group in this period:

	2024	2023
Cost of inventory sold	$ 3,985,695	$ 3,178,875
Inventory (recovery benefit) depreciation loss	(10,735)	11,045
Others	199,171	124,186
	$ 4,174,131	$ 3,314,106

In 2024, the Group's net realizable inventory value increased due to continuous inventory depletion.

2. The Group did not pledge any inventory as collaterals.

(IV) Financial assets at fair value through other comprehensive income

	December 31, 2024	December 31, 2023
Equity instruments		
Shares listed on the stock exchange or the OTC market	$ 55,157	$ 36,094
Shares not traded on the stock exchange, the OTC market, or the emerging stock market	210,399	169,833
	265,556	205,927
Adjustments for change in value	302,078	352,969
Total	$ 567,634	$ 558,896

1. The Group has classified strategic investment stocks as financial assets measured at fair value through other comprehensive income. The fair values of these investments as of December 31, 2024 and 2023, were NT$567,634 and NT$558,896, respectively.
2. For the purposes of adjusting its position in strategic investments, in 2024, the Group disposed of its unlisted, TPEx-listed, and emerging stock market-listed share investments, whose fair value was NT$179,806, for NT$158,609.
3. For the purposes of adjusting its position in strategic investments, in 2023, the Group sold its listing share investments, whose fair value was NT$64,431, for NT$38,269.
4. The detailed breakdown of financial assets measured at fair value through other comprehensive income is as follows:

	2024	2023
Equity instruments measured at fair value through other comprehensive income		
Changes in fair value recognized in other comprehensive income	$ 107,717	$ 192,848
Transfer of accumulated profit or loss to retained earnings due to derecognition	($ 158,609)	($ 38,269)
Dividends income recognized in profit or loss		
held at the end of current period	$ 5,176	$ 33,534
Derecognized during this period	17,975	-
	$ 23,151	$ 33,534

5. Without considering the collateral or other credit enhancements held, the financial assets measured at fair value through other comprehensive income that best represents the Group as of December 31, 2024 and 2023. The maximum exposure amounts were NT$567,634 and NT$558,896, respectively.
6. The Group did not pledge any financial assets at fair value through other comprehensive income as collaterals.

(V) Investment Accounted for Using the Equity Method

	December 31, 2024	December 31, 2023
Associate:		
APAQ Technology Co., Ltd.	$ 1,717,727	$ 1,463,347
Superworld Holdings (S) Pte. Ltd.	460,806	-
JDX Technology Co., Ltd.	-	7,256
	$ 2,178,533	$ 1,470,603

1. Below is the information about the Group's significant associates:

Provider	Main business premises	Shareholding ratio		Nature of relationship	Measuring method
		December 31, 2024	December 31, 2023		
APAQ Technology Co., Ltd.	Taiwan	28.1%	28.1%	Business strategy	Equity method

The Company publicly acquired common shares of APAQ Technology Co., Ltd. for 25,000 thousand shares at NTD 58 per share from March 17, 2023 to April 6, 2023. In addition, the acquisition amount was paid and equity transfer was completed on April 13, 2023. Accordingly, the Company has acquired 28.1% of equity of APAQ Technology Co., Ltd.

2. The summarized financial information of the major associates of the Company is as follows:

Balance sheet

	APAQ Technology Co., Ltd. and Subsidiaries	
	December 31, 2024	December 31, 2023
Current assets	$ 4,079,702	$ 3,168,097
Non-current assets	2,793,049	1,754,258
Current liabilities	(2,627,835)	(1,687,223)
Non-current liabilities	(206,156)	(320,757)
Non-controlling interests	(118,286)	-
Fair value adjustment of other intangible and tangible net assets	436,014	-
Adjusted total net assets	$ 4,356,488	$ 2,914,375
Share of net total assets of associates	$ 1,224,173	$ 818,939
Goodwill	523,825	644,408
Others	(30,271)	-
Carrying amount of associate	$ 1,717,727	$ 1,463,347

Statement of comprehensive income

	APAQ Technology Co., Ltd. and Subsidiaries	
	2024	2023
Revenue	$ 3,495,668	$ 2,934,913
Profit from continuing operations	$ 511,815	$ 328,378
Other comprehensive income (net amount after tax)	673,964	64,814
Total comprehensive income (loss) for the current period	$ 1,185,779	$ 393,192
Dividends received from associates	$ 57,500	$ 57,500

3. A major associate of the Group, APAQ Technology Co., Ltd., has quotations in the open market. The fair value on December 31, 2024 and 2023 was NT$3,712,500 and NT$1,737,500, respectively.

4. In 2024 and 2023, the investment income from APAQ Technology Co., Ltd. recognized under equity method was NT$124,725 and NT$80,158, respectively, which was based on the financial reports issued by other CPAs for the same period.

5. The Group holds 28.1% of the total number of voting shares of APAQ Technology Co., Ltd., making the Group the single largest shareholder. Since the quantities and dispersion of voting shares held by others were not widely dispersed and the governance body of the Group varies from that of the above companies, the Group is unable to direct the relevant activities of the above companies, hence no control over it. The Group believes it has only

significant influence over the above companies and therefore recognizes APAQ Technology Co., Ltd. as its associate.

6. The carrying amount and share of operating results of the associates not individually material to the Group are summarized as follows: As of December 31, 2024 and 2023, the carrying amount of the associates not individually material to the Group were NT$460,806 and NT$7,256, respectively.

	2024	2023
Profit (loss) from continuing operations	$ 12,329	($ 744)
Other comprehensive income (net amount after tax)	-	-
Total comprehensive income (loss) for the current period	$ 12,329	($ 744)

7. The Group originally held a 10% equity in SuperWorld Holdings (S) Pte. Ltd., which was recognized in the "Financial assets at fair value through other comprehensive income" account. In October 2024, the Group paid NT$261,360 to acquire 2,700 thousand shares, bringing its shareholding to 23.5%. The Group began to use the equity method for valuation. According to regulations, the Group should complete the acquisition price allocation report before October 4, 2025. As of December 31, 2024, it is still in progress.

8. In November 2024, the Group acquired additional shares in Unique One Technology Co., Ltd., thereby gaining control over the company and making it a new consolidated entity. Please refer to Note 6(27) for details on business combination.

(VI) Property, Plant, and Equipment

	2024								
	Land	Buildings and structures	Machinery	Utilities equipment	Transportation equipment	Office equipment	Other equipment	Unfinished construction and equipment pending acceptance	Total
January 1									
Cost	$ 777,560	$ 590,845	$ 5,644,458	$ 25,018	$ 11,611	$ 58,766	$ 342,246	$ 25,212	$ 7,475,716
Accumulated depreciation and impairment	-	(280,130)	(2,815,129)	(18,182)	(9,476)	(40,125)	(212,180)	-	(3,375,222)
	$ 777,560	$ 310,715	$ 2,829,329	$ 6,836	$ 2,135	$ 18,641	$ 130,066	$ 25,212	$ 4,100,494
January 1	$ 777,560	$ 310,715	$ 2,829,329	$ 6,836	$ 2,135	$ 18,641	$ 130,066	$ 25,212	$ 4,100,494
Addition	-	-	62,870	-	172	3,530	79,785	555,797	702,154
Disposal	-	(15,619)	(4,177)	-	(35)	-	(210)	-	(20,041)
Reclassification	205,022	139,651	131,755	-	-	853	6,729	(484,010)	-
Depreciation expenses	-	(29,681)	(436,242)	(1,030)	(937)	(7,122)	(61,041)	-	(536,053)
Impairment loss reversed	-	-	3,079	-	-	-	-	-	3,079
Net exchange differences	1,643	13,899	89,522	-	20	365	(437)	3,648	108,660
December 31	$ 984,225	$ 418,965	$ 2,676,136	$ 5,806	$ 1,355	$ 16,267	$ 154,892	$ 100,647	$ 4,358,293
December 31									
Cost	$ 984,225	$ 736,083	$ 5,894,662	$ 25,054	$ 11,487	$ 62,686	$ 412,722	$ 100,647	$ 8,227,566
Accumulated depreciation and impairment	-	(317,118)	(3,218,526)	(19,248)	(10,132)	(46,419)	(257,830)	-	(3,869,273)
	$ 984,225	$ 418,965	$ 2,676,136	$ 5,806	$ 1,355	$ 16,267	$ 154,892	$ 100,647	$ 4,358,293

	2023								
	Land	Buildings and structures	Machinery	Utilities equipment	Transportation equipment	Office equipment	Other equipment	Unfinished construction and equipment pending acceptance	Total
January 1									
Cost	$ 777,560	$ 572,031	$ 5,629,094	$ 25,030	$ 11,668	$ 52,523	$ 352,990	$ 44,775	$ 7,465,671
Accumulated depreciation and impairment	-	(256,815)	(2,523,061)	(17,159)	(8,623)	(35,823)	(222,581)	-	(3,064,062)
	$ 777,560	$ 315,216	$ 3,106,033	$ 7,871	$ 3,045	$ 16,700	$ 130,409	$ 44,775	$ 4,401,609
January 1	$ 777,560	$ 315,216	$ 3,106,033	$ 7,871	$ 3,045	$ 16,700	$ 130,409	$ 44,775	$ 4,401,609
Addition	-	1,575	49,686	-	-	5,299	49,753	128,787	235,100
Disposal	-	-	-	-	-	-	-	-	-
Reclassification (Note)	-	23,955	115,849	-	-	2,310	6,214	(148,397)	(69)
Depreciation expenses	-	(26,399)	(415,359)	(1,035)	(904)	(5,541)	(54,374)	-	(503,612)
Net exchange differences	-	(3,632)	(26,880)	-	(6)	(127)	(1,936)	47	(32,534)
December 31	$ 777,560	$ 310,715	$ 2,829,329	$ 6,836	$ 2,135	$ 18,641	$ 130,066	$ 25,212	$ 4,100,494
December 31									
Cost	$ 777,560	$ 590,845	$ 5,644,458	$ 25,018	$ 11,611	$ 58,766	$ 342,246	$ 25,212	$ 7,475,716
Accumulated depreciation and impairment	-	(280,130)	(2,815,129)	(18,182)	(9,476)	(40,125)	(212,180)	-	(3,375,222)
	$ 777,560	$ 310,715	$ 2,829,329	$ 6,836	$ 2,135	$ 18,641	$ 130,066	$ 25,212	$ 4,100,494

Note: Reclassified to intangible assets.

1. The amounts of interest capitalization in 2024 and 2023 were NT$0.
2. The Group's significant components of buildings and structures, including buildings and engineering systems, are depreciated over 20~50 years and 8~20 years, respectively.
3. For information on pledged property, plant and equipment, refer to Note 8.

