Stock Code:6284

Inpaq Technology Co., Ltd. and Subsidiaries

Consolidated Financial Statements

With Independent Auditors’ Report
For the Years Ended December 31, 2024 and 2023

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

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Representation Letter

The entities that are required to be included in the consolidated financial statements of Inpaq Technology Co., Ltd. as of and for the year ended December 31, 2024 under the Criteria Governing the Preparation of Affiliation Reports, Consolidated Business Reports, and Consolidated Financial Statements of Affiliated Enterprises are the same as those included in the consolidated financial statements prepared in conformity with International Financial Reporting Standards No. 10, "Consolidated Financial Statements" endorsed by the Financial Supervisory Commission of the Republic of China. In addition, the information required to be disclosed in the consolidated financial statements is included in the consolidated financial statements. Consequently, Inpaq Technology Co., Ltd. and Subsidiaries do not prepare a separate set of consolidated financial statements.

Company name: Inpaq Technology Co., Ltd.

Chairman: Pei-Cheng, Chen

Date: February 20, 2025.

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Independent Auditors' Report

To the Board of Directors of Inpaq Technology Co., Ltd.:

Opinion

We have audited the consolidated financial statements of Inpaq Technology Co., Ltd. ("the Company") and its subsidiaries ("the Group"), which comprise the consolidated balance sheets as of December 31, 2024 and 2023, the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of material accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the International Financial Reporting Standards ("IFRSs"), International Accounting Standards ("IASs"), Interpretations developed by the International Financial Reporting Interpretations Committee ("IFRIC") or the former Standing Interpretations Committee ("SIC") endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

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

Key Audit Matters

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

1. Customer contract sales revenue cut-off

   Please refer to note 4(15) and note 6(21) for accounting policy and detailed disclosure of revenue, respectively.

Description of key audit matter:

The Group's major revenue is derived from the sales of goods to its customers. Revenue is recognized when the control over a product has been transferred to the customer as specified in each individual contract with customers. The Group recognizes revenue depending on the various sales terms in each individual contract with customers to ensure its performance obligation has been satisfied by transferring its control over a product to its customer. Therefore, the accuracy of revenue recognition timing is one of our key audit matters.

How the matter was addressed in our audit:

In relation to the key audit matter above, our principal audit procedures included understanding and testing the Group's internal controls surrounding the sales process and cash collection transaction process; selecting samples of sales transactions to assess the adequacy of the Group's timing on revenue recognition; and evaluating the rationale for any identified significant sales fluctuations, incurred within a certain period before or after the balance sheet date, to recognize when the performance obligation has been satisfied by transferring control over the goods to a customer in order to determine whether they have been recorded in a proper period.

2. Valuation of Inventories

Please refer to note 4(8), note 5, and note 6(4) for accounting policies, accounting assumptions and estimation uncertainty, as well as related disclosure information for inventory, respectively.

Description of key audit matter:

Inventories are stated at the lower of cost or net realizable value. With the rapid development of technology, the advance of new electronic products may significantly change consumer demands, which may lead to product obsolescence that may result in the cost of inventory to be higher than the net realizable value. Consequently, the valuation of inventories has been identified as our key audit matter.

How the matter was addressed in our audit:

In relation to the key audit matter above, our key audit procedures include selecting samples to examine their net realizable values to verify the accuracy of inventory aging; evaluating the reasonableness of the Group's inventory valuation policy and the management's assumption used when measuring the allowance for inventory valuation and obsolescence losses; performing a retrospective review of the Group's historical accuracy of judgments with reference to inventory valuation and compare them with the current year's calculation to evaluate the appropriateness of the estimation and assumption used for inventory valuation; and evaluating the adequacy of the Group's disclosure for inventories.

Other Matter

The Company has prepared its parent-company-only financial statements as of and for the years ended December 31, 2024 and 2023, on which we have issued an unmodified opinion.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the IFRSs, IASs, IFRC, SIC endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

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

2. 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 Group'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 Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

The engagement partners on the audit resulting in this independent auditors' report are Hai-Ning Huang and Chi-Lung Yu.

KPMG

Taipei, Taiwan (Republic of China)
February 20, 2025

Notes to Readers

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

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

(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)

Inpaq Technology Co., Ltd. and subsidiaries

Consolidated Balance Sheets

December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars)

		December 31, 2024		December 31, 2023	
	Assets	**Amount**	**%**	**Amount**	**%**
	Current assets:				
1100	Cash and cash equivalents (note 6(1))	$ 1,067,422	8	2,522,821	21
1110	Current financial assets at fair value through profit or loss (note 6(2))	-	-	5,599	-
1120	Current financial assets at fair value through other comprehensive income (note 6(2))	229,490	2	-	-
1136	Current financial assets at amortised cost (notes 6(1),(5) and (12))	144,145	1	574,381	5
1150	Notes receivable, net (note 6(3))	230,159	2	300,240	2
1170	Accounts receivable, net(note 6(3))	2,153,774	16	1,950,984	16
1180	Accounts receivable due from related parties, net (notes 6(3) and 7)	205,287	2	204,590	2
1210	Other receivables due from related parties (note 7)	2,178	-	939	-
1310	Inventories (note 6(4))	1,168,737	9	912,826	8
1479	Other current assets (note 6(11))	382,839	3	169,849	1
		5,584,031	43	6,642,229	55
	Non-current assets:				
1510	Non-current financial assets at fair value through profit or loss (note 6(2))	98,545	1	41,941	-
1517	Non-current financial assets at fair value through other comprehensive income (note 6(2))	1,060,779	8	486,905	4
1535	Non-current financial assets at amortised cost, net (note 6(5))	2,330,230	17	218,574	2
1550	Investments accounted for using the equity method (note 6(6))	11,931	-	14,566	-
1600	Property, plant and equipment (notes 6(7),(12),7 and 8)	4,066,779	29	4,146,655	34
1755	Right-of-use assets (notes 6(8), (15) and 7)	50,685	-	51,784	1
1760	Investment property, net (notes 6(9) and (16))	7,906	-	8,343	-
1780	Intangible assets (note 6(10))	168,894	1	179,440	1
1840	Deferred tax assets (note 6(18))	82,776	1	132,210	1
1920	Refundable deposits (notes 7 and 8)	43,342	-	42,000	1
1990	Other non-current assets (note 6(11))	45,848	-	73,993	1
		7,967,715	57	5,396,411	45
	Total assets	**$ 13,551,746**	**100**	**12,038,640**	**100**

		December 31, 2024		December 31, 2023	
	Liabilities and Equity	**Amount**	**%**	**Amount**	**%**
	Current liabilities:				
2100	Short-term borrowings(notes 6(12) and 8)	$ 376,095	3	419,329	3
2120	Current financial liabilities at fair value through profit or loss (note 6(13))	1,464	-	-	-
2170	Notes and accounts payable	1,319,588	10	1,036,232	9
2180	Accounts payable to related parties (note 7)	21,721	-	27,863	-
2201	Salary and bonus payable (note 22)	337,427	2	273,137	2
2213	Payable on machinery and equipment	60,351	-	126,701	1
2220	Other payables to related parties (notes 7)	11,732	-	12,194	-
2280	Lease liability-current (notes 6(15) and 7)	7,686	-	13,536	-
2322	Long-term liabilities borrowings, current portion (notes 6(12) and 8)	504,074	4	429,676	4
2271	Bonds payable, current portion (note 6(13))	675,287	5	-	-
2399	Other current liabilities	503,824	4	403,454	3
		3,819,249	28	2,742,122	22
	Non-current liabilities:				
2500	Non-current financial liabilities at fair value through profit or loss (note 6(13))	-	-	2,374	-
2531	Bonds payable (note 6(13))	-	-	662,742	6
2540	Long-term borrowings (notes 6(12) and 8)	1,767,063	14	1,436,018	13
2570	Deferred tax liabilities (note 6(18))	265,954	2	220,008	2
2580	Lease liabilities－non-current (notes 6(15) and 7)	30,869	-	26,040	-
2630	Long-term deferred revenue (notes 6(12) and (14))	30,900	-	31,020	-
2640	Net defined benefit liability, non-current (note 6(17))	7,058	-	16,726	-
2645	Guarantee deposits received	6,122	-	6,122	-
2600	Other non-current liabilities	8,432	-	8,432	-
		2,116,398	16	2,409,482	21
	Total liabilities	5,935,647	44	5,151,604	43
	Equity (notes 6(13) and (19))**:**				
3100	Ordinary share capital	1,489,803	11	1,489,803	12
3200	Capital surplus	3,244,157	24	3,244,157	27
3300	Retained earnings	3,043,222	22	2,348,677	20
3400	Other equity	(181,206)	(1)	(240,380)	(2)
3500	Treasury shares	(19,499)	-	-	-
	Total equity attributable to owners of parent:	7,576,477	56	6,842,257	57
36XX	Non-controlling interests	39,622	-	44,779	-
	Total equity	7,616,099	56	6,887,036	57
	Total liabilities and equity	**$ 13,551,746**	**100**	**12,038,640**	**100**

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

Inpaq Technology Co., Ltd. and subsidiaries

Consolidated Statements of Comprehensive Income

For the years ended December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars, Except for Earnings Per Common Share)

		2024		2023	
		Amount	%	Amount	%
4000	**Net operating revenue** (notes 6(21) and 7)	$ 7,366,410	100	6,604,061	100
5000	**Operating costs** (notes 6(4), (22) and 7)	5,336,032	72	4,758,107	72
5900	**Gross profit**	2,030,378	28	1,845,954	28
6000	**Operating expenses** (notes 6(3), (15), (22) and 7)**:**				
6100	Selling expenses	341,273	5	364,809	6
6200	Administrative expenses	357,439	5	330,494	5
6300	Research and development expenses	382,038	5	385,814	6
	Total operating expenses	1,080,750	15	1,081,117	17
6900	**Net operating income**	949,628	13	764,837	11
7000	**Non-operating income and expenses:**				
7100	Interest income (note 6(23))	153,042	2	108,983	2
7020	Other gains and losses, net (notes 6(23) and 7)	25,212	-	(3,135)	-
7050	Finance costs (notes 6(13), (15), (23) and 7)	(55,190)	(1)	(51,019)	(1)
7230	Foreign exchange loss (note 6(24))	200,551	3	16,539	-
7770	Share of profit (loss) of associates and joint ventures accounted for using the equity method (note 6(6))	(2,099)	-	3,035	-
	Total non-operating income and expenses	321,516	4	74,403	1
7900	**Profit before income tax**	1,271,144	17	839,240	12
7950	**Less: income tax expenses** (note 6(18))	291,725	4	128,737	2
	Net income	979,419	13	710,503	10
8300	**Other comprehensive income:**				
8310	**Items that may not be reclassified subsequently to profit or loss**				
8311	Gains on remeasurements of defined benefit plans (note 6(18))	7,930	-	2,078	-
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	(75,428)	(1)	84,109	1
	Total items that may not be reclassified subsequently to profit or loss	(67,498)	(1)	86,187	1
8360	**Items that may be reclassified subsequently to profit or loss**				
8361	Exchange differences on translation of foreign financial statements	212,817	3	(48,602)	(1)
8367	Unrealized gains (losses) from investments in debt instruments measured at fair value through other comprehensive income	(32,736)	-	3,344	-
8371	Share of other comprehensive income of associates accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss	(538)	-	(285)	-
8399	Income tax related to items that may be reclassified subsequently to profit or loss (note 6(18))	42,456	1	(9,777)	-
	Total items that may be reclassified subsequently to profit or loss	137,087	2	(35,766)	(1)
8300	**Other comprehensive income**	69,589	1	50,421	-
8500	**Total comprehensive income**	**$ 1,049,008**	**14**	**760,924**	**10**
	Net profit attributable to:				
	Owners of the Company	$ 984,576	13	714,999	10
	Non-controlling interests	(5,157)	-	(4,496)	-
		$ 979,419	**13**	**710,503**	**10**
	Total comprehensive income attributable to:				
	Owners of the Company	$ 1,054,165	14	765,420	10
	Non-controlling interests	(5,157)	-	(4,496)	-
		$ 1,049,008	**14**	**760,924**	**10**
	Earnings per share (New Taiwan Dollars) (note 6(20))				
9750	Basic earnings per share	**$**	**6.61**		**5.01**
9850	Diluted earnings per share	**$**	**6.31**		**4.98**

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

Inpaq Technology Co., Ltd. and subsidiaries

Consolidated Statements of Changes in Equity

For the years ended December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars)

			Retained earnings				Total other equity interest						
	Ordinary shares	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Total	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income	Total	Treasury shares	Total equity attributable to owners of parent	Non-controlling interests	Total equity
Balance at January 1, 2023	$ 1,401,803	2,838,983	230,983	118,913	1,477,516	1,827,412	(149,223)	(97,005)	(246,228)	(1,418)	5,820,552	49,275	5,869,827
Net income (loss) for the period	-	-	-	-	714,999	714,999	-	-	-	-	714,999	(4,496)	710,503
Other comprehensive income (loss) for the period	-	-	-	-	2,078	2,078	(39,110)	87,453	48,343	-	50,421	-	50,421
Total comprehensive income (loss) for the period	-	-	-	-	717,077	717,077	(39,110)	87,453	48,343	-	765,420	(4,496)	760,924
Appropriation and distribution of retained earnings:													
Appropriation of legal reserve	-	-	59,710	-	(59,710)	-	-	-	-	-	-	-	-
Appropriation of special reserve	-	-	-	127,315	(127,315)	-	-	-	-	-	-	-	-
Cash dividends distributed to shareholders	-	-	-	-	(238,307)	(238,307)	-	-	-	-	(238,307)	-	(238,307)
Capital increase by cash	88,000	305,015	-	-	-	-	-	-	-	-	393,015	-	393,015
Conversion of convertible bonds	-	94,718	-	-	-	-	-	-	-	-	94,718	-	94,718
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	42,495	42,495	-	(42,495)	(42,495)	-	-	-	-
Compensation cost arising from capital increase	-	4,378	-	-	-	-	-	-	-	-	4,378	-	4,378
Treasury shares transferred to employees	-	1,063	-	-	-	-	-	-	-	1,418	2,481	-	2,481
Balance at December 31, 2023	1,489,803	3,244,157	290,693	246,228	1,811,756	2,348,677	(188,333)	(52,047)	(240,380)	-	6,842,257	44,779	6,887,036
Net income (loss) for the period	-	-	-	-	984,576	984,576	-	-	-	-	984,576	(5,157)	979,419
Other comprehensive income (loss) for the period	-	-	-	-	7,930	7,930	169,823	(108,164)	61,659	-	69,589	-	69,589
Total comprehensive income (loss) for the period	-	-	-	-	992,506	992,506	169,823	(108,164)	61,659	-	1,054,165	(5,157)	1,049,008
Appropriation and distribution of retained earnings:													
Appropriation of legal reserve	-	-	75,957	-	(75,957)	-	-	-	-	-	-	-	-
Appropriation of special reserve	-	-	-	(5,848)	5,848	-	-	-	-	-	-	-	-
Cash dividends distributed to shareholders	-	-	-	-	(297,961)	(297,961)	-	-	-	-	(297,961)	-	(297,961)
Liquidate an overseas subsidiary	-	-	-	-	-	-	(2,485)	-	(2,485)	-	(2,485)	-	(2,485)
Treasury stock repurchase	-	-	-	-	-	-	-	-	-	(19,499)	(19,499)	-	(19,499)
Balance at December 31, 2024	**$ 1,489,803**	**3,244,157**	**366,650**	**240,380**	**2,436,192**	**3,043,222**	**(20,995)**	**(160,211)**	**(181,206)**	**(19,499)**	**7,576,477**	**39,622**	**7,616,099**

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

Inpaq Technology Co., Ltd. and subsidiaries

Consolidated Statements of Cash Flows

For the years ended December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars)

		2024	2023
Cash flows from (used in) operating activities:			
Profit before income tax	$	1,271,144	839,240
Adjustments:			
Adjustments to reconcile profit:			
Depreciation expense		458,796	426,606
Amortization expense		19,451	19,408
Net loss (gain) on financial assets or liabilities at fair value through profit or loss		(9,179)	2,023
Finance costs		55,190	51,019
Interest income		(153,042)	(108,983)
Dividend income		(3,732)	(1,626)
Share of loss (gain) of associates accounted for using the equity method		2,099	(3,035)
Loss from disposal of property, plant and equipment		7,685	4,131
Gain on disposal of investments		(2,217)	-
Provision for inventory devaluation loss		57,396	86,122
Share-based payment transactions		-	5,444
Others		(1,806)	(4,008)
Total adjustments to reconcile profit		430,641	477,101
Changes in operating assets and liabilities:			
Notes receivable		70,081	(134,213)
Accounts receivable		(203,121)	(200,158)
Accounts receivable due from related parties		(697)	1,594
Other receivable due from related parties		(1,239)	1,286
Inventories		(313,307)	28,143
Other current assets		(25,894)	(5,753)
Notes and accounts payable		283,356	229,906
Accounts payable to related parties		(6,142)	(11,945)
Other payables to related parties		(462)	1,982
Salary and bonus payable		64,290	18,221
Other current liabilities		10,174	32,893
Total adjustments		307,680	439,057
Cash inflow generated from operations		1,578,824	1,278,297
Interest received		136,012	101,027
Dividends received		3,732	1,626
Interest paid		(42,867)	(49,667)
Income taxes paid		(327,902)	(127,119)
Net cash flows from operating activities		1,347,799	1,204,164

