Forcecon Tech. Co., Ltd. and Subsidiaries

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

DECLARATION OF CONSOLIDATION OF FINANCIAL STATEMENTS OF AFFILIATES

The companies required to be included in the consolidated financial statements of affiliates in accordance with the "Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises" for the year ended December 31, 2024 are all the same as the companies required to be included in the consolidated financial statements of the parent company and its subsidiaries under International Financial Reporting Standard 10 "Consolidated Financial Statements". Relevant information that should be disclosed in the consolidated financial statements of affiliates has all been disclosed in the consolidated financial statements of the parent company and its subsidiaries. Hence, we do not prepare a separate set of consolidated financial statements of affiliates.

Very truly yours,

Forcecon Tech. Co., Ltd.

By:

____
CHEN-CHI JAO
Chairman

March 11, 2025

Deloitte.

勤業眾信

勤業眾信聯合會計師事務所
110016 台北市信義區松仁路100號20樓

Deloitte & Touche
20F, Taipei Nan Shan Plaza
No. 100, Songren Rd.,
Xinyi Dist., Taipei 110016, Taiwan

Tel :+886 (2) 2725-9988
Fax:+886 (2) 4051-6888
www.deloitte.com.tw

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Forcecon Tech. Co., Ltd.

Opinion

We have audited the accompanying consolidated financial statements of Forcecon Tech. Co., Ltd. and its subsidiaries (collectively referred to as the "Group"), which comprise the consolidated balance sheets as of December 31, 2024 and 2023, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the consolidated financial statements, including material accounting policy information (collectively referred to as the "consolidated financial statements").

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 International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (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 the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the 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 the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 for the year ended December 31, 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matter for the Group's consolidated financial statements for the year ended December 31, 2024 is stated as follows:

<u>Occurrence of Revenue from Specific Customers</u>

The main products of the Group are thermal products. Due to the increased demand for consumer application products such as laptops and mobile phones in 2024, the Company has also continued to develop water-cooling and liquid-cooling thermal dissipation technologies for AI servers.

Therefore, we considered the occurrence of revenue as a key audit matter. For a detailed explanation of revenue, refer to Notes 4 and 22 of the accompanying consolidated financial statements.

Our audit procedures performed with respect to the above key audit matter included the following:

1. We obtained an understanding of the related internal control and operating procedures in the Group's sales transaction cycle, and we evaluated and confirmed the operating effectiveness of control and operating procedures.

2. We selected samples from the sales details, examined customers' original orders, sales electronic orders, delivery orders, logistics receipt documents or export declarations and sales invoices for any abnormalities and confirmed that sales revenue did occur.

Other Matter

We have also audited the parent company only financial statements of Forcecon Tech. Co., Ltd. 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 the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and IFRS, IAS, IFRIC and 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.

Auditors' 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 maintain 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 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 for the year ended December 31, 2024, and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Zhi-Yuan Wen and Hsin-Tung Lin.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 11, 2025

Notice to Readers

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

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

FORCECON TECH. CO., LTD. AND SUBSIDIARIES

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

	2024		2023	
ASSETS	**Amount**	**%**	**Amount**	**%**
CURRENT ASSETS				
Cash and cash equivalents (Notes 4, 6 and 28)	$ 1,790,862	18	$ 1,812,013	21
Financial assets at fair value through profit or loss - current (Notes 4, 7, 27 and 28)	205	-	10,474	-
Financial assets at amortized cost - current (Notes 4, 8 and 28)	89,560	1	-	-
Accounts receivable (Notes 4, 9 , 22 and 28)	3,505,968	35	3,264,352	37
Current tax assets (Notes 4 and 24)	691	-	691	-
Inventories (Notes 4, 5 and 10)	1,388,324	14	1,286,164	15
Other current assets (Notes 4, 15 and 28)	255,829	3	137,260	1
Total current assets	7,031,439	71	6,510,954	74
NON-CURRENT ASSETS				
Financial assets at fair value through profit or loss - non-current (Notes 4, 7 and 28)	48,779	1	-	-
Financial assets at amortized cost - non-current (Notes 4, 8 and 28)	89,560	1	173,080	2
Property, plant and equipment (Notes 4, 12, 30 and 31)	2,183,723	22	1,496,374	17
Right-of-use assets (Notes 4, 13 and 30)	291,617	3	265,476	3
Intangible assets (Notes 4 and 14)	35,098	-	32,648	1
Deferred tax assets (Notes 4 and 24)	35,075	-	45,418	1
Prepayments for equipment	201,880	2	186,879	2
Other non-current assets (Notes 4, 15 and 28)	31,465	-	32,274	-
Total non-current assets	2,917,197	29	2,232,149	26
TOTAL	$ 9,948,636	100	$ 8,743,103	100

	2024		2023	
LIABILITIES AND EQUITY	**Amount**	**%**	**Amount**	**%**
CURRENT LIABILITIES				
Short-term borrowings (Notes 16, 28 and 30)	$ 1,046,032	11	$ 1,147,657	13
Contract liabilities - current (Note 22)	296	-	730	-
Accounts payable (Notes 18 and 28)	2,203,027	22	1,976,976	23
Other payables (Notes 19 and 28)	994,325	10	843,193	10
Current tax liabilities (Notes 4 and 24)	47,968	1	47,329	-
Lease liabilities - current (Notes 4 and 13)	40,088	-	22,373	-
Current portion of long-term borrowings (Notes 16, 28 and 30)	10,480	-	27,238	-
Other current liabilities (Note 19)	5,803	-	5,885	-
Total current liabilities	4,348,019	44	4,071,381	46
NON-CURRENT LIABILITIES				
Bonds payable (Notes 4, 17 and 28)	187,561	2	-	-
Long-term borrowings (Notes 16, 28 and 30)	142,794	1	223,787	3
Deferred tax liabilities (Notes 4 and 24)	269,422	3	255,449	3
Lease liabilities - non-current (Notes 4 and 13)	76,316	1	69,877	1
Other non-current liabilities (Notes 19 and 28)	28,851	-	43,270	-
Total non-current liabilities	704,944	7	592,383	7
Total liabilities	5,052,963	51	4,663,764	53
EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY (Notes 4 and 21)				
Share capital				
Ordinary shares	861,298	8	829,285	10
Capital surplus	2,337,894	23	1,923,433	22
Retained earnings				
Legal reserve	339,593	4	275,945	3
Special reserve	138,289	1	85,220	1
Unappropriated earnings	1,278,920	13	1,131,688	13
Total retained earnings	1,756,802	18	1,492,853	17
Other equity				
Exchange differences on the translation of the financial statements of foreign operations	(32,378)	-	(138,289)	(2)
Treasury shares	(27,943)	-	(27,943)	-
Total equity attributable to shareholders of the Company	4,895,673	49	4,079,339	47
Total equity	4,895,673	49	4,079,339	47
TOTAL	$ 9,948,636	100	$ 8,743,103	100

The accompanying notes are an integral part of the consolidated financial statements.

FORCECON TECH. CO., LTD. AND SUBSIDIARIES

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

	2024		2023	
	Amount	**%**	**Amount**	**%**
OPERATING REVENUE (Notes 4 and 22)	$ 9,001,173	100	$ 8,342,725	100
OPERATING COSTS (Notes 10 and 23)	(7,195,894)	(80)	(6,498,470)	(78)
GROSS PROFIT	1,805,279	20	1,844,255	22
OPERATING EXPENSES (Note 23)				
Selling and marketing expenses	(348,779)	(4)	(300,452)	(4)
General and administrative expenses	(436,241)	(5)	(451,304)	(5)
Research and development expenses	(680,645)	(7)	(561,400)	(7)
Expected credit loss (Notes 4 and 9)	(746)	-	(34)	-
Total operating expenses	(1,466,411)	(16)	(1,313,190)	(16)
PROFIT FROM OPERATING	338,868	4	531,065	6
NON-OPERATING INCOME AND EXPENSES (Note 23)				
Interest income	57,423	1	53,637	1
Other income	291,113	3	172,082	2
Other gains and losses	158,788	2	27,466	-
Finance costs	(39,175)	(1)	(40,377)	-
Total non-operating income and expenses	468,149	5	212,808	3
PROFIT BEFORE INCOME TAX	807,017	9	743,873	9
INCOME TAX EXPENSE (Notes 4 and 24)	(110,494)	(1)	(107,397)	(1)
NET PROFIT FOR THE YEAR	696,523	8	636,476	8
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of the financial statements of foreign operations (Note 4)	132,388	1	(73,731)	(1)
Income tax related to items that may be reclassified subsequently to profit or loss (Notes 4 and 24)	(26,477)	-	14,746	-
Other comprehensive income (loss) for the year	105,911	1	(58,985)	(1)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	$ 802,434	9	$ 577,491	7
NET PROFIT ATTRIBUTABLE TO:				
Shareholders of the Company	$ 696,523	8	$ 636,476	8
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Shareholders of the Company	$ 802,434	9	$ 577,491	7

(Continued)

FORCECON TECH. CO., LTD. AND SUBSIDIARIES

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

	2024		2023	
	Amount	**%**	**Amount**	**%**
EARNINGS PER SHARE (Note 25)				
Basic	$ 8.27		$ 8.03	
Diluted	$ 8.14		$ 7.69	

The accompanying notes are an integral part of the consolidated financial statements. (Concluded)

