Nichidenbo Corporation

Parent Company Only Financial Statements for the Years Ended December 31, 2024 and 2023 and Independent Auditors' Report

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Nichidenbo Corporation

Opinion

We have audited the accompanying parent company only financial statements of Nichidenbo Corporation (the "Company"), which comprise the parent company only balance sheets as of December 31, 2024 and 2023, and the parent company only statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the parent company only financial statements, including material accounting policy information (collectively referred to as the "parent company only financial statements").

In our opinion, based on our audits and the report of other auditors (please refer to the Other Matter paragraph), the accompanying parent company only financial statements present fairly, in all material respects, the parent company only financial position of the Company as of December 31, 2024 and 2023, and its parent company only financial performance and its parent company only cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the parent company only financial statements for the year ended December 31, 2024. These matters were addressed in the context of our audit of the parent company only 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 matter of the parent company only financial statements for the year ended December 31, 2024 is as follows:

Valuation of Inventories

Inventories are stated at the lower of cost or net realizable value. The net realizable value was based on significant judgments and accounting estimates made by management; therefore, we identified the valuation of inventories as a key audit matter in our audit for the year ended December 31, 2024.

The main audit procedures that we performed in respect of the valuation of inventories included obtaining the estimated data of inventories stated at the lower of cost or net realizable value by management and sampling recent sales data to evaluate the reasonableness of the net realizable value.

Other Matter - Reference to the audits of other auditors

The financial statements of Concord Advanced Technology Co., Ltd., an investee company held through the Company and accounted for using the equity method, for the year 2024, were audited by other auditors. Therefore, our opinion, insofar as it relates to the amounts included for the investee in the parent company only financial statements, is based solely on the reports of the other auditors. The aforementioned investment accounted for using the equity method constituted $488,647 thousand, representing 6.51% of the Company’s total assets as of December 31, 2024. The Company’s share of comprehensive income from the aforementioned investments accounted for using the equity method amounted to $38,396 thousand for the year ended December 31, 2024, which accounted for 3.59% of the Company’s comprehensive income.

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

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

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

Those charged with governance, including the audit committee, are responsible for overseeing the Company’s financial reporting process.

Auditors’ Responsibilities for the Audit of the Parent Company Only Financial Statements

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

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

1. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the disclosures, and whether the parent company only 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 or business activities within the Company to express an opinion on the parent company only financial statements. We are responsible for the direction supervision, and performance of the audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the parent company only financial statements for the year ended December 31, 2024 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Chih-Ming Shao and Ya-Ling Wong.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 13, 2025

<u>*Notice to Readers*</u>

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

For the convenience of readers, the independent auditors' report and the accompanying parent company only financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and parent company only financial statements shall prevail.

NICHIDENBO CORPORATION

PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars)

	2024		2023	
ASSETS	**Amount**	**%**	**Amount**	**%**
CURRENT ASSETS				
Cash and cash equivalents (Note 6)	$ 210,712	3	$ 1,261,101	18
Financial assets at fair value through other comprehensive income - current (Note 7)	1,210,000	16	10,491	-
Financial assets at amortized cost - current (Notes 8 and 9)	-	-	505,000	7
Notes receivables, net (Note 10)	4,335	-	3,493	-
Trade receivables from unrelated parties, net (Notes 10 and 23)	607,586	8	454,588	7
Trade receivables from related parties (Notes 23 and 31)	69,553	1	41,114	1
Other receivables (Note 10)	7,196	-	5,452	-
Other receivables from related parties (Note 31)	413,315	6	358,114	5
Inventories (Note 11)	317,495	4	237,963	4
Other current assets (Notes 17 and 31)	1,255	-	1,109	-
Total current assets	2,841,447	38	2,878,425	42
NON-CURRENT ASSETS				
Financial assets at fair value through other comprehensive income - non-current (Note 7)	-	-	96,979	1
Financial assets at amortized cost - non-current (Notes 8, 9 and 32)	150	-	150	-
Investments accounted for using the equity method (Note 12)	4,315,277	58	3,540,130	52
Property, plant and equipment (Notes 13 and 32)	179,795	2	182,588	3
Investment properties (Notes 15 and 32)	153,619	2	154,289	2
Intangible assets (Note 16)	1,025	-	537	-
Deferred tax assets (Note 25)	8,987	-	14,573	-
Refundable deposits (Note 31)	906	-	826	-
Total non-current assets	4,659,759	62	3,990,072	58
TOTAL	$ 7,501,206	100	$ 6,868,497	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings (Note 18)	$ 334,065	5	$ 209,810	3
Contract liabilities - current (Note 23)	164	-	184	-
Trade payables to unrelated parties (Note 19)	239,108	3	115,922	2
Trade payables to related parties (Note 31)	57,257	1	30,838	1
Other payables to unrelated parties (Note 20)	163,443	2	152,505	2
Other payables to related parties (Note 31)	249	-	205	-
Current tax liabilities (Note 25)	11,697	-	28,309	-
Other current liabilities (Notes 20 and 31)	2,899	-	2,352	-
Total current liabilities	808,882	11	540,125	8
NON-CURRENT LIABILITIES				
Deferred tax liabilities (Note 25)	67,943	1	71,052	1
Net defined benefit liability - non-current (Note 21)	17,907	-	22,165	-
Guarantee deposits received (Note 31)	1,250	-	1,109	-
Total non-current liabilities	87,100	1	94,326	1
Total liabilities	895,982	12	634,451	9
EQUITY				
Ordinary shares	2,125,972	28	2,126,572	31
Capital surplus	1,627,745	22	1,625,096	24
Retained earnings				
Legal reserve	1,008,101	13	935,029	14
Special reserve	10,950	-	51,875	1
Unappropriated earnings	1,917,162	26	1,537,832	22
Total retained earnings	2,936,213	39	2,524,736	37
Other equity	(84,706)	(1)	(42,358)	(1)
Total equity	6,605,224	88	6,234,046	91
TOTAL	$ 7,501,206	100	$ 6,868,497	100

The accompanying notes are an integral part of the parent company only financial statements.

(With Deloitte & Touche auditors' report dated March 13, 2025)

NICHIDENBO CORPORATION

PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2024		2023	
	Amount	**%**	**Amount**	**%**
OPERATING REVENUE (Notes 23 and 31)	$ 1,751,070	100	$ 1,820,389	100
OPERATING COSTS (Notes 11 and 31)	1,389,611	79	1,463,538	80
GROSS PROFIT	361,459	21	356,851	20
UNREALIZED GAIN ON TRANSACTIONS WITH SUBSIDIARIES	431	-	349	-
REALIZED GROSS PROFIT	361,028	21	356,502	20
OPERATING EXPENSES (Notes 24 and 31)				
Selling and marketing expenses	119,755	7	122,821	7
General and administrative expenses	140,079	8	116,173	6
Expected credit loss (gain)	788	-	(449)	-
Total operating expenses	260,622	15	238,545	13
PROFIT FROM OPERATIONS	100,406	6	117,957	7
NON-OPERATING INCOME AND EXPENSES (Notes 24 and 31)				
Interest income	22,869	1	24,396	1
Other income	86,300	5	136,603	8
Other gains and losses	11,749	1	9,138	1
Finance costs	(9,817)	(1)	(10,836)	(1)
Share of profit of subsidiaries and associates	789,911	45	499,177	27
Total non-operating income and expenses	901,012	51	658,478	36
PROFIT BEFORE INCOME TAX	1,001,418	57	776,435	43
INCOME TAX EXPENSE (Note 25)	54,620	3	70,129	4
NET PROFIT FOR THE YEAR	946,798	54	706,306	39
OTHER COMPREHENSIVE INCOME (Notes 21, 22 and 25)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans	2,098	-	29	-
Unrealized gain on investments in equity instruments at fair value through other comprehensive income	118,382	7	86,065	5

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NICHIDENBO CORPORATION

PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2024		2023	
	Amount	**%**	**Amount**	**%**
Share of other comprehensive loss of subsidiaries accounted for using the equity method	$ (18,823)	(1)	$ (19,874)	(1)
Income tax related to items that will not be reclassified subsequently to profit or loss	(419)	-	(6)	-
	101,238	6	66,214	4
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of the financial statements of foreign operations	4,637	-	1,499	-
Share of other comprehensive income (loss) of subsidiaries accounted for using the equity method	16,042	1	(8,556)	(1)
	20,679	1	(7,057)	(1)
Other comprehensive income for the year, net of income tax	121,917	7	59,157	3
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	$ 1,068,715	61	$ 765,463	42
EARNINGS PER SHARE (Note 26)				
Basic	$ 4.52		$ 3.39	
Diluted	$ 4.46		$ 3.33	

The accompanying notes are an integral part of the parent company only financial statements.

(With Deloitte & Touche auditors' report dated March 13, 2025) (Concluded)

NICHIDENBO CORPORATION

PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars)

			Retained Earnings (Notes 22 and 27)			Other Equity (Notes 22 and 27)			
	Ordinary Shares (Notes 22 and 27)	Capital Surplus (Notes 22 and 27)	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translation of the Financial Statements of Foreign Operations	Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income	Unearned Employee Benefit	Total Equity
BALANCE AT JANUARY 1, 2023	$ 2,126,572	$ 1,621,500	$ 785,382	$ 10,950	$ 2,167,303	$ (34,344)	$ (6,581)	$ (67,386)	$ 6,603,396
Appropriation of 2022 earnings									
Legal reserve	-	-	149,647	-	(149,647)	-	-	-	-
Special reserve	-	-	-	40,925	(40,925)	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	(1,169,614)	-	-	-	(1,169,614)
Total	-	-	149,647	40,925	(1,360,186)	-	-	-	(1,169,614)
Other changes in capital surplus	-	439	-	-	-	-	-	-	439
Net profit for the year ended December 31, 2023	-	-	-	-	706,306	-	-	-	706,306
Other comprehensive income (loss) for the year ended December 31, 2023, net of income tax	-	-	-	-	(301)	(7,057)	66,515	-	59,157
Total comprehensive income (loss) for the year ended December 31, 2023	-	-	-	-	706,005	(7,057)	66,515	-	765,463
Share-based payment arrangements	-	3,157	-	-	794	-	-	30,411	34,362
Disposal of investments in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	23,916	-	(23,916)	-	-
BALANCE AT DECEMBER 31, 2023	2,126,572	1,625,096	935,029	51,875	1,537,832	(41,401)	36,018	(36,975)	6,234,046
Appropriation of 2023 earnings									
Legal reserve	-	-	73,072	-	(73,072)	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	(723,034)	-	-	-	(723,034)
Total	-	-	73,072	-	(796,106)	-	-	-	(723,034)
Reversal of special reserve	-	-	-	(40,925)	40,925	-	-	-	-
Other changes in capital surplus	-	195	-	-	-	-	-	-	195
Net profit for the year ended December 31, 2024	-	-	-	-	946,798	-	-	-	946,798
Other comprehensive income for the year ended December 31, 2024, net of income tax	-	-	-	-	3,560	20,679	97,678	-	121,917
Total comprehensive income for the year ended December 31, 2024	-	-	-	-	950,358	20,679	97,678	-	1,068,715
Share-based payment arrangements	(600)	2,454	-	-	115	-	-	23,333	25,302
Disposal of investments in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	184,038	-	(184,038)	-	-
BALANCE AT DECEMBER 31, 2024	$ 2,125,972	$ 1,627,745	$ 1,008,101	$ 10,950	$ 1,917,162	$ (20,722)	$ (50,342)	$ (13,642)	$ 6,605,224

The accompanying notes are an integral part of the parent company only financial statements.

(With Deloitte & Touche auditors' report dated March 13, 2025)

NICHIDENBO CORPORATION

PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars)

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	$ 1,001,418	$ 776,435
Adjustments for:		
Depreciation expense	4,615	3,974
Amortization expense	601	531
Expected credit loss (gain)	788	(449)
Net gain on fair value changes of financial assets and liabilities at fair value through profit or loss	-	(56)
Finance costs	9,817	10,836
Interest income	(22,869)	(24,396)
Dividend income	(2,429)	(20,745)
Share-based payment	18,752	24,631
Share of profit of subsidiaries and associates	(789,911)	(499,177)
(Gain) loss on net realizable value of inventories	(9,134)	16,590
Unrealized gain on transactions	431	349
Other items	115	794
Changes in operating assets and liabilities		
Financial assets mandatorily classified as at fair value through profit or loss	-	100,062
Notes receivables	(846)	(898)
Trade receivables from unrelated parties	(153,782)	89,695
Trade receivables from related parties	(28,439)	8,696
Other receivables from unrelated parties	(4,124)	(110)
Other receivables from related parties	(133)	(406)
Inventories	(70,398)	244,160
Prepayments	(215)	11
Other current assets	69	59
Contract liabilities	(20)	(173)
Trade payables to unrelated parties	123,186	(35,888)
Trade payables to related parties	26,419	(26,126)
Other payables to unrelated parties	13,866	(71,635)
Other payables to related parties	44	25
Other current liabilities	547	490
Net defined benefit liabilities	(2,160)	(3,591)
Cash generated from operating activities	116,208	593,688
Interest received	25,181	23,851
Interest paid	(10,502)	(10,855)
Income tax paid	(69,174)	(69,383)
Net cash generated from operating activities	61,713	537,301

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NICHIDENBO CORPORATION

PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars)

	2024	2023
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at fair value through other comprehensive income	$ (1,196,187)	$ -
Proceeds from sale of financial assets at fair value through other comprehensive income	11,885	259,252
Purchase of financial assets at amortized cost	(530,880)	(1,365,000)
Proceeds from sale of financial assets at amortized cost	1,035,880	1,670,000
Acquisition of investments accounted for using equity method	(282,355)	-
Proceeds from capital reduction of investments accounted for using equity method	-	76,081
Payments for property, plant and equipment	(1,152)	(1,712)
Increase in refundable deposits	(80)	(11)
Other receivables from related parties - increase in financing of funds	(595,000)	(713,000)
Other receivables from related parties - decrease in financing of funds	540,000	900,000
Payments for intangible assets	(1,089)	(196)
Payments for investment properties	-	(70,800)
Dividends received	506,830	576,314
Net cash (used in) generated from investing activities	(512,148)	1,330,928
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term borrowings	1,055,614	915,299
Repayments of short-term borrowings	(931,359)	(965,272)
Guarantee deposits received	141	15
Cash dividends paid	(723,034)	(1,169,614)
Refund of issuance of restricted shares for employees	(1,316)	-
Dividends from claims extinguished by prescription	-	63
Net cash used in financing activities	(599,954)	(1,219,509)
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(1,050,389)	648,720
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	1,261,101	612,381
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	$ 210,712	$ 1,261,101

The accompanying notes are an integral part of the parent company only financial statements.

(With Deloitte & Touche auditors' report dated March 13, 2025) (Concluded)

NICHIDENBO CORPORATION

NOTES TO PARENT COMPANY ONLY FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1. GENERAL INFORMATION

Nichidenbo Corporation (the "Company") was established on January 4, 1993 in New Taipei City. The Company engages mainly in sales and marketing of electronic components.

On December 31, 2007, the Company's shares were listed on the Taiwan Stock Exchange (TWSE).

The parent company only financial statements are presented in the Company's functional currency, the New Taiwan dollar.

2. APPROVAL OF PARENT COMPANY ONLY FINANCIAL STATEMENTS

The parent company only financial statements were approved by the Company's board of directors on March 13, 2025.

