Stock Code: 8155

ALLIED CIRCUIT CO., LTD and Subsidiaries

Consolidated Financial Statements and INDEPENDENT AUDITORS' REPORT

Fiscal Years 2024 and 2023

Company Address: No. 128, Gong 2nd Road, Wulin Liv, Longtan District, Taoyuan City
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The independent auditors' report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' report and consolidated financial statements, the Chinese version shall prevail.

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Representation Letter

The company's fiscal year of 2024 (from January 1, 2024, to December 31, 2024), according to the "Criteria Governing the Preparation of Affiliation Reports, Consolidated Business Reports, and Consolidated Financial Statements of Affiliated Enterprises", the entities that should be included in the preparation of the Related Enterprise Consolidated Financial Statements are the same as those under IFRS 10 as recognized by the Financial Supervisory Commission. Since the information required to be disclosed in the Related Enterprise Consolidated Financial Statements has been disclosed in the Parent-Subsidiary Consolidated Financial Reports mentioned above, there is no need to prepare additional Related Enterprise Consolidated Financial Statements.

This is hereby declared.

Company Name: ALLIED CIRCUIT CO., LTD
Chairman: Chang Yung-Ching
Date: February 21, 2025

INDEPENDENT AUDITORS' REPORT

Board of Directors of ALLIED CIRCUIT CO., LTD:

Opinion

The consolidated balance sheets of ALLIED CIRCUIT CO., LTD and its subsidiaries as of December 31, 2024, and 2023, together with the consolidated statements of comprehensive income, changes in equity, and cash flows for the years then ended, and the notes to the consolidated financial statements (including summaries of significant accounting policies), have been audited by us.

In our opinion, the aforementioned consolidated financial statements present fairly, in all material respects, the financial position of ALLIED CIRCUIT CO., LTD and its subsidiaries as of December 31, 2024 and 2023, and their financial performance and cash flows for the years then ended, in accordance with the regulations on financial reporting of issuers approved and issued by the Financial Supervisory Commission, along with IFRS, International Accounting Standards (IAS), interpretations and interpretation announcements.

Basis for Opinion

We conducted our audit in accordance with the Rules Governing the Audit and Certification of Financial Statements by Certified Public Accountants and auditing standards. Our responsibilities under these standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of our report. The firm we belong to complies with the ethical requirements and has maintained its independence from ALLIED CIRCUIT CO., LTD and its subsidiaries, in accordance with the professional ethics for accountants, and has fulfilled its other ethical responsibilities under these ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

1. Inventory Valuation

For accounting policies related to Inventory Valuation, please refer to notes to the consolidated financial statements-d Inventory; uncertainty of Inventory Valuation is detailed in notes to the consolidated financial statements-e; notes on inventory and related expenses are detailed in notes to the consolidated financial statements 6(4) Inventory.

Description of key audit matters:

ALLIED CIRCUIT CO., LTD and its subsidiaries are engaged in the manufacturing and sale of printed circuit boards (double-sided and multilayer boards), where most orders are custom-made. If the produced products exceed customer order quantities, it might result in an inventory write-down to reflect net realizable value below cost. Therefore, testing the valuation of inventory is one of the significant estimates in the audit of the financial statements of ALLIED CIRCUIT CO., LTD and its subsidiaries.

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

Our main audit procedures on the above key audit matters include testing controls related to the costing cycle, assessing the policies for provisioning for inventory write-down or obsolescence losses of ALLIED CIRCUIT CO., LTD and its subsidiaries, whether provision has been made according to these policies, and whether they are managed in accordance with relevant guidelines. Additionally, by reviewing inventory management reports and evaluating the basis of net realizable value used for quantities exceeding customer orders, we verified the management's assessment of the reasonableness of net realizable value of inventory.

Others

ALLIED CIRCUIT CO., LTD has prepared individual financial statements for the years 2024 and 2023, which have been audited by us and an unqualified opinion has been issued, which are available for reference.

Management and Governing Body's Responsibility for the Consolidated Financial Statements

The management's responsibility is to prepare consolidated financial statements that are free from material misstatement, whether due to fraud or error, and to maintain necessary internal controls relevant to the preparation of consolidated financial statements that are correctly presented in accordance with the regulations on financial reporting of issuers and effective IFRS, International Accounting Standards, interpretations, and interpretation announcements approved and issued by the Financial Supervisory Commission.

When preparing the consolidated financial statements, the management's responsibilities also include assessing the ability of ALLIED CIRCUIT CO., LTD and its subsidiaries to continue as a going concern, disclosing related matters, and using the going concern basis of accounting unless

management either intends to liquidate ALLIED CIRCUIT CO., LTD and its subsidiaries or to operations, or has no realistic alternative but to do so.

The governing body, including the audit committee of ALLIED CIRCUIT CO., LTD and its subsidiaries, is responsible for overseeing the financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 consolidated financial statements.

As part of an audit in accordance with auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We are also:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. To obtain an understanding of internal controls 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 internal controls of ALLIED CIRCUIT CO., LTD and its Subsidiaries.
3. Assess the appropriateness of accounting policies used by the management, and the reasonableness of accounting estimates and related disclosures.
4. Based on the audit evidence obtained, conclude on the appropriateness of management's use of the going concern basis of accounting and whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of ALLIED CIRCUIT CO., LTD and its Subsidiaries to continue as a going concern. If the auditor concludes that a material uncertainty exists, they are required to draw attention in the audit report to the related disclosures in the consolidated financial statements or to modify the Opinion if those disclosures are inadequate. The auditor's conclusions are based on the audit evidence obtained up to the date of the audit report. However, future events or conditions may cause ALLIED CIRCUIT CO., LTD and its Subsidiaries to cease to continue as a going concern.

5. Evaluate the overall presentation, structure, and content of the consolidated financial statements (including Notes), and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities within the group to express an opinion on the consolidated financial statements. The auditor is responsible for the direction, supervision, and performance of the group audit and for the auditor's Opinion on the group audit.

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.

The auditor also provides those charged with governance with a declaration of compliance with the independence requirements applicable to the auditor's firm under professional ethics standards concerning independence, and discusses with those charged with governance all relationships and other matters that may reasonably be thought to bear on the auditor's independence, including relevant safeguards.

From the matters communicated with those charged with governance, the auditor determines the Key Audit Matters to be reported in the audit of the consolidated financial statements of ALLIED CIRCUIT CO., LTD and its Subsidiaries for the year 2023. The auditor describes these matters in the audit report unless the law precludes public disclosure about a specific matter or in rare circumstances, the auditor concludes that the adverse consequences of disclosure would outweigh the public interest benefits of such communication.

KPMG

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

Notes to Readers

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

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

ALLIED CIRCUIT CO., LTD and Subsidiaries

Consolidated Balance Sheets

December 31, 2024 and 2023

Unit: Thousand New Taiwan Dollars

	Assets	December 31, 2024 Amount	%	December 31, 2023 Amount	%
	Current assets:				
1100	Cash and cash equivalents (note 6(1))	$ 561,605	14	667,200	20
1170	Notes and accounts receivable, net (note 6(2) and 6(16))	1,306,794	34	1,092,182	33
1200	Other receivables (note 6(3))	55,979	1	9,067	-
1310	Inventories (note 6(4))	607,959	16	373,762	11
1410	Prepayments and Other current assets	54,448	1	37,802	1
	Sub-total	2,586,785	66	2,180,013	65
	Non-current assets:				
1600	Property, plant and equipment (note 6(5))	1,246,384	32	1,125,359	34
1801	Computer software, net	5,491	-	5,696	-
1900	Other non-current assets (note 6(6), 6(12))	51,575	2	36,181	1
	Sub-total	1,303,450	34	1,167,236	35
	Total assets	**$ 3,890,235**	**100**	3,347,249	**100**

