Stock Code：8155

ALLIED CIRCUIT CO., LTD

Individual Financial Statements and INDEPENDENT AUDITORS' REPORT

Fiscal Years 2024 and 2023

Company Address: No. 128, Gong 2nd Road, Wulin Liv, Longtan District, Taoyuan City
Phone: (03)499-2500

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

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Auditor's Report

To the Board of Directors of ALLIED CIRCUIT CO., LTD:

Opinion

We have audited the financial statements of ALLIED CIRCUIT CO., LTD. (the " Company"), which comprise the balance sheets as of December 31, 2024 and 2023, the statement of comprehensive income, changes in equity and cash flows for the years ended December 31, 2024 and 2023, and notes to the financial statements, including a summary of significant accounting policies.

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

Basis for Opinion

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

Key Audit Matters

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

1. Inventory Valuation

Please refer to Note (4)(7) and Note (5) for the accounting policy of inventory valuation, as well as the estimation and assumption uncertainty of the valuation of inventory, respectively. Information of

estimation of the valuation of inventory are disclosed in Note (6)(4) of the financial statements.

Description of key audit matters:

The company is engaged in the manufacturing and sales of printed circuit boards (double-sided and multi-layer boards). Since most of the orders are customized products, if the products produced exceed the customer's order quantity, there may be a loss for market price decline of such inventory, due to the net realizable value of inventory is lower than the cost of inventory. Therefore, the valuation of inventory is one of the key audit matters.

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

The accountant's main audit procedures for the above key audit matters included testing the relevant controls of the cost operation cycle, evaluating the policy of the Company relating to allowance to reduce inventory to market, and whether it has been provided in accordance with the Generally Accepted Accounting Standards. In addition, audit procedures included the review of the inventory management report and the evaluation of the net realizable value basis used for the portion of the product produced that exceeds the customer order quantity to verify the rationality of the management's assessment of the net realizable value of inventory.

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

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

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

Those charged with governance (including members of the Audit Committee) are responsible for overseeing the Company’s financial reporting process.

Auditor’s Responsibilities for the Audit of the Financial Statements

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

The auditor, in accordance with audit standards, applies professional judgment and professional skepticism. The auditor also performs the following tasks:

1. Audit procedures performed vary in nature and timing and include assessing the risks of material misstatement of the financial statements, whether due to fraud or error, and responding appropriately to those risks. Such responses include the consideration of the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the investment in other entities accounted for using the equity method to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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

We also provide those charged with governance with a statement that the necessary procedures regarding independence have been followed and communicate any relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's 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.

KPMG

Taipei, Taiwan (Republic of China)
February 21, 2025

Notes to Readers

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

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

ALLIED CIRCUIT CO., LTD

Balance Sheet

December 31, 2024 and 2023

Unit: Thousands of New Taiwan Dollars

		December 31, 2024		December 31, 2023	
	Assets	Amount	%	Amount	%
	Current assets：				
1100	Cash and cash equivalents (note (6)(1))	$ 557,682	14	663,428	20
1170	Notes and accounts receivable, net (note (6)(2) and (6)(17))	1,306,794	34	1,092,182	33
1200	Other receivables (note (6)(3))	55,955	1	9,034	-
1310	Inventories (note (6)(4))	607,959	16	373,762	11
1410	Prepayments and Other current assets	54,084	1	37,495	1
	Sub-total	2,582,474	66	2,175,901	65
	Non-current assets：				
1550	Investments accounted for under equity method (note (6)(5))	4,480	-	4,185	-
1600	Property, plant and equipment (note (6)(6))	1,246,384	33	1,125,359	34
1801	Computer software, net	5,491	-	5,696	-
1900	Other non-current assets (note (6)(7) and (6)(12) and (6)(13))	51,575	1	36,181	1
	Sub-total	1,307,930	34	1,171,421	35
	Total assets	**$ 3,890,404**	**100**	**3,347,322**	**100**

		December 31, 2024		December 31, 2023	
	Liabilities & Stockholders' Equity	Amount	%	Amount	%
	Current liabilities:				
2100	Short-term borrowings (Notes 6(8))	$ 145,893	4	186,993	6
2170	Notes and accounts payable	995,868	25	598,016	18
2200	Other payables and Other Current Liabilities (Notes 6(9), 6(11) and 6(17))	475,276	12	330,107	10
2230	Current income tax liabilities	24,669	1	38,487	1
2365	Current refund liabilities (Notes 6(10))	38,041	1	48,547	1
	Sub-total	1,679,747	43	1,202,150	36
	Non-current liabilities:				
2570	Deferred tax liabilities (Notes 6(11) and 6(13))	7,707	-	9,412	-
	Total Liabilities	1,687,454	43	1,211,562	36
	Equity (Notes 6(14) and 6(15)):				
3100	**Share Capital**	509,805	13	512,030	15
3200	**Capital surplus**	476,279	12	550,587	16
	Retained earnings:				
3310	Legal reserve	336,124	9	315,574	9
3320	Special reserve	518	-	440	-
3350	Unappropriated earnings	884,964	23	821,673	25
		1,221,606	32	1,137,687	34
3400	Other equity	(4,740)	-	(64,544)	(1)
	Total Equity	2,202,950	57	2,135,760	64
	Total Liabilities and Equity	**$ 3,890,404**	**100**	**3,347,322**	**100**

(Please refer to the accompanying individual financial statements Notes)

Chairman: **Chang Yung-Ching** Manager: Hung Hui-Long Chief Accountant: Shen Kung-Wen

ALLIED CIRCUIT CO., LTD

Comprehensive Income Statement

From January 1, 2024 to December 31, 2024and from January 1, 2023 to December 31, 2023

Unit: Thousands of New Taiwan Dollars

		2024		2023	
		Amount	%	Amount	%
4100	**Net sales revenue (Notes 6(17) and 7)**	$ 3,615,755	100	2,892,409	100
5000	**Operating costs (Notes 6(4), 6(12), 6(18) and 12)**	3,035,959	84	2,385,934	82
	Gross profit (loss)	579,796	16	506,475	18
	Total operating expenses (Notes 6(12), 6(15), 6(18) and 12):				
6100	Selling expenses	83,364	2	37,829	1
6200	General and administrative expenses	134,474	4	150,314	5
6300	Research and development expenses	111,977	3	101,587	4
6450	Expected credit loss (Notes 6(2))	1,999	-	312	-
	Total operating expenses	331,814	9	290,042	10
	Operating profit	247,982	7	216,433	8
	Non-operating income and expenses:				
7100	Interest income	9,378	-	10,952	-
7020	Other gains and losses	18,515	-	21,198	-
7375	Share of loss of Subsidiaries, associates and joint ventures accounted for using the equity method	148	-	41	-
7230	Foreign currency exchange losses (Notes 6(19))	1,563	-	(4,211)	-
7510	Interest expenses (Notes 6(11))	(12,524)	-	(10,935)	-
		17,080	-	17,045	-
7900	Profit before income tax	265,062	7	233,478	8
7950	Income tax expense(Notes 6(13))	28,706	-	29,358	1
	Net profit	236,356	7	204,120	7
8300	Other comprehensive income (loss):				
8310	Components of other comprehensive income that will not be reclassified to profit or loss				
8311	Remeasurement of defined benefit obligation (Notes 6(12))	658	-	1,724	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss (Notes 6(13))	132	-	345	-
	Components of other comprehensive income that will not be reclassified to profit or loss	526	-	1,379	-
8360	Components of other comprehensive income that will be reclassified to profit or loss				
8361	Exchange Differences Arising on Translation of Foreign Operations	147	-	(78)	-
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	-	-	-	-
	Components of other comprehensive income that will be reclassified to profit or loss	147	-	(78)	-
8300	Other comprehensive income (loss), net of income tax	673	-	1,301	-
8500	Total comprehensive income (loss)	**$ 237,029**	**7**	**205,421**	**7**
	Earnings per share (Notes 6(16))				
9750	Basic earnings per share	**$**	**4.69**		**4.08**
9850	Diluted earnings per share	**$**	**4.64**		**4.02**

(Please refer to the accompanying individual financial statements Notes)

Chairman: Chang Yung-Ching Manager: Hung Hui-Long Chief Accountant: Shen Kung-Wen

ALLIED CIRCUIT CO., LTD

Statement of Changes in Equity

January 1, 2023, to December 31, 2024

Unit: Thousands of New Taiwan Dollars

			Retained earnings				Other Equity Interests			
	Common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Total	Foreign operation entity financial statements Exchange differences arising on translation	Employee unearned compensation	Total	Total Equity
Balance on January 1, 2023	$ 512,310	553,261	259,599	499	1,046,076	1,306,174	(440)	(113,467)	(113,907)	2,257,838
Appropriation and distribution of retained earnings:										
Legal reserve appropriated	-	-	55,975	-	(55,975)	-	-	-	-	-
Reversal of special reserve	-	-	-	(59)	59	-	-	-	-	-
Cash dividends	-	-	-	-	(373,986)	(373,986)	-	-	-	(373,986)
	-	-	55,975	(59)	(429,902)	(373,986)	-			(373,986)
Net profit	-	-	-	-	204,120	204,120	-	-	-	204,120
Other comprehensive income (loss)	-	-	-	-	1,379	1,379	(78)	-	(78)	1,301
Total comprehensive income	-	-	-	-	205,499	205,499	(78)	-	(78)	205,421
Share-based payment	(280)	(2,674)	-	-	-	-	-	49,441	49,441	46,487
Balance at December 31, 2023	512,030	550,587	315,574	440	821,673	1,137,687	(518)	(64,026)	(64,544)	2,135,760
Appropriation of earnings :										
Legal reserve appropriated	-	-	20,550	-	(20,550)	-	-	-	-	-
Special reserve appropriated	-	-	-	78	(78)	-	-	-	-	-
Cash dividends	-	-	-	-	(152,963)	(152,963)	-	-	-	(152,963)
	-	-	20,550	78	(173,591)	(152,963)	-			(152,963)
Capital surplus dividends		(30,593)								(30,593)
Net profit	-	-	-	-	236,356	236,356	-	-	-	236,356
Other comprehensive income (loss)	-	-	-	-	526	526	147	-	147	673
current Total comprehensive income	-	-	-	-	236,882	236,882	147	-	147	237,029
Share-based payment	(2,225)	(43,715)	-	-	-	-	-	59,657	59,657	13,717
Balance at December 31, 2024	**$ 509,805**	**476,279**	**336,124**	**518**	**884,964**	**1,221,606**	**(371)**	**(4,369)**	**(4,740)**	**2,202,950**

(Please refer to the accompanying individual financial statements Notes)

Chairman: Chang Yung-Ching　　Manager: Hung Hui-Long　　Chief Accountant: Shen Kung-Wen