3. APPLICATION OF NEW, AMENDED AND REVISED STANDARDS AND INTERPRETATIONS

a. Initial application of the amendments to the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) (collectively, the "IFRS Accounting Standards") endorsed and issued into effect by the Financial Supervisory Commission (FSC)

   The initial application of IFRS Accounting Standards endorsed and issued into effect by the FSC did not have material impact on the Company's accounting policies, parent company only financial positions and parent company only financial performance.

b. The IFRS Accounting Standards endorsed by the FSC for application starting from 2025

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB
Amendments to IAS 21 "Lack of Exchangeability"	January 1, 2025 (Note 1)
Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments" - the amendments to the application guidance of classification of financial assets	January 1, 2026 (Note 2)

Note 1: An entity shall apply those amendments for annual reporting periods beginning on or after January 1, 2025. Upon initial application of the amendments to IAS 21, the Company shall not restate the comparative information and shall recognize any effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or, if applicable, to the cumulative amount of translation differences in equity as well as affected assets or liabilities

Note 2: An entity shall apply those amendments for annual reporting periods beginning on or after January 1, 2026. It is permitted to apply these amendments for an earlier period beginning on January 1, 2025. An entity shall apply the amendments retrospectively but is not required to restate prior periods. The effect of initially applying the amendments shall be recognized as an adjustment to the opening balance at the date of initial application. An entity may restate prior periods if, and only if, it is possible to do so without the use of hindsight.

As of the date the parent company only financial statements were authorized for issue, the Company assessed that the application of the above amendments to standards and interpretations did not have material impact on the Company's parent company only financial position and parent company only financial performance.

c. The IFRS Accounting Standards in issue but not yet endorsed and issued into effect by the FSC

New, Amended and Revised Standards and Interpretations	**Effective Date Announced by IASB (Note)**
Annual Improvements to IFRS Accounting Standards - Volume 11	January 1, 2026
Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments" - the amendments to the application guidance of derecognition of financial liabilities	January 1, 2026
Amendments to IFRS 9 and IFRS 7 "Contracts Referencing Nature-dependent Electricity"	January 1, 2026
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"	To be determined by IASB
IFRS 17 "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments to IFRS 17 "Initial Application of IFRS 17 and IFRS 9 - Comparative Information"	January 1, 2023
IFRS 18 "Presentation and Disclosure in Financial Statements"	January 1, 2027
IFRS 19 "Subsidiaries without Public Accountability: Disclosures"	January 1, 2027

Note: Unless stated otherwise, the above IFRS Accounting Standards are effective for annual reporting periods beginning on or after their respective effective dates.

IFRS 18 "Presentation and Disclosure in Financial Statements"

IFRS 18 will supersede IAS 1" Presentation of Financial Statements". The main changes comprise:

a. Items of income and expenses included in the statement of profit or loss shall be classified into the operating, investing, financing, income taxes and discontinued operations categories.

b. The statement of profit or loss shall present totals and subtotals for operating profit or loss, profit or loss before financing and income taxes and profit or loss

c. Provides guidance to enhance the requirements of aggregation and disaggregation: The Company shall identify the assets, liabilities, equity, income, expenses and cash flows that arise from individual transactions or other events and shall classify and aggregate them into groups based on shared characteristics, so as to result in the presentation in the primary financial statements of line items that have at least one similar characteristic. The Company shall disaggregate items with dissimilar characteristics in the primary financial statements and in the notes. The Company labels items as "other" only if it cannot find a more informative label.

d. Disclosures on Management-defined Performance Measures (MPMs): When in public communications outside financial statements and communicating to users of financial statements management's view of an aspect of the financial performance of the Company as a whole, the Company shall disclose related information about its MPMs in a single note to the financial statements, including the description of such measures, calculations, reconciliations to the subtotal or total specified by IFRS Accounting Standards and the income tax and non-controlling interests effects of related reconciliation items.

Except for the above impact, as of the date the parent company only financial statements were authorized for issue, the Company is continuously assessing the other impacts of the above amended standards and interpretations on the Company's parent company only financial position and parent company only financial performance and will disclose the relevant impact when the assessment is completed.

4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

a. Statement of compliance

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

b. Basis of preparation

The parent company only financial statements have been prepared on the historical cost basis except for financial instruments which are measured at fair value, and net defined benefit liabilities which are measured at the present value of the defined benefit obligation less the fair value of plan assets.

The fair value measurements, which are grouped into Levels 1 to 3 based on the degree to which the fair value measurement inputs are observable and based on the significance of the inputs to the fair value measurement in its entirety, are described as follows:

1) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities;

2) Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

3) Level 3 inputs are unobservable inputs for an asset or liability.

When preparing these parent company only financial statements, the Company used equity method to account for its investment in subsidiaries and associates. In order for the amounts of the net profit for the year, other comprehensive income for the year and total equity in the parent company only financial statements to be the same with the amounts attributable to the owner of the Company in its accompanying consolidated financial statements, adjustments arising from the differences in accounting treatment between parent company only basis and accompanying basis were made to investments accounted for using the equity method, share of profit or loss of subsidiaries and associates, share of other comprehensive income of subsidiaries and associates and related equity items, as appropriate, in the parent company only financial statements.

c. Classification of current and non-current assets and liabilities

Current assets include:

1) Assets held primarily for the purpose of trading;

2) Assets expected to be realized within 12 months after the reporting period; and

3) Cash and cash equivalents unless the asset is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

Current liabilities include:

1) Liabilities held primarily for the purpose of trading;

2) Liabilities due to be settled within 12 months after the reporting period; and

3) Liabilities for which the Company does not have the substantial right at the end of the reporting period to defer settlement for at least 12 months after the reporting period.

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

d. Foreign currencies

In preparing the parent company only financial statements of each individual entity, transactions in currencies other than the entity's functional currency (i.e., foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Exchange differences on monetary items arising from settlement or translation are recognized in profit or loss in the period in which they arise.

Non-monetary items denominated in foreign currencies that are measured at fair value are retranslated at the rates prevailing at the date when the fair value is determined. Exchange differences arising from the retranslation of non-monetary items are included in profit or loss.

Non-monetary item denominated in a foreign currency and measured at historical cost is stated at the reporting currency as originally translated from the foreign currency.

e. Inventories

Inventories are stated at the lower of cost or net realizable value. Inventory write-downs are made by item, except where it may be appropriate to Company similar or related items. The net realizable value is the estimated selling price of inventories less all estimated costs necessary to make the sale. Inventories are recorded at the weighted-average cost on the balance sheet date.

f. Investments in subsidiaries

The Company uses the equity method to account for its investments in subsidiaries.

A subsidiary is an entity (including a structured entity) that is controlled by the Company.

Under the equity method, an investment in a subsidiary is initially recognized at cost and adjusted thereafter to recognize the Company's share of the profit or loss and other comprehensive income of the subsidiary. The Company also recognizes the changes in the Company's share of equity of subsidiaries attributable to the Company.

Changes in the Company's ownership interest in a subsidiary that do not result in the Company losing control of the subsidiary are accounted for as equity transactions. The Company recognizes directly in equity any difference between the carrying amount of the investment and the fair value of the consideration paid or received.

Any excess of the cost of acquisition over the Company's share of the net fair value of the identifiable assets and liabilities of a subsidiary that constitutes a business at the date of acquisition is recognized as goodwill, which is included within the carrying amount of the investment and is not amortized. Any excess of the Company's share of the net fair value of the identifiable assets and liabilities of a subsidiary that constitutes a business over the cost of acquisition is recognized immediately in profit or loss.

The Company assesses its investment for any impairment by comparing the carrying amount with the estimated recoverable amount as assessed based on the investee's financial statements as a whole. Impairment loss is recognized when the carrying amount exceeds the recoverable amount. If the recoverable amount of the investment subsequently increases, the Company recognizes a reversal of the impairment loss; the adjusted post-reversal carrying amount should not exceed the carrying amount that would have been recognized (net of amortization or depreciation) had no impairment loss been recognized in prior years. An impairment loss recognized on goodwill cannot be reversed in a subsequent period.

When the Company loses control of a subsidiary, it recognizes the investment retained in the former subsidiary at its fair value at the date when control is lost. The difference between the fair value of the retained investment plus any consideration received and the carrying amount of the previous investment at the date when control is lost is recognized as a gain or loss in profit or loss. Besides this, the Company accounts for all amounts previously recognized in other comprehensive income in relation to that subsidiary on the same basis as would be required had the Company directly disposed of the related assets or liabilities.

Profit or loss resulting from downstream transactions is eliminated in full only in the parent company only financial statements. Profit and loss resulting from upstream transactions and transactions between subsidiaries is recognized only in the parent company only financial statements and only to the extent of interests in the subsidiaries that are not related to the Company.

g. Investments in associates

An associate is an entity over which the Company has significant influence and which is neither a subsidiary nor an interest in a joint venture. The Company uses the equity method to account for its investments in associates.

The Company uses the equity method to account for its investments in associates.

Under the equity method, investments in an associate are initially recognized at cost and adjusted thereafter to recognize the Company's share of the profit or loss and other comprehensive income of the associate. The Company also recognizes the changes in the Company's share of the equity of associates attributable to the Company.

Any excess of the cost of acquisition over the Company's share of the net fair value of the identifiable assets and liabilities of an associate at the date of acquisition is recognized as goodwill, which is included within the carrying amount of the investment and is not amortized. Any excess of the Company's share of the net fair value of the identifiable assets and liabilities over the cost of acquisition, after reassessment, is recognized immediately in profit or loss.

When the company subscribes for additional new shares of an associate at a percentage different from its existing ownership percentage, the resulting carrying amount of the investment differs from the amount of the Company's proportionate interest in the associate. The Company records such a difference as an adjustment to investments with the corresponding amount charged or credited to capital surplus - changes in capital surplus from investments in associates accounted for using the equity method, and the investment accounted for under the equity method. If the Company's ownership interest is reduced due to its additional subscription of the new shares of the associate, the proportionate amount of the gains or losses previously recognized in other comprehensive income in relation to that associate is reclassified to profit or loss on the same basis as would be required had the investee directly disposed of the related assets or liabilities. When the adjustment should be debited to capital surplus, but the capital surplus recognized from investments accounted for using the equity method is insufficient, the shortage is debited to retained earnings.

When the Company's share of losses of an associate equals or exceeds its interest in that associate (which includes any carrying amount of the investment accounted for using the equity method and long-term interests that, in substance, form part of the Company's net investment in the associate), the Company discontinues recognizing its share of further loss, if any. Additional losses and liabilities are recognized only to the extent that the Company has incurred legal obligations, or constructive obligations, or made payments on behalf of that associate.

The entire carrying amount of an investment (including goodwill) is tested for impairment as a single asset by comparing its recoverable amount with its carrying amount. Any impairment loss recognized is not allocated to any asset, including goodwill, that forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognized to the extent that the recoverable amount of the investment subsequently increases.

The Company discontinues the use of the equity method from the date on which its investment ceases to be an associate. Any retained investment is measured at fair value at that date, and the fair value is regarded as the investment's fair value on initial recognition as a financial asset. The difference between the previous carrying amount of the associate attributable to the retained interest and its fair value is included in the determination of the gain or loss on disposal of the associate. The Company accounts for all amounts previously recognized in other comprehensive income in relation to that associate on the same basis as would be required had that associate directly disposed of the related assets or liabilities. If an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate, the Company continues to apply the equity method and does not remeasure the retained interest.

When the Company transacts with its associate, profits and losses resulting from the transactions with the associate are recognized in the Company's parent company only financial statements only to the extent of interests in the associate that are not related to the Company.

h. Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment loss.

The depreciation of property, plant and equipment is recognized using the straight-line method. Each significant part is depreciated separately. The estimated useful lives, residual values and depreciation methods are reviewed at the end of each reporting period, with the effects of any changes in the estimates accounted for on a prospective basis.

On derecognition of an item of property, plant and equipment, the difference between the sales proceeds and the carrying amount of the asset is recognized in profit or loss.

i. Investment properties

Investment properties are properties held to earn rental and/or for capital appreciation.

Investment properties are initially measured at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at cost less accumulated depreciation and accumulated impairment loss.

Depreciation of investment properties is recognized using the straight-line method.

On derecognition of an investment property, the difference between the net disposal proceeds and the carrying amount of the asset is included in profit or loss.

j. Intangible assets

1) Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are initially measured at cost and subsequently measured at cost less accumulated amortization and accumulated impairment loss. Amortization is recognized on a straight-line basis. The estimated useful lives, residual values, and amortization methods are reviewed at the end of each reporting period, with the effect of any changes in the estimates accounted for on a prospective basis.

2) Derecognition of intangible assets

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

k. Impairment of property, plant and equipment, investment property and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its property, plant and equipment, investment property and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Corporate assets are allocated to the smallest group of cash-generating units on a reasonable and consistent basis of allocation.

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

When an impairment loss is subsequently reversed, the carrying amount of the corresponding asset, cash-generating unit is increased to the revised estimate of its recoverable amount, but only to the extent of the carrying amount that would have been determined had no impairment loss been recognized on the asset, cash-generating unit or assets related to contract costs in prior years. A reversal of an impairment loss is recognized in profit or loss.

l. Financial instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issuance of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognized immediately in profit or loss.

1) Financial assets

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

a) Measurement categories

Financial assets are classified into the following categories: Financial assets at amortized cost and investments in equity instruments at FVTOCI.

i. Financial assets at amortized cost

Financial assets that meet the following conditions are subsequently measured at amortized cost:

i) The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and

ii) 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.

Subsequent to initial recognition, financial assets at amortized cost, including cash and cash equivalents, trade receivables, other receivables, refundable deposits and restricted cash are measured at amortized cost, which equals the gross carrying amount determined using the effective interest method less any impairment loss. Exchange differences are recognized in profit or loss.

Interest income is calculated applying the effective interest rate to the gross carrying amount of such a financial asset.

Cash equivalents include time deposits and commercial paper with original maturities within 3 months from the date of acquisition, which are highly liquid, readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These cash equivalents are held for the purpose of meeting short-term cash commitments.

ii. Investments in equity instruments at FVTOCI

On initial recognition, the Company may make an irrevocable election to designate investments in equity instruments as at FVTOCI. Designation as at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognized by an acquirer in a business combination.

Investments in equity instruments at FVTOCI are subsequently measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in other equity. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments; instead, it will be transferred to retained earnings.

Dividends on these investments in equity instruments are recognized in profit or loss when the Company’s right to receive the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment.

b) Impairment of financial assets

The Company recognizes a loss allowance for expected credit losses on financial assets at amortized cost (including trade receivables) at each balance sheet date.

The Company always recognizes lifetime expected credit losses (ECLs) for trade receivables. For all other financial instruments, the Company recognizes lifetime ECLs when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month ECLs.

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

The impairment loss of all financial assets is recognized in profit or loss by a reduction in their carrying amounts through a loss allowance account.

c) Derecognition of financial assets

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset at amortized cost in its entirety, the difference between the asset’s carrying amount and the sum of the consideration received and receivable is recognized in profit or loss. On derecognition of an investment in an equity instrument at FVTOCI, the cumulative gain or loss which had been recognized in other comprehensive income is transferred directly to retained earnings, without recycling through profit or loss.

2) Equity instruments

Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs.