FORCECON TECH. CO., LTD. AND SUBSIDIARIES

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

	Equity Attributable to Shareholders of the Parent							
			Retained Earnings			Other Equity		
	Shares Capital	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translation of the Financial Statements of Foreign Operations	Treasury Stock	Total Equity
BALANCE, JANUARY 1, 2023	$ 781,290	$ 1,646,057	$ 226,076	$ 113,181	$ 829,681	$ (79,304)	$ -	$ 3,516,981
Appropriation of 2022 earnings								
Legal reserve	-	-	49,869	-	(49,869)	-	-	-
Special reserve (reversed)	-	-	-	(27,961)	27,961	-	-	-
Cash dividends distributed by the Company	-	-	-	-	(312,561)	-	-	(312,561)
Net profit for the year ended December 31, 2023	-	-	-	-	636,476	-	-	636,476
Other comprehensive income for the year ended December 31, 2023, net of income tax	-	-	-	-	-	(58,985)	-	(58,985)
Total comprehensive income for the year ended December 31, 2023	-	-	-	-	636,476	(58,985)	-	577,491
Buy-back of treasury shares	-	-	-	-	-	-	(61,417)	(61,417)
Other changes in capital surplus								
Execution of disgorgement	-	276	-	-	-	-	-	276
Overdue cash dividends	-	4	-	-	-	-	-	4
Share-based payments	-	9,388	-	-	-	-	-	9,388
Convertible bonds converted to ordinary shares	42,845	251,011	-	-	-	-	-	293,856
Treasury stock sold to employees	-	-	-	-	-	-	33,474	33,474
Issuance of ordinary shares under employee share options	5,150	16,697	-	-	-	-	-	21,847
BALANCE, DECEMBER 31, 2023	829,285	1,923,433	275,945	85,220	1,131,688	(138,289)	(27,943)	4,079,339
Appropriation of 2023 earnings								
Legal reserve	-	-	63,648	-	(63,648)	-	-	-
Special reserve	-	-	-	53,069	(53,069)	-	-	-
Cash dividends distributed by the Company	-	-	-	-	(432,574)	-	-	(432,574)
Net profit for the year ended December 31, 2024	-	-	-	-	696,523	-	-	696,523
Other comprehensive income for the year ended December 31, 2024, net of income tax	-	-	-	-	-	105,911	-	105,911
Total comprehensive income for the year ended December 31, 2024	-	-	-	-	696,523	105,911	-	802,434
Other changes in capital surplus								
Share-based payments	-	10,579	-	-	-	-	-	10,579
Equity component of convertible bonds issued by the Company	-	48,342	-	-	-	-	-	48,342
Execution of disgorgement	-	3	-	-	-	-	-	3
Issuance of ordinary shares for cash	31,250	353,125	-	-	-	-	-	384,375
Issuance of ordinary shares under employee share options	763	2,412	-	-	-	-	-	3,175
BALANCE, DECEMBER 31, 2024	$ 861,298	$ 2,337,894	$ 339,593	$ 138,289	$ 1,278,920	$ (32,378)	$ (27,943)	$ 4,895,673

The accompanying notes are an integral part of the consolidated financial statements.

FORCECON TECH. CO., LTD. AND SUBSIDIARIES

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

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	$ 807,017	$ 743,873
Adjustments for:		
Depreciation expense	457,942	405,181
Amortization expense	17,063	14,421
Expected credit loss recognized on trade receivables	746	34
Net loss (gain) on financial assets and liabilities at fair value through profit or loss	12,487	(12,667)
Finance costs	39,175	40,377
Interest income	(57,423)	(53,637)
Compensation cost of share-based payments	10,579	9,388
Loss on disposal of property, plant and equipment	9,545	10,765
Write-down of inventories	44,128	33,165
Net (gain) loss on foreign currency exchange	(75,461)	46,397
Gain on modification of lease	(16)	-
Changes in operating assets and liabilities		
Accounts receivable	(177,698)	(790,479)
Inventories	(143,474)	(180,129)
Other current assets	(118,569)	(20,317)
Contract liabilities	(434)	730
Accounts payable	218,191	569,499
Other payables	68,441	171,222
Other current liabilities	(82)	1,369
Cash generated from operations	1,112,157	989,192
Interest paid	(37,767)	(34,843)
Income tax paid	(112,017)	(118,844)
Net cash generated from operating activities	962,373	835,505
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of financial assets at amortized cost	-	43,930
Purchase for financial assets at fair value through profit or loss	(50,000)	-
Payments for property, plant and equipment	(954,175)	(362,610)
Proceeds from disposal of property, plant and equipment	1,337	41
Decrease in refundable deposits	77	2,432
Payments for intangible assets	(18,934)	(10,389)
Payments for right-of-use assets	-	(60,548)
Decrease in other non-current assets	732	572
Increase in prepayments for equipment	(46,122)	(134,253)
Interest received	57,423	53,637
Net cash used in investing activities	(1,009,662)	(467,188)

(Continued)

FORCECON TECH. CO., LTD. AND SUBSIDIARIES

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

	2024	2023
CASH FLOWS FROM FINANCING ACTIVITIES		
(Decrease) increase in short-term borrowings	$ (126,791)	$ 184,739
Proceeds from issuance of convertible bonds	232,143	-
Proceeds form long-term borrowings	63,403	150,826
Repayments of long-term borrowings	(161,306)	(9,160)
(Decrease) increase in guarantee deposits	(14,420)	42,871
Repayment of the principal portion of lease liabilities	(38,101)	(12,868)
Dividends paid	(432,574)	(312,561)
Issuance of ordinary shares for cash	384,375	-
Exercise of employee share options	3,175	21,847
Cost of acquired treasury stock	-	(61,417)
Employees proceeds treasury stock	-	33,474
Execution of disgorgement	-	276
Unclaimed dividends extinguished by prescription	3	4
Net cash (used in) generated from financing activities	(90,093)	38,031
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	116,231	(38,373)
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(21,151)	367,975
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	1,812,013	1,444,038
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	$ 1,790,862	$ 1,812,013

The accompanying notes are an integral part of the consolidated financial statements. (Concluded)

FORCECON TECH. CO., LTD. AND SUBSIDIARIES

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

1. GENERAL INFORMATION

Forcecon Tech. Co., Ltd. (the "Company") was established in November 1997 in accordance with the provisions of the Company Act and relevant laws and regulations. The Company's main business activities include the design, manufacturing, processing and trading of computer and peripheral equipment components.

The Company's shares have been listed on the Taipei Exchange (TPEx) since December 2006.

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

2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by the board of directors and on March 11, 2025.

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

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

   The initial application of the IFRS Accounting Standards endorsed and issued into effect by the FSC did not have material impact on the accounting policies of the Company and the entities controlled by the Company (collectively, the "Group").

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

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

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

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

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

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

Note 1: Unless stated otherwise, the above IFRS Accounting Standards are effective for annual reporting periods beginning on or after their respective effective dates.

1) IFRS 18 "Presentation and Disclosure in Financial Statements"

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

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

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

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

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

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

4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

a. Statement of compliance

The consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IFRS Accounting Standards as endorsed and issued into effect by the FSC.

b. Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis except for financial instruments which are measured at fair value.

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

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

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

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

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

Current assets include:

1) Assets held primarily for the purpose of trading;

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

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

Current liabilities include:

1) Liabilities held primarily for the purpose of trading;

2) Liabilities due to be settled within 12 months after the reporting period, even if an agreement to refinance, or to reschedule payments, on a long-term basis is completed after the reporting period and before the consolidated financial statements are authorized for issue; and

3) Liabilities for which the Group does not have the substantial right at the end of the reporting period to defer settlement for at least 12 months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

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

d. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company (i.e., its subsidiaries).

Income and expenses of subsidiaries acquired or disposed of during the period are included in the consolidated statement of comprehensive income from the effective dates of acquisitions up to the effective dates of disposals, as appropriate.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those of the Group.

All intra-group transactions, balances, income and expenses are eliminated in full upon consolidation.

See Note 11 and Table 7 for detailed information on subsidiaries (including percentages of ownership and main businesses).

e. Foreign currencies

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

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

Non-monetary items denominated in foreign currencies that are measured at fair value are retranslated at the rates prevailing at the date when the fair value is determined. Exchange differences arising from the retranslation of non-monetary items are included in profit or loss for the period except for exchange differences arising from the retranslation of non-monetary items in respect of which gains and losses are recognized directly in other comprehensive income; in which cases, the exchange differences are also recognized directly in other comprehensive income.

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

For the purpose of presenting consolidated financial statements, the financial statements of the Company's foreign operations (including subsidiaries in other countries) that are prepared using functional currencies which are different from the currency of the Company are translated into the presentation currency, the New Taiwan dollar, as follows: Assets and liabilities are translated at the exchange rates prevailing at the end of the reporting period; and income and expense items are translated at the average exchange rates for the period. The resulting currency translation differences are recognized in other comprehensive income.

On the disposal of a foreign operation (i.e., a disposal of the Company's entire interest in a foreign operation, or a disposal involving the loss of control over a subsidiary that a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

f. Inventories

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

g. Property, plant and equipment

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

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

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

h. Intangible assets

1) Intangible assets acquired separately

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

2) Derecognition of intangible assets

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

i. Impairment of property, plant and equipment, right-of-use assets and intangible assets

At the end of each reporting period, the Group reviews the carrying amounts of its property, plant and equipment, right-of-use asset and intangible assets to, determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

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

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

j. Financial instruments

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

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

1) Financial assets

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

   a) Measurement categories

      Financial assets are classified into the following categories: Financial assets at FVTPL and financial assets at amortized cost.

      i. Financial assets at FVTPL

         Financial assets are classified as at FVTPL when such financial assets are mandatorily classified as at FVTPL. Financial assets mandatorily classified as at FVTPL include investments in equity instruments which are not designated as at FVTOCI and debt instruments that do not meet the amortized cost criteria or the FVTOCI criteria.

         Financial assets at FVTPL are subsequently measured at fair value, and remeasurement gains or losses on such financial assets are recognized in other gains or losses. Fair value is determined in the manner described in Note 28.

      ii. Financial assets at amortized cost

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

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

         ii) The contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

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

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

b) Impairment of financial assets

The Group recognizes a loss allowance for expected credit losses on financial assets at amortized cost (including trade receivables).

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

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

For internal credit risk management purposes, the Group considers the following situations as indication that a financial asset is in default (without taking into account any collateral held by the Group):

i. Internal or external information shows that the debtor is unlikely to pay its creditors.

ii. Financial asset is more than 90 days past due unless the Group has reasonable and corroborative information to support a more lagged default criterion.

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

c) Derecognition of financial assets

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

On derecognition of a financial asset at amortized cost in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss.

2) Equity instruments

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

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

The repurchase of the Company's own equity instruments is recognized in and deducted directly from equity, and its carrying amounts are calculated based on weighted average by share types. No gain or loss is recognized in profit or loss on the purchase, sale, issuance or cancellation of the Company's own equity instruments.

3) Financial liabilities

a) Subsequent measurement

Except the following situations, all financial liabilities are measured at amortized cost using the effective interest method:

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when such financial liabilities are either held for trading as at FVTPL.