	Total Liabilities and Equity	December 31, 2024 Amount	%	December 31, 2023 Amount	%
	Current liabilities:				
2100	Short-term borrowings (Notes 6(7))	$ 145,893	4	186,993	6
2170	Notes and accounts payable	995,868	25	598,016	18
2200	Other payables (Notes 6(8), 6(10) and 6(16))	475,107	12	330,034	10
2230	Current income tax liabilities	24,669	1	38,487	1
2365	Current refund liabilities (Notes 6(9))	38,041	1	48,547	1
	Sub-total	1,679,578	43	1,202,077	36
	Non-current liabilities:				
2570	Deferred tax liabilities (Notes 6(10) and 6(12))	7,707	-	9,412	-
	Total Liabilities	1,687,285	43	1,211,489	36
	Equity (Notes 6(13) and 6(14)):				
3100	Share Capital	509,805	13	512,030	15
3200	Capital surplus	476,279	12	550,587	17
	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
3410	Exchange Differences Arising on Translation of Foreign Operations	(371)	-	(518)	-
3491	Other Equity Interests－Employee unearned compensation	(4,369)	-	(64,026)	(2)
		(4,740)	-	(64,544)	(2)
	Total Equity	2,202,950	57	2,135,760	64
	Significant or liability-bearing and unrecognized contractual commitments				
	Total Liabilities and Equity	**$ 3,890,235**	**100**	3,347,249	**100**

(Please refer to the Notes attached to the consolidated financial statements)

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

ALLIED CIRCUIT CO., LTD and Subsidiaries

Consolidated Statement of Comprehensive Income

January 1, 2024 to December 31, 2024 and 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(11), 6(17) and 12)	3,035,751	84	2,385,818	82
	Gross profit (loss)	580,004	16	506,591	18
	Total operating expenses (Notes 6(11), 6(14), 6(17) and 12):				
6100	Selling expenses	83,364	2	37,829	1
6200	General and administrative expenses	134,579	4	150,440	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	331,919	9	290,168	10
	Operating profit	248,085	7	216,423	8
	Non-operating income and expenses:				
7100	Interest income	9,423	-	11,002	-
7020	Other gains and losses	18,515	-	21,200	-
7230	Foreign currency exchange gains and losses (Notes 6(18))	1,563	-	(4,212)	-
7510	Interest expense (Notes 6(10))	(12,524)	-	(10,935)	-
		16,977	-	17,055	-
7900	Profit before income tax	265,062	7	233,478	8
7950	Less: Income tax expense (Notes 6(12))	28,706	-	29,358	1
	Net profit (loss)	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	Gain (loss) on remeasurements of defined benefit plans (Notes 6(11))	658	-	1,724	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss (Notes 6(12))	132	-	345	-
		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	-	-	-	-
		147	-	(78)	-
8300	Other comprehensive income (loss)	673	-	1,301	-
8500	current Total comprehensive income	**$ 237,029**	**7**	**205,421**	**7**
	Earnings per Share (Notes 6(15))				
9750	Basic earnings per share	**$ 4.69**		**4.08**	
9850	Diluted earnings per share	**$ 4.64**		**4.02**	

(Please refer to the Notes attached to the consolidated financial statements)

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

ALLIED CIRCUIT CO., LTD and Subsidiaries

Consolidated Statement of Changes in Equity

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

Unit: Thousands of New Taiwan Dollars

			Retained earnings				Other equity items			
	Ordinary share capital	Capital surplus	Legal reserve	Special reserve	Unappropriated earnings	Total	Foreign operation Financial statements Exchange differences on translation	Employee benefit underpayments	Total	Total Equity
Balance on January 1, 2023	$ 512,310	553,261	259,599	499	1,046,079	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	-	-	-	555,696
Other comprehensive income (loss)	-	-	-	-	1,379	1,379	(78)	-	(78)	1,301
Total comprehensive income (loss)	-	-	-	-	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 and distribution of retained 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
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 Notes attached to the consolidated financial statements)

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

ALLIED CIRCUIT CO., LTD and Subsidiaries

Consolidated Statement of Cash Flows

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

Unit: Thousands of New Taiwan Dollars

	2024	2023
Cash flows from operating activities:		
Profit before tax	$ 265,062	233,478
Adjustments:		
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	(9,423)	(11,002)
Dividend income	13,717	46,487
Proceeds from disposal of property, plant and equipment	(1,974)	(2,945)
Others	(590)	(2,188)
Total adjustments to reconcile profit (loss)	200,430	195,979
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	(47,237)	31,921
(Increase) decrease in inventories	(234,197)	113,633
Decrease (increase) in prepaid expenses and other current assets	(16,646)	7,256
(Increase) decrease in other current assets	(1,151)	(994)
Total changes in operating assets	(515,842)	134,713
Changes in operating liabilities:		
(Decrease) increase in notes and accounts payable	397,852	107,852
Increase in other payables	114,311	(96,126)
Increase in refund liabilities	(10,506)	1,011
Total changes in operating liabilities	501,657	12,737
Total changes in operating assets and liabilities	(14,185)	147,450
Total adjustments	186,245	343,429
Cash inflow (outflow) generated from operations	451,307	576,907
Interest received	9,748	11,751
Interest paid	(12,438)	(11,133)
Income taxes paid	(49,311)	(81,887)
Net cash flows from (used in) operating activities	399,306	495,638
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)
Principal repayments of lease liabilities	(2,273)	(3,263)
Cash dividends paid	(183,556)	(373,986)
Net cash flows (used in) from financing activities	(227,285)	(436,388)
The effect of exchange rate changes on cash and cash equivalents	147	(78)
Net increase (decrease) in cash and cash equivalents	(105,595)	(183,983)
Cash and cash equivalents at beginning of period	667,200	851,183
Cash and cash equivalents at end of period	**$ 561,605**	**667,200**

(Please refer to the Notes attached to the consolidated financial statements)

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

ALLIED CIRCUIT CO., LTD and Subsidiaries
Consolidated Financial Statements Notes
For the Years Ended 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, approved by the Ministry of Economic Affairs, originally named Jiafu Electronics Co., Ltd., and was renamed on June 3, 2004. The Company and its Subsidiaries (hereinafter collectively referred to as the "Consolidated Entity") are primarily engaged in the manufacture, processing, and sales of printed circuit boards (double-sided and multi-layer)**.**

(2) Approval Date and Procedures of the Financial Statements

These consolidated financial statements were approved for issue by the board of directors on February 21, 2025.

(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 consolidated 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 consolidated 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 consolidated 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 consolidated 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 consolidated company are as follows:

Newly Issued or Amended **Standards**	**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. •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.	January 1, 2027

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

- Amendments to IFRS 10 and IAS 28 " Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture"
- IFRS 17 "Insurance Contracts" and Amendments to IFRS 17
- 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 adopted in these consolidated financial statements are summarized as follows. Unless otherwise indicated, the following accounting policies have been consistently applied to all periods presented in these consolidated financial statements.

(1)Statement of Compliance

These consolidated financial statements have been prepared in accordance with the Regulations for the Preparation of Financial Reports by Securities Issuers, and in compliance with the International Financial Reporting Standards, International Accounting Standards, and interpretations officially approved and enacted by the Financial Supervisory Commission (referred to as "FSC-approved IFRS").

(2) Basis of Preparation

(1) Basis of measurement

Except for significant items in the balance sheet specified below, these consolidated 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 (or Assets), measured at the fair value of

retirement fund Assets less the Present value of defined benefit obligations and the effects of the asset ceiling as mentioned in Notes (14).

(2) Functional and presentation currency

Each entity within the consolidated group uses the currency of the primary economic environment in which it operates as its functional currency. These consolidated financial statements are presented in New Taiwan Dollars, which is the functional currency of the company. All financial information presented in New Taiwan Dollars is denominated in thousands of New Taiwan Dollars.

(3) Basis of consolidation

1. Principles of consolidation

The subjects of the consolidated financial statements include the company and the entities it controls (i.e., Subsidiaries). Control is defined as being exposed to, or having rights to, variable returns from its involvement with the investee and having the ability to affect those returns through its power over the investee.

Financial statements of the Subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. Intra-group transactions, balances, and any unrealized gains and losses or income and expenses arising from intra-group transactions are fully eliminated in the preparation of the consolidated financial statements. The total comprehensive income of the Subsidiaries is attributed to the owners of the company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

The financial statements of the Subsidiaries are adjusted where necessary to ensure consistency with the policies adopted by the consolidated group.