3) Financial liabilities

a) Subsequent measurement

All the financial liabilities are measured at amortized cost using the effective interest method.

b) Derecognition of financial liabilities

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

m. Revenue recognition

The Company identifies contracts with customers, allocates the transaction price to the performance obligations and recognizes revenue when performance obligations are satisfied.

For contracts where the period between the date on which the Company transfers a promised good or service to a customer and the date on which the customer pays for that good or service is one year or less, the Company does not adjust the promised amount of consideration for the effects of a significant financing component.

Revenue from the sale of goods comes from sales of electronic components. Sales of electronic components are recognized as revenue when the goods are delivered to the customer’s specific location and signed by the customer because it is the time when the customer has full discretion over the manner of distribution and price to sell the goods, has the primary responsibility for sales to future customers and bears the risks of obsolescence. Trade receivables and sales revenue are recognized concurrently.

n. Leases

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

1) The Company as lessor

All leases are classified as operating leases.

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

2) The Company as lessee

Short-term leases and low-value asset leases accounted for by applying a recognition exemption where lease payments are recognized as expenses on a straight-line basis over the lease terms.

o. Borrowing costs

All borrowing costs are recognized in profit or loss in the year in which they are incurred.

p. Employee benefits

1) Short-term employee benefits

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

2) Retirement benefits

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

Defined benefit costs (including service cost, net interest and remeasurement) under defined benefit retirement benefit plans are determined using the projected unit credit method. Service cost (including current service cost) and net interest on the net defined benefit liabilities are recognized as employee benefits expense in the period in which they occur. Remeasurement, comprising actuarial gains and losses, and the return on plan assets (excluding interest), is recognized in other comprehensive income in the period in which it occurs. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss.

Net defined benefit liabilities represent the actual deficit in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any refunds from the plans or reductions in future contributions to the plans.

q. Share-based payment arrangements

1) Restricted shares for employees granted to employees

The fair value at the grant date of the restricted shares for employees is expensed on a straight-line basis over the vesting period, based on the Company's best estimates of the number of shares that are expected to ultimately vest, with a corresponding increase in capital surplus - other equity - unearned employee benefits. It is recognized as an expense in full at the grant date if vested immediately.

When restricted shares for employees are issued, other equity - unearned employee benefits is recognized on the grant date, with a corresponding increase in capital surplus - restricted shares for employees. If restricted shares for employees are granted for consideration and the considerations received should be returned if employees resign in the vesting period, payables are continuously measured based on its estimated turnover rate for those granted before October 10, 2024 in accordance with the Q&A issued by the FSC. Dividends paid to employees on restricted shares that do not need to be returned if employees resign in the vesting period are recognized as expenses when the dividends are declared with a corresponding adjustment in retained earnings and capital surplus - restricted shares for employees.

At the end of each reporting period, the Company revises its estimate of the number of restricted shares for employees that are expected to vest. The impact of the revision of the original estimates is recognized in profit or loss such that the cumulative expenses reflect the revised estimate, with a corresponding adjustment to capital surplus - restricted shares for employees.

2) Equity-settled share-based payment arrangements granted to the employees of a subsidiary

The grant by the Company of its equity instruments to the employees of a subsidiary under share-based payment arrangements is treated as a capital contribution. The fair value of employee services received under the arrangement is measured by reference to the grant-date fair value and is recognized over the vesting period as an addition to the investment in the subsidiary, with a corresponding credit to other equity - unearned employee benefits.

r. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

1) Current tax

Income tax payable (recoverable) is based on taxable profit (loss) for the year determined according to the applicable tax laws of each tax jurisdiction.

According to the Income Tax Act in the ROC, an additional tax on unappropriated earnings is provided for in the year the shareholders approve to retain earnings.

Adjustments of prior years' tax liabilities are added to or deducted from the current year's tax provision.

2) Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are recognized only to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and such temporary differences are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period 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 assets to be recovered. A previously unrecognized deferred tax asset is also reviewed at the end of each reporting period and recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

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

3) Current and deferred taxes

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

5. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, management is required to make judgments, estimations, and assumptions on the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

Key Sources of Estimation Uncertainty

a. Estimated impairment of financial assets

The provision for impairment of notes receivable and trade receivables is based on assumptions on probability of default and loss given default. The Company uses judgment in making these assumptions and in selecting the inputs to the impairment calculation, based on the Company's historical experience, existing market conditions as well as forward looking estimates as of the end of each reporting period. For details of the key assumptions and inputs used, see Note 10. Where the actual future cash inflows are less than expected, a material impairment loss may arise.

b. Valuation of inventories

The net realizable value of inventory is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale. The estimation of net realizable value is based on current market conditions and historical experience in the sale of product of a similar nature. Changes in market conditions may have a material impact on the estimation of the net realizable value.

6. CASH AND CASH EQUIVALENTS

	December 31	
	2024	**2023**
Cash on hand	$ 270	$ 216
Demand deposits	25,069	30,721
Cash equivalents		
Time deposits	40,373	1,203,935
Commercial paper	145,000	26,229
	$ 210,712	$ 1,261,101

The market rate intervals of time deposits and commercial paper at the end of the year were as follows:

	December 31	
	2024	**2023**
Time deposits	1.40%-1.50%	1.25%-1.40%
Commercial paper	1.03%-1.04%	0.84%-5.40%

7. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

Investments in Equity Instruments at FVTOCI

	December 31	
	2024	**2023**
Current		
Domestic investments		
Listed shares	$ 1,196,187	$ 8,001
Unrealized gain on financial assets	13,813	2,490
	$ 1,210,000	$ 10,491
Non-current		
Domestic investments		
Unlisted shares	$ -	$ 20,000
Unrealized gain on financial assets	-	76,979
	$ -	$ 96,979

On March 13 2024, the board of directors resolved to enter into a contract for the purchase and sale of shares with unrelated parties, to acquire 12,834,314 shares of Concord Advanced Technology Co., Ltd. (Concord Advanced) at a price of $22 per share, for a total amount of $282,355 thousand. After the acquisition, the Company's equity interest in Concord Advanced increased to 20.56%, which represented significant influence, therefore, this acquisition was transferred from financial assets at fair value through other comprehensive income - non-current to investments accounted for using the equity method. The disposal of investments in equity instruments designated as at fair value through other comprehensive income, which amounted to $180,154 thousand, was recorded as unappropriated earnings.

For the year ended December 31, 2024, the Company gradually acquired 0.88% of the ordinary shares of WT Microelectronics Co., Ltd., for a total amount of $1,196,187 thousand and recorded as financial assets at fair value through other comprehensive income - current.

The Company sold all of its ordinary shares holding of Honey Hope Honesty Enterprise Co., Ltd., for $11,885 thousand, and recognized a gain of $3,884 thousand on the disposal of investments in equity instruments designated as at fair value through other comprehensive income. This gain was recorded as unappropriated earnings.

The Company holds the domestic listed shares and the domestic unlisted shares for medium to long-term strategic purposes, expecting to make a profit from long-term investment. Accordingly, the management elected to designate these investments in equity instruments as at FVTOCI as they believe that recognizing short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Company's strategy of holding these investments for long-term purposes.

8. FINANCIAL ASSETS AT AMORTIZED COST

	December 31	
	2024	2023
Current		
Time deposits with original maturities of more than 3 months	$ -	$ 505,000
Non-current		
Restricted cash	$ 150	$ 150

a. Refer to Note 9 for information relating to the credit risk management and impairment of investments in financial assets at amortized cost.

b. Refer to Note 32 for information relating to investments in financial assets at amortized cost pledged as security.

9. CREDIT RISK MANAGEMENT FOR INVESTMENTS IN DEBT INSTRUMENTS

Investments in debt instruments are classified as at amortized cost:

	December 31	
	2024	2023
At amortized cost (current and non-current)		
Gross carrying amount	$ 150	$ 505,150
Less: Allowance for impairment loss	-	-
Amortized cost	$ 150	$ 505,150

The credit risk of financial instruments such as bank deposits is measured and monitored by the finance department. The Company selects the transaction partners and the performing parties which are all banks with good credit.

10. NOTES RECEIVABLE, TRADE RECEIVABLES AND OTHER RECEIVABLES

	December 31	
	2024	2023
Notes receivable		
At amortized cost		
Gross carrying amount	$ 4,356	$ 3,510
Less: Allowance for impairment loss	(21)	(17)
	$ 4,335	$ 3,493

(Continued)

	December 31	
	2024	2023
Notes receivable - operating	$ 4,276	$ 3,490
Notes receivable - non-operating	59	3
	$ 4,335	$ 3,493
Trade receivables		
At amortized cost		
Gross carrying amount	$ 610,646	$ 456,864
Less: Allowance for impairment loss	(3,060)	(2,276)
	$ 607,586	$ 454,588
Other receivables		
VAT refundable	$ 7,052	$ 2,615
Others	144	2,837
	$ 7,196	$ 5,452

(Concluded)

a. Notes receivable

As of December 31, 2024 and 2023, the notes receivable did not expire.

b. Trade receivables

The average credit period on sales of goods is 90 to 150 days. In order to minimize credit risk, the management of the Company has delegated a team responsible for determining credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Company reviews the recoverable amount of each individual trade debt at the end of the year to ensure that adequate allowance is made for possible irrecoverable amounts. In this regard, the management believes the Company's credit risk was significantly reduced.

The Company measures the loss allowance for trade receivables at an amount equal to lifetime ECLs. The expected credit losses on trade receivables are estimated using a provision matrix prepared by reference to the past default experience of the customer, the customer's current financial position, and profitability. As the Company's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished according to the Company's different customer base.

The Company writes off a trade receivable when there is evidence indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery. For trade receivables that have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognized in profit or loss.

The following table details the loss allowance of trade receivables based on the Company's provision matrix.

December 31, 2024

	Not Past Due	1 to 30 Days Past Due	31 to 60 Days Past Due	61 to 90 Days Past Due	Over 90 Days Past Due	Total
Expected credit loss rate	0.50%	0.50%	0.50%	24.74%	100.00%	
Gross carrying amount	$ 610,294	$ 327	$ 25	$ -	$ -	$ 610,646
Loss allowance (Lifetime ECLs)	(3,058)	(2)	-	-	-	(3,060)
Amortized cost	$ 607,236	$ 325	$ 25	$ -	$ -	$ 607,586

December 31, 2023

	Not Past Due	1 to 30 Days Past Due	31 to 60 Days Past Due	61 to 90 Days Past Due	Over 90 Days Past Due	Total
Expected credit loss rate	0.50%	0.50%	0.50%	0.50%	100.00%	
Gross carrying amount	$ 455,850	$ 881	$ -	$ 133	$ -	$ 456,864
Loss allowance (Lifetime ECLs)	(2,271)	(4)	-	(1)	-	(2,276)
Amortized cost	$ 453,579	$ 877	$ -	$ 132	$ -	$ 454,588

The movements of the loss allowance of notes receivable and trade receivables were as follows:

	For the Year Ended December 31	
	2024	2023
Balance at January 1	$ 2,293	$ 2,742
Add: Remeasurement of loss allowance	788	4
Less: Reversal of loss allowance	-	(453)
Balance at December 31	$ 3,081	$ 2,293

11. INVENTORIES

	December 31	
	2024	2023
Merchandise	$ 317,495	$ 237,963

The nature of the cost of goods sold is as follows:

	For the Year Ended December 31	
	2024	2023
Cost of inventories sold	$ 1,398,745	$ 1,446,942
(Gain) loss on net realizable value of inventories	(9,134)	16,590
Loss on physical inventory	-	6
	$ 1,389,611	$ 1,463,538

12. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	December 31	
	2024	2023
Investments in subsidiaries	$ 3,826,630	$ 3,540,130
Investments in associates	488,647	-
	$ 4,315,277	$ 3,540,130

a. Investments in subsidiaries

	December 31	
Name of Subsidiaries	2024	2023
Scope Technology Co., Ltd.	$ 1,120,485	$ 1,027,784
Lipers Enterprise Co., Ltd.	704,191	662,550
Advance Electronic Supply Inc.	631,684	530,867
Nichidenbo (Mauritius) Ltd.	462,930	463,774
Vic-Dawn Enterprise Co., Ltd.	332,723	315,477
Tonsam Corporation	288,435	285,145
Koho (Taiwan) Co., Ltd.	171,967	126,443
Lipers (Hong Kong) Enterprise Co., Ltd.	114,215	128,090
	$ 3,826,630	$ 3,540,130

	Proportion of Ownership and Voting Rights	
	December 31	
Name of Subsidiaries	2024	2023
Scope Technology Co., Ltd.	100.00%	100.00%
Lipers Enterprise Co., Ltd.	99.34%	99.34%
Advance Electronic Supply Inc.	100.00%	100.00%
Nichidenbo (Mauritius) Ltd.	100.00%	100.00%
Vic-Dawn Enterprise Co., Ltd.	95.31%	95.31%
Tonsam Corporation	100.00%	100.00%
Lipers (Hong Kong) Enterprise Co., Ltd. (Note)	100.00%	100.00%
Koho (Taiwan) Co., Ltd.	85.00%	85.00%

Note: Lipers (Hong Kong) Enterprise Co., Ltd.’s board of directors resolved to increase the capital from retained earnings by $76,081 thousand (HK$18,643 thousand) on August 31, 2023, and the subscription base date was September 11, 2023.

For the years ended December 31, 2024 and 2023, the share of profit or loss and OCI of subsidiaries was based on the audited financial statements for the years then ended.

b. Investments in associates

	December 31	
	2024	2023
Associate that is not individually material		
Concord Advanced	$ 488,647	$ -

Aggregate information of associates that are not individually material

	For the Year Ended December 31	
	2024	2023
The Company's share of:		
Profit for the year	$ 38,396	$ -
Other comprehensive income	-	-
Total comprehensive income for the year	$ 38,396	$ -

On March 13, 2024, the board of directors resolved to enter into a contract for the purchase and sale of shares with unrelated parties, to acquire 12,834,314 shares of Concord Advanced at a price of $22 per share, for a total amount of $282,355 thousand. After the acquisition, the Company's equity interest in Concord Advanced increased to 20.56%, representing significant influence, therefore, this acquisition was transferred from financial assets at fair value through other comprehensive income - non-current to investments accounted for using the equity method.

The above investments accounted for using the equity method and the share of profit or loss by the Company were calculated based on audited financial statements.

13. PROPERTY, PLANT AND EQUIPMENT

	Land	Buildings	Other Equipment	Construction in Progress	Total
Cost					
Balance at January 1, 2024	$ 163,257	$ 17,418	$ 17,243	$ -	$ 197,918
Additions	-	-	1,152	-	1,152
Disposals	-	-	(7,004)	-	(7,004)
Balance at December 31, 2024	$ 163,257	$ 17,418	$ 11,391	$ -	$ 192,066
Accumulated depreciation					
Balance at January 1, 2024	$ -	$ 5,392	$ 9,938	$ -	$ 15,330
Depreciation expense	-	332	3,613	-	3,945
Disposals	-	-	(7,004)	-	(7,004)
Balance at December 31, 2024	$ -	$ 5,724	$ 6,547	$ -	$ 12,271
Carrying amount at December 31, 2024	$ 163,257	$ 11,694	$ 4,844	$ -	$ 179,795

(Continued)

	Land	Buildings	Other Equipment	Construction in Progress	Total
Cost					
Balance at January 1, 2023	$ 163,257	$ 17,418	$ 17,073	$ -	$ 197,748
Additions	-	-	1,216	605	1,821
Disposals	-	-	(1,542)	-	(1,542)
Reclassification	-	-	496	(605)	(109)
Balance at December 31, 2023	$ 163,257	$ 17,418	$ 17,243	$ -	$ 197,918
Accumulated depreciation					
Balance at January 1, 2023	$ -	$ 5,060	$ 8,384	$ -	$ 13,444
Depreciation expense	-	332	3,096	-	3,428
Disposals	-	-	(1,542)	-	(1,542)
Balance at December 31, 2023	$ -	$ 5,392	$ 9,938	$ -	$ 15,330
Carrying amount at December 31, 2023	$ 163,257	$ 12,026	$ 7,305	$ -	$ 182,588

(Concluded)

Depreciation is calculated on a straight-line basis over the estimated useful lives as follows:

Buildings	50-55 years
Other equipment	5 years

Refer to Note 32 for property, plant and equipment pledged as collateral for the payment of purchase.