ALLIED CIRCUIT CO., LTD

Cash Flow Statement

For the years ended December 31, 2024, and December 31, 2023

Unit: Thousands of New Taiwan Dollars

	2024	2023
Cash flows from operating activities:		
Profit before tax	$ 265,062	233,478
Adjustment items:		
Income (gain) and expense (loss) items		
Depreciation expenses	176,092	147,863
Amortization	8,085	6,517
Expected credit loss	1,999	312
Interest expenses	12,524	10,935
Interest income	(9,378)	(10,952)
Dividend income	13,717	46,487
Share of profit of equity accounted investees	(148)	(41)
Loss (gain) on disposal and scrap of property, plant and equipment	(1,974)	(2,945)
Others	(590)	(2,188)
Total adjustments to reconcile profit (loss)	200,327	195,988
Changes in operating assets and liabilities:		
Changes in operating assets:		
Decrease (increase) in notes and accounts receivable	(216,611)	(17,103)
(Increase) decrease in other receivables	(47,245)	31,839
(Increase) decrease in inventories	(234,197)	113,633
Decrease (increase) in prepaid expenses and other current assets	(16,589)	7,288
(Increase) decrease in other current assets	(1,151)	(994)
Total changes in operating assets	(515,793)	134,663
Changes in operating liabilities:		
(Decrease) increase in notes and accounts payable	397,852	107,852
Increase in other payables	114,407	(96,001)
Increase in refund liabilities	(10,506)	1,011
Increase in other current liabilities	-	-
Total changes in operating liabilities	501,753	12,862
Total changes in operating assets and liabilities	(14,040)	147,525
Total adjustments	186,287	343,513
Cash inflow (outflow) generated from operations	451,349	576,991
Interest received	9,702	11,699
Interest paid	(12,438)	(11,133)
Income taxes paid	(49,311)	(81,887)
Net cash flows from (used in) operating activities	399,302	495,670
Cash flows from investing activities:		
Acquisition of property, plant and equipment	(262,087)	(231,677)
Proceeds from disposal of property, plant and equipment	2,932	2,945
Decrease in guarantee deposits	(3,600)	20
Acquisition of intangible assets	(7,880)	(9,713)
Increase in prepayments for equipment	(7,128)	(4,730)
Net cash flows used in investing activities	(277,763)	(243,155)
Cash flows from financing activities:		
Increase in short-term borrowings	585,572	679,080
Decrease in short-term borrowings	(626,672)	(737,767)
Increase (Decrease) in guarantee deposits received	(356)	(452)
Repayment of lease principle	(2,273)	(3,263)
Cash dividends paid	(183,556)	(373,986)
Net cash flows (used in) from financing activities	(227,285)	(436,388)
Net increase (decrease) in cash and cash equivalents	(105,746)	(183,873)
Cash and cash equivalents at beginning of period	663,428	847,301
Cash and cash equivalents at end of period	**$ 557,682**	**663,428**

(Please refer to the accompanying individual financial statements Notes)

Chairman: Chang Yung-Ching　　Manager: Hung Hui-Long　　**Chief Accountant:** Shen Kung-Wen

ALLIED CIRCUIT CO., LTD
Notes to the Individual Financial Statements
2024 and 2023
(Amounts in Thousands of New Taiwan Dollars, Unless Specified Otherwise)

(1) Company history

ALLIED CIRCUIT CO., LTD (hereinafter referred to as the Company) was established on April 26, 1995, with the approval of the Ministry of Economic Affairs. Originally named Jiafu Electronics Co., Ltd., the company was renamed on June 3, 2004. The main business activities of the company include the manufacturing, processing, and sales of printed circuit boards (both double-sided and multilayer).

(2) Approval Date and Procedures of the Financial Statements

The individual financial statements have been approved for release by the Board of Directors on February 27, 2024.

(3) Application of Newly Issued and Revised Standards and Interpretations

(1) The impact of newly issued and amended standards and interpretations approved by the Financial Supervisory Commission

The company has applied the following newly amended International Financial Reporting Standards (IFRS) accounting standards since January 1, 2024, and has not had a significant impact on the individual financial statements；

•Amendments to IAS 1 "Classification of liabilities as Current or Non-current"

•Amendments to IAS 1 "Non-current liabilities with contractual terms"

•Amendments to IAS 7 and IFRS 7 "Supplier Financing Arrangements"

•Amendments to IFRS 16 "Lease Liabilities in Sale-Leaseback""

(2) the impact of not adopting IFRS accounting standards recognized by the Financial Supervisory Commission

The company has assessed the application of the following newly amended IFRS accounting standards, effective from January 1, 2025, and determined that it will not have a significant impact on the individual financial statements.

·Amendments to IAS 21 "Lack of convertibility"

(3) Newly issued and amended standards and interpretations that have not yet been recognized by the Financial Supervisory Commission

The International Accounting Standards Board (IASB) has issued and amended standards

and interpretations that have not yet been endorsed by the Financial Supervisory Commission. Those potentially relevant to the company are as follows:

Newly Issued or Amended Standard	Major Amendments	Effective date issued by IASB
IFRS 18 Presentation and Disclosure of Financial Statements	The new standard introduces three categories of income and expenses, two subtotals in the income statement, and a single note on management performance measures. These three amendments and enhancements provide guidance on how to segment information in financial statements, laying the foundation for better and more consistent information for users and impacting all companies. •More structured income statement: Under current standards, companies use different formats to express their operating results, making it difficult for investors to compare the financial performance across companies. The new standard adopts a more structured income statement, introducing a newly defined "operating profit" subtotal and stipulating all income and expenses to be classified into three new distinct categories based on company's principal operating activities.	January 1, 2027

•Management Performance Measures (MPM): The new standard introduces a definition of management performance measures and requires companies to explain in a single note to the financial statements why each measure provides useful information, how it is calculated, and how the measure reconciles with amounts recognized under IFRS accounting standards.

•More segmented information: The new standard includes guidance on how companies can strengthen the grouping of information in their financial statements. This includes guidance on whether the information should be included in the primary financial statements or further segmented in the notes.

The Company is now continuously evaluating the impact of the above standards and interpretations on its financial position and operating results. Relevant impacts will be disclosed upon completion of the evaluation.

The Company expects that the following other newly issued and amended standards that not yet endorsed will not have a significant impact on the individual financial statements.

- •Amendments to IFRS 10 and IAS 28 " Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture"
- •IFRS 17 "Insurance Contracts" and Amendments to IFRS 17
- •IFRS 19 "Subsidiaries without Public Accountability: Disclosure"
- • Amendments to IFRS 9 and IFRS 7 "Classification and Measurement of Financial Instruments"
- •Annual improvement to IFRS Accounting Standards
- •Amendments to IFRS 9 and IFRS 7 "Contracts for Electricity Generated by Nature"

(4) Summary of significant accounting policies

The significant accounting policies presented in the parent-company-only financial statements are summarized as follows. The following accounting policies were applied consistently throughout the periods presented in the parent-company-only financial statements.

(1)Statement of Compliance

These parent-company-only financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

(2) Basis of Preparation

(1) Basis of measurement

Except for the significant items on the balance sheet below, these parent-company-only financial statements have been prepared on a historical cost basis:

1) Financial assets measured at fair value through profit or loss; and
2) Present value of defined benefit obligations, which are measured at the fair value of plan assets less the present value of the defined benefit obligations and the impact of the asset ceiling as described in Notes (14).

(2) Functional and presentation currency

The functional currency of the Company is determined based on the primary economic environment in which the Company operates. The parent-company-only financial statements are presented in New Taiwan Dollar, which is the Company's functional currency. All financial information presented in New Taiwan Dollar has been rounded to the nearest thousand.

(3) Foreign currency

(1) Foreign currency transaction

Transactions in foreign currencies are translated to the respective functional currencies of the Company at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items in a foreign currency that are measured based on historical cost are translated using the exchange rate at the date of transaction. Foreign currency differences arising on retranslation are recognized in profit or loss, except for the following differences which are recognized in other comprehensive income arising on the retranslation:

1) fair value through other comprehensive income financial assets;

2) a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; or

3) qualifying cash flow hedges to the extent the hedge is effective.

(2) Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to the Company's functional currency at exchange rates of the reporting date. The income and expenses of foreign operations are translated to the Company's functional currency at average rate. Foreign currency differences are recognized in other comprehensive income, and presented in the foreign currency translation differences in equity.

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

When the settlement of a monetary item receivable from or payable to a foreign operation is either planned nor likely in the foreseeable future, foreign currency gains and losses arising from such items are considered to form part of a net investment in the foreign operation and are recognized in other comprehensive income, and presented in the translation reserve in equity.

(4) Classification criteria for Assets and Liabilities as Current and Non-current an asset is classified as current under one of the following criteria, and all other assets are classified as non-current:

(1) It expects to realize the asset, or intends to sell or consume it, in its normal operating cycle;

(2) It holds the asset primarily for the purpose of trading;

(3) It expects to realize the asset within twelve months after the reporting period; or

(4) The asset is cash and cash equivalents unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

A liability is classified as current under one of the following criteria, and all other liabilities are classified as non-current:

(1) It expects to settle the liability in its normal operating cycle;

(2) It holds the liability primarily for the purpose of trading;

(3) The liability is due to be settled within twelve months after the reporting period; or

(4) The Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not impact its classification.

(5) Cash and cash equivalents

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

(6) Financial instruments

Accounts receivable and debt securities issued are recognized at their inception. All other financial assets and financial liabilities are recognized at the inception of the company becoming a party to the financial instrument contract. Financial assets (excluding accounts receivable that do not contain significant financing components) or financial liabilities measured at fair value through other comprehensive income are initially measured at fair value plus any directly attributable transaction costs incurred. Accounts receivable that do not contain significant financing components are initially measured at transaction price.

(1) Financial assets

For financial assets purchased or sold under customary market practices, the Company uniformly applies trade date accounting for all purchases and sales of financial assets classified in the same manner.

At initial recognition, financial assets are classified as either measured at amortized cost or measured at fair value through profit or loss.

The Company only reclassifies all affected financial assets from the first day of the next reporting period when there is a change in the business model for managing financial assets.

1) Financial assets measured at amortized cost

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

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and

- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Such assets are subsequently measured at the amortized cost which is the amount at which the financial asset was measured at initial recognition minus principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between the initial recognized amount and the maturity amount and, for financial assets, adjusted for any loss allowance.

Interest income, foreign exchange gains and losses, and impairment loss, are recognized in profit or loss. Gain or loss on derecognition is recognized in profit or loss. In the case of a purchase or sale of financial assets that requires delivery within the time frame established by regulation or market convention (known as 'regular way' purchases or sales), the transaction is recognized using trade date accounting.

2) Financial assets measured at fair value through profit or loss

Financial assets not measured at amortized cost are measured at fair value through profit or loss. Financial assets that are held for trading or are expected to be sold shortly after purchase are measured at fair value through profit or loss.

Gain or loss on such financial assets is recognized in profit or loss. The net gains or losses include any dividend or interest earned on the financial asset.

3) Impairment of financial assets

The Company recognizes an impairment loss for all financial assets that are not measured at fair value through profit or loss, including accounts receivable and loans and receivables, which are subject to the impairment provisions of IFRS 9.

The Company measures loss allowances at an amount equal to lifetime expected credit loss (“ECL”), except for the following which are measured as 12-month ECL:

· Debt securities that are determined to have low credit risk at the reporting date; and

· Other debt securities and bank balances for which credit risk (i.e., the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

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

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

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

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

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

If the credit rating of a financial instrument equals the globally defined 'investment grade' (i.e., Standard & Poor's BBB-, Moody's Baa3, or Taiwan Ratings Corporation's TWA rating, or higher), the Company regards the credit risk of that debt security as low. The Company's time deposits, as the counter parties and contracting parties involved are financial institutions rated above investment grade, are considered to have low credit risk.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Company considers a financial asset to be in default when the financial asset is more than 90 days past due or the borrower is unlikely to pay its credit obligations to the Company in full.

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

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

·Significant financial difficulty of the borrower or issuer;

·A breach of contract such as a default or being more than 120 days past due;

·The lender of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession that the lender would not otherwise consider;

· It is probable that the borrower will enter bankruptcy or other financial reorganization; or

· The disappearance of an active market for a security because of financial difficulties.