(VII) Lease Transactions - Lessee

1. The underlying assets of the Group's lease include land use right, buildings, company cars and multi-function peripherals. The lease duration usually lasts 3 to 50 years. Lease contracts are agreed upon individually and contain different terms and conditions. Except for land use right, leased assets shall not be used as collaterals and are not restricted in any way.
2. The lease term of the buildings and warehouses leased by the Group is less than 12 months. The low-value underlying asset of the Group's lease are photocopiers.
3. The information on the carrying amount of the right-of-use asset and the recognized depreciation expense is as follows:

	December 31, 2024	December 31, 2023
	Carrying amount	Carrying amount
Right-of-use land	$ 27,122	$ 26,471
Buildings	6,924	9,193
Transportation equipment	-	1,309
Machinery and equipment	763	614
	$ 34,809	$ 37,587

	2024	2023
	Depreciation expenses	Depreciation expenses
Right-of-use land	$ 719	$ 705
Buildings	2,269	4,704
Transportation equipment	1,310	1,721
Machinery and equipment	352	356
	$ 4,650	$ 7,486

4. Profit or loss items in relation to lease contracts are as follows:

	2024	2023
Items that affect profit or loss		
Expenses attributable to short-term lease contracts	$ 20,840	$ 17,444
Expenses attributable to low-value assets	101	84

5. The Group's right-of-use asset increased by NT$561 and NT$10,133 for 2024 and 2023, respectively.
6. The Group's cash used in lease contracts increased by NT$25,023 and NT$24,263 for 2024 and 2023, respectively.

(VIII) Other non-current assets

	December 31, 2024	December 31, 2023
Refundable deposits	$ 7,558	$ 2,626
Pre-payments for construction and equipment	64,055	14,449
Uncollectible overdue receivables	1,252	1,252
Allowance for uncollectible-overdue receivables	(1,252)	(1,252)
	$ 71,613	$ 17,075

(IX) Short-term Borrowings

Nature of borrowings	December 31, 2024	Interest rate range	Collaterals
Bank loan			
Credit loan	$ 230,000	1.80%~1.98%	-
Secured loan	100,000	1.89%	Land, buildings, and structures
	$ 330,000		

Nature of borrowings	December 31, 2023	Interest rate range	Collaterals
Bank loan			
Credit loan	$ 100,000	1.67%	-

The interest expense recognized in profit or loss of short-term borrowings in 2024 and 2023 were NT$2,210 and NT$6,756, respectively.

(X) Other Payables

	December 31, 2024	December 31, 2023
Salary and bonus payables	$ 185,838	$ 148,177
Social benefits liabilities payable	93,789	85,624
Employee compensation and directors' and supervisors' remuneration payable	64,538	51,686
Construction and equipment payable	48,645	61,211
Others	195,146	206,763
	$ 587,956	$ 553,461

(XI) Corporate bonds payable

	December 31, 2024	December 31, 2023
Corporate bonds payable	$ 1,099,900	$ 1,100,000
Less: Discount of corporate bond payable	(33,474)	(51,305)
	1,066,426	1,048,695
Less: Due within one year or one operating cycle		
Corporate bonds with repurchase rights or exercised resale rights	-	-
	$ 1,066,426	$ 1,048,695

1. Domestic convertible bonds issued by the Company

   The conditions for the Company's issuance of the 1st domestic unsecured convertible corporate bonds are as follows

   (1) The Company was approved by the competent authority to issue the first domestic unsecured convertible corporate bonds. The total amount to be issued is NT$1,100,000, the coupon rate of 0%, the issuance period of 3 years, and the circulation period from October 31, 2023 to October 31, 2026. The convertible bonds are repaid in cash in one lump sum at the bond face value upon maturity. The convertible bonds were listed for trading on the Taipei Exchange on October 31, 2023.

   (2) The period from the day following the expiration of three months after the date of issuance to the maturity date of the convertible corporate bond holders, except (1) the period of suspension of the common stock transfer according to law; (2) The period from the 15 business days before the book closure date for cash dividends or the book closure date to the base date of distribution of rights; (3) The base date of capital reduction for capital reduction is scheduled to expire on the day before the trading day before the capital reduction; (4) For a change in the denomination of shares, the Company may inform Taiwan Depository & Clearing Corporation through to request the Company's stock agent to convert the bonds into shares of the Company's common

stock in accordance with the Regulations, the rights and obligations of the common shares after conversion are the same as the common shares issued originally.

(3) The conversion price of these convertible corporate bonds is set according to the pricing model stipulated in the conversion regulations. The subsequent conversion price will be adjusted in accordance with the pricing model stipulated in the conversion plan in the event of an increase in the number of shares of common stock issued (or private placement) of securities with conversion or subscription rights to common shares at a capital reduction lower than the prevailing conversion or subscription price per share, and capital reduction not due to cancellation of treasury shares. The pricing model shall be adjusted in accordance with the conversion regulations.

On April 6, 2024, the Company adjusted the conversion price to NTD 113.5 in accordance with the Conversion Regulations.

(4) When the closing price of the Company's common shares has exceeded the conversion price at the time of conversion for 30 consecutive business days by more than 30%, the Company may, within 30 business days, send a copy of the "Notice of Recovery of Bonds" after the expiration of 30 days to the bondholders by registered mail, and also request the Taipei Exchange to make a public announcement, and within 5 business days after the date of the recovery, all the bonds shall be recovered in cash based on the face value of the bonds.

(5) In accordance with the conversion regulations, all the convertible corporate bonds recovered (including repurchased from the Taipei Exchange), repaid or converted by the Company shall be cancelled and may not be re-sold or re-issued, and the conversion rights attached shall also be extinguished.

2. When issuing the convertible bonds, the Group separated the equity conversion option and each component of liability in accordance with IAS No. 32 "Financial Instruments: Presentation," and accounted for NT$55,190 as "Capital surplus - stock options." In addition, the embedded repurchase options were not closely related to the economic characteristics and risks of the debt instrument of the host contract in accordance with IFRS 9 "Financial Instruments," so they were separated and accounted for in the net amount of "Financial assets measured at fair value through profit or loss." After the separation, the effective interest rate of the main contract debt was 1.7%.

3. As of December 31, 2024, the bonds with a face value of NT$100 had been converted into 881 ordinary shares.

(XII) Long-term Borrowings

Nature of borrowings	Loan period and means of repayment	Interest rate range	Collaterals	December 31, 2024
Secured loan	Principal and interest are paid from August 2021 to August 2036.	1.75%	Land, buildings, and structures	$ 440,222
Credit loan	The period from April 2022 to March 2025 is the grace period, and interest is paid monthly. Principal and interest are paid from April 2025 to March 2029.	1.28%	-	226,490
Secured loan	The period from April 2022 to March 2025 is the grace period, and interest is paid monthly. Principal and interest are paid from April 2025 to March 2029.	1.23%~1.28%	Machinery	368,000

Credit loan	The period from March 2023 to March 2026 is the grace period, and interest is paid monthly. Principal and interest are paid from April 2026 to February 2030.	1.28%	-	220,000
Credit loan	The period from April 2022 to March 2025 is the grace period, and interest is paid monthly. Principal and interest are paid from April 2025 to March 2027.	1.23%	-	250,000
Credit loan	The period from November 2024 to October 2025 is the grace period, and interest is paid monthly. Principal and interest are paid from November 2025 to October 2029.	2.22%	-	5,000
				1,509,712
Less: Current portion of long-term borrowings				(243,158)
				$ 1,266,554

Nature of borrowings	Loan period and means of repayment	Interest rate range	Collaterals	December 31, 2023
Secured loan	Principal and interest are paid from August 2021 to August 2036.	1.63%	Land, buildings, and structures	$ 477,955
Credit loan	The period from April 2022 to March 2025 is the grace period, and interest is paid monthly. Principal and interest are paid from April 2025 to March 2029.	1.15%	-	226,490
Secured loan	The period from April 2022 to March 2025 is the grace period, and interest is paid monthly. Principal and interest are paid from April 2025 to March 2029.	1.11%~1.15%	Machinery	368,000
Credit loan	The period from March 2023 to March 2026 is the grace period, and interest is paid monthly. Principal and interest are paid from April 2026 to February 2030.	1.15%	-	220,000
Credit loan	The period from April 2022 to March 2025 is the grace period, and interest is paid monthly. Principal and interest are paid from April 2025 to March 2027.	1.11%	-	250,000
				1,542,445
Less: Current portion of long-term borrowings				(37,733)
				$ 1,504,712

In 2024 and 2023, the interest expenses recognized in profit or loss for long-term borrowings were NT$20,953 and NT$18,674, respectively.

(XIII) Pensions

1. (1) By adhering to the requirements set forth in the “Labor Standards Act,” the Company has established its own defined retirement benefits plan, which is applicable both to the service years of all regular employees rendered before the enforcement of the “Labor

Pension Act" on July 1, 2005, and to the service years of all employees who elected to continue applying the Labor Standards Act after the implementation of the "Labor Pension Act." Pensions for employees qualified for retirement are calculated based on their servicing years and their average salaries of the 6 months prior to their retirement. Two bases are given for each full year of service rendered within 15 years. But for the rest of the years over 15 years, one base is given for each full year of service rendered. The total number of bases shall be no more than 45. The Company contributes monthly an amount equal to 3% of the employees' monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, under the name of the Independent Retirement Fund Committee. In addition, the Company estimates the balance of the said designated pension account before the end of year. If the balance is not sufficient to cover the amount to be paid to all employees - calculated in the manner specified above - who will qualify the retirement conditions next year, a lump-sum deposit should be made before March-end of the following year to cover the difference. In accordance with the Labor Standards Act and the Labor Pension Act, the Company has already settled the length of services for some employees choosing the old pension scheme in 2022.

(2) The Company has established the "Manager's Retirement and Resignation Method" to determine the payment applicable to the company's appointed managers. The retirement benefit formula is as follows:

A. Pensions for the service year applying the Labor Standards Act are calculated using the equation stated in the previous section.

B. The Company contributes an amount of pension equal to 6% of an employee's monthly salary for those electing to apply the Labor Pension Act and those taking their post on or after July 1, 2005.

C. For appointed managers who have rendered 25 or more years of services as of December 31, 2018, two bases are given to each full year of services rendered within 15 years, one base is given to each full year of service over 15 years (rounded up to one year for any year of service less than one year), and their annual salary at their 25th year of service is taken as their average salary. The Company makes a pension contribution equal to 6% of their monthly salary starting from their 25th year of service.

(3) The Company is obligated to pay retirement pensions to the directors and chairman of the board who were employees, which is calculated at 6% of the monthly salary according to the "Directors' Salary and Remuneration Measures."

(4) The amounts recognized in the balance sheet are as follows:

	December 31, 2024	December 31, 2023
Present value of defined benefit obligations	$ 1,415	$ 1,053
Fair value of plan assets	(9,632)	(8,747)
Net defined benefit assets	($ 8,217)	($ 7,694)

(5) As of 2024 and 2023, the pension costs recognized in the manner specified above were NT$361 and NT$485, respectively.

2. (1) On July 1, 2005, the Company established its own pension regulations applicable to Taiwanese nationals in accordance with the "Labor Pension Act." For employees of the Company or domestic subsidiaries who elected to apply the "Labor Pension Act," the Company makes a contribution equal to 6% of the monthly salary to their individual retirement account with the Bureau of Labor Insurance. Employee pensions may be paid in monthly installments or in lump-sum payment based the accumulated amount in the employee's individual retirement account.

(2) TAI-TECH Advanced Electronics (Kun Shan) Co., Ltd. and TAIPAQ Electronic Components (Si-Hong) Co., Ltd. have paid the monthly pension insurance according to a certain percentage of the total salary of local employees according to the pension insurance system stipulated by the People's Republic of China, and the allocation ratios for 2024 and 2023 were 16% and 16%, respectively. The pension for employees is managed independently by the government. Except for making monthly contribution, the Group has no further obligation.

(3) Techworld Electronics (m) Sdn. Bhd has established a defined contribution plan in accordance with local laws, and contributes to the public fund account on a monthly basis in accordance with the statutory percentage.