Changes in the company's ownership interests in Subsidiaries that do not result in a loss of control are accounted for as equity transactions with owners. Adjustments to non-controlling interests and any difference between the fair value of the consideration paid or received are recognized directly in Equity and attributed to the owners of the company.

2. Subsidiaries included in the consolidated financial statements

The Subsidiaries included in these consolidated financial statements comprise:

Investment Company Name	Subsidiaries Name	Nature of Business	Equity Ownership Percentage	
			December 31, 2024	December 31, 2023
The Parent Company	KUNSHAN ALLIED CIRCUIT TRADING CO., LTD. (Kunshan Trading)	Sales and technical consultancy services for printed circuit boards (double-sided and multilayer)	100%	100%

(4) 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 the 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 (loss):

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 from the acquisition, are translated into New Taiwan Dollars at the exchange rate on the reporting date; income and expense items are translated at the average exchange rate for the period, and the resulting exchange differences are recognized in other comprehensive income (loss).

When a foreign operation is disposed of such that control, joint control or significant influence is lost, the cumulative amount of the exchange differences related to that foreign operation is reclassified to profit or loss. A partial disposal (or downgrade of ownership) of a subsidiary containing a foreign operation result in the proportional reattribution of the cumulative amount of the exchange differences to non-controlling interest. When a foreign operation is partially disposed of through an associate or jointly controlled entity, the proportionate share of the accumulated exchange differences 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.

(5) 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 equivalent 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.

(6) 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.

(7) Financial instruments

Trade receivables and debt securities issued are initially recognized at the time they are incurred. All other financial assets and financial liabilities are initially recognized when the consolidated entity becomes a party to the contractual provisions of the instrument. Financial assets not measured at fair value through profit or loss, including trade receivables without a significant financing component, and financial liabilities are initially measured at fair value plus transaction costs that are directly attributable to their acquisition or issue. Trade receivables without a significant financing component are measured at the transaction price.

(1) Financial assets

A regular way purchase or sale of financial assets is recognized and derecognized, as applicable, using trade date accounting.

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

The consolidated entity only reclassifies financial assets if there is a change in the business model for managing those assets. Reclassifications are made from the first day of the next reporting period.

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;

- The contractual terms of the financial asset 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 their amortized cost, using the effective interest method, adjusted for any loss allowance. Interest income, foreign exchange gains and losses, and impairment losses are recognized in profit or loss when derecognized. Gains and losses are recognized in profit or loss when the asset is derecognized.

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

Those financial assets that do not meet the criteria for being measured at amortized cost are measured at fair value through profit or loss. Such financial assets include those intended to be sold immediately or in the near term which may be included within receivables. For the initial recognition of financial assets, the consolidated entity, to eliminate or significantly reduce any accounting mismatch, may irrevocably designate financial assets that meet the conditions of being measured at amortized cost or at fair value through other comprehensive income to be measured at fair value through profit or loss instead.

These assets are subsequently measured at their fair value. The net gains or losses, including any interest or dividend income, are recognized in profit or loss.

(3) Impairment of financial assets

The consolidated entity recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. This includes cash and cash equivalents, trade receivables, other receivables, and other financial guarantees.

The following financial instruments are subject to the impaired financial asset provisions:

- Debt securities that are determined to have low credit risk at the reporting date; and
- Other debt securities and cash deposits not deemed to have significantly increased credit risks after initial recognition.

The loss allowance for trade receivables is determined to measure at an amount equal to lifetime expected credit losses. This is known as an impairment loss.

Expected credit losses are measured as the present value of all cash shortfalls over the expected life of the financial instrument.

A twelve-month expected credit loss is the portion of lifetime expected credit losses that represent the negative impacts associated with default events that are possible within 12 months after the reporting date.

The maximum period to consider when measuring expected credit losses is the lifetime of the financial instrument.

In determining whether the credit risk has significantly increased since initial recognition, the consolidated entity considers reasonable and supportable information (which can be obtained without undue cost or effort) including qualitative and quantitative information, and analysis based on the entity's historical experience, credit assessments, and forward-looking information.

If the credit risk rating of a financial instrument is equivalent to the 'investment grade' defined globally (standard & Poor's investment grade BBB-, Moody's investment grade Baa3 or Taiwan Ratings investment grade TWA, or higher), the consolidated entity regards the credit risk of that debt security as low. Time deposits held by the consolidated entity are considered to have low credit risk since the counterparties and obligors are financial institutions with an investment grade or higher.

If contractual payments are overdue by more than thirty days, the consolidated entity assumes that the credit risk of the financial asset has significantly increased.

If contractual payments are overdue by more than one hundred twenty days, or it is unlikely that the borrower will fulfill its credit obligations to pay the full amount to the consolidated entity, the consolidated entity considers that the financial asset has defaulted.

Expected credit losses are probability-weighted estimates of credit losses over the expected life of the financial instrument. Credit losses are measured by the present value of all cash shortfalls, i.e., the difference between the cash flows contractual to be received and those expected to be received by the consolidated entity. Expected credit losses are

discounted at the effective interest rate of the financial asset.

On each reporting date, the consolidated entity assesses whether there is any credit impairment on financial assets measured at amortized cost. A financial asset is credit-impaired when one or more events that have a detrimental effect on the estimated future cash flows of the financial asset have occurred. Evidence of credit impairment includes observable data regarding the following:

· Significant financial difficulty of the borrower;

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

· Economic or contractual reasons related to the borrower's financial difficulties leading the consolidated entity to grant a concession to the borrower that it 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 consolidated entity has no reasonable expectation of recovering a financial asset in whole or in part, it directly reduces the gross carrying amount of the financial asset. For corporate accounts, the consolidated entity individually analyzes the timing and amount of the write-off based on whether recovery is reasonably expected. The consolidated entity does not expect the written-off amounts to be significantly reversed. However, written-off financial assets still can be enforced, following the consolidated entity's procedures for recovering overdue amounts.

(4) Derecognition of financial assets

The consolidated entity derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership to another entity or neither transfers nor retains substantially all the risks and rewards of ownership and does not retain control over the financial asset.

When the consolidated entity enters into a transaction to transfer financial assets, if it retains substantially all the risks and rewards of ownership of the transferred asset, it continues to recognize the transferred asset on the balance sheet.

(2) Financial liabilities and equity instruments

1) Classification of debt or equity

The consolidated entity classifies instruments it issues as financial liabilities or equity instruments based on the substance of the contractual arrangement 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 consolidated entity derecognizes a financial liability when its contractual obligations are discharged, canceled, or expired. When the terms of a financial liability are modified and the cash flows of the modified liability are substantially different, it derecognizes the original financial liability and recognizes the modified liability at its fair value.

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

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet only when the consolidated entity has a legally enforceable right to set off the recognized amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

(3) Derivative financial instruments and hedge accounting

The consolidated entity holds derivative financial instruments to hedge exposure to foreign exchange and interest rate risks. Embedded derivatives are separated from the host contract when they meet specific criteria and the host contract is not a financial asset. Derivative instruments are initially measured at fair value; subsequent measurements at fair value and gains or losses on re-measurement are recognized directly in profit or loss.

(8) Inventory

Inventories are measured at the lower of cost and net realizable value. The cost of inventories is based on the weighted average cost method and includes expenditure incurred in acquiring the inventories, production or processing costs, and other costs incurred in bringing them to their present location and condition. The cost of manufactured goods and work in progress includes a proportionate share of production overhead allocated based on normal capacity; however, if the actual capacity closely approximates normal capacity, it is allocated based on actual capacity.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

(9) Property, plant and equipment

1) Recognition and measurement

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.

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

2) Subsequent cost

Subsequent costs are capitalized only when it is probable that future economic benefits associated with the expenditures will flow to the consolidated entity.

3) Depreciation

Depreciation is calculated by deducting the residual value from the cost of the asset and is recognized in the income statement over the estimated useful life of each component, on a straight-line basis.

Land is not subject to depreciation.

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 to 12 years

(4) Other equipment – 3 to 17 years

The major components of buildings, structures, and equipment include the main

building of the factory, fire protection systems, and electroplating equipment, each depreciated over their respective useful lives.