Financial liabilities held for trading are stated at fair value, and any gains or losses on such financial liabilities are recognized in other gains or losses; any remeasurement gains or losses on such financial liabilities are recognized in other gains or losses.

b) Derecognition of financial liabilities

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

4) Convertible bonds

The component parts of compound instruments (i.e., convertible bonds) issued by the Group are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

On initial recognition, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recorded as a liability on an amortized cost basis using the effective interest method until extinguished upon conversion or upon the instrument's maturity date. Any embedded derivative liability is measured at fair value.

The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognized and included in equity, net of income tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised; in which case, the balance recognized in equity will be transferred to capital surplus - share premiums. When the conversion option remains unexercised at maturity, the balance recognized in equity will be transferred to capital surplus - share premiums.

Transaction costs that relate to the issuance of the convertible notes are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognized directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component.

5) Derivative financial instruments

The Group enters into derivative financial instruments to manage its exposure to foreign exchange rate risks, including foreign exchange forward contracts.

Derivatives are initially recognized at fair value at the date on which the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in profit or loss immediately unless the derivative is designated and effective as a hedging instrument; in which event, the timing of the recognition in profit or loss depends on the nature of the hedging relationship. When the fair value of a derivative financial instrument is positive, the derivative is recognized as a financial asset; when the fair value of a derivative financial instrument is negative, the derivative is recognized as a financial liability.

Derivatives embedded in hybrid contracts that contain financial asset hosts that is within the scope of IFRS 9 are not separated; instead, the classification is determined in accordance with the entire hybrid contract. Derivatives embedded in non-derivative host contracts that are not financial assets within the scope of IFRS 9 (e.g., financial liabilities) are treated as separate derivatives when they meet the definition of a derivative, their risks and characteristics are not closely related to those of the host contracts, and the host contracts are not measured at FVTPL.

k. Revenue recognition

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

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

Revenue from the sale of goods

Revenue from the sale of goods comes from sales of fans and thermal module products. Sales of fans and thermal module products are recognized as revenue when the goods are shipped because it is the time when the customer has full discretion over the manner of distribution and price to sell the goods, has the primary responsibility for sales to future customers and bears the risks of obsolescence.

The Group does not recognize revenue on materials delivered to subcontractors because this delivery does not involve a transfer of control.

l. Leases

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

1) The Group as lessor

Leases are classified as finance leases whenever the terms of a lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

When the Group subleases a right-of-use asset, the sublease is classified by reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. However, if the head lease is a short-term lease that the Group, as a lessee, has accounted for applying recognition exemption, the sublease is classified as an operating lease.

Lease payments from operating leases are recognized as income on a straight-line basis over the terms of the relevant leases.

2) The Group as lessee

The Group recognizes right-of-use assets and lease liabilities for all leases at the commencement date of a lease, except for short-term leases and low-value asset leases accounted for by applying a recognition exemption where lease payments are recognized as expenses on a straight-line basis over the lease terms.

Right-of-use assets are initially measured at cost, which comprises the initial measurement of lease liabilities. Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses and adjusted for any remeasurement of the lease liabilities. Right-of-use assets are presented on a separate line in the parent company only balance sheets.

Right-of-use assets are depreciated using the straight-line method from the commencement dates to the earlier of the end of the useful lives of the right-of-use assets or the end of the lease terms.

Lease liabilities are initially measured at the present value of the lease payments. The lease payments are discounted using the interest rate implicit in a lease, if that rate can be readily determined. If that rate cannot be readily determined, the lessee’s incremental borrowing rate will be used.

Subsequently, lease liabilities are measured at amortized cost using the effective interest method, with interest expense recognized over the lease terms. When there is a change in future lease payments resulting from a change in a lease term, the Group remeasures the lease liabilities with a corresponding adjustment to the right-of-use-assets. However, if the carrying amount of the right-of-use assets is reduced to zero, any remaining amount of the remeasurement is recognized in profit or loss. Lease liabilities are presented on a separate line in the consolidated balance sheets.

m. Borrowing costs

Borrowing costs are recognized in profit or loss in the period in which they are incurred.

n. Government grants

Government grants are not recognized until there is reasonable assurance that the Group will comply with the conditions attached to them and that the grants will be received.

Government grants related to income are recognized in other income on a systematic basis over the periods in which the Group recognizes as expenses the related costs that the grants intend to compensate.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognized in profit or loss in the period in which they are received.

o. Employee benefits

1) Short-term employee benefits

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

2) Retirement benefits

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

3) Termination benefits

A liability for a termination benefit is recognized at the earlier of when the Group can no longer withdraw the offer of the termination benefit and when the Group recognizes any related restructuring costs.

p. Share-based payment arrangements

Employee share options granted to employees

The fair value at the grant date of the employee share options is expensed on a straight-line basis over the vesting period, based on the Group's best estimates of the number of shares or options that are expected to ultimately vest, with a corresponding increase in capital surplus - employee share options. The expense is recognized in full at the grant date if the grants are vested immediately. The grant date of issued ordinary shares for cash which are reserved for employees and treasury shares transferred to employees is the date on which the board of directors approves the transaction.

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

q. Taxation

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

1) Current tax

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

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

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

2) Deferred tax

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

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences, unused loss carryforwards and unused tax credits, research and development expenditures to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

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

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered. A previously unrecognized deferred tax asset is also reviewed at the end of each reporting period and recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

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

3) Current and deferred taxes

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

5. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

Key Sources of Estimation Uncertainty

Write-down of inventories

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

6. CASH AND CASH EQUIVALENTS

	December 31	
	2024	**2023**
Cash on hand	$ 1,030	$ 554
Checking accounts and demand deposits	1,636,302	1,408,541
Cash equivalents (investments with original maturities of 3 months or less)		
Time deposits	153,530	402,918
	$ 1,790,862	$ 1,812,013

The market rate intervals of cash in the bank at the end of the year were as follows:

	December 31	
	2024	**2023**
Demand deposits	0.01%-4.30%	0.01%-5.30%
Time deposits	2.15%-4.60%	1.35%-5.45%

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	December 31 2024	December 31 2023
Financial assets - current		
Financial assets mandatorily classified as at FVTPL		
Derivative financial assets (not under hedge accounting)		
Call options on convertible bonds (Note 17)	$ 205	$ -
Foreign exchange forward contracts	-	10,474
	$ 205	$ 10,474
Financial assets - non-current		
Financial assets mandatorily classified as at FVTPL		
Non-derivative financial assets		
Domestic unlisted shares	$ 48,779	$ -

At the end of the year, outstanding foreign exchange forward contracts not under hedge accounting were as follows:

	Currency	Maturity Date	Notional Amount (In Thousands)
December 31, 2023			
Sell	USD/RMB	2024.01.12	USD 2,000
Sell	USD/RMB	2024.01.17	USD 3,000
Sell	USD/RMB	2024.01.19	USD 2,000
Sell	USD/RMB	2024.02.20	USD 2,000
Sell	USD/RMB	2024.02.21	USD 3,000
Sell	USD/RMB	2024.02.22	USD 2,000
Sell	USD/RMB	2024.03.18	USD 3,000
Sell	USD/RMB	2024.03.20	USD 5,000
Sell	USD/RMB	2024.04.19	USD 2,000

The Group entered into foreign exchange forward contracts to manage exposures to exchange rate fluctuations of foreign currency denominated assets and liabilities.

8. FINANCIAL ASSETS AT AMORTIZED COST

	December 31 2024	December 31 2023
Current		
Foreign investments		
Time deposits with original maturities of more than 3 months	$ 89,560	$ -
Non-current		
Foreign investments		
Time deposits with original maturities of more than 3 months	$ 89,560	$ 173,080

As of December 31, 2024 and 2023, the annual interest rate of the above time deposits with original maturities of more than 3 months was consistently 3.1%-3.3%.

9. ACCOUNTS RECEIVABLE

	December 31 2024	December 31 2023
Accounts receivable	$ 3,506,740	$ 3,269,121
Less: Allowance for impairment loss	(772)	(4,769)
	$ 3,505,968	$ 3,264,352

Accounts receivable at amortized cost

In order to minimize credit risk, the Group reviews the recoverable amount of each individual trade debt at the end of the year to ensure that adequate allowance is made for possible irrecoverable amounts. In this regard, the management believes the Group's credit risk was significantly reduced.

The Group measures the loss allowance for accounts receivable at an amount equal to lifetime ECLs. The expected credit losses on accounts receivable are estimated using a provision matrix prepared by reference to the past default records of the customer, the customer's current financial position, economic condition of the industry in which the customer operates, as well as the GDP forecasts and industry outlook. As the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished according to the Group's different customer base.

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

The following table details the loss allowance of accounts receivable based on the Group's provision matrix:

December 31, 2024

	Not Past Due	1 to 60 Days	61 to 90 Days	91 to 180 Days	Over 181 Days	Total
Gross carrying amount	$ 3,492,102	$ 10,639	$ 274	$ 3,725	$ -	$ 3,506,740
Loss allowance (Lifetime ECLs)	-	-	(27)	(745)	-	(772)
Amortized cost	$ 3,492,102	$ 10,639	$ 247	$ 2,980	$ -	$ 3,505,968

December 31, 2023

	Not Past Due	1 to 60 Days	61 to 90 Days	91 to 180 Days	Over 181 Days	Total
Gross carrying amount	$ 3,247,773	$ 16,437	$ 72	$ 96	$ 4,743	$ 3,269,121
Loss allowance (Lifetime ECLs)	-	-	(7)	(19)	(4,743)	(4,769)
Amortized cost	$ 3,247,773	$ 16,437	$ 65	$ 77	$ -	$ 3,264,352

The movements of the loss allowance of accounts receivable were as follows:

	For the Year Ended December 31	
	2024	2023
Balance at January 1	$ 4,769	$ 4,823
Add: Net remeasurement of loss allowance	746	34
Loss: Amounts written off	(4,884)	-
Foreign exchange difference	141	(88)
Balance at December 31	$ 772	$ 4,769

10. INVENTORIES

	December 31	
	2024	2023
Finished goods	$ 852,502	$ 687,367
Work in progress	172,451	185,344
Raw materials	363,371	413,453
	$ 1,388,324	$ 1,286,164

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

	For the Year Ended December 31	
	2024	2023
Cost of inventories sold	$ 7,151,766	$ 6,465,305
Inventory write-downs	44,128	33,165
	$ 7,195,894	$ 6,498,470

11. SUBSIDIARIES

Subsidiaries included in the consolidated financial statements

			Proportion of Ownership (%)		
			December 31		
Investor	Investee	Nature of Activities	2024	2023	Remark
The Company	Forcecon Technology Co., Ltd. (Mauritius)	Development and investment business	100	100	-
	Forcecon Technology Vietnam Co., Ltd. (the "Vietnam Forcecon")	Manufacturing of electronic components, import and export of goods	100	100	1
Forcecon Technology Co., Ltd. (Mauritius)	Suzhou Forcecon Electric Co., Ltd. (the "Suzhou Forcecon")	New electronic components (CPU thermal module), computer and electronic motor related spare parts	100	100	-
Suzhou Forcecon	Chongqing Forcecon Technology Corporation (the "Chongqing Forcecon")	New electronic components (CPU thermal module), computer and electronic motor related spare parts	100	100	-
	Anhui Forcecon Electronics Co., Ltd. (the "Anhui Forcecon")	Manufacturing of electronic components; wholesale of electronic components; retail of electronic components; import and export of goods	100	100	-
Chongqing Forcecon	Sichuan Forcecon Technology Co., Ltd. (the "Sichuan Forcecon")	New electronic components (CPU thermal module), computer and electronic motor related spare parts	100	100	-

Remarks:

1) The Group established Vietnam Forcecon in May 2023 and invested capital of USD6,000 thousand.