14. LEASE ARRANGEMENTS

Other Lease Information

Refer to Note 15 for lease arrangements under operating leases of investment properties.

	For the Year Ended December 31	
	2024	2023
Expenses relating to short-term leases	$ 7,745	$ 6,916
Expenses relating to low-value asset leases	$ 57	$ 58
Total cash outflow of leases	$ 7,802	$ 6,974

15. INVESTMENT PROPERTIES

	For the Year Ended December 31	
	2024	2023
Cost		
Balance at January 1	$ 160,345	$ 89,545
Additions	-	56,791
Reclassification	-	14,009
Balances at December 31	$ 160,345	$ 160,345
Accumulated depreciation		
Balance at January 1	$ 6,056	$ 5,510
Depreciation expense	670	546
Balance at December 31	$ 6,726	$ 6,056
Carrying amount at December 31	$ 153,619	$ 154,289

The investment properties are leased out for 1 to 2 years. The lessees do not have bargain purchase options to acquire the investment properties at the expiry of the lease periods.

The maturity analysis of lease payments receivable under operating leases of investment properties was as follows:

	December 31	
	2024	2023
Less than a year	$ 6,234	$ 7,310
1-5 years	1,257	405
	$ 7,491	$ 7,715

The investment properties are depreciated using the straight-line method over 50 to 55 years of their estimated useful lives.

For those located in R.O.C., the fair value of the investment property as of December 31, 2024 and 2023 was $333,437 thousand and $376,685 thousand, respectively. The fair value of the investment property was appraised by the Company’s management by reference to market evidence of transaction prices for similar properties.

The investment properties are owned by the Company. The investment properties pledged as collateral for payment of purchase in Note 32.

16. INTANGIBLE ASSETS

	Computer Software
Cost	
Balance at January 1, 2024	$ 1,822
Additions	1,089
Derecognition	(1,122)
Balance at December 31, 2024	$ 1,789
Accumulated amortization	
Balance at January 1, 2024	$ 1,285
Amortization expense	601
Derecognition	(1,122)
Balance at December 31, 2024	$ 764
Carrying amount at December 31, 2024	$ 1,025
Cost	
Balance at January 1, 2023	$ 1,825
Additions	196
Derecognition	(199)
Balance at December 31, 2023	$ 1,822
Accumulated amortization	
Balance at January 1, 2023	$ 953
Amortization expense	531
Derecognition	(199)
Balance at December 31, 2023	$ 1,285
Carrying amount at December 31, 2023	$ 537

The above items of intangible assets are amortized on a straight-line basis over the estimated useful lives as follows:

Computer software	3-5 years

17. OTHER ASSETS

	December 31	
	2024	2023
Current		
Prepayments	$ 785	$ 570
Others	470	539
	$ 1,255	$ 1,109

18. BORROWINGS

Short-term Borrowings

	December 31	
	2024	2023
Unsecured bank loans	$ 334,065	$ 209,810

The range of interest rates of unsecured bank loans was 5.1700%-5.4652% and 6.1839%-6.4588% at December 31, 2024 and 2023, respectively.

19. TRADE PAYABLES

	December 31	
	2024	2023
Trade payables		
Trade payables - operating	$ 239,108	$ 115,922

20. OTHER LIABILITIES

	December 31	
	2024	2023
Current		
Other payables		
Payable for salaries and bonuses	$ 135,048	$ 126,710
Payable for purchase and selling	8,624	4,066
Payable for annual leave	6,328	6,316
Interest payable	147	832
Other	13,296	14,581
	$ 163,443	$ 152,505
Other liabilities		
Other	$ 2,899	$ 2,352

21. RETIREMENT BENEFIT PLANS

a. Defined contribution plan

The Company adopted a pension plan under the Labor Pension Act (LPA), which is a state-managed defined contribution plan. Under the LPA, an entity makes monthly contributions to employees' individual pension accounts at 6% of monthly salaries and wages.

b. Defined benefit plan

The defined benefit plan adopted by the Company in accordance with the Labor Standards Act is operated by the government. Pension benefits are calculated on the basis of the length of service and average monthly salaries of the six months before retirement. The Company contribute amounts equal to 2%, of total monthly salaries and wages to a pension fund administered by the pension fund monitoring committee. Pension contributions are deposited in the Bank of Taiwan in the committee's name. Before the end of each year, the Company assesses the balance in the pension fund. If the amount of the balance in the pension fund is inadequate to pay retirement benefits for employees who conform to retirement requirements in the next year, the Company is required to fund the difference in one appropriation that should be made before the end of March of the next year. The pension fund is managed by the Bureau of Labor Funds, Ministry of Labor (the "Bureau"); the Company has no right to influence the investment policy and strategy.

The amounts included in the parent company only balance sheets in respect of the Company's defined benefit plans are as follows:

	December 31	
	2024	**2023**
Present value of defined benefit obligation	$ 42,616	$ 42,764
Fair value of plan assets	(24,709)	(20,599)
Net defined benefit liability	$ 17,907	$ 22,165

Movements in net defined benefit liability are as follows:

	Present Value of the Defined Benefit Obligation	**Fair Value of the Plan Assets**	**Net Defined Benefit Liability**
Balance at January 1, 2024	$ 42,764	$ (20,599)	$ 22,165
Service cost			
Current service cost	853	-	853
Net interest expense (income)	481	(242)	239
Recognized in profit or loss	1,334	(242)	1,092
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	(616)	(616)
Actuarial gain - changes in financial assumptions	(966)	-	(966)
Actuarial gain - experience adjustments	(516)	-	(516)
Recognized in other comprehensive income	(1,482)	(616)	(2,098)
Contributions from the employer	-	(3,252)	(3,252)
Balance at December 31, 2024	$ 42,616	$ (24,709)	$ 17,907

(Continued)

	Present Value of the Defined Benefit Obligation	Fair Value of the Plan Assets	Net Defined Benefit Liability
Balance at January 1, 2023	$ 41,376	$ (15,591)	$ 25,785
Service cost			
Current service cost	845	-	845
Net interest expense (income)	569	(227)	342
Recognized in profit or loss	1,414	(227)	1,187
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	(38)	(38)
Actuarial loss - changes in financial assumptions	21	-	21
Actuarial gain - experience adjustments	(12)	-	(12)
Recognized in other comprehensive income	9	(38)	(29)
Contributions from the employer	-	(4,778)	(4,778)
Benefits paid	(35)	35	-
Balance at December 31, 2023	$ 42,764	$ (20,599)	$ 22,165

(Concluded)

Through the defined benefit plans under the Labor Standards Act, the Company is exposed to the following risks:

1) Investment risk: The plan assets are invested in domestic and foreign equity and debt securities, bank deposits, etc. The investment is conducted at the discretion of the Bureau or under the mandated management. However, in accordance with relevant regulations, the return generated by plan assets should not be below the interest rate for a 2-year time deposit with local banks.

2) Interest risk: A decrease in the government bond interest rate will increase the present value of the defined benefit obligation; however, this will be partially offset by an increase in the return on the plan's debt investments.

3) Salary risk: The present value of the defined benefit obligation is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the present value of the defined benefit obligation.

The actuarial valuations of the present value of the defined benefit obligation were carried out by qualified actuaries. The significant assumptions used for the purposes of the actuarial valuations are as follows:

	December 31	
	2024	2023
Discount rate(s)	1.500%	1.125%
Expected rate(s) of salary increase	2.500%	2.500%

If possible reasonable changes in each of the significant actuarial assumptions occur and all other assumptions remain constant, the present value of the defined benefit obligation will increase (decrease) as follows:

	December 31	
	2024	**2023**
Discount rate(s)		
0.25% increase	$ (621)	$ (730)
0.25% decrease	$ 640	$ 753
Expected rate(s) of salary increase		
0.25% increase	$ 621	$ 729
0.25% decrease	$ (606)	$ (711)

The sensitivity analysis presented above may not be representative of the actual change in the present value of the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

	December 31	
	2024	**2023**
The expected contributions to the plan for the next year	$ 1,635	$ 1,789
The average duration of the defined benefit obligation	6.1 years	7.2 years

22. EQUITY

a. Share capital

Ordinary shares

	December 31	
	2024	**2023**
Number of shares authorized (in thousands)	500,000	500,000
Shares authorized	$ 5,000,000	$ 5,000,000
Number of shares issued and fully paid (in thousands)	212,597	212,657
Shares issued	$ 2,125,972	$ 2,126,572

Ordinary shares issued had a par value of NT$10, and holders have the right to vote and receive dividends.

Of the Company’s authorized shares, 10,000 thousand shares were reserved for the issuance of convertible bonds, preferred shares and employee share options, respectively.

In order to enrich operating capital, intensify financial structure and provide capital demands for the company’s long term operating development, the Company raised fund and introduced strategic investors. On June 15, 2022, the Company held shareholder’s meeting and a resolution was passed to increase cash capital by issuing 30,000 thousand ordinary shares through private placement. On October 6, 2022, the Company’s board of directors resolved to offer for subscription with the subscriber - WT Microelectronics Co., Ltd. at a price of $44.02 at premium, and a total cash of $1,320,600 thousand was received. The subscription base date was on October 7, 2022, and the registration has been completed on October 25, 2022.

The aforementioned rights and obligations of private placement of new shares were same as which the ordinary shares the Company had issued. However, in accordance with Article 43-8 under the Securities and Exchange Act, the ordinary shares of this private placement shall not be freely transferred within three years from the date of subscription, except as otherwise specified in laws and regulations for special circumstances. The board of directors was authorized to finish the public offering procedure ex post facto with the competent authority and apply for trading on the exchange or OTC market.

On March 23, 2022, the Company's board meeting resolved to issue the first-time employee restricted stock awards (RSAs) for the year 2022 in a total of 4,000 thousand shares. Due to some employees resigning before meeting the conditions for the restricted employee stock options, 60 thousand shares were reclaimed, and the registration has been completed on December 4, 2024.

b. Capital surplus

	December 31	
	2024	**2023**
May be used to offset a deficit, distributed as cash dividends, or transferred to share capital (Note)		
Issuance of ordinary shares	$ 1,353,609	$ 1,301,615
Conversion of bonds	111,200	111,200
Treasury share transactions	19,455	19,455
The difference between the consideration received or paid and the carrying amount of the subsidiaries' net assets during actual disposal or acquisition	15,334	15,334
From business combinations	289	289
Other	3,814	3,814
	1,503,701	1,451,707
May only be used to offset a deficit		
Changes in percentage of ownership interests in subsidiaries	42,656	42,656
Other	1,860	1,665
	44,516	44,321
May not be used for any purpose		
Employee restricted shares	79,528	129,068
	$ 1,627,745	$ 1,625,096

Note: Such capital surplus may be used to offset a deficit; in addition, when the Company has no deficit, such capital surplus may be distributed as cash dividends or transferred to share capital (limited to a certain percentage of the Company's capital surplus and once a year).

c. Retained earnings and dividend policy

In their regular meeting on June 25, 2024, the shareholders approved the amendments to the Company's Articles of Incorporation. If there is a surplus in the final accounts of the Company, the tax shall be paid first to make up for previous losses, and 10% shall then be added to the legal reserve, except when the legal reserve becomes equal to the paid-up capital of the Company. In addition, the special reserve shall be listed or reversed according to the Company's operating needs and legal regulations. The remaining balance (the "distributable earnings of the current year") is consolidated with the unappropriated earnings at the beginning of the same period. The board of directors shall then draft a surplus distribution plan for presentation and approval at the shareholders' meeting. The total amount of dividends distributed each year shall not be less than 50% of the distributable earnings of the current year.

Under the dividends policy as set forth in the Articles before the amendments, if there is a surplus in the final accounts of the Company, the tax shall be paid first to make up for previous losses, and 10% shall be added to the legal reserve, except when the legal reserve has reached the paid-up capital of the company. In addition, the special reserve shall be listed or reversed according to the Company's operating needs and legal regulations. The total amount of dividends distributed each year shall not be less than 50% of the distributable earnings of the current year, and the board of directors shall draft a surplus distribution plan to shareholders' meeting resolution for distribution. For the policies on the distribution of compensation of employees and remuneration of directors after the amendment, refer to compensation of employees and remuneration of directors in Note 24(g).

Under Article 240 of Company Act, the Company authorizes over half of two thirds of the board of directors to approve the distribution in cash of dividends, bonuses, all or part of the legal reserve, and capital surplus stipulated in Article 241 of Company Act, and report this distribution at the shareholders' meeting.

The Company will consider the environment and its growth stage, in response to future capital needs and long-term financial planning. The earnings shall be distributed in accordance with Article 21 of Articles of Incorporation, and the cash dividend distributed to shareholders in the current year shall be no less than 30% of the total amount of shareholders' dividends.

An appropriation of earnings to a legal reserve shall be made until the legal reserve equals the Company's paid-in capital. The legal reserve may be used to offset deficits. If the Company has no deficit and the legal reserve has exceeded 25% of the Company's paid-in capital, the excess may be transferred to capital or distributed in cash.

