I-CHIUN PRECISION INDUSTRY CO., LTD.
PARENT COMPANY ONLY FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS' REPORT

For the years ended December 31, 2024 and 2023

(Stock Code: 2486)

Company address: No. 17, Wugong 5th Rd., Xinzhuang Dist., New Taipei City

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I-CHIUN PRECISION INDUSTRY CO., LTD.
PARENT COMPANY ONLY FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS' REPORT FOR YEARS ENDED DECEMBER 31, 2024 AND 2023
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Independent Auditor’s Audit Report

(2025) Cai-Shen-Bao-Zi No. 24004093

To the Board of Directors and Shareholders of I-CHIUN PRECISION INDUSTRY CO., LTD.

Audit Opinion

We have reviewed the accompanying parent company only balance sheets of I-CHIUN PRECISION INDUSTRY CO., LTD. (the “Company”) for the years ended December 31, 2024 and 2023 and the relevant parent company only statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the parent company only financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying parent company only financial statements, based on our audit results and other accountants’ audit reports (see the “other matters” paragraph), present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

The certified public accountant (CPA) engaged to audit and attest financial statements shall do so in accordance with the Standards on Auditing (TWSA). Our responsibilities under those standards are further described in the Auditor’s 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 Code of Professional Ethics for Certified Public Accountants in the Republic of China (the “Code”), and we have fulfilled our other ethical responsibilities in accordance with the Code. Based on our audit results and other accountants’ audit reports, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in the Company’s audit of the parent company only financial statements of 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, we do not provide a separate opinion on these matters.

Key audit matters for the Company’s parent company only financial statements for 2024 is stated as follows:

Assessment of allowance for inventory valuation losses

Description

For accounting policies for inventories, please refer to Note 4(11) of the parent company only financial statements; for the uncertainty of accounting estimates and assumptions in evaluation of inventories, please refer to Note 5(2) of the parent company only financial statements; for the description of allowance for inventory valuation losses, please refer to Note 6(5) of the parent company only financial statements. The Company's inventories and allowance for inventory valuation losses on December 31, 2024 were NTD 993,225 thousand and NTD 103,785 thousand, respectively.

The Company's evaluation of inventories is based on the cost or net realizable value, whichever is lower. Considering the rapid changes in the technological environment, its measurement is based on the judgment and estimation that there is a higher risk in inventories due to obsolete products or no market value. The Company's inventories are measured at cost or net realizable value, whichever is lower; for inventories exceeding a certain period of age and individually identified obsolete and outdated inventories, the net realizable value is calculated based on historical information on the selling rate of inventories and the extent of discount.

Because the Company's inventories and its allowance for inventory valuation losses has a significant impact on the financial statements, and the net realizable value adopted in the evaluation of outdated and obsolete inventories often involves subjective judgments of whether there is still market sales value in the future, there is a high degree of estimation uncertainty. Therefore, we have listed the assessment of allowance for inventory valuation losses as a key audit matter.

Corresponding audit procedures

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

1. Assess the reasonableness of the policies and procedures used in the allowance for inventory valuation losses based on our understanding of the Company and the nature of the industry, including the inventory classification used to determine the net realizable value and the judgment of obsolete inventory items.
2. Understand the Company's inventory management process, review its annual inventory plan, and participate in the annual inventory taking to evaluate the effectiveness of distinguishing and controlling obsolete and outdated inventories by the management.
3. The methods for verifying the accounting estimates are appropriate and adopted consistently, including the Company's procedures, methods, and assumptions regarding the identification of net realizable value, obsolete inventories, and outdated or damaged items, which are consistent with the previous period.
4. Randomly check the source information on selling prices used for the serial number of individual inventory items, compare the allowance for valuation losses in the previous period, and consider events taking place after the balance sheet, to assess the reasonableness of the allowance for valuation loss provided by the Company.

Other matters – reference to the audit or review of other accountants

Details of companies invested under the equity method included in I-CHIUN's parent company only financial statements were not audited by our CPAs, but by other accountants. Therefore, for the auditor's opinion on the above-mentioned parent company only financial statement, the financial statement amounts are based on the reports of other auditors. As of December 31, 2024, the investment amount in these companies under the equity method was NTD 46,589 thousand, accounting for 0.5% of total assets. The comprehensive loss recognized for the aforementioned investments for the year ended December 31, 2024, was (NTD 8,216 thousand), accounting for (9.1%) of the Company's total 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 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, 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 audit committee) are responsible for overseeing the Company's financial reporting process.

Auditor's 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit of parent company only financial statements conducted in accordance with TWSA will always detect a material misstatement when it exists. Misstatements can arise from error or fraud 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 the parent company only financial statements.

As part of an audit in accordance with TWSA, 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 auditor’s 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 auditor’s report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the 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 appropriate audit evidence regarding the financial information of the 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 (including relevant protective measures).

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

PRICEWATERHOUSECOOPERS TAIWAN

FENG, MIN-CHUAN
Certified Public Accountant
JUAN LU, MAN-YU

Securities and Futures Bureau, Former Financial Supervisory Commission, Executive Yuan
Approval Document No.: Jin-Guan-Zheng-Six No. 0960038033
Former Financial Supervisory Commission, Executive Yuan
Approval Document No.: Jin-Guan-Zheng-Shen No. 0990058257

March 11, 2025

I-CHIUN PRECISION INDUSTRY CO., LTD.
PARENT COMPANY ONLY BALANCE SHEETS
December 31, 2024 and 2023

Unit: NTD thousand

	Asset	Notes	December 31, 2024			December 31, 2023		
				Amount	%		Amount	%
	Current assets							
1100	Cash and cash equivalents	6(1)	$	343,365	4	$	557,972	8
1110	Financial assets at fair value through profit and loss – current	6(2)		136,516	2		137,225	2
1136	Financial assets at amortized cost – current	6(3) & 8		-	-		28,000	-
1150	Notes receivable, net	6(4) & 12(2)		42	-		-	-
1170	Accounts receivable, net	6(4) & 12(2)		1,066,886	11		960,792	15
1180	Accounts receivable – related parties, net	6(4), 7 & 12(2)		13,315	-		17,519	-
1200	Other receivables			70,062	1		88,689	1
1210	Other receivables – related parties	7		30,000	-		44,346	1
1220	Current income tax assets			8,447	-		-	-
130X	Inventories	6(5)		889,440	9		726,487	11
1479	Other current assets – others			12,416	-		33,849	1
11XX	**Total current assets**			2,570,489	27		2,594,879	39
	Non-current assets							
1510	Financial assets at fair value through profit and loss – non-current	6(2)		22,198	-		20,000	-
1550	Investments accounted for under equity method	6(6)		2,908,336	30		2,747,591	42
1600	Property, plant and equipment	6(7) & 8		3,716,736	39		834,707	13
1755	Right-of-use assets	6(8)		5,508	-		293,579	5
1780	Intangible assets			21,468	-		22,147	-
1840	Deferred income tax assets	6(23)		70,404	1		78,620	1
1900	Other non-current assets	9(2)		323,966	3		20,459	-
15XX	**Total non-current assets**			7,068,616	73		4,017,103	61
1XXX	**Total assets**		$	9,639,105	100	$	6,611,982	100

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I-CHIUN PRECISION INDUSTRY CO., LTD.
PARENT COMPANY ONLY BALANCE SHEETS
December 31, 2024 and 2023

Unit: NTD thousand

			December 31, 2024		December 31, 2023	
	Liabilities and shareholders' equity	Notes	Amount	%	Amount	%
	Liability					
	Current liabilities					
2100	Short-term borrowings	6(9)	$ 410,000	5	$ 240,000	4
2130	Contract liabilities – current	6(18)	10,065	-	-	-
2170	Accounts payable	7	276,912	3	304,055	5
2200	Other payables	6(11)	207,920	2	183,606	3
2230	Current income tax liabilities		2,971	-	10,140	-
2280	Lease liabilities – current		5,187	-	43,205	1
2320	Long-term borrowings (including due within one year or one operating cycle)	6(12) & 8	-	-	960,000	14
2399	Other current liabilities – others		2,667	-	3,632	-
21XX	**Total current liabilities**		915,722	10	1,744,638	27
	Non-current liabilities					
2500	Financial liabilities at fair value through profit and loss – non-current	6(2)	2,220	-	-	-
2530	Corporate Bonds Payable	6(10)	570,149	6	-	-
2540	Long-term borrowings	6(12) & 8	2,540,000	26	-	-
2570	Deferred income tax liabilities	6(7)(23)	328,797	3	321,416	5
2580	Lease liabilities – non-current		624	-	271,880	4
2600	Other non-current liabilities	6(13)	73,232	1	82,959	1
25XX	**Total non-current liabilities**		3,515,022	36	676,255	10
2XXX	**Total liabilities**		4,430,744	46	2,420,893	37
	Equity					
	Share capital	6(15)				
3110	Share capital – common stock		2,339,586	24	2,219,586	34
	Capital surplus	6(16)				
3200	Capital surplus		2,776,019	28	1,864,432	28
	Retained earnings	6(17)				
3310	Legal reserve		52,415	1	32,697	-
3320	Special reserve		155,885	2	122,718	2
3350	Undistributed earnings		29,122	-	203,870	3
	Other equity					
3400	Other equity		(144,666)	(1)	(212,676)	(3)
3500	Treasury stock	6(15)	-	-	(39,538)	(1)
3XXX	**Total equity**		5,208,361	54	4,191,089	63
	Significant Contingent Liabilities and Unrecognized Contract Commitments	9				
	Significant Events after the Balance Sheet Date	11				
3X2X	**Total liabilities and equity**		$ 9,639,105	100	$ 6,611,982	100

The accompanying notes are an integral part of the parent company only financial statements, and shall be read together.

Chairman: CHOU, WAN-SHUN   Manager: CHOU, WAN-SHUN   Accounting Officer: YANG, PAI-JUNG

I-CHIUN PRECISION INDUSTRY CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
For the Years Ended December 31, 2024 and 2023

Unit: NTD thousand
(except for earnings per share which is in NTD)

	Items	Notes	2024 Amount	2024 %	2023 Amount	2023 %
4000	Operating revenue	6(18) & 7	$ 2,593,933	100	$ 2,598,476	100
5000	Operating costs	6(5)(22) & 7	(2,301,461)	(90)	(2,227,955)	(86)
5900	Operating gross profit		292,472	10	370,521	14
5910	Unrealized loss (profit) from sales		158	-	(2,033)	-
5950	Net operating margin		292,630	10	368,488	14
	Operating expense	6(22) & 7				
6100	Selling expenses		(81,972)	(3)	(72,068)	(3)
6200	Administrative expenses		(253,004)	(10)	(191,915)	(7)
6300	Research and development expenses		(38,612)	(2)	(36,540)	(1)
6450	Expected credit impairment (loss) profit	12(2)	(8,316)	-	7,673	-
6000	Total operating expenses		(381,904)	(15)	(292,850)	(11)
6900	Operating (loss) profit		(89,274)	(5)	75,638	3
	Non-operating revenues and expenses					
7100	Interest revenue		10,060	-	11,219	1
7010	Other revenue	6(19)	4,959	-	3,171	-
7020	Other gains and losses	6(20)	66,210	3	61,309	2
7050	Finance costs	6(21)	(40,366)	(2)	(46,360)	(2)
7070	Share of profit or loss on associates and joint ventures accounted for under equity method	6(6)	67,945	3	128,824	5
7000	Total non-operating revenues and expenses		108,808	4	158,163	6
7900	**Net profit before tax**		19,534	(1)	233,801	9
7950	Income tax expense	6(23)	(727)	-	(32,914)	(1)
8200	**Current net profit**		$ 18,807	(1)	$ 200,887	8
	Other comprehensive income (net)					
	Items that will not be reclassified to profit or loss					
8311	Remeasurements of defined benefit plans	6(13)	$ 4,588	-	($ 4,623)	-
8330	Share of other comprehensive income of subsidiaries, associates, and joint ventures accounted for using the equity method – items that will not be reclassified to profit or loss		(67)	-	-	-
8349	Income tax related to items that will not be reclassified to profit or loss	6(23)	(918)	-	924	-
8310	Total of items that will not be reclassified to profit or loss		3,603	-	(3,699)	-
	Items that may be reclassified to profit or loss					
8361	Financial statements translation differences of foreign operations		85,012	3	(41,459)	(2)
8399	Income tax relating to the items that may be reclassified to profit or loss	6(23)	(17,002)	-	8,292	-
8360	Sum of items that may be reclassified to profit or loss		68,010	3	(33,167)	(2)
8300	**Other comprehensive income (net)**		$ 71,613	3	($ 36,866)	(2)
8500	**Total comprehensive income for current period**		$ 90,420	2	$ 164,021	6
	Earnings per share (EPS)	6(24)				
9750	Basic earnings per share		$	0.08	$	0.92
9850	Diluted earnings per share		$	0.08	$	0.92

The accompanying notes are an integral part of the parent company only financial statements, and shall be read together.

Chairman: CHOU, WAN-SHUN　　Manager: CHOU, WAN-SHUN　　Accounting Officer: YANG, PAI-JUNG

I-CHIUN PRECISION INDUSTRY CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
For the Years Ended December 31, 2024 and 2023

Unit: NTD thousand

	Notes	Share capital – common stock	Capital surplus	Retained earnings: Legal reserve	Retained earnings: Special reserve	Retained earnings: Undistributed earnings	Other equity: Financial statements translation differences of foreign operations	Treasury stock	Total equity
2023									
Balance at January 1, 2023		$ 2,219,586	$ 1,814,424	$ 22,267	$ 115,330	$ 111,683	($ 179,509)	($ 60,702)	$ 4,043,079
Current net profit		-	-	-	-	200,887	-	-	200,887
Other comprehensive income for current period		-	-	-	-	(3,699)	(33,167)	-	(36,866)
Total comprehensive income for current period		-	-	-	-	197,188	(33,167)	-	164,021
Earnings appropriation and distribution for 2022:	6(17)								
Allocation for Legal reserve		-	-	10,430	-	(10,430)	-	-	-
Allocation for Special reserve		-	-	-	7,388	(7,388)	-	-	-
Cash dividend paid out		-	-	-	-	(87,183)	-	-	(87,183)
Treasury shares repurchased	6(15)	-	-	-	-	-	-	(29,326)	(29,326)
Cost of share-based payment	6(14)(16)	-	47,962	-	-	-	-	-	47,962
Treasury shares subscribed for by employees	6(15)(16)	-	(151)	-	-	-	-	50,490	50,339
Disposal of equity in a subsidiary (without losing control)	6(16)	-	2,197	-	-	-	-	-	2,197
Balance at December 31, 2023		$ 2,219,586	$ 1,864,432	$ 32,697	$ 122,718	$ 203,870	($ 212,676)	($ 39,538)	$ 4,191,089
2024									
Balance at January 1, 2024		$ 2,219,586	$ 1,864,432	$ 32,697	$ 122,718	$ 203,870	($ 212,676)	($ 39,538)	$ 4,191,089
Current net profit		-	-	-	-	18,807	-	-	18,807
Other comprehensive income for current period		-	-	-	-	3,603	68,010	-	71,613
Total comprehensive income for current period		-	-	-	-	22,410	68,010	-	90,420
Capital increase in cash	6(15)	120,000	744,000	-	-	-	-	-	864,000
Earnings appropriation and distribution for 2023:	6(17)								
Allocation for Legal reserve		-	-	19,718	-	(19,718)	-	-	-
Allocation for Special reserve		-	-	-	33,167	(33,167)	-	-	-
Cash dividend paid out		-	-	-	-	(144,273)	-	-	(144,273)
Issuance of Convertible Corporate Bonds	6(10)(16)	-	37,026	-	-	-	-	-	37,026
Cost of share-based payment	6(14)(16)	-	130,126	-	-	-	-	-	130,126
Treasury shares subscribed for by employees	6(15)(16)	-	(106)	-	-	-	-	39,538	39,432
Disposal of equity in a subsidiary (loss of control)	6(16)	-	387	-	-	-	-	-	387
Changes in Ownership Interests in Investments Accounted for Under Equity Method	6(16)	-	90	-	-	-	-	-	90
Exercise of Disgorgement Rights	6(16)	-	64	-	-	-	-	-	64
Balance at December 31, 2024		$ 2,339,586	$ 2,776,019	$ 52,415	$ 155,885	$ 29,122	($ 144,666)	$ -	$ 5,208,361

The accompanying notes are an integral part of the parent company only financial statements, and shall be read together.