(4) As of 2024 and 2023, the pension costs recognized in the manner specified above were NT$72,519 and NT$60,141, respectively.

(XIV) Share Capital

1. As of December 31, 2024, the Company had an authorized capital equal to NT$3,000,000 (with NT$20,000 retained for issuance of employee stock option certificates), a paid-in capital equal to NT$1,020,349, and a share face value equal to NT$10. All proceeds for share subscription were collected in full.

2. As of December 31, 2024, the Company's convertible bonds with a face value of NT$100 had been converted into 881 ordinary shares.

(XV) Capital Surplus

1. Under the Company Act, capital surplus arising from shares issued at premium or from donation may be used for offsetting deficit. Furthermore, if the Company has no accumulated loss, capital surplus may be used for issuing new shares or distributing cash in proportion to shareholders' original shareholding percentage. According to the Securities and Exchange Act, when the above-mentioned capital surplus is used for capitalization, the total amount every year shall not exceed 10% of the paid-in capital. The Company may use capital surplus to offset loss only when the amount of reserves is insufficient to offset the loss.

2. The capital reserve is detailed as follows:

	2024					
	Additional paid-in capital	Changes in ownership interests in subsidiaries	Changes in net equity of associates	Net assets from merger	Stock options	Total
January 1	$ 1,783,921	$ 12,353	$ 769	$ 2,046	$ 55,190	$ 1,854,279
Convertible corporate bond conversion	93	-	-	-	(5)	88
Changes in associates and joint ventures accounted for using the equity method	-	-	9	-	-	9
December 31	$ 1,784,014	$ 12,353	$ 778	$ 2,046	$ 55,185	$ 1,854,376

	2023					
	Additional paid-in capital	Changes in ownership interests in subsidiaries	Changes in net equity of associates	Net assets from merger	Stock options	Total
January 1	$ 1,783,921	$ 12,353	$ -	$ 2,046	$ -	$ 1,798,320
Issuance of convertible bonds	-	-	-	-	55,190	55,190
Changes in associates and joint ventures	-	-	769	-	-	769

accounted for using the equity method						
December 31	$ 1,783,921	$ 12,353	$ 769	$ 2,046	$ 55,190	$ 1,854,279

(XVI) Retained Earnings

1. According to the Company's Articles of Incorporation, if the Company has any earnings in the final account, they should be used to pay off all the taxes and duties, as well as to compensate prior deficits. The remaining amount, if any, should be appropriated in the following order of presentation: (1) 10% as legal reserve until it reaches the Company's paid-in capital; (2) set aside or reverse a certain amount as or of special reserve according to operating needs or laws or regulations; (3) the remainder plus unappropriated earnings from prior years may be used to appropriate dividends or bonuses to shareholders after an earnings appropriation proposal is drafted by the Board of Directors and resolved in favor by the shareholders meeting. As required by Article 240 of the Company Act, if approved by a majority vote at a Board of Directors' meeting attended by two thirds of directors, the Board of Directors may appropriate dividends or bonuses in cash with its existing legal reserve or capital surplus, and shall report to the shareholder's meeting. In such case, the requirements regrading resolution made by shareholders' meeting set out in the Company's Articles of Incorporation do not apply.

2. The Company's dividend policy determination factors include the industry's environment and the Company's growth stage, future capital needs, financial structure, capital budget, shareholders' interests, balanced dividends, and long-term financial planning. Each year shall remain within the range available for distribution. If the business development is in the active expansion stage, the profitability is expected to grow, and the stock dividend distribution will not significantly dilute the Company's profitability. The Board of Directors shall draft a distribution proposal according to law and report it to the shareholders' meeting. No less than 30% of annual earnings are appropriated to shareholders. Shareholder's bonuses may be appropriated in cash or in shares, provided, however, that the appropriation in cash shall not be less than 10% of the total appropriated amount.

3. Except being used to make up previous deficits or appropriate shares or cash to shareholders in proportion to their shareholding percentage, the legal reserve shall not be used. However, the amount of legal reserves used to appropriate new shares or cash shall be limited to the portion exceeding 25% of the paid-in capital.

4. (1) According to law, the Company may appropriate earnings only after it has provided special reserve under the debit balance of other equity on the balance sheet date. If subsequently the debit balance of other equity is reversed, the reversed amount may be used as appropriable earnings.

   (2) As for the special reserves provided upon initial application of IFRSs to satisfy the requirements specified in the official letter Jin-Guan-Zheng-Fa-Zi No. 1090150022 dated March 31, 2021, the Company may reverse them to the extent of their original provision ratio if subsequently the Company intends to use, dispose of or reclassify related assets. If the said related assets are investment property relating to land, such assets are reversed upon disposal or reclassification; if the said related assets are investment property other than land, such assets are reversed gradually over the use period.

5. On February 24, 2023, the Board of Directors passed a resolution to distribute an ordinary dividends of NT$612,204 (NT$6 per share) according to the 2022 surplus.

6. On February 26, 2024, the Board of Directors passed a resolution to distribute an ordinary dividends of NT$459,153 (NT$4.5 per share) according to the 2023 surplus.

7. On February 24, 2025, the Board of Directors passed a resolution to distribute an ordinary

dividends of NT$510,174 (NT$5 per share) according to the 2024 surplus.

(XVII) Other Equity

	2024		
	Unrealized gains (losses)	Foreign currency translation	Total
January 1	$ 356,690	($ 217,641)	$ 139,049
Valuation of financial assets at fair value through other comprehensive income:			
– The Group	107,717	-	107,717
– Associate	155,561	-	155,561
Accumulated gains and losses on disposal of equity instruments transferred to retained earnings	(158,609)	-	(158,609)
Exchange differences: - Group			
– The Group	-	221,389	221,389
– Associate	-	31,585	31,585
December 31	$ 461,359	$ 35,333	$ 496,692

	2023		
	Unrealized gains (losses)	Foreign currency translation	Total
January 1	$ 198,390	($ 134,642)	$ 63,748
Valuation of financial assets at fair value through other comprehensive income:			
– The Group	192,848	-	192,848
– -Affiliated companies	3,721	-	3,721
Cumulative gains or losses from disposal of equity instruments Transferred to retained earnings	(38,269)	-	(38,269)
Exchange differences: - Group			
– The Group	-	(69,198)	(69,198)
– -Affiliated companies	-	(13,801)	(13,801)
December 31	$ 356,690	($ 217,641)	$ 139,049

(XVIII) Operating Revenue

	2024	2023
Revenue from contracts with clients	$ 5,506,106	$ 4,431,789

The Group's revenue derived from transfer of goods at a particular point of time are classified into the following categories:

	2024	2023
Wire-wound	$ 3,997,059	$ 3,064,067
Multilayer products	1,104,193	895,385
LAN transformer	362,297	412,141
Others	42,557	60,196
Total	$ 5,506,106	$ 4,431,789

(XIX) Interest Income

	2024	2023
Interest on bank deposits	$ 41,345	$ 37,495
Interest income from financial assets measured at amortized	240	1,958

cost		
Other interest income	32	32
	$ 41,617	$ 39,485

(XX) Other Income

	2024	2023
Rental income	$ 17,683	$ 10,520
Dividends income	23,151	33,534
Subsidies income	20,260	53,599
Miscellaneous income	4,702	1,753
	$ 65,796	$ 99,406

The Group recognized government grants primarily because its qualified for the grants awarded to entice investment in the industries within Si-Hong Economic Development Zone.

(XXI) Other Gains and Losses

	2024	2023
Loss (gain) on disposal of property, plant and equipment	$ 260	($ 1,886)
Loss on disposal of investment	(2,985)	-
Exchange gains, net	83,738	21,643
Gain on financial assets at fair value through profit or loss	6,916	1,672
Miscellaneous expenses	(6,304)	(5,257)
	$ 81,625	$ 16,172

(XXII) Financial Costs

	2024	2023
Interest expenses	$ 23,163	$ 25,430
Interest expense of corporate bonds payable	17,828	2,942
Other interest expenses	84	24
	$ 41,075	$ 28,396

(XXIII) Additional Information on the Nature of Expenses

	2024		
	Attributable to operating costs	Attributable to operating expenses	Total
Employee benefits expense	$ 882,426	$ 375,162	$ 1,257,588
Depreciation expenses of property, plant and equipment	476,325	59,728	536,053
Depreciation of right-of-use assets	344	4,306	4,650
Amortization expenses	4,435	3,586	8,021

	2023		
	Attributable to operating costs	Attributable to operating expenses	Total
Employee benefits expense	$ 719,818	$ 315,725	$ 1,035,543
Depreciation expenses of property, plant and equipment	463,693	39,919	503,612
Depreciation of right-of-use assets	3,005	4,481	7,486
Amortization expenses	3,433	2,768	6,201

(XXIV) Employee Benefits Expenses

	2024		
	Attributable to operating costs	Attributable to operating expenses	Total
Salary and wages	$ 750,700	$ 322,100	$ 1,072,800
Labor and health insurance expense	21,396	16,635	38,031
Pension expense	54,985	17,895	72,880
Other personnel expense	55,345	18,532	73,877
	$ 882,426	$ 375,162	$ 1,257,588

	2023		
	Attributable to operating costs	Attributable to operating expenses	Total
Salary and wages	$ 602,591	$ 273,826	$ 876,417
Labor and health insurance expense	23,033	16,096	39,129
Pension expense	49,104	11,522	60,626
Other personnel expense	45,090	14,281	59,371
	$ 719,818	$ 315,725	$ 1,035,543

1. Where there are earnings in the final account, no less than 6% shall be allocated as employee compensation, either in cash or in shares, as resolved by the Board of Directors - employees qualified for such compensation include employees from affiliated companies who meet certain criteria; and no more than 2% of the above earnings shall be allocated as remuneration for directors and supervisors.
2. The estimated amount of employee remuneration in 2024 and 2023 was NT$51,631 and NT$41,349, respectively; the estimated amount of director/supervisor remuneration was NT$12,907 and NT$10,337, respectively, and the aforementioned amount was booked in salaries.

   The remuneration to employees and directors/supervisors for 2024 is estimated at 6% and 1.5% of the profit, respectively for 2023. The actual distribution amounts resolved by the board of directors were NT$51,631 and NT$12,907, of which employee remuneration was be paid in cash.

   The amount of the accrued employee compensation and directors' and supervisors' remuneration for 2023 as had been resolved by the Board of Directors was the same as the amount recognized in the financial statements for 2023.

   The amounts of employee compensation and directors' and supervisors' remuneration approved by the Board of Directors and resolved by the shareholders' meeting can be found on the Market Observation Post System of TWSE.

(XXV) Income Tax

1. Income tax expense

   (1) Income tax components:

	2024	2023
Current tax:		
Tax attributable to taxable income of the period	$ 71,887	$ 52,987
Additional levy on unappropriated earnings	5,467	9,753
Underestimation (overestimation) of income tax in previous years	4,773	(10,055)
Total current tax	82,127	52,685
Deferred income tax:		

Deferred income tax on temporary differences originated and reversed	22,331	23,757
Income tax expenses	$ 104,458	$ 76,442

(2) Income tax associates with other comprehensive income: None.

(3) Income tax directly debited or credited in equity: None.