12. PROPERTY, PLANT AND EQUIPMENT

	December 31 2024	December 31 2023
Assets used by the Group	$ 2,183,723	$ 1,496,374

Assets used by the Company	Freehold Land	Buildings	Machinery Equipment	Mold Equipment	Research and Development Equipment	Transportation Equipment	Other Equipment	Construction In Progress	Total
Cost									
Balance at January 1, 2024	$ 114,272	$ 804,471	$ 330,973	$ 325,681	$ 40,258	$ 12,497	$ 1,391,631	$ 66,047	$ 3,085,830
Additions	-	174,636	35,170	99,340	14,077	1,440	581,623	132,222	1,038,508
Disposals	-	-	(18,897)	(57,583)	(17,130)	(2,149)	(35,083)	-	(130,842)
Reclassification	-	123,950	-	-	-	-	-	(92,829)	31,121
Effects of foreign currency exchange differences	-	26,223	20,716	11,414	-	359	10,190	1,271	70,173
Balance at December 31, 2024	$ 114,272	$ 1,129,280	$ 367,962	$ 378,852	$ 37,205	$ 12,147	$ 1,948,361	$ 106,711	$ 4,094,790
Accumulated depreciation									
Balance at January 1, 2024	$ -	$ 379,299	$ 257,157	$ 241,682	$ 20,138	$ 8,342	$ 682,838	$ -	$ 1,589,456
Depreciation expense	-	39,675	18,693	92,034	13,124	1,258	252,055	-	416,839
Disposals	-	-	(15,087)	(57,583)	(17,130)	(1,934)	(28,226)	-	(119,960)
Effects of foreign currency exchange differences	-	12,291	7,780	8,453	-	242	(4,034)	-	24,732
Balance at December 31, 2024	$ -	$ 431,265	$ 268,543	$ 284,586	$ 16,132	$ 7,908	$ 902,633	$ -	$ 1,911,067
Carrying amount at December 31, 2024	$ 114,272	$ 698,015	$ 99,419	$ 94,266	$ 21,073	$ 4,239	$ 1,045,728	$ 106,711	$ 2,183,723
Cost									
Balance at January 1, 2023	$ 114,272	$ 768,210	$ 361,740	$ 264,863	$ 40,099	$ 14,256	$ 1,311,868	$ -	$ 2,875,308
Additions	-	49,757	406	83,733	15,031	447	141,957	68,686	360,017
Disposals	-	(189)	(23,631)	(15,585)	(14,172)	(2,005)	(33,777)	-	(89,359)
Reclassification	-	-	700	-	(700)	-	-	-	-
Effects of foreign currency exchange differences	-	(13,307)	(8,242)	(7,330)	-	(201)	(28,417)	(2,639)	(60,136)
Balance at December 31, 2023	$ 114,272	$ 804,471	$ 330,973	$ 325,681	$ 40,258	$ 12,497	$ 1,391,631	$ 66,047	$ 3,085,830
Accumulated depreciation									
Balance at January 1, 2023	$ -	$ 352,191	$ 263,322	$ 161,296	$ 20,692	$ 8,944	$ 504,922	$ -	$ 1,311,367
Depreciation expense	-	33,641	19,342	101,564	13,716	1,338	218,566	-	388,167
Disposals	-	(131)	(19,343)	(15,585)	(14,172)	(1,805)	(27,031)	-	(78,067)
Effects of foreign currency exchange differences	-	(6,402)	(6,164)	(5,593)	(98)	(135)	(13,619)	-	(32,011)
Balance at December 31, 2023	$ -	$ 379,299	$ 257,157	$ 241,682	$ 20,138	$ 8,342	$ 682,838	$ -	$ 1,589,456
Carrying amount at December 31, 2023	$ 114,272	$ 425,172	$ 73,816	$ 83,999	$ 20,120	$ 4,155	$ 708,793	$ 66,047	$ 1,496,374

No impairment assessment was performed for the year ended December 31, 2024 and 2023 as there was no indication of impairment.

The Group’s property, plant and equipment are depreciated on a straight-line basis over their useful lives as follows:

Buildings	20 years
Machinery equipment	2-10 years
Mold equipment	2 years
Research and development equipment	3 years
Transportation equipment	5 years
Other equipment	2-10 years

Please refer to Note 30 for the amount of property, plant and equipment pledged as collateral for the Group's borrowings.

13. LEASE ARRANGEMENTS

a. Right-of-use assets

	December 31	
	2024	2023
Carrying amount		
Land	$ 174,395	$ 173,825
Buildings	117,222	91,651
	$ 291,617	$ 265,476

	For the Year Ended December 31	
	2024	2023
Additions to right-of-use assets	$ 62,806	$ 60,548
Depreciation charge for right-of-use assets		
Land	$ 4,396	$ 3,842
Buildings	36,707	13,172
	$ 41,103	$ 17,014

Except for the addition and recognition of depreciation expenses listed above, there was no significant sublease or impairment of the Group's right-of-use assets in 2024 and 2023.

b. Lease liabilities

	December 31	
	2024	2023
Carrying amount		
Current	$ 40,088	$ 22,373
Non-current	$ 76,316	$ 69,877

Discount rates for lease liabilities were as follows:

	December 31	
	2024	2023
Buildings	1.370%-4.300%	1.370%-4.300%

c. Other lease information

	For the Year Ended December 31	
	2024	2023
Expenses relating to short-term leases	$ 9,280	$ 12,195
Expenses relating to low-value asset leases	$ 11,108	$ 3,601
Total cash outflow for leases	$ (61,398)	$ (29,400)

The Group's leases of certain office equipment and parking space qualify as short-term leases and leases of certain office equipment qualify as low-value asset leases. The Group has elected to apply the recognition exemption and thus, did not recognize right-of-use assets and lease liabilities for these leases.

14. INTANGIBLE ASSETS

	Software	Technical Skills	Total
Cost			
Balance at January 1, 2024	$ 48,069	$ 14,162	$ 62,231
Additions	18,934	-	18,934
Disposals/derecognition	(4,306)	-	(4,306)
Effect of foreign currency exchange differences	1,127	-	1,127
Balance at December 31, 2024	$ 63,824	$ 14,162	$ 77,986
Accumulated amortization			
Balance at January 1, 2024	$ (22,502)	$ (7,081)	$ (29,583)
Amortization expense	(12,342)	(4,721)	(17,063)
Disposals/derecognition	4,306	-	4,306
Effect of foreign currency exchange differences	(548)	-	(548)
Balance at December 31, 2024	$ (31,086)	$ (11,802)	$ (42,888)
Carrying amount at December 31, 2024	$ 32,738	$ 2,360	$ 35,098
Cost			
Balance at January 1, 2023	$ 46,643	$ 20,739	$ 67,382
Additions	10,389	-	10,389
Disposals	(8,409)	(6,577)	(14,986)
Effect of foreign currency exchange differences	(554)	-	(554)
Balance at December 31, 2023	$ 48,069	$ 14,162	$ 62,231
Accumulated amortization			
Balance at January 1, 2023	$ (22,314)	$ (8,101)	$ (30,415)
Amortization expense	(8,864)	(5,557)	(14,421)
Disposals	8,409	6,577	14,986
Effect of foreign currency exchange differences	267	-	267
Balance at December 31, 2023	$ (22,502)	$ (7,081)	$ (29,583)
Carrying amount at December 31, 2023	$ 25,567	$ 7,081	$ 32,648

The above intangible assets are amortized on a straight-line basis over their useful lives as follows:

Software	2-10 years
Technical skills	3 years

15. OTHER ASSETS

	December 31	
	2024	2023
Current		
Other receivables		
Measured at amortized cost	$ 38,578	$ 31,179
Other assets		
Excess VAT paid	136,202	54,372
Prepayments	74,692	46,934
Temporary payments	6,357	4,775
	$ 255,829	$ 137,260
Non-current		
Other assets		
Refundable deposits	$ 31,385	$ 31,462
Prepayments	80	812
	$ 31,465	$ 32,274

16. BORROWINGS

a. Short-term borrowings

	December 31	
	2024	2023
Secured borrowings (Note 30)		
Bank loans	$ -	$ 51,924
Unsecured borrowings		
Line of credit borrowings	1,046,032	1,095,733
	$ 1,046,032	$ 1,147,657

The range of interest rates on the above borrowings was 2.05%-3.40% and 1.91%-4.60% per annum at December 31, 2024 and 2023, respectively.

b. Long-term borrowings

	December 31	
	2024	2023
Secured borrowings (Note 30)		
Bank loans (1)	$ 89,720	$ 100,200
Unsecured borrowings		
Bank loans (2)	63,554	-
Bank loans (3)	-	150,825
Less: Current portion	(10,480)	(27,238)
Long-term borrowings	$ 142,794	$ 223,787

1) The above borrowings are secured by the Group’s freehold land and buildings. The loan maturity dates are March 24, 2026, June 24, 2026 and March 2, 2040. As of December 31, 2024 and 2023, the effective annual interest rate range was 2.33%-2.62% and 2.21%-2.43%, respectively.

2) The bank loans are due in April 20, 2029. As of December 31, 2024, the effective annual interest rate range was 5.9%-6.2%.