Chairman: CHOU, WAN-SHUN Manager: CHOU, WAN-SHUN Accounting Officer: YANG, PAI-JUNG

I-CHIUN PRECISION INDUSTRY CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 2024 and 2023

Unit: NTD thousand

	Notes	January 1 to December 31, 2024	January 1 to December 31, 2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Current net profit before tax		$ 19,534	$ 233,801
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation expenses	6(7)(8)(22)	184,150	193,018
Amortization expenses	6(22)	5,577	4,361
Expected credit impairment loss (reversal gain)	12(2)	8,316	(7,673)
Net gains on financial assets and liabilities at fair value through profit and loss	6(2)(20)	(22,223)	(50,042)
Interest expenses	6(21)	40,366	46,360
Interest revenue		(10,060)	(11,219)
Dividend revenue	6(19)	(1,080)	-
Cost of share-based payment	6(14)	130,126	47,962
Share of profit or loss on subsidiaries using equity method	6(6)	(67,945)	(128,824)
Loss on Disposal of Property, Plant and Equipment	6(20)	53,025	(2,185)
Gains arising from lease changes	6(20)	(24,766)	-
Unrealized gains with associates		-	(2,003)
Unrealized profit/loss from sales		(158)	2,033
Changes in operating assets and liabilities			
Net changes in operating assets			
Financial Assets and Liabilities at Fair Value through Profit or Loss		21,154	(23,462)
Notes receivable		(42)	-
Accounts receivable (including related parties)		(107,926)	(53,098)
Other receivables – (including related parties)		50,750	49,602
Inventories		(141,625)	177,254
Other current assets		336	(9,539)
Other non-current assets		-	1,623
Net changes in operating liabilities			
Contract liabilities – current		10,065	(13,029)
Accounts payable		(27,143)	84,573
Other payables		7,380	42,009
Other current liabilities		(965)	(1,543)
Other non-current liabilities		(5,141)	(6,660)
Cash inflow generated from operations		121,705	573,319
Interest received		10,005	11,219
Dividends received		1,080	-
Interest paid	6(25)	(34,269)	(46,364)
Income tax paid		(18,666)	(10,270)
Net cash inflow from operating activities		79,855	527,904

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I-CHIUN PRECISION INDUSTRY CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 2024 and 2023

Unit: NTD thousand

	Notes	January 1 to December 31, 2024	January 1 to December 31, 2023
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of financial assets at fair value through profit and loss – non-current		$ -	($ 20,000)
Decrease in financial assets at amortized cost		28,000	-
Acquisition of Investments Accounted for Under Equity Method	6(6) and 7(2)	(34,767)	-
Acquisition of subsidiary	6(6)	-	(20,000)
Proceeds from the disposal of equity in a subsidiary (without loss of control)		-	6,223
Cash dividend paid out by subsidiary		27,549	7,346
Price of purchase of property, plant and equipment	6(25)	(3,334,007)	(72,558)
Proceeds from disposal of property, plant and equipment		8,802	2,736
Price of acquisition of intangible assets		(4,898)	(9,718)
Increase in other receivables – related parties		(25,000)	(5,000)
Increase in other non-current assets		(30,991)	(94)
Cash outflow from investing activities		(3,365,312)	(111,065)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase (decrease) in Short-term borrowings	6(26)	170,000	(20,000)
Issuance of Convertible Corporate Bonds	6(26)	603,167	-
New long-term borrowings	6(26)	2,540,000	-
Repayment of long-term borrowings	6(26)	(960,000)	(240,000)
Repayment of lease principal	6(26)	(41,540)	(41,310)
Cash dividend paid out	6(17)	(144,273)	(87,183)
Capital increase in cash	6(15)	864,000	-
Treasury shares transferred to employees	6(15)	39,432	50,490
Repurchased treasury shares	6(25)	-	(40,367)
Exercise of Disgorgement Rights	6(16)	64	-
Net cash inflow (outflow) from financing activities		3,070,850	(378,370)
Net increase (decrease) in cash and cash equivalents of the current period		(214,607)	38,469
Balance of cash and cash equivalents, beginning of period		557,972	519,503
Balance of cash and cash equivalents, end of period		$ 343,365	$ 557,972

The accompanying notes are an integral part of the parent company only financial statements, and shall be read together.

Chairman: CHOU, WAN-SHUN Manager: CHOU, WAN-SHUN Accounting Officer: YANG, PAI-JUNG

I-CHIUN PRECISION INDUSTRY CO., LTD.
NOTES TO THE PARENT COMPANY ONLY FINANCIAL STATEMENTS
For the years ended December 31, 2024 and 2023

Unit: NTD thousand
(EXCEPT AS OTHERWISE INDICATED)

I. Company Profile

I-CHIUN PRECISION INDUSTRY CO., LTD. (hereinafter referred to as the "Company") was incorporated in August 1977. The Company merged with Yi-Chiun Industrial Co., Ltd., I-Zhan Industrial Co., Ltd., and I-Che Technology Co., Ltd. in July, 1990, November 1993, September 2001, and September 2004, with the Company as the surviving company. The Company is mainly engaged in the manufacturing, processing, and trading of machinery and parts, electronic parts, parts for appliances, semiconductor LED lead frames, precision molds, etc., as well as relevant import and export trade.

The Company's stock had been listed on the Taipei Exchange since March 21, 2000 for trading, and then has been listed and traded on the Taiwan Stock Exchange since September 19, 2001.

II. Date and Procedures for Approval of the Financial Report

The parent company only financial statements were authorized for issuance by the Board of Directors on March 4, 2025.

III. Application of Newly Issued and Amended Standards and Interpretations

(I) Effect of adopting the newly issued or amended 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 FSC

New standards, interpretations and amendments in the IFRS Accounting Standards as endorsed and issued into effect by the FSC effective from 2024 are as follows:

New Standards, Interpretations and Amendments	Effective Date by International Accounting Standards Board
Amendments to IFRS 16 "Lease Liability in a Sale and Leaseback"	January 1, 2024
Amendments to IAS 1 "Classification of Liabilities as Current or Non-Current"	January 1, 2024
Amendments to IAS 1 "Non-current Liabilities with Covenants"	January 1, 2024
Amendments to IAS 7 and IFRS 7 "Supplier Financing Arrangements"	January 1, 2024

The standards and interpretations above have no significant impact on the Company's financial position and financial performance based on the Company's assessment.

(II) Effect of new issuances of or amendments to IFRS Accounting Standards as endorsed by the FSC but not yet adopted

New standards, interpretations and amendments in the IFRS Accounting Standards as endorsed by the FSC effective from 2025 are as follows:

New Standards, Interpretations and Amendments	Effective Date by International Accounting Standards Board
Amendments to IAS 21 “Lack of Exchangeability”	January 1, 2025

The standards and interpretations above have no significant impact on the Company’s financial position and financial performance based on the Company’s assessment.

(III) Effects of IFRS Accounting Standards issued by IASB but not yet endorsed by the FSC

New standards, interpretations and amendments issued by IASB but not yet included in the IFRS Accounting Standards as endorsed by the FSC are as follows:

New Standards, Interpretations and Amendments	Effective Date by International Accounting Standards Board
Amendments to IFRS 9 and IFRS 7 “Amendments to Classification and Measurement of Financial Instruments”	January 1, 2026
Amendments to IFRS 9 and IFRS 7 “Contracts Involving Natural Electricity”	January 1, 2026
Amendments to IFRS 10 and IAS 28, “Sale of contribution of assets between an investor and its associate or joint venture”	To be determined by International Accounting Standards Board
IFRS 17, “Insurance contracts”	January 1, 2023
Amendments to IFRS 17 “Insurance Contracts”	January 1, 2023
Amendments to IFRS 17 “Initial Application of IFRS 17 and IFRS 9 – Comparative Information”	January 1, 2023
IFRS No. 18 “Presentation and Disclosure of Financial Statements”	January 1, 2027
IFRS 19 “Subsidiaries without Public Accountability: Disclosures”	January 1, 2027
Annual Improvements to IFRS Standards – Volume 11	January 1, 2026

Aside from those listed below, the standards and interpretations above have no significant impact on the Company’s financial position and financial performance based on the Company’s assessment.

IFRS No. 18 “Presentation and Disclosure of Financial Statements”

IFRS 18 “Presentation and Disclosure of Financial Statements” replaces IAS 1 and updates the structure of the statement of comprehensive income, adds disclosures for management performance measures, and enhances the principles of aggregation and disaggregation applied to the primary financial statements and notes.

IV. Summary of Significant Accounting Policies

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

(I) Compliance Statement

The parent company only financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and IFRSs as endorsed and issued into effect by the FSC.

(II) Basis of preparation

1. Except for the following important items, the parent company only financial statements have been prepared at historical cost:

   (1) Financial assets and liabilities at fair value through profit and loss (including derivatives).

   (2) Defined benefit liabilities recognized at the net amount of pension fund assets less the present value of defined benefit obligations.

2. The preparation of the financial statements in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

(III) Translation of foreign currency

Items included in the parent company only financial statements is measured and presented using the currency of the primary economic environment in which the Company operates (the "functional currency"), which is New Taiwan dollars.

1. Foreign currency transactions and balances

   (1) Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions are recognized in profit or loss in the period in which they arise.

   (2) Monetary assets and liabilities denominated in foreign currencies at the period end are re-translated at the exchange rates prevailing at the balance sheet date. Exchange differences arising upon re-translation at the balance sheet date are recognized in profit or loss.

   (3) The balance of non-monetary assets and liabilities in foreign currencies that are not measured at fair value shall be measured at the historical exchange rate at the initial transaction date.

   (4) All foreign exchange gains and losses are recognized in "other gains and losses" in the statement of comprehensive income.

2. Translation of foreign operations

   (1) The operating results and financial position of all the group entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

      A. Assets and liabilities for each balance sheet presented are translated at the closing exchange rate at the balance sheet date;

      B. Income and expenses for each statement of comprehensive income are translated at average exchange rates of that period; and

      C. All resulting exchange differences are recognized in other comprehensive income.

   (2) When a foreign operation that is partially disposed of or sold is a subsidiary, the accumulated exchange differences recognized in other comprehensive income is re-attributed to the foreign operation's non-controlling interests on a pro rata basis. However, if the Company still retains partial interests in the former foreign subsidiary after losing control of the former foreign subsidiary, such a transaction shall be accounted for as disposal of all interests in the foreign operation.

(IV) Classification of current and non-current items of assets and liabilities

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

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

   (2) Liabilities arising mainly from trading activities;

   (3) Assets that are expected to be realized within twelve months from the balance sheet date;

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

   The Company has classified all assets that do not meet the criteria above as non-current.

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

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

   (2) Liabilities arising mainly from trading activities;

   (3) Liabilities that are to be settled within twelve months from the balance sheet date;

   (4) Those that do not have the right to defer settlement of the liability for at least twelve months after the reporting period.

   The Company has classified all liabilities that do not meet the criteria above as non-current.

(V) Cash equivalents

Cash equivalents refer to short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Time deposits that meet the definition above and are held for the purpose of meeting short-term cash commitments in operations are classified as cash equivalents.

(VI) Financial assets at fair value through profit and loss

1. Financial assets that are not measured at amortized cost or at fair value through other comprehensive income.

2. For financial assets at fair value through profit or loss that meet the criteria for regular way transactions, the Company adopts settlement date accounting.

3. The Company's initial recognition is on a fair value basis, with relevant transaction costs recognized in profit or loss, and subsequently at fair value, and gains or losses thereof are recognized in profit or loss.

4. When the right to receive dividends is established, the future economic benefits related to dividends may flow to the Company, and when the amount of dividends can be reliably measured, the Company recognizes dividend income in profit or loss.

(VII) Financial assets at amortized cost

1. Those that meet all of the following criteria:

   (1) The financial asset is held under a business model for the purpose of collecting contractual cash flows.

   (2) The contract terms of the financial asset generate cash flow on a specific date, which is entirely to pay for the interest on the principal and the amount of principal outstanding.

2. The Company adopts trade date accounting for financial assets measured at amortized cost that conform to conventional transactions.

3. At initial recognition, the Company measures the financial assets at fair value plus transaction costs, and subsequently adopts the effective interest method to recognize said assets in interest revenue and in impairment loss during the outstanding period according to the amortization procedure. During derecognition, the gains or losses thereof are recognized in profit or loss.

(VIII) Accounts and notes receivable

1. Accounts and notes receivable entitle the Group to a legal right to receive consideration in exchange for transferred goods or rendered services.

2. For the Company, the short-term accounts and notes receivable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(IX) Impairment of financial assets

The Company, at each balance sheet date, considers all reasonable and corroborative information (including forward-looking one) based on the accounts receivable that contains significant financial components. For those with no significant increase in credit risk since initial recognition, the loss allowance is measured at 12-month expected credit losses; for those with a significant increase in credit risk since initial recognition, the loss allowance is measured at the lifetime expected credit losses. For accounts receivable that does not contain significant financial components, the loss allowance is measured at the lifetime expected credit losses.

(X) Derecognition of financial assets

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

(XI) Inventories

Inventories are measured at the lower of cost and net realizable value, and cost is determined by the weighted average method. The cost of finished goods and work in progress comprises raw materials, direct labor, other direct costs and related production overheads (allocated based on normal operating capacity). It excludes borrowing costs. When cost and the net realizable value are compared to see which is lower, the item-by-item comparison method is adopted. The net realizable value refers to the balance of the estimated selling price in the ordinary course of business, less the estimated cost necessary to make the sale.

(XII) Investments accounted for using equity method – subsidiaries and affiliated enterprises

1. Subsidiaries are all entities (including structured entities) controlled by the Company. The Company controls an entity when the Company is exposed, or entitled, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

2. The Company's share of profit or loss on subsidiaries after acquisition is recognized in profit or loss, whereas its share of other comprehensive income on subsidiaries after acquisition is recognized in other comprehensive income. When the share of loss from a subsidiary exceeds the Company's interests in that subsidiary, the Company continues to recognize the loss in proportion to its ownership percentage.

3. Changes in a parent's ownership interest in a subsidiary that do not result in the parent losing control of the subsidiary (transaction with non-controlling interests) are accounted for as equity transactions, i.e. transactions with owners in their capacity as owners. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity.

4. Unrealized profit (loss) arising from the transactions between the Company and subsidiaries have been eliminated. Accounting policies of subsidiaries have been adjusted as necessary and are consistent with the ones adopted by the Company.

5. Where a subsidiary issues new shares and the Company fails to subscribe for or acquire new shares proportionately, which results in a change in the Company's ownership percentage of the subsidiary but still maintains significant influence on the subsidiary, the "capital surplus" or "retained earnings" and "investments accounted for using the equity method" shall be adjusted for the increase or decrease in the net value of the equity.

6. An associate is an entity over which the Company has significant influence but no control, generally accompanying a shareholding of 20% of more of the voting rights, either directly or indirectly. The Company’s investments in associates are accounted for using the equity method and are recognized initially at cost.

7. The Company’s share of its associates' post-acquisition profits or losses is recognized in current profit or loss, and its share of post-acquisition other comprehensive income is recognized in other comprehensive income. When the Company's share of losses in any associate equals or exceeds its interest in the associate (including any other unsecured receivables), the Company does not recognize further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

8. When an associate has changes in equity that are not recognized in profit or loss or other comprehensive income and do not affect the Company's ownership percentage in the associate, the Company recognizes its share of all such equity changes proportionately as “Capital Surplus.”

9. Unrealized gains and losses resulting from transactions between the Company and its associates are eliminated to the extent of the Company's interest in the associates; unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. The accounting policies of associates have been adjusted where necessary to ensure consistency with the policies adopted by the Company.

10. When an associate issues new shares and the Company does not subscribe or acquire shares proportionately, resulting in a change in the Company's ownership percentage but maintaining significant influence, the increase or decrease in the net value of equity is adjusted through “Capital Surplus” and “Investments Accounted for Under Equity Method.” If this results in a decrease in the investment ratio, in addition to the above adjustments, gains or losses previously recognized in other comprehensive income related to that ownership interest that would be reclassified to profit or loss upon disposal of the related assets or liabilities are reclassified to profit or loss according to the proportion decreased.

11. When the Company loses significant influence over an associate, any remaining investment in the former associate is remeasured at fair value, and the difference between the fair value and carrying amount is recognized in current profit or loss.

12. When the Company disposes of an associate and loses significant influence over that associate, all amounts previously recognized in other comprehensive income related to that associate are accounted for on the same basis as would be required if the Company had directly disposed of the related assets or liabilities. That is, if gains or losses previously recognized in other comprehensive income would be reclassified to profit or loss upon disposal of the related assets or liabilities, then when significant influence over the associate is lost, those gains or losses are reclassified from equity to profit or loss. If the Company retains significant influence over the associate, only a proportionate share of the amounts previously recognized in other comprehensive income is reclassified according to the method described above.

13. When the Company disposes of an associate and loses significant influence over that associate, the capital surplus related to that associate is transferred to profit or loss; if the

Company retains significant influence over the associate, the capital surplus is transferred to profit or loss according to the proportion disposed.

14. According to "Regulations Governing the Preparation of Financial Reports by Securities Issuers", profit and other comprehensive income in the parent company only financial statements shall be the same as profit and other comprehensive income attributable to shareholders of the parent in the consolidated financial statements, and the equity in the parent company only financial statements shall be the same as the equity attributable to shareholders of the parent in the consolidated financial statements.

(XIII) Property, plant and equipment

1. Property, plant and equipment are accounted for on the basis of acquisition cost.

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

3. Land is not depreciated. Other property, plant and equipment apply cost model and are depreciated using the straight-line method to allocate their cost over their estimated useful lives. If the components of property, plant and equipment are significant, they shall be separately depreciated.

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

Buildings and structures	5–52 years
Machinery and equipment	1–20 years
Mold equipment	2 years
Other equipment	1–10 years

(XIV) Leasing arrangements (lessee) – right-of-use assets/lease liabilities

1. Leases are recognized as a right-of-use asset and a corresponding lease liability at the date at which the leased asset is available for use by the Company. For short-term leases or leases of low-value assets, lease payments are recognized as an expense on a straight-line basis over the lease term.

2. Lease liabilities include the net present value of the remaining lease payments at the commencement date, discounted using the incremental borrowing interest rate. Lease payments are comprised of fixed payments, less any lease incentives receivable.

   The subsequently measures the lease liability at amortized cost using the interest method and recognizes interest expense over the lease term. The lease liability is remeasured and the amount of remeasurement is recognized as an adjustment to the right-of-use asset when there are changes in the lease term or lease payments and such changes do not arise from contract modifications.

3. Right-of-use asset is recognized at cost at the commencement date of the lease; the cost includes the original measurement amount of the lease liability.

   The right-of-use asset is measured subsequently using the cost model and is depreciated from the commencement date to the earlier of the end of the asset's useful life or the end of the lease term. When the lease liability is remeasured, the amount of remeasurement is recognized as an adjustment to the right-of-use asset.

4. For lease modifications with the scope of a lease reduced, the lessee will reduce the carrying amount of the right-of-use asset to reflect the partial or full termination of the lease, and the difference between said carrying amount and the remeasured amount of the lease liability is recognized in profit or loss.

(XV) Intangible assets

Intangible assets refer to computer software recognized at cost and amortized on a straight-line basis over its estimated useful life of 2 to 10 years.

(XVI) Impairment of non-financial assets

At the balance sheet date, the Company estimates the recoverable amount of assets with indications of impairment. When the recoverable amount is lower than the carrying amount, an impairment loss is recognized. The recoverable amount is the higher of an asset's fair value less cost of disposal or value in use. When the circumstances or reasons for recognizing impairment loss for an asset in prior years no longer exist or diminish, the impairment loss is reversed. The increased carrying amount due to reversal should not be more than what the depreciated or amortized historical cost would have been if the impairment had not been recognized.

(XVII) Borrowings

Borrowings comprise long-term and short-term borrowings from banks. Borrowings are subsequently stated at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in profit or loss over the period of the borrowings using the effective interest method.

(XVIII) Accounts payable

For the Company, the short-term accounts payable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(XIX) Financial liabilities at fair value through profit and loss:

1. Refers to financial liabilities that are incurred principally for the purpose of repurchasing it in the near term, and financial liabilities held for trading other than derivative instruments that are designated as hedging instruments under hedge accounting requirements.