2. Relationship between income tax expenses and accounting profit

	2024	2023
Income tax derived from applying the statutory tax rate to income before tax (note)	$ 238,312	$ 185,280
Impacts on income tax items that must be adjusted according to the tax law	(126,672)	(100,025)
Tax effects of investment deductibles	(5,803)	(5,432)
Tax effects of temporary differences	(786)	(1,065)
Change in estimation of probability of realizing deferred tax assets	(10,833)	(2,014)
Income tax under (over) estimates of previous years	4,773	(10,055)
Additional levy on unappropriated earnings	5,467	9,753
Income tax expenses	$ 104,458	$ 76,442

Note: The tax rate applied is based on the tax rate applicable to income in each country.

3. The amount of each deferred income tax asset or liability arising from temporary differences is as follows:

	2024			
	January 1	Recognized in P/L	Exchange differences	December 31
Temporary differences:				
- Deferred tax assets:				
Unrealized gains from disposal	$ 3,508	($ 1,430)	$ 13	$ 2,091
Others	1,257	(327)	62	992
Loss carryforwards	21,873	(22,602)	883	154
Sub-total	26,638	(24,359)	958	3,237
-Deferred tax liabilities:				
Reserve for land revaluation increment tax	(28,572)	-	-	(28,572)
Appreciation book-tax differences	(229,176)	2,028	(11,904)	(239,052)
Sub-total	(257,748)	2,028	(11,904)	(267,624)
Total	($ 231,110)	($ 22,331)	($ 10,946)	($ 264,387)

	2023			
	January 1	Recognized in P/L	Exchange differences	December 31
Temporary differences:				
- Deferred tax assets:				
Unrealized gains from disposal	$ 4,671	($ 1,156)	($ 7)	$ 3,508
Others	1,597	(320)	(20)	1,257
Loss carryforwards	34,554	(12,347)	(334)	21,873
Sub-total	40,822	(13,823)	(361)	26,638

-Deferred tax liabilities:				
Reserve for land revaluation increment tax	(28,572)	-	-	(28,572)
Appreciation book-tax differences	(223,200)	(9,933)	3,957	(229,176)
Sub-total	(251,772)	(9,933)	3,957	(257,748)
Total	($ 210,950)	($ 23,756)	$ 3,596	($ 231,110)

4. The effective period of the Group's unused tax credits and the amount of unrecognized deferred tax assets are as follows: (There was no such situation in 2023.)

December 31, 2024				
Year	Amount reported/approved	Unused tax credit amount	Amount not yet recognized in deferred tax assets	Last year for tax credits
Malaysia:				
2024	$ 1,885	$ 1,885	$ 1,885	2034

5. Deductible temporary differences that are not recognized as deferred income tax assets

	December 31, 2024	December 31, 2023
Deductible temporary differences:	$ 111,582	$ 156,475

6. The Company did not recognize deferred tax liabilities for the taxable temporary differences in relation to subsidiaries' investment. As of December 31, 2024 and 2023, the amounts of temporary differences for which deferred assets had not been recognized were NT$725,844 and NT$613,807, respectively.

7. The Company's income tax up to 2022 has been approved by the tax authority.

(XXVI) Earnings Per Share

	2024		
	Post-tax amount	Weighted average number of outstanding shares (In Thousands of Shares)	Earnings per share (NT$)
Basic earnings per share			
Profit attributable to shareholders of common shares of the parent	$ 748,155	102,035	$ 7.33
Diluted earnings per share			
Profit attributable to shareholders of common shares of the parent	$ 748,155	102,035	
Dilutive effects of the potential common shares			
Employee compensation	-	479	
Convertible corporate bonds	17,828	9,691	
Profit attributable to shareholders of common shares of the parent plus effects of potential common shares	$ 765,983	112,205	$ 6.83

	2023		
	Post-tax amount	Weighted average number of outstanding shares (In Thousands of Shares)	Earnings per share (NT$)
Basic earnings per share			

Profit attributable to shareholders of common shares of the parent	$ 593,383	102,034	$ 5.82
Diluted earnings per share			
Profit attributable to shareholders of common shares of the parent	$ 593,383	102,034	
Dilutive effects of the potential common shares			
Employee compensation	-	472	
Convertible corporate bonds	2,942	1,554	
Profit attributable to shareholders of common shares of the parent plus effects of potential common shares	$ 596,325	104,060	$ 5.73

(XXVII) Business Combination (No such situation in 2023)

1. The Group acquired 56.66% of the shares in Unique One Technology Co., Ltd. on November 1, 2024 with cash of NT$5,347, and gained control over the company. The relevant equity has been fully settled, and the transaction price has been fully paid.
2. The information regarding the fair value of the consideration paid for the acquisition, the assets acquired and liabilities assumed at the acquisition date, and the share of the acquiree's identifiable net assets attributable to the non-controlling interests at the acquisition date is as follows:

	Acquisition date
Acquisition consideration	
Cash	$ 5,347
Fair value of previously held equity at acquisition date	2,516
Share of acquiree's identifiable net assets attributable to non-controlling interests	1,346
	9,209
Fair value of identifiable assets acquired and liabilities assumed	
Cash	7,566
Accounts Receivable	9,164
Inventory	2,847
Other current and non-current assets	713
Accounts payable	(6,413)
Other payables	(800)
Long-term borrowings	(5,000)
Total identifiable net assets	8,077
Goodwill	$ 1,132

3. Non-controlling interests are measured as the non-controlling interests' proportionate share of the acquiree's identifiable net assets.
4. The Group has held a 26.67% equity in Unique One Technology Co., Ltd. before the business combination, and recorded a loss of NT$2,985 on the remeasurement of fair value.
5. Since the Group acquired and merged Unique One Technology Co., Ltd on November 1, 2024, the operating revenue contributed by Unique One Technology Co., Ltd was NT$5,116, and the net loss before tax was NT$725. If it is assumed that Unique One Technology Co., Ltd. had been included in the consolidated entities from January 1, 2024, the Group's operating revenue and net income before tax would have been NT$5,537,638 and NT$844,760, respectively.

(XXVIII) Additional Information on Cash Flows

Investing activities partially involving cash payments:

	2024	2023
Acquisition of property, plant, and equipment	$ 702,154	$ 235,100
Add: Construction and equipment payable at the beginning of the period	61,211	57,797
Notes payable at the beginning of the period	5,564	37,028
Prepayments for construction and equipment - ending	64,055	14,449
Less: Construction and equipment payable at the end of the period	(48,645)	(61,211)
Notes payable at the end of the period	(4,879)	(5,564)
Prepayments for construction and equipment - opening	(14,449)	(29,391)
Cash paid in the period	$ 765,011	$ 248,208

(XXIX) Changes in Liabilities Arising from Financing Activities

2024

	Short-term borrowings	Long-term borrowings	Lease liabilities	Corporate bonds payable	Liabilities arising from financing activities - Total
January 1	$ 100,000	$ 1,542,445	$ 11,267	$ 1,048,695	$ 2,702,407
Changes from financing cash flows	230,000	(37,733)	(4,082)	-	188,185
Effects of exchange rate changes	-	-	2	-	2
Changes in amortized interest of corporate bonds payable	-	-	-	17,828	17,828
Other non-cash changes		5,000	500	(97)	5,403
December 31	$ 330,000	$ 1,509,712	$ 7,687	$ 1,066,426	$ 2,913,825

2023

	Short-term borrowings	Long-term borrowings	Lease liabilities	Corporate bonds payable	Liabilities arising from financing activities - Total
January 1	$ -	$ 1,126,179	$ 7,870	$ -	$ 1,134,049
Changes from financing cash flows	100,000	416,266	(6,735)	1,100,502	1,610,033
Effects of exchange rate changes	-	-	(1)	-	(1)
Changes in amortized interest of corporate bonds payable	-	-	-	2,942	2,942
Other non-cash changes			10,133	(54,749)	(44,616)
December 31	$ 100,000	$ 1,542,445	$ 11,267	$ 1,048,695	$ 2,702,407

VII. Related Party Transactions

(I) Name and Relationship of Related Party

Name of related party	Relationship with the Group
Superworld Electronics (S) Pte Ltd.	Other related parties and associates (Note 4)
TAI-TECH ADVANCED ELECTRONICS (S) PTE LTD	Other related parties and associates (Note 4)
Superworld Electronics Co., Ltd.	Other related parties and associates (Notes 1 and 4)
Superworld Electronics Co., Ltd. (Dongguan)	Other related parties and associates (Notes 2 and 4)
SFI Electronics Technology Inc.	Other related party
Chanchang Technology (Shenzhen) Co., Ltd.	Other related party
JDX Technology Co., Ltd.	Associates (Note 3)
APAQ Technology Co., Ltd.	Associate
Jui-hsia Tai	Immediate family member of the major management
Chang-i Hsieh	Immediate family member of the major management
Chairman, Supervisor, President, and Vice President	Major management of the Group

Note 1 : In December 2024, Chenghan Technology Co., Ltd. was renamed Superworld Electronics Co., Ltd.

Note 2 : In July 2024, Dongguan Chenghan Electronics Co., Ltd.was renamed Superworld Electronics Co., Ltd. (Dongguan).

Note 3 : The company has been merged into the Group since November 2024. Please refer to Note 4(3)2 for details.

Note 4 : Since October 2024, the company's relations with the Group have been changed from the category of other related parties to that of associates.

(II) Significant Transactions with Related Party

1. Operating revenue

	2024	2023
Sale of goods:		
Associate	$ 85,601	$ -
Other related party	311,731	287,137
Total	$ 397,332	$ 287,137

The price of goods sold to related party by the Group is the same as that for an arm’s length transaction; the payment terms also approximate those for ordinarily clients.

2. Purchase

	2024	2023
Purchase of goods:		
Associate	$ 1,856	$ -
Other related party	7,579	9,360
Total	$ 9,435	$ 9,360

The price of goods purchased from related party by the Group is the same as that for an arm’s length transaction; the payment terms also approximate those for ordinarily suppliers.

3. Freight expenses and miscellaneous expenses

	2024	2023
Associate	$ 4	$ -
Other related party	7	1,997
	$ 11	$ 1,997

4. Other income

	2024	2023
Associate	$ 134	$ -

5. Lease transactions - lessee

(1) The Group leased buildings from the immediate family members of the major management, with the lease term due between 2023 and 2028 and the rental paid on a monthly basis.

(2) Lease liabilities

Balance at the end of the period:

	December 31, 2024	December 31, 2023
Jui-hsia Tai	$ 4,133	$ 5,444
Chang-i Hsieh	2,791	3,676
	$ 6,924	$ 9,120

(3) Rental expense

	2024	2023
Associate	$ 44	$ -
Other related party	130	170
	$ 174	$ 170

6. Accounts receivables due from related party

	December 31, 2024	December 31, 2023
Accounts receivable:		
Associate	$ 129,489	$ -
Other related party	-	94,850
	$ 129,489	$ 94,850
Other receivables:		
Associate	140	-
	$ 129,629	$ 94,850

7. Accounts payables due to related party

	December 31, 2024	December 31, 2023
Accounts payable:		
Associate	$ 2,361	$ -
Other related party	261	3,111
Sub-total	2,622	3,111
Other payables:		
Associate	628	-
Other related party	-	125
Total	$ 3,250	$ 3,236

8. Asset transactions

Acquisition of financial assets: (no such transaction in 2023)

	Accounting items	Number of share transactions	Transaction targets	2024 Acquisition prices
APAQ Technology Co., Ltd.	Investment accounted for using the equity method	700 thousand shares	JDX Technology Co., Ltd.	$ 2,202

(III) Remuneration to Major Management

	2024	2023
Short-term employee benefits	$ 80,545	$ 69,947
Post-retirement benefits	1,769	1,575
Total	$ 82,314	$ 71,522

VIII. Pledged Assets

The Group's assets pledged as collateral are as follows:

Type of asset	December 31, 2024	December 31, 2023	Purpose of collateral
Property, plant and equipment			
- Land	$ 766,893	$ 766,893	Short and long-term borrowings
- Houses and buildings	40,716	59,571	Short and long-term borrowings
- Machinery and equipment	349,638	401,327	Long-term borrowings

IX. Significant Commitments or Contingencies

(I) Contingency

None.