3) The bank loans are due in December 1, 2026. As of December 31, 2023, the effective annual interest rate range was 2.00%, and the loan was repaid in advance on June 26, 2024.

17. BONDS PAYABLE

	December 31	
	2024	2023
Liability component:		
Unsecured domestic convertible bonds	$ 200,000	$ -
Less: Discounts on bonds payable	(12,439)	-
	$ 187,561	$ -
Value of call/put option	$ 205	$ -
Value of conversion rights	48,342	-

On May 22, 2024, the Company issued two thousand, 0% NTD-denominated unsecured convertible bonds, with an aggregate principal amount of $200,000 thousand. Each bond entitles the holder to convert it into ordinary shares of the Company at a conversion price of $168 at any time between the day following the three-month period after the issuance of the convertible bonds (August 23, 2024) and the maturity date (May 22, 2027). If the closing price of the Company’s ordinary share continues being at least 130% of the conversion price for 30 consecutive trading days during the period from the day following the three-month period after the issuance of the convertible bonds (August 23, 2024) to the 40 days prior to the maturity date (April 12, 2027), the Company has the right to redeem the bonds at par value. As of December 31, 2024, the conversion price has been adjusted to $161 per share.

The convertible bonds contain both liability and equity components. The equity component was presented in equity under the heading of capital surplus - options. The effective interest rate of the liability component was 2.727924% per annum on initial recognition.

Proceeds from issuance (less transaction costs of $5,000 thousand)	$ 232,143
Call/put option component (less transaction costs of $15 thousand)	685
Equity component (less transaction costs of $1,041 thousand)	(48,342)
Liability component at the date of issue (less transaction costs of $3,944 thousand)	184,486
Interest charged at an effective interest rate of 2.727924%	3,075
Liability component at December 31, 2024	$ 187,561

On of September 29, 2021, the Company issued 3 thousand, 0% NTD-denominated unsecured convertible bonds, with an aggregate principal amount of $300,000 thousand. Each bond entitles the holder to convert it into ordinary shares of the Company at a conversion price of $77.5 at any time between the day following the three-month period after the issuance of the convertible bonds (December 29, 2021) and the maturity date (September 29, 2024). Alternatively, during the last thirty days of the two-year period after the issuance of the convertible bonds (September 29, 2023), the holder can require the Company to buy back the convertible bonds in cash at the denomination of the bonds plus interest compensation (101.0025% of the denomination of the bonds (effective yield 0.50%)). If the closing price of the Company’s ordinary share continues being at least 130% of the conversion price for 30 consecutive trading days during the period from the day following the three-month period after the issuance of the convertible bonds (December 30, 2021) to the 40 days prior to the maturity date (August 20, 2024), the Company has the right to redeem the bonds at par value. As of December 31, 2023, all unsecured convertible corporate bonds have been converted into ordinary shares.

The convertible bonds contain both liability and equity components. The equity component was presented in equity under the heading of capital surplus - options. The effective interest rate of the liability component was 1.673900% per annum on initial recognition.

Proceeds from issuance (less transaction costs of $5,000 thousand)	$ 319,663
Call/put option component (less transaction costs of $13 thousand)	(827)
Equity component (less transaction costs of $523 thousand)	(33,410)
Liability component at the date of issue (less transaction costs of $4,464 thousand)	285,426
Interest charged at an effective interest rate of 1.673900%	9,228
Convertible bonds converted into ordinary shares	(294,654)
Liability component at December 31, 2024	$ -

18. ACCOUNTS PAYABLE

	December 31	
	2024	2023
Accounts payable		
Operating	$ 2,203,027	$ 1,976,976

The Group's credit period on purchases of goods was about 45 to 165 days.

19. OTHER LIABILITIES

	December 31	
	2024	2023
Current		
Other payables		
Accrued expenses	$ 579,078	$ 504,753
Payables for salaries or bonuses	284,252	291,778
Payables for purchases of equipment	130,995	46,662
	$ 994,325	$ 843,193
Other liabilities		
Receipt under custody	$ 5,783	$ 5,591
Others	20	294
	$ 5,803	$ 5,885
Non-current		
Other liabilities		
Guarantee deposit received	$ 28,851	$ 43,270

20. RETIREMENT BENEFIT PLANS

Defined contribution plans

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

21. EQUITY

a. Ordinary shares

	December 31	
	2024	2023
Shares authorized (in thousands)	200,000	200,000
Shares authorized	$ 2,000,000	$ 2,000,000
Shares issued and fully paid (in thousands)	86,130	82,929
Shares issued	$ 861,298	$ 829,285

The Company changed ordianary shares due to the exercise of employee share options, the issuance of cash capital and convertible bonds payable.

In 2024, the Company issued 3,125 thousand ordinary shares at a premium of $123 with a par value of $10. On April 25, 2024, the above transaction was approved by the FSC, and the subscription base date was June 20, 2024.

The Company issued 76 thousand ordinary shares due to the exercise of employee share option that was converted in 2024, respectively. As of December 31, 2024, the registration of share changes has been completed.

b. Capital surplus

	December 31	
	2024	2023
May be used to offset a deficit, distributed as cash dividends, or transferred to share capital (Note)		
Issuance of ordinary shares	$ 1,679,284	$ 1,312,761
Conversion of bonds	563,436	563,436
Treasury share transactions	46,490	46,490
May only be used to offset a deficit		
Execution of disgorgement	332	332
Overdue cash dividends	10	7
May not be used for any purpose		
Share options (Note 17)	48,342	-
Employee share options	-	407
	$ 2,337,894	$ 1,923,433

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

c. Retained earnings and dividends policy

Under the dividends policy as set forth in the Company's Articles of Incorporation (the "Articles"), where the Company made a profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting accumulated losses, setting aside as legal reserve 10% of the remaining profit, setting aside or reversing a special reserve in accordance with the laws and regulations, and then any remaining profit together with any undistributed retained earnings shall be used by the Company's board of directors as the basis for proposing a distribution plan, which should be resolved in the shareholders' meeting for the distribution of share dividends. In accordance with the provisions of Paragraph 5 of Article 240 of the Company Act, the Articles authorize that the distributable dividends and bonuses, or legal reserve and capital reserve stipulated in Paragraph 1 of Article 241 of the Company Act, in whole or in part, may be paid in cash after a resolution has been adopted by a majority vote at a meeting of the board of directors attended by two-thirds of the total number of directors; and in addition thereto a report of such distribution shall be submitted to the shareholders' meeting. For the policies on the distribution of employees' compensation and remuneration of directors after the amendment, refer to "Employees' compensation and remuneration of directors" in Note 23(g).

The Articles also stipulate a dividends policy whereby, based on the current and future development plans, considering the investment environment, capital needs and domestic and foreign competition, and taking into account the interests of shareholders, the total dividends distributed shall not be less than 20% of distributable earnings. Dividends can be distributed in the form of cash or shares, but the cash dividends shall not be less than 10% of the total dividends distributed.

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

The appropriations of earnings for 2023 and 2022 were as follows:

	Appropriation of Earnings For the Year Ended December 31	
	2023	**2022**
Legal reserve	$ 63,648	$ 49,869
Special reserve (reversed)	$ 53,069	$ (27,961)
Cash dividends	$ 432,574	$ 312,561
Cash dividends per share (NT$)	$ 5.0	$ 4.0

The above appropriations of earnings as cash dividends were resolved by the Company's board of directors on March 8, 2024 and March 14, 2023, respectively; the other proposed appropriations were resolved by the shareholders in their meeting on May 29, 2024 and May 31, 2023, respectively.

The appropriations of earnings for 2024, which were proposed by the Company's board of directors on March 11, 2025, were as follows:

	For the Year Ended December 31, 2024
Legal reserve	$ 69,652
Special reserve	$ (53,069)
Cash dividends	$ 301,454
Share dividends	$ 129,195
Cash dividends per share (NT$)	$ 3.5
Share dividends per share (NT$)	$ 1.5

The above appropriations of earnings as cash dividends were resolved by the Company's board of directors, and the remaining appropriations will be resolved by shareholders in their meeting on May 27, 2025.

d. Treasury shares

	Treasury Shares
Number of shares at January 1, 2024 and December 31, 2024	455
Number of shares at January 1, 2023	-
Increase during this year	1,000
Transfer to employees this year	(545)
Number of shares at December 31, 2023	455

On February 2, 2023, for the purpose of transferring shares to employees, the Company's board of directors resolved to buy back 1,000 thousand shares of the Company's ordinary shares from the TPEx market from February 3, 2023 to March 31, 2023 with a price range of $46 to $80 per share. As of March 20, 2023, the Company had bought back 1,000 thousand treasury shares.

Under the Securities and Exchange Act, the Company shall neither issue treasury shares nor exercise shareholders' rights on these shares, such as the rights to dividends and to vote.

The Company granted part of the repurchased treasury stocks to employees and the board of directors passed a resolution on March 20, 2023 and November 9, 2023, using the Black-Scholes option pricing model to determine its fair value. The parameters used in the pricing model are as follows:

	Given in March 2023	Given in November 2023
Grant-date share price	$ 50.83	$ 119.80
Exercise price	61.42	61.42
Expected volatility	41.59%	66.05%
Expected life	4 days	5 days
Risk-free interest rate	0.98%	1.01%

The expected volatility is the annualization of the stock price fluctuation value equivalent to the given date and duration.

The compensation costs $8,466 thousand recognized by the Company in 2023.

Under the Securities and Exchange Act, the Company shall neither pledge treasury shares nor exercise shareholders' rights on these shares, such as the rights to dividends and to vote. The subsidiaries holding treasury shares, however, are bestowed shareholders' rights, except the rights to participate in any share issuance for cash and to vote.

On January 16, 2025, the board of directors of the Company resolved to transfer the remaining 455 thousand treasury shares from the previous buyback to employees, and the transfer was completed on February 24, 2025.

22. REVENUE

	For the Year Ended December 31	
	2024	2023
Revenue from contracts with customers		
Revenue from the sale of goods	$ 9,001,173	$ 8,342,725

a. Contract balances

	December 31, 2024	December 31, 2023	January 1, 2023
Accounts receivable (Note 9)	$ 3,505,968	$ 3,264,352	$ 2,527,541
Contract liabilities			
Sale of goods	$ 296	$ 730	$ -

The changes in the balance of contract liabilities primarily resulted from the timing difference between the Group's satisfaction of performance obligations and the respective customer's payment.