The appropriations of earnings for 2023 and 2022, which were approved in the shareholders' meetings on June 25, 2024 and June 15, 2023, respectively, were as follows:

	Appropriation of Earnings For the Year Ended December 31	
	2023	**2022**
Legal reserve	$ 73,072	$ 149,647
Reversal of special reserve	$ 40,925	$ -
Special reserve appropriated	$ -	$ 40,925
Cash dividends	$ 723,034	$ 1,169,614
Cash dividends per share (NT$)	$ 3.40	$ 5.50

The appropriation of earnings for 2024, which were proposed by the Company's board of directors on March 13, 2025, were as follows:

	For the Year Ended December 31, 2024
Legal reserve	$ 113,451
Special reserve appropriated	$ 60,114
Cash dividends	$ 892,908
Cash dividends per share (NT$)	$ 4.20

The above appropriation for cash dividends has been resolved by the Company's board of directors; the other proposed appropriations will be resolved by the shareholders in their meeting to be held on June 11, 2025.

d. Special reserve

	For the Year Ended December 31	
	2024	2023
Balance at January 1	$ 51,875	$ 10,950
Special reserve appropriated		
Debits to other equity items	-	40,925
Reversal of special reserve		
Reversal of the debits to other equity items	(40,925)	-
Balance at December 31	$ 10,950	$ 51,875

A proportionate share of special reserve relating to exchange differences from the translation of the financial statements of foreign operations (including the subsidiaries of the Company) will be reversed on the Company's disposal of foreign operations; on the Company's loss of significant influence, however, the entire special reserve will be reversed. Additional special reserve should be appropriated for the amount equal to the difference between net debit balance reserves and the special reserve appropriated on the first-time adoption of IFRS Accounting Standards. Any special reserve appropriated may be reversed to the extent that the net debit balance reverses and thereafter distributed.

e. Others equity items

1) Exchange differences on translation of the financial statements of foreign operations

	For the Year Ended December 31	
	2024	2023
Balance at January 1	$ (41,401)	$ (34,344)
Recognized for the year		
Exchange differences on the translation of the financial statements of foreign operations	4,637	1,499
Share of subsidiaries accounted for using the equity method	16,042	(8,556)
Other comprehensive income recognized for the year	20,679	(7,057)
Balance at December 31	$ (20,722)	$ (41,401)

2) Unrealized valuation (loss) gain on financial assets at FVTOCI

	For the Year Ended December 31	
	2024	2023
Balance at January 1	$ 36,018	$ (6,581)
Recognized for the year		
Unrealized gain on equity instruments	118,382	86,065
Share from subsidiaries accounted for using equity method	(20,704)	(19,550)
Other comprehensive income recognized for the year	97,678	66,515
Cumulative unrealized loss of equity instruments transferred to retained earnings due to disposal	(184,038)	(23,916)
Balance at December 31	$ (50,342)	$ 36,018

23. REVENUE

	For the Year Ended December 31	
	2024	2023
Revenue from contracts with customers		
Revenue from the sale of goods	$ 1,751,070	$ 1,820,389

a. Contract information

Revenue from sale of goods

The Company sells electronic components to the manufacturers of the information products, video products, and electronic communication products. The amount of discount and related revenue are estimated using the most likely amount, taking into consideration the customer's historical purchase records. All other goods are sold at their respective amounts as agreed in the contracts.

b. Contract balances

	December 31, 2024	December 31, 2023	January 1, 2023
Trade receivables, net (Note 10)	$ 607,586	$ 454,588	$ 543,830
Trade receivables from related parties (Note 31)	$ 69,553	$ 41,114	$ 49,810
Contract liabilities - current			
Advance on contract	$ 164	$ 184	$ 357

The changes in the balance of contract liabilities primarily result from the timing difference between the Company's satisfaction of performance obligations and the respective customer's payment. The revenue recognized from the contract liability balance at the beginning for the year, which amounted to $184 thousand and $357 thousand for the years ended December 31, 2024 and 2023, respectively.

24. NET PROFIT FOR THE YEAR

a. Interest income

	For the Year Ended December 31	
	2024	2023
Bank deposits	$ 16,055	$ 16,902
Financing provided to related parties (Note 31)	5,774	6,786
Others	1,040	708
	$ 22,869	$ 24,396

b. Other income

	For the Year Ended December 31	
	2024	2023
Dividends income	$ 2,429	$ 20,745
Rental income		
Investment properties	13,908	14,016
Depreciation of investment properties	(670)	(546)
	13,238	13,470
Payroll expense allocation	58,875	84,870
Remuneration of director acquired	9,416	12,241
Others	2,342	5,277
	$ 86,300	$ 136,603

c. Other gains and losses

	For the Year Ended December 31	
	2024	2023
Fair value changes of financial assets and financial liabilities		
Financial assets mandatorily classified as at FVTPL	$ -	$ 56
Net foreign exchange gain	11,749	9,082
	$ 11,749	$ 9,138

d. Finance costs

	For the Year Ended December 31	
	2024	2023
Interest on bank loans	$ 9,797	$ 10,818
Interest on rental deposits	20	18
	$ 9,817	$ 10,836

e. Depreciation and amortization

	For the Year Ended December 31	
	2024	2023
Property, plant and equipment	$ 3,945	$ 3,428
Investment properties	670	546
Intangible assets	601	531
	$ 5,216	$ 4,505
An analysis of depreciation by function		
Operating expenses	$ 3,945	$ 3,428
Non-operating income and expenses	670	546
	$ 4,615	$ 3,974
An analysis of amortization by function		
Operating expenses	$ 601	$ 531

f. Employee benefits expense

	For the Year Ended December 31	
	2024	2023
Post-employment benefits		
Defined contribution plan	$ 5,340	$ 4,903
Defined benefit plans (Note 21)	1,092	1,187
	6,432	6,090
Share-based payments (Note 27)		
Equity-settled	18,752	24,631
Other employee benefits	149,093	131,307
Total employee benefits expense	$ 174,277	$ 162,028
An analysis of employee benefits expense by function		
Operating expenses	$ 174,277	$ 162,028

The average numbers of employees are 159 and 154 for the years ended December 31, 2024 and 2023.

g. Compensation of employees and remuneration of directors

If the Company makes a profit in a year, no less than 5% shall be set aside as employee compensation and no over 3% shall be set aside as director compensation. However, if the Company has accumulated deficits, the profit should be reserved to offset the deficit. The recipients of shares and cash may include the employees of the Company's affiliated companies who meet certain conditions. The compensation of employees and the remuneration of directors for the years ended December 31, 2024 and 2023, which were calculated on the basis of historical experience and operating conditions, were approved by the Company's board of directors on March 13, 2025 and 2024, respectively, are as follows:

	For the Year Ended December 31	
	2024	2023
	Cash	Cash
Compensation of employees	$ 78,266	$ 60,583
Remuneration of directors	$ 16,771	$ 12,982

If there is a change in the amount after the annual parent company only financial statements are authorized for issue, the differences are recorded as a change in the accounting estimate.

There is no difference between the actual amounts of compensation of employees and remuneration of directors paid and the amounts recognized in the parent company only financial statements for the years ended December 31, 2023 and 2022.

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

25. INCOME TAXES

a. Major components of tax expense recognized in profit or loss

	For the Year Ended December 31	
	2024	2023
Current tax		
In respect of the current year	$ 51,815	$ 60,009
Income tax on unappropriated earnings	-	6,814
Adjustments for prior years' tax	747	(71)
	52,562	66,752
Deferred tax		
In respect of the current year	2,058	3,377
Income tax expense recognized in profit or loss	$ 54,620	$ 70,129

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

	For the Year Ended December 31	
	2024	2023
Profit before tax from continuing operations	$ 1,001,418	$ 776,435
Income tax expense calculated at the statutory rate	$ 200,284	$ 155,287
Nondeductible expenses in determining taxable income	112	129
Deferred tax effect of earnings of subsidiaries	2,806	3,430
Tax exempt income	(149,329)	(95,460)
Income tax on unappropriated earnings	-	6,814
Adjustments for prior years' tax	747	(71)
Income tax expense recognized in profit or loss	$ 54,620	$ 70,129

b. Income tax recognized in other comprehensive income

	For the Year Ended December 31	
	2024	2023
Deferred tax		
In respect of the current year		
Remeasurement of defined benefit plans	$ 419	$ 6

c. Current tax liabilities

	December 31	
	2024	2023
Current tax liabilities		
Income tax payable	$ 11,697	$ 28,309

d. Deferred tax assets and liabilities

The movements of deferred tax assets and deferred tax liabilities were as follows:

For the year ended December 31, 2024

	Opening Balance	Recognized in Profit or Loss	Recognized in Other Comprehensive Income	Closing Balance
Deferred tax assets				
Temporary differences				
Provision for loss on inventories	$ 6,270	$ (3,948)	$ -	$ 2,322
Defined benefit obligation	4,101	(433)	(419)	3,249
Unrealized exchange loss	1,426	(1,426)	-	-
Unrealized gross profit on sales	1,290	649	-	1,939
Payable for annual leave	1,263	3	-	1,266
Unrealized sales allowance	223	(12)	-	211
	$ 14,573	$ (5,167)	$ (419)	$ 8,987
Deferred tax liabilities				
Temporary differences				
Share of profit or loss of subsidiaries	$ 71,052	$ (4,231)	$ -	$ 66,821
Unrealized exchange gain	-	1,122	-	1,122
	$ 71,052	$ (3,109)	$ -	$ 67,943

For the year ended December 31, 2023

	Opening Balance	Recognized in Profit or Loss	Recognized in Other Comprehensive Income	Closing Balance
Deferred tax assets				
Temporary differences				
Defined benefit obligation	$ 4,825	$ (718)	$ (6)	$ 4,101
Unrealized gross profit on sales	3,950	(2,660)	-	1,290
Provision for loss on inventories	2,952	3,318	-	6,270
Payable for annual leave	1,235	28	-	1,263
Unrealized exchange loss	327	1,099	-	1,426
Unrealized sales allowance	136	87	-	223
	$ 13,425	$ 1,154	$ (6)	$ 14,573
Deferred tax liabilities				
Temporary differences				
Share of profit or loss of subsidiaries	$ 66,521	$ 4,531	$ -	$ 71,052

e. Deductible temporary differences for which no deferred tax assets have been recognized in the balance sheets

	December 31	
	2024	2023
Deductible temporary differences		
Impairment loss on goodwill	$ 50,011	$ 50,011

f. Income tax assessments

The income tax returns through 2022 have been assessed by the tax authorities.

26. EARNINGS PER SHARE

Unit: NT$ Per Share

	For the Year Ended December 31	
	2024	2023
Basic earnings per share	$ 4.52	$ 3.39
Diluted earnings per share	$ 4.46	$ 3.33

The earnings and weighted average number of ordinary shares outstanding used in computation of earnings per share were as follows:

Net Profit for the Year

	For the Year Ended December 31	
	2024	2023
Earnings used in the computation of basic and diluted earnings per share	$ 946,798	$ 706,306

The weighted average number of ordinary shares outstanding (in thousand shares) was as follows:

	For the Year Ended December 31	
	2024	2023
Weighted average number of ordinary shares used in the computation of basic earnings per share	209,370	208,657
Effect of potentially dilutive ordinary shares		
Compensation of employees	1,326	1,458
Share-based payment arrangements	1,778	1,778
Weighted average number of ordinary shares used in the computation of diluted earnings per share	212,474	211,893

The Company may settle compensation or bonuses paid to employees in cash or shares, therefore, the Company assumes that the entire amount of the compensation or bonuses will be settled in shares, and the resulting potential shares are included in the weighted average number of shares outstanding used in the computation of diluted earnings per share, as the effect is dilutive. Such dilutive effect of the potential shares is included in the computation of diluted earnings per share until the number of shares to be distributed to employees is resolved in the following year.

27. SHARE-BASED PAYMENT ARRANGEMENTS

a. Restricted stock awards for employees of the Company

On March 23, 2022, the Company's board meeting resolved to issue the first employee restricted stock awards (RSAs), consisting of 4,000 thousand shares with a par value of NT$10, in a total amount of $40,000 thousand at a price of 50% of the closing price on the issuing date. This proposal was approved and became effective by the Financial Supervisory Commission (FSC) dated July 12, 2022. The Company's board meeting resolved to issue the RSAs on July 14, 2022, and the subscription base date was on July 22, 2022. The issue price and the fair value at grant date were $21.93 per share and $21.92 per share, respectively. If an employee remains employed by the Company for two years after that grant date, 40% of the restricted shares will be vested; if an employee remains employed by the Company for three years after that grant date, 30% of the restricted shares will be vested; if an employee remains employed by the Company for four years after that grant date, 30% of the restricted shares will be vested. There were 60 thousand employee restricted shares that had been forfeited due to resignation or had not reached the vesting condition as of the reporting date. There were 2,340 thousand of shares that had not met the vesting conditions as of December 31, 2024.

Movements in RSAs are as follows:

	Ordinary shares	Capital Surplus - Restricted Stock Units	Capital Surplus - Issue of Shares at Premium	Unappropriated Earnings	Other Equity - Unearned Stock-based Employee Compensation
Amounts at July 14, 2022, the grant date of RSAs	$ 40,000	$ 125,911	$ -	$ -	$ (82,937)
Share-based payments recognized	-	-	-	-	15,551
Balance at December 31, 2022	40,000	125,911	-	-	(67,386)
Share-based payments recognized	-	-	-	-	31,989
Adjustment to the movement of resignation	-	3,157	-	-	(1,578)
Recognition of non-vesting condition dividends	-	-	-	794	-
Balance at December 31, 2023	40,000	129,068	-	794	(36,975)
Share-based payments recognized	-	-	-	-	24,260
Arising from vested new employee restricted shares	-	(51,994)	51,994	-	-
Adjustment to the movement of resignation	-	4,438	-	-	(2,218)
Refund of issuance of restricted shares for employees	(600)	(1,984)	-	525	1,291
Recognition of dividends under non-vesting condition	-	-	-	(410)	-
Balance at December 31, 2024	$ 39,400	$ 79,528	$ 51,994	$ 909	$ (13,642)

The restrictions on the rights of the employees who acquire the restricted shares but have not met the vesting conditions are as follows:

1) The RSAs should be held in stock trust. During each vesting period, no employee granted RSAs, except for inheritance, may sell, pledge, transfer, give to another person, create any encumbrance on, or otherwise dispose of, any shares under the unvested RSAs.

2) The voting rights of the shareholders meeting shall be exercised by trust custodians in accordance with relevant laws and regulations.

3) Before the vesting conditions are fulfilled, the employees holding these shares are entitled to receive cash and share dividends, which are the same as those of holders of ordinary shares of the Company. However, the employees holding these shares are not entitled with the subscription right of the new shares issued for any capital increase.

b. On May 4, 2023, the Company's board meeting resolved to issue the first employee restricted stock awards (RSAs), consisting of 4,000 thousand shares with a par value of NT$10, in a total amount of $40,000 thousand at the expected issuance price, which is 50% of the closing price on the issuance date. This aforementioned resolution was approved and became effective by the Financial Supervisory Commission (FSC) on October 11, 2023.

28. CASH FLOWS INFORMATION

Changes in Liabilities from Financing Activities

For the year ended December 31, 2024

	Opening Balance	Cash Flows	Closing Balance
Short-term borrowings	$ 209,810	$ 124,255	$ 334,065
Guarantee deposits received	1,109	141	1,250
	$ 210,919	$ 124,396	$ 335,315

For the year ended December 31, 2023

	Opening Balance	Cash Flows	Closing Balance
Short-term borrowings	$ 259,783	$ (49,973)	$ 209,810
Guarantee deposits received	1,094	15	1,109
	$ 260,877	$ (49,958)	$ 210,919

29. CAPITAL MANAGEMENT

The Company manages its capital to ensure that the Company will be able to continue as a going concern to fund its working capital needs, repayment of bank loan, and dividend expense over the next 12 months while maximizing the return to shareholders through the optimization of the debt and equity balance.

The capital structure of the Company consists of net debt and equity of the Company.

The Company is not subject to any externally imposed capital requirements.

30. FINANCIAL INSTRUMENTS

a. Fair value of financial instruments not measured at fair value

Management believes the carrying amounts of financial assets and financial liabilities recognized in the parent company only financial statements approximate their fair values.

b. Fair value of financial instruments measured at fair value on a recurring basis

1) Fair value hierarchy

December 31, 2024

	Level 1	Level 2	Level 3	Total
Financial assets at FVTOCI				
Investments in equity instruments				
Domestic listed shares	$ 1,210,000	$ -	$ -	$ 1,210,000

December 31, 2023

	Level 1	Level 2	Level 3	Total
Financial assets at FVTOCI				
Investments in equity instruments				
Domestic listed shares	$ 10,491	$ -	$ -	$ 10,491
Domestic unlisted shares	-	-	96,979	96,979
	$ 10,491	$ -	$ 96,979	$ 107,470

There were no transfers between Levels 1 and 2 in the current and prior periods.