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

When the company determines that it is unable to reasonably expect the recovery of the financial assets in whole or in part, it directly reduces the total carrying amount of those financial assets. For corporate accounts, the company individually analyzes the timing and number of write-offs based on whether the recovery can be reasonably expected. The company does not anticipate significant reversals of amounts written off. However, the financial assets that have been written off remain enforceable to meet the company's procedures for recovering overdue amounts.

4) Derecognition of financial assets

The company only derecognizes financial assets when the contractual rights to the cash flows from the asset expire, or when the financial asset has been transferred and substantially all risks and rewards of ownership of the asset are transferred to another entity, or when substantially all risks and rewards have not been transferred nor retained control over the financial asset.

If the company retains substantially all risks and rewards of ownership of transferred financial assets, it continues to recognize those assets on its balance sheet.

(2) Financial liabilities and equity instruments

1) Classification of debt or equity

The debt and equity instruments issued by the company are classified as financial liabilities or equity based on the substance of the contractual agreements and the definitions of financial liabilities and equity instruments.

2) Financial liabilities

Financial liabilities are classified as either amortized cost or measured at fair value through profit or loss. If a financial liability is held for trading, is a derivative instrument, or is designated at fair value through profit or loss upon initial recognition, it is classified as measured at fair value through profit or loss. Financial liabilities measured at fair value through profit or loss are measured at fair value, with related net gains and losses, including any interest expense, recognized in profit or loss.

Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expenses and exchange gains or losses are recognized in profit or loss. Any gains or losses upon derecognition are also recognized in profit or loss.

3) Derecognition of financial liabilities

The company derecognizes financial liabilities when the contractual obligations are fulfilled, canceled, or expired. If the terms of a financial liability are modified and the cash flows of the modified liability are significantly different, the original financial

liability is derecognized, and a new financial liability is recognized at fair value based on the modified terms.

When derecognizing financial liabilities, the difference between the carrying amount and the total consideration paid or payable (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss.

4) Offsetting of financial assets and liabilities

The Company presents financial assets and liabilities on a net basis when the Company has the legally enforceable right to offset and intends to settle such financial assets and liabilities on a net basis or to realize the assets and settle the liabilities simultaneously.

(3) Derivative financial instruments and

The company holds derivative financial instruments to hedge against foreign exchange and interest rate risks. Embedded derivative instruments are separated from the host contract when certain conditions are met and the host contract is not a financial asset. Derivative instruments are initially measured at fair value upon recognition; subsequent changes in fair value are recognized directly in profit or loss.

(7) Inventories

Inventories are measured at the lower of cost and net realizable value. The cost of inventories is based on the weighted-average-cost principle and includes expenditure incurred

in acquiring the inventories, production or transition costs, and other costs incurred in bringing them to their existing location and condition. In the case of manufactured inventories and work in progress, cost includes an appropriate share of production overheads based on normal operating capacity.

Net realizable value is the estimated selling price in the ordinary course of business, less, the estimated costs of completion and selling expenses.

(8) Investment in subsidiaries

When preparing the parent-company-only financial statements, investment in subsidiaries which are controlled by the Company is accounted for using the equity method. Under the equity method, the amounts of net income, other comprehensive income and equity attributable to shareholders of the Company in the parent-company-only financial statement are equal to those in the consolidated financial statements.

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

(9) Property, plant and equipment

(1) Recognition and measurement

不Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

When significant components of property, plant, and equipment have different useful lives, they are treated as separate items (major components) of property, plant, and equipment.

The gains or losses on disposal of property, plant, and equipment are recognized in the income statement.

(2) Subsequent cost

Subsequent expenditure is capitalized only when it is probable that the future economic benefits associated with the expenditure will flow to the Company.

(3) Depreciation

Depreciation is calculated by deducting the residual value from the asset cost and recognizing it in the income statement over the estimated useful life of each component using the straight-line method.

Land has an unlimited useful life and therefore is not depreciated.

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

(1) Buildings 52 years

(2) Buildings and associated equipment 5 years

(3) Machinery and equipment 3-12 years

(4) Other equipment 3-17 years

The major components of buildings, structures, and equipment mainly include the main building of the factory, fire protection systems, and electroplating equipment, each depreciated over their respective useful lives.

The company reviews depreciation methods, useful lives, and residual values on each annual reporting date, adjusting them as necessary.

(10) Leases

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

(1) As a lessee

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

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

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

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

(1) fixed payments, including in-substance fixed payments; and

(2) variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date.

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

(1) there is a change in future lease payments arising from the change in an index or rate;

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

(3) Modifications to lease agreements, scope, or other terms.

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

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

The company presents the right-of-use assets that do not meet the definition of investment property (recognized under other non-current assets) and lease liabilities (recognized under other current and non-current liabilities) in the balance sheet.

For leases of low-value assets, the company chooses not to recognize the right-of-use assets and lease liabilities. Instead, it recognizes the related lease payments as an expense on a straight-line basis over the lease term.

The company chooses to adopt a practical expedient for lease modifications that meet all of the following criteria, without assessing whether they constitute lease modifications:

(1) Rent concessions granted as a direct consequence of the COVID-19 pandemic;

(2) Changes in lease payments resulting in a revised consideration for the lease that is substantially the same as or less than the consideration before the change;

(3) Any reduction in lease payments only affects payments originally due on or before June 30, 2022; and

(4) There are no substantive changes to the other terms and conditions of the lease.

Under the practical expedient approach, any changes in lease payments resulting from rent concessions are recognized in profit or loss upon the occurrence of the triggering event or circumstances that initiate the rent concession.

(2) As a lessor

When the Company acts as a lessor, it determines at lease commencement whether each lease is a finance lease or an operating lease. To classify each lease, the Company makes an overall assessment of whether the lease transfers to the lessee substantially all of the risks and rewards of ownership incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then the lease is an operating lease. As part of this assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

(11)Intangible assets

1. Recognition and measurement

Expenditure on research activities is recognized in profit or loss as it occurs.

Development expenditure is capitalized only when it can be measured reliably, the technical and commercial feasibility of the product or process is established, future economic benefits are likely to flow to the company, and the company intends and has sufficient resources to complete the development and use or sell the asset. Other development expenditures are recognized in profit or loss as incurred. After initial recognition, capitalized development costs are measured at their cost less accumulated amortization and accumulated impairment losses.

The company acquires other intangible assets with finite useful lives that are measured at cost less accumulated amortization and accumulated impairment losses.

2. Subsequent expenditures

Subsequent expenditures are only capitalized when they increase the future economic benefits embodied in the specific asset to which they relate. All other expenditures are expensed when incurred.

3. Amortization

Amortization is calculated as the difference between the cost of the asset and its estimated residual value and is recognized in profit or loss on a straight-line basis over the estimated useful life of the intangible asset from the date the asset is available for use.

The company's main intangible asset - computer software costs are amortized on a straight-line basis over an estimated useful life of 1-2 years from the date the asset is available for use, and amortization charges are recognized in profit and loss.

The company reviews the amortization methods, useful lives, and residual values of intangible assets on each annual reporting date, and adjusts them as necessary.

(12)Impairment of non-derivative financial assets

The company evaluates on each reporting date whether there are indications that the carrying amount of non-financial assets (excluding inventories and deferred tax assets) may be impaired. If any indication exists, the recoverable amount of the asset is estimated.

For the purpose of impairment testing, assets that generate predominantly independent cash inflows from other individual assets or groups of assets are identified as the smallest identifiable group of assets.

The recoverable amount is the higher of the fair value less costs of disposal and the value in use of the individual asset or cash-generating unit. If the recoverable amount of an individual asset or cash-generating unit is less than the carrying amount, the carrying amount of the individual asset or cash-generating unit is reduced to its recoverable amount, and an

impairment loss is recognized. The impairment loss is immediately recognized in profit or loss of the period.

(13)Revenue from contracts with customers

Revenue is measured at the fair value of the consideration expected to be entitled in exchange for transferring goods. The company recognizes revenue when it satisfies a performance obligation by transferring a promised good to a customer. The company provides the following explanation for the main revenue items:

1.Sale of goods

The company recognizes revenue when control of the products is transferred to the customer. This transfer of control refers to the products being delivered to customers who can entirely decide the marketing channels and pricing of the product and when there are no remaining unfulfilled performance obligations that could affect the customer's acceptance of the products. Delivery occurs when products are shipped to a specified location, the risks of obsolescence and loss have been transferred to the customer, and the customer acknowledges according to the sales contract that acceptance terms are no longer valid, or the company has objective evidence that all acceptance conditions have been satisfied.

The company provides trade discounts to its customers. Revenue is recognized based on the contract price net of an estimated trade discount, which is estimated using accumulated experience according to expected value and is only recognized to the extent that it is highly probable that a significant reversal will not occur. At the reporting date, the expected amounts payable to customers due to trade discounts are recognized as a refund liability.

The company recognizes receivables when goods are delivered, as the company has an unconditional right to consideration at that point.

2.Financing components

The company expects that the interval between the time when goods or services are transferred to customers under all customer contracts and the time when customers pay for the goods will not exceed one year. Therefore, the company does not adjust the transaction price for the time value of money.

(14)Employee benefits

1.Defined contribution plans

Contributory obligations for defined contribution pension plans are recognized as expenses during the period in which the employees provide service.

2.Defined benefit plans

The net obligation of the company under defined benefit retirement plans is calculated separately for each benefit plan by discounting to present value the number of future benefits earned by employees during the current and prior periods, minus any fair value of plan assets.

Defined benefit obligations are annually evaluated by a qualified actuary using the projected unit credit method. When results are in the company's favor, recognized assets are limited to the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan. When calculating the present value of economic benefits, any minimum funding requirements are considered.

Net defined benefit liability (asset) re-measurements, which include actuarial gains and losses, return on plan assets (excluding interest), and any changes in the asset ceiling effect (excluding interest), are immediately recognized in other comprehensive income (loss) and accumulated in retained earnings. The net interest expense (income) on the net defined benefit liability (asset) is determined using the net defined benefit liability (asset) and the discount rate at the start of the annual reporting period. Net interest expenses and other costs of defined benefit plans are recognized in profit or loss.

When a plan amendment or curtailment occurs, any resulting change in benefit related to past service costs or curtailment gains or losses is immediately recognized in profit or loss. The company recognizes gains or losses on the settlement of a defined benefit plan at the time of settlement.

3.Short term employee benefits

Short-term employee benefits are recognized as expenses when the service is provided.

For short-term cash bonus or profit-sharing plans, where a payable amount is expected to be disbursed as a result of past services provided by employees and the company has a current legal or constructive obligation that can be reliably estimated, such amounts are recognized as liabilities.

(15)Share-based payment

Equity-settled share-based payment arrangements are measured at the fair value of the goods or services received at the grant date, and expense is recognized over the vesting period, with a corresponding increase in equity. The recognized expense is adjusted based on the number of awards for which the relevant service and non-market performance conditions are

expected to be met; the final amount recognized is based on the number of awards that meet the service and non-market performance conditions on the vesting date.

For non-vesting conditions related to share-based payment awards, they are reflected in the measurement of fair value at the grant date of the equity instruments, and no adjustment to actual results is necessary.

The fair value of the cash-settled share appreciation rights to be paid to employees is recognized as an expense and a corresponding increase in liability over the period that the employees become unconditionally entitled to payment. The liability is remeasured at the fair value of the share appreciation rights at each reporting date and on the settlement date, with any change recognized in profit or loss.

The grant date of the company's share-based payment is the date when the board of directors passes the subscription price and approves the number of shares employees can subscribe to.