2. The Company’s initial recognition is on a fair value basis, with relevant transaction costs recognized in profit or loss, and subsequently at fair value, and gains or losses thereof are recognized in profit or loss.

(XX) Convertible Corporate Bonds Payable

The convertible corporate bonds issued by the Company are embedded with conversion rights (i.e., the holder's right to convert the bonds into the Company's common shares at a fixed amount for a fixed number of shares), put options, and call options. The convertible corporate bonds issued by the Company are embedded with conversion rights (i.e., the holder's right to convert the bonds into the Company's common shares at a fixed amount for a fixed number of shares), put options, and call options. At initial issuance, the issuance price is classified as financial assets, financial liabilities, or equity according to the issuance conditions, and treated as follows:

1. Embedded put and call options: At initial recognition, these are recorded at their net fair value as “Financial assets or liabilities at fair value through profit or loss”; subsequently, at the balance sheet date, they are measured at their current fair value, with the difference recognized as “Gain or loss on financial assets (liabilities) at fair value through profit or loss.”

2. Corporate bond principal contract: At initial recognition, this is measured at fair value, with the difference between this and the redemption value recognized as a premium or discount on corporate bonds payable; subsequently, the effective interest method is used to amortize this difference over the circulation period and recognize it in profit or loss as an adjustment to “Finance costs.”

3. Embedded conversion rights (meeting the definition of equity): At initial recognition, the residual value after deducting the aforementioned “Financial assets or liabilities at fair value through profit or loss” and “Corporate bonds payable” from the issuance amount is recorded as “Capital surplus – stock options,” with no subsequent remeasurement.

4. Any directly attributable transaction costs of issuance are allocated to the liability and equity components in proportion to their original carrying amounts.

5. When the holder converts the bond, the liability components (including “Corporate bonds payable” and “Financial assets or liabilities at fair value through profit or loss”) are treated according to their subsequent measurement methods based on their classification. Then, the carrying amount of the liability components plus the carrying amount of “Capital surplus – stock options” is treated as the issuance cost of the common shares being issued.

(XXI) Derecognition of financial liabilities

The Company’s financial liability should be removed from the balance sheet when the obligation specified in the contract is either cancelled or expires.

(XXII) Non-hedging derivatives and embedded derivatives

1. The non-hedge derivatives are initially recognized at fair value at the contract signing date and accounted as financial assets or liabilities at fair value through profit or loss, and subsequently measured at fair value, with resulting gains or losses recognized in profit or loss.

2. For hybrid contracts with non-financial asset embedded derivatives, at initial recognition, the terms of the contract are used to determine whether the economic characteristics and risks of the embedded derivative are closely related to those of the host contract, to decide whether separate treatment is required. When closely related, the entire hybrid instrument is treated according to appropriate standards based on its nature. When not closely related, the derivative is separated from the host contract and treated as a derivative, while the host contract is treated according to appropriate standards based on its nature; alternatively, the entire contract may be designated at initial recognition as a financial liability at fair value through profit or loss.

(XXIII) Employee benefits

1. Short-term employee benefits

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

2. Pension

   (1) Defined contribution plans

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

   (2) Defined benefit plans

   A. Net obligation under a defined benefit plan is defined as the present value of an amount of pension benefits that employees will receive on retirement for their services with the current period or prior periods. The liability recognized in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets. The net obligation under the defined benefit plan is calculated annually by actuaries using the projected unit benefit method. The discount rate is based on the market yields on high quality corporate bonds of which the currency and duration are consistent with those of the defined benefit plan, or the market yields on government bonds (at the balance sheet date) in countries where there is no deep market for such corporate bonds.

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

3. Employees’ compensation and directors’ remuneration

   Employees’ compensation and directors’ remuneration are recognized as expense and liability, provided that such recognition is required under legal or constructive obligation and those amounts can be reliably estimated. Any difference between the resolved amounts and the subsequently actual distributed amounts is accounted for as changes in estimates.

(XXIV) Employee share-based payments

In the share-based payment agreement for equity delivery, the employees' services obtained are measured at fair value of the equity given on the grant day, and it is recognized as a remuneration cost, and the equity is adjusted relatively during the vesting period. The fair value of the equity instruments granted shall reflect the effect of market vesting conditions and non-market vesting conditions. Remuneration cost recognized is subject to adjustment based on the service conditions that are expected to be satisfied and the amount of rewards under non-market vesting conditions. The amount of remuneration cost ultimately recognized is based on the number of equity instruments that are eventually vested at the vesting date.

(XXV) Income Taxes

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

2. The Company calculates current income tax at the rates enacted or substantively enacted at the balance sheet date in countries where the Company operates and taxable income are generated. Management periodically evaluates positions taken in tax returns with respect to situations in accordance with applicable tax regulations. It establishes income tax liabilities where appropriate based on the amounts expected to be paid to the tax authorities. A surtax is imposed on the undistributed earnings in accordance with the Income Tax Act. In the year following the year in which the earnings are generated, after the shareholders' meeting has passed the earnings distribution proposal, the income tax expense on the undistributed earnings will be recognized based on the earnings actually distributed.

3. Deferred income tax is recognized, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the parent company only balance sheet. Deferred income tax is provided on temporary differences arising on investments in subsidiaries, except where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred income tax is determined using tax rate that have been enacted or substantively enacted at the balance sheet date and are expected to apply when the relevant deferred income tax asset is realized or the deferred income tax liability is settled.

4. Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. At each balance sheet date, unrecognized and recognized deferred income tax assets are reassessed.

5. Current income tax assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. Deferred income tax assets and liabilities are offset in the balance sheet when the entity has the legally enforceable right to offset current income tax assets against current income tax liabilities and they are levied by the same taxation authority on either

the same entity or different entities that intend to settle on a net basis or realize the asset and settle the liability simultaneously.

(XXVI) Share capital

1. Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or stock options are listed in equity as a deduction, net tax, from the proceeds.

2. Where the Company repurchases the Company's shares that has been issued, the consideration paid, including any directly attributable incremental costs (net of taxes) is deducted from equity attributable to the Company's shareholders. Where such shares are subsequently reissued, the difference between their book value and any consideration received, net of any directly attributable incremental costs and the relevant income tax effects, is recognized as adjustment to equity attributable to the shareholders.

(XXVII) Dividend distribution

Dividends distributed to the Company's shareholders by resolution of the shareholders' meeting will be recognized in the financial statements, with cash dividends recorded as liabilities.

(XXVIII) Revenue recognition

Sales revenue is recognized when the control of products is transferred to the customer. When goods are shipped to a designated location, the risk of obsolescence and lost has been transferred to the customer, and the customer is required to accept the goods in accordance with the sales contract, or when there is objective evidence that all acceptance criteria have been met, the goods are delivered. The amount of sales revenue recognized is limited to the part where it is highly likely that there will not be a major reversal in the future. Because the time interval between the transfer of the promised goods or services to the customer and the customer's payment did not exceed one year, the Company did not adjust the transaction price to reflect the time value of money.

Accounts receivable is recognized when goods are delivered to customers because at which time the Company's right to the consideration for contracts from customers is unconditional, except for the passage of time.

Although the increase in costs incurred by the Company to obtain customer contracts is expected to be recoverable, the relevant contract periods are shorter than one year, so such costs are recognized in expenses when incurred.

(XXIX) Government grants

Government grants are recognized at their fair value only when there is reasonable assurance that the Group will comply with any conditions attached to the grants and the grants will be received. Government grants are recognized in profit or loss on a systematic basis over the periods in which the Group recognizes expenses for the related costs for which the grants are intended to compensate.

V. Critical Accounting Judgments, Assumptions, and Key Sources of Estimation Uncertainty

In the preparation of these parent company only financial statements, the management has exercised its judgement in deciding the Company's accounting policies to be applied. The management makes critical assumptions and estimates concerning future events based on the information on the balance sheet date. Assumptions and estimates may differ from the actual results and are continually evaluated and adjusted based on historical experience and other factors. Such assumptions and estimates have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. The Company has taken the economic impact of the COVID-19 pandemic into consideration for critical accounting estimates, and will continue to assess its influence on the Company's financial position and performance. Please refer to the description of the uncertainties of critical accounting judgments, assumptions, and estimation uncertainty below:

(I) Important judgments for accounting policies applied

None.

(II) Important accounting estimates and assumptions

Evaluation of inventories

Since inventory must be calculated at the lower of cost or net realizable value, the Company must exercise judgment and make estimation to determine the net realizable value of inventory at the balance sheet date. Due to the rapid changes in technology, the Company assesses the value of inventory due to normal wear and tear, obsolescence, or market sales value at the balance sheet date, and adopts demand as the basis for estimation, which may cause major changes.

As of December 31, 2024, the carrying amount of the Company's inventories was NTD 889,440.

VI. Description of Significant Accounting Titles

(I) Cash and cash equivalents

	December 31, 2024	December 31, 2023
Cash on hand and working capital	$ 135	$ 230
Checking account deposits and demand deposits	320,840	536,107
Time deposit	22,390	21,635
	$ 343,365	$ 557,972

1. The Company transacts with a variety of financial institutions all with high credit quality to diversify credit risk, so it expects that the probability of counterparty default is very low.

2. The Company's restricted cash due to the regulations of syndicated loan contracts is recognized in "financial assets at amortized cost," please refer to Notes 6(3) and 8 for details.

(II) Financial Assets and Liabilities at Fair Value through Profit or Loss

Items	December 31, 2024	December 31, 2023
Current items:		
Financial assets mandatorily at fair value through profit and loss		
Listed stocks	$ 138,726	$ 138,858
Unlisted stocks	4,505	4,505
Valuation adjustment	(6,715)	(6,138)
	$ 136,516	$ 137,225

Items	December 31, 2024	December 31, 2023
Non-current items:		
Financial assets mandatorily at fair value through profit and loss		
Investments in stocks and private funds of venture capital companies	$ 20,000	$ 20,000
Unlisted stocks	79,992	79,992
Valuation adjustment	(77,794)	(79,992)
	$ 22,198	$ 20,000
Financial liabilities mandatorily measured at fair value through profit or loss		
Derivatives – convertible corporate bonds Call options and put options	$ 1,800	$ -
Valuation adjustment	420	-
	$ 2,220	$ -

1. The Company's financial assets and liabilities measured at fair value through profit and loss were recognized in net gains on financial assets and liabilities for 2024 and 2023 were NTD 22,223 and NTD 50,042, respectively.

2. The Company did not pledge financial assets at fair value through profit and loss as collateral.

3. For details on the Company's sixth domestic unsecured convertible corporate bonds, please refer to Note 6(10).

(III) Financial assets at amortized cost

Items	December 31, 2024	December 31, 2023
Current items:		
Pledged deposit	$ -	$ 28,000

1. The interest income from the Company's financial assets measured at amortized cost for 2024 and 2023 were NTD 100 and NTD 138, respectively.

2. As of December 31, 2024 and 2023, regardless of the collateral held and other credit enhancements, the maximum amount of the exposure to the credit risk arising from the Company's financial assets at amortized cost was in the amount of NTD 0 and NTD 28,000, respectively.

3. The situation in which the Company pledges financial assets measured at amortized cost as collateral, please refer to Note 8 for details.

4. The credit quality of the financial institutions that the Company deals with is good, and the probability of their default is expected to be very low. Therefore, the twelve month expected credit loss is adopted to measure the loss allowance. The Company did not provide allowance for losses in 2024 and 2023.

(IV) Notes and accounts receivable

	December 31, 2024		
	Total	Loss allowance	Net amount
Notes receivable	$ 42	$ -	$ 42
Accounts receivable	$ 1,263,258	($ 196,372)	$ 1,066,886
Accounts receivable – related parties	13,319	(4)	13,315
	$ 1,276,577	($ 196,376)	$ 1,080,201

	December 31, 2023		
	Total	Loss allowance	Net amount
Accounts receivable	$ 1,151,127	($ 190,335)	$ 960,792
Accounts receivable – related parties	17,524	(5)	17,519
	$ 1,168,651	($ 190,340)	$ 978,311

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

	December 31, 2024		December 31, 2023
	Accounts receivable	Notes receivable	Accounts receivable
Not past due	$ 1,078,080	$ 42	$ 977,681
Less than 60 days	13,112	-	5,755
61 to 180 days	1,105	-	2,410
Over 181 days	184,280	-	182,805
	$ 1,276,577	$ 42	$ 1,168,651

The above aging analysis was based on the number of overdue days.

2. The balances of the Company's accounts receivable and notes receivable are generated from customer contracts. The balance of accounts receivable (including notes receivable) from customer contracts as of December 31, 2024 and 2023, and January 1, 2023 was NTD 1,276,619, NTD 1,168,651, and NTD 1,154,899, respectively.
3. The Company did not pledge accounts receivable as collateral.
4. As of December 31, 2024 and 2023, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the Company's notes receivable were NTD 42 and NTD 0, and accounts receivable were NTD 1,080,201 and NTD 978,311, respectively.
5. Information on credit risk of accounts receivable is provided in Note 12(2).

(V) Inventories

	December 31, 2024		
	Cost	Allowance for valuation loss	Book value
Raw materials	$ 450,766	($ 50,696)	$ 400,070
Supplies	40,005	-	40,005
Semi-finished goods	162,419	(9,562)	152,857
Finished good	265,830	(43,317)	222,513
Merchandise inventory	74,205	(210)	73,995
	$ 993,225	($ 103,785)	$ 889,440

	December 31, 2023		
	Cost	Allowance for valuation loss	Book value
Raw materials	$ 397,624	($ 66,906)	$ 330,718
Supplies	12,041	-	12,041
Semi-finished goods	108,331	(14,088)	94,243
Finished good	279,206	(43,863)	235,343
Merchandise inventory	54,354	(212)	54,142
	$ 851,556	($ 125,069)	$ 726,487

The cost of inventories recognized in expenses for the year:

	2024	2023
Cost of inventories sold	$ 2,203,270	$ 2,116,529
Unamortized fixed production overheads	146,934	150,470
Inventory scrap loss	36,918	17,035

Inventories valuation reversal gains	(	21,285)	(	14,473)
Sale of scraps income	(	64,376)	(	41,606)
	$	2,301,461	$	2,227,955

In 2024 and 2023, the Company recognized a decrease in cost of sales due to a recovery in the net realizable value of inventories arising from destocking.

(VI) Investments accounted for using equity method – subsidiaries and affiliated enterprises

	December 31, 2024		December 31, 2023	
	Amount recognized	Shareholding ratio (%)	Amount recognized	Shareholding ratio (%)
Subsidiary:				
MORE FORTUNE PROFITS LIMITED	$ 2,467,815	100.000	$ 2,360,749	100.000
Ecocera Optronics Co., Ltd.	389,773	69.720	332,583	69.720
Advance Venture Corporation	4,159	55.556	34,698	55.556
CMTEK Co., Ltd.	-	-	19,561	56.259
Associate:				
CMTEK Co., Ltd.	46,589	46.801	-	-
	$ 2,908,336		$ 2,747,591	

1. Subsidiaries and Associates:

(1) Details of the Company’s subsidiaries are provided in Note 4(3) of the Company’s 2024 consolidated financial statements.

(2) In March 2023, the Company disposed of 250 thousand shares of Ecocera Optronics Co., Ltd., a Group’s subsidiary, and the shareholding ratio was adjusted from 70.669% to 69.720%.

(3) In November and December, 2023, the Company invested in the establishment of CMTEK Co., Ltd. and acquired 2,000 thousand shares though a capital contribution of NTD 20,000; the shareholding ratio was 56.259%. The Company acquired control of CMTEK Co., Ltd., making it one of the Company’s subsidiaries. In April 2024, CMTEK Co., Ltd. conducted a cash capital increase, of which our company subscribed for NTD 11,400. As we did not subscribe in proportion to our shareholding ratio, our ownership percentage decreased to 47.076%. Our company remains the single largest shareholder of CMTEK Co., Ltd. However, as we do not hold a majority of director seats and lack the practical ability to direct the relevant activities, we have assessed that we have lost control over CMTEK Co., Ltd. and retain only significant influence. Therefore, effective April 1, 2024, CMTEK Co., Ltd. has been reclassified as an affiliated company. In December 2024, CMTEK Co., Ltd. conducted another cash capital increase, of which our company subscribed for

NTD 23,367. As we did not subscribe in proportion to our shareholding ratio, our ownership percentage decreased from 47.076% to 46.801%.

2. The carrying amounts and our share of the operating results of our individually immaterial affiliated companies are summarized as follows:

   As of December 31, 2024, the total carrying amount of our individually immaterial affiliated companies was NTD 46,589.