Revenue in the current year that was recognized from the contract liability balance at the beginning of the year was summarized as follows:

	For the Year Ended December 31	
	2024	2023
From contract liabilities at the start of the year		
Sale of goods	$ 730	$ -

b. Disaggregation of revenue

	For the Year Ended December 31	
	2024	2023
By Country		
China	$ 8,160,097	$ 7,532,109
Asia	710,538	689,105
Taiwan (location of the Company)	126,837	120,508
Other	3,701	1,003
	$ 9,001,173	$ 8,342,725

23. NET PROFIT FROM CONTINUING OPERATIONS

a. Interest income

	For the Year Ended December 31	
	2024	2023
Bank deposits	$ 57,423	$ 53,637

b. Other income

	For the Year Ended December 31	
	2024	2023
Scrap income	$ 163,908	$ 83,084
Sample and mold income	41,363	33,425
Government subsidy income	27,423	25,777
Compensation for excess material	23,717	6,577
Customer Subsidy Income	14,917	12,868
Rental income	2,897	-
Others	16,888	10,351
	$ 291,113	$ 172,082

c. Other gains and losses

	For the Year Ended December 31	
	2024	2023
Net foreign exchange gain	$ 184,468	$ 27,631
Gain on modification of lease	16	-
Loss on disposal of property, plant and equipment	(9,545)	(10,765)
(Loss) gain on financial instruments at FVTPL	(12,487)	12,811
Others	(3,664)	(2,211)
	$ 158,788	$ 27,466

d. Finance costs

	For the Year Ended December 31	
	2024	2023
Interest on bank loans	$ 33,182	$ 36,422
Interest on convertible bonds	3,075	3,213
Interest on lease liabilities	2,909	742
Interest on guarantee deposits	9	-
	$ 39,175	$ 40,377

e. Depreciation and amortization

	For the Year Ended December 31	
	2024	2023
An analysis of depreciation by function		
Operating costs	$ 343,343	$ 305,009
Operating expenses	114,599	100,172
	$ 457,942	$ 405,181
An analysis of amortization by function		
Operating costs	$ 595	$ 239
General and administrative expenses	4,551	3,489
Research and development expenses	11,917	10,693
	$ 17,063	$ 14,421

f. Employee benefits expense

	For the Year Ended December 31	
	2024	**2023**
Short-term benefits	$ 1,433,776	$ 1,364,447
Post-employment benefits (Note 20)		
Defined contribution plans	9,995	8,642
Share-based payments		
Equity-settled	10,579	9,388
Termination benefits	2,946	2,449
Total employee benefits expense	$ 1,457,296	$ 1,384,926
An analysis of employee benefits expense by function		
Operating costs	$ 772,421	$ 692,557
Operating expenses	684,875	692,369
	$ 1,457,296	$ 1,384,926

g. Employees' compensation and remuneration of directors

According to the Articles, the Company accrued compensation of employees and remuneration of directors within rate range from 10% to 15% and no higher than 2%, respectively, of net profit before income tax, employees' compensation, and remuneration of directors.

The compensation of employees and the remuneration of directors for the years ended December 31, 2024 and 2023, which were approved by the Company's board of directors on March 11, 2025 and March 8, 2024, respectively, are as follows:

Accrual rate

	For the Year Ended December 31	
	2024	**2023**
Compensation of employees	15%	15%
Remuneration of directors	2%	2%

Amount

	For the Year Ended December 31	
	2024	**2023**
Employees' compensation	$ 125,391	$ 121,720
Remuneration of directors	16,719	16,229

If there is a change in the amounts after the annual consolidated financial statements are authorized for issue, the differences are recorded as a change in the accounting estimate.

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

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

24. INCOME TAXES RELATING TO CONTINUING OPERATIONS

a. Income tax recognized in profit or loss

The major components of tax expense were as follows:

	For the Year Ended December 31	
	2024	2023
Current tax		
In respect of the current year	$ 135,400	$ 128,093
Income tax on unappropriated earnings	2,003	6,157
Adjustments for prior year	(24,748)	(19,356)
	112,655	114,894
Deferred tax		
In respect of the current year	(2,161)	(7,497)
Income tax expense recognized in profit or loss	$ 110,494	$ 107,397

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

	For the Year Ended December 31	
	2024	2023
Profit before tax from continuing operations	$ 807,017	$ 743,873
Income tax expense calculated at the statutory rate (20%)	$ 161,403	$ 148,775
Nondeductible expenses in determining taxable income	615	643
Income tax on unappropriated earnings	2,003	6,157
Unrecognized deductible temporary differences and investment credits	14,932	121,777
Effect of different tax rates of group entities operating in other jurisdictions	(43,711)	(150,599)
Adjustments for prior years' tax	(24,748)	(19,356)
Income tax expense recognized in profit or loss	$ 110,494	$ 107,397

b. Income tax recognized in other comprehensive income

	For the Year Ended December 31	
	2024	2023
Deferred tax		
In respect of the current year		
Translation of foreign operations	$ 26,477	$ (14,746)

c. Current tax assets and liabilities

	December 31	
	2024	**2023**
Current tax assets		
Tax refund receivable	$ 691	$ 691
Current tax liabilities		
Income tax payable	$ 47,968	$ 47,329

d. Deferred tax assets and liabilities

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

For the Year ended December 31, 2024

	Opening Balance	**Recognized in Profit or Loss**	**Recognized in Other Comprehensive Income**	**Closing Balance**
Deferred tax assets				
Temporary differences				
Unrealized gross profit	$ 21,260	$ 3,205	$ -	$ 24,465
Loss for market price decline and obsolete inventories	6,971	2,794	-	9,765
Unrealized gain or loss on valuation of convertible bonds	324	96	-	420
Loss on valuation of financial assets at FVTPL	-	244	-	244
Unrealized gain on disposal of property, plant and equipment	413	(232)	-	181
Unrealized foreign exchange losses	1,928	(1,928)	-	-
Exchange differences on translating the financial statements of foreign operations	14,522	-	(14,522)	-
	$ 45,418	$ 4,179	$ (14,522)	$ 35,075
Deferred tax liabilities				
Temporary differences				
Share of profit or loss of subsidiaries accounted for using the equity method	$ 254,889	$ -	$ -	$ 254,889
Exchange differences on translating the financial statements of foreign operations	-	-	11,955	11,955
Unrealized foreign exchange gains	560	2,018	-	2,578
	$ 255,449	$ 2,018	$ 11,955	$ 269,422

For the Year ended December 31, 2023

	Opening Balance	Recognized in Profit or Loss	Recognized in Other Comprehensive Income	Closing Balance
Deferred tax assets				
Temporary differences				
Loss for market price decline and obsolete inventories	$ 2,719	$ 4,252	$ -	$ 6,971
Unrealized gross profit	18,478	2,782	-	21,260
Unrealized foreign exchange losses	757	1,171	-	1,928
Unrealized gain on disposal of property, plant and equipment	830	(417)	-	413
Unrealized gain or loss on valuation of convertible bonds	324	-	-	324
Exchange differences on translating the financial statements of foreign operations	-	-	14,522	14,522
	$ 23,108	$ 7,788	$ 14,522	$ 45,418
Deferred tax liabilities				
Temporary differences				
Share of profit or loss of subsidiaries accounted for using the equity method	$ 254,889	$ -	$ -	$ 254,889
Unrealized foreign exchange gain	269	291	-	560
Exchange differences on translating the financial statements of foreign operations	224	-	(224)	-
	$ 255,382	$ 291	$ (224)	$ 255,449

e. Income tax assessments

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

25. EARNINGS PER SHARE

Unit: NT$ Per Share

	For the Year Ended December 31	
	2024	**2023**
Basic earnings per share	$ 8.27	$ 8.03
Diluted earnings per share	$ 8.14	$ 7.69

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

Net Profit for the Year

	For the Year Ended December 31	
	2024	**2023**
Profit for the year attributable to owners of the Company	$ 696,523	$ 636,476
Earnings used in the computation of basic earnings per share	696,523	636,476
Effect of potentially dilutive ordinary shares:		
Interest on convertible bonds (after tax)	2,460	2,571
Earnings used in the computation of diluted earnings per share	$ 698,983	$ 639,047

The weighted average number of ordinary shares outstanding (in thousands of shares):

	For the Year Ended December 31	
	2024	**2023**
Weighted average number of ordinary shares used in the computation of basic earnings per share	84,180	79,237
Effect of potentially dilutive ordinary shares:		
Employees’ compensation	992	1,062
Convertible bonds	725	2,740
Employee share options	17	65
Weighted average number of ordinary shares used in the computation of diluted earnings per share	85,914	83,104

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

26. SHARE-BASED PAYMENTS

Qualified employees of the Company and its subsidiaries were granted 1,747 and 40 options in September and December 2019, respectively. Each option entitles the holder with the right to subscribe for one thousand ordinary shares of the Company. The options granted are valid for 5 years and exercisable at certain percentages after the second year from the grant date. The options were granted at an exercise price equal to the closing price of the Company’s ordinary shares at the grant date. For any subsequent changes in the Company’s capital surplus, the exercise price is adjusted accordingly.

The information of employee share options was as follows:

	For the Year Ended December 31			
	2024		2023	
	Number of Options (In Thousands)	Weighted-average Exercise Price (NT$)	Number of Options (In Thousands)	Weighted-average Exercise Price (NT$)
Balance at January 1	108	$ 42.00	680	$ 43.90
Options exercised	(76)	41.63	(515)	42.42
Options expired	(32)	41.47	(57)	43.67
Balance at December 31	-	-	108	42.00
Options exercisable, end of period	-		108	

Information on outstanding options was as follows:

	December 31	
	2024	2023
Range of exercise price (NT$)	$-	$42.0-$43.9
Weighted-average remaining contractual life (in years)	-	0.69

In 2024, the Company conducted a cash capital increase, reserving 469 thousand shares for employee subscription. Options granted in June 2024 are priced using the Black-Scholes pricing model, and the inputs to the model are as follows:

	June 2024
Grant-date share price	$ 145.18
Exercise price	$ 123
Expected volatility	40.50%
Expected life	23 days
Expected dividend yield	-
Risk-free interest rate	1.26%

Compensation costs recognized were $10,579 thousand and $922 thousand for the years ended December 31, 2024 and 2023, respectively.