2) Reconciliation of Level 3 fair value measurements of financial instruments

For the year ended December 31, 2024

Financial Assets	Financial Assets at FVTOCI Equity Instruments
Balance at January 1, 2024	$ 96,979
Recognized in other comprehensive income (included in unrealized valuation gain/(loss) on financial assets at FVTOCI)	103,175
Reclassification	(200,154)
Balance at December 31, 2024	$ -

For the year ended December 31, 2023

Financial Assets	Financial Assets at FVTOCI Equity Instruments
Balance at January 1, 2023	$ 93,384
Recognized in other comprehensive income (included in unrealized valuation gain/(loss) on financial assets at FVTOCI)	3,595
Balance at December 31, 2023	$ 96,979

3) Valuation techniques and inputs applied for Level 3 fair value measurement

Financial Instruments	Valuation Techniques and Inputs
Unlisted shares - domestic	The asset-based approach is used for evaluation based on the total value of individual assets and individual liabilities to show the overall value of the investment target. Significant unobservable inputs are discounted by considering market liquidity.

c. Categories of financial instruments

	December 31	
	2024	2023
Financial assets		
Financial assets at amortized cost		
Cash and cash equivalents	$ 210,712	$ 1,261,101
Notes receivable, net	4,335	3,493
Trade receivables, net	607,586	454,588
Trade receivables from related parties	69,553	41,114
Other receivables	144	2,837
Other receivables from related parties	413,315	358,114
Refundable deposits	906	826
Financial assets at amortized cost (included in current and non-current)	150	505,150
Financial assets at FVTOCI (included in current and non-current)		
Equity instruments	1,210,000	107,470
Financial liabilities		
Financial liabilities at amortized cost		
Short-term borrowings	334,065	209,810
Trade payables	239,108	115,922
Trade payables to related parties	57,257	30,838
Other payables	22,067	19,479
Other payables to related parties	249	205
Guarantee deposits received	1,250	1,109

d. Financial risk management objectives and policies

The Company's major financial instruments include equity and debt investments, trade receivables, trade payables and short-term borrowings. The Company's corporate treasury function provides services to the business, coordinates access to domestic and international financial markets, and monitors and manages the financial risks relating to the operations of the Company through internal risk reports that analyze exposures by degree and magnitude of risks. These risks include market risk (including foreign currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

1) Market risk

The Company's activities expose it primarily to the financial risk of changes in foreign currency exchange rates (see (a) below) and interest rates (see (b) below).

a) Foreign currency risk

The Company have foreign currency denominated sales and purchases, which expose the Company to foreign currency risk.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities and of the derivatives exposed to foreign currency risk at the end of the year are set out in Note 34.

Sensitivity analysis

The Company is mainly exposed to the USD.

The following table details the Company's sensitivity to a 5% increase and decrease in the New Taiwan dollar (i.e., the functional currency) against the relevant foreign currencies. The sensitivity analysis included only outstanding foreign currency denominated monetary items, and adjusts their translation at the end of the year for a 5% change in foreign currency rates. A positive number below indicates an increase in pre-tax profit with the New Taiwan dollar strengthening 5% against the relevant currency, for a 5% weakening of the New Taiwan dollar against the relevant currency, there would be an equal and opposite impact on pre-tax profit, and the balances below would be negative.

	USD Impact	
	For the Year Ended December 31	
	2024	**2023**
Profit or loss	$ 1,844	$ 6,215

b) Interest rate risk

Interest rate risk refers to the risk that the change in market value will influence the fair value of financial instruments. The Company's interest rate risk arises primarily from investment at fixed interest rates and borrowings at floating interest rates.

The carrying amounts of the Company's financial assets and financial liabilities with exposure to interest rates at the end of the reporting period were as follows.

	December 31	
	2024	**2023**
Fair value interest rate risk		
Financial assets	$ 185,373	$ 1,735,164
Financial liabilities	227,882	115,334
Cash flow interest rate risk		
Financial assets	25,069	30,721
Financial liabilities	106,183	94,476

Sensitivity analysis

The sensitivity analysis below was determined based on the Company's exposure to interest rates for non-derivative instruments at the end of year. For floating rate liabilities, the analysis was prepared assuming the amount of each liability outstanding at the end of the year was outstanding for the whole year.

If interest rates had been 50 basis points higher and all other variables were held constant, the Company's pre-tax profit for the years ended December 31, 2024 and 2023 would have decreased by $406 thousand and $319 thousand, respectively.

c) Other price risk

The Company was exposed to equity price risk through its investments in listed equity securities.

Sensitivity analysis

The sensitivity analyses below were determined based on the exposure to equity price risks at the end of the reporting period.

If equity prices had been 1% higher, the post-tax other comprehensive income for the year ended December 31, 2024 and 2023 would have increased by $12,100 thousand and $105 thousand, respectively, as a result of the changes in fair value of financial assets at FVTOCI.

2) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. At the end of the year, the Company's maximum exposure to credit risk due to failure of counterparties to discharge an obligation could arise from the carrying amount of the respective recognized financial assets as stated in the balance sheets.

In order to minimize credit risk, the management of the Company has delegated a team responsible for determining credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Company reviews the recoverable amount of each individual trade debt at the end of the year to ensure that adequate allowance is made for possible irrecoverable amounts. In this regard, the management believes the Company's credit risk was significantly reduced.

The Company transacted with a large number of customers from various industries and geographical locations. The Company continuously assesses the financial positions of customers.

The receivables from Company A amounted to $49,052 thousand and $30,739 thousand as of December 31, 2024 and 2023, respectively. The Company transacts with a large number of unrelated customers and thus, credit risk is not highly concentrated.

3) Liquidity risk

The Company manages liquidity risk by monitoring and maintaining a level of cash and cash equivalents deemed adequate to finance the Company's operations and mitigate the effects of fluctuations in cash flows. In addition, management monitors the utilization of bank borrowings and ensures compliance with loan covenants.

Liquidity and interest risk rate tables for non-derivative financial liabilities

The following table details the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities from the earliest date on which the Company can be required to pay. The tables included both interest and principal cash flows. Specifically, bank loans with a repayment on demand clause were included in the earliest time band regardless of the probability of the banks choosing to exercise their rights. The maturity dates for other non-derivative financial liabilities were based on the agreed repayment dates.

To the extent that interest flows are at floating rate, the undiscounted amount was derived from the interest rate curve at the end of the year.

The non-interest-bearing financial liabilities of the Company's current liabilities are due within one year and not required to be paid off on demand. Guarantee deposits received in non-current financial liabilities are mainly deposited by lessee as credit guarantees and have no specific maturity date.

December 31, 2024

	On Demand or Less than 1 Month	1-6 Months	7 Months to 1 Year	1-5 Years	5+ Years
Variable interest rate liabilities	$ 33,180	$ 74,118	$ -	$ -	$ -
Fixed interest rate liabilities	1,027	232,086	-	-	-
	$ 34,207	$ 306,204	$ -	$ -	$ -

December 31, 2023

	On Demand or Less than 1 Month	1-6 Months	7 Months to 1 Year	1-5 Years	5+ Years
Variable interest rate liabilities	$ 508	$ 96,098	$ -	$ -	$ -
Fixed interest rate liabilities	81,484	34,432	-	-	-
	$ 81,992	$ 130,530	$ -	$ -	$ -

The amounts included above for variable interest rate instruments for both non-derivative financial assets and liabilities are subject to change if changes in variable interest rates differ from those estimates of interest rates determined at the end of the year.

31. TRANSACTIONS WITH RELATED PARTIES

Besides as disclosed elsewhere in the other notes, details of transactions between the Company and other related parties are disclosed below.

a. Related party name and category

Related Party Name	Related Party Category
Lipers Enterprise Co., Ltd.	Subsidiary
Scope Technology Co., Ltd.	Subsidiary
Advance Electronic Supply Inc.	Subsidiary
Vic-Dawn Enterprise Co., Ltd.	Subsidiary
Tonsam Corporation	Subsidiary
Koho (Taiwan) Co., Ltd.	Subsidiary
Nichidenbo (Shenzhen) Trading Co., Ltd.	Subsidiary
Nichidenbo Suzhou Trading Co., Ltd.	Subsidiary
Lipers (Hong Kong) Enterprise Co., Ltd.	Subsidiary
Lipers Electronic (SZ) Co., Ltd.	Subsidiary

b. Revenue from sale of goods

	For the Year Ended December 31	
Related Party Category	**2024**	**2023**
Subsidiaries	$ 172,932	$ 151,079

Sales of goods from related parties were made at arm’s length.

c. Purchases of goods

	For the Year Ended December 31	
Related Party Category	**2024**	**2023**
Subsidiaries	$ 168,301	$ 164,192

Purchases of goods from related parties were made at arm’s length.

d. Receivables from related parties (excluding borrowings to related parties)

		December 31	
Line Item	**Related Party Category/Name**	**2024**	**2023**
Trade receivables	Subsidiaries	$ 69,553	$ 41,114
Other receivables	Scope Technology Co., Ltd.	$ 3,818	$ 3,852
	Lipers Enterprise Co., Ltd.	2,230	1,492
	Advance Electronic Supply Inc.	1,149	1,074
	Koho (Taiwan) Co., Ltd.	493	1,020
	Other subsidiaries	625	676
		$ 8,315	$ 8,114
Payment on behalf of others (included in other current assets)	Subsidiaries	$ 1	$ 13

The outstanding trade receivables from related parties are unsecured. For the years ended December 31, 2024 and 2023, no impairment losses were recognized for trade receivables from related parties.

e. Prepayments (included in other current assets)

Related Party Name	December 31 2024	December 31 2023
Vic-Dawn Enterprise Co., Ltd	$ 187	$ -

f. Refundable deposits

Related Party Name	December 31 2024	December 31 2023
Lipers Enterprise Co., Ltd.	$ 536	$ 505
Vic-Dawn Enterprise Co., Ltd.	319	320
	$ 855	$ 825

g. Payables to related parties

Line Item	Related Party Category/Name	December 31 2024	December 31 2023
Trade payables	Advance Electronic Supply Inc.	$ 32,665	$ 17,822
	Koho (Taiwan) Co., Ltd.	6,425	2,921
	Lipers Enterprise Co., Ltd.	6,265	1,185
	Nichidenbo Suzhou Trading Co., Ltd.	6,148	435
	Other subsidiaries	5,754	8,475
		$ 57,257	$ 30,838
Other payables	Subsidiaries	$ 249	$ 205

The outstanding trade payables to related parties are unsecured.

h. Advance received (included in other current liabilities)

Related Party Name	December 31 2024	December 31 2023
Subsidiaries	$ 567	$ -

i. Guarantee deposits received

Related Party Name	**December 31**	
	2024	**2023**
Advance Electronic Supply Inc.	$ 339	$ 197
Vic-Dawn Enterprise Co., Ltd.	231	231
Scope Technology Co., Ltd.	197	197
Tonsam Corporation	123	123
Lipers Enterprise Co., Ltd.	98	98
Koho (Taiwan) Co., Ltd.	36	36
	$ 1,024	$ 882

j. Lease arrangements - the Company is lessee

Related Party Name	**For the Year Ended December 31**	
	2024	**2023**
Lease expense		
Lipers Enterprise Co., Ltd.	$ 5,132	$ 4,561
Vic-Dawn Enterprise Co., Ltd.	2,248	2,247
	$ 7,380	$ 6,808

The Company leased place of operation from subsidiaries. The rental is based on local rates and are paid monthly.

k. Lease arrangements - the Company is lessor

Lease arrangements - the Company is lessor under operating leases

The total amount of lease payments to be collected in the future are summarized as follow:

Related Party Category/Name	**For the Year Ended December 31**	
	2024	**2023**
Advance Electronic Supply Inc.	$ 2,408	$ 2,547
Scope Technology Co., Ltd.	894	1,507
Other subsidiaries	1,172	1,223
	$ 4,474	$ 5,277

Lease income was as follows:

	For the Year Ended December 31	
Related Party Category/Name	**2024**	**2023**
Advance Electronic Supply Inc.	$ 4,429	$ 3,109
Scope Technology Co., Ltd.	3,011	3,154
Lipers Enterprise Co., Ltd.	1,624	1,740
Tonsam Corporation	1,302	1,320
Other subsidiaries	1,439	1,558
	$ 11,805	$ 10,881

The rental of place of operation between the Company and its related parties are based on local rates and are collected monthly.

l. Loans to related parties

	December 31	
Related Party Category	**2024**	**2023**
Scope Technology Co., Ltd.	$ 225,000	$ 100,000
Lipers Enterprise Co., Ltd.	180,000	200,000
Koho (Taiwan) Co., Ltd.	-	50,000
	$ 405,000	$ 350,000

Interest income

	For the Year Ended December 31	
Related Party Category/Name	**2024**	**2023**
Lipers Enterprise Co., Ltd.	$ 3,061	$ 3,875
Scope Technology Co., Ltd.	2,223	1,178
Other subsidiaries	490	1,733
	$ 5,774	$ 6,786

As of December 31, 2024 and 2023, the ending balances of loans to related parties were $405,000 thousand and $350,000 thousand, respectively. The highest balances of the loans to Scope Technology Co., Ltd., Lipers Enterprise Co., Ltd., and Koho (Taiwan) Co., Ltd., for the year 2024 were $300,000 thousand, $300,000 thousand, and $80,000 thousand, respectively. The highest balances of the loans to Lipers Enterprise Co., Ltd., Scope Technology Co., Ltd., Koho (Taiwan) Co., Ltd., and Advance Electronic Supply Inc., for the year 2023 were $340,000 thousand, $600,000 thousand, $160,000 thousand and $190,000 thousand, respectively.

The Company provided short-term loans to subsidiaries with unsecured short-term loans at rates comparable to market interest rates during the year 2024 and 2023.

m. Other transactions with related parties

Related Party Category/Name	For the Year Ended December 31 2024	For the Year Ended December 31 2023
Payroll expense allocation (included in deduction of payroll expense)		
Scope Technology Co., Ltd.	$ 37,236	$ 37,750
Lipers Enterprise Co., Ltd.	14,427	12,128
Advance Electronic Supply Inc.	14,494	10,522
Koho (Taiwan) Co., Ltd.	8,211	7,874
Other subsidiaries	7,608	7,675
	$ 81,976	$ 75,949
Operating expense		
Subsidiaries	$ 1,095	$ 1,972
Interest income		
Other subsidiaries	$ 14	$ 12
Other income		
Scope Technology Co., Ltd.	$ 30,131	$ 48,367
Advance Electronic Supply Inc.	10,529	10,658
Lipers Enterprise Co., Ltd.	8,455	13,114
Other subsidiaries	11,093	17,161
	$ 60,208	$ 89,300
Finance costs		
Subsidiaries	$ 16	$ 13

The management service income between the Company and its subsidiaries are based on the service provided and received monthly.

n. Remuneration of key management personnel

	For the Year Ended December 31 2024	For the Year Ended December 31 2023
Short-term employee benefits	$ 88,038	$ 72,636
Post-employment benefits	1,545	1,563
Share-based payments	16,926	22,232
	$ 106,509	$ 96,431

The remuneration of directors and key executives, as determined by the remuneration committee, is based on the performance of individuals and market trends. The short-term employee benefits above includes issuance on behalf of the subsidiaries.

32. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The following assets were provided as collateral for payment of purchase. The carrying amounts were as follows:

	December 31	
	2024	**2023**
Property, plant and equipment	$ 55,183	$ 55,338
Investment properties	33,496	33,605
Financial assets at amortized cost - non-current	150	150
	$ 88,829	$ 89,093

33. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

a. As of December 31, 2024 and 2023, outstanding endorsement/guarantee were as follows:

	For the Year Ended December 31	
	2024	**2023**
Koho (Taiwan) Co., Ltd.	$ 130,000	$ 190,000
Scope Technology Co., Ltd.	-	852,690
Lipers Enterprise Co., Ltd.	-	107,468
Nichidenbo (Shenzhen) Trading Co., Ltd. and Nichidenbo Suzhou Trading Co., Ltd. (Note)	-	86,540
Tonsam Corporation	-	61,410
Vic-Dawn Enterprise Co., Ltd.	-	60,000
	$ 130,000	$ 1,358,108

Note: Nichidenbo (Shenzhen) Trading Co., Ltd. and Nichidenbo Suzhou Trading Co., Ltd. have both become endorsees/guarantees since they share the limit of endorsement/guarantee of RMB20,000 thousand.

b. As of December 31, 2024, the amount of Taishin International Bank guaranteed letter provided as collateral for payment of purchase was $40,000 thousand.

34. EXCHANGE RATE INFORMATION OF FOREIGN-CURRENCY FINANCIAL ASSETS AND LIABILITIES

The Company's significant financial assets and liabilities denominated in foreign currencies aggregated by the foreign currencies other than functional currencies of the entities in the Company and the related exchange rates between the foreign currencies and the respective functional currencies were as follows:

	Foreign Currencies (In Thousands)	Exchange Rate	Carrying Amount (In Thousands)
December 31, 2024			
Financial assets			
Monetary items			
USD	$ 19,458	32.785 (USD:NTD)	$ 637,924
Non-monetary items			
Investments accounted for using the equity method			
HKD	27,206	4.222 (HKD:NTD)	114,865
Financial liabilities			
Monetary items			
USD	18,333	32.785 (USD:NTD)	601,048
December 31, 2023			
Financial assets			
Monetary items			
USD	15,136	30.705 (USD:NTD)	464,740
Non-monetary items			
Investments accounted for using the equity method			
HKD	32,689	3.929 (HKD:NTD)	128,436
Financial liabilities			
Monetary items			
USD	11,088	30.705 (USD:NTD)	340,450

The significant unrealized foreign exchange gains (losses) were as follows:

	For the Year Ended December 31			
	2024		2023	
Foreign Currency	Exchange Rate	Net Foreign Exchange Gains	Exchange Rate	Net Foreign Exchange Losses
USD	32.785 (USD:NTD)	$ 5,610	30.705 (USD:NTD)	$ (7,043)

35. SEPARATELY DISCLOSED ITEMS

a. Information on significant transactions:

1) Financing provided to others: Table 1 (attached)

2) Endorsements/guarantees provided: Table 2 (attached)

3) Marketable securities held (excluding investment in subsidiaries, associates and joint controlled entities): Table 3 (attached)

4) Marketable securities acquired or disposed of at costs or prices of at least NT$300 million or 20% of the paid-in capital: Table 4 (attached)

5) Acquisition of individual real estate at costs of at least NT $300 million or 20% of the paid-in capital: None

6) Disposal of individual real estate at prices of at least NT$300 million or 20% of the paid-in capital: None

7) Total purchases from or sales to related parties amounting to at least NT$100 million or 20% of the paid-in capital: Table 5 (attached)

8) Receivables from related parties amounting to at least NT$100 million or 20% of the paid-in capital: Table 6 (attached)

9) Trading in derivative instruments: None

b. Information on investees: Table 7 (attached)

c. Information on investments in mainland China

1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, net income of investees, investment income or loss, carrying amount of the investment at the end of the period, repatriations of investment income, and limit on the amount of investment in the mainland China area: Table 8 (attached)

2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third area, and their prices, payment terms, and unrealized gains or losses:

a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the year: Table 9 (attached)

b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the year: Table 9 (attached)

c) The amount of property transactions and the amount of the resultant gains or losses: None

d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the year and the purposes: Table 2 (attached)

e) The highest balance, the ending balance, the interest rate range, and total current period interest with respect to financing of funds: None

f) Other transactions that have a material effect on the profit or loss for the year or on the financial position, such as the rendering or receipt of services: None

d. Information of major shareholders: List all shareholders with ownership of 5% or greater showing the name of the shareholder, the number of shares owned, and percentage of ownership of each shareholder: Table 10 (attached)

TABLE 1

NICHIDENBO CORPORATION

FINANCING PROVIDED TO OTHERS
FOR THE YEAR ENDED DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No.	Lender	Borrower	Financial Statement Account	Related Party	Highest Balance for the Year	Ending Balance	Actual Amount Borrowed	Interest Rate (%)	Nature of Financing (Note 2)	Business Transaction Amounts	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower	Aggregate Financing Limits
													Item	Value		
0	Nichidenbo Corporation	Scope Technology Co., Ltd.	Other receivables from related parties	Yes	$ 300,000	$ 300,000	$ 225,000	1.85	b	$ -	Operational needs	$ -	-	$ -	$ 1,981,567 (Note 1)	$ 2,642,089 (Note 1)
		Lipers Enterprise Co., Ltd.	Other receivables from related parties	Yes	300,000	300,000	180,000	1.85	b	-	Operational needs	-	-	-	1,981,567 (Note 1)	2,642,089 (Note 1)
		Koho (Taiwan) Co., Ltd.	Other receivables from related parties	Yes	80,000	80,000	-	-	b	-	Operational needs	-	-	-	1,981,567 (Note 1)	2,642,089 (Note 1)

Note 1: Aggregate financing limits should not exceed 40% of Nichidenbo Corporation’s net worth. The limit of short-term financing for each counterparty should not exceed 30% of Nichidenbo Corporation’s net worth as shown in the audited financial statements for the year ended 2024.

Note 2: Reasons for the nature of financing are as follows:

a. Business relationship.
b. Necessity of short-term financing.

NICHIDENBO CORPORATION

ENDORSEMENTS/GUARANTEES PROVIDED
FOR THE YEAR ENDED DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No.	Endorser/Guarantor	Endorsee/Guarantee		Limit on Endorsement/ Guarantee Given on Behalf of Each Party (Note 2)	Maximum Amount Endorsed/ Guaranteed During the Year	Outstanding Endorsement/ Guarantee at the End of the Year	Actual Amount Borrowed	Amount Endorsed/ Guaranteed by Collateral	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements (%) (Note 3)	Aggregate Endorsement/ Guarantee Limit (Note 2)	Endorsement/ Guarantee Given by Parent on Behalf of Subsidiaries	Endorsement/ Guarantee Given by Subsidiaries on Behalf of Parent	Endorsement/ Guarantee Given on Behalf of Companies in Mainland China
		Name	Relationship (Note 1)										
0	Nichidenbo Corporation	Scope Technology Co., Ltd.	b	$ 9,907,836	$ 863,220	$ -	$ -	$ -	-	$ 19,815,672	Y	N	N
		Tonsam Corporation	b	9,907,836	63,160	-	-	-	-	19,815,672	Y	N	N
		Nichidenbo Suzhou Trading Co., Ltd. and Nichidenbo (Shenzhen) Trading Co., Ltd. (Note 4)	b	9,907,836	88,160	-	-	-	-	19,815,672	Y	N	Y
		Lipers Enterprise Co., Ltd.	b	9,907,836	110,530	-	-	-	-	19,815,672	Y	N	N
		Vic-Dawn Enterprise Co., Ltd.	b	9,907,836	60,000	-	-	-	-	19,815,672	Y	N	N
		Koho (Taiwan) Co., Ltd.	b	9,907,836	320,000	130,000	130,000	-	1.97	19,815,672	Y	N	N

Note 1: Relationship between the endorser/guarantor and the endorsee/guarantee is classified as follows:

a. Having a business relationship.
b. The endorser/guarantor directly or indirectly owns more than 50% of the ordinary shares of the endorsee/guarantee.
c. The endorsee/guarantee directly or indirectly owns more than 50% of the ordinary shares of the endorser/guarantor.
d. Company in which the public company directly or indirectly holds 90% or more of the voting shares may make endorsements/guarantees for each other.
e. Due to joint venture, all shareholders provide endorsements/guarantees to the endorsee/guarantee in proportion to its ownership.
f. Where a public company fulfills its contractual obligations by providing mutual endorsements/guarantees for another company in the same industry or joint builders for the purposes of undertaking a construction project.
g. Where companies in the same industry provide among themselves joint and several securities for a performance guarantee of a sales contract for pre-construction homes pursuant to the Consumer Protection Act for each other.

Note 2: The aggregate limits on endorsements/guarantees given by Nichidenbo Corporation should not exceed 300% of the Company’s the net equity as shown in the audited parent company only financial statements for the year ended 2024; the individual limit on endorsement/guarantee given by Nichidenbo Corporation should not exceed 150% of the Company’s the net equity as shown in the audited parent company only financial statements for the year ended 2024.

Note 3: The ratio of the outstanding endorsement/Guarantee to the net value of the Company providing guarantees or endorsements.

Note 4: Nichidenbo Suzhou Trading Co., Ltd. and Nichidenbo (Shenzhen) Trading Co., Ltd. have both become endorsees/guarantees since they share the limit of endorsement/guarantee of RMB20,000 thousand.

NICHIDENBO CORPORATION

MARKETABLE SECURITIES HELD
DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Holding Company	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2024				Note
				Shares/Units	Carrying Amount	Percentage of Ownership	Fair Value	
Nichidenbo Corporation	Shares WT Microelectronics Co., Ltd.	-	Financial assets at fair value through other comprehensive income - current	11,000,000	$ 1,210,000	0.88	$ 1,210,000	

Note: Refer to Tables 7 and 8 for information relating to investments in subsidiaries.

TABLE 4

NICHIDENBO CORPORATION

MARKETABLE SECURITIES ACQUIRED OR DISPOSED OF AT COSTS OR PRICES OF AT LEAST NT$300 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Company Name	Type and Name of Marketable Securities	Financial Statement Account	Counterparty	Relationship	Beginning Balance		Acquisition		Disposal				Other	Ending Balance	
					Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount	Carrying Amount	Gain (Loss) on Disposal		Number of Shares	Amount
Nichidenbo Corporation	Shares WT Microelectronics Co., Ltd.	Financial assets at fair value through other comprehensive income - current	-	None	-	$ -	11,000,000	$ 1,196,187	-	$ -	$ -	$ -	$ 13,813 (Note)	11,000,000	$ 1,210,000

Note: The amount of unrealized valuation gain of $13,813 thousand on financial assets at fair value through other comprehensive income.

TABLE 5

NICHIDENBO CORPORATION

TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES AMOUNTING TO AT LEAST NT$100 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Buyer	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchase/ Sale	Amount	% of Total	Payment Term	Unit Price	Payment Term	Ending Balance	% of Total	
Nichidenbo Corporation	Advance Electronic Supply Inc.	Subsidiary	Purchase	$ 107,214	7.29	Net 90 days from the end of the month	$ -	-	$ (32,665)	(11.02)	

NICHIDENBO CORPORATION

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT$100 MILLION OR 20% OF THE PAID-IN CAPITAL
DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Company Name	Related Party	Relationship	Ending Balance	Turnover Rate	Overdue		Amount Received in Subsequent Period	Allowance for Impairment Loss
					Amount	Actions Taken		
Nichidenbo Corporation	Lipers Enterprise Co., Ltd.	Subsidiary	$ 200,664 (Note 1)	3.21	$ -	-	$ 15,190	$ -
	Scope Technology Co., Ltd.	Subsidiary	246,500 (Note 2)	2.24	-	-	13,939	-

Note 1: Including trade receivables in the amount of $18,434 thousand and other receivables in the amount of $182,230 thousand (mainly $180,000 thousand of financing provided to others); other receivables were not applicable for calculating turnover rate.

Note 2: Including trade receivables in the amount of $17,682 thousand and other receivables in the amount of $228,818 thousand (mainly $225,000 thousand of financing provided to others); other receivables were not applicable for calculating turnover rate.

TABLE 7

NICHIDENBO CORPORATION

INFORMATION ON INVESTEES
FOR THE YEAR ENDED DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investor Company	Investee Company	Location	Main Business and Product	Original Investment Amount		As of December 31, 2024			Net Income (Loss) of the Investee	Share of Profits (Loss)	Note
				December 31, 2024	December 31, 2023	Number of Shares	%	Carrying Value			
Nichidenbo Corporation	Vic-Dawn Enterprise Co., Ltd.	Xindian District, New Taipei City	Sales and marketing of electronic components	$ 187,646	$ 187,646	14,296,603	95.31	$ 332,723	$ 113,330	$ 107,940 (Note 1)	Subsidiary
	Nichidenbo (Mauritius) Ltd.	Mauritius	Investment activities	154,382	154,382	5,050,000	100.00	462,930	28,149	28,149	Subsidiary
	Lipers Enterprise Co., Ltd.	Xindian District, New Taipei City	Sales and marketing of electronic components	729,615	729,615	31,788,710	99.34	704,191	154,827	152,434 (Note 2)	Subsidiary
	Scope Technology Co., Ltd.	Xindian District, New Taipei City	Sales and marketing of electronic components	814,502	814,502	53,016,276	100.00	1,120,485	189,283	189,091 (Note 1)	Subsidiary
	Advance Electronic Supply Inc.	Xindian District, New Taipei City	Sales and marketing of electronic components	383,887	383,887	37,224,808	100.00	631,684	171,234	171,060 (Note 1)	Subsidiary
	Tonsam Corporation	Xindian District, New Taipei City	Sales and marketing of electronic components	358,430	358,430	15,000,000	100.00	288,435	18,081	18,056 (Note 2)	Subsidiary
	Lipers (Hong Kong) Enterprise Co., Ltd.	Hong Kong	Sales and marketing of electronic components	140,373	140,373	11,000,000	100.00	114,215	17,556	17,556	Subsidiary
	Koho (Taiwan) Co., Ltd	Xindian District, New Taipei City	Sales and marketing of electronic components	81,600	81,600	5,100,000	85.00	171,967	81,992	67,229 (Note 2)	Subsidiary
	Concord Advanced Technology Co., Ltd. (Note 4)	Zhonghe District, New Taipei City	Sales and marketing of electronic components	302,355	20,000	21,932,212	20.56	488,647	260,854	38,396 (Note 3)	Associate

Note 1: The difference between an investee's net income in the Corporation's share and share of profits was a unrealized gross margin from upstream transactions.

Note 2: The difference between an investee's net income in the Corporation's share and share of profits was amortization of excess of fair value over carrying amount of investee's assets and unrealized gross margin from upstream transactions.

Note 3: The difference between an investee's net income in the Corporation's share and share of profits was a amortization of excess of fair value over carrying value of investee's assets.

Note 4: On March 13, 2024, the board of directors resolved to enter into a contract for the purchase and sale of shares with unrelated parties, to acquire 12,834,314 shares of Concord Advanced at a price of $22 per share, for a total amount of $282,355 thousand. After the acquisition, the Company's equity interest in Concord Advanced increased to 20.56%, representing significant influence; therefore, this acquisition was transferred from financial assets at fair value through other comprehensive income - non-current to investments accounted for using the equity method.