		2024
Net loss for the period from continuing operations	($	16,900)
Other comprehensive income (net of tax)		-
Total comprehensive income for current period	($	16,900)

3. Our recognition of subsidiaries' and affiliated companies' profits and losses under the equity method is based on financial statements audited by certified public accountants for the same period. The details of recognized investment (losses) gains are as follows:

		2024		2023
MORE FORTUNE PROFITS LIMITED	$	21,895	$	110,734
Ecocera Optronics Co., Ltd.		84,805		44,974
Advance Venture Corporation	(	30,539)	(	26,444)
CMTEK Co., Ltd.	(	8,216)	(	440)
	$	67,945	$	128,824

(VII) Property, plant and equipment

		Land		Buildings and structures		Machinery and equipment		Mold equipment		Others		Total
January 1, 2024												
Cost	$	15,538	$	442,305	$	511,347	$	52,775	$	293,299	$	1,315,264
Revaluation surplus		98,221		-		-		-		-		98,221
Accumulated depreciation		-	(	209,971)	(	223,178)	(	26,394)	(	116,911)	(	576,454)
Accumulated impairment		-		-	(	2,324)		-		-	(	2,324)
	$	113,759	$	232,334	$	285,845	$	26,381	$	176,388	$	834,707
2024												
Opening balance	$	113,759	$	232,334	$	285,845	$	26,381	$	176,388	$	834,707
Additions		2,018,250		925,476		60,112		4,289		70,010		3,078,137
Disposals		-		-		-	(	762)	(	56,067)	(	56,829)

	Land	Buildings and structures	Machinery and equipment	Furniture and Equipment	Others	Total
Reclassification	-	-	2,118	19,435	(21,785)	(232)
Depreciation expenses	-	(9,402)	(55,695)	(24,580)	(49,370)	(139,047)
Closing balance	$ 2,132,009	$ 1,148,408	$ 292,380	$ 24,763	$ 119,176	$ 3,716,736
December 31, 2024						
Cost	$ 2,033,788	$ 1,366,596	$ 535,739	$ 54,960	$ 212,300	$ 4,203,383
Revaluation surplus	98,221	-	-	-	-	98,221
Accumulated depreciation	-	(218,188)	(242,491)	(30,197)	(93,124)	(584,000)
Accumulated impairment	-	-	(868)	-	-	(868)
	$ 2,132,009	$ 1,148,408	$ 292,380	$ 24,763	$ 119,176	$ 3,716,736

	Land	Buildings and structures	Machinery and equipment	Furniture and Equipment	Others	Total
January 1, 2023						
Cost	$ 15,538	$ 444,345	$ 564,021	$ 70,859	$ 293,480	$ 1,388,243
Revaluation surplus	98,221	-	-	-	-	98,221
Accumulated depreciation	-	(202,308)	(268,883)	(42,423)	(86,495)	(600,109)
Accumulated impairment	-	-	(2,324)	-	-	(2,324)
	$ 113,759	$ 242,037	$ 292,814	$ 28,436	$ 206,985	$ 884,031
2023						
Opening balance	$ 113,759	$ 242,037	$ 292,814	$ 28,436	$ 206,985	$ 884,031
Additions	-	-	48,565	28,239	75,705	152,509
Disposals	-	-	-	-	(551)	(551)
Reclassification	-	-	-	-	(52,661)	(52,661)
Depreciation expenses	-	(9,703)	(55,534)	(30,294)	(53,090)	(148,621)
Closing balance	$ 113,759	$ 232,334	$ 285,845	$ 26,381	$ 176,388	$ 834,707
December 31, 2023						
Cost	$ 15,538	$ 442,305	$ 511,347	$ 52,775	$ 293,299	$ 1,315,264
Revaluation surplus	98,221	-	-	-	-	98,221
Accumulated depreciation	-	(209,971)	(223,178)	(26,394)	(116,911)	(576,454)

Accumulated impairment	-	-	(2,324)	-	-	(2,324)
	$ 113,759	$ 232,334	$ 285,845	$ 26,381	$ 176,388	$ 834,707

1. The Company's total land revaluation surplus over the years is NTD 98,221, and a provision for land value increment tax of NTD 41,193 has been made. As of December 31, 2024 and 2023, the amount of the Company's provision for land value increment tax (recognized in "deferred income tax liabilities") was NTD 41,193, respectively.
2. For information on collateral provided by the Company for property, plant and equipment, please refer to Note 8 for details.

(VIII) Leasing arrangements – lessee

1. The assets leased by the Company include factory buildings and company vehicles. The lease contract terms range from 3 to 10 years. The lease contract are negotiated separately and contain various terms and conditions without other restrictions imposed.
2. The low-value assets leased by the Company are photocopiers and fax machines.
3. The carrying amount of right-of-use assets and recognized depreciation expenses are as follows:

	December 31, 2024	December 31, 2023
	Carrying amount	Carrying amount
Buildings and structures	$ 4,216	$ 292,763
Transportation equipment (company vehicles)	1,292	816
	$ 5,508	$ 293,579

	2024	2023
	Depreciation expenses	Depreciation expenses
Buildings and structures	$ 44,577	$ 44,013
Transportation equipment (company vehicles)	526	384
	$ 45,103	$ 44,397

4. In 2024 and 2023, the Company's additions of the right-of-use assets were NTD 1,002 and NTD 17,291, respectively.
5. The information on profit and loss accounts relating to lease contracts is as follows:

	2024	2023
Items affecting current profit or loss		
Interest expense of lease liabilities	$ 10,256	$ 11,430
Expense on short-term lease contracts	2,810	22

Expense on leases of low-value assets	444	278
Gains arising from lease changes	24,766	-

6. In 2024 and 2023, the Company’s total lease cash outflow was NTD 55,050 and NTD 53,038, respectively.

(IX) Short-term borrowings

Type of borrowings	December 31, 2024	December 31, 2023
Borrowings from banks		
Credit loan	$ 410,000	$ 240,000
Interest rate range	1.98%~2.08%	1.85%~1.98%

(X) Corporate Bonds Payable

December 31, 2023: None.

	December 31, 2024
Corporate Bonds Payable	$ 600,000
Less: Discount on Corporate Bonds Payable	(29,851)
	$ 570,149

1. Domestic convertible corporate bonds issued by the Company

(1) The issuance terms of the Company's sixth domestic unsecured convertible corporate bonds are as follows:

A. The Company has been approved by the competent authority to issue the sixth domestic unsecured convertible corporate bonds with a total amount of NTD 600,000, zero coupon rate (0%), and a term of three years. The circulation period is from July 1, 2024, to July 1, 2027. At maturity, these convertible bonds will be redeemed in cash at their face value in a lump sum. These convertible bonds were listed for trading on the Taipei Exchange on July 1, 2024.

B. Bondholders may request conversion into the Company's common shares at any time from the day following three months after the issuance date until the maturity date, except during periods when transfer is suspended in accordance with regulations or laws. The rights and obligations of the common shares after conversion are the same as those of the previously issued common shares.

C. The conversion price of these convertible bonds is determined in accordance with the pricing model specified in the conversion regulations. Subsequent conversion prices, in the event of anti-dilution provisions affecting the Company, will be adjusted according to the pricing model specified in the conversion regulations. Subsequently, on the base dates set forth in the regulations, the conversion price will be reset according to the pricing model specified in the conversion regulations. The conversion price of these convertible bonds is NTD 126.

D. When, from the day following three months after the issuance of these convertible bonds until forty days before the expiration of the issuance period, the closing price of our company's common shares exceeds 30% (inclusive) of the conversion price then in effect for thirty consecutive trading days, or when, from the day following three months after the issuance until forty days before the expiration of the issuance period, the outstanding balance of these convertible bonds falls below 10% of the original total issuance amount, our company may redeem all of the bonds in cash at face value at any time thereafter.

E. According to the conversion regulations, all convertible bonds redeemed by the Company (including those bought back from the Taipei Exchange), repaid, or converted will be canceled, and all rights and obligations still attached to the corporate bonds will also be extinguished simultaneously and will not be reissued.

(2) As of December 31, 2024, none of these convertible bonds have been converted into common shares. As of December 31, 2024, the conversion price is NTD 126.

(3) As of December 31, 2024, the Company has not bought back any of these convertible bonds from the Taipei Exchange.

2. At the time of issuing convertible bonds, in accordance with International Accounting Standard No. 32 'Financial Instruments: Presentation,' our company separated the conversion option, which is equity in nature, from the liability components and recorded it as 'Capital Surplus – Stock Options' in the amount of NTD 37,026. Furthermore, regarding the embedded call and put options, in accordance with International Financial Reporting Standard No. 9 “Financial Instruments,” as their economic characteristics and risks are not closely related to the host debt instrument contract, they are separated for accounting treatment and recorded at their net amount as “Financial assets or liabilities at fair value through profit or loss.” After separation, the effective interest rate of the host debt contract is 2.0441%.

(XI) Other payables

	December 31, 2024	December 31, 2023
Salary and bonus payable	$ 89,207	$ 68,987
Payable on equipment	25,919	9,273
Employees’ compensation and directors’ remuneration payable	22,822	49,186
Payable on labor and health insurance premiums	12,385	11,666
Pension payable	6,512	5,868
Others	51,075	38,626
	$ 207,920	$ 183,606

(XII) Long-term borrowings

Lender	Type of borrowings	Borrowing period	December 31, 2024

Long-term borrowings from Taiwan Cooperative Bank	Secured loan	November 25, 2024 – November 25, 2044	$	2,540,000
Less: Current portion of long-term borrowings				-
			$	2,540,000
Borrowing facility			$	2,540,000
Interest rate range				1.950%

Lender	Type of borrowings	Borrowing period	December 31, 2023	
Syndicated loan led by First Commercial Bank	Secured loan	November 19 2021 – November 19, 2024	$	960,000
Less: Current portion of long-term borrowings			(	960,000)
			$	-
Borrowing facility			$	960,000
Interest rate range				2.625%

1. Please refer to Note 8 for details of collateral for long-term borrowings above.
2. Syndicated loan led by First Commercial Bank:

(1) In order to replenish the medium-term working capital and obtain the funds needed to repay the borrowings due, the Company, as the borrower, signed a syndicated loan contract with the First Commercial Bank in a total amount of NTD 1,200,000 in August 2021. The contract period is 3 years from the first drawdown date (November 19, 2021), and the first installment of the principal shall be repaid within 2 years after the drawdown date. The Company shall make an installment payment every six months thereafter, and there are three installments in total without revolving credit. The amount of revolving credit shall first settle the 2018 outstanding loan balance mentioned in the preceding paragraph.

(2) The Company promises to maintain the following financial ratios in the second quarter and annual consolidated financial statements during the duration of the contract period:

A. The current ratio shall not be less than 100%.

B. The debt ratio shall not be higher than 150%.

C. The interest coverage ratio must not be less than 500%.

D. The net worth of tangible assets (total shareholder equity less intangible assets) shall be maintained at NTD 2,500,000 (inclusive) or more, and starting from 2023, it shall be maintained at NTD 3,000,000 (inclusive) or more.

The financial ratios above are reviewed once every six months as agreed in the contract.

(3) The First Commercial Bank syndicated loan was repaid on July 19, 2024.

(XIII) Pension

1. (1) The Company and its domestic subsidiaries have a defined benefit pension plan in accordance with the Labor Standards Act, covering all regular employees' service years prior to the enforcement of the Labor Pension Act on July 1, 2005 and service years thereafter of employees who chose to continue to be subject to the pension mechanism under the Act. Employees who are qualified for retirement, under the defined benefit pension plan, pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement. Two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. The Company contributes 2% of the total salaries every month as a pension fund and deposit it at the Bank of Taiwan. Also, the Company and its domestic subsidiaries assess the balance in the aforementioned labor pension reserve account by December 31, every year. If the account balance is insufficient to pay the pension calculated by the aforementioned method to the employees expected to qualify for retirement in the following year, the Company and its domestic subsidiaries will make contributions for the deficit by March 31 of the following year.

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

	December 31, 2024	December 31, 2023
Present value of defined benefit obligations	$ 90,789	$ 90,676
Fair value of plan assets	(51,347)	(42,657)
Net defined benefit liabilities (recognized as "Other non-current liabilities")	$ 39,442	$ 48,019

(3) Movements in net defined benefit liabilities are as follows:

	2024		
	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liabilities
Balance at January 1	$ 90,676	($ 42,657)	$ 48,019
Current service cost	-	-	-
Interest expense (income)	1,043	(491)	552
	91,719	(43,148)	48,571
Remeasurements:			

Return on plan assets (excluding the amount included in interest income or expenses)	-	-	-
Effect of change in demographic assumptions	355	-	355
Effect of change in financial assumptions	(371)	-	(371)
Experience adjustments	(914)	(3,658)	(4,572)
	(930)	(3,658)	(4,588)
Pension fund contribution	-	(4,541)	(4,541)
Benefits paid	-	-	-
Balance at December 31	$ 90,789	($ 51,347)	$ 39,442

	2023		
	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liabilities
Balance at January 1	$ 85,435	($ 36,578)	$ 48,857
Current service cost	-	-	-
Interest expense (income)	1,051	(450)	601
	86,486	(37,028)	49,458
Remeasurements:			
Return on plan assets (excluding the amount included in interest income or expenses)	-	-	-
Effect of change in demographic assumptions	1	-	1
Effect of change in financial assumptions	322	-	322
Experience adjustments	4,477	(177)	4,300
	4,800	(177)	4,623
Pension fund contribution	-	(6,062)	(6,062)
Benefits paid	(610)	610	-
Balance at December 31	$ 90,676	($ 42,657)	$ 48,019

The details of expenses above recognized in various costs and expenses in the statement of comprehensive income are as follows:

	2024	2023
Administrative expenses	$ 552	$ 601

(4) The Bank of Taiwan was commissioned to manage the fund of the Company's and domestic subsidiaries' defined benefit pension plan in accordance with the fund's annual investment and utilization plan and the "Regulations for Revenues, Expenditures, Safeguard and Utilization of the Labor Retirement Fund" (Article 6: The scope of utilization for the fund includes deposit in domestic or foreign financial institutions, investment in domestic or foreign listed, over-the-counter, or private placement equity securities, investment in domestic or foreign real estate securitization products, etc.). The utilization of the fund is supervised by the Labor Pension Fund Supervisory Committee. With regard to the utilization of the fund, its minimum earnings in the annual distributions on the final financial statements shall be no less than the earnings attainable from the amounts accrued from two-year time deposits with the interest rates offered by local banks. If the earnings is less than aforementioned rates, government shall compensate the deficit after being authorized by the competent authorities. The Company and its domestic subsidiaries have no right to participate in managing and operating that fund and hence the Company and its domestic subsidiaries are unable to disclose the classification of the fair value of plan assets in accordance with paragraph 142, IAS 19. The composition of fair value of plan assets as of December 31, 2024 and 2023 is available in the Annual Labor Retirement Fund Utilization Report announced by the government.

(5) The actuarial assumptions related to pension were as follows:

	2024	2023
Discount rate	1.55%	1.15%
Future salary increases rate	1.50%	1.20%

The assumptions for the future mortality rate are based on the Taiwan Life Insurance Life Table No. 6.

The analysis of the present value of defined benefit obligations affected by changes in the main actuarial assumptions adopted is as follows:

	Discount rate		Future salary increases rate	
	Increase by 0.5%	Decrease by 0.5%	Increase by 0.5%	Decrease by 0.5%
December 31, 2024				
Effect on present value of defined benefit obligation	($ 1,651)	$ 2,394	$ 2,374	($ 1,660)

	Discount rate		Future salary increases rate	
	Increase by 0.5%	Decrease by 0.5%	Increase by 0.5%	Decrease by 0.5%
December 31, 2023				
Effect on present value of defined benefit obligation	($ 1,937)	$ 2,945	$ 2,918	($ 1,946)

The sensitivity analysis above is based on one assumption which changed while the other conditions remain unchanged. In practice, more than one assumption may change all at once. The method of analyzing sensitivity and the method of calculating net pension liability in the balance sheet are the same.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous period.

(6) The Company's expected contributions to the defined benefit pension plans for 2025 amount to NTD 1,200.

(7) As of December 31, 2024, the weighted average duration of the pension plan is 5 years. An analysis of the maturity of pension payments is as follows:

Less than 2 years	$	78,847
3–5 years		11,659
6–10 years		940
Over 10 years		4,549
	$	95,995

2. Effective on July 1, 2005, the Company has established a defined contribution pension plan under the Labor Pension Act, covering all regular employees with R.O.C. Nationality. Under the Labor Pension Act, the Company contributes monthly an amount based on 6% of the employees' monthly salaries and wages to the employees' individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment. The Company's pension costs under the defined contribution pension plan for 2024 and 2023 were NTD 21,415 and NTD 20,431, respectively.

3. The Company has made additional contributions to the pension reserve for some employees who concurrently serve as directors/supervisors and managers in accordance with the relevant provisions of the Labor Standards Act during the concurrent employment period. As of December 31, 2024 and 2023, the accrued pension liabilities (recognized as "other non-current liabilities") accounted for were NTD 33,637 and NTD 34,837, respectively.

(XIV) Share-based payment

1. The Company's 2024 share-based payment arrangement is as follows:

Type of arrangement	Grant date	Number of shares granted	Contract period	Vesting conditions
Treasury shares transferred to employees	March 6, 2024	1,757 thousand shares	March 11, 2024 – March 15, 2024	Vested immediately
Employee stock option plan	May 20, 2024	5,000 thousand shares	6 years	2–4 years of service (Note)
Cash capital increase reserved for employee subscription	May 24, 2024	1,800 thousand shares	June 17, 2024 – June 21, 2024	Vested immediately

Note: The 50% of an employee's stock options will be vested upon 2 years of service; 75% will be vested upon 3 years; 100% will be vested upon 4 years.

The above-mentioned share-based payment arrangement was settled in equity.

(1) Details of the transfer of treasury stocks to employees are as follows:

	2024	
	Quantity (thousand shares)	Strike price (NTD)
Outstanding stock options, beginning of period	-	-
Stock options granted for the current period	1,757	$ 22.51
Stock options executed for the current period	(1,757)	$ 22.51
Outstanding stock options, end of period	-	-
Stock options executed, end of period	-	-

(2) The detailed information of the employee stock option plan is as follows:

	2024	
	Quantity (thousand shares)	Strike price (NTD)
Outstanding stock options, beginning of period	-	-
Stock options granted for the current period	5,000	$ 82.80

Stock options forfeited in the current period	(226)	$	80.70
Outstanding stock options, end of period	4,774	$	80.70
Stock options executed, end of period	-		-

(3) The details of the cash capital increase reserved for employee subscription are as follows:

	2024		
	Quantity (thousand shares)	Strike price (NTD)	
Outstanding stock options, beginning of period	-		-
Stock options granted for the current period	1,800	$	72.00
Stock options executed for the current period	(1,800)	$	72.00
Outstanding stock options, end of period	-		-
Stock options executed, end of period	-		-

(4) The Company uses the Black-Scholes options model to estimate the fair value of the stock options for its share-based payment transactions on the grant date. The relevant information is as follows:

Type of arrangement	Grant date	Stock price (NTD)	Strike price (NTD)	Expected volatility	Expected duration	Expected dividend	Risk-free interest rate	Fair value per unit
Treasury shares transferred to employees	March 6, 2024	$54.10	$22.51	57.51%	0.0137	-	1.0885%	$31.59
Employee stock option plan	May 20, 2024	$82.80	$82.80	Note 1	6 years	-	Note 2	Note 3
Cash capital increase reserved for employee subscription	May 24, 2024	$90.03	$72.00	55.94%	0.0137	0.72%	1.2806%	$18.03

Note 1: 52.13% after two years; 53.93% after three years; 51.47% after four years.

Note 2: 1.4444% after two years; 1.4659% after three years; 1.4867% after four years.

Note 3: NTD 34.39 after two years; NTD 37.38 after three years; NTD 37.76 after four years.

(5) The cost incurred in the share-based payment transaction and equity delivery in 2024 was NTD 130,126.

2. The Company’s 2023 share-based payment arrangement is as follows:

Type of arrangement	Grant date	Number of shares granted	Contract period	Vesting conditions
Treasury shares transferred to employees	August 3, 2023	2,307 thousand shares	August 16, 2023 – August 22, 2023	Vested immediately

The above-mentioned share-based payment arrangement was settled in equity.