(Continued)

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

Inpaq Technology Co., Ltd. and subsidiaries

Consolidated Statements of Cash Flows (Continued)

For the years ended December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars)

	2024	2023
Cash flows from (used in) investing activities:		
Acquisition of financial assets at fair value through other comprehensive income	(875,233)	(218,236)
Proceeds from disposal of financial assets at fair value through other comprehensive income	-	275,342
Acquisition of financial assets at fair value through profit or loss	(308,090)	(47,406)
Proceeds from disposal of financial assets at fair value through profit or loss	269,018	-
Acquisition of financial assets measured at amortized cost	(2,766,987)	(4,115,949)
Proceeds from disposal of financial assets measured at amortized cost	1,085,567	3,816,173
Acquisition of property, plant and equipment	(341,255)	(628,275)
Proceeds from disposal of property, plant and equipment	6,760	14,125
Increase in refundable deposits	(1,342)	(4,888)
Acquisition of intangible assets	(8,360)	(15,559)
Decrease (increase) in other non-current assets	(30,839)	(21,290)
Net cash flows used in investing activities	(2,970,761)	(945,963)
Cash flows from (used in) financing activities:		
Increase in short-term borrowings	3,861,534	3,319,617
Repayment of short-term borrowings	(3,903,570)	(3,000,000)
Proceeds from issuance of convertible bonds	-	758,169
Increase in long-term borrowings	835,000	400,000
Repayment of long-term borrowings	(429,677)	(1,156,100)
Payment of lease liabilities	(15,739)	(19,068)
Cash dividends paid	(297,961)	(238,307)
Capital increase by cash	-	393,015
Treasury shares transferred to employees	-	1,419
Treasury stock repurchase	(19,499)	-
Net cash flows from financing activities	30,088	458,745
Effect of exchange rate changes on cash and cash equivalents	137,475	(31,945)
Net increase (decrease) in cash and cash equivalents	(1,455,399)	685,001
Cash and cash equivalents at beginning of period	2,522,821	1,837,820
Cash and cash equivalents at end of period	**$ 1,067,422**	**2,522,821**

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

Inpaq Technology Co., Ltd. and subsidiaries

Notes to the Consolidated Financial Statements

For the years ended December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars, Unless Otherwise Specified)

1. Company history:

Inpaq Technology Co., Ltd. (hereinafter referred to as the “Company”) was established with the approval of the Ministry of Economic Affairs on June 23, 1998, and its registered address is 11 Keyi Street, Zhunan Town, Miaoli County. The Company’s shares have been listed for trading at the Taipei Exchange in R.O.C. since June 29, 2004.

The Company and its subsidiaries (together referred to as the “Group”) mainly engaged in the research, development, manufacturing and sales of integrated protection components, microwave composite miniature antennas and modules, and multilayer microwave communication components and their modules.

2. Approval date and procedures of the consolidated financial statements:

The consolidated financial statements were authorized for issue by the Board of Directors on February 20, 2025.

3. New standards, amendments and interpretations adopted:

(1) The impact of the International Financial Reporting Standards (“IFRS Accounting Standards”) endorsed by the Financial Supervisory Commission, R.O.C. ("FSC") which have already been adopted.

The Group has initially adopted the following new amendments, which do not have a significant impact on its consolidated financial statements, from January 1, 2024:

- Amendments to IAS 1 “Classification of Liabilities as Current or Non-current”
- Amendments to IAS 1 “Non-current Liabilities with Covenants”
- Amendments to IAS 7 and IFRS 7 “Supplier Finance Arrangements”
- Amendments to IFRS 16 “Lease Liability in a Sale and Leaseback”

(2) The impact of IFRS Accounting Standards endorsed by the FSC but not yet effective

The Group assesses that the adoption of the following new amendments, effective for annual period beginning on January 1, 2025, would not have a significant impactS on its consolidated financial statements:

- Amendments to IAS 21 “Lack of Exchangeability”

(3) The impact of IFRS Accounting Standards issued by International Accounting Standards Board ("IASB"), but not yet endorsed by the FSC

The following new and amended standards, which may be relevant to the Group, have been issued by the IASB, but have yet to be endorsed by the FSC:

Standards or Interpretations	Content of amendment	Effective date per IASB
IFRS 18 “Presentation and Disclosure in Financial Statements”	The new standard introduces three categories of income and expenses, two income statement subtotals and one single note on management performance measures. The three amendments, combined with enhanced guidance on how to disaggregate information, set the stage for better and more consistent information for users, and will affect all the entities. ● A more structured income statement: under current standards, companies use different formats to present their results, making it difficult for investors to compare financial performance across companies. The new standard promotes a more structured income statement, introducing a newly defined ‘operating profit’ subtotal and a requirement for all income and expenses to be allocated between three new distinct categories based on a company’s main business activities. ● Management performance measures (MPMs): the new standard introduces a definition for management performance measures, and requires companies to explain in a single note to the financial statements why the measure provides useful information, how it is calculated and reconcile it to an amount determined under IFRS Accounting Standards. ● Greater disaggregation of information: the new standard includes enhanced guidance on how companies group information in the financial statements. This includes guidance on whether information is included in the primary financial statements or is further disaggregated in the notes.	January 1, 2027

The Group is evaluating the impact on its consolidated financial position and consolidated financial performance upon the initial adoption of the abovementioned standards or interpretations. The results thereof will be disclosed when the Group completes its evaluation.

The Group does not expect the following other new and amended standards, which have yet to be endorsed by the FSC, to have a significant impact on its consolidated financial statements:

- Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture”
- IFRS 17 “ Insurance Contracts” and amendments to IFRS 17 “ Insurance Contracts”
- IFRS 19 “Subsidiaries without Public Accountability: Disclosures”
- Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments”
- Annual Improvements to IFRS Accounting Standards—Volume 11
- Amendments to IFRS 9 and IFRS 7 “Contracts Referencing Nature-dependent Electricity”

4. Summary of material accounting policies:

The material accounting policies presented in the consolidated financial statements are summarized below. Except for those specifically indicated, the following accounting policies were applied consistently throughout the periods presented in the consolidated financial statements.

(1) Statement of compliance

These consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers (hereinafter referred to as “the Regulations”) and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations endorsed and issued into effect by the Financial Supervisory Commission, R.O.C. (altogether referred to “ IFRS Accounting Standards” endorsed by the “FSC”).

(2) Basis of preparation

A. Basis of measurement

Except for the following significant accounts, the consolidated financial statements have been prepared on a historical cost basis:

(a) Financial assets at fair value through other comprehensive income (FVOCI) are measured at fair value;

(b) Financial liabilities at fair value through profit or loss (FVTPL) are measured at fair value; and

(c) The net defined benefit liabilities are measured at fair value of the plan assets less the present value of the defined benefit obligation.

B. Functional and presentation currency

The functional currency of each Group is determined based on the primary economic environment in which the entity operates. The consolidated financial statements are presented in New Taiwan Dollars (TWD), which is the Company’s functional currency. Unless otherwise noted, all financial information presented in TWD has been rounded to the nearest thousand.

(3) Basis of consolidation

A. Principles of preparation of the consolidated financial statements

The consolidated financial statements comprise the Company and its subsidiaries. Subsidiaries are entities controlled by the Group. The Group ‘controls’ an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases. Intragroup balances and transactions, and any unrealized income and expenses arising from intragroup transactions are eliminated in preparing the consolidated financial statements. The Group attributes the profit or loss and each component of other comprehensive income to the owners of the parent and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

The Group prepares consolidated financial statements using uniform accounting policies for like transactions and other events in similar circumstances.

Changes in the Group’s ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received will be recognized directly in equity, and the Group will attribute it to the owners of the parent.

B. List of subsidiaries in the consolidated financial statements

The list of subsidiaries is included in the consolidated financial statements is as follows:

Name of Investor	Name of subsidiary	Principal activity	Shareholding December 31, 2024	Shareholding December 31, 2023	Note
The Company	Inpaq (BVI) Ltd. (Inpaq BVI)	General investing	100%	100%	
The Company	Canfield Limited (Canfield)	Sales of electronic components, computer products and peripheral input and output equipment, communication products and components, antenna wholesale, commission agency and after-sales service	-%	100%	Note 2

Name of Investor	Name of subsidiary	Principal activity	Shareholding December 31, 2024	Shareholding December 31, 2023	Note
The Company	Inpaq Technology USA, Inc. (Inpaq USA)	Sales of electronic components, computer products and peripheral input and output equipment, communication products and components, antenna wholesale, commission agency and after-sales service	100%	100%	
The Company	Inpaq Technology Japan Co., Ltd. (Inpaq Japan)	Sales of electronic components, computer products and peripheral input and output equipment, communication products and components, antenna wholesale, commission agency and after-sales service	100%	-%	Note 3
The Company	Inpaq Malaysia Snd. Bhd. (Inpaq Malaysia)	Manufacture and sales of new high-frequency electronic components, power electronic components, optoelectronic devices, sensor components and supporting products	100%	-%	Note 4
Inpaq BVI	Inpaq (Cayman Islands) Ltd. (Inpaq Cayman)	General investing	100%	100%	
Inpaq BVI	Inpaq (HK) Co., Limited	General investing	-%	100%	Note 1
Inpaq Cayman	Holypaq Tech (Suzhou) Co., Ltd.	Manufacture and sales of new high-frequency electronic components, power electronic components, optoelectronic devices, sensor components and supporting products	100%	100%	
Inpaq Cayman	Inpaq Technology (China) Co., Ltd.	Development and production of new electronic components, chip components, sensitive components and sensors, power electronic components, new electromechanical components and sales	100%	100%	
Holypaq Tech (Suzhou) Co., Ltd.	Holypaq (HK) Co., Limited	General investing	100%	100%	
Holypaq Tech (Suzhou) Co., Ltd.	Inpaq Trading (Suzhou) Co., Ltd.	Sales of electronic components, computer products and peripheral input and output equipment, communication products and components, antenna wholesale, commission agency and after-sales service	100%	100%	
Holypaq Tech (Suzhou) Co., Ltd.	Hunan Frontier Electronics Co., Ltd.	Manufacturing and selling of transformer, coils and magnetic components	100%	100%	

Name of Investor	Name of subsidiary	Principal activity	Shareholding December 31, 2024	Shareholding December 31, 2023	Note
Holypaq (HK) Co., Limited	Taiwan Inpaq Electronic Co., Ltd.	Electronic components manufacturing, wholesale and retail	100%	100%	
The Company	Eleceram Technology Co., Ltd.	Manufacturing and selling of electronic components	72.9%	72.9%	

Note 1: On March 28, 2024, Inpaq (HK) Co., Limited completed its liquidation procedures on various rights and obligations; thus, cancelled its registration in 2024.

Note 2: On July 4, 2024, Canfield completed its liquidation procedures on various rights and obligations; thus, cancelled its registration in 2024.

Note 3: The company established a new subsidiary, Inpaq Japan, in the second quarter of 2024.

Note 4: The company established a new subsidiary, Inpaq Malaysia, in the fourth quarter of 2024.

C. Subsidiaries excluded from the consolidated financial statements: None.

(4) Foreign currency

A. Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of Group entities at the exchange rates at the dates of the transactions. At the end of each subsequent reporting period, monetary items denominated in foreign currencies are retranslated into the functional currencies using the exchange rate at that date. Non-monetary items denominated in foreign currencies that are measured at fair value are translated into the functional currencies using the exchange rate at the date that the fair value was determined. Non-monetary items denominated in foreign currencies that are measured based on historical cost are translated using the exchange rate at the date of transaction.

Exchange differences are generally recognized in profit or loss, except for those differences relating to the following, which are recognized in other comprehensive income:

(a) an investment in equity securities designated as at fair value through other comprehensive income;

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

(c) qualifying cash flow hedges to the extent that the hedges are effective.

B. Foreign operations

The assets and liabilities of foreign operations are translated to TWD using the exchange rates at the reporting date with the exception of shareholders' equity, which is translated at historical cost rates, and income and expenses, which are translated to TWD at the average rate for the period. Exchange differences are recognized in other comprehensive income.

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

(5) Classification of current and non-current assets and liabilities

The Group classifies the asset as current under one of the following criteria, and all other assets are classified as non-current.

(i) It is expected to be realized, or intended to be sold or consumed, in the normal operating cycle;

(ii) It is held primarily for the purpose of trading;

(iii) It is expected to be realized within twelve months after the reporting period; or

(iv) The asset is cash or a cash equivalent (as defined in IAS 7) unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

The Group classifies the liability as current under one of the following criteria, and all other liabilities are classified as non-current.

(i) It is expected to be settled in the normal operating cycle;

(ii) It is held primarily for the purpose of trading;

(iii) It is due to be settled within twelve months after the reporting period; or

(iv) The Group does not have the right at the end of the reporting period to defer settlement of the liability for at least twelve months after the reporting period.

(6) Cash and cash equivalents

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

(7) Financial instruments

Accounts receivable and debt securities issued are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Group becomes a party to the contractual provisions of the instrument. A financial asset (unless it is an trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component are initially measured at the transaction price.

A. Financial assets

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

On initial recognition, a financial asset is classified as measured at amortized cost; fair value through profit or loss (FVTPL); fair value through other comprehensive income (FVOCI) – debt investment; or FVOCI – equity investment. Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case, all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

(a) Financial assets measured at amortized cost

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

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

These assets are subsequently measured at amortized cost, which is the amount at which the financial asset is measured at initial recognition, plus/minus, the cumulative amortization using the effective interest method, adjusted for any loss allowance. Interest income, foreign exchange gains and losses, as well as impairment, are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

(b) Fair value through other comprehensive income (FVOCI)

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income. This election is made on an instrument-by-instrument basis.

Debt investments at FVOCI are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses, and impairment are recognized in profit or loss. Other net gains and losses are recognized in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are reclassified to profit or loss.

Equity investments at FVOCI are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in other comprehensive income and are never reclassified to profit or loss.

Dividend income is recognized in profit or loss on the date on which the Group's right to receive payment is established.

(c) Fair value through profit or loss (FVTPL)

All financial assets not classified as amortized cost or FVOCI described as above are measured at FVTPL. On initial recognition, the Group may irrevocably designate a financial asset, which meets the requirements to be measured at amortized cost or at FVOCI, as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

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

(d) Impairment of financial assets

The Group recognizes loss allowances for expected credit loss (ECL) on financial assets measured at amortized cost (including cash and cash equivalents, receivables, other financial assets and refundable deposits), debt investments measured at FVOCI and contract assets.

The Group measures loss allowances at an amount equal to lifetime ECL, except for the following which are measured as 12-month ECL:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowance for accounts receivable are always measured at an amount equal to lifetime ECL.

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

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 60 days past due.

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

The Group considers a debt security to have low credit risk when its credit risk rating is equivalent to the globally understood definition of investment grade which is considered to be BBB- or higher per Standard & Poor's, Baa3 or higher per Moody's or twA or higher per Taiwan Ratings.

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

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

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

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

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets. For debt securities at FVOCI, the loss allowance is charged to profit or loss and is recognized in other comprehensive income instead of reducing the carrying amount of the asset.

The gross carrying amount of a financial asset is written off either partially or in full to the extent that there is no realistic prospect of recovery. The Group individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Group expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

(e) Derecognition of financial assets

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group enters into transactions whereby it transfers assets recognized in its statement of balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognized.

B. Financial liabilities and equity instruments

(a) Classification of debt or equity

Debt and equity instruments issued by the Group are classified as financial liabilities or equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

(b) Equity instrument

An equity instrument is any contract that evidences residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued are recognized as the amount of consideration received, less the direct cost of issuing.

(c) Treasury shares

When shares recognized as equity are repurchased, the amount of the consideration paid, which includes directly attributable costs, is recognized as a deduction from equity. Repurchased shares are classified as treasury shares. When treasury shares are sold or reissued subsequently, the amount received is recognized as an increase in equity, and the resulting surplus or deficit on the transaction is recognized in capital surplus or retained earnings (if the capital surplus is not sufficient to be written down).

(d) Compound financial instruments

Compound financial instruments issued by the Group comprise convertible bonds denominated in TWD that can be converted to ordinary shares at the option of the holder, when the number of shares to be issued is fixed and does not vary with changes in fair value.

The liability component of compound financial instruments is initially recognized at the fair value of a similar liability that does not have an equity conversion option. The equity component is initially recognized at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.

Subsequent to initial recognition, the liability component of a compound financial instrument is measured at amortized cost using the effective interest method. The equity component of a compound financial instrument is not remeasured.