27. CAPITAL MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximizing the return to shareholders through the optimization of the debt and equity balance.

The capital structure of the Group consists of net debt (borrowings offset by cash and cash equivalents) and equity of the Group (comprising issued capital, capital surplus, retained earnings and other equity).

Key management personnel of the Group reviews the capital structure regularly. As part of this review, the key management personnel considers the cost of capital and the risks associated with each class of capital. Based on recommendations of the key management personnel, in order to balance the overall capital structure, the Group may adjust the number of dividends paid to shareholders, the number of new shares issued or repurchased, and/or the amount of new debt issued or existing debt redeemed.

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

28. FINANCIAL INSTRUMENTS

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

December 31, 2024

	Carrying Amount	Fair Value			
		Level 1	Level 2	Level 3	Total
Financial liabilities					
Financial liabilities at amortized cost					
Convertible bonds	$ 187,561	$ 190,460	$ -	$ -	$ 190,460

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

1) Fair value hierarchy

December 31, 2024

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Derivative financial assets	$ -	$ 205	$ -	$ 205
Domestic unlisted shares	-	-	48,779	48,779
Derivative financial liabilities	$ -	$ 205	$ 48,779	$ 48,984

December 31, 2023

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Derivative financial assets	$ -	$ 10,474	$ -	$ 10,474

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

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

For the year ended December 31, 2024

Financial Assets	Financial Assets at FVTPL
Balance at January 1, 2024	$ -
Purchases	50,000
Recognized in profit or loss	(1,221)
Balance at December 31, 2024	$ 48,779

3) Valuation techniques and inputs applied for Level 2 fair value measurement

Financial Instruments	Valuation Techniques and Inputs
Derivatives - foreign exchange forward contracts	Discounted cash flow: Future cash flows are estimated based on observable forward exchange rates at the end of the year and contract forward rates, discounted at a rate that reflects the credit risk of various counterparties.
Derivatives - Value of call/put option of convertible bonds	Binary tree convertible bond pricing model: Through the binary tree, the evolution of the key basic variables of the option in discrete time is tracked on multiple time steps between the pricing date and the maturity date. Each node of the tree represents a possible price at a specific point in time.

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

Domestic and foreign unlisted equity investments are evaluated by the net asset value method. The management of the Company evaluates the target of such equity investments with the active market quotation, and the net asset amount tends to the fair value of the equity investments.

c. Categories of financial instruments

	December 31	
	2024	2023
Financial assets		
FVTPL		
Mandatorily classified as at FVTPL	$ 205	$ 10,474
Financial asset at amortized cost (Note 1)	5,545,913	5,312,086
Financial liabilities		
Amortized cost (Note 2)	4,613,070	4,262,121

Note 1: The balances include financial assets at amortized cost, which comprise cash and cash equivalents, accounts receivable, other receivables and refundable deposits.

Note 2: The balances include financial liabilities at amortized cost, which comprise short-term borrowings, accounts payable, other payables, current portion of long-term borrowings, bonds payable, long-term borrowings and guarantee deposits received.

d. Financial risk management objectives and policies

The Group's major financial instruments included accounts receivable, accounts payable, bonds payable, borrowings and lease liabilities. The Group's corporate treasury function provides services to the business, coordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Group through internal risk reports that analyze exposures by degree and magnitude of risks. These risks include market risk (including currency risk and interest rate risk), credit risk and liquidity risk.

The Group mitigates the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives is governed by the Group's policies approved by the Corporation's board of directors, which provide written principles on foreign currency risk, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments, and the investment of excess liquidity. Compliance with policies and exposure limits is reviewed by the internal auditors on a continuous basis. The Group did not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

1) Market risk

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

The Company entered into a variety of derivative financial instruments to manage its exposure to foreign currency risk, including using forward foreign exchange contracts to avoid exchange rate risks arising from sales of goods denominated in foreign currencies.

There had been no change in the Group's exposure to market risks or the manner in which these risks were managed and measured.

a) Foreign currency risk

The Group has foreign currency denominated sales and purchases, which expose the Group to foreign currency risk. Approximately 91% of the Group's sales is denominated in currencies other than the functional currency of the entity in the Group making the sale, whilst almost 24% of costs is denominated in currencies other than the functional currency of the entity in the Group. Exchange rate exposures are managed within approved policy parameters utilizing natural hedges and foreign exchange forward contracts.

The carrying amounts of the non - functional currency monetary assets and monetary liabilities (Including those eliminated on consolidation) at the balance sheet date were referred to Note 32.

<u>Sensitivity analysis</u>

The Group is mainly exposed to the exchange rate fluctuations of the USD.

The following table details the Group's sensitivity to a 1% increase and decrease in the New Taiwan dollar (i.e., the functional currency) against the USD. The sensitivity rate used when reporting foreign currency risk internally to key management personnel and representing management's assessment of the reasonably possible change in foreign exchange rates is 1%. The sensitivity analysis included only outstanding foreign currency denominated monetary items, and adjusts their translation at the end of the year for a 1% change in foreign currency rates. A negative number below indicates a decrease in pre-tax profit associated with the New Taiwan dollar strengthening 1% against USD. For a 1% weakening of the New Taiwan dollar against USD, there would be an equal and opposite impact on pre-tax profit, and the balances below would be positive.

	USD Impact	
	For the Year Ended December 31	
	2024	**2023**
Profit or loss	$ (38,275)	$ (36,399)
Equity	(38,275)	(36,399)

The Group's sensitivity to foreign currency increased during the current year mainly due to the increase in USD denominated accounts receivable.

b) Interest rate risk

The Group is exposed to interest rate risk because entities in the Group borrow funds at both fixed and floating interest rates. The risk is managed by the Group by maintaining an appropriate mix of fixed and floating rate borrowings. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetites ensuring the most cost-effective hedging strategies are applied.

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

	December 31	
	2024	**2023**
Fair value interest rate risk		
Financial assets	$ 332,650	$ 576,138
Financial liabilities	855,959	654,760
Cash flow interest rate risk		
Financial assets	1,636,302	1,408,402
Financial liabilities	647,312	836,172

Sensitivity analysis

The sensitivity analysis below was determined based on the Group's exposure to interest rates for both floating rate bank borrowings at the end of the year. For floating rate liabilities, the analysis was prepared assuming the amount of each liability outstanding at the end of the year was outstanding for the whole year. A 100 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 100 basis points higher/lower and all other variables were held constant, the Group's pre-tax profit for the years ended December 31, 2024 and 2023 would have decreased/increased by $9,890 thousand and $5,722 thousand, respectively, which was mainly a result of the Group's variable rate bank borrowings.

The Group's sensitivity to interest rates increased during the current year mainly due to the increase in variable rate deposits.

c) Other price risk

The Group was exposed to equity price risk through its investments in equity securities, primarily arising from classification as FVTPL.

Sensitivity analysis

The sensitivity analysis below was determined based on the exposure to equity price risks at the end of the year.

If equity prices had been 10% higher/lower, pre-tax profit for the years ended December 31, 2024 would have increased/decreased by $4,878 thousand, as a result of the changes in fair value of financial assets at FVTPL.

2) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Company. At the end of the year, the Group's maximum exposure to credit risk, which would cause a financial loss to the Group due to the failure of the counterparty to discharge its obligation and due to the financial guarantees provided by the Group mainly arise from the carrying amount of the respective recognized financial assets as stated in the consolidated balance sheets.

In order to mitigate the credit risk, the management of the Group has monitoring procedures for the decision of the credit line and the approval of the credit line to ensure that appropriate actions are taken for the recovery of overdue receivables. In addition, the Group reviews the recoverable amount of each receivable one by one on the balance sheet date to ensure that the unrecoverable receivables have been properly set aside for impairment losses. Accordingly, the management of the Group believes that the Group's credit risk has been significantly reduced.

The Group's concentration of credit risk by geographical location was mainly in China, consistently accounting for 93% of total accounts receivable as of December 31, 2024 and 2023.

The Group's concentration of credit risk of 62% and 67% of total accounts receivable as of December 31, 2024 and 2023, respectively, was attributable to the Group's top five customers.

3) Liquidity risk

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

The Group relies on bank borrowings as a significant source of liquidity. As of December 31, 2024 and 2023, the Group's available unutilized short-term bank loan facilities were $4,412,230 thousand and $4,916,776 thousand, respectively.

The following table details the Group's remaining contractual maturities for its non-derivative financial liabilities with agreed repayment periods, of which lease liabilities had been drawn up based on the undiscounted cash flows (including principal and estimated interest).

December 31, 2024

	On Demand or Less than 1 Month	**1-3 Months**	**3 Months to 1 Year**	**1-5 Years**	**5+ Years**
Non-derivative financial liabilities					
Non-interest bearing	$ 459,589	$ 1,076,039	$ 667,399	$ -	$ -
Lease liabilities	1,855	8,049	36,613	73,504	1,309
Variable interest rate liabilities	86,797	409,860	7,860	88,675	54,120
Fixed interest rate liabilities	179,120	89,560	283,314	187,561	-
	$ 727,361	$ 1,583,508	$ 995,186	$ 349,740	$ 55,429

Further information on the maturity analysis of the above financial liabilities were as follows:

	Less than 1 Year	**1-5 Years**	**5-10 Years**	**10-15 Years**	**15-20 Years**
Variable interest rate liabilities	$ 504,517	$ 88,675	$ 26,400	$ 26,400	$ 1,320

December 31, 2023

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	5+ Years
Non-derivative financial liabilities					
Non-interest bearing	$ 487,625	$ 894,383	$ 594,968	$ -	$ -
Lease liabilities	2,125	4,250	17,510	67,506	3,094
Variable interest rate liabilities	-	159,093	453,292	164,387	59,400
Fixed interest rate liabilities	151,445	276,928	134,137	-	-
	$ 641,195	$ 1,334,654	$ 1,199,907	$ 231,893	$ 62,494

Further information on the maturity analysis of the above financial liabilities were as follows:

	Less than 1 Year	1-5 Years	5-10 Years	10-15 Years	15-20 Years
Variable interest rate liabilities	$ 612,385	$ 164,387	$ 26,400	$ 26,400	$ 6,600

29. TRANSACTIONS WITH RELATED PARTIES

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note.