(II) Commitments

Capital expenditures committed but not yet incurred

	December 31, 2024	December 31, 2023
Property, plant and equipment	$ 153,270	$ 158,703
Computer software	$ 13,452	$ 1,327

X. Significant Disaster Losses

None.

XI. Significant Subsequent Events

None.

XII. Others

(I) Capital Management

The purposes of the Group's capital management are to ensure that the Group continues as a going concern, to maintain an optimum capital structure to lower financing costs and to provide returns of investment to shareholders. For the purpose of maintaining an optimal capital structure, the Group may adjust the amount of dividends paid to shareholders or may issue new shares.

(II) Financial Instrument

1. Type of financial instrument

	December 31, 2024	December 31, 2023
Financial Assets		
Financial assets at fair value through profit or loss		
Financial assets at fair value through profit or loss	$ 770	$ 880
Financial assets at fair value through other comprehensive income		
Financial assets in equity instruments investment of which the fair value is designated to be recognized in other comprehensive income	$ 567,634	$ 558,896
Financial assets at amortized cost		
Cash and cash equivalents	$ 1,780,997	$ 2,152,634
Financial assets at amortized cost	-	30,705
Notes receivable, net	36,806	49,844
Accounts receivable, net (including those due from related party)	2,125,837	1,558,972
Other receivables (including those due from related party)	33,851	14,002
Refundable deposits (Other non-current assets recognized)	7,558	2,626
	$ 3,985,049	$ 3,808,783

	December 31, 2024	December 31, 2023
Financial Liabilities		
Financial liabilities measured at amortized cost		
Short-term borrowings	$ 330,000	$ 100,000
Notes payable	16,011	17,460
Accounts payable (including related party)	809,306	553,646
Other payables (including those due to related party)	587,956	553,461
Corporate bonds payable (including those due within one year or one operating cycle)	1,066,426	1,048,695
Long-term borrowings (including the portion with maturity in one year)	1,509,712	1,542,445
Deposits received (Other non-current liabilities recognized)	600	1,640
	$ 4,320,011	$ 3,817,347
Lease liabilities (including those due within one year)	$ 7,687	$ 11,267

2. Risk management policy

(1) The Group’s daily operations are affected by various financial risks, e.g., market risk (including exchange rate risk, interest rate risk and price risk), credit risk and liquidity risk. The Group’s risk management policy focuses on the unpredictable market events

in order to minimize their potentially adverse impacts on the Group's financial position and financial performance.

(2) The Group's key financial activities are reviewed by the Board of Directors against relevant regulations and its internal control systems. The Company strictly abides by relevant financial operating procedures during the implementation of financial plans.

3. Nature and degree of significant financial risks

(1) Market risk

Foreign exchange risks

A. The Group operates internationally and so is subject to the exchange rate risk of different currencies, particularly the USD and RMB. Relevant exchange rate risk arises from future business transactions and the recognized assets and liabilities. In addition, the conversion from RMB to other currencies is subject to the foreign currency exchange control regulations imposed by China.

B. The Group's management has formulated relevant policy to require entities within the Group to manage the foreign exchange risks associated with their functional currency. Foreign exchange risk arises when future business transactions or recognized assets or liabilities are denominated in a currency other than the entity's functional currency.

C. Since the Group engages in business involving multiple functional currencies (e.g. the Company's functional currency is NTD while some subsidiaries' functional currencies are either USD or RMB), the Group is subject to fluctuation in foreign exchange rates. Foreign-currency-denominated assets and liabilities having significant impacts if foreign exchange rates change are as follows:

	December 31, 2024		
	Foreign currency (in thousands)	Exchange rate	Carrying amount (NTD/ RMB)
(Foreign currency: functional currency)			
Financial Assets			
Monetary items			
USD:NTD	$ 40,043	32.79	$ 1,313,010
RMB : NTD	45,713	4.56	208,451
USD：RMB	40,370	7.19	290,260
Non-monetary items			
USD:NTD	14,053	32.79	460,806
Financial Liabilities			
Monetary items			
USD:NTD	$ 30,302	32.79	$ 993,603
RMB : NTD	4,037	4.56	18,409
USD：RMB	6,192	7.19	44,520

	December 31, 2023		
	Foreign currency (in thousands)	Exchange rate	Carrying amount (NTD/ RMB)
(Foreign currency: functional currency)			
Financial Assets			
Monetary items			

USD:NTD	$	30,482	30.71	$	936,102
RMB : NTD		84,651	4.34		367,385
USD：RMB		40,037	7.08		283,462
Financial Liabilities					
Monetary items					
USD:NTD	$	19,764	30.71	$	606,952
RMB : NTD		706	4.34		3,064
USD：RMB		8,939	7.08		63,288

D. The aggregate amount of all exchange gains and losses (including realized and unrealized) recognized in 2024 and 2023 on the Group's monetary items that are significantly affected by exchange rate fluctuations were NT$83,738 in exchange gains and NT$21,643. Since the Group’s transactions involve multiple currencies that have significant foreign exchange impacts, they are disclosed as a whole.

E. Foreign exchange risks arising from significant exchange rate changes that the Group is exposed to were as follows:

	2024				
	Sensitivity Analysis				
	Fluctuation		Effects on P/L (NTD/ RMB)		Effects on other comprehensive income (OCI)
(Foreign currency: functional currency)					
Financial Assets					
Monetary items					
USD:NTD	1%	$	13,130	$	-
RMB : NTD	1%		2,085		-
USD：RMB	1%		2,903		-
Non-monetary items					
USD:NTD	1%		-		4,608
Financial Liabilities					
Monetary items					
USD:NTD	1%		9,936		-
RMB : NTD	1%		184		-
USD：RMB	1%		445		-

	2023				
	Sensitivity Analysis				
	Fluctuation		Effects on P/L (NTD/ RMB)		Effects on other comprehensive income (OCI)
(Foreign currency: functional currency)					
Financial Assets					
Monetary items					
USD:NTD	1%	$	9,361	$	-
RMB : NTD	1%		3,674		-
USD：RMB	1%		2,835		-
Financial Liabilities					
Monetary items					

USD:NTD	1%	6,070	-
RMB : NTD	1%	31	-
USD：RMB	1%	633	-

Price risk

A. Since the Group’s investment is classified as financial assets measured at fair value through profit or loss and financial assets measured at fair value other comprehensive income on the consolidated balance sheets, the Group is exposed to the risk of price changes in financial assets of equity instrument.

B. The Group mainly invests in equity instruments issued by a domestic or foreign company. The price of such equity instruments can be affected by changes in future value of their investment targets. If the price of such equity instrument goes up or down by 1%, held other variables constant, the post-tax profit or loss for the years 2024 and 2023 would increase or decrease by NT$5,676 and NT$5,589, respectively, due to the increase or decrease in the fair value of financial assets measured at fair value through other comprehensive income.

Cash flow and fair value interest rate risk

A. The Group’s interest rate risks mainly come from short- and long-term borrowings issued at floating interest rates. Such exposure also means the Group is exposed to cash flow interest rate risks, though a portion of risks have been offset by the Group’s holding of cash bearing a floating interest rate. In 2024 and 2023, the Group's borrowings with floating interest rates were denominated in NTD and USD.

B. When the NTD and USD borrowing rate increases or decreases by 1% and all other factors remain unchanged, the post-tax net profit for 2024 and 2023 would decrease or increase by NT$14,718 and NT$13,140, respectively, mainly due to interest expense changes caused by floating rate loans.

(2) Credit risk

A. Credit risk refers to the risk of financial loss to the Group arising from default by clients, or by counter-parties of financial instruments on the contract obligations. Credit risk of the Group mainly comes from accounts receivable, notes receivable and the contractual cash flows of financial assets measured at amortized cost that are prone to default by counter-parties.

B. The Group establishes a framework for managing credit risks from a group's perspective. As the internal credit approval policy stipulates, an operating entity within the Group shall manage and analyze the credit risk of a new client before proposing terms and conditions pertaining to payments and delivery of goods. Internal risk control is achieved by evaluating a client’s credit quality against the client’s financial position, credit records and other factors. The limit on individual risk is set by the management by referring to internal or external ratings. The status of utilization of credit lines is regularly monitored.

C. The Group applies the presumption of IFRS 9 and deems that the credit risk of a financial assets has significantly increased after initial recognition when the receivables obliged by the contractual terms are 30-days past due.

D. The Group’s credit risk management procedures deem a default occurred when a counterparty is significantly delinquent on repayments.

E. After the recourse procedures, the Group writes off financial assets that could not be reasonably expected to be recovered. Nonetheless, the Group will continue the recourse legal procedures to secure its right to the debt. The Group's written-off claims with recourses still active as of both December 31, 2024 and 2023 were NT$0.

F. The Group classifies accounts receivable due from clients by the characteristics of their ratings, and adopts the simplified approach that measures expected credit losses based on the preparation matrix.

G. The Group incorporates perspective considerations for future specific periods and the loss rate established by the current information in order to estimate the allowance for receivables and contractual assets. The preparation matrix for as of December 31, 2024 and 2023 is as follows:

	Individual disclosure	Not yet due	Within 30 days past due	31-90 days past due	91-180 days past due	Total
December 31, 2024						
Expected loss (%)	100.00%	0.00%	0.00%	0.00%	0.00%	
Total carrying amount	$ 1,252	$ 2,162,377	$ 1,810	$ -	$ -	$ 2,165,439
Loss allowance	$ 1,252	$ 942	$ 602	$ -	$ -	$ 2,796

	Individual disclosure	Not yet due	Within 30 days past due	31-90 days past due	Over 91-180 days past due	Total
December 31, 2023						
Expected loss (%)	100.00%	0.07%	5.44%	6.94%	100.00%	
Total carrying amount	$ 1,252	$ 1,584,189	$ 24,900	$ 1,230	$ 8	$ 1,611,579
Loss allowance	$ 1,252	$ 924	$ 552	$ 27	$ 8	$ 2,763

H. Changes in the loss allowances provided for accounts receivable using the simplified approach are as follows:

	2024			
	Accounts Receivable	Notes receivable	Uncollectible overdue receivables	Total
January 1	$ 1,511	$ -	$ 1,252	$ 2,763
Exchange rate effects	33	-	-	33
December 31	$ 1,544	$ -	$ 1,252	$ 2,796

	2023			
	Accounts Receivable	Notes receivable	Uncollectible overdue receivables	Total
January 1	$ 2,442	$ -	$ 1,252	$ 3,694
Impairment loss reversed	(924)	-	-	(924)
Exchange rate effects	(7)	-	-	(7)
December 31	$ 1,511	$ -	$ 1,252	$ 2,763

(3) Liquidity risk

A. Cash flows forecast is done by each operating entity; the Administration Department of the Group is responsible only for summarizing the results. Administration Department of the Group monitors the forecast of the Group’s liquidity needs to ensure that it has sufficient funds to meet operating needs and maintain sufficient unused loan commitments so that it won't default on any borrowing limits or terms. Such a forecast takes into account the Group's debt financing plan, compliance with provisions of debt instruments, fulfillment of the financial ratio targets on the balance sheet and conformity with external regulatory requirements, such as foreign exchange control.