(1) Details of the transfer of treasury stocks to employees are as follows:

	2023	
	Quantity (thousand shares)	Strike price (NTD)
Outstanding stock options, beginning of period	-	-
Stock options granted for the current period	2,307	$ 22.51
Stock options forfeited in the current period	(64)	$ 22.51
Stock options executed for the current period	(2,243)	$ 22.51
Outstanding stock options, end of period	-	-
Stock options executed, end of period	-	-

(2) The Company uses the Black-Scholes options model to estimate the fair value of the stock options for its share-based payment transactions on the grant date. The relevant information is as follows:

Type of arrangement	Grant date	Stock price (NTD)	Strike price (NTD)	Expected volatility	Expected duration	Expected dividend	Risk-free interest rate	Fair value per unit (NTD)
Treasury shares transferred to employees	August 3, 2023	$43.30	$22.51	49.09%	0.0192	-	1.0101%	$20.79

(3) The cost incurred in the share-based payment transaction and equity delivery in 2023 was NTD 47,962.

(XV) Share capital

1. As of December 31, 2024, the Company's registered capital was NTD 3,000,000 thousand (including 50,000 thousand shares of convertible corporate bonds and 5,000 thousand shares of employee stock options), and the paid-in capital was NTD 2,339,586 thousand, with a par value of NTD 10 per share.

On April 9, 2024, the Company's Board of Directors approved a cash capital increase issuing 12,000 thousand ordinary shares, with June 26, 2024, as the base date for the capital increase. The subscription price was NTD 72 per share, with total proceeds amounting to NTD 864,000 thousand. The full amount has been collected, and the registration of the change has been completed.

The number of Company's outstanding ordinary shares (thousand shares) at the beginning and end of period is reconciled as follows:

	2024	2023
January 1	220,202	219,262
Capital increase in cash	12,000	-
Treasury shares repurchased	-	(1,303)
Treasury shares transferred to employees	1,757	2,243
December 31	233,959	220,202

2. Treasury shares

(1) Reasons for share repurchase and changes in the number (thousand shares):

		2024			
Reason for repurchase		January 1	Increase in the current period	Decrease in the current period	December 31
Shares transferable to employees	Shares	1,757	-	(1,757)	-
	Carrying amount	$ 39,538	$ -	($ 39,538)	$ -

		2023			
Reason for repurchase		January 1	Increase in the current period	Decrease in the current period	December 31
Shares transferable to employees	Shares	2,697	1,303	(2,243)	1,757
	Carrying amount	$ 60,702	$ 29,326	($ 50,490)	$ 39,538

(2) The Company has repurchased its outstanding shares and transferred them to its employees as resolved by the board of directors. According to the Securities and Exchange Act, the Company's proportion of the number of outstanding shares repurchased shall not exceed 10% of the its total issued shares, and that the total amount of shares repurchased shall not exceed the amount retained earnings plus the share premium and the realized capital surplus.

(3) Treasury shares held by the Company shall not be pledged in accordance with the provisions of the Securities and Exchange Act, and shall be entitled to shareholder rights before being transferred.

(4) In accordance with the provisions of the Securities and Exchange Act, the shares repurchased for shares transferable to employees shall be transferred within five years from the date of the repurchase. If the transfer is not made within the time limit, the Company shall be deemed to have not issued the shares, and the shares shall be canceled through change registration. For the shares repurchased to maintain the Company's credit and shareholders' rights, the change registration and share cancellation shall be conducted within six months after the repurchase.

(XVI) Capital surplus

1. Pursuant to the Company Act, capital surplus arising from paid-in capital in excess of par value on issuance of common stocks and donations can be used to cover accumulated deficit or to issue new stocks or cash to shareholders in proportion to their share ownership, provided that the Company has no accumulated deficit. Further, the Securities and Exchange Act requires that the amount of capital surplus to be capitalized mentioned above may not exceed 10% of the paid-in capital each year. However, capital surplus shall not be used to compensate accumulated deficit unless the legal reserve is insufficient.

2. Changes in capital surplus are as follows:

	2024								
	Opening balance	Disposal of equity in a subsidiary (loss of control)	Changes in Ownership Interests in Investments Accounted for Under Equity Method	Cost of share-based payment	Cash Capital Increase (including Employee Stock Options)	Treasury shares subscribed for by employees	Issuance of Convertible Corporate Bonds	Exercise of Disgorgement Rights	Closing balance
Share premium	$ 1,793,579	$ -	$ -	$ -	$ 776,454	$ -	$ -	$ -	2,570,033
Treasury stock transaction	68,656	-	-	-	-	55,398	-	-	124,054
Employee stock option	-	-	-	130,126	(32,454)	(55,504)	-	-	42,168
Difference between the actual acquisition or disposal of the equity of subsidiary and the book value	2,197	387	-	-	-	-	-	-	2,584
Changes in Net Equity of Affiliated Companies Recognized under the Equity Method	-	-	90	-	-	-	-	-	90
Stock Options	-	-	-	-	-	-	37,026	-	37,026
Donated Assets	-	-	-	-	-	-	-	64	64
	$ 1,864,432	$ 387	$ 90	$ 130,126	$ 744,000	($ 106)	$ 37,026	$ 64	$ 2,776,019

	2023					
	Opening balance	Disposal of equity in a subsidiary (without losing control)	Cost of share-based payment	Employee stock option expired	Treasury shares subscribed for by employees	Closing balance
Share premium	$ 1,792,249	$ -	$ -	$ 1,330	$ -	$ 1,793,579
Treasury stock transaction	22,175	-	-	-	46,481	68,656
Employee stock option	-	-	47,962	(1,330)	(46,632)	-

Difference between the actual acquisition or disposal of the equity of subsidiary and the book value	-	2,197	-	-	-	2,197
	$ 1,814,424	$ 2,197	$ 47,962	$ -	($ 151)	$ 1,864,432

(XVII) Retained earnings

1. According to the Company's Articles of Incorporation, if there are earnings in the annual final accounts, the Company shall pay income taxes first and compensate the accumulated deficits; appropriate 10% of the balance for legal reserve. For the remaining amount, a special reserve shall be set aside or reversed according to the laws or regulations of the competent authorities. Subsequently, if there is still a remaining amount, together with the undistributed earnings at the beginning of the same period, as accumulated distributable earnings to shareholders, the Board of Directors shall draft an earnings distribution proposal, and when it is distributed through the issuance of new shares, it shall be submitted to the shareholders' meeting for resolution before distribution.

   The Company is in the technology industry and the industrial environment change is rapid. With consideration of the future capital demand and sound financial planning for the sustainable development of the Company, it is preferable to adopt a stable dividend policy. The dividend rate is expected to be above 20%, and cash dividend accounts for more than 20% of the total shareholders' bonus. Nevertheless, when the price per share for the cash dividend is lower than NTD 0.1 (inclusive), no cash dividends are to be issued, but stock dividends are issued instead.

2. Except for covering accumulated deficit or issuing new stocks or cash to shareholders in proportion to their share ownership, the legal reserve shall not be used for any other purpose. The use of legal reserve for the issuance of stocks or cash to shareholders in proportion to their share ownership is permitted, provided that the distribution of the reserve is limited to the portion in excess of 25% of the Company's paid-in capital.

3. (1) In accordance with the regulations, the Company shall set aside special reserve from the debit balance on other equity items at the balance sheet date before distributing earnings. When debit balance on other equity items is reversed subsequently, the reversed amount could be included in the distributable earnings.

   (2) Upon first-time adoption of IFRSs, the special reserve was set aside per Letter Jin-Guan-Zheng-Fa No. 1010012865 dated April 6, 2012. When the Company subsequently uses, disposes of, or reclassifies relevant assets, the original proportion of the special reserve shall be reversed.

4. On March 4, 2025, the Board of Directors made the following proposal for the distribution of surplus in 2024:

	2024	
	Amount	Dividends per share (NTD)
Legal reserve	$ 2,241	

Cash dividend	35,094	$ 0.15
	$ 37,335	

On March 4, 2025, the Company's Board of Directors proposed to reverse the special reserve of NTD 11,219 in accordance with the reversal of other equity deduction items.

5. The 2023 earnings distribution proposal resolved by the Company’s shareholders’ meeting on May 30, 2024 was as follows:

	2023	
	Amount	Dividends per share (NTD)
Legal reserve	$ 19,718	
Special reserve	33,167	
Cash dividend	144,273	$ 0.65
	$ 197,158	

6. The 2022 earnings distribution proposal resolved by the Company’s shareholders’ meeting on May 30, 2023 was a follows:

	2022	
	Amount	Dividends per share (NTD)
Legal reserve	$ 10,430	
Special reserve	7,388	
Cash dividend	87,183	$ 0.40
	$ 105,001	

7. For the abovementioned information regarding the proposal approved by the Board of Directors and the resolution of the shareholders’ meeting for the distribution of earnings, please visit the “Market Observatory Post System (MOPS)” for details.

(XVIII) Operating revenue

1. The Company’s revenue is all from customer contracts, which are for goods transferred at a certain point in time. Please refer to the Operating Revenue Statement for the breakdown of its revenue.

2. The contract liabilities related to revenue from customer contracts recognized by the Company are as follows:

	December 31, 2024	December 31, 2023	January 1, 2023
Contract liabilities			

	2024	2023	
- Advance sales receipts	$ 10,065	$ -	$ 13,029

3. The opening balance of contract liabilities is recognized in income in the current period

	2024	2023
The opening balance of contract liabilities was recognized as income in the current period	$ -	$ 13,029

(XIX) Other revenue

	2024	2023
Dividend revenue	$ 1,080	$ -
Rental income	288	-
Other revenue	3,591	3,171
	$ 4,959	$ 3,171

(XX) Other gains and losses

	2024	2023
Net foreign currency exchange gains	$ 76,678	$ 9,770
(Losses) gains on disposal of property, plant and equipment	(53,025)	2,185
Gains arising from lease changes	24,766	-
Net gains on financial assets and liabilities at fair value through profit and loss	22,223	50,042
Other expenditures	(4,432)	(688)
	$ 66,210	$ 61,309

(XXI) Finance costs

	2024	2023
Interest expenses:		
Borrowings from banks	$ 24,302	$ 34,930
Lease liabilities	10,256	11,430
Amortization of Discount on Corporate Bonds Payable	5,808	-
	$ 40,366	$ 46,360

(XXII) Expenses by nature

By function / By nature	2024			2023		
	Operating cost	Operating expense	Total	Operating cost	Operating expense	Total

Employee benefit expenses						
Wages and salaries	$ 412,100	$ 98,717	$ 510,817	$ 386,475	$ 123,664	$ 510,139
Employee stock option expenses	-	130,126	130,126	-	47,962	47,962
Labor and health insurance expenses	44,227	9,235	53,462	41,761	9,302	51,063
Pension expenses	16,709	5,258	21,967	15,789	5,243	21,032
Remuneration to Directors	-	1,824	1,824	-	8,942	8,942
Other personnel expenses	23,635	3,829	27,464	22,196	3,395	25,591
Depreciation expenses	165,185	18,965	184,150	172,932	20,086	193,018
Amortization expenses	4,268	1,309	5,577	3,769	592	4,361

Note: (1) The monthly average number of employees for fiscal years 2024 and 2023 was 803 and 807, respectively, of which the number of directors who did not concurrently serve as employees was 7 for both years.

(2) Information on average employee benefit expenses and salaries and wages:

	2024	2023
Average employee benefit expenses	$ 934	$ 820
Average salaries and wages	$ 642	$ 638

A. The average employee benefits expense is calculated as: "Total employee benefit expenses – Total remuneration of directors" / "Number of employees for this year – Number of directors who did not serve as employees concurrently".

B. The average employee salaries and wages are calculated as: Total employee salary expenses / "Number of employees for this year – Number of directors who did not serve as employees concurrently".

(3) The average salaries and wages of employees for 2024 increased by 0.6% compared with the adjustment in 2023.

(4) The Company has set up an audit committee rather than engaging supervisors. Therefore, the remuneration of supervisors for 2024 and 2023 was both NTD 0.

(5) The Company's salary and remuneration policy: When the directors of the Company perform their duties, regardless of its operating profit or loss, the Company has to pay remuneration to directors. The board of directors is authorized to determine the remuneration does not exceed the amount of the highest job level as in the Company's management regulations based on their degree of participation in the Company's operations and the value of their contribution, while with reference to the usual standards of the industry. In addition, the appointment, dismissal, and remuneration of the President and

Vice Presidents of the Company shall be handled in accordance with the provisions of the Company Act. If the Company has a surplus, it shall be allocated for employee remuneration in accordance with Article 17 of the Company's Articles of Incorporation.

1. According to the Company's Articles of Incorporation, the Company shall deduct the distribution of the remuneration of employees and the remuneration of directors from the income before tax of the current fiscal year first, followed by compensating the accumulated loss amount. Where there is any remaining amount after such deduction, no less than 10% of such amount shall be appropriated as the remuneration of employees and no more than 3% of such amount shall be appropriated as the remuneration of Directors. Where the distribution of the employee remuneration is executed in stock or cash, it shall be passed with the consents of a majority of the attending Directors through a resolution at the Board of Directors' Meeting attended by more than two thirds of the directors. In addition, report to the shareholders' meeting shall also be made. Where the distribution of the employee remuneration is executed in stock, the employees of the Company's subsidiaries who meet certain specific requirements may be included.

2. The estimated employees' compensation and directors' remuneration amounted to NTD 2,245 and NTD 674, respectively in 2024, with employees' compensation recorded as wages and salaries, which were recognized according to company profitability within the range stipulated in the Company's Articles of Incorporation.

   The amounts of employee compensation and directors' remuneration for 2024 were resolved by the Board of Directors to be NTD 2,245 and NTD 674 respectively, both to be distributed in cash.

   The amounts of 2023 employee remuneration and director remuneration approved by resolution of the Board of Directors were NTD 26,874 and NTD 8,062. The amounts are consistent with those recognized in the 2023 financial report. They were all paid out in cash. As of December 31, 2024, they have not yet been fully paid out.

3. The relevant information on employee remuneration and remuneration of directors approved by the board of directors of the Company is available on MOPS.

(XXIII) Income Taxes

1. Income tax expense

   (1) Income tax expense components:

	2024	2023
Current income tax:		
Current income tax payable on income for the year	$ 2,451	$ 14,880
Income tax underestimates (overestimates) for prior years	599	(1,869)
Total of current income tax	3,050	13,011
Deferred income tax:		

	2024	2023
Initial recognition and reversal of temporary differences	(2,323)	19,903
Income tax expense	$ 727	$ 32,914

(2) Income tax relating to components of other comprehensive income is as follows:

	2024	2023
Differences on translation of foreign operations	$ 17,002	($ 8,292)
Remeasurement of defined benefit obligations	918	(924)
	$ 17,920	($ 9,216)

2. Reconciliation between income tax expense and accounting profit

	2024	2023
Income tax calculated based on profit before tax and statutory tax rate	$ 3,907	$ 46,760
Effect of income tax adjusted according to tax law	(7,221)	(10,551)
Unrecognized deferred income tax as a result of temporary differences	991	(1,665)
Income tax underestimates (overestimates) for prior years	599	(1,630)
Impact of income tax under the Minimum Tax System	2,451	-
Income tax expense	$ 727	$ 32,914

3. Amounts of deferred income tax assets or liabilities as a result of temporary differences and tax losses are as follows:

	2024			
	January 1	Recognized in profit or loss	Recognized in other comprehensive net profit	December 31
Temporary differences:				
Deferred income tax assets:				
Remeasurement of pension	$ 10,253	$ -	($ 918)	$ 9,335

Differences on translation of foreign operations	26,404	-	(17,002)	9,402
Inventory valuation losses	25,013	(4,257)	-	20,756
Unrealized exchange loss	6,315	(6,315)	-	-
Others	10,635	(1,361)	-	9,274
Tax losses	-	21,637	-	21,637
	78,620	9,704	(17,920)	70,404
Deferred income tax liabilities:				
Gains on investment in foreign long-term equity	(280,223)	(4,379)	-	(284,602)
Provision for land value increment tax	(41,193)	-	-	(41,193)
Unrealized exchange gains	-	(3,002)	-	(3,002)
	(321,416)	(7,381)	-	(328,797)
	($ 242,796)	$ 2,323	($ 17,920)	($ 258,393)

	2023			
	January 1	Recognized in profit or loss	Recognized in other comprehensive net profit	December 31
Temporary differences:				
Deferred income tax assets:				
Remeasurement of pension	$ 9,329	$ -	$ 924	$ 10,253
Differences on translation of foreign operations	18,112	-	8,292	26,404
Inventory valuation losses	27,908	(2,895)	-	25,013

Unrealized exchange loss	-	6,315	-	6,315
Others	12,200	(1,565)	-	10,635
	67,549	1,855	9,216	78,620
Deferred income tax liabilities:				
Gains on investment in foreign long-term equity	(258,076)	(22,147)	-	(280,223)
Provision for land value increment tax	(41,193)	-	-	(41,193)
Unrealized exchange gains	(389)	389	-	-
	(299,658)	(21,758)	-	(321,416)
	($ 232,109)	($ 19,903)	$ 9,216	($ 242,796)

4. Maturity of unused tax loss carryforwards and amounts of unrecognized deferred income tax assets are as follows:

December 31, 2024				
Year incurred	Declared/Approved amount	Unused amount	Unrecognized deferred income tax assets amount	Maturity year
2024	$ 108,184	$ 108,184	$ -	2034

5. The Company's income tax returns through 2022 have been assessed and approved by the Tax Authority.

(XXIV) Earnings per share (EPS)

	2024		
	After-tax amount	Weighted average number of ordinary shares outstanding (thousand shares)	Earnings per share (NTD)
Basic earnings per share			
Net profit attributable to ordinary shareholders for current period	$ 18,807	227,742	$ 0.08
Diluted earnings per share			
Net profit attributable to ordinary shareholders for current period	$ 18,807	227,742	

Effect of dilutive potential ordinary shares			
Employee stock option	-	17	
Employees' compensation	-	114	
Net profit attributable to ordinary shareholders for current period			
Plus the effect of potential ordinary shares	$ 18,807	227,873	$ 0.08

	2023		
	After-tax amount	Weighted average number of ordinary shares outstanding (thousand shares)	Earnings per share (EPS) (NTD)
Basic earnings per share			
Net profit attributable to ordinary shareholders for current period	$ 200,887	218,725	$ 0.92
Diluted earnings per share			
Net profit attributable to ordinary shareholders for current period	$ 200,887	218,725	
Effect of dilutive potential ordinary shares			
Employees' compensation	-	683	
Net profit attributable to ordinary shareholders for current period			
Plus the effect of potential ordinary shares	$ 200,887	219,408	$ 0.92

Note: When calculating diluted earnings per share, the convertible corporate bonds have an anti-dilutive effect; therefore, they are not included in the calculation of the effect of potentially dilutive common shares.