(16)Income taxes

Income taxes include current and deferred tax. Except for items relating to business combinations that are directly recognized in equity or in other comprehensive income (loss), current and deferred taxes are recognized in profit or loss.

The company determines that interest or penalties related to income taxes (including uncertainties in tax treatment) do not meet the definition of income taxes, thus they are treated following International Accounting Standard 37.

Current income tax includes the estimated payable or refundable income tax calculated based on the taxable income (loss) for the year, and any adjustments to the income tax payable or refundable for prior years. The amount reflects any uncertainty related to income taxes (if any), and at the reporting date, it is measured at the statutory tax rate or substantively enacted tax rate that is expected to apply to the period when the asset is realized or the liability is settled.

Deferred tax is recognized on temporary differences at the reporting date between the carrying amounts of assets and liabilities and their tax bases. Temporary differences that arise from the following situations do not result in deferred tax liabilities:

1.The initial recognition of assets or liabilities in a transaction that is not a business combination and, at the time of the transaction, affects neither accounting profit nor taxable income (loss) nor results in deductible temporary differences;

2.Temporary differences arising from investments in subsidiaries, associates, and interests in joint ventures where the company can control the timing of the reversal of the temporary differences, and it is probable that they will not reverse in the foreseeable future; and

3.Goodwill initially recognized resulting from taxable temporary differences.

For unused tax losses and tax credits carried forward, deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the losses can be utilized. At each reporting date, these are re-assessed and reduced to the extent that it is no longer probable that the related tax benefit will be realized; or reversed to the extent that it becomes probable that sufficient taxable income will be available.

Deferred tax is measured using the tax rates that are expected to apply in the period when the temporary difference reverses, based on tax rates enacted or substantively enacted at the reporting date.

The Company only offsets deferred tax assets and deferred tax liabilities when the following conditions are met simultaneously:

(1) The same taxpayer; or

(2) Different taxpayers, however, each entity intends to settle the current tax liabilities and assets on a net basis or simultaneously realize the assets and settle the liabilities in each future period of significant amounts of expected recoveries of deferred tax assets and settlement of deferred tax liabilities.

The part of the Unappropriated earnings subjected to the business income tax of the Company is recognized as Current tax expense after the profit distribution plan is approved in the next year's shareholders meeting.

(17)Earnings per share

The Company presents basic and diluted earnings per share attributable to ordinary Equity holders of the Company. The Company's basic earnings per share is calculated by dividing the profit or loss attributable to ordinary Equity holders of the Company, by the weighted average number of ordinary shares outstanding during the period. The diluted earnings per share is calculated by adjusting both the profit or loss attributable to ordinary Equity holders of the Company and the weighted average number of ordinary shares outstanding for the effects of all potential dilutive ordinary shares, which include employee awards yet to be approved by the board and issued as stock options and restricted shares issued to employees.

(18)Segment information

The Company has disclosed segment information in the consolidated financial statements, therefore individual financial statements do not disclose segment information.

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

When preparing these individual financial statements, management must make judgments, estimates, and assumptions that affect the adoption of accounting policies and the reported amounts of Assets, liabilities, income, and expenses. Actual results may differ from estimates.

The management continuously reviews estimates and underlying assumptions, and changes to accounting estimates are recognized during the period of change and in future periods affected.

Our company's accounting policies do not involve significant judgments that have a material impact on the amounts recognized in the individual financial statements.

The following uncertainties related to assumptions and estimates have a significant risk of causing a material adjustment to the carrying amounts of Assets and liabilities in the next financial year, with related information as follows:

Inventory Valuation

As inventories must be measured at the lower of cost and net realizable value, and the cost of inventories is written down to their net realizable value, our company assesses that the net realizable value of inventories as of the reporting date is lower than the cost due to production exceeding order quantities. For the estimation of Inventory Valuation, please refer to Notes 6(4).

(6) Explanation of significant accounts

(1)Cash and cash equivalents

	December 31, 2024	December 31, 2023
Cash on hand	$ 50	50
Checking accounts and demand deposits	202,632	92,318
Time deposits	355,000	571,060
	$ 557,682	**663,428**

The disclosure of the foreign exchange risk, interest rate risk, and sensitivity analysis of the financial assets of the company, please refer to Notes 6 (19).

(2)Notes and accounts receivable

	December 31, 2024	December 31, 2023
Accounts receivable – measured at amortized cost	$ 1,312,781	1,096,170
Less: allowance for uncollectible accounts	(5,987)	(3,988)
-	**$ 1,306,794**	**1,092,182**

The company assesses the receivables held for sale under the business model that aims to achieve objectives by selling financial assets, and thus measures such receivables at fair value through profit or loss.

The company adopts a simplified approach for estimating expected credit losses for all notes and accounts receivable, i.e., using the expected credit losses over the lifetime measurement. For this measurement purpose, such notes and accounts receivable are grouped based on the common credit risk characteristics that represent the customers' ability to pay all maturing amounts as per contractual terms. This grouping includes the incorporation of historical credit loss experience and reasonable projections of future economic conditions as forward-looking information. The analysis of expected credit losses for the company's notes and accounts receivable is as follows:

	December 31, 2024		
Credit rating	Carrying number of notes and accounts receivable	Weighted average ECL rate	Lifetime ECLs
Domestic listed companies	$ 775,758	0%	-
Domestic Publicly Offered Companies and Others	836	3%	25
Foreign Listed Companies (Country Credit Rating >=A+)	521,181	1%	5,212
Other Foreign Companies (Country Credit Rating >=BBB-)	15,006	5%	750
	$ 1,312,781		**5,987**

	December 31, 2023		
Credit rating	Carrying number of notes and accounts receivable	Weighted average ECL rate	Lifetime ECLs
Domestic listed companies	$ 707,304	0%	-
Domestic Publicly Offered Companies and Others	4,207	3%	126
Foreign Listed Companies (Country Credit Rating >=A+)	384,275	1%	3,843
Other Foreign Companies (Country Credit Rating >=BBB-)	384	5%	19
	$ 1,096,170		**3,988**

The age analysis of the overdue but not impaired notes receivable and accounts receivable of the company is as follows:

	December 31, 2024	December 31, 2023
Less than 30 days overdue	$ 19,669	25,839
More than 31~60 days overdue	115	-
	$ 19,784	**25,839**

The schedule of changes in allowance for loss on accounts and notes receivable for our company is as follows:

	2024	2023
Balance at January 1	$ 3,988	3,676
Impairment losses recognized (reversed)	1,999	312
Balance at December 31	**$ 5,987**	**3,988**

Based on historical payment behavior and a broad analysis of the credit ratings of the target customers, the company believes that the overdue portion of the receivables, which has not been provided for as an allowance for doubtful accounts, is still recoverable.

December 31, 2024 and 2023, the company's notes and accounts receivable have not been discounted or provided as collateral.

The company has signed a contract with banks for the sale of accounts receivable rights. As of December 31, 2024 and 2023, the total purchasing limits were NT$0 thousand and

NT$276,345 thousand, respectively. According to the contract, the company is not required to guarantee the debtor's payment ability at the time of rights transfer and debt performance within the sold limit, which constitutes a sale of receivables without recourse. When selling the receivables, the company receives payments at a contractual proportion, and pays interest at the agreed rate from the date of sale until the payment date by the customer. The final payment is collected when the customer actually makes the payment. Since the company has transferred almost all risks and rewards of ownership of the aforementioned receivables and does not retain a continuing involvement, it meets the conditions for derecognition of financial assets. As of December 31, 2024 and 2023, all sold receivables that have not yet been collected amount to zero thousand.

For detailed information on the foreign exchange risk and sensitivity analysis of notes and accounts receivable for the years 2024 and 2023, please refer to Notes 6(19).

(3)Other receivables

	December 31, 2024	December 31, 2023
Compensation receivables	$ 39,283	-
Interest receivable	1,339	1,663
others	15,333	7,371
	$ 55,955	**9,034**

Other receivables held by the consolidated company were measured according to the expected credit loss during the period of existence, and there was no credit impairment in December 31, 2024 and 2023.

December 31, 2024 and 2023, the consolidated company’s other receivables were not provided as collateral.

For a detailed analysis of the exchange rate risk and sensitivity of the consolidated company’s other receivables for the years 2024 and 2023, please see Notes 6(19).

(4)Inventories

	December 31, 2024	December 31, 2023
Raw materials	$ 154,302	79,988
Work in progress	301,437	195,512
Finished goods	152,220	101,262
	$ 607,959	**373,762**

The details of Operating costs recognized by the company for the years 2023 and 2022 are as follows:

	2024	2023
Inventory reclassification for sale	$ 2,841,704	2,126,308
Inventory obsolescence and impairment losses	31,120	717
Loss on inventory disposal (net of reimbursement)	175,187	144,458
Gain on disposal	(60,381)	(44,715)
Unallocated direct labor and manufacturing overhead costs	48,360	159,237
Inventory surplus	(31)	(71)
	$ 3,035,959	**2,385,934**

December 31, 2024 and 2023, the inventories of our company were not pledged as collateral.

(5)Investments accounted for using equity method

The investments accounted for using the equity method by the company as of the reporting date are presented as follows:

	December 31, 2024	December 31, 2023
Subsidiaries	**$ 4,480**	**4,185**

1. Please refer to the 2024 consolidated financial statements.
2. As of December 31, 2024 and 2023, there were no pledges made as security for our investments accounted for under equity method.

(6)Property, plant and equipment

1. The details of cost, depreciation, and impairment losses of the Property, plant and equipment for the years 2024 and 2023 are as follows:

	Land	Buildings and Structures	Machinery and Equipment	Other Equipment and Equipment under Inspection	Total
Cost:					
Balance as of January 1, 2024	$ 257,814	441,728	1,827,146	364,176	2,890,864
Additions	-	5,022	214,999	70,391	290,412
Disposals	-	(544)	(144,994)	(3,256)	(148,794)
Reclassification	-	-	35,395	(30,667)	4,728
Balance as of December 31, 2024	**$ 257,814**	**446,206**	**1,932,546**	**400,644**	**3,037,210**
Balance as of January 1, 2023	$ 257,814	437,347	1,715,672	369,217	2,780,050
Additions	-	4,506	166,638	65,452	236,596
Disposals	-	(125)	(119,643)	(6,014)	(125,782)
Reclassification	-	-	64,479	(64,479)	-
Balance as of December 31, 2023	**$ 257,814**	**441,728**	**1,827,146**	**364,176**	**2,890,864**
Depreciation and Impairment Losses:					
Balance as of January 1, 2024	$ -	249,030	1,249,333	267,142	1,765,505
Depreciation for the year	-	12,925	137,052	23,180	173,157
Disposal	-	(544)	(144,139)	(3,153)	(147,836)
Balance as of December 31, 2024	**$ -**	**261,411**	**1,242,246**	**287,169**	**1,790,826**
Balance as of January 1, 2023	$ -	237,122	1,255,853	253,716	1,746,691
Depreciation for the year	-	12,033	113,123	19,440	144,596
Disposal	-	(125)	(119,643)	(6,014)	(125,782)
Balance as of December 31, 2023	**$ -**	**249,030**	**1,249,333**	**267,142**	**1,765,505**
Carrying Amount:					
As of December 31, 2024	**$ 257,814**	**184,795**	**690,300**	**113,475**	**1,246,384**
As of January 1, 2023	**$ 257,814**	**200,225**	**459,819**	**115,501**	**1,033,359**
As of December 31, 2023	**$ 257,814**	**192,698**	**577,813**	**97,034**	**1,125,359**

2.December 31, 2024 and 2023, the company's Property, plant and equipment were not pledged as collateral.