B. The table below listed the Group's non-derivative financial liabilities by maturity date. They were analyzed for the residual duration between the balance sheet date and the maturity date. The table below disclosed the contractual cash flows not discounted.

Non-derivative financial liabilities: December 31, 2024	Less than 1 year	1~2 years	2~5 years	Over than 5 years
Short-term borrowings	$ 330,000	$ -	$ -	$ -
Notes payable	16,011	-	-	-
Accounts payable (including related party)	809,306	-	-	-
Other payables (including those due to related party)	587,956	-	-	-
Lease liabilities (including the portion with maturity in one year)	2,311	2,205	3,171	-
Corporate bonds payable	-	1,099,900	-	-
Long-term borrowings (including the portion with maturity in one year)	263,158	370,617	675,900	275,787

Non-derivative financial liabilities: December 31, 2023	Less than 1 year	1~2 years	2~5 years	Over than 5 years
Short-term borrowings	$ 100,000	$ -	$ -	$ -
Notes payable	17,460	-	-	-
Accounts payable (including related party)	553,646	-	-	-
Other payables (including those due to related party)	553,461	-	-	-
Lease liabilities (including the portion with maturity in one	4,085	2,199	4,983	-

year)				
Corporate bonds payable	-	-	1,100,000	-
Long-term borrowings (including the portion with maturity in one year)	57,227	261,065	902,117	410,727

C. The Group does not expect a maturity analysis of which the cash flows timing would be significantly earlier or the actual amount would be significantly different.

(III) Fair Value Information

1. Below are the definitions assigned to each level of valuation technique used to measure the fair value of financial and non-financial assets.

Level 1 : Quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date. A market is regarded as active where a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The fair value of the Group's investment in listed shares is included in Level 1.

Level 2 : Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 : Unobservable inputs for the asset or liability. The fair value of the Group's investment in non-active market is included in Level 3.

2. Financial instruments not measured at fair values

(1) Including cash and cash equivalents, financial assets measured at amortized cost, notes receivable, accounts receivables, other receivables, short-term borrowings, notes payable, accounts payable, other payable, lease liability and long-term borrowings (including the portion with maturity in one year), is the reasonable approximation of their fair value, except for those listed in the table below.

	December 31, 2024			
		Fair value per unit		
	Carrying amount	Level 1	Level 2	Level 3
Financial liabilities:				
Corporate bonds payable	$ 1,066,426	$ -	$ 1,289,633	$ -

	December 31, 2023			
		Fair value per unit		
	Carrying amount	Level 1	Level 2	Level 3
Financial liabilities:				
Corporate bonds payable	$ 1,048,695	$ -	$ 1,274,900	$ -

(2) The methods and assumptions used by the Group to measure fair value are as follows: Corporate bonds payable are the corporate bonds issued by the Group. As their coupon rates are approximately equivalent to market rates, the most recent transaction prices

and quotation data are used as the basis for assessing their fair value.

3. Financial and non-financial assets at fair value are classified by nature, characteristic, risk and fair value level, stated as follows:

(1) The Group classifies its assets and liabilities by their function; stated as follows:

December 31, 2024	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value				
Financial assets at fair value through other comprehensive income				
Equity-based securities	$ 289,397	$ -	$ 278,237	$ 567,634
Derivatives				
Right of redemption of convertible bonds	$ -	$ 770	$ -	$ 770

December 31, 2023	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value				
Financial assets at fair value through other comprehensive income				
Equity-based securities	$ 116,876	$ -	$ 442,020	$ 558,896
Derivatives				
Right of redemption of convertible bonds	$ -	$ 880	$ -	$ 880

(2) The techniques and assumptions used to measure fair value are stated as follows:

A. Financial instruments of which the fair value is marked to market quotations (i.e., level 1 inputs) are stated as follows:

	Listed shares
Market quotation	Closing price

B. Except for financial instruments with an active market, the fair value of other financial instruments is obtained either based on the valuation technique or by reference to the quotes from counter-parties. Fair value can be obtained by using a valuation technique that refers to the fair value of financial instruments having substantially the same terms and characteristics, or by using other valuation technique, e.g., the one that applies market information available on the consolidated balance sheets date to a pricing model for calculation. The redemption right of convertible bonds is typically evaluated using a binomial tree convertible bond valuation model.

C. Outputs from the valuation models are estimates and valuation techniques may not be able to reflect all relevant factors of the financial and non-financial instruments held by the Group. Therefore, when needed, estimates from the valuation model would be adjusted for additional parameters, e.g. model risk or liquidity risk.

4. There has been no transfer between the Level 1 and the Level 2 in 2024 and 2023.

5. The following table reflects Level 3 changes in 2024 and 2023.

	2024	2023
	Equity-based securities	Equity-based securities

	2024	2023
January 1	$ 442,020	$ 297,657
Gains or losses recognized in other comprehensive income		
Unrealized gain/(loss) on investments in equity instruments at fair value through other comprehensive income	(65,285)	103,785
Purchase of current period	78,845	41,085
Disposal during the current period	(179,806)	-
Exchange rate effects	2,463	(507)
December 31	$ 278,237	$ 442,020

6. There was no transfer in or out from Level 3 in 2024 and 2023.

7. The management department is responsible for the independent fair value verification of the Group's financial instruments to evaluate the fair value classified as Level 3. Independent source materials allow the evaluation results the closely reflect the market status. The source of the verification data must be independent, reliable, consistent with other resources, and implement any other necessary fair value adjustments to ensure that the valuation results are reasonable.

8. The quantitative information on, changes in, and sensitivity analysis of significant unobservable inputs used in Level 3 fair value measurement are stated as follows:

	Fair value at December 31, 2024	Valuation technique	Significant unobservable inputs	Interval (weighted average)	Relationship between inputs and fair value
Non-derivative equity instruments:					
Unlisted shares	$ 253,517	Public company comparables	Discount for lack of marketability	20%	The higher the discount for lack of marketability, the lower the fair value
TWSE/TPEx-listed companies' privately placed shares	$ 24,720	Market approach	Discount for lack of marketability	N/A	The higher the discount for lack of marketability, the lower the fair value

	Fair value at December 31, 2023	Valuation technique	Significant unobservable inputs	Interval (weighted average)	Relationship between inputs and fair value
Non-derivative equity instruments:					
Unlisted shares	$ 442,020	Public company comparables	Discount for lack of marketability	15%~20% (18.75%)	The higher the discount for lack of marketability, the lower the fair value

9. The Group elects to adopt valuation models and valuation parameters under prudential consideration. Nonetheless, this does not preclude the differences arising from adoption of different valuation models or parameters. If valuation parameters change, financial assets classified as Level 3 will have effects on other comprehensive income, stated as follows:

			December 31, 2024			
			Recognized in P/L		Recognized in other comprehensive income (OCI)	
	Inputs	Changes	Favorable changes	Unfavorable changes	Favorable changes	Unfavorable changes
Financial asset - equity instrument	$ 323,520	±1%	$ -	$ -	$ 2,401	($ 2,401)

December 31, 2023

	Inputs	Changes	Recognized in P/L: Favorable changes	Recognized in P/L: Unfavorable changes	Recognized in other comprehensive income (OCI): Favorable changes	Recognized in other comprehensive income (OCI): Unfavorable changes
Financial asset - equity instrument	$ 529,156	±1%	$ -	$ -	$ 4,941	($ 5,235)

(IV) As of December 31, 2024 and 2023, there were no open-ended financial derivatives for trading purposes. In 2024 and 2023, the Group's net gains from financial derivatives generated were NT$0 and NT$1,672, respectively.

XIII. Additional Disclosures

(I) Information on Significant Transactions

1. Loaning Funds to Others: Refer to Table 1.
2. Provision of Endorsements and Guarantees: Refer to Table 2.
3. Marketable Securities Held at the End of the Period (Excluding Investment in Subsidiaries, Associates, and the Control Portion in a Joint Venture): Refer to Table 3.
4. Accumulative Purchase or Disposal of the Same Marketable Securities that Reaches NT$300 Million or 20% or More of Paid-in Capital: Refer to Table 4.
5. Acquisition of Real Property That Reaches NT$300 Million or 20% or More of Paid-in Capital: Refer to Table 5.
6. Disposal of Real Property That Reaches NT$300 Million or 20% or More of Paid-in Capital: None.
7. Transaction with Related Party That Reaches NT$100 Million or 20% or More of Paid-in Capital: Refer to Table 6.
8. Receivables Due from Related Party That Reach NT$100 Million or 20% or More of Paid-in Capital: Refer to Table 7.
9. Engagement in derivative transactions: See Note 12 (3).
10. Significant Inter-company Transactions during the Reporting Period. Refer to Table 8.

(II) Information on Indirect Investment

Names and Location of Investees (Excluding Those in Mainland China): Refer to Table 9.

(III) Investment in Mainland China

1. Basic Information: Refer to Table 10.
2. Significant transactions that occurred directly or indirectly through third-region enterprises and investee companies and were reinvested in mainland China: refer to Table 8.

(IV) Major Shareholder Information

Major Shareholder Information: Refer to Table 11.

XIV. Segment Information

(I) General Information

The Group engages in a single industry; the Group’s Board of Directors evaluates the performance of, and allocates resources to, the Group as a whole. As such, the Group identifies itself to be a single reporting segment.

(II) Segment Information

Information on reportable segment provided to the main operating decision makers:

	2024	2023
Segment revenue	$ 5,506,106	$ 4,431,789
Segment gross profit	$ 1,331,975	$ 1,117,683
Segment profits or losses	$ 851,344	$ 669,225
Discount and amortization (including right-of-use assets)	$ 548,724	$ 517,299
Income tax expenses	$ 104,458	$ 76,442
	December 31, 2024	December 31, 2023
Segment assets	$ 12,250,828	$ 10,886,049
Segment liabilities	$ 4,643,111	$ 4,149,722

(III) Reconciliation of Segment Profit or Loss

Reconciliation is not required because the profit or loss information on the reporting segment that was provided to the main operating decision makers is consistent with that prepared and disclosed in the financial statements.

(IV) Types of Products and Services

Revenue from external customers mainly derives from sale of products, e.g. electronic parts, magnet cores, multilayer wire-wound and other wire-wound products; components of revenue are presented as follows:

	2024	2023
Wire-wound	$ 3,997,059	$ 3,064,067
Multilayer products	1,104,193	895,385
LAN transformer	362,297	412,141
Others	42,557	60,196
Total	$ 5,506,106	$ 4,431,789

(V) Geographical Information

Information of the Group by region in 2024 and 2023 is as follows:

	2024		2023	
	Revenue	Non-current assets	Revenue	Non-current assets
Taiwan	$ 1,296,524	$ 2,304,402	$ 1,002,286	$ 2,206,297
Mainland China	2,713,463	1,999,921	2,350,689	1,987,373
Hong Kong	601,846	-	411,593	-
Singapore	109,850	-	60,377	-
Others	784,423	206,928	606,844	8,840
Total	$ 5,506,106	$ 4,511,251	$ 4,431,789	$ 4,202,510

Note: Revenue is attributable to the country based on the place of receipt.