(XXV) Additional information on cash flow

1. Operating activities only with partial cash payments:

	2024	2023
Interest expenses	$ 34,558	$ 46,360
Add: Interest payable, beginning of period	1,075	1,079
Less: Interest payable, end of period	(1,364)	(1,075)
Cash paid during the current period	$ 34,269	$ 46,364

2. Investing activities only with partial cash payments:

Cash paid for purchase of property, plant and equipment

	2024	2023
Purchase of property, plant and equipment	$ 3,078,137	$ 152,509
Add: Opening balance of payable on equipment	9,273	6,678
Add: Ending balance of prepayments for equipment (Note)	284,078	11,562
Less: Opening balance of prepayments for equipment (Note)	(11,562)	(88,918)
Less: Ending balance of payable on equipment	(25,919)	(9,273)
Cash paid during the current period	$ 3,334,007	$ 72,558

(Note: Recognized as “other non-current assets”)

3. Net cash payment for repurchase of treasury shares

	2023
Monetary amount of repurchased treasury shares	$ 29,326
Less: Capital not yet paid	11,041
Less: Capital not yet paid (Note)	-
Net cash payment for repurchase of treasury shares	$ 40,367

(Note: Recognized in “other payables”)

(XXVI) Changes in liabilities from financing activities

	Short-term borrowings	Corporate Bonds Payable	Long-term borrowings (including current portion)	Lease liabilities	Total liabilities from financing activities
January 1, 2024	$ 240,000	$ -	$ 960,000	$ 315,085	$ 1,515,085
Changes in Cash Flows from Financing Activities	170,000	603,167	1,580,000	(41,540)	2,311,627
Non-cash changes					
- Lease changes	-	(33,018)	-	(267,734)	(300,752)
December 31, 2024	$ 410,000	$ 570,149	$ 2,540,000	$ 5,811	$ 3,525,960

	Short-term borrowings	Long-term borrowings (including current portion)	Lease liabilities	Total liabilities from financing activities
January 1, 2023	$ 260,000	$ 1,200,000	$ 339,102	$ 1,799,102
Changes in Cash Flows from Financing Activities	(20,000)	(240,000)	(41,308)	(301,308)
Non-cash changes				
- Lease changes	-	-	17,291	17,291
December 31, 2023	$ 240,000	$ 960,000	$ 315,085	$ 1,515,085

VII. Related Party Transactions

(I) Names of related parties and relationship

Names of related parties	Relationship with the Company
Ecocera Optronics Co., Ltd.	Subsidiary of the Company
Advance Venture Corporation	Subsidiary of the Company
I-Chiun Precision Electric industry (China) Co., Ltd.	Third-tier subsidiary of the Company
I-Chiun Technology (China) Co., Ltd.	Third-tier subsidiary of the Company
Mylight Technology Co., Ltd.	Second-degree Relative of the Company's Director Serving as Its Responsible Person
Zhuo Chuan Enterprise Co., Ltd.	Second-degree Relative of the Company's Director Serving as Its Responsible Person
CMTEK Co., Ltd.	The Company's associates (Note)

Note: Starting from April 1, 2024, the relationship between CMTEK Co., Ltd. and the Company has been adjusted from subsidiary to associate. Please refer to Note 6(6) for details.

(II) Significant related party transactions are as follows

1. Operating revenue

	2024	2023
Sales of finished goods:		
I-Chiun Technology (China) Co., Ltd.	$ 44,429	$ 25,707
Subsidiary	30	152
	44,459	25,859
Sales of modules:		
I-Chiun Technology (China) Co., Ltd.	-	3,989
	$ 44,459	$ 29,848

There is no significant difference in the transaction price of the Company's sales between related parties and non-related parties. The payment terms vary from O/A with net 90 days to 150 days depending on transaction counterparties.

2. Purchases

	2024	2023
Purchases of goods:		
I-Chiun Technology (China) Co., Ltd.	$ 497,399	$ 385,400
I-Chiun Precision Electric Industry (China) Co., Ltd.	197	-
Subsidiary	1,494	972
Other related parties	6,371	6,352
	$ 505,461	$ 392,724

The transaction price and payment terms in the Company's purchase of goods from related parties are not significantly different from those of general suppliers.

3. Receivables from related parties

	December 31, 2024	December 31, 2023
Accounts receivable:		
I-Chiun Technology (China) Co., Ltd.	$ 13,288	$ 17,524
Subsidiary	31	-
Loss allowance	(4)	(5)
	$ 13,315	$ 17,519

Receivables from related parties mainly come from sales transactions. The terms of sales transaction vary from O/A with net 90 days to 120 days depending on transaction counterparties. The receivables are unsecured in nature and bear no interest. As of December 31, 2024 and 2023, the allowance for losses was NTD 4 and NTD 5, respectively.

4. Payables to related parties

	December 31, 2024	December 31, 2023
Accounts payable:		
I-Chiun Technology (China) Co., Ltd.	$ 44,259	$ 35,803
Subsidiary	85	345
Other related parties	1,909	2,586
	$ 46,253	$ 38,734

Amounts payable to related parties mainly come from purchase transactions and acquisition of property, plant and equipment, and payment is made within 30–90 days after acceptance. The payable does not bear interest.

5. Asset transactions

(1) Disposal of property, plant and equipment:

	2024		2023	
	Disposal Proceeds	Gain (Loss) on Disposal	Disposal Proceeds	Gain (Loss) on Disposal
I-Chiun Technology (China) Co., Ltd.	$ 637	$ 2	$ -	$ -

(2) Financial assets acquired

				2024
	Account	Number of shares traded	Asset traded	Payment for acquisition
The Company	Investments accounted for under equity method (Note)	3,087,288	CMTEK Co., Ltd.	$ 34,767

Note: Starting from April 1, 2024, the relationship between CMTEK Co., Ltd. and the Company has been adjusted from subsidiary to associate. Please refer to Note 6(6) for details.

6. Loans to related parties

(1) Closing balance (recognized in "Other receivables – related parties")

	December 31, 2024	December 31, 2023
I-Chiun Technology (China) Co., Ltd.	$ -	$ 39,346
Advance Venture Corporation	30,000	5,000
	$ 30,000	$ 44,346

(2) Interest revenue

	2024	2023
Subsidiary	$ 527	-

7. For the endorsements/guarantees provided by the Company to related parties, please refer to Note 9(2) for details.

(III) Information on key management compensation

	2024	2023
Share-based payment	$ 14,625	$ 8,295
Short-term employee benefits	10,726	21,813

Post-employment benefits	361	361
	$ 25,712	$ 30,469

VIII. Pledged Assets

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

Asset Items	Book value December 31, 2024	December 31, 2023	Purpose of collateral
Land	$ 2,132,009	$ 113,759	Collateral for long-term borrowings (including current portion)
Buildings and structures	1,146,766	229,828	Collateral for long-term borrowings (including current portion)
Machinery and equipment	-	82,763	Collateral for long-term borrowings (including current portion)
Other equipment	-	38,390	Collateral for long-term borrowings (including current portion)
Financial assets at amortized cost – current	-	28,000	Collateral for long-term borrowings (including current portion)
	$ 3,278,775	$ 492,740	

IX. Significant Contingent Liabilities and Unrecognized Contract Commitments

(I) Contingencies

None.

(II) Commitments

1. Capital expenditure contracted for at the balance sheet date but not yet incurred is as follows

	December 31, 2024	December 31, 2023
Property, plant and equipment	$ 786,473	$ 1,745

On September 10, 2024, the Company's Board of Directors approved the purchase of land located in the Dingkan Section, Sanchong District, New Taipei City, for NTD 795,579 thousand. As of December 31, 2024, a signing payment of NTD 80,000 thousand has been made (listed under "Other non-current assets"), and according to the contract terms, the remaining unpaid amount is NTD 715,579 thousand.

2. For subsidiaries to obtain borrowing facilities from banks, the amount of the endorsements/guarantees provided by the Company is detailed in the Note 13 to Table 2.

X. Significant Disaster Loss

None.

XI. Significant Events after the Balance Sheet Date

On March 4, 2025, the Company's 2024 earnings distribution plan was approved by the Board of Directors. Please refer to Note 6(17) for details.

XII. Others

(I) Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns to shareholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

(II) Financial Instruments

1. Categories of financial instruments

	December 31, 2024	December 31, 2023
Financial asset		
Financial assets at fair value through profit and loss	$ 158,714	$ 157,225
Financial assets at amortized cost		
Cash and cash equivalents	$ 343,365	$ 557,972
Financial assets at amortized cost	-	28,000
Notes receivable	42	-
Accounts receivable (including related parties)	1,080,201	978,311
Other receivables – (including related parties)	100,062	133,035
Refundable deposit (recognized as "other non-current assets")	39,889	8,897
	$ 1,563,559	$ 1,706,215

	December 31, 2024	December 31, 2023
Financial liabilities		
Financial liabilities at amortized cost		
Short-term borrowings	$ 410,000	$ 240,000

Accounts payable (including related parties)	276,912	304,055
Other payables	207,920	183,606
Corporate Bonds Payable	570,149	-
Long-term borrowings (including current portion)	2,540,000	960,000
Guarantee deposits received (recognized in other non-current liabilities)	152	104
	$ 4,005,133	$ 1,687,765
Lease liabilities	$ 5,811	$ 315,085

2. Risk management policy

   (1) The Company's activities have exposed it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk, and price risk), credit risk, and liquidity risk.

   (2) Risk management is carried out by the Company's finance department in line with the policies approved by the board of directors. The finance department identifies, evaluates, and hedges financial risks in close cooperation with the Company's operating units. The board of directors provides written principles for overall risk management, as well as written policies covering specific areas and matters, such as foreign exchange risk, interest rate risk, credit risk, use of derivative and non-derivative financial instruments, and remaining circulating capital investment.

3. Significant financial risks and degrees of financial risks

   (1) Market risk

   Exchange rate risk

   A. The Company operates its business transnationally, so it is subject to the exchange rate risk arising from transactions in currencies different from the functional currencies (mainly USD and RMB) used by the Company. The exchange rate risk arises from future business transactions and assets and liabilities recognized.

   B. The management of the Company has established policies to regulate the exchange rate risk of each company within the Group in relation to its functional currency. The companies shall hedge against the overall exchange rate risk through the Group's finance department. The exchange rate risk is measured by expected transactions with USD and RMB expenditures that are highly likely to occur. The Company achieves natural hedging through the positions of foreign currency assets and liabilities held and the arrangement of the recovery period.

   C. The Company's businesses involve some non-functional currency operations (the Company's functional currency: NTD). The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

	December 31, 2024			
	Foreign currency amount (in thousand)	Exchange rate		Carrying amount (NTD)
(Foreign currency: functional currency)				
Financial asset				
Monetary items				
USD : NTD	$ 28,226	32.785	$	925,389
RMB : NTD	8,570	4.478		38,376
Financial liabilities				
Monetary items				
USD : NTD	$ 2,950	32.785	$	96,716
JPY : NTD	67,258	0.210		14,124

	December 31, 2023			
	Foreign currency amount (in thousand)	Exchange rate		Carrying amount (NTD)
(Foreign currency: functional currency)				
Financial asset				
Monetary items				
USD : NTD	$ 35,891	30.705	$	1,102,033
RMB : NTD	30,384	4.327		131,472
Financial liabilities				
Monetary items				
USD : NTD	$ 3,548	30.705	$	108,941
JPY : NTD	5,424	0.217		1,178

D. Exchange rate fluctuations have a significant influence on the Company's monetary items. The aggregate amount of all exchange gains (including realized and unrealized) were NTD 76,678 and NTD 9,770 in 2024 and 2023, respectively.

Analysis of foreign currency market risk arising from significant foreign exchange variation:

	2024

	Sensitivity analysis		
	Exchange rate band	Effect on profit or loss	Effect on other comprehensive income
(Foreign currency: functional currency)			
Financial asset			
Monetary items			
USD : NTD	1%	$ 9,254	$ -
RMB : NTD	1%	384	-
Financial liabilities			
Monetary items			
USD : NTD	1%	$ 967	$ -
JPY : NTD	1%	141	-

	2023		
	Sensitivity analysis		
	Exchange rate band	Effect on profit or loss	Effect on other comprehensive income
(Foreign currency: functional currency)			
Financial asset			
Monetary items			
USD : NTD	1%	$ 11,020	$ -
RMB : NTD	1%	1,315	-
Financial liabilities			
Monetary items			
USD : NTD	1%	$ 1,090	$ -
JPY : NTD	1%	12	-

Price risk

A. The Company's equity instruments exposed to price risk are financial assets held at fair value through profit and loss. To manage its price risk arising from investments in equity securities, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company.

B. The Company mainly invests in equity instruments issued by domestic companies. The prices of such equity instruments would change due to the change of the future value of the targets in the investments. If the prices of these equity instruments had increased/decreased by 1% with all other variables held constant, the net profit after tax for 2024 and 2023 would have increased or decreased by NTD 1,587 and NTD 1,572, respectively, due to the gains or losses on equity instruments at fair value through profit and loss.

Cash flow and fair value interest rate risk

A. The Company's interest rate risk mainly comes from short- and long-term borrowings issued at floating interest rates, exposing the Company to the interest rate risk of cash flow. In 2024 and 2023, the Company's loans taken out at floating interest rates were mainly in New Taiwan dollars.

B. The Company's loans are measured at amortized cost and the annual interest rate will be repriced every year according to the contracts. Therefore, the Company is exposed to the risk of future market interest rate changes.

C. When the NTD borrowing interest rate rose or fell by 1%, with all other factors held constant, the net profit after tax would have decreased or increased by NTD 23,600 and NTD 9,600 in 2024 and 2023, respectively, as the interest expenses would change with the floating interest rates for the borrowings.

(2) Credit risk

A. The credit risk of the Company is the risk of financial loss suffered by the Company arising from the failure of customers or counterparties of financial instruments to fulfill contractual obligations. It mainly comes from counterparties' inability to settle the accounts receivable paid in accordance with the payment terms and the contractual cash flow of financial assets at amortized cost.

B. The Company has established a management mechanism for credit risk. In accordance with the internal credit policy, the Company must conduct management and credit risk analysis of each new customer before deciding payment and delivery terms and conditions. The internal risk control system evaluates the credit quality of customers by considering their financial positions, past experience, and other factors. Individual risk limits are set by the board of directors based on internal or external ratings, and the drawdown of credit limits is regularly monitored.

C. When a contract payment is overdue for more than 90 days according to the agreed payment terms, it is deemed to have been in default by the Company.

D. The Company adopts the following conditions and assumptions as the basis for judging whether the credit risk of financial instruments has increased significantly since initial recognition:

(A) When a contract payment is overdue for more than 30 days in accordance with the agreed payment terms, it is deemed that the credit risk of a financial asset has increased significantly since the initial recognition.

(B) Actual or expected significant changes in the external credit ratings of financial instruments occur.

E. The indicators adopted by the Company to judge whether there are signs of credit impairment for debt instrument investment are as follows:

(A) The issuer has encountered major financial difficulties, or has the increasing possibility of going into bankruptcy or other financial restructuring;

(B) The active market for the financial asset disappears due to the issuer's financial difficulties;

(C) The issuer's delay or non-payment of interest or principal;

(D) Unfavorable changes in national or regional economic conditions related to the issuer's breach of contract.

F. The Company conducts individual assessments on notes and accounts receivable that have been in default. For the rest, the notes and accounts receivable according to the Company' credit conditions and historical loss rate, and adopts a simplified approach to estimate expected credit losses based on loss rates. The Company includes the forward-looking information of the Taiwan Institute of Economic Research's business observation report and adjusts the loss rates established based on historical and current information for a specific period to estimate the loss allowance for notes and accounts receivable. According to the individual and loss rate methods as of December 31, 2024 and 2023, the estimated loss allowance for notes and accounts receivable is as follows:

	Individuals	Group A	Group B	Group C	Total
December 31, 2024					
Expected loss rate	100%	0.6%	3.04%-28.83%	0.03%	
Total book value	$ 185,480	$ 1,007,908	$ 69,912	$ 13,319	$ 1,276,619
Loss allowance	$ 185,480	$ 6,047	$ 4,845	$ 4	$ 196,376
December 31, 2023					
Expected loss rate	100%	0.6%	2.15%-63.04%	0.03%	
Total book value	$ 182,965	$ 893,974	$ 74,188	$ 17,524	$ 1,168,651
Loss allowance	$ 182,965	$ 5,364	$ 2,006	$ 5	$ 190,340

Group A: High-quality customers rated by the Company.

Group B: Other customers.

Group C: Related parties

G. The Company's table of changes in simplified loss allowance for account receivable are as follows:

	2024	2023
January 1	$ 190,340	$ 198,132
Impairment loss recognized	8,316	-
Impairment loss reversed	-	(7,673)
Others	(2,280)	(119)

December 31	$ 196,376	$ 190,340

(3) Liquidity risk

A. Cash flow forecasting is performed by the Company's general management office and compiled by the finance department. The finance department monitors forecasts of the Company's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Company does not breach borrowing limits or covenants on any of its borrowing facilities.

B. When the remaining cash held by the Company exceeds the working capital required, the Company's finance department invests the remaining funds in time deposits, money market deposits, and securities. The instruments selected are with an appropriate maturity date or sufficient liquidity to respond to the forecast above and provide adequate liquidity.

C. The Company's non-derivative financial liabilities are analyzed into relevant maturity groupings in the table below; the non-derivative financial liabilities are based on the remaining period from the balance sheet date to the contractual maturity date. The contractual cash flow amounts disclosed in the table below are undiscounted.