Interest related to the financial liability is recognized in profit or loss. On conversion at maturity, the financial liability is reclassified to equity and no gain or loss is recognized.

(e) Financial liabilities

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss.

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

(f) Derecognition of financial liabilities

The Group derecognizes a financial liability when its contractual obligations has been discharged or cancelled, or has expired. The Group also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

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

(g) Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount is presented in the statement of balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

C. Derivative financial instruments

The Group holds derivative financial instruments to hedge its foreign currency and interest rate exposures. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met.

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognized in profit or loss.

(8) Inventories

Inventories are measured at the lower of cost or net realizable value. The cost of inventories is based on the weighted-average method and includes expenditure and other costs incurred in bringing them to their existing location and condition.

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

(9) Investment in associates

Associates are those entities in which the Group has significant influence, but not control or joint control, over their financial and operating policies.

Investments in associates are accounted for using the equity method and are recognized initially at cost. The cost of the investment includes transaction costs. The carrying amount of the investment in associates includes goodwill arising from the acquisition less any accumulated impairment losses.

The consolidated financial statements include the Group’s share of the profit or loss and other comprehensive income of those associates, after adjustments to align their accounting policies with those of the Group, from the date on which significant influence commences until the date on which significant influence ceases. The Group recognizes any changes of its proportionate share in the investee within capital surplus when an associate’s equity changes due to reasons other than profit and loss or comprehensive income, which did not result in changes in actual proportionate share.

Unrealized gains and losses resulting from transactions between the Group and an associate are recognized only to the extent of unrelated Group’s interests in the associate.

When the Group’s share of losses of an associate equals or exceeds its interests in an associate, it discontinues recognizing its share of further losses. After the recognized interest is reduced to zero, additional losses are provided for, and a liability is recognized, only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

(10) Property, plant and equipment

A. Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalized borrowing costs, less, accumulated depreciation and any accumulated impairment losses.

If significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in profit or loss.

B. Subsequent expenditure

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

C. Depreciation

Depreciation is calculated on the cost of an asset less its residual value and is recognized in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment.

Land is not depreciated.

The estimated useful lives of property, plant and equipment for current and comparative periods are as follows:

(a) Buildings: 3 to 51 years

(b) Machinery and equipment: 1 to 15 years

(c) Other equipment: 1 to 20 years

Buildings and construction constitute mainly buildings, mechanical and electrical power equipment, laboratory engineering, related engineering, etc. Each constituent is depreciated based on its useful life between 50 years and 20 years.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(11) Leases

A. Identifying a lease

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

B. As a lessee

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

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

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

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

(a) fixed payments (including in substance fixed payments);

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

(c) amounts expected to be payable under a residual value guarantee; and

(d) payments for purchase or termination options that are reasonably certain to be exercised.

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

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

(b) there is a change in the Group’s estimate of the amount expected to be payable under a residual value guarantee; or

(c) there is a change in the assessment regarding the purchase option; or

(d) there is a change in the assessment on whether the Group will exercise an extension or a termination option; or

(e) there is any lease modifications.

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

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

The Group presents right-of-use assets that do not meet the definition of investment and lease liabilities as a separate line item respectively in the statement of financial position.

The Group has elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(12) Investment property

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services, or for administrative purposes. Investment property is measured at cost on initial recognition, and subsequently at cost, less accumulated depreciation and accumulated impairment losses. Depreciation expense is calculated based on the depreciation method, useful life, and residual value which are the same as those adopted for property, plant and equipment.

Any gain or loss on disposal of an investment property (calculated as the difference between the net proceeds from disposal and the carrying amount) is recognized in profit or loss.

Rental income from investment property is recognized as other revenue on a straight-line basis over the term of the lease. Lease incentives granted are recognized as an integral part of the total rental income, over the term of the lease.

(13) Intangible assets

A. Recognition and measurement

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

Development expenditure is capitalized only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the Group intends to, and has sufficient resources to, complete development and to use or sell the asset. Otherwise, it is recognized in profit or loss as incurred. Subsequent to initial recognition, development expenditure is measured at cost, less, accumulated amortization and any accumulated impairment losses.

Other intangible assets, including computer software, customer relationships, patents and trademarks and others that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortization and any accumulated impairment losses.

B. Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognized in profit or loss as incurred.

C. Amortization

Amortization is calculated over the cost of the asset, less its residual value, and is recognized in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use.

The estimated useful lives for current and comparative periods are as follows:

(a) Computer software: 1~10 years

(b) Customer relationships: 5 years

(c) Trademarks and patents: 5 years

(d) Others: 3 years

Amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(14) Impairment of non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than inventories, contract assets and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units (CGUs). Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or CGU is the greater of its value-in-use and its fair value less costs to sell. Value-in-use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognized in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

(15) Revenue from contract with customers

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring goods or services to a customer. The Group recognizes revenue when it satisfies a performance obligation by transferring control of a good or a service to a customer. The accounting policies for the Group's main types of revenue are explained below:

A. Sale of goods

The Group involves in research, develop, design, manufacture and sales of integrated protection components, microwave composite miniature antennas and modules. The Group recognizes revenue when control of the products has been transferred, being when the products are delivered to the customer, the customer has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for acceptance have been satisfied.

The Group often offers volume discounts to its customer' s. Revenue from these sales is recognized based on the price specified in the contract, net of the estimated volume discounts. Accumulated experience is used to estimate the discounts, using the expected value method, and revenue is only recognized to the extent that it is highly probable that a significant reversal will not occur. A contract liability is recognized for expected volume discounts payable to customers in relation to sales made until the end of the reporting period. No element of financing is deemed present as the sales of goods are made, which is consistent with the market practice.

A receivable is recognized when the goods are delivered as this is the point in time that the Group has a right to an amount of consideration that is unconditional.

B. Financing components

The Group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and the payment by the customer exceeds one year. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

(16) Government grants and government assistance

The Group recognizes an unconditional government grant related to the long-term borrowing in profit or loss as other income when the grant becomes receivable. Other government grants related to assets are initially recognized as deferred income at fair value if there is reasonable assurance that they will be received and the Group will comply with the conditions associated with the grant; they are then recognized in profit or loss as other income on a systematic basis over the useful life of the asset. Grants that compensate the Group for expenses or losses incurred are recognized in profit or loss on a systematic basis in the periods in which the expenses or losses are recognized.

(17) Employee benefits

A. Defined contribution plans

Obligations for contributions to the defined contribution plans are expensed as the related service is provided.

B. Defined benefit plans

The Group' s net obligation in respect of the defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of the defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognized asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in other comprehensive income, and accumulated in retained earnings within equity. The Group determines the net interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then net defined benefit liability. Net interest expense and other expenses related to the defined benefit plans are recognized in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in profit or loss. The Group recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

C. Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(18) Share-based payment transactions

The grant-date fair value of equity-settled share-based payment arrangements granted to employees is generally recognized as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognized as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognized is based on the number of awards that meet the related service and non-market performance conditions at the vesting date.

(19) Income taxes

Income taxes comprise current taxes and deferred taxes. Except for expenses related to business combinations or recognized directly in equity or other comprehensive income, all current and deferred taxes shall be recognized in profit or loss.

The Group has determined that the global minimum top-up tax – which it is required to pay under Pillar Two legislation – is an income tax in the scope of IAS 12. The Group has applied a temporary mandatory relief from deferred tax accounting for the impacts of the top-up tax and accounts for it as a current tax when it is incurred.

Current taxes comprise the expected tax payables or receivables on the taxable profits (losses) for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payables or receivables are the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date.

Deferred taxes arise due to temporary differences between the carrying amounts of assets and liabilities at the reporting date and their respective tax bases.

Deferred taxes are recognized except for the following:

A. Temporary differences on the initial recognition of assets and liabilities in a transaction that is not a business combination and at the time of the transaction (i) affects neither accounting nor taxable profits (losses) and (ii) does not give rise to equal taxable and deductible temporary differences；

B. Temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and

C. Taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognized for the carry forward of unused tax losses, unused tax credits, and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefits will be realized.

Deferred taxes are measured at tax rates that are expected to be applied to temporary differences when they reserve, using tax rates enacted or substantively enacted at the reporting date.

Deferred tax assets and liabilities are offset if the following criteria are met:

A. The Group has a legally enforceable right to set off current tax assets against current tax liabilities; and

B. The deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on either:

    (a) the same taxable entity; or

    (b) different taxable entities which intend to settle current tax assets and liabilities on a net basis, or to realize the assets and liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

(20) Earnings per share

The Group discloses the Company's basic and diluted earnings per share attributable to ordinary shareholders of the Company. The calculation of basic earnings per share is based on the profit attributable to the ordinary shareholders of the Company divided by the weighted average number of ordinary shares outstanding. The calculation of diluted earnings per share is based on the profit attributable to ordinary shareholders of the Company, divided by the weighted average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares, such as the convertible bonds and employee remuneration through the issuance of shares.

(21) Operating segments

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

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

In preparing these consolidated financial statements, management has made judgments and estimates about the future, including climate-related risks and opportunities, that affect the application of the accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis and are consistent with the Group's risk management and climate-related commitments where appropriate. Revisions to estimates are recognised prospectively in the period of the change and future periods.

Information about judgments made in applying accounting policies that have the most significant effects on the amounts recognized in the consolidated financial statements is as follows:

Valuation of inventories

Inventories are stated at the lower of cost or net realizable value, the Group uses judgments and estimates to determine the net realizable value of inventories for obsolescence and unmarketable items at the end of the reporting period. It also writes down the cost of inventories to net realizable value. The net realizable value of the inventory is mainly determined based on assumptions as to future demand within a specific time horizon. However, due to the rapid industrial transformation, there may be significant changes in the net realizable value of inventories. Please refer to note 6(4) for further description of the valuation of inventories.

The Group's accounting policies include measuring financial and non-financial assets and liabilities at fair value through profit or loss.The Group's finance department conducts independent verification on fair value by using data sources that are independent, reliable, and representative of exercise prices. The Group's financial department also periodically adjusts valuation models, renews input data for valuation models, and makes all other necessary fair value adjustments to assure the rationality of fair value. The Group strives to use market observable inputs when measuring assets and liabilities.

Different levels of the fair value hierarchy to be used in determining the fair value of financial instruments are as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

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

Level 3: inputs for the assets or liability that are not based on observable market data.

For any transfer within the fair value hierarchy, the impact of the transfer is recognized on the reporting date. Please refer to Note 6(24) for assumptions used in measuring fair value.

6. Explanation of significant accounts:

(1) Cash and cash equivalents

	December 31, 2024	December 31, 2023
Cash on hand and demand deposits	$ 965,704	1,060,058
Time deposits	101,718	1,462,763
	$ 1,067,422	**2,522,821**

As of December 31, 2024 and 2023,deposits with original maturities of more than three months were $95,528 and $539,573, respectively, and were recorded in financial assets measured at amortized cost. Please refer to note 6(5).

Please refer to note 6(24) for the exchange rate risk of the financial assets and liabilities of the Group.

(2) Financial assets

	December 31, 2024	December 31, 2023
Financial assets at fair value through profit or loss — current:		
Foreign funds	**$ -**	**5,599**
Financial assets at fair value through profit or loss — non-current:		
Foreign funds	$ 24,968	21,058
Foreign listed stocks	73,577	20,883
	$ 98,545	**41,941**

For the information of fair value of financial instruments, please refer to note 6(23).

Financial assets at fair value through other comprehensive income — current:

	December 31, 2024	December 31, 2023
Debt investments at fair value through other comprehensive income:		
Foreign listed corporate bonds	**$ 229,490**	**-**

Financial assets at fair value through other comprehensive income — non-current:

	December 31, 2024	December 31, 2023
Debt investments at fair value through other comprehensive income:		
Foreign listed corporate bonds	$ **232,842**	**444,268**
Equity investments at fair value through other comprehensive income:		
Stocks listed on domestic markets	$ 609,699	-
Domestic and foreign unlisted company stocks	218,238	42,637
	827,937	42,637
	$ **1,060,779**	**486,905**

A. Debt investment at fair value through other comprehensive income

The Group has assessed that the following securities were held within a business model whose objective was achieved by both collecting the contractual cash flows and by selling securities. Therefore, they have been classified as debt investments at fair value through other comprehensive income.

In February 2023, the Group purchased corporate bonds issued by Commonwealth Bank of Australia , with a face value of US$7,000 thousand. The fair values at the time of acquisition was $215,736, with the interest rate of 5.079% and maturing on January 10, 2025.

B. Equity investments at fair value through other comprehensive income

The Group designated the investments shown above as equity securities at fair value through other comprehensive income because these equity securities represent those investments that the Group intends to hold for strategic purposes.

The Group sold the shares of APAQ Technology Co., Ltd. on second quarter of 2023. The fair value at the time of disposal was $275,342, and the accumulated disposal benefits amounted to $42,495. Other interests are transferred to retained earnings.

In the second quarter of 2024, the Group invested in the equity of PSA Japan Investment. The fair value at the time of acquisition was $186,556, with a shareholding ratio of 12%.

In the second and third quarters of the 2024, the Group purchased common shares of TXC Corporation. The fair value at the time of acquisition was $688,677 , with a shareholding ratio of 1.97%.

Please refer to note 6(23) for the dividends income received from the equity investments at fair value through other comprehensive income during the years ended December 31, 2024 and 2023.

(3) Notes and accounts receivable (included related parties)

A. Notes receivable

	December 31, 2024	December 31, 2023
Notes receivable from operating activities	$ 230,159	300,240

B. Accounts receivables, net

	December 31, 2024	December 31, 2023
Accounts receivable	$ 2,163,975	1,960,854
Less: Loss allowance	(10,201)	(9,870)
	$ 2,153,774	1,950,984

C. Accounts receivable due from related parties:

	December 31, 2024	December 31, 2023
Accounts receivable due from related parties	$ 205,287	204,590

The Group applies the simplified approach to provide for its expected credit losses, i.e. the use of lifetime expected loss provision for all receivables. To measure the expected credit losses, notes and accounts receivables have been grouped based on shared credit risk characteristics and the days past due, as well as the incorporated forward-looking information, including macroeconomic and relevant industry information. The loss allowance provisions in Taiwan were determined as follows:

	December 31, 2024		
	Gross carrying amount	Weighted-average loss rate	Loss allowance provision
Current	$ 2,530,924	-	-
1 to 90 days past due	61,083	5.18%	3,163
91 to 180 days past due	4,139	91%	3,763
More than 181 days past due	3,275	100%	3,275
	$ 2,599,421		10,201

	December 31, 2023		
	Gross carrying amount	Weighted-average loss rate	Loss allowance provision
Current	$ 2,408,848	-	-
1 to 90 days past due	53,654	12.47%	6,688
91 to 180 days past due	596	100%	596
More than 181 days past due	2,586	100%	2,586
	$ 2,465,684		9,870

The movements in the allowance for notes and accounts receivable were as follows:

	2024	2023
Balance at January 1	$ 9,870	10,022
Effect of movements in foreign exchange	331	(152)
Balance at December 31	**$ 10,201**	**9,870**

(4) Inventories

	December 31, 2024	December 31, 2023
Raw materials	$ 325,046	303,829
Work in progress and semi-finished goods	192,921	173,310
Finished goods and merchandise	650,770	435,687
	$ 1,168,737	**912,826**

The details of operating costs were as follows:

	2024	2023
Cost of goods sold	$ 5,310,676	4,716,321
Provision for inventory obsolescence and devaluation loss	57,396	86,122
Revenue from sales of scrap	(32,040)	(44,336)
	$ 5,336,032	**4,758,107**

As of December 31, 2024 and 2023, the Group's inventories were not pledged.

(5) Financial assets measured at amortized cost - current and non-current

	December 31, 2024	December 31, 2023
Current:		
Time deposit (over three-month)	$ 95,528	539,573
Others	48,617	34,808
	$ 144,145	**574,381**
Non-current:		
Domestic and foreign corporate bonds	**$ 2,330,230**	**218,574**

The Group has assessed that these financial assets are held-to-maturity to collect contractual cash flows which consist solely of payments of principal and interest on principal amount outstanding. Therefore, these investments were classified as financial assets measured at amortized cost.

Information on foreign corporate bonds is as follows:

	December 31, 2024	December 31, 2023
Maturity date	February 2028 ~ May 2034	February 2028 ~ September 2028
Coupon rate	2.25%~5.80%	5.25%~5.65%
Effective rate	4.37%~5.83%	4.52%~5.83%

As of December 31, 2024 and 2023, financial assets measured at amortized cost of the Group had been pledged as collateral; please refer to note 8.