(VI) Information on Major Clients

Information on the Group's important customers in 2024 and 2023 is as follows:

2024			2023		
Name of Clients	Amount	%	Name of Clients	Amount	%
Client A	$ 872,765	16	Client A	$ 676,234	15

Tai-Tech Advanced Electronics Co., Ltd. and Subsidiaries

Loans of funds to others

January 1 to December 31, 2024

Table 1

Unit: NT$ thousand
(unless otherwise specified)

No.	Lending company	Borrowing party	Transaction item	Whether or not a related party	Maximum balance amount	Ending balance	Amount actually drawn	Interest rate range	Nature of loaned funds	Business dealing amount	Reason for necessary short-term financing	Allowance for Impairment Loss	Collaterals		Limit of loans to individual borrowers (Note)	Total limit of loans (Note)	Remarks
													Name	Value			
1	FIXED ROCK HOLDING LTD.	Tai-Tech Advanced Electronics Co., Ltd.	Other receivables	Yes	$ 49,178	$ 49,178	$ -	-	Short-term financing fund	$ -	Business revolving fund	$ -	-	$ -	$ 5,984,804	$ 5,984,804	
1	FIXED ROCK HOLDING LTD.	TAIPAQ Electronic Components (Si-Hong) Co., Ltd.	Other receivables	Yes	$ 197,010	$ 98,355	$ -	-	Short-term financing fund	$ -	Business revolving fund	$ -	-	$ -	5,984,804	5,984,804	
2	NORTH STAR INTERNATIONAL LIMITED	Tai-Tech Advanced Electronics Co., Ltd.	Other receivables	Yes	$ 98,355	$ 98,355	$ 96,716	1.68%	Short-term financing fund	$ -	Business revolving fund	$ -	-	$ -	5,984,804	5,984,804	
2	NORTH STAR INTERNATIONAL LIMITED	FIXED ROCK HOLDING LTD.	Other receivables	Yes	$ 97,635	$ -	$ -	-	Short-term financing fund	$ -	Business revolving fund	$ -	-	$ -	5,984,804	5,984,804	
3	BEST BLISS INVESTMENTS LIMITED	Tai-Tech Advanced Electronics Co., Ltd.	Other receivables	Yes	$ 98,355	$ 98,355	$ -	-	Short-term financing fund	$ -	Business revolving fund	$ -	-	$ -	5,984,804	5,984,804	

Note: The total amount of loaning of funds to others of the Company shall not exceed 40% of the net worth of the Company, and the amount of loaning of fund to an individual company or firm shall not exceed 20% of the net worth of the Company.

Loaning of funds between subsidiaries wholly owned, directly and indirectly, by the Company, or between overseas companies wholly owned, directly and indirectly, by the Group's parent company and the Group's parent company, shall be limited to an aggregate and individual amount not exceeding 80% of the Group's parent company's net worth, over a term not exceeding three years.

Tai-Tech Advanced Electronics Co., Ltd. and Subsidiaries

Endorsements/guarantees

January 1 to December 31, 2024

Table 2

Unit: NT$ thousand

(unless otherwise specified)

No.	Endorsements/ guarantees company name	Endorsed/ guaranteed party name		Limits on endorsement/ guarantee amount provided (Note)	Balance of maximum amount of endorsement/ guarantee of the period	Ending balance of endorsement/ guarantee	Amount actually drawn	Amount of endorsement/ guarantee collateralized by properties	Ratio of the accumulated endorsement/ guarantee amount to the net worth in the most recent financial reporting period	Maximum amount of endorsement/ guarantee allowance (Note)	Endorsement/ guarantee provided by parent company to subsidiary	Endorsement/ guarantee provided by subsidiary to parent company	Endorsement/ guarantee provided to Mainland China	Remarks
		Provider	Relationship					Amount	Rate					
0	Tai-Tech Advanced Electronics Co., Ltd.	TAIPAQ Electronic Components (Si-Hong) Co., Ltd.	Subsidiary	$ 2,992,402	$ 262,680	$ -	$ -	$ -	0.00%	$ 3,740,503	Yes	No	Yes	
0	Tai-Tech Advanced Electronics Co., Ltd.	TAI-TECH Advanced Electronics (Kunshan) Co., Ltd.	Subsidiary	$ 2,992,402	$ 65,670	$ -	$ -	$ -	0.00%	$ 3,740,503	Yes	No	Yes	

Note: The total amount of endorsements/guarantees shall not exceed 50% of the net worth of the Company. The amount of endorsements/guarantees made for one single enterprise shall not exceed 40% of the net worth of the Company.

Tai-Tech Advanced Electronics Co., Ltd. and Subsidiaries

Marketable Securities Held at the End of the Period (Excluding Investment in Subsidiaries, Affiliated Companies and the Control Portion in a Joint Venture)

December 31, 2024

Table 3

Unit: NT$ thousand
(unless otherwise specified)

Holding company name	Marketable securities types and name	Relationship with issuer	Financial statement account	End of period				Remarks
				Number of shares (in thousands)	Carrying amount	Shareholdings Percentage	Fair value per unit	
	Stock:							
Tai-Tech Advanced Electronics Co., Ltd.	All Ring Tech Co., Ltd.	None	Financial assets at fair value through other comprehensive income acquired - non-current	615	$ 247,230	0.63%	$ 247,230	Unpledged
Tai-Tech Advanced Electronics Co., Ltd.	Ample Electronic Technology Inc.	None	Financial assets at fair value through other comprehensive income acquired - non-current	300	$ 31,200	1.00%	$ 31,200	Unpledged
Tai-Tech Advanced Electronics Co., Ltd.	AMIDA Technology	None	Financial assets at fair value through other comprehensive income acquired - non-current	187	$ 10,967	0.43%	$ 10,967	Unpledged
Tai-Tech Advanced Electronics Co., Ltd.	Enermax Technology Corporation	None	Financial assets at fair value through other comprehensive income acquired - non-current	1,500	$ 24,720	2.46%	$ 24,720	Unpledged
Tai-Tech Advanced Electronics Co., Ltd.	SFI Electronics Technology Inc.	Other related party	Financial assets at fair value through other comprehensive income acquired - non-current	5,320	$ 99,969	11.64%	$ 99,969	Unpledged
Tai-Tech Advanced Electronics Co., Ltd.	AZ Venture Investment II Limited	None	Financial assets at fair value through other comprehensive income acquired - non-current	1,500	$ 16,455	12.50%	$ 16,455	Unpledged
Tai-Tech Advanced Electronics Co., Ltd.	I-See Vision Technology Inc.	None	Financial assets at fair value through other comprehensive income acquired - non-current	2,000	$ 8,060	4.47%	$ 8,060	Unpledged
Tai-Tech Advanced Electronics Co., Ltd.	e-Formula Technologies Inc.	None	Financial assets at fair value through other comprehensive income acquired - non-current	1,500	$ 47,760	5.61%	$ 47,760	Unpledged
TAIPAQ Electronic Components (Si-Hong) Co., Ltd.	Xiamen Eisend Electronics Co., Ltd	None	Financial assets at fair value through other comprehensive income acquired - non-current	-	$ 81,273	17%	$ 81,273	Unpledged

Tai-Tech Advanced Electronics Co., Ltd. and Subsidiaries

Accumulative Purchase or Disposal of the Same Marketable Securities that Reaches NT$300 Million or 20% or More of Paid-in Capital

January 1 to December 31, 2024

Table 4

Unit: NT$ thousand
(unless otherwise specified)

					Beginning of period		Purchase		Disposal				End of period (Notes 2 and 3)	
Buyer/Seller	Marketable securities types and name	Financial statement account	Transaction counterparty	Relationship	Number of shares (in thousands)	Amount	Number of shares (In Thousands of Shares)	Amount	Number of shares (In Thousands of Shares)	Selling price	Book cost	Disposal gains or losses	Number of shares (In Thousands of Shares)	Amount
Tai-Tech Advanced Electronics Co., Ltd.	Superworld Holdings (S) Pte. Ltd.	Note 1	Phua Teo Chye, Cycle Technologies Company Limited	Non-related party	-	$ -	2,700	$ 261,360	-	$ -	$ -	$ -	2,700	$ 269,451

Note 1: Presented under “Investments accounted for using the equity method”.

Note 2: The ending balance includes not only the gains and losses from investments accounted for using the equity method but also relevant adjustment items.

Note 3: It excludes the portion originally held by Best Bliss Investments Limited.

Tai-Tech Advanced Electronics Co., Ltd. and Subsidiaries

Acquisition of real estate reaching NT$300 million or 20% of paid-in capital or more

January 1 to December 31, 2024

Table 5

Unit: NT$ thousand
(unless otherwise specified)

							Where the transaction counterparty is a related party, information on the previous transfer is as follows:						
Company acquiring real property	Property name	Date of occurrence (Note 2)	Transaction amount	Payment status	Transaction counterparty	Relationship	Owner	Relationship with the issuer	Date of transfer	Amount	Reference for price determination Basis (Note 1)	Purpose of acquisition and state of use	Other agreements
Tai-Tech Advanced Electronics Co., Ltd.	Industrial land and plant	113.7.10	$ 245,000	$ 245,000	Excellence Electronic Co., Ltd.	Non-related party	N/A	N/A	N/A	N/A	Appraisal amount of professional an appraisal institution and market price, etc.	For use by the R&D Center, it integrates the business, management, and logistics departments. It is still under renovation.	

Note 1: For assets acquired requiring appraisal, it is necessary to indicate the appraisal results in the "Reference basis for price determination."

Note 2: The date of occurrence refers to the any one of the following dates of transaction contract signing date, payment day, commissioning date, transfer date, board resolution date or other dates where the transaction
transaction amount are confirmed.

Tai-Tech Advanced Electronics Co., Ltd. and Subsidiaries

Transaction with Related Party That Reaches NT$100 Million or 20% or More of Paid-in Capital

January 1 to December 31, 2024

Table 6

Unit: NT$ thousand
(unless otherwise specified)

			Transaction Details				Abnormal Transaction and Reason		Notes/Accounts receivable (payable)		
Purchaser/Seller	Transaction party name	Relationship	Purchase (sale)	Amount	Percentage of total purchase (sale)	Payment terms	Unit price	Payment terms	Balance	Percentage of total notes/accounts receivable (payable)	Remarks
Tai-Tech Advanced Electronics Co., Ltd.	TAIPAQ Electronic Components (Si-Hong) Co., Ltd.	Parent-subsidiary	Sales	(401,620)	11%	Note 1	Note 1	-	181,588	14%	
Tai-Tech Advanced Electronics Co., Ltd.	Superworld Electronics (S) Pte Ltd.	(Note 3)	Sales	(291,109)	8%	Note 2	Note 2	-	88,675	7%	
Tai-Tech Advanced Electronics Co., Ltd.	Tai-tech Advanced Electronics (S) Pte . Ltd.	(Note 3)	Sales	(104,162)	3%	Note 2	Note 2	-	39,993	3%	
TAI-TECH Advanced Electronics (Kunshan) Co., Ltd.	Tai-Tech Advanced Electronics Co., Ltd.	Parent-subsidiary	Sales	(264,319)	39%	Note 1	Note 1	-	90,308	34%	
TAIPAQ Electronic Components (Si-Hong) Co., Ltd.	Tai-Tech Advanced Electronics Co., Ltd.	Parent-subsidiary	Sales	(2,051,606)	52%	Note 1	Note 1	-	768,883	46%	
TAIPAQ Electronic Components (Si-Hong) Co., Ltd.	TAI-TECH Advanced Electronics (Kunshan) Co., Ltd.	Associate	Sales	(109,200)	3%	Note 1	Note 1	-	38,352	2%	

Note 1: Transaction price adopts the general rules for the payment receipt period agreed by both parties.