Non-derivative financial liabilities:

	December 31, 2024		December 31, 2023	
	Less than 1 year	Over 1 year	Less than 1 year	Over 1 year
Short-term borrowings	$ 411,659	$ -	$ 240,785	$ -
Accounts payable	276,912	-	304,055	-
Other payables	207,920	-	183,606	-
Corporate Bonds Payable	-	600,000	183,606	-
Long-term borrowings (including current portion)	49,530	3,107,870	979,193	-
Lease liabilities	5,236	636	53,451	304,675
Guarantee deposits received (recognized in other non-current liabilities)	-	152	-	104

(III) Fair value information

1. The different levels that the inputs to valuation techniques are used to measure fair value of financial and non-financial instruments have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that an entity can access at the measurement date. A market is regarded as active where a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The fair value of the listed stocks invested by the Company belongs to this level.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. The convertible bonds issued by the Group fall into this category.

Level 3: Unobservable inputs for the asset or liability. The fair values of the Company's investments in non-listed/OTC stocks, venture capital private equity fund investments, and certain derivative instruments are included in this category.

2. Financial instruments not measured at fair value

(1) Except for the items listed in the table below, the carrying amounts of financial instruments including cash and cash equivalents, notes receivable, accounts receivable, other receivables, financial assets measured at amortized cost, short-term borrowings, accounts payable, other payables, and long-term borrowings (including the portion due within one year) are reasonable approximations of fair value.

December 31, 2023: None.

	December 31, 2024			
		Fair value		
	Carrying amount	Level 1	Level 2	Level 3
Financial liabilities:				
Corporate Bonds Payable	$ 570,149	$ -	$ 572,340	$

(2) The methods and assumptions used to estimate fair value are as follows:

Corporate bonds payable: Measured at the present value of expected cash flows discounted using market interest rates as of the balance sheet date.

3. For financial and non-financial instruments measured at fair value, the Company classifies them based on the nature, characteristics, and risks of the assets and their fair value hierarchy levels. The relevant information is as follows:

(1) The Company has classified assets according to their nature, and the relevant information is as follows:

December 31, 2024	Level 1	Level 2	Level 3	Total
Asset				
Fair value on a recurring basis				
Financial assets at fair value through profit and loss				
Equity securities	$ 136,516	$ -	$ 22,198	$ 158,714
Liability				
Fair value on a recurring basis				
Financial liabilities at fair value through profit and loss:				

Derivatives	$ -	$ -	$ 2,220	$ 2,220

December 31, 2024	Level 1	Level 2	Level 3	Total
Asset				
Fair value on a recurring basis				
Financial assets at fair value through profit and loss				
Equity securities	$ 137,225	$ -	$ 20,000	$ 157,225

(2) The methods and assumptions used by the Company to measure fair value are explained as follows:

A. The closing price of the listed stocks is used by the Company as the fair value input (i.e., Level 1).

B. Except for the abovementioned financial instruments with active markets, the fair value of other financial instruments is obtained through valuation techniques or by referring to the quoted prices offered by counterparties.

4. The Company did not have any transfers between the Level 1 and Level 2 fair value in 2024 and 2023.

5. The Company had no transfers into or out of Level 3 during 2023. The movements within Level 3 during 2024 are as follows:

	2024	
	Derivatives (liabilities)	Equity instruments (assets)
January 1	$ -	$ 20,000
Issuance during the period	(1,800)	-
Gains or (losses) recognized in profit or loss	(420)	2,198
December 31	($ 2,220)	$ 22,198
Changes in unrealized gains or losses included in profit or loss for assets and liabilities held at the end of the period (Note 1)	($ 420)	$ 2,198

6. The Company conducts independent fair value verification for financial instruments with their fair value classified as Level 3, through which data from independent sources is used to make the evaluation results close to the market level, to as to confirm that the data sources are independent, reliable, consistent with other resources, and representative of executable prices. The Company also regularly calibrates the valuation model, conducts back-testing, updates inputs, data, and any other necessary fair value adjustments to ensure that the valuation results are reasonable.

7. The quantitative information about the significant unobservable inputs of the valuation model used in the Level 3 fair value measurement items and the sensitivity analysis of the significant unobservable input changes are described below:

	December 31, 2024 Fair value	Valuation technique	Significant unobservable input	Range (Weighted Average)	Relationship between input and fair value
Non-derivative equity instruments:					
Venture Capital Company Stocks					
Private Equity Fund Investments	$ 22,198	Net asset value method	Not applicable	Not applicable	Not applicable
Derivative equity instruments:					
Convertible corporate bonds					
Call options and put options	($ 2,220)	Binomial tree convertible bond valuation model	Stock price volatility	62.22%	Higher stock price volatility leads to greater changes in fair value

	December 31, 2023 Fair value	Valuation technique	Significant unobservable input	Range (Weighted Average)	Relationship between input and fair value
Non-derivative equity instruments:					
Venture Capital Company Stocks					
Private Equity Fund Investments	$ 20,000	Net asset value method	Not applicable	Not applicable	Not applicable

8. The valuation model and valuation parameters are selected by the Company after prudent evaluation, but the use of different valuation models or valuation parameters may result in different valuation results. For financial assets classified as Level 3 fair value, in the case of a change in valuation parameters, the effect on the current profit and loss will be as follows:

		December 31, 2024	
		Recognized in profit or loss	
Input	Change	Favorable change	Unfavorable change

	Input	Change	Favorable change	Unfavorable change
Financial asset				
Equity instrument	Discount for lack of market liquidity	±1%	$ 222	($ 222)
Financial liabilities				
Derivatives	Volatility	±1%	$ 20	($ 60)

			December 31, 2023	
			Recognized in profit or loss	
	Input	Change	Favorable change	Unfavorable change
Financial asset				
Equity instrument	Discount for lack of market liquidity	±1%	$ 200	($ 200)

XIII. Supplementary Disclosures

(I) Information on significant transactions

1. Loans to others: Please refer to Table 1.
2. Provision of endorsements and guarantees to others: Please refer to Table 2.
3. Marketable securities held at the end of period (not including subsidiaries, associates, and joint ventures): Please refer to Table 3.
4. Accumulated purchases or sales of the same securities reaching NTD 300 million or 20% of paid-in capital or more: Please refer to Table 4.
5. Acquisition of real estate reaching at least NTD 300 million or 20% of the paid-in capital: Please refer to Table 5.
6. Disposal of real estate reaching at least NTD 300 million or 20% of the paid-in capital: None.
7. Purchases or sales of goods from or to related parties reaching at least NTD 100 million or 20% of the paid-in capital: Please refer to Table 6.
8. Receivables from Related Parties Reaching at Least NTD 100 Million or 20% of the Paid-in Capital: None.
9. Trading in derivative instruments: Please refer to Note 6(2).
10. Business relations and important transactions between parent company and subsidiaries and among subsidiaries and amounts: Please refer to Table 7.

(II) Information related to reinvested enterprises

Information on investees (name, location, etc.) (not including investees in mainland China): Please refer to Table 8.

(III) Information on Investments in Mainland China

1. Basic information: Please refer to Table 9.

2. Significant transactions with investees in mainland China, either directly or indirectly, through third-region businesses: Please refer to Note 13.

(IV) Information on major shareholders

Information on major shareholders: Please refer to Table 10.

XIV. Segment Information

Not applicable.

I-CHIUN PRECISION INDUSTRY CO., LTD. AND ITS SUBSIDIARIES

Loans to Others

For the Year Ended December 31, 2024

Table 1 | Unit: NTD thousand (except as otherwise indicated)

No.	Lender	Borrower	General ledger account	Related party status	Maximum amount of the current period	Closing balance (Note 3)	Actual amount drawn down	Interest rate range	Nature of loan	Amount of transactions with borrower (Note 2)	necessity of short-term financing	Allowance for bad debt	Collateral Name	Collateral Value	Limit on loans granted to a single party (Note 1)	Total limit on loans granted (Note 1)	Remarks
	I-CHIUN PRECISION INDUSTRY CO., LTD	Advance Venture Co	Other receivables - related parties	Y	30,000	30,000	30,000	2.5~2.7%	Short-term financing	-	Working capital	-	-	-	260,418	2,083,344	-
	I-Chiun Precision Electric Industry (China) Co., Ltd.	I-Chiun Technology (China) Co., Ltd.	Other receivables - related parties	Y	107,445	61,298	61,298	0%	Short-term financing	-	Working capital	-	-	-	291,928	583,856	-

Note 1: The "Procedures for Lending Funds to Others" established by the Company and I-CHIUN CAYMAN PRECISION INDUSTRY CO., LTD. stipulates that the total amount of funds lent to others shall not exceed 40% of the Company's net worth as shown in its most recent financial statements.

For fund lending due to business relationships, the accumulated lending amount shall not exceed 30% of the net worth as shown in the most recent financial statements, and the amount lent due to business relationships shall not exceed the amount of business transactions (Note 2). For short-term financing needs, the accumulated lending amount shall not exceed 10% of the net worth as shown in the most recent financial statements. The amount lent to an individual company shall not exceed 5% of the Company's net worth.

I-Chiun Precision Electric Industry (China) Co., Ltd.'s "Procedures for Lending Funds to Others" stipulates that for short-term financing needs, the accumulated lending amount shall not exceed 20% of the net worth as shown in the most recent financial statements. The amount lent to an individu company shall not exceed 10% of the company's net worth. For fund lending to foreign subsidiaries in which the parent company directly and indirectly holds 100% of the voting shares, the total amount of funds lent shall not exceed 40% of the lending company's net worth, and the amount lent to an individual company shall not exceed 20% of the Company's net worth.

I-Zou Hi-Tech (SZN) Co., Ltd.'s "Procedures for Lending Funds to Others" stipulates that for short-term financing needs, the accumulated lending amount shall not exceed 10% of the net worth as shown in the most recent financial statements. The amount lent to an individual company shall not exceed 8% of the company's net worth, and the amount lent due to business relationships shall not exceed the amount of business transactions (Note 2). For fund lending to foreign subsidiaries in which the parent company directly and indirectly holds 100% of the voting shares, the total amount of funds lent shall not exceed 40% of the lending company's net worth, and the amount lent to an individual company shall not exceed 20% of the Company's net worth.

I-Chiun Technology (China) Co., Ltd.'s "Procedures for Lending Funds to Others" stipulates that for short-term financing needs, the accumulated lending amount shall not exceed 20% of the net worth as shown in the most recent financial statements. The amount lent to an individual company shall not exceed 10% of the company's net worth. For fund lending to foreign subsidiaries in which the parent company directly and indirectly holds 100% of the voting shares, the total amount of funds lent shall not exceed 40% of the lending company's net worth, and the amount lent to an individual company shall not exceed 20% of the Company's net worth.

The latest financial statements refer to the most recent financial statements that have been audited (attested) by CPAs.

Note 2: The amount of business transactions refers to the amount of purchases, sales, or purchases of fixed assets between both parties; if there are purchases, sales, or purchases of fixed assets at the same time, the higher of the statistical amount of purchases, sales, or purchases of fixed assets in the previous year shall prevail.

Note 3: The closing balance refers to the amount of loans approved by the Board of Directors.

I-CHIUN PRECISION INDUSTRY CO., LTD. AND ITS SUBSIDIARIES

Provision of endorsements and guarantees to others

For the Year Ended December 31, 2024

Table 2

Unit: NTD thousand

:EPT AS OTHERWISE INDICATED)

No. (Note 1)	Endorser/guarantor	Party endorsed/guaranteed Company name	Relationship (Note	endorsements/guarantees provided to a single party	outstanding endorsement/guarantee amount	endorsement/guarantee amount at the	Actual amount drawn down (Note 6)	endorsements/guarantees secured with	endorsement/guarantee amount to net asset value of the	Upper limit on endorsements/guarantees provided	Parent company to subsidiary	parent company (Note 7)	To party in Mainland China (Note 7)	:emark
0	I-CHIUN PRECISION INDUSTRY CO.,	I-Chiun Technology (China) Co., Ltd.	2	1,041,672	308,627	195,672	67,170	-	4%	2,604,181	Y	N	Y	-
1	I-Chiun Precision Electric industry (China) Co., Ltd.	I-Chiun Technology (China) Co., Ltd.	4	291,928	136,350	134,340	-	-	9%	729,820	N	N	Y	-

Note 1: The information shall be indicated in the No. column as follows:

(1). The Issuer is coded “0.”

(2). The investees are coded sequentially beginning from “1” by each individual company.

Note 2: Relationship between the endorser/guarantor and the party endorsed/guaranteed is classified into the following 7 categories; just enter the code:

(1). A company with which it does business.

(2). A company in which the Company directly or indirectly holds more than 50% of the voting shares.

(3). A company that directly or indirectly holds more than 50% of the voting shares in the Company.

(4). Companies in which the Company holds, directly or indirectly, 90% or more of the voting shares.

(5). Between companies in the same industry or joint applicants to undertake projects who are required to provide mutual endorsements/guarantees to the other company in accordance with the contractual terms.

(6). Companies that are endorsed and guaranteed by all shareholders based on their shareholding ratios because of a joint investment relationship.

(7). The joint guarantee for the performance of a pre-sale property sales contract between entities in the same industry in accordance with the Consumer Protection Act.

Note 3: For the Company, I-Chiun Technology (China) Co., Ltd., I-Chiun Precision Electric Industry (China) Co., Ltd., the guarantee provided to other companies shall not exceed 50% of the net worth as per the latest financial statement;

the guarantee provided to a single enterprise shall not exceed 20% of the net worth as per the most recent financial statements.

The latest financial statements refer to the most recent financial statements that have been audited (attested) by CPAs.

Note 4: The highest balance of the endorsements/guarantees provided to others in the current year.

Note 5: The amount approved by the Board of Directors shall be entered. However, where the board of directors authorizes the Chairman to make a decision in accordance with Subparagraph 8, Article 12 of the Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies, it refers to the amount to be determined by the Chairman.

Note 6: The actual amount drawn by the company endorsed within the limit of the balance of endorsement/guarantee shall be entered.

Note 7: “Y” shall be entered only for the endorsement/guarantee provided by the publicly listed parent company to subsidiary, by subsidiary to the publicly listed parent company, and to entities in mainland China.

I-CHIUN PRECISION INDUSTRY CO., LTD. AND ITS SUBSIDIARIES

Marketable Securities Held at the End of Period (Not Including Subsidiaries and Associates)

December 31, 2024

Table 3

Unit: NTD thousand

(except as otherwise indicated)

Securities held by	Type and name of securities		Relationship with the securities issuer	General ledger account	End of period				Remarks
					Number of shares (shares in thousand)	Carrying amount	Shareholding ratio	Fair value	
I-CHIUN PRECISION INDUSTRY C	Stock	I-Energy	-	Financial assets at fair value through profit and loss – curre	84	968	0.13%	968	No pledge provided
I-CHIUN PRECISION INDUSTRY C	Stock	LuxNet	-	Financial assets at fair value through profit and loss – curre	721	135,548	0.51%	135,548	No pledge provided
I-Zou Hi-Tech (SZN) Co., Ltd.	Stock	Lanke Electronic Co., Ltd.	-	Financial assets at fair value through profit and loss – non-	1,519	-	1.48%	-	No pledge provided
I-CHIUN PRECISION INDUSTRY C	Stock	Unity Opto	-	Financial assets at fair value through profit and loss – non-	3,157	-	0.68%	-	No pledge provided
I-CHIUN PRECISION INDUSTRY C	Stock	Beili Biotechnology	-	Financial assets at fair value through profit and loss – non-	2,053	22,198	1.00%	22,198	No pledge provided
I-CHIUN PRECISION INDUSTRY C	Preference share	Mylight Technology	relative within second degree of kinship of a	Financial assets at fair value through profit and loss – non-	5,000	-	15.14%	-	No pledge provided

I-CHIUN PRECISION INDUSTRY CO., LTD. AND ITS SUBSIDIARIES

Acquisition or sale of the same security with the accumulated cost exceeding at least NTD 300 million or 20% of the paid-in capital

For the Year Ended December 31, 2024

Table 4

Unit: NTD thousand

(except as otherwise indicated)

					period		Purchase		Sale				End of period	
Buying/Selling	Type and name of	General ledger	Transaction	Relation	Shares	Amount	Shares	Amount	Shares	Selling Price	Book Cost	Disposal	Shares	Amount
I-CHIUN PRECISION INDUSTRY CO., LTD.	Stock Wistron NeWeb Corporation	Financial assets at fair value through profit and loss –	-	-	-	-	1,942,000	$ 291,167	1,942,000	$ 311,852	$ 291,167	$ 20,685	-	$ -
I-CHIUN PRECISION INDUSTRY CO., LTD.	Stock LuxNet Corporation	Financial assets at fair value through profit and loss – current	-	-	-	-	1,783,000	$ 305,195	1,062,000	$ 181,464	$ 166,469	$ 14,995	721	$ 135,548

I-CHIUN PRECISION INDUSTRY CO., LTD. AND ITS SUBSIDIARIES

Acquisition of property reaching at least NTD 300 million or 20% of the paid-in capital

For the Year Ended December 31, 2024

Table 5

Unit: NTD thousand

(except as otherwise indicated)

Company acquiring real estate	Property Name	Date of Occurrence	Transaction Amount	Payment Status	Transaction counterparty	Relationship	If Transaction Counterparty is a Related Party, Previous Transfe Information				Basis for Price Determination	Acquisition and Usage	Terms and Conditions
							Owner	Relationship with the issuer	Transfer Date	Amount			
I-CHIUN PRECISION INDUSTRY CO., LTD.	New Taipei City, Xinzhuang District, Xinzhi Section, Lot number 54, 54-1 and New Building	July 10, 2024	$ 2,990,000	$2,999,000 paid according to agreement (Property has been delivered)	Shin Ruenn development Co., LTD	-	-	-	-	$ -	Note 4	Operational needs and future business development and planning	-
I-CHIUN PRECISION INDUSTRY CO., LTD.	New Taipei City, Sanchong District, Dingkan Section, Lot Numbers 719-723	eptember 10, 202	795,579	$80,000 paid according to agreement	YUNG LEADER MECHANICAL CO., LTD.	-	-	-	-	-	Note 5	Operational needs and future business development	-

Note 1: For assets acquired that require appraisal according to regulations, the appraisal results should be noted in the “Basis for Price Determination” column.
Note 2: The paid-in capital refers to the paid-in capital of the parent company. For issuers with no par value shares or with par value other than NT$10 per share, the transaction amount provision of 20% of paid-in capital shall be calculated as 10%
Note 3: Date of occurrence refers to the date of contract signing, date of payment, date of consignment trade, date of transfer, dates of boards of directors resolutions, or other date that can confirm the counterpart and monetary amount of the transac
Note 4: The reference basis for price determination is the real estate appraisal report: (1) REPROKF International Real Estate Appraisers Office, appraised amount: NT$3,120,000 thousand (2) BONDE Real Estate Appraisers Joint Office, appraisec
Note 5: The reference basis for price determination is the real estate appraisal report: CCIS Real Estate Joint Appraisers Firm, appraised amount: NT$762,031 thousand.