(7)Right-of-use assets

The company leases transportation equipment and Others' cost and depreciation, the changes in details are as follows:

	Transport Equipment and Others
Cost of right-of-use assets:	
Balance as of January 1, 2024	$ 9,090
Additions	3,503
Disposals	(5,396)
Balance as of December 31, 2024	**$ 7,197**
Balance as of January 1, 2023	$ 8,808
Additions	1,716
Disposals	(1,434)
Balance as of December 31, 2023	**$ 9,090**
Accumulated depreciation of right-of-use assets:	
Balance as of January 1, 2024	$ 6,475
Depreciation for the year	2,935
Disposals	(5,396)
Balance as of December 31, 2024	**$ 4,014**
Balance as of January 1, 2023	$ 4,642
Depreciation for the year	3,267
Disposal	(1,434)
Balance as of December 31, 2023	**$ 6,475**
Carrying amount:	
December 31, 2024	**$ 3,183**
January 1, 2023	**$ 4,166**
December 31, 2023	**$ 2,615**

(8)Short-term borrowings

	December 31, 2024	December 31, 2023
Unsecured bank loans	**$ 145,893**	**186,993**
Unused credit line for short-term borrowings	**$ 845,882**	**873,582**
Range of interest rates	**5.19%~6.03%**	**4.77%~6.16%**

The company's Short-term borrowings as of December 31, 2024 and 2023 were all credit borrowings.

For information on the company's interest rate, exchange rate, and Current liquidity risks, please refer to Notes 6 (19).

(9)Other payables and other current liabilities

	December 31, 2024	December 31, 2023
Payroll payables and year-end bonuses payable	$ 163,728	142,618
Outsourcing fees payable	81,724	32,716
Accounts payable for repairs	35,083	31,006
Accounts payable for equipment	59,369	31,044
Others	135,372	92,723
	$ 475,276	**$ 330,107**

(10) Refundable liabilities - Current

The details of the refundable liabilities of the company are as follows:

	December 31, 2024	December 31, 2023
Sales Discounts	**$ 38,041**	**48,547**

The main sales allowances of the company are primarily due to the amounts expected to be paid to customers for commercial discounts or product quality factors under sales contracts.

(11)Lease liabilities

The carrying amount of the company's lease liabilities is as follows:

	December 31, 2024	December 31, 2023
Current	**$ 2,010**	**1,404**
Non-current	**$ 1,210**	**586**

For maturity analysis, refer to Notes 6(19)Financial instruments.

The amounts recognized in profit or loss for leases are as follows:

	2024	2023
Interest on lease liabilities	**$ 78**	**67**
Expenses relating to leases of short-term leases	**$ 97**	**62**

The amount of leases recognized in the statement of cash flows is as follows:

	2024	2023
Total cash outflow for leases	**$ 2,448**	**3,392**

The lease term for the transportation equipment leased by the company is between one to three years, while the lease term for leased parking lot land is between one to two years.

In addition, the lease term for other equipment leased by the company is between one to two years, these leases being either short-term or low-value leases. The company chooses to apply the exemption from recognition provisions, thus not recognizing the related right-of-use Assets and lease liabilities.

(12)Employee benefits

1.Defined benefit plans

The adjustments of the present value of defined benefit obligations and the fair value of plan Assets of the company are as follows:

	December 31, 2024	December 31, 2023
Present value of defined benefit obligations	$ 29,216	27,165
Fair value of plan assets	(35,015)	(31,156)
Net defined benefit liabilities	**$ (5,799)**	**(3,991)**

The company's defined benefit plan contributions are deposited into a special account for labor retirement reserves at Taiwan Bank. The retirement payments for each employee, who are subject to the Labor Standards Act, are calculated based on the number of years of service and the average salary of the last six months before retirement.

(1) Composition of plan assets

The company's retirement funds, contributed in accordance with the Labor Standards Act, are managed by the Bureau of Labor Funds (hereinafter referred to as the Labor Funds Bureau), according to the "Regulations on Revenues, Custody and Utilization of Labor Retirement Funds". The fund operations, with an annual settlement allocated minimum return, must not be less than the earnings calculated based on the local bank two-year Time deposits interest rate.

As of the reporting date, the balance in the company's Taiwan Bank labor retirement reserve account amounts to NT$35,015 thousand TWD. Information on the utilization of labor retirement fund assets, including fund return rates and asset allocation, can be found on the Labor Funds Bureau website.

(2) Movements in the present value of the defined benefit obligations

The movements in the present value of the company's defined benefit obligations for the years 2024 and 2023 are as follows:

		2024	2023
Defined benefit obligations on January 1	$	27,165	28,267
Current service costs and interest		491	547
Remeasurements of net benefit liabilities			
—Actuarial losses due to changes in financial assumptions		1,961	(1,611)
Pension payments		(401)	(38)
Defined benefit obligations on December 31	**$**	**29,216**	**27,165**

(3) Movements of the fair value of defined benefit plan assets

The changes in the fair value of the defined benefit plan assets for the Company in 2024 and 2023 are as follows:

		2024	2023
January 1 Fair value of plan assets	$	31,156	29,540
Interest income		506	516
Remeasurements of net benefit liabilities - Plan asset return (excluding current interest)		2,619	113
Employer contributions		1,135	1,025
Pension payments		(401)	(38)
December 31 Fair value of plan assets	**$**	**35,015**	**31,156**

(4) Expenses recognized in profit or loss

The details of expenses reported by the company for the years 2024 and 2023 are as follows:

		2024	2023
Current service cost	$	59	62
Net interest on the net defined benefit liability (asset)		(74)	(31)
-	**$**	**(15)**	**31**
Operating costs	**$**	**(15)**	**31**

(5) Re-measurement amounts of net defined benefit liabilities (assets) recognized in other comprehensive income

The cumulative re-measurement amounts of net defined benefit liabilities (assets) recognized in other comprehensive income (loss) by the company are as follows:

	2024	2023
Accumulated balance as of January 1	$ 5,762	7,486
Recognized in the current period	(658)	(1,724)
Accumulated balance as of December 31	**$ 5,104**	**5,762**

(6) Actuarial assumptions

The significant actuarial assumptions used by the company on the reporting date to determine the Present value of defined benefit obligations are as follows:

	December 31, 2024	December 31, 2023
Discount rate	1.750%	1.625%
Future salary increase rate	3.000%	3.000%

The company anticipates that the contributions to be paid to the defined benefit plan within one year after the reporting date of 2023 will amount to NT$1,148 thousand.

The weighted average duration of the defined benefit plan is 9.98 years.

(7) Sensitivity analysis

December 31, 2024 and 2023, the impacts of changes in the key actuarial assumptions used on the Present value of defined benefit obligations are as follows:

	Impact on Defined Benefit Obligation	
	Increase by 0.25%	Decrease by 0.25%
December 31, 2024		
Discount rate	$ (689)	714
Future salary increase rate	691	(670)
December 31, 2023		
Discount rate	(697)	724
Future salary increase rate	703	(678)

The sensitivity analysis described above is based on the assumption that all other assumptions remain unchanged when analyzing the impact of a single assumption change. In practice, many assumptions are likely to change in concert. The sensitivity analysis is consistent with the method used to calculate the net pension liability (Assets) on the balance sheet.

The methods and assumptions used in the sensitivity analysis for this period are the same as in the previous period.

2.Defined contribution plans

Our company's defined contribution plans are in accordance with the regulations of the Labor Pension Act, contributing 6% of the worker's monthly salary to the individual retirement account at the Bureau of Labor Insurance. Under this plan, after contributing a fixed amount to the Bureau of Labor Insurance, the company has no statutory or assumed obligation to pay any additional amounts.

Our company's retirement pension expenses under the defined contribution retirement plans for 2024 and 2023 were NT$25,324 thousand and NT$22,911 thousand, respectively, which have been contributed to the Bureau of Labor Insurance.

(13)Income taxes

1. The corporate income tax rate for our company in 2024 and 2023 was 20%.

2.Income tax expenses

The details of income tax expense (benefit) for our company in 2024 and 2023 are as follows:

	2024	2023
Current tax expense		
Income tax expenses	$ 35,493	27,103
Deferred tax expense		
Recognition and reversal of temporary differences	(6,787)	2,255
Income tax expenses	**$ 28,706**	**29,358**

The detail of income tax benefits (expenses) recognized in Other comprehensive income (loss) by the company is as follows:

	2024	2023
Items that will not be reclassified subsequently to profit or loss:		
Remeasurement of defined benefit obligation	**$ 132**	**345**

The relationship adjustment between Income tax expense and Profit before income tax for the fiscal years 2024 and 2023 of our company is as follows:

	2024	2023
Profit before income tax	$ 265,062	233,478
Income tax expense calculated based on the tax rate of the company's domicile	53,012	46,695
Changes in unrecognized temporary differences	(22)	(12)
Investment credit utilization	(16,780)	(12,348)
Prior period under(over)estimation and others	(7,504)	(4,977)
Income tax expense	**$ 28,706**	**29,358**

3.Deferred tax assets and liabilities

(1) Unrecognized deferred tax assets

The items not recognized as deferred tax assets by the company are as follows:

	December 31, 2024	December 31, 2023
Tax effect of deductible temporary differences	**$ 3,672**	**3,694**

The company assessed the likelihood of generating taxable income in the future and concluded that certain deductible items of income tax are not likely to be realized, hence they are not recognized as deferred tax assets.

(2) Recognized Deferred Tax Assets and Liabilities

The changes in deferred tax assets and liabilities for the years 2024 and 2023are as follows:

	Defined benefit plan
Deferred tax liabilities:	
Balance as of January 1, 2024	$ 798
Debit/(Credit) profit or loss	230
Debit/(Credit) Other comprehensive income (loss)	132
Balance as of December 31, 2024	**$ 1,160**
Balance as of January 1, 2023	$ 254
Debit/(Credit) profit or loss	199
Debit/(Credit) Other comprehensive income (loss)	345
Balance as of December 31, 2023	**$ 798**

	Inventory impairment losses	Others	Total
Deferred tax assets:			
Balance as of January 1, 2024	$ 17,690	7,151	24,841
Credit/(Debit) profit or loss	6,224	793	7,017
Balance as of December 31, 2024	**$ 23,914**	**7,944**	**31,858**
Deferred tax assets:			
Balance as of January 1, 2023	$ 17,547	9,350	26,897
Credit/(Debit) profit or loss	143	(2,199)	(2,056)
Balance as of December 31, 2023	**$ 17,690**	**7,151**	**24,841**

4.Examination and approval

The corporate income tax return of our company has been approved up to the fiscal year 2022.

(14) Capital and other equities

As of December 31, 2024 and 2023, the authorized Share Capital total of our company remains 1,360,000 thousand yuan, with a nominal value of 10 yuan per share, both constituting 136,000 thousand shares. The issued shares were Common Stock 50,981 thousand and 51,203 thousand respectively, with all called-up Share Capital fully paid.

1.Ordinary shares

The table of adjustments to the number of shares in circulation for our company for the years 2024 and 2023 is as follows:

Unit: thousand shares

	Common Stock	
	2024	2023
Balance at January 1	51,203	51,231
Cancellation of Restricted Stock for Employees	(222)	(28)
Balance at December 31	**50,981**	**51,203**

The company resolved in the board meeting on November 7, 2024, to conduct a cash capital increase by issuing 5,000,000 common shares, with a par value of NT$10 per share. The cash capital increase plan has been officially enacted by the competent authority. The capital increase record date is planned for March 3, 2025, with an issuance price of NT$100 per share.