(6) Investments accounted for using the equity method

A summary of the Group's financial information for investments accounted for using the equity method at the reporting date is as follows:

	December 31, 2024	December 31, 2023
Associates	$ 11,931	14,566

The Group's financial information for investments accounted for using the equity method as follows:

	December 31, 2024	December 31, 2023
Total assets	$ 103,565	125,552
Total liabilities	$ 64,468	79,844

	2024	2023
Revenue	$ 117,750	91,978
Net income (loss)	$ (5,425)	6,158

In 2024 and 2023, the Group's share of the net income (loss) of associates was as follows:

	2024	2023
Gain (loss) from continuing operations	$ (2,099)	3,035

(7) Property, plant and equipment

		Land	Buildings and construction	Machinery and equipment	Other facilities	Construction in progress and testing equipment	Total
Cost:							
Balance on January 1, 2024	$	423,424	2,105,572	3,852,880	1,039,585	274,736	7,696,197
Additions		-	54,752	99,588	47,294	73,270	274,904
Disposal and obsolescence		-	-	(46,764)	(15,802)	-	(62,566)
Reclassification		-	206,502	86,374	16,425	(250,585)	58,716
Effect of movements in exchange rates		-	34,832	44,503	14,555	268	94,158
Balance on December 31, 2024	$	**423,424**	**2,401,658**	**4,036,581**	**1,102,057**	**97,689**	**8,061,409**
Balance on January 1, 2023	$	423,424	1,255,649	3,577,902	1,075,666	884,634	7,217,275
Additions		-	149,450	214,364	37,618	231,776	633,208
Disposal and obsolescence		-	(653)	(94,198)	(83,476)	(7,293)	(185,620)
Reclassification		-	714,461	174,311	16,610	(831,790)	73,592
Effect of movements in exchange rates		-	(13,335)	(19,499)	(6,833)	(2,591)	(42,258)
Balance on December 31, 2023	$	**423,424**	**2,105,572**	**3,852,880**	**1,039,585**	**274,736**	**7,696,197**
Accumulated depreciation:							
Balance on January 1, 2024	$	-	521,647	2,348,499	679,396	-	3,549,542
Depreciation for the year		-	79,938	266,183	95,616	-	441,737
Disposal and obsolescence		-	-	(36,384)	(11,737)	-	(48,121)
Effect of movements in exchange rates		-	13,009	28,314	10,149	-	51,472
Balance on December 31, 2024	$	**-**	**614,594**	**2,606,612**	**773,424**	**-**	**3,994,630**
Balance on January 1, 2023	$	-	463,808	2,207,494	660,354	-	3,331,656
Depreciation for the year		-	62,985	242,660	100,608	-	406,253
Disposal and obsolescence		-	(531)	(89,676)	(77,157)	-	(167,364)
Reclassification		-	640	534	-	-	1,174
Effect of movements in exchange rates		-	(5,255)	(12,513)	(4,409)	-	(22,177)
Balance on December 31, 2023	$	**-**	**521,647**	**2,348,499**	**679,396**	**-**	**3,549,542**
Carrying amounts:							
Balance on December 31, 2024	$	**423,424**	**1,787,064**	**1,429,969**	**328,633**	**97,689**	**4,066,779**
Balance on January 1, 2023	$	**423,424**	**791,841**	**1,370,408**	**415,312**	**884,634**	**3,885,619**
Balance on December 31, 2023	$	**423,424**	**1,583,925**	**1,504,381**	**360,189**	**274,736**	**4,146,655**

Please refer to note 7 for the Group's transaction of property, plant and equipment with related parties.

The property, plant and equipment of the Group had been pledged as collateral for long-term borrowings; please refer to note 8.

(8) Right-of-use assets

The Group leased several assets including land and buildings. Information about leases for which the Group as a lessee was presented below:

	Land	Buildings	Total
Cost:			
Balance at January 1, 2024	$ 28,259	41,994	70,253
Additions	670	21,333	22,003
Disposals	-	(13,065)	(13,065)
Effect of movements in exchange rates	536	-	536
Balance at December 31, 2024	**$ 29,465**	**50,262**	**79,727**
Balance at January 1, 2023	$ 28,523	79,975	108,498
Additions	-	36,727	36,727
Disposals	-	(74,708)	(74,708)
Effect of movements in exchange rates	(264)	-	(264)
Balance at December 31, 2023	**$ 28,259**	**41,994**	**70,253**
Accumulated depreciation:			
Balance at January 1, 2024	$ 6,374	12,095	18,469
Depreciation for the year	1,867	14,452	16,319
Disposals	-	(5,817)	(5,817)
Effect of movements in exchange rates	71	-	71
Balance at December 31, 2024	**$ 8,312**	**20,730**	**29,042**
Balance at January 1, 2023	$ 4,673	49,335	54,008
Depreciation for the year	1,722	17,903	19,625
Disposals	-	(55,143)	(55,143)
Effect of movements in exchange rates	(21)	-	(21)
Balance at December 31, 2023	**$ 6,374**	**12,095**	**18,469**
Carrying amount:			
Balance at December 31, 2024	**$ 21,153**	**29,532**	**50,685**
Balance at January 1, 2023	**$ 23,850**	**30,640**	**54,490**
Balance at December 31, 2023	**$ 21,885**	**29,899**	**51,784**

(9) Investment property

		Buildings
Cost:		
Balance as of January 1, 2024	$	15,432
Effect of movements in exchange rates		563
Balance as of December 31, 2024	**$**	**15,995**
Balance as of January 1, 2023	$	15,709
Effect of movements in exchange rates		(277)
Balance as of December 31, 2023	**$**	**15,432**
Accumulated depreciation and impairment losses:		
Balance as of January 1, 2024	$	7,089
Depreciation for the year		740
Effect of movements in exchange rates		260
Balance as of December 31, 2024	**$**	**8,089**
Balance as of January 1, 2023	$	6,488
Depreciation for the year		728
Effect of movements in exchange rates		(127)
Balance as of December 31, 2023	**$**	**7,089**
Carrying amounts:		
Balance at December 31, 2024	**$**	**7,906**
Balance at December 31, 2023	**$**	**8,343**
Fair value:		
Balance at December 31, 2024	**$**	**9,622**
Balance at December 31, 2023	**$**	**11,259**

Investment property comprises commercial real estate owned by the Group leased to third parties by operating lease. The leases of investment properties contain an initial non-cancellable lease term of 3 years. The lessee have the option to extend the lease term pursuant to the lease contract.

Please refer to note 6(16) for the details of the related rental income.

As of December 31, 2024 and 2023, the Group's investment properties were not pledged.

(10) Intangible assets

The cost and amortization of the intangible assets of the Group for the years ended December 31, 2024 and 2023, were as follows:

		Goodwill	Patent and client relationships	Computer software and others	Total
Costs:					
Balance at January 1, 2024	$	124,829	52,996	192,899	370,724
Additions		-	-	8,391	8,391
Effect of movement in exchange rates		-	247	1,118	1,365
Balance at December 31, 2024	**$**	**124,829**	**53,243**	**202,408**	**380,480**
Balance at January 1, 2023	$	124,829	53,117	177,601	355,547
Additions		-	-	15,559	15,559
Effect of movement in exchange rates		-	(121)	(261)	(382)
Balance at December 31, 2023	**$**	**124,829**	**52,996**	**192,899**	**370,724**
Accumulated amortization:					
Balance at January 1, 2024	$	-	39,993	151,291	191,284
Amortization for the year		-	8,706	10,745	19,451
Effect of movement in exchange rates		-	189	662	851
Balance at December 31, 2024	**$**	**-**	**48,888**	**162,698**	**211,586**
Balance at January 1, 2023	$	-	31,395	140,892	172,287
Amortization for the year		-	8,688	10,720	19,408
Effect of movement in exchange rates		-	(90)	(321)	(411)
Balance at December 31, 2023	**$**	**-**	**39,993**	**151,291**	**191,284**
Carrying value:					
Balance at December 31, 2024	**$**	**124,829**	**4,355**	**39,710**	**168,894**
Balance at January 1, 2023	**$**	**124,829**	**21,722**	**36,709**	**183,260**
Balance at December 31, 2023	**$**	**124,829**	**13,003**	**41,608**	**179,440**

As of December 31, 2024 and 2023, the Group's intangible assets were not pledged.

Impairment test of goodwill

For the purposes of impairment testing, goodwill and other intangible assets arising from the Group's acquisition are allocated to the following cash-generating units (or group of cash generating units), that are expected to benefit from the synergies of the combination.

		December 31, 2024	December 31, 2023
High-frequency component department	$	120,073	120,073
Passive component department		4,756	4,756
	$	**124,829**	**124,829**

Goodwill acquired in a business combination is tested for impairment at least annually. The key assumptions used in the estimation of value in use were as follows:

	December 31, 2024	December 31, 2023
Discount rate	13.90%	15.66%

The discount rate is estimated based on the industry weighted-average cost of capital and the risk premium is adjusted to reflect the increasing risk of general investment in equity and the specific systemic risk of cash-generating units. Cash flow projections are based on five-year financial budgets approved by management and extrapolated to subsequent years at a flat growth rate. The growth rate estimated by extrapolated cash flow is 0% sustainable growth.

The values of the aforementioned key assumptions represent management's assessment of the future trends of related industries and consider historical information from internal and external sources. According to the impairment test assessment in the year of 2024 and 2023, the recoverable amount was greater than its carrying amount and no impairment loss was recognized.

(11) Other current assets and other non-current assets

The other current assets others and other non-current assets of the Group were as follows:

	December 31, 2024	December 31, 2023
Tax receivables and prepaid income tax	$ 230,359	70,493
Net input VAT	98,481	49,495
Prepaid expenses	48,651	30,025
Prepayments for business facilities	42,004	70,293
Unamortized expenses	3,845	17,214
Prepayments to suppliers	3,061	1,346
Others	2,286	4,976
	$ 428,687	**243,842**
Other current assets	$ 382,839	169,849
Other non-current assets	45,848	73,993
	$ 428,687	**243,842**

(12) Short-term and long-term borrowings

A. Short-term borrowings

		December 31, 2024	December 31, 2023
Secured bank loans	$	5,000	35,000
Unsecured bank loans		371,095	384,329
	$	**376,095**	**419,329**
Unused credit lines	$	**6,642,541**	**4,527,828**
Range of interest rate		**0.70%~2.80%**	**0.00%~2.99%**

Please refer to note 6(24) for the liquidity risk and foreign currency risk of the borrowings of the Group.

B. Long-term borrowings:

Financial institution	Objective	Maturity date		December 31, 2024	December 31, 2023
Far Eastern Bank	Working capital	November, 2027	$	600,000	-
Chang Hwa Bank	Working capital	August, 2027		378,969	524,745
CTBC Bank	Purchase of additional equipment	December, 2026		388,060	388,044
Chang Hwa Bank	Purchase of additional building	April, 2031		314,138	347,951
Chang Hwa Bank	Working capital	July, 2028		300,000	300,000
Chang Hwa Bank	Working capital	June, 2029		200,000	-
Chang Hwa Bank	Working capital	May, 2029		35,000	-
E. Sun Bank	Purchase of additional equipment	March, 2025		54,970	304,954
Less: Long-term borrowings, current portion				(504,074)	(429,676)
			$	**1,767,063**	**1,436,018**
Unused credit lines			$	**400,000**	**600,000**
Range of interest rate				**1.775% 2.220%**	**1.650%~ 2.000%**

For assets pledged as collateral for borrowings, please refer to note 8.

C. Government low-interest loan

According to "Loans for Returning Overseas Taiwanese Businesses", starting from March 2020, the Group has successively obtained project loans from E. Sun Bank, Chang Hwa Bank and CTBC Bank, respectively. The total loans amounted to $1,833,820. The market interest rates of the loans were 1.775%, 1.825% and 2.125%, respectively, which were used to recognize and measure the book value of the loans. The preferential interest rates of the loans were 1.275%, 1.325% and 1.625%, respectively. The difference between the market interest rate and preferential interest rate was deemed as government subsidies. Please refer to note 6(14) for details.

(13) Convertible bonds payable

The Group issued the third unsecured convertible bonds on December 14, 2023. Information about the convertible bonds payable are as follows:

	December 31, 2024	December 31, 2023
Convertible bonds payable	$ 700,000	700,000
Unamortized discounted convertible bonds payable	(24,713)	(37,258)
Less: callable bonds with put option executable within one year	(675,287)	-
Carrying amount	$ -	662,742
Embedded derivative – call and put options, included in financial liabilities at fair value through profit or loss	$ 1,464	2,374
Equity component – conversion options (recorded in capital surplus – share options)	$ 94,718	94,718

	2024	2023
Embedded derivative instruments – call and put rights, included in financial liabilities at fair value through profit or loss	$ 910	(630)
Interest expenses	$ 12,545	1,035

The following are the issuance conditions:

A. Issue amount: The total amount of the issue is $700,000 thousand, with a face value of $100 thousand. Issued at 108.68% of face value.

B. Tenor: The bonds were issued for a period of 3 years. The issue date is December 14, 2023, and the maturity date is December 14, 2026.

C. Coupon rate: 0%

D. Conversion period: One month after the issue date and 10 days before the maturity date.

E. Conversion price and adjustments:

The Company used November 24, 2023 as the base date for setting the conversion price. The base day (exclusive) is the business day before, the three business days before, and the five business days before the company. Choose one of the simple arithmetic average of the closing prices of common stocks as the base price, and then multiply the base price by 110% as the calculation basis, which is the conversion price of the convertible bonds (calculated to TWD cents, rounded off to the next cent). If there is ex-rights or ex-dividend before the pricing base date, the closing price that is sampled and used to calculate the conversion price should first be calculated as the post-ex-right or ex-dividend price; after the conversion price is determined and before the actual issuance date, if there is ex-right or ex-dividend, it should be adjusted according to the conversion price adjustment formula. The conversion price at the time of issuance was TWD92.0 per share. From the ex-dividend date of July 24, 2024, the conversion price was adjusted to TWD90.0 per share.

After the Company converts the bonds except for the exchange of various securities issued by the Company (or private placement) with common stock conversion rights or stock options for common shares or the issuance of new shares due to employee bonuses, in the event that if the number of ordinary shares issued (or privately placed) increases, the Company shall adjust the conversion price according to the formula stipulated in the conversion regulations.

F. The Company’s right to redeem the above-mentioned converted corporate bonds:

(a) After 3 months of the issue date (March 15, 2024), if the closing price of the Company’s common shares on the stock exchange exceeds the current conversion price of the convertible bonds by not less than 30% for thirty consecutive business days, the Company may redeem the bonds forty days before the maturity date (November 4, 2026). The Company may notify the bondholders within the next thirty business days, and the bond will be redeemed from the bondholders in cash according to the face value of the bond.

(b) After 3 months of the issue date (March 15, 2024), if the balance of outstanding convertible bonds is less than 10% of the original total issued amount, the Company may redeem the bonds forty days before the maturity date (November 4, 2026). The Company may notify the bondholders at any time and redeem the bonds from the bondholders in cash according to the face value of the bond.

G. Bondholder’s put right:

The bondholders can sell back the bonds 2 years after the bonds issuance (December 14, 2025). A written notice is required to be given to to the Company’s stock agency before 40 days of the sell back date to request to sell back the bonds with the face value of the bonds plus interest compensation. The aforementioned interest compensation is calculated at 100% of the face value of the bonds (the return of sell back is 0%). When the Company accepts the sell back request, it should be redeemed in cash within five business days after the sell back base date.

(14) Long-term deferred revenue

	December 31, 2024	December 31, 2023
Long-term deferred revenue－government subsidies	**$ 30,900**	**31,020**

If the Group does not comply with the specified project loan guidelines in note 6(12), the National Development Fund will cease to subsidize the Group, and the Group shall pay the interest according to the original agreed interest rate, plus, the annual interest rate.

(15) Lease liabilities

The carrying amounts of lease liabilities were as follows:

	December 31, 2024	December 31, 2023
Current	$ 7,686	13,536
Non-current	30,869	26,040
	$ 38,555	**39,576**

For maturity analysis, please refer to note 6(24).

The amounts recognized in profit or loss were as follows:

	2024	2023
Interest on lease liabilities	**$ 716**	**797**
Expenses relating to short-term leases	**$ 23,896**	**31,473**

The amounts recognized in the statement of cash follow by the Group:

	2024	2023
Total cash outflow for leases	**$ 40,351**	**51,338**

A. Land and building leases

The Group leases land and buildings for its parking spaces, office space and factories. The leases of land typically run for a period of 10 years, and of buildings for 2 to 5 years. Some leases include an option to renew the lease for an additional period of the same duration after the end of the contract term.

Some leases contain extension options exercisable by the Group. These leases are negotiated and monitored by local management, and accordingly, contain a wide range of different terms and conditions. The extension options held are exercisable only by the Group and not by the lessors. In which lessee is not reasonably certain to use an optional extended lease term, payments associated with the optional period are not included within lease liabilities.

B. Other leases

The Group leases dormitories and vehicles, with lease terms of 1 to 3 years. These leases are short-term and/or leases of low-value items. The Group has elected not to recognize its right-of-use assets and lease liabilities for these leases.

(16) Operating lease

The Group leases out its investment properties and offices. The Group has classified these leases as operating leases, because it does not transfer substantially all of the risks and rewards incidental to the ownership of the assets.