Note 2: Transaction price and the payment receipt period adopts the general rules.

Note 3: Since October 2024, the Company's relations with the Group have been changed from the category of other related parties to that of associates.

Tai-Tech Advanced Electronics Co., Ltd. and Subsidiaries
Receivables Due from Related Party That Reach NT$100 Million or 20% or More of Paid-in Capital
December 31, 2024

Table 7

Unit: NT$ thousand
(unless otherwise specified)

Company of accounts receivable recognized	Transaction party name	Relationship	Balance of accounts receivables due from related party		Turnover rate	Overdue amount of accounts receivable from related party		Amounts received from related parties in subsequent period	Allowance for Impairment Loss
						Amount	Treatment method		
Tai-Tech Advanced Electronics Co., Ltd.	TAIPAQ Electronic Components (Si-Hong) Co., Ltd.	Parent-subsidiary	Accounts Receivable	$ 181,588	2.88	$ -	-	$ 25,986	$ -
TAIPAQ Electronic Components (Si-Hong) Co., Ltd.	Tai-Tech Advanced Electronics Co., Ltd.	Parent-subsidiary	Accounts Receivable	768,883	3.26	-	-	364,250	-

Tai-Tech Advanced Electronics Co., Ltd. and Subsidiaries

The Business Relationship, Significant Transactions, and Significant Transaction Amount between Parent company and Subsidiaries or among Subsidiaries

January 1 to December 31, 2024

Table 8

Unit: NT$ thousand
(unless otherwise specified)

No. (Note 1)	Name of transaction party	Transaction party	Relationship with transaction party (Note 2)	Transaction details			
				Item	Amount	Transaction terms	Percentage of consolidated total revenue or total assets
0	Tai-Tech Advanced Electronics Co., Ltd.	TAIPAQ Electronic Components (Si-Hong) Co., Ltd.	1	Sales revenue	401,620	Note 3	7%
0	Tai-Tech Advanced Electronics Co., Ltd.	TAIPAQ Electronic Components (Si-Hong) Co., Ltd.	1	Accounts Receivable	181,588		1%
0	Tai-Tech Advanced Electronics Co., Ltd.	TAIPAQ Electronic Components (Si-Hong) Co., Ltd.	1	Sale of fixed Asset	87,217	Note 3	1%
0	Tai-Tech Advanced Electronics Co., Ltd.	TAIPAQ Electronic Components (Si-Hong) Co., Ltd.	1	Accounts payable	768,883		6%
0	Tai-Tech Advanced Electronics Co., Ltd.	TAIPAQ Electronic Components (Si-Hong) Co., Ltd.	1	Purchase	2,051,606	Note 3	37%
0	Tai-Tech Advanced Electronics Co., Ltd.	TAI-TECH Advanced Electronics (Kunshan) Co., Ltd.	1	Purchase	264,319	Note 3	5%
0	Tai-Tech Advanced Electronics Co., Ltd.	TAI-TECH Advanced Electronics (Kunshan) Co., Ltd.	1	Accounts payable	90,308		1%
0	Tai-Tech Advanced Electronics Co., Ltd.	NORTH STAR INTERNATIONAL LIMITED	1	Other payables	96,716		1%
2	TAI-TECH Advanced Electronics (Kunshan) Co., Ltd.	TAIPAQ Electronic Components (Si-Hong) Co., Ltd.	2	Sales revenue	71,963	Note 3	1%
2	TAI-TECH Advanced Electronics (Kunshan) Co., Ltd.	TAIPAQ Electronic Components (Si-Hong) Co., Ltd.	2	Purchase	109,200	Note 3	2%
2	TAI-TECH Advanced Electronics (Kunshan) Co., Ltd.	TAIPAQ Electronic Components (Si-Hong) Co., Ltd.	2	Accounts payable	38,352		0%

Note 1: The business dealing information between the parent company and subsidiary shall be, respectively, indicated in the numbering column and there are two types of number filling methods as follows:

(1) Fill in “0” for the parent company.

(2) Subsidiaries are listed in sequential order starting from Arabic number of “1”

Note 2: There are two types of relationship with the transaction party as follows:

(1) Parent company to subsidiary

(2) Subsidiary to parent company

Note 3: Transaction price adopts the general rules for the payment receipt period agreed by both parties.

Note 4: The disclosure standard of the business relationship and important transactions between the parent and subsidiary companies from January 1 to December 31, 2024 is NT$30 million or more

Tai-Tech Advanced Electronics Co., Ltd. and Subsidiaries

Names and Location of Investees (Excluding those in Mainland China)

January 1 to December 31, 2024

Table 9

Unit: NT$ thousand

(unless otherwise specified)

				Initial investment amount		End of term holding					
Name of Investor	Name of Investee	Location	Main business	End of current period	End of last year	Number of shares (In Thousands of Shares)	ratio	Carrying amount	Current profit/loss of investee	Current investment profit/loss recognized	Remarks
Tai-Tech Advanced Electronics Co., Ltd.	NORTH STAR INTERNATIONAL LIMITED	Samoa	Re-invested business	3,459	3,459	100	100%	97,591	1,589	1,589	
Tai-Tech Advanced Electronics Co., Ltd.	BEST BLISS INVESTMENTS LIMITED	Cayman Islands	Re-invested business	1,075,284	1,075,284	34,250	100%	4,605,982	416,115	414,491	
Tai-Tech Advanced Electronics Co., Ltd.	TECHWORLD ELECTRONICS SINGAPORE PTE. LTD.	Singapore	Reinvestment and trading business	191,931	96,045	6,000	60%	188,230	(2,870)	(1,722)	
Tai-Tech Advanced Electronics Co., Ltd.	APAQ Technology Co., Ltd.	Taiwan	Electronic components	1,450,000	1,450,000	25,000	28.10%	1,717,727	534,394	124,725	Note 1
Tai-Tech Advanced Electronics Co., Ltd.	JDX Technology Co., Ltd.	Taiwan	Electronic components	13,347	8,000	2,500	83.33%	7,258	(7,309)	(2,360)	
Tai-Tech Advanced Electronics Co., Ltd.	Superworld Holdings (S) Pte. Ltd.	Singapore	Re-invested business	261,360	-	2,700	13.50%	269,451	226,125	8,091	
BEST BLISS INVESTMENTS LIMITED	FIXED ROCK HOLDING LTD.	Seychelles	Re-invested business	890,624	890,624	26,450	100%	2,687,347	221,597	221,597	
BEST BLISS INVESTMENTS LIMITED	Superworld Holdings (S) Pte. Ltd.	Singapore	Re-invested business	21,156	21,156	2,000	10%	191,355	226,125	5,994	
TECHWORLD ELECTRONICS SINGAPORE PTE. LTD.	TECHWORLD ELECTRONICS (M) SDN. BHD.	Malaysia	Electronic components	292,462	19,632	43,000	100%	299,210	(1,802)	(1,802)	

Note 1: Based on the audit reports issued by other CPAs during the same period.

Tai-Tech Advanced Electronics Co., Ltd. and Subsidiaries
Information on Investments in Mainland China - Basic Information
January 1 to December 31, 2024

Table 10

Unit: NT$ thousand
(unless otherwise specified)

Name of investee in Mainland China	Main business	Paid-in capital	Investment method	Accumulated outward remittance for investment from Taiwan at beginning of the current period	Outward remittance or repatriation for investment		Cumulative outward remittance of the investment amount from Taiwan in the period end (Note 8)	Current profit/loss of investee	Ownership percentage of direct or indirect investment	Current Investment profit/loss recognized (Note 4)	Carrying amount at end of the period (Note 4)	Accumulated repatriation of investment income as of end of current period	Remarks
					Outward remittance	Repatriation							
TAI-TECH Advanced Electronics (Kunshan) Co., Ltd.	Production, processing and sale of electronic components	384,904	Investment in Mainland China companies through a company invested and established in a third region (Note 1)	$ 352,249	$ -	$ -	$ 352,249	$ 87,636	100%	$ 87,636	$ 775,333	$ -	
TAIPAQ Electronic Components (Si-Hong) Co., Ltd.	Production, processing and sale of electronic components	1,343,832	Investment in Mainland China companies through a company invested and established in a third region (Note 2)	600,232	-	-	600,232	299,308	100%	299,308	3,589,158	-	
TAI-TECH Advanced Electronics (Shenzhen) Co., Ltd.	Sales of electronic components	-	Investment through companies in mainland China (Note 3)	-	-	-	-	-	-	-	-	-	Note 3

Provider	Accumulated outward remittance for investment in China region at end of the period (Notes 5, 6, and 9)	Investment amount approved by Investment Commission, MOEA (Notes 7 and 9)	Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA
Tai-Tech Advanced Electronics Co., Ltd.	$ 1,412,662	$ 1,453,785	$ 4,564,630

Note 1: 100% invested by Best Bliss Investments Limited 100%.

Note 2: Best Bliss Investments Limited and Fixed Rock Holding Ltd. hold 26.60% and 73.40%, respectively.

Note 3: The company is 100% invested by TAIPAQ Electronic Components (Si-Hong) Co., Ltd, but there was no capital injection as of December 31, 2024.

Note 4: The parent company's CPA in Taiwan audited the financial report.

Note 5: The Company liquidated TAI-TECH Advanced Electronics (Dongguan) in 2015 and the accumulated investment loss amount is USD 1,513 thousand.

Note 6: NTD is calculated based on the historical exchange rate.

Note 7: NTD is calculated based on rate of the balance sheet date

Note 8: The amount invested with a third place's self-owned funds is not included.

Note 9: At the end of the period, the accumulated investment amount remitted from Taiwan to mainland China was US$44,343 thousand, and the investment amount approved by the Investment Commission, MOEA, was US$44,343 thousand.

Tai-Tech Advanced Electronics Co., Ltd. and Subsidiaries

Major Shareholder Information

December 31, 2024

Table 11

Major shareholders	Shares	
	Number of shares held	Shareholdings Percentage
Superworld Holdings (S) Pte. Ltd. investment account under custody of First Commercial Bank	10,207,649	10.00%
Hengyang Investment Co., Ltd.	6,540,995	6.41%
Northwest Investment Co., Ltd.	6,121,718	5.99%

Explanation: The Company obtains the information of this table from the Taiwan Depository and Clearing Corporation:

(1) This table is based on the information provided by the Taiwan Depository and Clearing Corporation for shareholders holding greater than 5% of the shares completed the process of registration and book-entry delivery in dematerialized form (including treasury stocks) of the Company at the last business date of each quarter.

There may be a discrepancy in the number of shares recorded on the Company’s financial statements and its dematerialized securities arising from the difference in basis of preparation.

(2) For the table above, the shareholder who delivers the shares to the trust is disclosed by the individual trustee who opened the trust account. In accordance with the Security Exchange Act, the shareholders have to disclose the insider equity more than 10% of the shares,

including their own shares and their delivery to the trust and have the right to make decisions on the trust property. Information on insider equity is available on the Market Observation Post System (MOPS) website. Information on equity is available on the MOPS of TWSE website.