The consolidated company reviews the depreciation methods, useful lives, and residual values each reporting date and adjusts them as necessary.

(10) Lease

The consolidated company assesses at the inception of the contract whether the 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, it is or contains a lease.

(1) As a lessee

The consolidated company recognizes a right-of-use asset and a lease liability at the commencement date of the lease. The right-of-use asset is initially measured at cost, which includes the initial measurement of the lease liability, adjusted for any lease payments made at or before the commencement date, plus initial direct costs and estimated costs for dismantling and removing the underlying asset and restoring the site or underlying asset, less any lease incentives received.

The right-of-use asset is subsequently depreciated on a straight-line basis from the commencement date to the earlier of the end of its useful life or the lease term. Additionally, the consolidated company regularly assesses whether the right-of-use assets are impaired and accounts for any impairment loss incurred, adjusting the right-of-use asset in conjunction with the remeasurement of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not yet paid at commencement date. The discount rate used is the interest rate implicit in the lease if that rate can be readily determined; otherwise, the consolidated company's incremental borrowing rate is used. Generally, the company uses its incremental borrowing rate as the discount rate.

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

(1) fixed payments, including in-substance fixed payments; 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 other than lease modifications, a corresponding adjustment is made to the carrying amount of the right-of-use asset, and 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 consolidated company discloses right-of-use assets not meeting the definition of investment property (presented under other non-current assets) and lease liabilities (presented separately under other current liabilities and non-current liabilities) on the balance sheet.

For leases of low-value assets concerning other equipment, the consolidated company elects not to recognize right-of-use assets and lease liabilities, instead recognizing lease payments on a straight-line basis over the lease term as an expense.

For rent concessions that meet all of the following conditions, the consolidated company has elected to use the practical expedient approach and not to assess whether they are 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 and loss upon the occurrence of the triggering event or circumstances that initiate the rent concession.

(2) As a lessor

For transactions where the consolidated company acts as a lessor, the lease is classified at the lease inception date as either a finance lease or an operating lease depending on whether substantially all of the risks and rewards incidental to ownership of the leased asset have been transferred. In its evaluation, the consolidated company considers specific

indicators including whether the lease term covers a major part of the economic life of the underlying asset.

(11) Intangible assets

1. Recognition and measurement

Expenditures related to research activities are recognized as an expense when incurred.

Development costs are capitalized only when they can be measured reliably, the technological and commercial feasibility of the product or process is demonstrated, future economic benefits are probable, and the consolidated company has the intention and sufficient resources to complete the development and to use or sell the asset. Other development expenditures are recognized as an expense when incurred. Subsequent to initial recognition, capitalized development expenditures are measured at cost less accumulated amortization and any accumulated impairment losses.

The consolidated company measures other intangible assets with a finite useful life at cost less accumulated amortization and accumulated impairment losses.

2. Subsequent expenditures

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

3. Amortization

Amortization is calculated from the date the intangible assets are available for use, based on the cost of the asset less its residual value, and is recognized on a straight-line basis over the estimated useful life of the asset.

The principal intangible assets of the consolidated company - costs of computer software, are amortized on a straight-line basis over an estimated useful life of 1 to 2 years from the date the intangible assets are available for use, with the amortization expense recognized in profit or loss.

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

(12) Impairment of non-derivative financial assets

On each reporting date, the consolidated company assesses whether there are any indications that non-financial assets (other than inventories and deferred tax assets) may be impaired. If any such indication exists, the recoverable amount of the asset is estimated.

For impairment testing purposes, assets that generate largely independent cash inflows from other individual assets or groups of assets are grouped at the lowest levels for which

identifiable cash inflows are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

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

(13) Revenue from contracts with customers

Revenue is measured based on the consideration to which the consolidated company expects to be entitled in exchange for transferring goods to customers. The consolidated company recognizes revenue when it satisfies a performance obligation by transferring control of a product to a customer. Control of a product is transferred when the product has been delivered to the customer, the customer has full discretion over the distribution channel and price of the product, and there are no unfulfilled obligations that could affect the customer's acceptance of the product. Delivery occurs when the product has been shipped to a specified location, the risks of obsolescence and loss have been transferred to the customer, and the customer has accepted the product per the sales contract, acceptance clauses have expired, or the consolidated company has objective evidence that all acceptance conditions have been satisfied.

1. Sale of goods

The consolidated company recognizes revenue when control of the products is transferred to customers. Control over the products is considered transferred when the products have been delivered to the customer, who has full discretion over the products' sales channels and pricing, and there are no outstanding obligations that might affect the customer's acceptance of the products. Delivery occurs when the products are shipped to a specified location, the risks of obsolescence and loss have been transferred to the customer, and the customer has accepted the products in accordance with the sales contract, acceptance clauses have ceased to apply, or the consolidated company has objective evidence that all acceptance conditions have been satisfied.

Consolidated company provides commercial discounts to customers. The consolidated company recognizes revenue based on the net amount of the contractual price less the estimated commercial discounts, where the amount of the commercial discounts is estimated based on accumulated past experience with respect to the expected value, and revenue is recognized only to the extent that it is highly probable that a significant reversal will not

occur. As of the reporting date, the expected amount to be paid to customers due to commercial discounts is recognized as a refund liability.

Consolidated company recognizes accounts receivable when goods are delivered, as the consolidated company has the unconditional right to payment at that point.

2. Financing components

Consolidated company expects that the timeframe between transferring goods to customers under all customer contracts and the time when payment is made by the customers does not exceed one year, therefore, the consolidated company does not adjust the transaction price for the time value of money.

(14) Employee benefits

1. Defined contribution plans

The obligation for the defined contribution pension plans is recognized as an expense over the period during which services are rendered by the employees.

2. Defined benefit plans

For defined benefit plans, the consolidated company's net obligation is calculated by discounting the estimated future benefits earned by employees in the current and prior periods to their present value, and then deducting the fair value of any plan assets.

The defined benefit obligations are annually calculated by qualified actuaries using the projected unit credit method. When the results of calculations are favorable to the consolidated company, the recognized asset is 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.

The remeasurement of the net defined benefit liability, including actuarial gains and losses, returns on plan assets (excluding interest), and any changes in the asset ceiling (excluding interest) are recognized immediately in other comprehensive income (loss) and accumulated in Retained earnings. The consolidated company determines net interest on the net defined benefit liability (asset) using the net defined benefit liability (asset) and the discount rate at the beginning of the annual reporting period. Net interest expenses and other expenses related to defined benefit plans are recognized in the statement of profit or loss.

When there are changes or reductions in the plan, the resulting service cost or benefit or loss related to prior periods is immediately recognized in profit or loss. The consolidated company recognizes gains or losses on the settlement of defined benefit plans when the settlement occurs.

3. Short term employee benefits

Short term employee benefit obligations are recognized as expenses at the time of service provision.

The expected payment amounts under short-term cash bonuses or profit-sharing plans are recognized as liabilities if the consolidated company has a current statutory or constructive obligation to make the payment due to services provided by employees in the past, and if the obligation can be reliably estimated.

(15) Share-based payment

For equity-settled share-based payment transactions, the fair value of the grant on the grant date is recognized as an expense over the vesting period, with a corresponding increase in Equity. The recognized expense is adjusted based on the expected number of awards that meet service conditions and non-market vesting conditions; the final amount recognized is based on the number of awards that meet the service conditions and non-market vesting conditions on the vesting date.

Non-vesting conditions related to share-based payment awards are included in the measurement of the fair value at grant date, and adjustments are not made for any discrepancy between expected and actual outcomes.

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

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

(16) Income taxes

Tax includes current and deferred tax. Apart from transactions or events related to business combinations, items recognized directly in Equity or in other comprehensive income (loss), current and deferred taxes are recognized in the statement of profit or loss.

The consolidated company applies the accounting treatment of International Accounting Standard 37 for interest and penalties related to income tax (including uncertainties in tax treatment) that do not meet the definition of income tax.

Current income tax includes the estimated tax payable or refundable based on taxable income (loss) for the year and any adjustment to tax payable or refundable for prior years. The

amount reflects the best estimate of payments to be made or received, measured at the statutory or substantiated tax rates applicable on the reporting date, after reflecting related tax uncertainties (if any).