The maturity analysis of lease payments is based on the undiscounted total lease payments to be received after the reporting date as follows:

		December 31, 2024	December 31, 2023
Less than one year	$	243	699
One to two years		-	238
Total undiscounted lease payments	**$**	**243**	**937**

(17) Employee benefits

A. Defined benefit plans

Reconciliations of the defined benefit obligation at present value and plan asset at fair value are as follows:

		December 31, 2024	December 31, 2023
Present value of the defined benefit obligations	$	49,299	58,471
Fair value of plan assets		(42,241)	(41,745)
Net defined benefit liabilities	**$**	**7,058**	**16,726**

The Company makes defined benefit plan contributions to the pension fund account with Bank of Taiwan that provides pensions for employees upon retirement. Plans (covered by the Labor Standards Law) entitle a retired employee to receive retirement benefits based on years of service and average monthly salary for the six months prior to retirement.

(a) Composition of plan assets

The Company allocates pension funds in accordance with the Regulations for Revenues, Expenditures, Safeguard and Utilization of the Labor Retirement Fund, and such funds are managed by the Bureau of Labor Funds, Ministry of Labor. With regard to the utilization of the funds, minimum earnings shall be no less than the earnings attainable from two-year time deposits with interest rates offered by local banks.

The Company' s Bank of Taiwan labor pension reserve account balance amounted to $42,241 as of December 31, 2024. For information on the utilization of the labor pension fund assets, including the asset allocation and yield of the fund, please refer to the website of the Bureau of Labor Funds, Ministry of Labor.

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

The movements in present value of the defined benefit obligations for the Company was as follows:

	2024	2023
Defined benefit obligations at January 1	$ 58,471	62,862
Current service costs and interest cost	730	857
Benefits paid from plan assets	(5,636)	(1,023)
Benefits paid from provision account	-	(2,450)
Remeasurements gain	(4,266)	(1,775)
Defined benefit obligations at December 31	**$ 49,299**	**58,471**

(c) Movements of the defined benefit plan assets

The movements in the fair value of the defined benefit plan assets for the Company were as follows:

	2024	2023
Fair value of plan assets at January 1	$ 41,745	40,477
Contributions made	1,936	1,424
Interest income	532	564
Benefits paid from plan assets	(5,636)	(1,023)
Remeasurements gain	3,664	303
Fair value of plan assets at December 31	**$ 42,241**	**41,745**

(d) Expenses recognized in profit or loss

The expenses recognized in profit or loss for the Company were as follows:

	2024	2023
Net interest of net liabilities for the defined benefit obligations	**$ 198**	**293**

(e) Actuarial assumptions

The principal actuarial assumptions at the reporting date were as follows:

	December 31, 2024	December 31, 2023
Discount rate	1.4961 %	1.2504 %
Future salary increase rate	2.50 %	3.00 %

The expected allocation payment to be made by the Company to the defined benefit plans for the one-year period after the reporting date for 2024 is $1,984.

The weighted-average lifetime of the defined benefits plans is 11 years.

(f) Sensitivity analysis

The Company' s remeasurements of the net defined benefit liability as of years ended December 31, 2024 and 2023 amounted to $7,058 and $16,726, respectively. If the future salary increase rate rises or falls by 0.25%, net defined benefit liability would have increase by $1,322 and $1,661 or decrease by $1,280 and $1,607, respectively.

B. Defined contribution plans

The Company allocates 6% of each employee' s monthly wages to the labor pension personal account at the Bureau of Labor Insurance in accordance with the provisions of the Labor Pension Act. Under these defined contribution plans, the Company allocates a fixed amount to the Bureau of Labor Insurance without additional legal or constructive obligation.

The pension costs incurred from the contributions to the Bureau of the Labor Insurance amounted to $27,715 and $28,317 for the years ended December 31, 2024 and 2023, respectively.

Foreign subsidiaries within the Group have also set up defined contribution plans, as necessary, in accordance with the regulations in respective countries. The pension costs incurred from the foreign subsidiaries amounted to $41,772 and $41,796 for the years ended December 31, 2024 and 2023, respectively.

(18) Income taxes

A. Income tax expenses

The components of income tax for the years ended December 31, 2024 and 2023 were as follows:

	2024	**2023**
Current tax expense		
Current period	$ 151,360	129,404
Withholding tax on subsidiary earnings	85,629	-
Adjustment for prior periods	1,812	-
	238,801	129,404
Deferred tax expense		
Origination and reversal of temporary differences	52,924	(667)
Income tax expense	**$ 291,725**	**128,737**

The amounts of income tax recognized in other comprehensive income for the years ended December 31, 2024 and 2023 were as follows:

	2024	2023
Exchange differences on translation of foreign financial statements	**$ 42,456**	**(9,777)**

Reconciliation of income tax and profit before tax for the years ended December 31, 2024 and 2023 is as follows:

	2024	2023
Profit before income tax	$ 1,271,144	839,240
Income tax using the Company's domestic tax rate	254,229	167,848
Effect of tax rates in foreign jurisdiction	159,266	88,042
Gain on investments accounted for equity method and permanent differences	(185,480)	(132,604)
Tax incentives	(16,102)	(9,506)
Withholding tax on subsidiary earnings	85,629	-
Additional tax on undistributed earning	5,563	-
Change in provision in prior periods	(11,380)	14,957
Total	**$ 291,725**	**128,737**

B. Deferred tax assets and liabilities

The R.O.C. Income Tax Act allows net losses, as assessed by the tax authorities, to offset taxable income over a period of ten years for local tax reporting purposes.

As of December 31, 2024, the information of the Taiwan Inpaq Electronic Co., Ltd.'s unused tax losses for which no deferred tax assets were recognized are as follows:

Year of loss	Unused tax loss	Expiry date
2020 (assessed)	$ 47,178	2030
2021 (assessed)	78,658	2031
2022 (assessed)	152,719	2032
	$ 278,555	

(a) Unrecognized deferred tax liabilities

The Group is able to control the timing of the reversal of the temporary differences associated with investments in subsidiaries as of December 31, 2024 and 2023. Also, management considers it probable that the temporary differences will not reverse in the foreseeable future. Hence, such temporary differences are not recognized under deferred tax liabilities amounting $400,343 and $271,849, respectively.

(b) Recognized deferred tax assets and liabilities

	January1, 2024	Recognized in profit or loss	Recognized in other comprehensive income	December 31, 2024
Temporary differences:				
Provision for inventory obsolescence and devaluation loss	$ 20,144	948	-	21,092
Deferred unrealized gains	2,032	3,375	-	5,407
Unrealized foreign exchange loss (gain)	14,760	(28,788)	-	(14,028)
Loss carryforward	75,943	(20,232)	-	55,711
Share of subsidiary's profits recognized using the equity method	(214,516)	(7,108)	-	(221,624)
Foreign currency translation differences for foreign operations	19,202	-	(42,456)	(23,254)
Acquisition of subsidiary-Property, plant and equipment	(213)	(48)	-	(261)
Acquisition of subsidiary-Intangible asset	(5,279)	(1,508)	-	(6,787)
Others	129	437	-	566
Deferred tax expense		$ (52,924)	(42,456)	
Deferred tax assets, net	$ (87,798)			(183,178)
The information presented in the balance sheet:				
Deferred tax assets	$ 132,210			82,776
Deferred tax liabilities	$ (220,008)			(265,954)

	January1, 2023	Recognized in profit or loss	Recognized in other comprehensive income	December 31, 2023
Temporary differences:				
Provision for inventory obsolescence and devaluation loss	$ 17,863	2,281	-	20,144
Unrealized foreign exchange loss (gain)	920	13,840	-	14,760
Loss carryforward	91,799	(15,856)	-	75,943
Share of subsidiary's profits recognized using the equity method	(216,178)	1,662	-	(214,516)
Foreign currency translation differences for foreign operations	9,425	-	9,777	19,202
Acquisition of subsidiary-Property, plant and equipment	(2,701)	2,488	-	(213)
Acquisition of subsidiary-Intangible asset	(4,344)	(935)	-	(5,279)
Others	4,974	(2,813)	-	2,161
Deferred tax expense		$ 667	9,777	
Deferred tax assets, net	$ (98,242)			(87,798)
The information presented in the balance sheet:				
Deferred tax assets	$ 124,981			132,210
Deferred tax liabilities	$ (223,223)			(220,008)

C. The Company's tax returns have been assessed by the tax authorities through 2022, except for 2021.

(19) Capital and other equity

A. Ordinary shares

As of December 31, 2024 and 2023, the authorized ordinary shares of the Company amounted to $3,000,000, included the shares reserved for the exercising of employee share options of $150,000; the issued ordinary share capital with a par value of $10 per share amounted to $1,489,803.

On June 30, 2023, the Company's Board of Directors approved the issuance of 8,800 thousands ordinary shares for cash, with par value of $10 per share, amounting to $88,000. The price issued per share was $45, amounting to $396,000 (amount received after deducting the related issuance cost of $2,985 is $393,015). The Company has received approval from the Financial Supervisory Commission for this capital increase on August 4, 2023, with September 13, 2023 as the date of capital increase. The relevant statutory registration procedures have since been completed.

Reconciliation of shares outstanding for 2024 and 2023 was as follows (in thousands of shares):

	Ordinary shares	
	2024	**2023**
Balance on January 1	148,981	140,136
Add: Issued for cash	-	8,800
Less: Treasury stock repurchase	(250)	-
Add: Exercise of share options	-	45
Balance of December 31	**148,731**	**148,981**

B. Capital surplus

The balances of capital surplus as of December 31, 2024 and 2023 were as follows:

	December 31, 2024	**December 31, 2023**
Premium of common stock	$ 2,977,270	2,977,270
Treasury shares transferred to employees	136,808	136,808
Premium of corporate bonds converted to common stock	15,722	15,722
Stock options－fair value differences of associates under equity method	16,570	16,570
Convertible bonds payable	94,718	94,718
Donation from shareholders	1,917	1,917
Effect of capital increase of associates	1,152	1,152
	$ 3,244,157	**3,244,157**

According to the R.O.C. Company Act, capital surplus can only be used to offset a deficit, and only the realized capital surplus can be used to increase the common stock or be distributed as cash dividends. The aforementioned realized capital surplus includes capital surplus resulting from premium on issuance of capital stock, treasury shares transferred to employees and earnings from donated assets received. According to the Regulations Governing the Offering and Issuance of Securities by Securities Issuers, capital increases by transferring capital surplus in excess of par value should not exceed 10% of the total common stock outstanding.

C. Retained earnings

The Company's article of incorporation stipulate that Company's net earnings should first be used to offset the prior years' deficits, if any, before paying any income taxes. Of the remaining balance, 10% is to be appropriated as legal reserve, and then any remaining profit together with any undistributed retained earnings shall be distributed according to the distribution plan proposed by the Board of Directors and submitted to the stockholders' meeting for approval.

(a) Legal reserve

When a company incurs no loss, it may, pursuant to a resolution by a shareholders' meeting, distribute its legal reserve by issuing new shares or by distributing cash, and only the portion of legal reserve which exceeds 25% of capital may be distributed.

(b) Special reserve

The Company chose to apply the exemption under IFRS 1 - "First-time Adoption of International Financial Reporting Standards" at its initial adoption of IFRS Accounting Standards. The cumulative translations adjustments originally reported under shareholders' equity were reclassified to retained earnings, amounting to $46,817. The net increase in retained earnings due to the first adoption of IFRS 1 on the conversion date was $9,173. The Company shall allocate the same amount in special reserve in accordance with the requirements issued by the Financial Supervisory Commission. When there is any subsequent use, disposal, or reclassification of the relevant assets, the Company may reverse and proportionately appropriate the earnings distribution originally allocated to special reserve. As of December 31, 2024 and 2023, the aforementioned special reserve both amounted to $9,173.

In accordance with abovementioned ruling, a portion of current period earnings and undistributed prior period earnings shall be reclassified as special earnings reserve during earnings distribution. The amount to be reclassified should equal the current period total net reduction of other shareholders' equity. Similarly, a portion of undistributed prior period earnings shall be reclassified as special earnings reserve (and does not qualify for earnings distribution) to account for cumulative changes to other shareholders' equity pertaining to prior periods. Amounts of subsequent reversals pertaining to the net reduction of other shareholders' equity shall qualify for additional distributions.

(c) Earnings distribution

Earnings distribution for 2023 and 2022 was decided by the resolution adopted, at the general meeting of shareholders held on June 14, 2024 and June 16, 2023 as follows:

	2023		2022	
	Total amount	**Amount per share**	**Total amount**	**Amount per share**
Appropriation of legal reserve	$ 75,957		59,710	
Appropriation of legal reserve	(5,848)		127,315	
Appropriation (reversal) of special reserve	297,961	2.00	238,307	1.70
	$ 368,070		**425,332**	

The related information is available on the Market Observation Post System website.

D. Other comprehensive income accumulated in reserves, net of tax

	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	Non-controlling interest	Total
Balance at January 1, 2024	$ (188,333)	(52,047)	44,779	(195,601)
Exchange differences on translation of foreign financial statements	170,254	-	-	170,254
Share of other comprehensive income of associates accounted for using equity method	(431)	-	-	(431)
Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	-	(108,164)	-	(108,164)
Disposal of investment accounted for using equity method	(2,485)	-	-	(2,485)
Changes in non-controlling interest	-	-	(5,157)	(5,157)
Balance at December 31, 2024	**$ (20,995)**	**(160,211)**	**39,622**	**(141,584)**

	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	Non-controlling interest	Total
Balance at January 1, 2023	$ (149,223)	(97,005)	49,275	(196,953)
Exchange differences on translation of foreign financial statements	(38,882)	-	-	(38,882)
Exchange differences on subsidiaries accounted for using equity method	(228)	-	-	(228)
Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	-	87,453	-	87,453
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	(42,495)	-	(42,495)
Changes in non-controlling interest	-	-	(4,496)	(4,496)
Balance at December 31, 2023	**$ (188,333)**	**(52,047)**	**44,779**	**(195,601)**

E. Treasury stock

The Company implements the treasury stock system, and the reasons for the repurchase were listed as follows:

Unit: Thousand shares

	2024			
Reason	**Outstanding at January 1**	**Granted during the year**	**Exercised during the year**	**Outstanding at December 31**
Transferred to employee	**-**	**250**	**-**	**250**

	2023			
Reason	**Outstanding at January 1**	**Granted during the year**	**Exercised during the year**	**Outstanding at December 31**
Transferred to employee	**45**	**-**	**45**	**-**

In accordance with the requirements of Securities and Exchange Act, treasury shares held by the Group should not be pledged, and do not hold any shareholder rights before their transfer.

In 2024, the Company repurchased a total of 250,000 treasury shares to transfer to employees in accordance with the requirements of Securities and Exchange Act 28-2.

In February 2023, the Company transferred $1,419 treasury shares to employee. The Company used Black-Scholes option pricing model in measuring the fair value of the share-based payment at the grant date. The Company recognized compensation cost amounting to $1,066 for the year ended December 31, 2023.

(20) Earnings per share

The details on the calculation of basic earnings per share and diluted earnings per share as of December 31, 2024 and 2023 were as follows:

	2024	2023
Basic earnings per share:		
Net profit for the period attributable to the Company	**$ 984,576**	**714,999**
Issued ordinary shares at 1 January (in thousands of shares)	148,981	140,136
Add: Exercise of share options	-	40
Less: Treasury stock repurchase	(29)	-
Add: Issued for cash	-	2,652
Weighted average number of ordinary shares (in thousands of shares)	**$ 148,952**	**142,828**
Basic earnings per share	**$ 6.61**	**5.01**
Diluted earnings per share:		
Net profit	$ 984,576	714,999
Add: Interest expense on convertible bonds, net of tax	10,036	828
Net profit for the period attributable to the Company	**994,612**	**715,827**
Weighted average number of ordinary shares (in thousands of shares) (basic)	148,952	142,828
Effect of dilutive potential ordinary shares:		
Effect of employee share bonus	825	606
Effect of conversion of convertible bonds	7,778	375
Weighted average number of ordinary shares (in thousands of shares) (diluted)	**157,555**	**143,809**
Diluted earnings per share	**6.31**	**4.98**

(21) Revenue from contracts with customers

A. Major products lines and primary geographical markets

	2024			**2023**		
	Antenna department	**Component department**	**Total**	**Antenna department**	**Component department**	**Total**
China	$ 2,368,884	1,702,164	4,071,048	2,375,916	1,734,715	4,110,631
Taiwan	646,184	492,704	1,138,888	229,193	305,129	534,322
Hong Kong	-	-	-	387,088	396,857	783,945
Others	1,184,757	971,717	2,156,474	603,649	571,514	1,175,163
	$ 4,199,825	**3,166,585**	**7,366,410**	**3,595,846**	**3,008,215**	**6,604,061**

B. Contract balances

For details on accounts receivable and loss allowance, please refer to note 6(3).

(22) Employee compensation and directors’ remuneration

In accordance with the articles of incorporation the Company should contribute no less than 5% of the profit as employee remuneration and less than 3% as directors’ remuneration when there is profit for the year. However, if the Company has accumulated deficits, the profit should be reserved to offset the deficit. The amount of remuneration of each director will have to be approved by the Board of Directors. The recipients of shares and cash may include the employees of the Company’s affiliated companies who meet certain conditions.