In 2023 and 2022, due to unmet conditions, 2,225 thousand yuan and 280 thousand yuan were respectively canceled, all registration changes were duly processed by December 31, 2024.

2. Capital surplus

According to the Company Law, the capital surplus must first offset losses before it can be used to issue new shares or cash distributions to shareholders pro rata based on their existing shares. The realized capital surplus referred in the previous clause includes the excess amount obtained from issuing shares above their par value and the earnings from received donations. According to the standards for issuing and handling securities, the capital surplus allocated for capital increase each year cannot exceed ten percent of the paid-in capital amount.

The details of the company's capital surplus balance are as follows:

	December 31, 2024	December 31, 2023
Premium on Issued Stocks	$ 434,067	444,361
Donated Assets	24,000	24,000
Issuance of Restricted Employee Shares	18,212	82,226
	$ 476,279	**550,587**

The company resolved at the board meeting on April 11, 2024, to distribute a cash dividend of NT$30,593 thousand (NT$0.6 per share) from the capital reserve.

3. Retained earnings

According to the company's articles of association, if there is a profit in the annual final accounts, taxes should be paid first, accumulated losses compensated, and then ten percent of the remainder is appropriated as Legal reserve, and according to the laws or regulations of the competent authority, Special reserve is appropriated or reversed, and the balance is the distributable earnings for the current year. The distributable earnings of the current year, together with the beginning accumulated Unappropriated earnings, are drafted by the Board of Directors for profit distribution, and when issuing new shares, it shall be distributed after the resolution of the shareholders' meeting. According to the Company Law, the board of directors is authorized to distribute dividends and bonuses or all or part of the Legal reserve and Capital surplus as specified in Article 241, paragraph 1 of the Company Law in cash, and report to the shareholders' meeting with a quorum of two-thirds of the directors and a majority of the attending directors' decisions.

The company's dividend policy is to align with the current and future development plans, consider the investment environment, capital requirements, domestic and international competition, and capital budgeting factors, taking into account shareholders' interests and balancing long-term financial planning, distributing not less than 50% of the distributable earnings of the above-mentioned year to the shareholders as dividend bonuses annually. However, when the accumulated distributable earnings are less than 50% of the paid-in Share Capital, no distribution may occur; when distributing shareholder dividend bonuses, it may be in the form of cash or stocks, where the cash dividends shall not be less than 10% of the total dividend amount.

(1) Legal reverse

When there is no loss, a resolution of the shareholders' meeting may issue new shares or cash with Legal reserve, however, only to the extent that such reserve exceeds 25% of the paid-up capital amount.

(2) Special reverse

According to the regulations of the Financial Supervisory Commission, when distributing distributable earnings, the company shall, from the net amount of other equity interests reduced items occurred during the year and the balance of Special reserve appropriated, calculate the additional Special reserve appropriated from the current post-tax net profit and amounts entered into current Unappropriated earnings besides current post-tax net profit and previous Unappropriated earnings. Amounts from other reduced equity interests accumulated from previous periods shall not be distributed, and when reversed, may be transferred back to Unappropriated earnings for distribution upon shareholders' meeting resolution. As of December 31, 2024 and 2023, the balance of Special reserve appropriated was NTD518,000 and NTD 440,000 respectively.

(3) Earnings distribution

The company's cash dividend amounts for the earnings distribution of the years 2022 and 2021 were resolved by the board of directors on March 28, 2023, and April 6, 2022, respectively, and other earnings distribution items for the years 2022 and 2021 were resolved in the annual shareholders' meetings held on June 19, 2023, and June 20, 2022, respectively, as follows:

	2023		2022	
	Stock Dividend Rate (NTD)	Amount	Stock Dividend Rate (NTD)	Amount
Dividends Distributed to Common Shareholders:				
Cash	$ 3.00	**152,963**	7.30	**373,986**

(15) Stock-based compensation

On June 27, 2022, the company resolved through the shareholders' meeting to issue 1,500 thousand new shares of restricted employee rights, exclusively granted to full-time employees who meet specific conditions. The issuance was declared effective to the Securities and Futures Bureau of the Financial Supervisory Commission on July 26, 2022, and fully issued by resolution of the board of directors on August 5, 2022. The fair value on the grant date was NT$158,250 thousand.

The employees granted these restricted employee rights shares totaling 1,500,000 shares shall receive the shares for free. After being granted the restricted shares, upon the completion of each vesting period, based on individual performance indicators and overall company performance indicators calculated separately for each index ratio, the highest share proportion that can be vested on each respective vesting completion date is multiplied to calculate the vested shares for each vesting year: one year-40%, two years-30%, three years-30%. Employees who are still in employment at the end of each vesting period, without having violated laws, labor contracts, work regulations, employee ethical behavior guidelines, disciplinary actions, or other relevant norms and agreements, and whose personal performance in the year prior to each vesting period’s completion day is grade A (inclusive) or higher, the employee performance ratio is calculated at 100%. If personal performance does not reach grade A, the employee performance ratio is calculated at 0%. Additionally, the company sets overall company performance based on Net profit (loss) (after-tax net profit) for the fiscal year as examined and certified by accountants in the consolidated financial statements preceding one year to each vesting completion day. If it reaches or exceeds NT$350 million, up to 100% of the highest vested proportion for that year can be vested; if it is between NT$300 million and less than NT$350 million, up to 80%; if it is between NT$200 million and less than NT$300 million, up to 50%; if it is less than NT$200 million, up to 0%.

If employees subscribe to the new shares but fail to meet the individual performance and overall company performance indicators set by the company, the restricted employee rights share not meeting the vesting conditions will be recouped for free and cancelled. If employees voluntarily resign, are dismissed, downsized, retire, die, or do not return to work after a leave of absence expires during the vesting period, unless otherwise stipulated in this issuance regulation, any shares yet to meet the vesting conditions shall also be recouped for free by the company and cancelled.

Information related to the company's restricted employee rights shares is as follows:

Units: Thousands of shares

	2024	2023
Outstanding shares as of January 1	861	1,475
Number of shares cancelled during the period	(222)	(28)
Number of shares vested during the period	(216)	(586)
Outstanding shares as of December 31	**423**	**861**

December 31, 2024 and 2023, Employee unearned compensation balances were respectively NT$4,369 thousand and NT$64,026 thousand.

The company in 2024 and 2023 incurred expenses from restricted stock units amounting to NT$13,717 thousand and NT$46,487 thousand respectively.

In the fiscal year of 2024, due to unmet vested conditions, the company resolved through board meetings on April 11, August 2, and November 7 of the same year to reclaim and cancel restricted employee rights shares amounting to NT$2,153 thousand, NT$27 thousand, and NT$45 thousand, respectively. The capital reduction base dates were set as April 15, August 6, and November 11 of the same year.

(16) Earnings per share

The calculation of basic and diluted earnings per share of the company is as follows:

	2024	2023
Basic earnings per share		
Net profit attributable to ordinary Equity holders of the parent	**$ 236,356**	**204,120**
Weighted average number of ordinary shares outstanding (thousand shares)	**50,430**	**49,995**
Basic earnings per share (CNY)	**$ 4.69**	**40.8**

Diluted earnings per share		
Net profit attributable to ordinary Equity holders of the parent (adjusted for dilutive potential ordinary shares)	**$ 236,356**	**204,120**
Weighted average number of ordinary shares outstanding (thousand shares)	50,430	49,995
Effect of dilutive potential ordinary shares		
Effect of employee stock compensation	188	172
Restricted stock units for employees	365	608
Weighted average number of ordinary shares outstanding (adjusted for dilutive potential ordinary shares) (thousand shares)	**50,983**	**50,775**
Diluted earnings per share (CNY)	**$ 4.64**	**4.02**

(17) Revenue from contracts with customers

1. Disaggregation of revenue

	2024	2023
Main Market Regions:		
Taiwan	$ 2,173,854	1,803,388
Asia	1,441,901	1,089,021
	$ 3,615,755	**2,892,409**
Main Products:		
Printed Circuit Boards	$ 3,516,831	2,865,845
Samples and Others	98,924	26,564
	$ 3,615,755	**2,892,409**

2. Contract balance

	31, 2024	31, 2023	2023.1.1
Accounts Receivable	$ 1,312,781	1,096,170	1,079,067
Less: allowance for uncollectible accounts	(5,987)	(3,988)	(3,676)
	$ 1,306,794	**1,092,182**	**1,075,391**
Contract liabilities—advances received (recorded under other Current liabilities)	**$ 5,086**	**6,940**	**3,922**

For details on the disclosures of notes receivable, accounts receivable, and their

impairments, please refer to Notes 6 (2).

At January 1, 2024 and 2023, the initial balance of contract liabilities recognized as revenue amounted to NT$4,528 thousand and NT$40 thousand, respectively, for the years 2024 and 2023.

(18) Employees' and directors' compensations

According to the company's bylaws, if there is a profit for the year, a percentage of 2% to 10% of the profit before income tax, employee compensations, and director compensations, should be allocated for employee compensations, and up to 2% for director compensations. However, if the company has accumulated losses, a reserve should be maintained to cover these amounts. The recipients of the employee compensations, either in stocks or cash, include employees of controlled and subsidiary companies who meet certain criteria.

For the fiscal year 2024 and 2023, the estimated amounts for employee remuneration were NT$19,549 thousand and NT$17,220 thousand, respectively, and for director remuneration were NT$2,875 thousand and NT$2,532 thousand, respectively. These estimates are based on the pre-compensation profit before income tax of the respective periods and the distribution ratios set by the company's management within the scopes stipulated in the bylaws, and are reported as operating costs or operating expenses for the fiscal years 2024 and 2023. The information related to these allocations adopted by the board resolution can be found at the public information observation post, and there is no discrepancy between these approved compensations and those estimated in the individual financial statements for 2024 and 2023.

(19) Financial instruments

1. Credit risk

(1) The carrying amount of financial assets represents the maximum amount exposed to credit risk.

(2) Concentration of credit risk

As the company has a diverse customer base, there is no significant concentration of credit risk with any individual customer in receivables. To mitigate credit risk, the company also regularly assesses the financial conditions of its customers, although securities are generally not required from them.

(3) Receivables and debt securities

For information on the credit risk exposure of notes receivable and accounts receivable, please refer to Notes 6(2). For credit risk exposure information on other receivables, please refer to Notes 6(3).

2. Liquidity risk

The table below shows the maturity dates of financial liabilities, excluding lease liabilities and without the effect of estimated interest.

	Carrying Amount	Contractual Cash Flows	Within 1 year	1~2 years	Over 2 years
December 31, 2024					
Non-derivative financial liabilities					
Unsecured bank loans	$ 145,893	(145,893)	(145,893)	-	-
Notes and accounts payable	995,868	(995,868)	(995,868)	-	-
Lease liabilities (Including	3,220	(3,345)	(2,093)	(881)	(371)
Current and Non-current)					
Other accounts payable	458,726	(458,726)	(458,726)	-	-
Security deposits	1,080	(1,080)	(1,080)	-	-
	$ 1,604,787	**(1,604,912)**	**(1,603,660)**	**(881)**	**(371)**
December 31, 2023					
Non-derivative financial liabilities					
Unsecured bank loans	$ 186,993	(186,993)	(186,993)	-	-
Notes and accounts payable	598,016	(598,016)	(598,016)	-	-
Lease liabilities (including	1,990	(2,024)	(1,430)	(594)	-
Current and Non-current)					
Other payables	315,022	(315,022)	(315,022)	-	-
Deposits received	1,436	(1,436)	-	-	(1,436)
	$ 1,103,457	**(1,103,491)**	**(1,101,461)**	**(594)**	**(1,436)**

The company does not expect the timing of cash flows in the maturity date analysis to significantly advance, or the actual amounts to be significantly different.