Deferred income tax is recognized for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred income tax is not recognized for temporary differences arising in the following situations:

1. Initial recognition of assets or liabilities in a transaction that is not a business combination and, at the time of the transaction, (1) does not affect accounting profit or taxable income (loss) and (2) does not create taxable or deductible temporary differences;
2. Temporary differences arising from investments in Subsidiaries, associates, and joint ventures where the group has control over the timing of the reversal of the differences and it is probable that the differences will not reverse in the foreseeable future;
3. Taxable temporary differences arising upon the initial recognition of goodwill.

For unused tax losses and unused tax credits that are carried forward, deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized. These are reassessed at each reporting date, and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered or increased when it becomes probable that sufficient taxable profits will be available.

Deferred income tax is measured using the tax rates expected to apply when the temporary differences reverse, based on tax rates enacted or substantively enacted at the reporting date.

The consolidated company only offsets deferred income tax assets and deferred income tax liabilities when both of the following conditions are met:

1. There is the legal right to offset current tax assets and current tax liabilities; and
2. The deferred income tax assets and deferred income tax liabilities are with one of the taxpayers who are subject to income tax levied by the same taxation authority:
   (1) The same taxpayer; or
   (2) Different taxpayers, however, each taxpayer intends to settle current tax liabilities and assets on a net basis or realize assets and settle liabilities simultaneously in each future period when significant amounts of deferred income tax assets are expected to be recovered and deferred income tax liabilities are expected to be settled.

Unappropriated earnings subject to additional profit-seeking enterprise income tax are recognized as Current tax expense after the profit distribution proposal is approved in the shareholders' meeting of the following year.

(17) Earnings per share

The consolidated company presents basic and diluted earnings per share attributable to ordinary Equity holders of the company. The basic earnings per share of the consolidated company 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. Diluted earnings per share are calculated by adjusting 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. The potential dilutive ordinary shares of the consolidated company include stock-based compensation yet to be resolved by the board and restricted stock issued to employees.

(18) Segment information

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

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

Management is required to make judgments, estimates, and assumptions in the preparation of these consolidated financial statements, which affect the adoption of accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

The management continually reviews these estimates and underlying assumptions. Changes in accounting estimates are recognized during the period of change and in future periods affected.

The accounting policies of the consolidated company do not involve significant judgments which have significant impacts on the amounts recognized in the consolidated financial statements.

The uncertainties associated with the following assumptions and estimates pose a significant risk of causing material adjustments to the carrying amounts of assets and liabilities in the next financial year, details as follows:

(1)Inventory Valuation

Since inventories are measured at the lower of cost and net realizable value and inventory costs are written down to net realizable value, the consolidated company assesses the net realizable value of inventories as of the reporting date due to excess production over order

quantities. For details on 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	$ 103	102
Checking accounts and demand deposits	202,896	92,590
Time deposits	358,606	574,508
	$ 561,605	**667,200**

Consolidated company financial Assets' exchange rate risk, interest rate risk, and sensitivity analysis disclosures are detailed in Notes 6(18).

(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 consolidated company assesses that a part of accounts receivable is held through the business model achieving the purpose by selling financial Assets. Therefore, these receivables are measured at fair value through profit or loss.

The consolidated company adopts a simplified approach to estimate the expected credit losses for all notes and accounts receivable, which is to measure them based on the lifetime expected credit losses. For this measurement purpose, these notes and accounts receivable are grouped based on common credit risk characteristics that represent the clients' ability to pay all amounts due according to contractual terms, incorporating forward-looking information including historical credit loss experience and reasonable forecasts of future economic conditions. The analysis of the expected credit losses for the consolidated 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**

Age analysis of overdue but not impaired notes receivable and accounts receivable of the consolidated 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 movement schedule of allowance for impairment on notes and accounts receivable of the consolidated 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 extensive analysis of the credit ratings of target clients, the consolidated company believes that the overdue portion of receivables not provisioned for credit losses is still recoverable.

As of December 31, 2024 and 2023, the notes and accounts receivable of the consolidated company were neither discounted nor offered as collateral.

The consolidated company has signed a contract with the bank to sell the receivable rights, and the total purchasing limits as of December 31, 2024 and 2023 were 0 thousand yuan and 276,345 thousand yuan, respectively. According to the contract, within the sold limit, the consolidated company does not need to guarantee the debtor's payment ability at the time of credit transfer and debt performance, constituting a sale of receivables without recourse. When selling receivables, the consolidated company receives funds in accordance with the proportion stipulated in the contract, and pays interest at the agreed rate from the sale date until the customer payment date; the final payment is collected when the customer actually makes the payment. Since the consolidated company has transferred nearly all the risks and rewards of ownership of the aforementioned receivables and does not retain continuous involvement, it meets the derecognition criteria of financial assets. As of December 31, 2024 and 2023, the number of receivables sold but not yet collected was 0 thousand yuan.

For a detailed analysis of the exchange rate risks and sensitivity regarding notes and accounts receivable for the consolidated company in 2024 and 2023, please refer to Notes 6(18).

(3)Other receivables

	December 31, 2024	December 31, 2023
Compensation receivables	$ 39,283	-
Interest receivable	1,363	1,688
others	15,333	7,379
	$ 55,979	**9,067**

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(18).

(4) Inventories

	December 31, 2024	December 31, 2023
Raw materials	$ 154,302	79,988
Work in progress	301,437	192,512
Finished goods	152,220	101,262
	$ 607,959	**373,762**

Consolidated entities' details of Cost of sales recognized in the fiscal years 2024 and 2023 are as follows:

	2024	2023
Inventory reclassification for sale	$ 2,841,496	2,126,192
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)
	$ 3,035,751	**2,385,818**

December 31, 2024 and 2023, the inventories of the consolidated companies were not pledged as collateral.

(5) Property, plant and equipment

1. The cost, depreciation, and impairment loss changes of the Property, plant and equipment for the consolidated companies in the fiscal 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 Property, plant and equipment of the consolidated companies have not been provided for collateral.

(6) Right-of-use Assets

The costs and depreciation of leased transportation equipment and others by the consolidated companies are detailed 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**

(7) 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 consolidated company's Short-term borrowings as of December 31, 2024 and 2023, were all credit borrowings.

For information on the exposure to interest rate, exchange rate, and Current liquidity risks of the consolidated company, please refer to Notes 6(18).

(8) Other payables and other Current liabilities

The other payables and other Current liabilities of the consolidated company are as follows:

	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	135,203	92,650
	$ 475,107	**330,034**

(9) Refund liabilities—Current

The details of the consolidated company's refund liabilities are as follows:

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

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

(10) Lease liabilities

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

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

Maturity analysis, please refer to Notes 6(18) for financial instruments.

The amount of leases recognized in profit or loss is 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 cash flow statement is as follows:

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

The lease term for transport equipment leased by the consolidated companies ranges from one to three years, and the lease term for lands used as parking lots ranges from one to two years.

Furthermore, the lease term for other equipment leased by the consolidated companies ranges from one to two years. These leases are classified as either short-term or low-value item leases, and the consolidated companies have elected to apply the exemption from recognizing related right-of-use Assets and lease liabilities.

(11) Employee benefits

1. Defined benefit plans

The adjustments between the present value of defined benefit obligations and the fair value of plan assets for 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 labor retirement reserve account at Bank of Taiwan. Retirement payments for employees covered by the Labor Standards Act are calculated based on the employee's years of service and the average salary of the six months preceding retirement.

(1) Composition of plan assets

The retirement fund under the Labor Standards Act, managed by the Bureau of Labor Funds (referred to hereafter as the Labor Funds Bureau), is governed by the “Regulations Governing the Custody and Utilization of Labor Retirement Funds”. The funds are required to generate a minimum annual return that is not less than the earnings calculated at the local bank's two-year Time deposits rate.

As of the reporting date, the balance in the company's Labor Retirement Reserve Account at Taiwan Bank is NT$35,015 thousand. Information on the utilization of the labor retirement fund assets, including fund yield and asset allocation, can be found on the Labor Funds Bureau’s website.