For the years ended December 31, 2024 and 2023, the Company estimated its employee remuneration amounting to $61,693 and $40,754, and directors’ remuneration amounting to $24,677 and $16,301, respectively. The estimated amounts mentioned above are calculated based on the net profit before tax, excluding the remuneration employees and directors of each period, multiplied by the percentage of remuneration to employees and directors as specified in the Company’s articles. These remunerations were expensed under operating costs or operating expenses during 2024 and 2023. The numbers of shares to be distributed for 2024 and 2023 were calculated based on the closing price of the Company’s ordinary shares on the day before the date of the board meeting. If there is any change on the actual amount incurred and estimated amount, this shall be accounted for change in accounting estimates and recognized as profit or loss in the following year.

The employee and directors’ remuneration for the year 2023 and 2022 were approved by the Board of Directors on February 22, 2024 and February 23, 2023. For the years ended December 31, 2023 and 2022, the employee remuneration amounting to $40,754 and $37,004, and directors’ remuneration amounting to $16,301 and $14,802 respectively, both were paid in cash. The appropriation of remunerations were in agreement with those amounts recognized in the 2023 and 2022 financial statements. The related information is available on the Market Observation Post System website.

(23) Non-operating income and expenses

A. Interest income

		2024	2023
Interest income from bank deposits	$	58,081	87,515
Interest income from financial assets measured at at amortised cost		72,968	1,432
Interest income from financial assets measured at fair value through other comprehensive income		21,944	19,976
Others		49	60
	$	**153,042**	**108,983**

B. Other gains and losses

		2024	2023
Dividend income (Note)	$	3,732	1,626
Sample mold revenue		4,891	2,965
Technical service revenue		2,836	4,114
Government grant		6,243	3,574
Losses on disposals of property, plant and equipment		(7,685)	(4,131)
Valuation gains (losses) on financial assets and financial liabilities		9,179	(2,023)
Others		6,016	(9,260)
	$	**25,212**	**(3,135)**

Note: For related party transactions, please refer to note 7.

C. Finance costs

		2024	2023
Interest expense on borrowings	$	41,929	49,187
Interest expenses on bonds		12,545	1,035
Interest expenses on lease liabilities (Note)		716	797
	$	**55,190**	**51,019**

Note: For related party transactions, please refer to note 7.

(24) Financial instruments

A. Credit risk

(a) Credit risk exposure

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

(b) Concentration of credit risk

The Group has a large customer base located in diverse areas and does not significantly concentrate on transactions with a single customer; therefore, there was no concentration of credit risk. In order to reduce credit risk, the Group also regularly and continuously evaluates the financial situation of its customers, but usually does not require customers to provide any collateral.

(c) Receivables and debt securities

For credit risk exposure of notes and accounts receivable, please refer to note 6(3).

Financial assets measured at amortized cost include time deposits with maturities of more than three months and investments in bonds, please refer to note 6(5) for details of relevant investments.

For debt investments at fair value through other comprehensive income, please refer to note 6(2).

All of these financial assets are considered to have low credit risk, and thus, the impairment provision recognized during the period was limited to 12-month expected credit losses. Regarding how the financial instruments are considered to have low credit risk, please refer to note 4(7).

B. Liquidity risk

The following table shows the contractual maturities of financial liabilities, including estimated interest payments.

	Carrying amount	Contractual cash flows	Within 6 months	6-12 months	1-2 years	2-5 years	Over 5 years
December 31, 2024							
Non-derivative financial liabilities							
Short-term borrowings	$ 376,095	386,087	86,273	299,814	-	-	-
Long-term borrowings (including current portion)	2,271,137	2,321,108	271,546	249,002	1,142,684	589,272	68,604
Notes and accounts payable (including related parties)	1,353,041	1,353,041	1,353,041	-	-	-	-
Salary and bonus payable	337,427	337,427	337,427	-	-	-	-
Payable on machinery and equipment	60,351	60,351	60,351	-	-	-	-
Bonds payable, current portion	675,287	700,000	-	-	700,000	-	-
Lease liabilities (current and non-current)	38,555	40,343	4,164	4,109	7,531	18,797	5,742
Guarantee deposits received	6,122	6,122	-	-	6,122	-	-
	$ 5,118,015	**5,204,479**	**2,112,802**	**552,925**	**1,856,337**	**608,069**	**74,346**

	Carrying amount	Contractual cash flows	Within 6 months	6-12 months	1-2 years	2-5 years	Over 5 years
December 31, 2023							
Non derivative financial liabilities							
Short-term borrowing	$ 419,329	422,671	202,312	220,359	-	-	-
Long-term borrowings (including current portion)	1,865,694	1,960,522	214,376	234,777	516,439	872,542	122,388
Notes and accounts payable (including related parties)	1,076,289	1,076,289	1,076,289	-	-	-	-
Salary and bonus payable	273,137	273,137	273,137	-	-	-	-
Payable on machinery and equipment	126,701	126,701	126,701	-	-	-	-
Convertible bonds payable	662,742	700,000	-	-	-	700,000	-
Lease liabilities (current and non-current)	39,576	41,288	7,383	6,647	5,192	12,366	9,700
Guarantee deposits received	6,122	6,122	-	-	6,122	-	-
	$ 4,469,590	4,606,730	1,900,198	461,783	527,753	1,584,908	132,088

Except for the early repayment of some long-term borrowings, the Group does not expect the cash flows included in the maturity analysis to occur significantly earlier or at significantly different amounts.

C. Foreign currency risk

(a) Exposure to foreign currency risk

The Group's significant exposure to foreign currency risk were as follows:

	December 31, 2024		
	Foreign currency	Exchange rate	TWD
Financial assets			
Monetary items			
USD	$ 130,375	32.7810	4,273,823
JPY	63,777	0.2099	13,387
Financial liabilities			
Monetary items			
USD	35,936	32.7810	1,178,018
JPY	107,155	0.2099	22,492

	December 31, 2023		
	Foreign currency	Exchange rate	TWD
Financial assets			
Monetary items			
USD	$ 138,924	30.7350	4,269,829
JPY	509,316	0.2171	110,573
Financial liabilities			
Monetary items			
USD	29,377	30.7350	902,902
JPY	533,835	0.2171	115,896

(b) Sensitivity analysis

The Group's exposure to foreign currency risk arises from the foreign currency exchange gains and losses resulted from the translation of cash and cash equivalents, accounts and other receivables (including related parties), financial assets measured at amortized cost, financial assets at fair value through other comprehensive income, short-term borrowings, and accounts payable (including related parties) which are denominated in foreign currencies. A strengthening (weakening) of 1% of the TWD against the USD and the JPY as of December 31, 2024 and 2023, would have increased or decreased the net profit after tax by $24,694 thousand and $26,893 thousand, respectively. The analysis assumed that all other variables remain constant, and is performed on the same basis for both periods.

(c) Foreign exchange gain and loss on monetary items

Since the Group has different functional currencies, the information on foreign exchange gain (loss) on monetary items is disclosed in aggregate amount. For the years ended December 31, 2024 and 2023, foreign exchange gain (including realized and unrealized portions) amounted to $200,551 and $16,539, respectively.

D. Other market price risk

The sensitivity analyses for the changes in securities price at the reporting date were performed using the same basis for the profit and loss as illustrated below:

	2024		2023	
Prices of securities at the reporting date	Other comprehensive income after tax	Net income	Other comprehensive income after tax	Net income
Increasing 5%	$ 51,611	3,942	19,476	1,902
Decreasing 5%	$ (51,611)	(3,942)	(19,476)	(1,902)

E. Fair value of financial instruments

(a) Fair value hierarchy

The fair value of financial assets and liabilities at fair value through profit or loss, and financial assets at fair value through other comprehensive income are measured on a recurring basis. The carrying amount and fair value of the Group's financial assets and liabilities, including the information on fair value hierarchy were as follows; however, except as described in the following paragraphs, for financial instruments not measured at fair value whose carrying amount is reasonably close to the fair value, and lease liabilities, disclosure of fair value information is not required:

	December 31, 2024				
		Fair Value			
	Book Value	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss					
Foreign funds	$ 24,968	24,968	-	-	24,968
Foreign stocks	73,577	73,577	-	-	73,577
	$ 98,545	**98,545**	**-**	**-**	**98,545**
Financial assets at fair value through other comprehensive income					
Corporate bonds	$ 462,332	462,232	-	-	462,232
Stocks listed on domestic markets	609,699	258,285	351,414	-	609,699
Domestic and foreign unlisted company stocks	218,238	-	-	218,238	218,238
	$ 1,290,269	**720,517**	**351,414**	**218,238**	**1,290,169**
Financial liabilities at fair value through profit or loss					
Call option and put option	**$ 1,464**	**-**	**1,464**	**-**	**1,464**

	December 31, 2023				
		Fair Value			
	Book Value	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss					
Foreign funds	$ 26,657	26,657	-	-	26,657
Foreign stocks	20,883	20,883	-	-	20,883
	$ 47,540	**47,540**			**47,540**
Financial assets at fair value through other comprehensive incom					
Corporate bonds	$ 444,268	444,268	-	-	444,268
Domestic unlisted company stocks	42,637	-	-	42,637	42,637
	$ 486,905	**444,268**	**-**	**42,637**	**486,905**
Financial liabilities at fair value through profit or loss					
Call option and put option	**$ 2,374**	**-**	**2,374**	**-**	**2,374**

(b) Valuation techniques for financial instruments not measured at fair value

The Group estimates its financial instruments not measured at fair value using the following methods and assumptions:

Financial assets and financial liabilities measured at amortized cost:

If there is quoted price generated by transactions, the recent transaction price and quoted price data is used as the basis for fair value measurement. However, if no quoted prices are available, the discounted cash flows are used to estimate fair values.

(c) Valuation techniques for financial instruments measured at fair value

(i) Non-derivative financial instruments

The Group held its foreign listed US dollar corporate bonds and domestic listed company stocks, which are measured at fair value according to standard provisions and conditions; the fair value is measured using the quoted prices in an active market.

Except for the above-mentioned financial instruments traded in active markets, the fair value of other financial instruments is based on the valuation techniques or refer to quoted price from counterparties. The fair value using valuation techniques refers to the current fair value of other financial instruments with similar conditions and characteristics, or using a discounted cash flow method, or other valuation techniques including a model using observable market data at the reporting date.

The categories and nature of the fair value for the Group's financial instruments which without an active market, the fair value for equity instruments which do not have public quoted price is measured based on net asset value of comparable companies. The main assumptions are based on the market multiples and net value of assets. The market multiples derived from the net value per share of investees and quoted price of EV/EBIT' s comparable listed companies. The net asset value method reflects the overall value of the enterprise by evaluating the total value of individual assets and individual liabilities covered by the evaluation target. The estimated amount has adjusted the discounted effect due to the lack of liquidity in market for equity security.

(ii) Derivative financial instruments

Measurements of fair value of derivative instruments is based on the valuation techniques generally accepted by market participants such as embedded derivatives - call rights and put rights are used to evaluate financial instruments using the binary tree convertible bond evaluation model.

(d) There was no transfer between levels for the years ended December 31, 2024 and 2023.

(e) Reconciliation of Level 3 fair values

		Financial assets at FVOCI–equity investments without an active market
Opening balance, January 1, 2024	$	42,637
Recognized in other comprehensive income		(12,920)
Purchased		186,556
Others		1,965
Ending balance, December 31, 2024	**$**	**218,238**
Opening balance, January 1, 2023	$	32,436
Purchased		2,500
Recognized in other comprehensive income		7,701
Ending balance, December 31, 2023	**$**	**42,637**

(f) Quantified information on significant unobservable inputs (Level 3) used in fair value measurement

The Group’s financial instruments that use Level 3 inputs to measure fair value through other comprehensive income – equity investments.

The Group classified those third level of investment in non-active market equity instruments with multiple significant unobservable inputs. The significant unobservable input values of equity instrument investment without an active market are independent of each other, hence, there is no correlation.

Quantified information of significant unobservable inputs was as follows:

Items	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Financial assets at fair value through other comprehensive income equity investments without an active market	Market Method	· Price-book ratios (10.42%~12.81% and 14.91%~15.76% at Dec 31, 2024 and Dec 31, 2023, respectively.) · Discount rate (17.76%~18.37% and 15.59%~22.42% at Dec 31, 2024 and Dec 31, 2023, respectively.)	· The higher the price-book ratio, the higher the fair value · The higher the discount rate, the lower the fair value
Financial assets at fair value through other comprehensive income equity investments without an active market	Net Asset Value Method	· Net asset value · Discount rate (9% at Dec 31, 2024 and Dec 31, 2023.)	· The higher the net assets, the higher the fair valuee · The higher the discount rate, the lower the fair value

Items	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Financial assets at fair value through other comprehensive income equity investments without an active market	Market Value Method	· Discount rate (16.75% at Dec 31, 2024.)	· The higher the discount rate, the lower the fair value

(25) Financial risk management

A. Structure of risk management

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. The Group's establishment of the risk management policy is to identify and analyze the risks faced by the Group, through setting appropriate risk limits and controls, and supervising the compliance of risks and risk limits. Risk management policies and systems are regularly reviewed to reflect changes in market conditions and operations of the management of the Group.

The Group's financial management department provides services for various business units and to coordinate access to the domestic and international financial markets operation, and supervises and manages the financial risks related to the operation of the Group by analyzing internal risk reports based on risk level and breadth.

B. Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk for the bank deposits, fixed income investments, and other financial instruments is measured and monitored by the Group' s finance department. The Group only deals with banks, financial institutions and corporate organizations with good credit rating. The Group expects its counterparties to meet their obligations; hence, there is no significant credit risk arising from these counterparties.

The Group established a credit policy to obtain the necessary collateral to mitigate risks arising from financial loss due to default risk. The Group will transact with corporations having credit ratings equivalent to investment grade, and such ratings are provided by independent rating agencies. When it is not possible to obtain such information, the Group will assess the ratings based on other publicly available financial information and records of transactions with its major customers. The Group continuously monitors the exposure to credit risk and counterparty credit ratings, and establish sales limits based on the credit rating for each of its approved customer. The credit limits for each counterparty are approved and reviewed annually by the management of the Group.

The Group's policy stipulates that only fully owned subsidiaries can be provided with financial guarantees. As of December 31, 2024 and 2023 an, the Group only provided endorsement guarantee to its subsidiaries.

C. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it always has sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group manages sufficient cash and cash equivalents so as to cope with its operations and mitigate the effects of fluctuations in cash flows. The Group' s management supervises the banking facilities and ensures compliance with the terms of loan agreements.

D. Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates, and equity prices, that will affect the Group' s income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

(a) Currency risk

The Group is exposed to currency risk on sales, purchases, and borrowings that are denominated in a currency other than the respective functional currencies of the Group' s entities, the currencies used in these transactions are the TWD, USD, RMB, EUR and JPY.

Loan interest is priced in the currency of the principal of the loan. Except for the US dollars, the currency of the loan is the same as the currency of the cash flow generated by the operation of the Group, which is mainly is the New Taiwan dollar. In this case, economic hedging is provided without the need to sign derivatives, so hedging accounting is not adopted.

Regarding other monetary assets and liabilities denominated in foreign currencies, when short-term imbalance occurs, the Group buys or sells foreign currencies at real-time exchange rates to ensure that the net risk of risk remains at an acceptable level.

(b) Interest rate risk

The short-term and long-term borrowings of the Group are carried at floating interest rates. Therefore, changes in market interest rates will cause the effective interest rates of short-term and long-term borrowings to change accordingly, which will cause fluctuations in future cash flows.

(c) Other market price risk

The Group is exposed to equity price risk due to the investments in equity securities. This is a strategic investment and is not held for trading. The Group does not actively trade in these investments as the management of the Group minimizes the risk by holding different investment portfolios.

(26) Capital management

The Group's objectives for managing capital are to safeguard the capacity to continue to operate, to continue to provide a return on shareholders, to maintain the interest of other related parties, and to maintain an optimal capital structure to reduce the cost of capital.

Although the Group's life cycle is in a stable growth stage of operation, the industry of the Group is changeable, and it is deemed as technology intensive industry; hence, a material amount of capital is needed to sustain its development. The retained surplus must be used to respond to operating growth and investment needs. At this stage, a residual dividend policy is adopted. The cash dividends distributed by shareholder dividends shall not be less than 10% of the total distribution.

In order to maintain or adjust the capital structure semi-annually, the Group may adjust the dividend payment to its shareholders, reduce the capital for redistribution to shareholders, issue new shares, or sell assets to settle any liabilities.

There were no changes in the Group's approach to capital management during the year ended December 31, 2024.