3. Currency risk

(1) Exposure to foreign currency risk

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

Foreign currency unit: thousands

	December 31, 2024			December 31, 2023		
	Foreign Currency	Exchange Rate	New Taiwan Dollar	Foreign Currency	Exchange Rate	New Taiwan Dollar
Financial Assets						
Monetary Items						
U.S. Dollar	$ 37,152	USD/TWD=32.785	1,218,028	29,302	USD/TWD=30.705	899,718
Financial Liabilities	-	-	-	--		-
Monetary Items	-	-	-	--		-
U.S. Dollar	$ 34,794	USD/TWD=32.785	1,140,721	25,191	USD/TWD=30.705	773,490

(2) Sensitivity analysis

The company's exposure to exchange rate risk on its monetary items primarily arises from cash and cash equivalents, receivables, other receivables, loans, accounts payable, and other payables denominated in foreign currency, resulting in foreign currency exchange losses during conversion. As of December 31, 2024 and 2023, when the New Taiwan Dollar depreciates or appreciates by 5% relative to foreign currencies using the same base for the two periods with all other factors held constant, the Profit before income tax for 2024 would decrease or increase by 3,672 thousand New Taiwan Dollars, and the Profit before income tax for 2023 would increase or decrease by 6,310 thousand New Taiwan Dollars.

(3) Exchange gains and losses of monetary items

Due to the variety of trading currencies, the company discloses the exchange gains and losses of monetary items in a consolidated manner. The Foreign currency exchange losses (including realized and unrealized) for 2024 and 2023 are respectively NT$1,563 thousand and NT$ 4,211 thousand New Taiwan Dollars.

4. Interest rate analysis

The details of the company’s exposure to interest rate risks in its financial assets and liabilities are as follows:

	Book value	
	December 31, 2024	December 31, 2023
Fixed-rate instruments:		
Financial Assets	**$ 355,000**	**571,060**
Variable-rate instruments:		
Financial Assets	$ 202,509	92,268
Financial Liabilities	(145,893)	(186,993)
	$ 56,616	**(94,725)**

Sensitivity analysis is determined by the interest rate exposure of derivative and non-derivative instruments as of the reporting date. For floating-rate liabilities, the analysis assumes that the amount of liabilities outstanding on the reporting date is outstanding throughout the year. The rate of change used internally by the company to report interest rates to key management personnel is an increase or decrease of one basis point, which also represents the assessment by management of a reasonable possible range of interest rate fluctuations.

If the interest rate increases or decreases by one basis point, with all other variables held constant, the impact on the company's Profit before income tax for the years 2024and 2023 is as follows, mainly arising from demand deposits and variable-rate loans.

	2024	2023
Interest rate increase by one basis point	$ 142	(237)
Interest rate decrease by one basis point	(142)	237

5. Fair value information

All financial instruments of the company are reasonably approximated by their carrying amounts as fair values, and disclosure of fair value information is not required by regulations.

(20) Financial risk management

1. Overview

The company is exposed to the following risks due to the use of financial instruments:

(1) Credit risk

(2) Liquidity risk

(3) Market risk

This note expresses the exposure information of the aforementioned risks, the objectives, policies, and procedures by which the company measures and manages risks. For further quantitative disclosures, detail in Notes 6(19) for each financial risk.

2. Structure of risk management

The purpose of establishing financial risk management in the company is to identify and analyze various types of financial risks faced by the company (including currency risk, interest rate risk, credit risk, and liquidity risk), and to mitigate their adverse effects on the company's financial performance and operation results. Risk management policies involve setting appropriate risk limits and controls, and regularly monitoring and reviewing the adherence to these limits and risks. When necessary, the company mitigates exposure through financial instruments to reduce the impact of such risks. The use of financial instruments and financial risk management are regulated by policies approved by the company's board of directors. The company does not engage in financial instrument transactions for speculative purposes. The company's internal auditors continuously monitor and review the exposure to relevant financial risks and the adherence to policies and procedures, and report the review results to the board of directors.

3. Credit risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The most likely sources of credit risk for the company are the receivables from customers and investments.

(1) Accounts receivable and other receivables

The company has established a credit policy, under which each customer's credit rating is individually analyzed before standard payment and shipping conditions and terms are provided. The review includes external ratings (when available), and in some cases, bank inquiries. Purchase limits are set for individual customers and are regularly reviewed. Customers who do not meet the company’s standard credit rating may only transact with the company on a prepay basis.

The company has set up an allowance for doubtful accounts to reflect the estimated losses likely to occur in accounts receivable. The main components of the allowance include specific loss components related to individual significant exposures, and a collective loss component established for incurred but not yet identified losses on similar asset groups.

(2) Investments

The credit risk of bank deposits and other financial instruments is measured and monitored by the company's finance department. Due to the fact that the company's transaction counterparts and obligors are banks with good credit standing, there are no significant concerns over their performance, thus no significant credit risk.

4. Liquidity risk

The company manages liquidity risk by managing and maintaining sufficient cash and cash equivalents to support its operations and mitigate the impact of cash flow fluctuations. The company's management monitors the utilization of bank financing limits and ensures compliance with loan contract terms.

Bank loans are an important source of liquidity for the company. As of December 31, 2024 and 2023, the unused short and long-term bank financing limits were 845,882 thousand and 873,582 thousand respectively.

5. Market risk

Market risk is the risk that changes in market prices, such as currency and interest rates, will affect the income of the company or the value of financial instruments held. The objective of market risk management is to control the exposure to market risks within acceptable limits and optimize investment returns.

The main financial risks incurred by the company's operating activities are currency and interest rate risks.

(1) Currency risk

Most of the company's main revenues and expenses are denominated in foreign currencies, therefore, some assets and liabilities have a natural hedging effect. When short-term imbalances occur, the company engages in derivative financial products to manage the currency risk it undertakes, aimed at financial hedging. Therefore, the gains and losses generated by currency fluctuations are approximately offset by the gains and losses of the hedged items, keeping the net exposure within acceptable limits.

(2) Interest rate risk

The company continuously evaluates market interest rate changes and establishes close and good relationships with financial institutions, seeking the most favorable interest rates in a timely manner, and using short, medium, and long-term financing limits to reduce interest expenses.

(21) Capital management

Based on the nature of the industry and the company's future development, considering external environmental changes and other factors, the company plans the future operating capital, capital expenditures, research and development expenses, debt repayment, and dividend payments needed to ensure that the company can continue to operate, reward shareholders, and consider the interests of other stakeholders. To maintain or adjust the capital structure, the company may adjust dividend policies, issue new shares, or repurchase shares.

The company manages capital through regular reviews of the debt-to-equity ratio. The company's capital is shown as "Total equity" on the balance sheet, which is also equal to the total asset fewer total liabilities.

	December 31, 2024	December 31, 2023
Total liabilities	$ 1,687,454	1,211,562
Total Equity	2,202,950	2,135,760
Debt to Equity Ratio	76.6%	56.7%

The capital management strategy of the company for the year 2024 is consistent with that of the year 2023.

(22) Investing and financing activities not affecting current cash flow

In 2024 and 2023, the company's investing and financing activities not affecting current cash flow involved acquiring right-of-use Assets through leasing, please refer to Notes 6 (7).

The adjustments to liabilities from financing activities are as follows:

	January 1, 2024	Cash Flow		Non-cash Changes	December 31, 2024
		Cash obtained from borrowings	Repayment of borrowings, deposit of security deposits and principal of lease liabilities	Additions/Disposals	
Short-term borrowings	$ 186,993	585,572	(626,672)	-	145,893
Lease liabilities	1,990	-	(2,273)	3,503	3,220
Security deposits	1,436	-	(356)	-	1,080
	$ 190,419	**585,572**	**(629,301)**	**3,503**	**150,193**

	January 1, 2023	Cash Flow		Non-cash Changes	December 31, 2023
		Cash obtained from borrowings	Repayment of borrowings, deposit of security deposits and principal of lease liabilities	Additions/Disposals	
Short-term borrowings	$ 245,680	679,080	(737,767)	-	186,993
Lease liabilities	3,537	-	(3,263)	1,716	1,990
Security deposits	1,888	-	(452)	-	1,436
	$ 251,105	**679,080**	**(741,482)**	**1,716**	**190,419**

(7) Related-party transactions

(1) Name and relationship with related parties

During the reporting period covered by these individual financial statements, Subsidiaries and other related parties who have transactions with the company are as follows:

Related Party Name	Relationship with the Company
Advantech Co., Ltd.	Corporate Director of the Company (note 1)
Advanixs Co., Ltd.	Subsidiary wholly-owned by the Corporate Director of the Company (note 1)
Advantech Technologies (China) Company Ltd.	Grand-Subsidiary wholly-owned by the Corporate Director of the Company (note 1)
KUNSHAN ALLIED CIRCUIT TRADING CO., LTD. (Kunshan Trading)	Subsidiary of the Company
Compal Electronics Technology (Kunshan) Co., Ltd.	Grand-Subsidiary wholly-owned by the Corporate Director of the Company

Note 1: Following the re-election of the shareholders' meeting on June 19, 2023, Advantech Co., Ltd. is no longer a corporate director of this company. The company and its Subsidiaries are no longer related parties of this company starting from June 19, 2023.

(2) Significant related-party transactions

1. Sale of goods to related parties

The significant sales amounts to related parties of this company are as follows:

	2024	2023
Key Management Personnel—Advantech Co., Ltd.	$ -	151,806
Others Related Parties	-	15,309
	$ -	**167,115**

The prices at which the company sells to the above-related parties are not significantly different from the general sales prices. The credit period for general customers is 60 to 150 days on a monthly basis, while the credit period for sales to the above-related parties is 90 days for collections after monthly settlement of sales. Receivables from related parties are not secured, and after assessment, there is no need to provide for allowance for doubtful accounts.

(3) Key management personnel transactions

Key management personnel compensation includes:

	2024	2023
Short-term employee benefits	$ 32,526	30,690
Post-employment benefits	823	752
	$ 33,349	**31,442**

(8) Pledged assets: None.

(9) Commitments and contingencies

(1) The following are the unrecognized contractual commitments of the company:

	December 31, 2024	December 31, 2023
Acquisition of Equipment	**$ 77,277**	**71,516**

(10) Losses due to major disasters: None

(11) Significant Subsequent Events: None

To meet the funding needs for the construction of new facilities, the company resolved during the board meeting on November 7, 2024, to issue its first domestic unsecured convertible corporate bonds. The total face value of the issuance is NT$1,000,000 thousand. Each bond has a face value of NT$100,000 with a total issuance of 10,000 bonds. As of January 10, 2025, the bonds were issued at 105% of their face value, resulting in a total issuance amount of NT$1,050,000 thousand. All issued funds have been fully collected.