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

The movements in the present value of the defined benefit obligations for the fiscal 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 of the company for the years 2024 and 2023are 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 recognized 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 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 within one year after the reporting date of 2024, the contributions to the defined benefit plan will be NT$1,148 thousand.

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

(7) Sensitivity analysis

December 31, 2024 and 2023 The impact of changes in the main actuarial assumptions used on the Present value of defined benefit obligations is 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 mentioned above is based on the effects of changing a single assumption while keeping other assumptions constant. In practice, changes in many assumptions might be interconnected. The sensitivity analysis is consistent with the method used for calculating the net defined pension liability (asset) on the balance sheet.

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

2. Defined contribution plans

Our company's defined contribution plan is in accordance with the Labor Pension Act, which stipulates a contribution rate of 6% of an employee's monthly salary, deposited into the employee's individual pension account at the Bureau of Labor Insurance. Under this plan, after our company has made the fixed contribution to the Bureau of Labor Insurance, it has no legal or assumed obligation to pay any additional amounts.

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

(12) Income tax

1. Income tax expense

The details of the income tax expenses (benefits) for the consolidated company for the years 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**

Details of income tax benefits (expenses) recognized in other comprehensive income (loss) by the consolidated company are as follows:

	2024	2023
Components of other comprehensive income that will not be reclassified to profit or loss:		
Remeasurement of defined benefit obligation	**$ 132**	**345**

The reconciliation of Income tax expense to Profit before income tax for the consolidated companies for the years 2024 and 2023 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**

2. Deferred Tax Assets and Liabilities

(1) Unrecognized deferred tax assets

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

	December 31, 2024	December 31, 2023
Tax effect of deductible temporary differences	$ 3,672	3,694
Tax losses	245	272
	$ 3,917	**3,966**

The consolidated company evaluates the likelihood of generating taxable income in the future and believes that some income tax credits are not highly probable to be realized, hence, they have not been recognized as deferred tax Assets. Moreover, the taxation losses are according to the income tax laws of the locations of each consolidated entity, approved by the tax and duty levying authorities, losses from the previous ten years can be deducted from the net profit of the current year before the income tax is assessed. This item has not been recognized as a deferred tax asset, due to the consolidated Subsidiaries not being highly likely to have sufficient taxable income in the future for the use of the tax losses.

(2) Recognized Deferred Tax Assets and Liabilities

The changes in deferred tax Assets and liabilities for the years 2024 and 2023 are 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**

3. Income Tax Assessment

The company's income tax return has been approved by the tax authorities up to the fiscal year 2022.

(13) Capital and Other Equity Interests

As of December 31, 2024 and 2023, the company's authorized Share Capital totals NT$1,360,000 thousand, with a par value of NT$10 per share, comprising 136,000 thousand shares in total. The number of shares issued comprises common stock of 50,981 thousand shares and 51,203 thousand shares, respectively, with the share capital fully paid for all issued shares.

1. Ordinary shares

The adjustment table of the company's shares outstanding for the years 2024 and 2023 is as follows:

Units: 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 thousand 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, NT$2,225 thousand yuan and NT$280 thousand yuan were respectively canceled, all registration changes were duly processed by December 31, 2024.

2. Capital surplus

According to the Company Law, capital surplus must first cover any deficits, and can then be utilized to issue new shares or cash to shareholders in proportion to their existing shares based on realized capital surplus. The aforementioned realized capital surplus includes excess proceeds from shares issued above par value and income from received donations. According to the regulations on the handling of issuing and offering securities, the capital surplus that can be allocated for capital enhancement must not exceed ten percent of the paid-in capital amount annually.

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 should be compensated, and then 10% of the remaining amount should be allocated as (1)Legal reverse, and special reserves should be appropriated or reversed according to the regulations of the law or competent authority, and the balance shall be the distributable earnings for the current year. The distributable earnings for the current year, together with the beginning of the period accumulated Unappropriated earnings, are proposed by the board of directors for earnings distribution when issuing new shares. It should be resolved by the shareholders' meeting after distribution. In accordance with the Company Law, the board of directors is authorized to convene with a majority of two-thirds of the directors attending, and the resolution of a majority of the attending directors, to distribute dividends and bonuses or the entire or part of the legal reserve and Capital surplus specified in Article 241 of the Company Law in cash, and shall be reported to the shareholders' meeting.

The company's dividend policy is to coordinate with current and future development plans, consider the investment environment, capital needs, domestic and international competition, and capital budgeting, etc., while taking into account shareholders' interests and balancing long-term financial planning. Each year, no less than 50% of the above-mentioned distributable earnings for the current year can be distributed as shareholder dividends. However, when the cumulative distributable earnings are less than 50% of the paid-in Share Capital, distribution may not be made; When distributing shareholder dividends, it may be done in cash or by issuing new shares, where the cash dividend is not less than 10% of the total dividend amount.

(1) Legal reserve

When there is no loss, the shareholders' meeting may decide to issue new shares or cash from the legal reserve, provided that this reserve exceeds 25% of the paid-in capital amount.

(2) Special reserve

According to the regulations of the Financial Supervisory Commission, when distributing distributable earnings, the company calculates the net amount of the current year's other equity reductions and the difference from the special reserve appropriated, and adds these amounts to the current period's net profit after taxes and other items not included in the current period's net profit to provide additional appropriations for the special reserve. The amount of other equity reductions accumulated from previous periods shall not be distributed and shall be appropriated for special reserve. When there is a reversal of other equity reductions, the part that has been reversed may be resolved by the shareholders' meeting to be transferred back to undistributed earnings for distribution. As of December 31, 2024 and 2023, the balance of this special reserve was NT$518 thousand and NT$440 thousand, respectively.

(3) Earnings distribution

On April 21, 2024, and March 28, 2023, respectively, the board of directors resolved the cash dividend amount for the earnings distribution plans of 2023 and 2022. Furthermore, on May 27, 2024, and June 19, 2023, respectively, at the annual shareholders' meeting, the resolutions for the other earnings distribution items for fiscal years 2023 and 2022were as follows:

	2023		2022	
	Share Distribution Rate (NT$)	Amount	Share Distribution Rate (NT$)	Amount
Dividends distributed to ordinary shareholders:				
Cash	$ 3.00	**152,963**	7.30	**373,986**

(14) Share-based payment

On June 27, 2022, the company's shareholders approved the issuance of 1,500 thousand new shares of restricted employee rights. The beneficiaries are limited to full-time employees who meet specific conditions of the company. The issuance was reported effective to the Securities and Futures Bureau of the Financial Supervisory Commission on July 26, 2022, and the full issuance was resolved by the board on August 5, 2022. The fair value on the grant date was NT$158,250 thousand.

The employees allocated the above-mentioned new shares of restricted employee rights shall receive the shares free of charge. After the employees are allocated their restricted employee rights shares, upon expiration of each vested period, the ratio of each indicator is calculated according to the preset individual performance indicators and the overall performance indicators of the company, and then multiplied by the maximum share ratio achievable on each expiration date of the vested periods, to calculate the number of shares vested each year: 40% on the completion of one year, 30% on completion of two years and 30% on completion of three years. Employees who are still employed on the expiration date of each vested period and have not violated laws, labor contracts, work regulations, codes of ethical conduct for employees, disciplinary standards and other relevant rules and conditions, and whose performance in the year prior to each vested period's expiration is grade A (inclusive) or above, the employee performance index ratio is calculated as 100%; otherwise, it is 0%. Furthermore, the company will use the net profit (loss) amount after tax of the consolidated financial statements audited and attested by accountants in the year prior to the expiration date of each vested period as an overall company performance index. If the net profit (loss) exceeds NT$350 million, the highest attainable proportion of that year is 100%; if it is between NT$300 million and less than NT$350 million, the highest attainable proportion is 80%; if it is between NT$200 million and less than NT$300 million, the highest attainable proportion is 50%; and if less than NT$200 million, the attainable proportion is 0%.