The Group's debt-to-equity ratio at the end of the reporting period as of December 31, 2024 and 2023 is as follows:

		December 31, 2024	December 31, 2023
Total liabilities	$	5,935,647	5,151,604
Less: cash and cash equivalents and over three-month period time deposit		(1,162,950)	(3,062,394)
Net debt	$	**4,772,697**	**2,089,210**
Total equity	$	**7,616,099**	**6,887,036**
Debt-to-equity ratio		**62.67%**	**30.34%**

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

The Group's investing and financing activities which did not affect the current cash flow in the years ended December 31, 2024 and 2023, were as follows:

A. For right-of-use assets under leases, please refer to note 6(8).

B. Reconciliation of liabilities arising from financing activities were as follows:

				Non-cash changes		
		January 1, 2024	**Cash flows**	**Foreign exchange movement**	**Acquisition**	**December 31, 2024**
Short-term borrowings	$	419,329	(42,036)	(1,198)	-	376,095
Long-term borrowings (including current portion)		1,865,694	405,323	-	120	2,271,137
Lease liabilities (current and non-current)		39,576	(15,739)	-	14,718	38,555
Convertible bonds payable		662,742	-	-	12,545	675,287
	$	**2,987,341**	**347,548**	**(1,198)**	**27,383**	**3,361,074**

	January 1, 2023	Cash flows	Non-cash changes: Foreign exchange movement	Non-cash changes: Acquisition	December 31, 2023
Short-term borrowings	$ 100,000	319,617	(288)	-	419,329
Long-term borrowings (including current portion)	2,621,715	(756,100)	-	79	1,865,694
Lease liabilities (current and non-current)	41,640	(19,068)	-	17,004	39,576
Convertible bonds payable	-	758,169	-	(95,427)	662,742
	$ 2,763,355	302,618	(288)	(78,344)	2,987,341

7. Related-party transactions:

(1) Parent company and ultimate controlling company

Walsin Technology Corporation ("Walsin") obtained a substantial control over the Group; therefore, became the parent company of the Group. Walsin has issued its consolidated financial statements available for public use.

(2) Names and relationship with related parties

The followings are entities that have had transactions with related party during the periods covered in the consolidated financial statements:

Name of related party	Relationship with the Group
Inpaq Korea Co., Ltd. (Inpaq Korea)	An associate
Inpaq Europe GmbH	An associate
Phoenix Innovation Venture Capital Co., Ltd. (Phoenix Innovation)	The Company is a corporate director of the entity
Walsin Technology Corporation	Parent company
Prosperity Dielectrics Co., Ltd. (Prosperity Dielectrics)	Subsidiary of Walsin
PDC Electronics (Suzhou) Co., Ltd. (PDC Electronics)	Subsidiary of Walsin
Suzhou Walsin Technology Electronics Co., Ltd. (Suzhou Walsin)	Subsidiary of Walsin
Dongguan Frontier Electronic Co., Ltd.	Subsidiary of Walsin
Kamaya Electric Co., Ltd. (Kamaya Electric)	Subsidiary of Walsin
Kamaya Electric (M) Sdn. Bhd. (Kamaya (M))	Subsidiary of Walsin
Dongguan Walsin Technology Electronics Co., Ltd. (Dongguan Walsin)	Subsidiary of Walsin
Walsin Passive Component (H.K.) Ltd. (Walsin Passive (H.K.))	Subsidiary of Walsin
Walsin Technology Corporation (HK) Ltd. (Walsin Technology HK)	Subsidiary of Walsin
Prosperity Frontier Electronics (Shenzhen) Co., Ltd. (Prosperity Frontier Electronics)	Subsidiary of Walsin

Name of related party	Relationship with the Group
Joyin Co., Ltd. (Joyin)	An associate of Walsin
Hannstar Board Corporation	An associate of Walsin
HannStar Board Tech. (Jiangyin) Corp.	An associate of Walsin
Info-Tek Corporation (Info-Tek)	Other related party of Walsin
PSA Charitable Foundation	Other related party of Walsin
Career Technology (Mfg) Co., Ltd.	Other related party of Walsin
Career Foundation	Other related party of Walsin

(3) Significant transactions with related parties

A. Sales

The amounts of significant sales by the Group to its related parties were as follows:

	2024	2023
Associates	$ 106,275	109,080
Parent company	104,791	47,182
Other related parties:		
Walsin Passive (H.K.)	325,864	213,016
Walsin Technology HK	88,082	84,974
Prosperity Dielectrics	27,338	17,221
Kamaya (M)	10,377	12,008
Dongguan Walsin	6,484	17,492
Suzhou Walsin	4,822	89,369
Others	10,501	7,936
	$ 684,534	**598,278**

The terms and pricing of sales transactions with related parties were not significantly different from those offered by other customers.

B. Purchases and processing fees

The amounts of significant purchases by the Group from related parties were as follows:

	2024	2023
Parent company	$ 2,056	1,250
Other related parties:		
PDC Electronics	29,858	42,577
Prosperity Dielectrics	15,453	31,892
Others	7,165	5,342
	$ 54,532	**81,061**

The terms and pricing of purchase transactions with related parties were not significantly different from those offered by other vendors.

The amounts of significant processing fees by the Group to its related parties were as follows:

	2024	2023
Other related parties:		
Prosperity Dielectrics	$ 1,950	758
Info-Tek	564	-
	$ 2,514	**758**

C. Receivables from related parties

Account	Relationship	December 31, 2024	December 31, 2023
Accounts receivable	Walsin Passive (H.K.)	$ 100,675	111,220
Accounts receivable	Parent company	41,310	20,328
Accounts receivable	Inpaq Korea	17,984	13,038
Accounts receivable	Walsin Technology HK	12,748	17,874
Accounts receivable	Prosperity Dielectrics	10,476	4,694
Accounts receivable	Inpaq Europe GmbH	10,424	15,806
Accounts receivable	Others	11,670	21,630
		$ 205,287	**204,590**

D. Payables to related parties

Account	Relationship	December 31, 2024	December 31, 2023
Accounts payable	PDC Electronics	$ 12,630	15,683
Accounts payable	Parent company	1,196	254
Accounts payable	Others	7,895	11,926
		$ 21,721	**27,863**

E. Acquisition of property, plant and equipment

		Acquisition Price	
Account	**Relationship**	**2024**	**2023**
Mechanical equipment	Parent company	$ 774	210
Mechanical equipment	Prosperity Frontier Electronics	-	56,568
Transportation equipment	Prosperity Dielectrics	-	1,198
		$ 774	**57,976**

F. Lease

Account	Relationship	2024	2023
Rental expense	Others	$ **2,854**	**1,314**
Interest expense	Kamaya Electric	$ 250	282
	Parent company	21	31
		$ **271**	**313**

Account	Relationship	December 31, 2024	December 31, 2023
Right-of-use assets	Kamaya Electric	$ 15,999	18,312
	Parent company	1,590	2,712
		$ **17,589**	**21,024**
Lease liability	Kamaya Electric	$ 16,350	18,583
	Parent company	1,643	2,766
		$ **17,993**	**21,349**
Refundable deposits	Kamaya Electric	$ 379	379
	Info-Tek	-	1,095
		$ **379**	**1,474**

G. Other

Account	Relationship	2024	2023
Other income	Parent company	$ 2,436	2,402
	Others	162	1,259
Dividend income	Phoenix Innovation	2,020	1,626
		$ **4,618**	**5,287**
Other expense	Parent company	$ 15	156
	Others	2,637	9,399
Commission expense	Inpaq Korea	23,017	28,009
		$ **25,669**	**37,564**

Account	Relationship	December 31, 2024	December 31, 2023
Other receivables	Info-Tek	$ 1,095	-
	Parent company	648	709
	Others	435	230
		$ **2,178**	**939**
Other payables	Inpaq Korea	$ 8,447	9,190
	Parent company	1,673	1,141
	Others	1,612	1,863
		$ **11,732**	**12,194**

(4) Key management personnel compensation

Key management personnel compensation comprised:

		2024	2023
Short-term employee benefits		14,435	11,644
Post-employment benefits		108	170
Non-monetary benefits		739	292
	$	**15,282**	**12,106**

8. Pledged assets:

The carrying values of pledged assets were as follows:

Pledged assets	Object		December 31, 2024	December 31, 2023
Time deposit (classified as refundable deposits)	Tariff guarantee	$	22,473	19,798
Time deposit (classified as refundable deposits)	Guarantee for plant lease		9,331	9,331
Land and buildings	Long-term loans		798,267	812,217
Land and buildings	Long-term and short-term loans		186,866	186,866
		$	**1,016,937**	**1,028,212**

9. Significant commitments and contingencies

The contracted and unpaid construction cost of the Group on December 31, 2024 and 2023 were approximately $0 and $59,500, respectively.

10. Losses due to major disasters: none

11. Subsequent events: none

12. Other:

A summary of employee benefits, depreciation, and amortization, by function, is as follows:

By function / By item	For the year ended December 31					
	2024			2023		
	Cost of Sales	Operating Expense	Total	Cost of Sales	Operating Expense	Total
Employee benefits						
Salary	671,110	475,250	1,146,360	649,075	501,916	1,150,991
Labor and health insurance	74,429	37,703	112,132	66,053	38,916	104,969
Pension	44,731	24,954	69,685	41,039	31,923	72,962(Note)
Others	55,588	18,335	73,923	45,702	18,308	64,010
Depreciation	383,568	75,228	458,796	347,095	79,511	426,606
Amortization	4,509	14,942	19,451	3,353	16,055	19,408

Note: Includes a pension of $2,556 paid to retired employees in the current year.

13. Other disclosures

(1) Information on significant transactions:

The following is the information on significant transactions of the Group required by the "Regulations Governing the Preparation of Financial Reports by Securities Issuers":

A. Loans to other parties:

No.	Name of lender	Name of borrower	Account name	Related party	Highest balance of financing to other parties during the period	Ending balance	Actual usage amount during the period	Range of interest rates during the period	Purposes of fund financing for the borrower (note 2)	Transaction amount for business between two parties	Reasons for short-term financing	Allowance for bad debt	Collateral		Individual funding loan limits (note 1)	Maximum limit of fund financing (note 1)
													Item	Value		
0	The Company	Taiwan Ipaq Electronic Co., Ltd.	Other receivables due from related parties	Yes	700,000	500,000	470,000	1.75%	2	-	Operating	-	NIL	500,000	1,894,119	3,030,591
0	The Company	Inpaq USA	Other receivables due from related parties	Yes	81,350	49,172	26,225	3.00%	2	-	Operating	-	NIL	49,172	1,894,119	3,030,591

Note 1: a. According to the financing company's financial management clauses, the financing limit of the Company in aggregate is 40% of net equity. An entity which has business transactions with the Company or related parties:

(1) For companies or entities with short-term financing needs, in which the Company directly holds 50% of the voting shares, the financing limit is 25% of the Company's net equity.

(2) For other companies or entities, and those fund loans approved by the Company's Board of Directors, the financing limit is both 10% of the Company's net equity.

b. According to the financing company's financial management clauses, for financing between foreign companies, in which the Company directly or indirectly holds 100% of the voting shares, the financing limit for each borrower and the aggregate financing limit are both 40% of net equity.

Note 2: 1. relate to business relationship.

2. relate to short-term financing.

B. Guarantees and endorsements for other parties:

No.	Name of guarantor	Counter-party of guarantee and endorsement		Limitation on amount of guarantees and endorsements for a specific enterprise (Note 1)	Highest balance for guarantees and endorsements during the period	Balance of guarantees and endorsements as of reporting date	Actual usage amount during the period	Property pledged for guarantees and endorsements (Amount)	Ratio of accumulated amounts of guarantees and endorsements to net worth of the latest financial statements	Maximum amount for guarantees and endorsements (Note 2)	Parent company endorsements/ guarantees to third parties on behalf of subsidiary	Subsidiary endorsements/ guarantees to third parties on behalf of parent company	Endorsements / guarantees to third parties on behalf of companies in Mainland China
		Name	Relationship with the Company										
0	The Company	Inpaq Technology (China) Co., Ltd.	Subsidiaries indirectly hold 100% by the Company	1,515,295	211,510	131,124	-	-	1.73 %	3,030,591	Y	N	Y
0	The Company	Taiwan Inpaq Electronic Co., Ltd.	Subsidiaries indirectly hold 100% by the Company	1,515,295	900,000	650,000	-	-	8.58 %	3,030,591	Y	N	N
0	The Company	Hunan Frontier Electronics Co., Ltd.	Subsidiaries indirectly hold 100% by the Company	1,515,295	130,160	65,562	-	-	0.87 %	3,030,591	Y	N	Y

Note 1: The total amount of guarantee provided to any individual entity shall not exceed 20% of Inpaq's equity.

Note 2: The total amount of guarantee provided shall not exceed 40% of Inpaq's equity.

C. Securities held as of December 31, 2024 (excluding investment in subsidiaries, associates and joint ventures):

Name of holder	Category and name of security	Relationship with company	Account title	Ending balance				Highest
				Shares/Units (thousands)	Carrying value	Percentage of ownership (%)	Fair value	Percentage of ownership (%)
The Company	Corporate bonds – Union Bank of Switzerland	NA	Financial assets at amortised cost－non-current	-	131,883	-	133,943	-
The Company	Corporate bonds – Unitedhealth	NA	Financial assets at amortised cost－non-current	-	100,445	-	98,982	-
The Company	Corporate bonds – Saudi Arabian Oil Co.	NA	Financial assets at amortised cost－non-current	-	124,433	-	123,245	-
The Company	Corporate bonds – Toyota Motor Credit Corp	NA	Financial assets at amortised cost－non-current	-	202,821	-	200,757	-
The Company	Corporate bonds – BMW US Capital LLC	NA	Financial assets at amortised cost－non-current	-	97,157	-	96,858	-
The Company	Corporate bonds – Cathay United Bank Co., Ltd	NA	Financial assets at amortised cost－non-current	-	81,952	-	81,559	-
The Company	AICP Technology Corporation – Stock	NA	Financial assets at fair value through other comprehensive income － non-current	600,000	5,142	8.00 %	5,142	8.00 %
The Company	Phoenix Innovation Venture Capital Co., Ltd. – Stock	The Company is a corporate director of the entity	Financial assets at fair value through other comprehensive income － non-current	3,000,000	38,430	9.38 %	38,430	9.38 %
The Company	PAN WIN Biotechnology Inc.– Stock	NA	Financial assets at fair value through other comprehensive income － non-current	100,000	-	5.00 %	-	5.00 %
The Company	Silitech Technology Corporation – Stock	Affiliated companies of Walsin Technology Corporation	Financial assets at fair value through other comprehensive income － non-current	250,000	2,615	5.00 %	2,615	5.00 %
The Company	TXC Corporation – Stock	NA	Financial assets at fair value through other comprehensive income － non-current	6,770,000	609,699	1.97 %	609,699	1.97 %
The Company	Corporate bonds – Microsoft Corporation	NA	Financial assets at fair value through other comprehensive income － non-current	-	22,992	-	22,992	-
The Company	Corporate bonds – Apple Inc.	NA	Financial assets at fair value through other comprehensive income － non-current	-	74,923	-	74,923	-
The Company	Corporate bonds – Amazon.com, Inc.	NA	Financial assets at fair value through other comprehensive income － non-current	-	40,488	-	40,488	-
The Company	Corporate bonds – Saudi Arabian Oil Co.	NA	Financial assets at fair value through other comprehensive income － non-current	-	45,774	-	45,774	-
Inpaq (BVI)	Corporate bonds – Saudi Arabian Oil Co.	NA	Financial assets at amortised cost－non-current	-	130,629	-	126,000	-
Inpaq (BVI)	Corporate bonds – BNP Paris	NA	Financial assets at amortised cost－non-current	-	71,223	-	70,086	-
Inpaq (BVI)	Corporate bonds – Philip Morris International Inc.	NA	Financial assets at amortised cost－non current	-	163,737	-	164,216	-
Inpaq (BVI)	Corporate bonds – Verizon Communications	NA	Financial assets at amortised cost－non current	-	145,350	-	141,285	-
Inpaq (BVI)	Corporate bonds – Westpac New Zealand Limited	NA	Financial assets at amortised cost－non current	-	99,362	-	98,833	-

Inpaq Technology Co., Ltd. and subsidiaries
Notes to the Consolidated Financial Statements