I-CHIUN PRECISION INDUSTRY CO., LTD. AND ITS SUBSIDIARIES

Purchases or Sales of Goods from or to Related Parties Reaching at Least NT$100 Million or 20% of the Paid-in Capital

For the Year Ended December 31, 2024

Table 6

Unit: NTD thousand

(except as otherwise indicated)

			Transaction				transaction conditions are		Notes/Accounts receivable (payable)		
Purchase (sale) Company	Transaction counterparty	Relationship	Purchase (sale)	Amount	Proportion to total purchases (sales)	Credit period	Unit price	Credit period	Balance	Proportion to notes/accounts receivable (payable)	Remarks
I-Chiun Technology (China) Co., Ltd.	UN PRECISION INDUSTRY CO.	Ultimate parent company	Sales	$ 497,399	29%	Payment terms: 30 days end of month	Not applicable	-	$ 44,429	8%	

I-CHIUN PRECISION INDUSTRY CO., LTD. AND ITS SUBSIDIARIES

Business Relations and Important Transactions Between Parent Company and Subsidiaries and Among Subsidiaries and Amounts

For the Year Ended December 31, 2024

Table 7

Unit: NTD thousand

(except as otherwise indicated)

No. (Note 1)	Company name	Transaction counterparty	Relationship with transaction counterparty (Note 2)	Transactions			
				General ledger account	Amount	Transaction terms	Proportion of consolidated total operating revenues or total assets (Note 3)
	I-Chiun Technology (China) Co., Ltd.	I-CHIUN PRECISION INDUSTRY CO., LTD	2	Sales revenue	$ 497,399	Payment terms: 30 days end	9

Note 1: The information on such transactions between the parent company and its subsidiaries and inter-company ones shall be indicated in the No. column as follows:

(1) Parent company is coded "0."

(2) The subsidiaries are coded sequentially beginning from "1" by each individual company.

Note 2: There are three types of relationships with the Company. Just enter the code:

(1) Parent company to subsidiary.

(2) Subsidiary to parent company.

(3) Subsidiary to subsidiary.

Note 3: Regarding the proportion of transaction amount to consolidated total operating revenues or total assets, it is computed based on the closing balance of transactions to consolidated total assets if it is recognized in the balance sheet account, while i

Note 4: The criteria for said disclosure is a transaction reaching at least NTD 100 million or 20% of the paid-in capital. However, the above-mentioned related party transactions have been eliminated when the consolidated statements were prepared.

I-CHIUN PRECISION INDUSTRY CO., LTD. AND ITS SUBSIDIARIES

Information on Investees (Name, Location, etc.) (Not Including Investees in Mainland China)

For the Year Ended December 31, 2024

Table 8

Unit: NTD thousand
(except as otherwise indicated)

Name of Investor	Name of investee	Location	Main business activities	Initial investment amount		Shares held at the end of period			investee of the current period (Note 1)	Investment gains (loss) recognized for current period (Note 2)	Remarks
				End of current perioc	nce as the end of last	Shares	Ratio	Carrying amount			
I-CHIUN PRECISION INDUSTRY CO., LTD.	MORE FORTUNE PROFITS LIMITED	British Virgin Islands	General investment	$ 1,155,595	$ 1,155,595	36,179,299	100%	$ 2,467,815	$ 21,895	$ 21,895	-
I-CHIUN PRECISION INDUSTRY CO., LTD.	Ecocera Optronics Co., Ltd.	Taiwan	Manufacturing and trading of LED ceramic bases	260,497	260,497	18,365,773	69.720%	389,773	121,637	84,805	-
I-CHIUN PRECISION INDUSTRY CO., LTD.	Advance Venture Corporation	Taiwan	Electronics Components Manufacturing and Trading	125,000	125,000	12,500,000	55.556%	4,159	(54,970)	(30,539)	-
I-CHIUN PRECISION INDUSTRY CO., LTD.	CMTEK Co., Ltd.	Taiwan	Other Metal Products Manufacturing	54,767	20,000	5,087,288	46.801%	46,589	(16,900)	(8,216)	-
MORE FORTUNE PROFITS LIMITED	I-CHIUN (CAYMAN) PRECISION INDUSTRY CO., LTD.	Cayman Islands	General investment	473,188 (Note 3)	473,188 (Note 3)	14,433,075	100%	1,581,494	1,666	-	-
MORE FORTUNE PROFITS LIMITED	I-CHIUN TECHNOLOGY CO., LTD.	Republic of Seychelles	General investment	983,550 (Note 3)	983,550 (Note 3)	30,000,000	100%	891,491	20,159	-	-

Note 1: The aforementioned information on the investees is prepared based on the financial statements audited by the CPAs.

Note 2: Only the profit and loss on each investee directly invested by the Company and each investee measured under the equity method recognized by the Company shall be entered, and the rest of the investees are exempted from disclosure in this regard.

Note 3: It is based on the initial investment amount of each investee, at the exchange rate of USD 1 to NTD 32.785 and RMB 1 to NTD 4.478 at the end of period.

I-CHIUN PRECISION INDUSTRY CO., LTD. AND ITS SUBSIDIARIES

Information on Investments in Mainland China-Basic Information

For the Year Ended December 31, 2024

Table 9

Unit: NTD thousand

(except as otherwise indicated)

Investee in Mainland China	Main business activities	Paid-in capital (Note 2)	Investment method	amount of remittance from Taiwan,	Taiwan to mainland China/Amount remitted ed to Mainlanc	tted back to Ta	amount of remittance from Taiwan, end of	on investee of the current period	held by the Company (direct or	gains (loss) recognized for current period	investments at the end of period	amount of investment income	Rema rks
I-Zou Hi-Tech (SZN) Co., Ltd.	Trading and manufacturing of LED lead frames	$ 33,585	Other methods: Investment by I-Chiun Precision Electric Industry (China) Co., Ltd.	$ 83,602	$ -	$ -	$ 83,602	($ 307)	100.00	($ 307)	$ 4,580	$ -	-
I-Chiun Precision Electric Industry (China) Co., Ltd.	Manufacturing and trading of direct back-lit module components, as well as investment property leasing	771,155	Investment in the companies in Mainland China through investment in the existing company in the third region (I-CHIUN (CAYMAN))	540,953	-	-	540,953	870	100.00	870	1,459,639	-	-
I-Chiun Precision Electric (Nanjing) Co., Ltd.	Investment property leases	251,725	Investment in the companies in Mainland China through investment in the existing company in the third region (I-CHIUN (CAYMAN))	163,925	-	-	163,925	(3,428)	100.00	(3,428)	26,758	-	-
I-Chiun Technology (China) Co., Ltd.	Trading and manufacturing of LED lead frames and investment property leasing	1,287,980	Investment in the companies in mainland China through investment in the existing company in the third region (I-CHIUN TECH and I-Chiun Precision Electric Industry (China) Co., Ltd.)	655,700	-	-	655,700	30,905	100.00	30,905	1,366,679	-	
Yong-Xu-Sheng Technology (Shenzhen) Co., Ltd.	Manufacturing, processing, and trading of hardware products	-	Investment in the companies in mainland China through investment in the existing company in the third region (MORE FORTUNE)	32,423	-	-	32,423	-	-	-	-	-	Note 3

Note 1: The aforementioned information on the investees is prepared based on the financial statements audited by the CPAs.

Note 2: It is based on the initial investment amount of each investee, at the exchange rate of USD 1 to NTD 32.785 and RMB 1 to NTD 4.478 at the end of period.

Note 3: Yong-Xu-Sheng Technology (Shenzhen) Co., Ltd. completed the liquidation and deregistration in 2020, and there was no remaining property after liquidation. As of December 31, 2024, the Group has not applied for the deduction of the investment amount in mainland China to the Investment Commission.

Company name	remittance from Taiwan to mainland China, end of current	amount approved by the Investment Commission of	Limit on investments in mainland China imposed by the Investment Commission of MOEA
I-CHIUN PRECISION INDUSTRY CO., LTD.	$ 1,476,603	$ 1,476,603	$ 3,231,410

I-CHIUN PRECISION INDUSTRY CO., LTD. AND ITS SUBSIDIARIES

Information on major shareholders

December 31, 2024

Table 10

Name of major shareholders	Share	
	No. of shares held (shares)	Shareholding ratio
CHOU, WAN-SHUN	23,032,644	9.84%
LEE,CHUNG-YI	16,156,787	6.90%

Explanation: If the information obtained by the Company for this table is from the Taiwan Depository & Clearing Corporation through application, it may disclose the matters below in the notes to the table:

(1) The major shareholders in this table are shareholders holding more than 5% of the ordinary and preference shares (including treasury stocks) with the dematerialized registration and delivery completed on the last business day of each quarter calculated by the Taiwan Depository & Clearing Corporation. However, share capital recorded in the Company's financial statements and the number of shares actually delivered by the Company with the dematerialized registration completed may differ due to different calculation bases.

(2) If the information above is for the shares entrusted by shareholders to a trust, the aforesaid information shall be disclosed by the individual trust account opened by the trustees. For information on shareholders, who declare to be insiders holding more than 10% of shares in accordance with the Securities and Exchange Act, and their shareholdings include their shareholdings plus the shares entrusted to the trust and with the right to make decisions on trust property, please refer to MOPS.

I-CHIUN PRECISION INDUSTRY CO., LTD.
Statement of Cash and Cash Equivalents
December 31, 2024

Statement 1 | Unit: NTD thousand

Items	Summary		Amount
Cash on hand and petty cash			$ 135
Checking account deposits			915
Demand deposits			
- NTD currency deposits			240,519
- Foreign currency deposits	USD 2,107 thousand	Exchange rate at NTD 32.785	69,087
	RMB 2,304 thousand	Exchange rate at NTD 4.478	10,319
Time deposit			
- Foreign currency deposits	RMB 5,000 thousand	Exchange rate at NTD 4.478	
	Period: 12/09/2024-01/09/2025	Interest rate: 1.975%	
			22,390
			$ 343,365

I-CHIUN PRECISION INDUSTRY CO., LTD.
Statement of Accounts Receivable (including related parties)
December 31, 2024

Statement 2 Unit: NTD thousand

Name of Customer	Summary	Amount	Remarks
Non-related party:			
Lite-On Opto Technology (Changzhou)		$ 358,152	
Unity Opto Technology co., Ltd.		166,827	
LITE-ON ELECTRONICS (THAILAND) CO. LTD		136,929	
Siliconware Precision Industries Co., Ltd.		89,884	
Suzhou TF-AMD Semiconductor CO., LTD		72,132	
Others		439,334	Each customer's balance did not exceed 5% of the general ledger amount
		1,263,258	
Less: Allowance for bad debt		(196,372)	
		1,066,886	
Related party:			
I-Chiun Technology (China) Co., Ltd.		13,288	
Others		31	
		13,319	
Less: Allowance for bad debt		(4)	
		13,315	
		$ 1,080,201	

I-CHIUN PRECISION INDUSTRY CO., LTD.
Inventory Statement
December 31, 2024

Statement 3 | Unit: NTD thousand

Items	Amount – Cost		Amount – Net realizable value		Remarks
Raw materials	$	450,766	$	450,766	
Supplies		40,005		40,005	
Semi-finished goods		162,419		180,800	
Finished good		265,830		331,370	
Merchandise inventory		74,205		86,804	
		993,225	$	1,089,745	
Less: Allowance for inventory valuation losses	(	103,785)			
	$	889,440			

I-CHIUN PRECISION INDUSTRY CO., LTD.
Statement of Investments Accounted for Under Equity Method
For the year ended December 31, 2024

Statement 4 Unit: NTD thousand

Name	Opening balance		Increase in the current period (Note 1)		Decrease in the current period (Note 2)		Closing balance			Net equity		Valuation basis	Security or pledge	Remarks
	Number of shares (shares in thousand)	Amount	Number of shares (shares in thousand)	Amount	Number of shares (shares in thousand)	Amount	Number of shares (shares in thousand)	Shareholding ratio	Amount	Unit price (NTD)	Total			
MORE FORTUNE PROFITS LIMITED	36,179	$ 2,360,749	-	$ 107,066	-	$ -	36,179	100.000%	$ 2,467,815	68.21	$ 2,467,815	Equity method	None	
Ecocera Optronics Co., Ltd.	18,366	332,583	-	84,739	-	(27,549)	18,366	69.720%	389,773	21.22	389,773	〃	〃	
CMTEK Co., Ltd.	2,000	19,561	3,087	35,244	-	(8,216)	5,087	46.801%	46,589	9.16	46,589	〃	〃	
Advance Venture Corporation	12,500	34,698			-	(30,539)	12,500	55.556%	4,159	0.33	4,159	〃	〃	
		$ 2,747,591		$ 227,049		($ 66,304)			$ 2,908,336					

I-CHIUN PRECISION INDUSTRY CO., LTD.
Statement of Short-Term Borrowings
December 31, 2024

Statement 5

Unit: NTD thousand

Type of borrowings	Closing balance	Contract period	Interest rate range	Financing limit	Secured or guaranteed	Remarks
Borrowings from financial institutions						
Credit loan	$ 100,000	August 28, 2024 – February 24, 2025	1.98%	$ 300,000	None	-
Credit loan	60,000	October 8, 2024 – April 8, 2025	2.00%	60,000	None	-
Credit loan	50,000	November 4, 2024 – January 3, 2025	1.99%	50,000	None	-
Credit loan	50,000	October 16, 2024 – October 16, 2025	2.08%	50,000	None	-
Credit loan	150,000	October 8, 2024 – February 22, 2025	1.98%	200,000	None	-
	$ 410,000			$ 660,000		

I-CHIUN PRECISION INDUSTRY CO., LTD.
Statement of Accounts Payable
December 31, 2024

Statement 6 | Unit: NTD thousand

Items	Summary	Amount	Remarks
Non-related party			
Xing Zan Enterprise Co., Ltd.		$ 47,198	
SUNG CHEN METALS CO., LTD.		26,319	
Proterial Taiwan, Ltd – Taipei Branch		13,555	
Others		143,587	Each supplier's balance did not exceed 5% of the general ledger amount
		230,659	
Related party			
I-Chiun Technology (China) Co., Ltd.		44,259	
Others		1,994	
		46,253	
		$ 276,912	

I-CHIUN PRECISION INDUSTRY CO., LTD.
Operating Revenue Statement
2024

Statement 7 | Unit: NTD thousand

Items	Quantity	Amount	Remarks
Total sales revenue			
LED	6,414 thousand K	$ 1,107,323	
Heat spreader	51,883 Pcs	941,148	
SMD	2,769 thousand K	507,725	
Water-cooling radiator	7 thousand units (Taiwan)	35,861	
Others		112,667	
		2,704,724	
Less: Sales returns		(3,007)	
Sales discounts and allowances		(107,784)	
Net sales revenue		$ 2,593,933	

I-CHIUN PRECISION INDUSTRY CO., LTD.
Operating Cost Statement
2024

Statement 8 Unit: NTD thousand

Items	Amount
Merchandise	
Inventories, beginning of period	$ 54,354
Add: Purchase in the current period	528,490
Semi-finished goods transferred in	7,213
Less: Inventories, end of period	(74,205)
Transferred to semi-finished goods	(12,510)
Transferred to production overheads and operating expense	(9)
Total cost of sales and purchases	503,333
Direct raw material	
Raw materials, beginning of period	397,624
Add: materials of the current period	950,454
Semi-finished goods transferred in	146,476
Less: Raw materials, end of period	(450,766)
Transferred to production overheads and operating expense	(6,480)
Raw materials consumed for current period	1,037,308
Supplies, beginning of period	12,041
Add: materials of the current period	165,101
Semi-finished goods transferred in	119,380
Supplies inventory transferred in	21,328
Less: Supplies, end of period	(40,005)
Transferred to operating expense	(162,262)
Supplies consumed for current period	115,583
Direct labor	310,408
Production overheads	767,305
Manufacturing cost	2,230,604

I-CHIUN PRECISION INDUSTRY CO., LTD.
Operating Cost Statement (Continued)
2024

Statement 8 Unit: NTD thousand

Items		Amount
Add: Semi-finished goods, beginning of period	$	108,331
Merchandise transferred in		12,510
Less: Semi-finished goods, end of period	(	162,419)
Scrapped semi-finished goods	(	2,008)
Transferred to merchandise	(	7,213)
Transferred to supplies	(	119,380)
Transferred to raw materials	(	146,476)
Cost of finished goods		1,913,949
Add: Finished goods, beginning of period		279,206
Materials received during the period		8,720
Less: Finished goods, end of period	(	265,830)
Scrapped finished goods	(	34,910)
Transferred to production overheads and operating expense	(	51,920)
Manufacturing, production and sales costs		1,849,215
Inventory scrap loss		36,918
Inventories valuation reversal gains	(	21,285)
Revenue from tailings	(	64,376)
Export tax rebate income	(	2,344)
Operating costs	$	2,301,461

I-CHIUN PRECISION INDUSTRY CO., LTD.
Statement of Production Overheads
2024

Statement 9 Unit: NTD thousand

Items	Summary	Amount	Remarks
Depreciation expenses		$ 165,185	
Salaries and wages		118,401	
Utility fees		105,664	
Consumables		92,471	
Processing fee		62,287	
Social insurance		44,227	
Others		179,070	The balance of each item did not exceed 5% of the balance of this account
		$ 767,305	

I-CHIUN PRECISION INDUSTRY CO., LTD.
Statement of Selling Expenses, Administrative Expenses, and R&D Expenses
2024

Statement 10 | Unit: NTD thousand

Items	Selling expenses	Administrative expenses	R&D expenses
Salaries and wages	$ 26,213	$ 60,961	$ 16,801
Export fees	17,929	-	-
Freight charge	4,516	177	41
Commission expenses	4,270	-	-
Depreciation expenses	744	13,737	4,484
Employee stock option expenses	-	130,126	-
Other expenses (Note)	28,300	48,003	17,286
	$ 81,972	$ 253,004	$ 38,612

Note: The amount of each item did not exceed 5% of the total amount of this account.