If employees subscribe to the new shares and fail to meet the set individual and overall company performance indicators, the company shall reclaim the unvested shares of restricted employee rights at no cost and proceed with cancellation. If an employee voluntarily resigns, is dismissed, laid off, retires, dies, or does not return to work after a leave of absence within the vested period, unless otherwise stipulated in the issuance method, any shares that have not met the vested conditions shall be reclaimed by the company at no cost and cancelled.

The following is information relating to the company's restricted employee rights shares:

Unit: Thousand 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.

(15) Earnings per Share

The calculation of basic and diluted earnings per share for the consolidated 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**	**4.08**
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	50,430	49,995

(thousand shares)		
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**

(16) Revenue from customer contracts

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

	December 31, 2024	December 31, 2023	**January** 1, 2023
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**

Disclosure of notes receivable and accounts receivable and their impairment please see 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.

(17) Remuneration of employees and directors

In accordance with the company's articles of association, if there is a profit for the year, a provision of 2% to 10% of the Profit before tax, before deducting employee and director remuneration, should be allocated for employee remuneration, and up to 2% for director remuneration. However, if the company still has accumulated losses, amounts shall be reserved to cover those losses first. The aforesaid employee remuneration, whether in stocks or cash, includes employees of controlling 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 amounts were calculated based on the Profit before tax subtracted by the remuneration for employees and directors of the respective periods, multiplied by the distribution ratio set within the scope of the company's articles of association by the management. These are reported as Cost of sales or Operating expenses for the fiscal year 2024 and 2023, respectively. Related information can be inquired at the Market Observation Post System. The amounts of employee and director remuneration determined by the board of directors have no difference from the estimated amounts disclosed in the consolidated financial statements of the years 2024 and 2023.

(18) 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

Given the vast customer base of the consolidated companies, the credit risk of accounts receivable is not significantly concentrated with any single customer. To reduce credit risk, the consolidated companies also continuously assess the financial condition of their customers, though they usually do not require collateral.

(3) Credit risk of accounts receivable

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

2. Liquidity risk

The table below shows the maturity dates of financial liabilities, excluding estimated interest effects, except for lease liabilities.

	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	458,557	(458,557)	(458,557)	-	-
Security deposits	1,080	(1,080)	(1,080)	-	-
	$ 1,604,618	**(1,604,743)**	**(1,603,491)**	**(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	314,950	(314,950)	(314,950)	-	-
Deposits received	1,436	(1,436)	-	-	(1,436)
	$ 1,103,385	**(1,103,419)**	**(1,101,389)**	**(594)**	**(1,436)**

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

3. Currency risk

(1) Exposure to foreign currency risk

The consolidated company is exposed to significant foreign currency risks in financial Assets and liabilities as follows:

Foreign currency unit: Thousand

	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						
U.S. Dollar	$ 34,794	USD/TWD=32.785	1,140,721	25,191	USD/TWD=30.705	773,490

(2) Sensitivity analysis

The exchange rate risk of the consolidated company's monetary items mainly arises from foreign currency denominated cash and cash equivalents, accounts receivable, other receivables, borrowings, accounts payable, and other payables, resulting in foreign exchange gains and losses during translation. As of December 31, 2024 and 2023, if the New Taiwan Dollar depreciates or appreciates by 5% relative to foreign currencies, under the scenario that all other factors remain constant, the Profit before income tax for 2024 and 2023 will increase or decrease by NT$3,673 thousand and NT$6,310 thousand, respectively.

(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 financial Assets and financial liabilities exposed to interest rate risk of the consolidated company are as follows:

	Book Amount	
	December 31, 2024	**December 31, 2023**
Fixed Rate Instruments:		
Financial Assets	**$ 358,606**	**574,508**
Variable Rate Instruments:		
Financial Assets	$ 202,773	92,540
Financial Liabilities	(145,893)	(186,993)
	$ 56,880	**(94,453)**

Sensitivity analysis is determined based on 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 circulating on the reporting date remains in circulation throughout the year. The variance rate used to report interest rates to key management personnel within the consolidated company is an increase or decrease of one basis point, which also represents the management's assessment of the reasonable range of possible interest rate fluctuations.

If the interest rate increases or decreases by one basis point, with all other variables held constant, the impact on the Profit before income tax of the consolidated company for 2024 and 2023 is mainly derived from demand deposits and variable-rate borrowings.

2024	**2023**

Interest rate increase by 0.01	$	142	(236)
Interest rate decrease by 0.01		(142)	236

5. Types of Financial Instruments and Fair Value Information

The carrying amounts of all financial instruments of the consolidated companies reasonably approximate their fair values, and as such, disclosure of fair value information is not required by regulation.

(19) Financial Risk Management

1. Overview

The consolidated companies are exposed to the following risks due to the use of financial instruments:

(1) Credit risk

(2) Liquidity risk

(3) Market risk

This Note provides information on the above risks faced by the consolidated companies, the objectives, policies, and procedures for measuring and managing these risks. For further quantified disclosure, please refer to Notes 6(18) regarding financial risks.

2. Structure of risk management

The objective of the financial risk management setup of the consolidated companies is to identify and analyze the various types of financial risks faced, including currency risk, interest rate risk, credit risk, and liquidity risk, and to mitigate their adverse impact on the financial performance and business results of the consolidated companies. The risk management policy is implemented through setting appropriate risk limits and controls, regular monitoring, and review of risk and adherence to the risk limits. If necessary, the consolidated companies mitigate exposure by using financial instruments to reduce the impact of such risks. The use of financial instruments and financial risk management are governed by policies approved by the board of directors of the consolidated companies. The consolidated companies do not engage in trading financial instruments for speculative purposes. Internal auditors of the consolidated companies continuously monitor and review the exposure to relevant financial risks and adherence to policies and procedures, reporting the review results to the board.

3. Credit risk

Credit risk arises from the possibility that customers or counterparties to financial instruments will fail to meet their contractual obligations, causing financial losses to the consolidated companies. The most likely sources of credit risk for the consolidated

companies are the accounts receivable from customers and investments.

(1) Accounts receivable and other receivables

The consolidated companies have established credit policies whereby each customer must be analyzed individually for credit rating before granting standard payment and shipping terms and conditions. The consolidated companies' review includes external ratings (when available) and, in some cases, bank references. Purchase limits are set per individual customer and are reviewed periodically. Customers not meeting the consolidated companies' standard credit rating criteria can only trade with the consolidated companies on a prepayment basis.

The consolidated companies have set up allowance for doubtful accounts to reflect estimated losses on receivables. The main components of the allowance include specific loss components related to individual significant exposures, and collective loss components established for incurred but not yet identified losses on similar asset groups.

(2) Investments

The credit risk on bank deposits and other financial instruments is measured and monitored by the finance department of the consolidated companies. Since the counterparties and contractual parties of the consolidated companies are banks with good credit standing, there is no significant credit risk.

4. Liquidity risk

The consolidated companies manage liquidity risk by managing and maintaining adequate amounts of cash and cash equivalents to support their operations and mitigate the effects of cash flow fluctuations. The management of the consolidated companies monitors the use of bank financing facilities and ensures compliance with loan contract terms.

Bank loans are an important source of liquidity for the consolidated companies. As of December 31, 2024 and 2023, the unused long-term and short-term bank financing facilities of the consolidated companies amounted to NT$845,882 thousand and NT$873,582 thousand, respectively.

5. Market risk

Market risk refers to the risk of affecting the company's earnings or the value of financial instruments it holds due to changes in market prices, such as currency and interest rate fluctuations. The objective of market risk management is to control the exposure to market risk within an acceptable range and to optimize investment returns.

The main financial risks borne by the consolidated companies' operational activities are currency exchange rate fluctuation risk and interest rate fluctuation risk.

(1) Currency risk

The primary income and expenses of the consolidated companies are denominated in foreign currencies; therefore, some assets and liabilities have a natural hedging effect. When short-term imbalances occur, the consolidated companies engage in derivative financial instruments to manage the currency risk they bear, with financial hedging as the purpose. Thus, the losses and gains due to exchange rate fluctuations are largely offset by the gains and losses of the hedged items, keeping the net exposure within an acceptable range.