Note 5: Refer to Table 8 for information relating to investments in mainland China.

NICHIDENBO CORPORATION

INFORMATION ON INVESTMENTS IN MAINLAND CHINA
FOR THE YEAR ENDED DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investee Company	Main Businesses and Products	Paid-in Capital (Note 4)	Method of Investment	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2024	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of December 31, 2024	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note 1)	Carrying Amount as of December 31, 2024 (Note 1)	Accumulated Repatriation of Investment Income as of December 31, 2024
					Outward	Inward						
Nichidenbo (Shenzhen) Trading Co., Ltd.	Sales and marketing of electronic components	$ 90,499 (US$ 2,744 thousand and HK$ 2,000 thousand)	Invested by Nichidenbo (Mauritius) Ltd.	$ 90,499	$ -	$ -	$ 90,499	$ 16,022	100	$ 16,022	$ 288,768	$ 154,755
Nichidenbo Suzhou Trading Co., Ltd. (Note 3)	Sales and marketing of electronic components	101,712 (US$ 3,396 thousand)	Invested by Nichidenbo (Mauritius) Ltd.	59,900	-	-	59,900	11,406	100	11,406	171,919	4,475
Lipers Electronic (SZ) Co., Ltd.	Sales and marketing of electronic components	29,385 (US$ 1,000 thousand)	Invested by Lipers (Hong Kong) Enterprise Co., Ltd.	61,911	-	-	61,911	18,262	100	18,262	99,760	76,187

Accumulated Outward Remittance for Investments in Mainland China as of December 31, 2024	Investment Amount Authorized by the Investment Commission, MOEA	Upper Limit on the Amount of Investments Stipulated by the Investment Commission, MOEA
$212,310 (HK$2,000 thousand, US$4,744 thousand and NT$61,911 thousand)	$254,122 (HK$2,000 thousand, US$6,140 thousand and NT$61,911 thousand)	$3,992,725 (Note 2)

Note 1: The investment gain (loss) and carrying amount as of December 31, 2024 are recognized based on the audited parent company only financial statements.

Note 2: The upper limit on investment in mainland China is determined by sixty percent (60%) of the Company’s consolidated net worth.

Note 3: The $59,900 thousand (US$2,000 thousand) among paid-in capital of Nichidenbo Suzhou Trading Co., Ltd. was shift in invested through third area to mainland China from Taiwan output, remaining of paid-in capital was indirectly invested by retained earnings of Nichidenbo (Mauritius) Ltd., which was received from Nichidenbo Shanghai Trading Co., Ltd.

Note 4: Total amount of paid-in capital was translated into NTD at historical rate.

NICHIDENBO CORPORATION

TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES OF AT LEAST NT$100 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investee Company	Transaction Type	Purchase/Sale		Price	Transaction Details		Trade Receivable		Unrealized (Gain) Loss	Note
		Amount	%		Payment Term	Comparison with Normal Transactions	Ending Balance	%		
Lipers Electronic (SZ) Co., Ltd.	Sale	$ 16,804	0.96	Internal transfer pricing	Net 90 days from the end of the month	At arm’s length	$ 8,456	1.25	(651)	

Note: The disclosure standard is $10,000 thousand for significant transactions with investee Company in Mainland China that directly or indirectly involve third parties.

TABLE 10

NICHIDENBO CORPORATION

INFORMATION OF MAJOR SHAREHOLDERS
DECEMBER 31, 2024

Name of Major Shareholder	Shares	
	Number of Shares	Percentage of Ownership (%)
WT Microelectronics Co., Ltd.	31,000,000	14.58

Note 1: The information of major shareholders presented in this table is provided by the Taiwan Depository & Clearing Corporation based on the number of ordinary shares and preference shares held by shareholders with ownership of 5% or greater, that have been issued without physical registration (including treasury shares) by the Company as of the last business day for the current quarter. The share capital in the financial statements may differ from the actual number of shares that have been issued without physical registration because of different preparation basis.

Note 2: If a shareholder delivers the shareholdings to the trust, the above information will be disclosed by the individual trustor who opened the trust account. For shareholders who declare insider shareholdings with ownership greater than 10% in accordance with the Security and Exchange Act, the shareholdings include shares held by shareholders and those delivered to the trust over which shareholders have rights to determine the use of trust property. For information relating to insider shareholding declaration, please refer to Market Observation Post System.

NICHIDENBO CORPORATION

THE CONTENTS OF STATEMENTS OF MAJOR ACCOUNTING ITEMS

NICHIDENBO CORPORATION

STATEMENT OF CASH AND CASH EQUIVALENTS
DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Item	Period	Rate (%)	Amount
Cash on hand			$ 270
Cash in banks			
Demand deposits			14,895
Foreign currency deposits (Note 1)			10,174
			25,069
Cash equivalents			
Time deposits	2024.12.11-2025.01.13	1.40	35,000
Foreign currency time deposits (Note 2)	2024.12.05-2025.01.06	1.50	5,373
Commercial paper	2024.12.24-2025.01.07	1.03-1.04	145,000
			185,373
			$ 210,712

Note 1: Including US$294 thousand @32.785, RMB70 thousand @4.478 and HK$53 thousand @4.222.

Note 2: Including HK$1,200 thousand @4.478.

NICHIDENBO CORPORATION

STATEMENT OF FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME - CURRENT
DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

			Fair Value (Note)	
Name of Marketable Securities	**Shares**	**Amount**	**Unit Price**	**Total Amount**
Domestic listed shares				
WT Microelectronics Co., Ltd.	11,000,000	$ 1,196,187	$110	$ 1,210,000
Unrealized gain of financial assets		13,813		
		$ 1,210,000		

Note: The fair value of the shares was calculated based on its closing price as of December 31, 2024.

STATEMENT 3

NICHIDENBO CORPORATION

STATEMENT OF TRADE RECEIVABLES
DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Client Name	Description (Note 1)	Amount
Client A	US$1,496 thousand	$ 49,052
Client B	US$1,314 thousand	43,095
Client C	US$1,232 thousand	40,378
Client D	US$1,138 thousand	37,305
Client E	US$1,080 thousand	35,395
Client F	US$998 thousand	32,735
Client G	US$938 thousand	30,756
Others (Note 2)		341,930
		610,646
Less: Allowance for impairment loss		3,060
		$ 607,586

Note 1: US$1=NT$32.785.

Note 2: The amount of individual client does not exceed 5% of the account balance.

NICHIDENBO CORPORATION

STATEMENT OF INVENTORIES
DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars)

	Amount	
Item	**Cost**	**Net Realizable Value**
Merchandise	$ 317,495	$ 374,599

NICHIDENBO CORPORATION

STATEMENT OF CHANGES IN INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD
FOR THE YEAR ENDED DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

	Balance, January 1, 2024		Changes of the Year							Balance, December 31, 2024				
Investees	Shares	Amount	Shares	Amount (Note 1)	Share of Profit of Subsidiaries and Associate	Exchange Differences on Translation of the Financial Statements of Foreign Operations	Unrealized Loss on Financial Assets at FVTOCI	Remeasure of Defined Benefit Plans	Others (Note 2)	Shares	%	Amount	Net Assets Value	Collateral
Scope Technology Co., Ltd.	53,016,276	$ 1,027,784	-	$ -	$ 189,091	$ -	$ -	$ -	$ (96,390)	53,016,276	100.00	$ 1,120,485	$ 1,120,750	None
Lipers Enterprise Co., Ltd.	31,788,710	662,550	-	-	152,434	-	(20,704)	972	(91,061)	31,788,710	99.34	704,191	598,819	None
Advance Electronic Supply Inc.	37,224,808	530,867	-	-	171,060	-	-	-	(70,243)	37,224,808	100.00	631,684	632,379	None
Nichidenbo (Mauritius) Ltd.	5,050,000	463,774	-	-	28,149	16,042	-	-	(45,035)	5,050,000	100.00	462,930	463,358	None
Vic-Dawn Enterprise Co., Ltd.	14,296,603	315,477	-	-	107,940	-	-	341	(91,035)	14,296,603	95.31	332,723	332,840	None
Tonsam Corporation	15,000,000	285,145	-	-	18,056	-	-	536	(15,302)	15,000,000	100.00	288,435	192,783	None
Koho (Taiwan) Co., Ltd.	2,550,000	126,443	2,550,000	-	67,229	-	-	32	(21,737)	5,100,000	85.00	171,967	134,342	None
Lipers (Hong Kong) Enterprise Co., Ltd.	11,000,000	128,090	-	-	17,556	4,637	-	-	(36,068)	11,000,000	100.00	114,215	114,865	None
Concord Advanced Technology Co., Ltd.	-	-	21,932,212	482,509	38,396	-	-	-	(32,258)	21,932,212	20.56	488,647	313,018	None
		$ 3,540,130		$ 482,509	$ 789,911	$ 20,679	$ (20,704)	$ 1,881	$ (499,129)			$ 4,315,277		

Note 1: The change in amount was due to the Nichidenbo Corporation's board of directors' resolving on March 13, 2024 to enter into a contract for the purchase and sale of shares with unrelated parties to acquire 12,834,314 shares of Concord Advanced at a price of $22 per share, for a total of $282,355 thousand. After the acquisition, the Company's equity interest in Concord Advanced increased to 20.56%, representing significant influence; therefore, this acquisition was transferred from financial assets at fair value through other comprehensive income - non-current to investments accounted for using the equity method.

Note 2: Others includes other changes in capital surplus of the investee, capital surplus in employee restricted shares acquired by employees of the investee gross margin from downstream and cash dividends paid by the investee.

Note 3: The difference between the carrying amount and an investee's net asset values at the end of the year that the fair value of the investee's assets was higher than the carrying amount, and unrealized gross margin resulted from downstream and upstream transactions.

NICHIDENBO CORPORATION

STATEMENT OF SHORT-TERM BORROWINGS
DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

	Contract Period	Interest Rate (%)	Description (Note)	Amount	Loan Commitments	Collateral
Unsecured loans						
Yuanta Bank	2024.07.29-2025.01.15	5.3277	US$1,000 thousand	$ 32,785	$ 200,000	None
First Commercial Bank	2024.09.30-2025.03.28	5.1800	US$1,314 thousand	43,078	250,000	None
First Commercial Bank	2024.11.01-2025.04.29	5.1800	US$925 thousand	30,320	250,000	None
Land Bank	2024.11.29-2025.02.27	5.4652	US$370 thousand	12,130	200,000	None
Yuanta Bank	2024.11.29-2025.05.28	5.2854	US$2,729 thousand	89,474	200,000	None
Yuanta Bank	2024.12.27-2025.06.25	5.1797	US$1,866 thousand	61,164	200,000	None
First Commercial Bank	2024.12.31-2025.06.27	5.1700	US$1,986 thousand	65,114	250,000	None
				$ 334,065		

Note: US$1=NT$32.785.

STATEMENT 7

NICHIDENBO CORPORATION

STATEMENT OF TRADE PAYABLES
DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars)

Vendor Name	Amount
Vendor A	$ 141,533
Vendor B	92,283
Others (Note)	5,292
	$ 239,108

Note: The amount of individual vendor included in others does not exceed 5% of the account balance.

STATEMENT 8

NICHIDENBO CORPORATION

STATEMENT OF OPERATING REVENUE
FOR THE YEAR ENDED DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Item	Quality (In Thousands of Units)	Amount
Operating revenue - capacitor	525,759	$ 1,626,619
Operating revenue - other		129,106
Total revenue		1,755,725
Less: Sales return	1,673	2,444
Sales allowance		2,211
Net revenue		$ 1,751,070

STATEMENT 9

NICHIDENBO CORPORATION

STATEMENT OF OPERATING COSTS
FOR THE YEAR ENDED DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars)

Item	Amount
Balance at beginning of year	$ 269,311
Add: Merchandise purchased	1,470,184
Less: Transferred to expenses	1,041
Others	10,604
Balance at the end of year	329,105
	1,398,745
Less: Gain on net realizable value of inventories	9,134
Cost of goods sold	$ 1,389,611

NICHIDENBO CORPORATION

STATEMENT OF OPERATING EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars)

Item	Selling and Marketing Expenses	General and Administrative Expenses	Expected Credit Loss	Total
Payroll expense	$ 54,719	$ 93,776	$ -	$ 148,495
Export expense	17,706	-	-	17,706
Insurance expense	8,844	7,472	-	16,316
Donation expense	-	8,210	-	8,210
Expected credit loss	-	-	788	788
Others (Note)	38,486	30,621	-	69,107
	$ 119,755	$ 140,079	$ 788	$ 260,622

Note: The amount of each item in others does not exceed 5% of the account balance.

NICHIDENBO CORPORATION

STATEMENT OF LABOR, DEPRECIATION AND AMORTIZATION BY FUNCTION
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars)

	2024				2023			
	Classified as Operating Costs	Classified as Operating Expenses	Classified as Non-operating Income and Expenses	Total	Classified as Operating Costs	Classified as Operating Expenses	Classified as Non-operating Income and Expenses	Total
Employee benefit expenses								
Salary expenses	$ -	$ 110,305	$ -	$ 110,305	$ -	$ 98,098	$ -	$ 98,098
Salary expenses - equity-settled	-	18,752	-	18,752	-	24,631	-	24,631
Labor and health insurance	-	13,291	-	13,291	-	12,435	-	12,435
Pension	-	6,432	-	6,432	-	6,090	-	6,090
Remuneration to directors	-	19,438	-	19,438	-	15,342	-	15,342
Others	-	6,059	-	6,059	-	5,432	-	5,432
	$ -	$ 174,277	$ -	$ 174,277	$ -	$ 162,028	$ -	$ 162,028
Depreciation	$ -	$ 3,945	$ 670	$ 4,615	$ -	$ 3,428	$ 546	$ 3,974
Amortization	$ -	$ 601	$ -	$ 601	$ -	$ 531	$ -	$ 531

Note:

1. As of December 31, 2024 and 2023, the number of employees of the Company were 159 and 154, respectively. There were both 5 non-employee directors.

2. Companies with shares issued in Taiwan Stock Exchange Corporation should disclose the following information.

   a. Average employee benefit expenses for the years ended December 31, 2024 and 2023 were $1,005 thousand and $984 thousand, respectively.

   b. Average salary expenses for the years ended December 31, 2024 and 2023 were $838 thousand and $824 thousand, respectively.

   c. The percentage of changes in the average salary expenses was 1.70% increase.

   d. Remuneration to directors includes salary expenses and traffic allowance is based on industry practice. The traffic allowance is paid by actual attendance. According to the Company’s Articles, if the Company made a profit in a fiscal year, no higher than 3% of it shall be appropriated as directors' remuneration, which shall be recommended by the Compensation Committee based on its overall consideration of the extent of a director’s participation in the Company's operations and evaluation of the director’s performance, and the recommendation is submitted to the board of directors for approval and implementation.

      The compensation policy for executive officers and employees includes salary, bonus and compensation of employees based on industry practice, and an evaluation of the reasonable correlation between the employee’s performance and the Company’s financial position and future risk exposures. According to the Company’s Articles, if the Company makes a profit in a fiscal year, the Company accrues remuneration of directors, which will be paid under the approval of the Company’s board of directors at rates no less than 5% of the Company’s profit. The compensations to executive officers are submitted to the Compensation Committee and are submitted to the Board of Directors for approval.