(12) Other

(1) The summary of employee benefits, depreciation, and Amortization by function is as follows:

Function Type / Nature Type	2024			2023		
	Belongs to Cost of Goods Sold	Belongs to Operating Expenses	Total	Belongs to Cost of Goods Sold	Belongs to Operating Expenses	Total
Employee Benefits Expenses						
Payroll expenses	534,034	165,702	699,736	423,885	175,655	599,540
Health and Welfare Costs	47,166	13,589	60,755	43,248	13,312	56,560
Pension Expenses	18,855	6,454	25,309	16,878	6,064	22,942
Director's Remuneration	-	7,685	7,685	-	7,302	7,302
Other Employee Benefits Costs	44,547	7,221	51,768	38,184	6,157	44,341
Depreciation expenses	166,536	9,556	176,092	138,715	9,148	147,863
Amortization expenses	2,478	5,607	8,085	377	6,140	6,517

(2)The additional information regarding the number of employees and the amount of employee benefits expenses for the company for the years 2024 and 2023 is as follows:

	2024	2023
Number of employees	**893**	**833**
Number of directors not serving as employees	**8**	**8**
Average employee benefits expense	**$ 946**	**877**
Average Payroll expenses	**$ 791**	**727**
Adjustments to average Payroll expenses	**9%**	**(14)%**
Supervisor's remuneration	**$ -**	**-**

(3) The information on the salary compensation policy of the company (including directors, managers, and employees) is as follows:

1. The compensation paid to employees and managers is divided into fixed and variable salaries. The fixed salary is provided monthly regardless of profit or loss and is established according to the job responsibilities and grades of the employees; while variable salaries consist of annual bonus, performance bonus, and employee remuneration. Variable salaries are determined in a manner that sufficiently reflects the performance of each employee, based on overall environmental and industry standards, company profitability, performance appraisals of employees and managers, job responsibilities, and contributions to the company's operations. Since the setting of variable compensation is related to the earnings of the current year, it is highly correlated with the company's operational performance.
2. The performance indicators for the aforementioned managers and the setting of their variable compensations are designed not to lead managers to pursue short-term rewards and engage in behaviors that exceed company risks, in order to balance sustainable business operations and risk management. The compensation policy and remuneration of managers are proposed by the Compensation Committee and then submitted to the Board of Directors for resolution.
3. The remuneration of the company's directors for the execution of business is determined according to the company's bylaws, based on their level of involvement and contribution to company operations. Apart from considering the company's operational performance, their issuance standards, structures, and systems also reference the levels set by related industries and listed companies, and are determined by the Compensation Committee and approved by the Board of Directors.
4. The payment of salaries and compensations in the company is carefully assessed internally, where the compensations for managers and directors are audited and resolved by the Compensation Committee and the Board of Directors, ensuring no significant risks for the

future.

(13) Other Disclosure Items

(1) Information on Significant Transactions

In the fiscal year 2024, according to the regulations for financial report preparation for securities issuers, the significant transaction-related information that must be disclosed is as follows:

1. Loans to others: None.
2. Endorsements and guarantees for others: None.
3. Position of marketable securities held at the end of the period (excluding investments in Subsidiaries, associated companies, and joint ventures): None.
4. Cumulative amount of purchases or sales of the same security reaching NT$300 million or 20% of paid-in capital: None.
5. Acquisitions of real estate reaching NT$300 million or 20% of paid-in capital: None.
6. Disposals of real estate reaching NT$300 million or 20% of paid-in capital: None.
7. Transactions with related parties where the amount reaches NT$100 million or 20% of paid-in capital: None.
8. Accounts receivable from related parties exceeding NT$100 million or 20% of paid-in capital: None.
9. Engagement in derivative product transactions: None.

(2) Information on investees: None.

(3) Information on Investment in Mainland China:

1. Information on reinvestments in Mainland China:

Mainland Investment Company Name	Main Business Item	Paid-in Capital Capital Amount	Investment Method	Accumulated Investment Amount at the Beginning of This Period Transferred from Taiwan	Investment Amount Transferred or Repatriated This Period		Accumulated Investment Amount at the End of This Period Transferred from Taiwan	Investee Company Profit and Loss This Period	Direct or Indirect Investment by Our Company Shareholding Percentage	Investment Income Recognized This Period Profit/Loss	Investment Carrying Amount at the End of the Period Value	Investment Income Repatriated up to This Period
					Transferred	Repatriated						
Kunshan Trading	Sales and technical consulting services for double-sided and multilayer printed circuit boards	6,020	Note 1	6,020	-	-	6,020	148	100%	148	4,480	-

Note 1: The company directly invests in Mainland China companies.
Note 2: Investment income and losses are recognized based on the audited financial statements of the invested companies.

2. Reinvestment limit in Mainland China:

Cumulative Investment Amount Remitted from Taiwan to Mainland China at the End of the Current Period	Investment Amount Approved by the Ministry of Economic Affairs Investment Review Committee	Investment Limit to Mainland China as Per the Regulations of the Ministry of Economic Affairs Investment Review Committee
6,557 (USD 200 thousand)	6,557 (USD 200 thousand)	1,321,770

Note: The amounts in New Taiwan Dollars in this table are converted based on the exchange rate on the balance sheet date.

3. Significant transactions: None.

(4) Major shareholders:

Unit: Shares

Major Shareholder Name	Number of Shares Held	Percentage of Shares Held
Compal Electronics, Inc.	10,157,730	19.92%
Gempal Technology Corp.	3,219,741	6.31%
Panpal Technology Corp.	2,927,037	5.74%

Note 1: The principal shareholder information in this table is calculated by the central securities depository company on the last business day of the end of each quarter, based on shareholders who hold over 5% of ordinary shares which have completed dematerialized delivery (including treasury shares) of the company. As for the Share Capital listed in the company's financial report and the actual number of shares delivered without physical registration, there may be differences due to different calculation bases or other reasons.

Note 2: If the shareholder data pertains to holding shares in trust, it is displayed under separate sub-accounts for the settlors in the trustee’s trust account. Regarding shareholders who comply with the securities trading laws to declare equity ownership of insiders holding more than 10%, their shareholding includes their own holdings plus shares given to trusts in which they have decisive control over the trust assets. For details on insider equity declarations, please refer to the Public Information Observatory.

(14) Segment information

Please refer to the consolidated financial statements for 2024.

ALLIED CIRCUIT CO., LTD

Statement of cash and cash equivalents

December 31, 2024

Unit: Thousands of New Taiwan Dollars

Item	Summary	**Amounts**
Cash on hand	-	$ 50
Checking accounts and demand deposits	Taiwan Dollar Deposits	188,858
	Foreign Currency Deposits (JPY 2 thousand, USD 420 thousand, and RMB 4 thousand)	13,774
		202,632
Time deposits	Taiwan Dollar Deposits (Maturity from January 21, 2025, to May 28, 2025, Interest rates range from 1.45% to 1.65%)	355,000
		$ 557,682

Note: The exchange rates for foreign currencies on the balance sheet date are as follows:

USD：32.785

JPY：0.2099

RMB：4.4780

ALLIED CIRCUIT CO., LTD

Statement of notes and accounts receivable

December 31, 2024

Unit: Thousands of New Taiwan Dollars

Customer name	Summary	Amount
Accounts Receivable:	-	
B Company	Non-related party operating revenue	$ 219,946
E Company	〃	209,808
O Company	〃	182,220
L Company	〃	129,269
S Company	〃	108,323
(Increase) decrease in other current assets (note)	〃	463,215
Subtotal	-	1,312,781
Less: Allowance for doubtful accounts	-	(5,987)
Total	-	**$ 1,306,794**

Note: The balances of each item do not exceed 5% of the amount of this account and are not listed separately.

ALLIED CIRCUIT CO., LTD

Inventory list

December 31, 2024

Unit: Thousands of New Taiwan Dollars

Item	Amount	
	Carrying Value (Note)	Net Realizable Value
Raw Materials	$ 154,302	158,073
Work in Progress	301,437	311,786
Finished Goods	152,220	162,170
Total	**$ 607,959**	**632,029**

Note: The amount shown is the net value of Inventories after deducting the provision for inventory impairment losses.

Statement of property, plant and equipment

January 1 to December 31, 2024

Please refer to Notes 6(6).

Detailed Statement of Changes in Right-of-Use Assets

January 1, 2024 to December 31, 2024

Please refer to Notes 6 (7).

ALLIED CIRCUIT CO., LTD

Statement of notes and accounts payable

December 31, 2024

Unit: Thousands of New Taiwan Dollars

Item	Summary	Amount
Notes Payable:	-	
C Company	Non-related parties' business expenses	$ 319,659
X Company	〃	147,856
B Company	〃	87,271
Others (note)	〃	441,082
Total	-	**$ 955,868**

Note: The balances of each item do not exceed 5% of the total amount of this account, and are not individually listed.

Statement of lease liabilities -

December 31, 2024

Unit: Thousands of New Taiwan Dollars

Item (Subject)	Lease term	Discount rate	Balance at December 31
Transport Equipment	1~3 years	1.20%~5.00%	$ 3,220

ALLIED CIRCUIT CO., LTD

Statement of other payables

December 31, 2024

Unit: Thousands of New Taiwan Dollars

Item	Description	Amount
Payroll payables and year-end bonuses payable	Estimated salaries, annual bonuses, employee benefits, remuneration for directors and supervisors, and employee rewards, etc.	$ 163,728
Outsourcing fees payable		81,724
Accounts payable for repairs		35,083
Accounts payable for equipment		59,369
(Increase) decrease in other current assets	Electricity charges, labor costs, export expenses, and advanced receipts, etc.	135,372
		$ 475,276

Note: The balance of each item does not exceed 5% of the amount of this account, and is not listed separately.

Statement of operating revenue

From January 1, 2024, to December 31, 2024

Unit: Thousands of New Taiwan Dollars

Item	Quantity (square feet)	Amount
Sales Revenue:		
Printed Circuit Boards	977,861	$ 3,551,567
Less: Sales Returns		6,366
Sales Discounts		28,370
		3,516,831
Other Operating Income:		
Sample Revenue and Others		98,924
Net sales revenue		**$ 3,615,755**

ALLIED CIRCUIT CO., LTD

Statement of operating costs

January 1, 2024 to December 31, 2024

Unit: Thousands of New Taiwan Dollars

Item	**Amount**
Raw materials	
Raw materials, beginning of the year	$ 93,113
Add: Purchases	2,001,143
Less: Raw materials, end of the year	(167,293)
Transferred to operating expense and others	(161,742)
Raw materials used	1,765,221
Direct labor	494,234
Manufacturing expenses	912,684
Total Manufacturing costs	3,172,139
Add: Work-in-process, beginning of the year	241,122
Less: Work-in-process, end of the year	(380,573)
Transfer of raw materials to expense accounts and others	(139,904)
Cost of finished goods	2,892,784
Add: Finished goods, beginning of the year	127,980
Purchases	33,522
Inventory surplus	31
Less: Finished goods, end of the year	(179,967)
Transferred to operating expense and others	(32,646)
Costs of sales of finished goods and processing costs	2,841,704
Inventory obsolescence and impairment losses	31,120
Net inventory write-off losses	175,187
Gain on disposal	(60,381)
Inventory surplus	(31)
Unallocated direct labor and manufacturing overhead costs	48,360
Cost of sales	**$ 3,035,959**

ALLIED CIRCUIT CO., LTD

Statement of operating expenses

January 1, 2024 to December 31, 2024

Unit: Thousands of New Taiwan Dollars

Item	Selling expenses	General and administrative expenses	Research and Development Cost
Salaries and wages	$ 16,829	80,111	82,901
Labor and Health Insurance	1,105	5,367	7,117
Export expenses	11,370	-	-
Transportation costs	6,082	-	72
Depreciation expenses	37	7,700	1,819
Other (note)	47,942	41,296	20,068
Total	**$ 83,365**	**134,474**	**111,977**

Note: The balances of each item do not exceed 5% of the amount of this account, and are not separately listed.