(2) Interest rate risk

The consolidated companies continuously evaluate changes in market interest rates and maintain close and positive relationships with financial institutions to secure the most favorable interest rates in a timely manner, using a mix of short, medium, and long-term financing facilities to reduce interest expenses.

(20) Capital Management

Based on the industrial characteristics and future development of the company, and considering changes in the external environment, the consolidated companies plan for future operational funding, capital expenditures, research and development expenses, debt repayment, and dividend payments to ensure continued operations, reward shareholders, and consider the interests of other stakeholders. To maintain or adjust the capital structure, the consolidated companies may adjust dividend policies, issue new shares, or repurchase shares.

The consolidated companies manage capital by regularly reviewing the debt-to-equity ratio. The capital of the consolidated companies as shown on the balance sheet is the "Total Equity," which is also the total assets minus total liabilities.

	December 31, 2024	December 31, 2023
Total liabilities	$ 1,687,285	1,211,489
Total Equity	2,202,950	2,135,760
Debt to Equity Ratio	76.6%	56.7%

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

(21) Investments and financing activities in non-cash transactions

The investments and financing activities in non-cash transactions of the consolidated

company during 2024 and 2023 involved acquiring right-of-use Assets through leasing, please refer to Notes 6(6).

The adjustments of liabilities from financing activities are as follows:

	January 1, 2024	Cash Flow: Cash obtained from borrowings	Cash Flow: Repayment of borrowings, deposit of security deposits and principal of lease liabilities	Non-cash Changes: Additions/Disposals	December 31, 2024
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: Cash obtained from borrowings	Cash Flow: Repayment of borrowings, deposit of security deposits and principal of lease liabilities	Non-cash Changes: Additions/Disposals	December 31, 2023
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 coverage period of this consolidated financial statement, the related parties who had transactions with the consolidated company are as follows:

Related Party Name	Relationship with the Consolidated Entity
Advantech Co., Ltd.	The corporate director of the company (Note 1)
Advanixs Co., Ltd.	Subsidiaries wholly owned by the corporate director of the company (Note 1)

Advantech Technology (China) Company Ltd.	Subsidiaries wholly owned by the corporate director of the company (Note 1)
Compal Electronics Technology (Kunshan) Co., Ltd.	Subsidiaries wholly owned by the corporate director of the company

Note 1: Following the board of director's re-election on June 19, 2023, Advantech Co., Ltd. is no longer the legal entity director of our company. The company and its Subsidiaries have ceased to be related parties of the consolidated entity as of June 19, 2023.

(2) Significant related-party transactions

1. Sale of goods to related parties

The significant sales amounts to related parties by the consolidated entity 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 consolidated company sells to related parties are not significantly different from regular sales prices. The credit period for general customers ranges from 60 to 150 days after the month's end, while for sales to related parties, it is 90 days after the month's end. The receivables from related parties are not secured, and after assessment, there is no need to provide for an 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 consolidated company's unrecognized contractual commitments are as follows:

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

(10) Losses due to major disasters: None

(11) Significant Subsequent Events:

To meet the funding needs for the construction of new facilities, the consolidated 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)Employee benefits, depreciation, and Amortization breakdown 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	173,387	707,421	423,885	182,927	606,812
Labor and Health Insurance Expenses	47,166	13,589	60,755	43,248	13,312	56,560
Retirement Benefits Expenses	18,855	6,454	25,309	16,878	6,064	22,942
Other Employee Benefits Expenses	44,547	7,221	51,768	38,184	6,187	44,371
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

(13) Other Disclosure Items

(1) Information on significant transactions

For the fiscal year 2023, the consolidated company, in accordance with the regulations of the Financial Reporting Standard for securities issuers, must disclose the following significant transaction information:

1. Loans to others: None.
2. Endorsements and guarantees for others: None.
3. Status of held securities at the end of the period (excluding investments in Subsidiaries, associated enterprises, and joint ventures): None.
4. Cumulative purchases or sales of the same security amounting to NT$300 million or 20% of the paid-in capital: None.
5. Amount spent on acquiring real estate reaching NT$300 million or 20% of the paid-in capital: None.
6. Proceeds from the disposal of real estate reaching NT$300 million or 20% of the paid-in capital: None.
7. Transactions with related parties reaching sales or purchases of NT$100 million or 20% of the paid-in capital: None.
8. Amounts receivable from related parties exceeding NT$100 million or 20% of the paid-in capital: None.
9. Engagement in derivative transactions: None.
10. Business relationships and significant transactions between parent and Subsidiaries: None.

(2) Information on investees: None.

(3) Information on Investment in Mainland China:

1. Information related to businesses invested in the mainland region:

Invested in Mainland Company Name	Main Business Item	Paid-In Capital	Investment Method	Accumulated Investment from Taiwan at Beginning of the Period	Investment Amount Exported or Recouped During the Period		Accumulated Investment from Taiwan at End of the Period	Investee Company Income/Loss of the Period	Direct or Indirect Investment by Our Company Shareholding Percentage	Maximum Shareholding or Contribution During the Period Scenario Ratio	Investment Income Recognized During the Period Profit/Loss	Investment Carrying Value at Period End	Total Repatriated Investment Income to Date
					Exported	Recouped							
KUNSHAN ALLIED CIRCUIT TRADING CO., LTD. (Kunshan Trading)	Sales and technical consulting services for printed circuit boards (double-sided and multilayer)	6,020	Note 1	6,020	-	-	6,020	148	100%	100%	148	4,480	-

Note 1: The company has made direct investments in mainland Chinese firms.

Note 2: Investment gains and losses are recognized based on the audited financial statements of the invested company.

Note 3: The above transactions have been offset at the time of preparing the consolidated financial statements.

2. Reinvestment limit for investments in mainland China:

Cumulative Investment Amount from Taiwan to Mainland China at the End of the Period	Investment Amount Approved by the Ministry of Economic Affairs Investment Review Committee	Investment Limit in Mainland China According to 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 at 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 information on major shareholders in this table is calculated by the Central Depository Company based on holdings of dematerialized ordinary shares (including treasury shares) that amount to 5% or more, recorded on the last business day of each quarter. Differences might exist between the Share Capital stated in the financial reports and the actual number of dematerialized shares issued, due to different bases of compilation or calculation.

Note 2: The aforementioned details, when involving shareholders entrusting their holdings to a trust, are reflected under individual sub-accounts opened by the trustee in a trust account. Additionally, for shareholders required to declare stock ownership exceeding 10% as per securities trading laws (internally reported by insiders), the holdings include both personal shares and those entrusted to trusts where the declarer has decision-making authority over the trust assets. For information on insider stock ownership declarations, refer to the Public Information Observation Station.

(14) Segment information

The consolidated company has only one operating segment, primarily engaged in the manufacturing and sales of printed circuit boards (double-sided and multilayer boards). The segment profit and loss, segment Assets and segment liabilities information are consistent with the

consolidated financial statements, please refer to the consolidated balance sheet and consolidated comprehensive income statement.

(1) Geographic financial information

1. Product information

The revenue data from external customers of the consolidated company are as follows:

ProductName		2024	2023
Printed Circuit Boards	$	3,516,831	2,865,845
Samples and Others		98,924	26,564
	$	**3,615,755**	**2,892,409**

2. Regional Information

The regional information of the consolidated company is as follows, where revenue is classified based on the geographic location of the customers, and non-current assets are classified based on their geographic location.

(1) Revenue from external customers:

Region		2024	2023
Taiwan	$	2,173,854	1,803,388
Asia		1,441,901	1,089,021
	$	**3,615,755**	**2,892,409**

(2) Non-current Assets:

Region	December 31, 2024	December 31, 2023
Taiwan	**$ 1,265,793**	**1,138,404**

Non-current Assets include Property, plant and equipment, Right-of-use Assets, Intangible Assets and Other Assets, but exclude Deferred Tax Assets, Net Benefit Assets and Financial Instruments.

3. Major Customer Information

The sales details of customers from external customers whose sales revenue accounts for more than 10% of the revenue amount on the consolidated statement of comprehensive income of the merged company are as follows:

		2024	2023
Company E	$	567,168	379,187
Company O		513,872	113,100
Company B		493,903	338,082
	$	**1,574,943**	**830,369**