Name of holder	Category and name of security	Relationship with company	Account title	Ending balance				Highest Percentage of ownership (%)
				Shares/Units (thousands)	Carrying value	Percentage of ownership (%)	Fair value	
Inpaq (BVI)	Corporate bonds –First Abu Dhabi Bank	NA	Financial assets at amortised cost－non current	-	98,803	-	98,373	-
Inpaq (BVI)	Corporate bonds –Bank of New Zealand	NA	Financial assets at amortised cost－non current	-	99,199	-	98,683	-
Inpaq (BVI)	Corporate bonds –PayPal Holdings Inc.	NA	Financial assets at amortised cost－non current	-	57,899	-	57,465	-
Inpaq (BVI)	Corporate bonds –CPC Corporation, Taiwan	NA	Financial assets at amortised cost－non current	-	65,143	-	66,234	-
Inpaq (BVI)	Corporate bonds –American Transmission System	NA	Financial assets at amortised cost－non current	-	20,442	-	19,461	-
Inpaq (BVI)	Corporate bonds –Nippon Telegraph and Telephone Corporation (NTT)	NA	Financial assets at amortised cost－non current	-	170,208	-	163,708	-
Inpaq (BVI)	Corporate bonds –Mitsubishi	NA	Financial assets at amortised cost－non current	-	229,514	-	222,244	-
Inpaq (BVI)	Corporate bonds –Banco Santander, S.A.	NA	Financial assets at amortised cost－non current	-	240,030	-	229,320	-
Inpaq (BVI)	Corporate bonds –Bank of America	NA	Financial assets at fair value through other comprehensive income －non-current	-	48,665	-	48,665	-
Inpaq (BVI)	Corporate bonds –Commonwealth Bank of Australia	NA	Financial assets at fair value through other comprehensive income －current	-	229,490	-	229,490	-
Inpaq (BVI)	PSA Japan Investment Godo Kaisha	Subsidiaries of Walsin	Financial assets at fair value through other comprehensive income －non-current	-	172,051	12.00 %	172,051	12.00 %
Inpaq (BVI)	Japanese stock –GLG Japan Corealpha	NA	Financial assets at fair value through profit or loss－non-current	3,089	24,968	-	24,968	-
Inpaq (BVI)	Japanese stock –Marubeni Corp	NA	Financial assets at fair value through profit or loss－non-current	21,300	10,697	-	10,697	-
Inpaq (BVI)	Japanese stock –Mitsui & Co Ltd.	NA	Financial assets at fair value through profit or loss－non-current	18,400	12,788	-	12,788	-
Inpaq (BVI)	Japanese stock –Kirin Holdings Co., Ltd.	NA	Financial assets at fair value through profit or loss－non-current	28,000	12,041	-	12,041	-
Inpaq (BVI)	Japanese stock –Japan Tobacco Inc.	NA	Financial assets at fair value through profit or loss－non-current	15,000	12,846	-	12,846	-
Inpaq (BVI)	Japanese stock –Nippon Telegraph & Telephone Corp	NA	Financial assets at fair value through profit or loss－non-currentt	760,000	25,205	-	25,205	-

D. Individual securities acquired or disposed of with accumulated amount exceeding the lower of TWD 300 million or 20% of the capital stock:

Name of company	Category and name of security	Account name	Name of counter-party	Relationship with the company	Beginning Balance		Purchases		Sales				Ending Balance	
					Shares	Amount	Shares	Amount	Shares	Price	Cost	Gain (loss) on disposal	Shares	Amount
The Company	TXC Corporation – Stock	Financial assets at fair value through other comprehensive income – non-current	TXC Corporation / Shareholders of the public market	NA	-	-	6,770,000	688,677	-	-	-	-	6,770,000	609,699

E. Acquisition of individual real estate with amount exceeding the lower of TWD 300 million or 20% of the capital stock: None

F. Disposal of individual real estate with amount exceeding the lower of TWD 300 million or 20% of the capital stock: None

G. Related-party transactions for purchases and sales with amounts exceeding the lower of 100 million or 20% of the capital stock:

Name of company	Related party	Nature of relationship	Transaction details				Transactions with terms different from others		Notes/Accounts receivable (payable)		Note
			Purchase/ (Sale)	Amount	Percentage of total purchases/ sales	Payment terms	Unit price	Payment terms	Ending balance	Percentage of total notes/accounts receivable (payable)	
The Company	Inpaq Technology (China) Co., Ltd.	Subsidiaries indirectly hold 100% by the Company	Sales	(783,028)	(11)%	According to the commercial terms agreed upon by both parties	-	Note	369,591	14%	
Inpaq Technology (Suzhou) Co., Ltd.	The Company	Parent company	Sales	(1,305,337)	(18)%	"	-	Note	410,075	16%	
Inpaq Technology (Suzhou) Co., Ltd.	Taiwan Inpaq	Subsidiaries indirectly hold 100% by the Company	Sales	(191,947)	(3) %	"	-	Note	25,896	1%	
Inpaq Technology (Suzhou) Co., Ltd.	Walsin Passive (H.K.)	Subsidiaries of Walsin	Sales	(325,864)	(4) %	"	-	Note	100,675	4%	
Inpaq Technology (China) Co., Ltd.	The Company	Parent company	Sales	(617,616)	(8) %	"	-	Note	139,599	5%	
Inpaq Technology (China) Co., Ltd.	Inpaq Technology (Suzhou) Co., Ltd	Subsidiaries indirectly hold 100% by the Company	Sales	(282,940)	(4) %	"	-	Note	88,864	3%	
Hunan Frontier Electronics Co., Ltd.	The Company	Parent company	Sales	(230,598)	(3) %	"	-	Note	67,430	3%	

Note : The Group's sales price and credit term for related parties are not significantly different from those of the third parties.

H. Receivables from related parties with amounts exceeding the lower of TWD 100 million or 20% of the capital stock:

Name of company	Counter-party	Nature of relationship	Ending balance	Turnover rate (%)	Overdue		Amounts received in subsequent period (note1)	Allowance for bad debts
					Amount	Action taken		
The Company	Inpaq Technology (China) Co., Ltd.	Subsidiaries indirectly hold 100% by the Company	385,127 (Note 2)	2.61 %	-	-	50,442	-
Inpaq Technology (Suzhou) Co., Ltd.	The Company	Parent company	410,075	4.20 %	-	-	134,664	-
Inpaq Technology (Suzhou) Co., Ltd.	Walsin Passive (H.K.)	Subsidiaries of Walsin	101,110 (Note 2)	3.08 %	-	-	24,654	-
Inpaq Technology (China) Co., Ltd.	The Company	Parent company	140,834 (Note 2)	5.28 %	-	-	37,848	-
The Company	Taiwan Inpaq	Subsidiaries indirectly hold 100% by the Company	471,937 (Note 3)	-	-	-	470,676	-

Note1：As of January 31, 2025.
Note2：Including other receivables.
Note3：Including other receivables from loans.

I. Trading in derivative instruments:Please refer to notes 6(13).

J. Business relationships and significant intercompany transactions:

No.	Name of company	Name of counter-party	Nature of relationship	Intercompany transactions			
				Account name	Amount (note)	Trading terms	Percentage of the consolidated net revenue or total assets
0	The Company	Inpaq Technology (China) Co., Ltd.	The parent company to the subsidiary	Accounts receivable	369,591	According to the commercial terms agreed upon by both parties	3%
0	The Company	Inpaq Technology (China) Co., Ltd.	The parent company to the subsidiary	Sales	783,028	"	11%
0	The Company	Taiwan Inpaq	The parent company to the subsidiary	Other receivables	471,937	"	3%
1	Inpaq Technology (Suzhou) Co., Ltd.	The Company	The subsidiary to the parent company	Accounts receivable	410,075	"	3%
1	Inpaq Technology (Suzhou) Co., Ltd.	The Company	The subsidiary to the parent company	Sales	1,305,337	"	18%
1	Inpaq Technology (Suzhou) Co., Ltd.	Taiwan Inpaq	The subsidiary to the subsidiary	Sales	191,947	"	3%
2	Inpaq Technology (China) Co., Ltd.	The Company	The subsidiary to the parent company	Accounts receivable	139,599	"	1%
2	Inpaq Technology (China) Co., Ltd.	The Company	The subsidiary to the parent company	Sales	617,616	"	8%
2	Inpaq Technology (China) Co., Ltd.	Inpaq Technology (Suzhou) Co., Ltd.	The subsidiary to the subsidiary	Sales	282,940	"	4%
3	Hunan Frontier Electronics Co., Ltd.	The Company	The subsidiary to the parent company	Sales	230,598	"	3%

Note: Only those that account for 1% or more of the consolidated total operating income or total assets were disclosed.

(2) Information on investees (excluding information on investees in Mainland China):

The following is the information on investees for the years ended December 31, 2024 (excluding information on investees in Mainland China):

Unit: Shares

Name of investor	Name of investee	Location	Main businesses and products	Original investment amount		Balance as of December 31, 2024			Highest Percentage of ownership	Net income (losses) of investee	Share of profits/losses of investee	Note (note 1)
				December 31, 2024	December 31, 2023	Shares (thousands)	Percentage of ownership	Carrying value				
The Company	Inpaq BVI	BVI	General investing	1,258,296	1,258,296	39,908,842	100.00 %	4,899,815	100.00 %	994,831	992,264	Subsidiary
The Company	Inpaq Korea	Korea	Sales	12,864	12,864	76,828	44.77 %	8,492	44.77 %	(4,068)	(1,822)	Associate
The Company	Inpaq USA	U.S.A.	Sales	15,315	15,315	5,000,000	100.00 %	(25,324)	100.00 %	(11,198)	(11,198)	Subsidiary
The Company	Inpaq Europe GmbH	Germany	Sales	1,273	1,273	38,000	19.00 %	1,669	19.00 %	40	8	Associate
The Company	Canfield	Samoa	Sales	-	14,823	-	-	-	100.00 %	785	785	Note 3
The Company	Yangtze Energy Technologies, Inc.	Taiwan	Production and sales of electronic components	7,000	7,000	311,097	19.89 %	1,770	19.89 %	(1,397)	(285)	Associate
The Company	Inpaq Japan	Japan	Sales	41,940	-	20,000	100.00 %	41,873	100.00 %	(108)	(108)	Subsidiary
The Company	Inpaq Malaysia	Malaysia	Production and sales of electronic components	-	-	-	100.00 %	-	100.00 %	-	-	Subsidiary
The Company	Eleceram Technology Co., Ltd.	Taiwan	Production and sales of electronic components	209,946	209,946	8,747,750	72.90 %	183,037	72.90 %	(16,792)	(13,873)	Subsidiary
Inpaq BVI	Inpaq Cayman	Cayman Islands	General Investing	1,002,550	1,002,550	32,150,000	100.00 %	2,592,581	100.00 %	927,907	927,907	Subsidiary
Inpaq BVI	Inpaq (HK) Co., Limited	Hong Kong	General Investing	-	277,988	-	-	-	100.00 %	-	-	Note 2
Inpaq Technology (Suzhou) Co., Ltd.	Holoypaq (HK) Co., Limited	Hong Kong	General Investing	122,240	122,240	4,000,000	100.00 %	(99,252)	100.00 %	126,862	126,862	Subsidiary
Holoypaq (HK) Co., Limited	Taiwan Inpaq	Taiwan	Production and sales of electronic components	122,240	122,240	-	100.00 %	(99,252)	100.00 %	126,862	126,862	Subsidiary

Note 1: The relevant transactions and ending balance were eliminated in the consolidated financial statements.

Note 2: On March 28, 2024, Inpaq (HK) Co., Limited completed its liquidation procedures on various rights and obligations; thus, cancelled its registration in 2024.

Note 3: On July 4, 2024, Canfield completed its liquidation procedures on various rights and obligations; thus, cancelled its registration in 2024.

(3) Information on investment in mainland China:

A. The names of investees in Mainland China, the main businesses and products, and other information:

Name of investee	Main businesses and products	Total amount of paid-in capital	Method of investment	Accumulated outflow of investment from Taiwan as of January 1, 2024	Investment flows		Accumulated outflow of investment from Taiwan as of December 31, 2024 (Note 3)	Net income (losses) of the investee	Percentage of ownership	Highest percentage of ownership	Investment income (losses) (Notes 2 and 5)	Book value (Notes 2, 3 and 5)	Accumulated remittance of earnings in current period
					Outflow	Inflow							
Inpaq Technology (Suzhou) Co., Ltd.	Production and sales of electronic components	360,643	Note 1	360,643	-	-	360,643	904,078	100.00%	100.00%	904,078	1,607,268	361,325
Inpaq Trading (Suzhou) Co., Ltd.	Sales of electronic components	-	Note 6	23,179	-	-	23,179 (Note 6)	-	-	-	-	-	-
Inpaq Technology (China) Co., Ltd.	Production and sales of electronic components	894,480	Note 1	894,480	-	-	894,480	24,879	100.00%	100.00%	24,879	958,808	-
Inpaq Trading (Suzhou) Co., Ltd.	Sales of electronic components	9,463	Note 4	-	-	-	-	1,677	100.00%	100.00%	1,677	33,935	-
Hunan Frontier Electronics Co., Ltd.	Manufacturing and selling of transformer, coils and magnetic components	456,560	Note 4	-	-	-	-	(8,498)	100.00%	100.00%	(8,498)	340,380	-

B. Limitation on investment in Mainland China:

Accumulated Investment in Mainland China as of December 31, 2024	Investment Amounts Authorized by Investment Commission, MOEA (Notes 6 and 7)	Upper Limit on Investment (Note 3)
1,278,302	916,977	4,545,886

Note 1: Investment in companies in Mainland China through the existing companies in the third regions.

Note 2: The amount was recognized based on the audited financial statements.

Note 3: The Company investment in Mainland China pursuant to "Principle of Investment or Technical Cooperation in Mainland China" did not exceed the investment amount or percentage limit.

Note 4: Inpaq Trading (Suzhou) Co., Ltd. invested using it own funds; thus, its was not included in the calculation of the investment limit.

Note 5: The relevant transactions and ending balance were eliminated in consolidated financial statements.

Note 6: Inpaq Trading has completed its liquidation procedures on various rights and obligations; thus, cancelled its registration in 2023. However, its cumulative investment of $23,179 still needs to be included in the cumulative amount of investments from Taiwan to China according to the regulations of the Investment Commission, MOEA.

Note 7: The cash dividend of $361,325 remitted by Inpaq Trading (Suzhou) Co., Ltd. in 2020 was approved by the Investment Commission MOEA on January 22, 2021 with approval number 10900410860 for reference.

C. Significant transactions:

The significant inter-company transactions with the subsidiary in Mainland China, which were eliminated in the preparation of consolidated financial statements, were disclosed in "Information on significant transactions".

(4) Major shareholders:

Shareholding / Shareholder's Name	Shares	Percentage
Walsin Technology Corporation	55,975,658	37.57 %

The information of major shareholders in this table is based on the last business day of the end of each quarter by the China Insurance Company, who calculates that shareholders holding more than 5% of the Company's ordinary shares that have completed unregistered delivery (including treasury shares). As for the share capital recorded in the Company's financial report and the Company's actual number of shares delivered without physical registration, there may be differences or differences due to the bases of the calculation.

14. Segment information:

(1) General information

The Group has two reportable segments: high frequency component segment and passive component segment. The high-frequency component segment manufactures various communication components, which are mainly used in mobile phones, global positioning systems (GPS), wireless communication networks, and bluetooth modules. The passive components segment manufactures protective components such as overvoltage, overcurrent, and noise protection, which are mainly used in consumer electronics and computer peripherals.

The reportable segments are the Group' s strategic divisions. They offer different products and services and are managed separately because they require different technology and marketing strategies.

The Group uses the internal management report that the chief operating decision maker reviews as the basis to determine resource allocation and make a performance evaluation. The internal management report includes profit before taxation, but not including any extraordinary activity and foreign exchange gain or losses because taxation, extraordinary activity, and foreign exchange gain or losses are managed on a group basis, and hence they are not able to be allocated to each reportable segment.

	2024			
	High frequency component segment	Passive component segment	Reconciliation and elimination	Total
Revenue				
Revenue from external customers	$ 4,199,825	3,166,585	-	7,366,410
Intersegment revenues	-	18,311	(18,311)	-
Total revenue	**$ 4,199,825**	**3,184,896**	**(18,311)**	**7,366,410**
Reportable segment profit	**$ 549,323**	**400,305**	**-**	949,628
Share of loss of associates accounted for using equity method				(2,099)
Unamortized amount				323,615
Net profit before tax				**$ 1,271,144**
Segment assets				$ 13,539,815
Investments assets accounted for using the equity method				11,931
Total assets				**$ 13,551,746**

	2023			
	High frequency component segment	**Passive component segment**	**Reconciliation and elimination**	**Total**
Revenue				
Revenue from external customers	$ 3,595,846	3,008,215	-	6,604,061
Intersegment revenues	-	14,753	(14,753)	-
Total revenue	**$ 3,595,846**	**3,022,968**	**(14,753)**	**6,604,061**
Reportable segment profit	**$ 416,124**	**348,713**	**-**	764,837
Share of profit of associates accounted for using equity method				3,035
Unamortized amount				71,368
Net profit before tax				**$ 839,240**
Segment assets				$ 12,024,074
Investments accounted for using the equity method				14,566
Total assets				**$ 12,038,640**

(2) Geographic information

In presenting information on the basis of geography, segment revenue is based on the geographical location of customers and segment assets are based on the geographical location of the assets.

A. For information on the revenue from the external customers of the Group in 2024 and 2023, please refer to note 6(21).

B. Non-current assets

Geographical information	**December 31, 2024**	**December 31, 2023**
Taiwan	$ 3,007,009	3,076,512
China	1,333,103	1,383,702
	$ 4,340,112	**4,460,214**

Note: Non-current assets include property, plant and equipment, right-of-use assets, investment property, intangible assets and other non-current assets.

(3) Major customers

Revenues from a single customer that account for more than 10% of the Group’s total revenue are as follows: none.