Remuneration of key management personnel

	For the Year Ended December 31	
	2024	2023
Short-term employee benefits	$ 49,447	$ 39,387
Share-based payments	2,821	1,259
Post-employment benefits	862	595
	$ 53,130	$ 41,241

The remuneration of directors and key management personnel, as determined by the remuneration committee, was based on the performance of individuals and market trends.

30. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The following assets were provided as collateral for bank borrowings:

	December 31	
	2024	2023
Freehold land	$ 114,272	$ 114,272
Buildings	88,828	93,987
Right-of-use assets	87,059	86,272
	$ 290,159	$ 294,531

31. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

Significant contingencies and unrecognized commitments of the Group at December 31, 2024 and 2023 were as follows:

Unrecognized commitments

	December 31	
	2024	2023
Acquisition of property, plant and equipment	$ 266,410	$ 276,800

32. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

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

December 31, 2024

	Foreign Currency	Exchange Rate	Carrying Amount
Financial assets			
Monetary items			
USD	$ 91,361	32.785 (USD:NTD)	$ 2,995,269
USD	112,167	7.1884 (USD:RMB)	3,610,632
USD	1,974	24,335 (USD:VND)	60,764
			$ 6,666,665
Financial liabilities			
Monetary items			
USD	64,949	32.785 (USD:NTD)	$ 2,129,350
USD	17,461	7.1884 (USD:RMB)	562,077
USD	4,799	24,335 (USD:VND)	147,737
			$ 2,839,164

December 31, 2023

	Foreign Currency	Exchange Rate	Carrying Amount
Financial assets			
Monetary items			
USD	$ 82,294	30.705 (USD:NTD)	$ 2,526,826
USD	117,560	7.0827 (USD:RMB)	3,602,849
USD	305	23,866 (USD:VND)	9,074
			$ 6,138,749

(Continued)

	Foreign Currency	Exchange Rate	Carrying Amount
Financial liabilities			
Monetary items			
USD	$ 61,781	30.705 (USD:NTD)	$ 1,896,985
USD	19,639	7.0827 (USD:RMB)	601,885
			$ 2,498,870

(Concluded)

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

	For the Year Ended December 31			
	2024		2023	
Foreign Currency	Exchange Rate	Net Foreign Exchange Gains (Losses)	Exchange Rate	Net Foreign Exchange Gains (Losses)
USD	32.785 (USD:NTD)	$ 27,371	30.705 (USD:NTD)	$ (55,068)
USD	7.1884 (USD:RMB)	47,785	7.0827 (USD:RMB)	8,576
USD	24,335 (USD:VND)	359	23,866 (USD:VND)	(62)
		$ 75,515		$ (46,554)

33. SEPARATELY DISCLOSED ITEMS

a. Information on significant transactions:

1) Financing provided to others (Table 1)

2) Endorsements/guarantees provided (Table 2)

3) Marketable securities held (excluding investments in subsidiaries and associates) (Table 3)

4) Marketable securities acquired or disposed of at costs or prices of at least NT$300 million or 20% of the paid-in capital. (None)

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

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

7) Total purchases from or sales to related parties amounting to at least NT$100 million or 20% of the paid-in capital (Table 4)

8) Receivables from related parties amounting to at least NT$100 million or 20% of the paid-in capital (Table 5)

9) Trading in derivative instruments (Note 7)

10) Intercompany relationships and significant intercompany transactions. (Table 6)

b. Information on investees (Table 7)

c. Information on investments in mainland China

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

2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses (Table 9):

a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the year

b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the year

c) The amount of property transactions and the amount of the resultant gains or losses

d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the year and the purposes

e) The highest balance, the ending balance, the interest rate range, and total current period interest with respect to the financing of funds

f) Other transactions that have a material effect on the profit or loss for the year or on the financial position, such as the rendering or receipt of services

d. Information of major shareholders: List all shareholders with ownership of 5% or greater showing the name of the shareholder, the number of shares owned, and percentage of ownership of each shareholder (None)

34. SEGMENT INFORMATION

Information reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance focuses on the types and regions of products. The Group’s reportable segments were as follows:

The Company - research and development, manufacturing and sales

Suzhou Forcecon - research and development, manufacturing, processing and sales

Chongqing Forcecon - research and development, manufacturing, processing and sales

Sichuan Forcecon - research and development, manufacturing, processing and sales

a. Segment revenue and results

The following was an analysis of the Company's revenue and results from continuing operations by reportable segments:

	The Company	Suzhou Forcecon	Chongqing Forcecon	Sichuan Forcecon	Other Segments	Adjustments and Eliminations	Total
For the year ended December 31, 2024							
Revenue from external customers	$ 4,367,473	$ 2,126,575	$ 2,054,958	$ 452,167	$ -	$ -	$ 9,001,173
Inter-segment revenue	679,697	3,270,880	696,134	1,081,051	1,057,910	(6,785,672)	-
Segment revenue	$ 5,047,170	$ 5,397,455	$ 2,751,092	$ 1,533,218	$ 1,057,910	$ (6,785,672)	$ 9,001,173
Segment income	$ (10,412)	$ (29,954)	$ 269,699	$ 72,509	$ (26,593)	$ 63,619	$ 338,868
Interest income							57,423
Other income							291,113
Other gains and losses							158,788
Finance costs							(39,175)
Profit before tax							$ 807,017
For the year ended December 31, 2023							
Revenue from external customers	$ 4,024,576	$ 2,259,465	$ 2,032,487	$ 26,197	$ -	$ -	$ 8,342,725
Inter-segment revenue	681,603	3,145,589	681,751	958,053	555,000	(6,021,996)	-
Segment revenue	$ 4,706,179	$ 5,405,054	$ 2,714,238	$ 984,250	$ 555,000	$ (6,021,996)	$ 8,342,725
Segment income	$ 23,458	$ 211,299	$ 257,852	$ 2,731	$ (4,750)	$ 40,475	$ 531,065
Interest income							53,637
Other income							172,082
Other gains and losses							27,466
Finance costs							(40,377)
Profit before tax							$ 743,873

Segment profit represents the profit earned by each segment, excluding interest income, other income, other gains and losses, finance costs and income tax expense. This was the measure reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance.

b. Other segment information

	Depreciation and Amortization For the Year Ended December 31	
	2024	2023
The Company	$ 64,720	$ 46,143
Suzhou Forcecon	167,731	177,545
Chongqing Forcecon	107,207	111,274
Sichuan Forcecon	99,366	76,702
Anhui Forcecon	33,463	9,266
Vietnam Forcecon	3,676	760
Adjustments and Eliminations	(1,158)	(2,088)
	$ 475,005	$ 419,602

c. Revenue from major products and services

The following is an analysis of the Group's revenue from continuing operations from its major products and services:

	For the Year Ended December 31	
	2024	2023
Cooling module and fans	$ 9,001,173	$ 8,342,725

d. Geographical information

The Group mainly operates in Taiwan and China.

The Group's revenue from continuing operations from external customers by location of operations and information on its non-current assets by location of assets are detailed below:

	Revenue from External Customers For the Year Ended December 31		Non-current Assets December 31	
	2024	2023	2024	2023
Taiwan	$ 4,367,473	$ 4,024,576	$ 385,109	$ 338,102
China	4,633,700	4,318,149	2,358,674	1,552,557
	$ 9,001,173	$ 8,342,725	$ 2,743,783	$ 1,890,659

Non-current assets exclude financial instruments and deferred tax assets.

e. Information on major customers

Single customers contributing 10% or more to the Group's revenue were as follows:

	For the Year Ended December 31	
	2024	2023
Customer A	$ 1,567,354	$ 1,536,030
Customer B	1,429,084	1,514,377
Customer C	1,414,337	896,519
Customer D	991,686	783,683

FORCECON TECH. CO., LTD. AND SUBSIDIARIES

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

No.	Lender	Borrower	Financial Statement Account	Related Party	Highest Balance for the Period	Ending Balance (Note 1)	Actual Amount Borrowed	Interest Rate (%)	Nature of Financing	Business Transaction Amount	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower	Aggregate Financing Limit
													Item	Value		
0	Forcecon Tech. Co., Ltd.	Forcecon Technology Vietnam Co., Ltd.	Others receivable from related parties	Yes	$ 147,533	$ 147,533	$ 147,533	(Note 2)	For operational use	$ -	For operational use	$ -	-	$ -	$ 489,567 (Note 3)	$ 979,135 (Note 3)

Note 1: Figures are derived from the original foreign currency amounts converted at the exchange rates as of December 31, 2024.

Note 2: Interest is calculated at an annual rate of 5%.

Note 3: The lending limit of Forcecon Tech. Co., Ltd. to an individual entity shall not exceed 40% of the lending company’s net value; loans to subsidiaries whose voting shares are directly or indirectly wholly owned by the Company are not subject to this restriction and shall not exceed 10% of the Company’s net value; the total lending limit is 20% of the Company’s net value.

FORCECON TECH. CO., LTD. AND SUBSIDIARIES

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

No. (Note 1)	Endorser/Guarantor	Endorsee/Guarantee		Limit on Endorsement/ Guarantee Given on Behalf of Each Party (Note 3)	Maximum Amount Endorsed/ Guaranteed During the Period	Outstanding Endorsement/ Guarantee at the End of the Period	Actual Amount Borrowed	Amount Endorsed/ Guaranteed by Collateral	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements (%)	Aggregate Endorsement/ Guarantee Limit (Note 4)	Endorsement/ Guarantee Given by Parent on Behalf of Subsidiaries	Endorsement/ Guarantee Given by Subsidiaries on Behalf of Parent	Endorsement/ Guarantee Given on Behalf of Companies in Mainland China
		Name	Relationship (Note 2)										
0	Forcecon Tech. Co., Ltd.	Suzhou Forcecon Electric Co., Ltd.	(Note 3)	$ 3,916,538	$ 390,540	$ 213,103	$ -	$ -	4.35	$ 3,916,538	Y	N	Y
		Chongqing Forcecon Technology Corporation	(Note 3)	3,916,538	634,615	229,495	35,824	-	4.69	3,916,538	Y	N	Y
		Sichuan Forcecon Technology Co., Ltd.	(Note 3)	3,916,538	848,960	98,355	94,037	-	2.01	3,916,538	Y	N	Y
		Forcecon Technology Vietnam Co., Ltd.	(Note 3)	3,916,538	154,200	151,800	63,554	-	3.10	3,916,538	Y	N	N

Note 1: 1) Forcecon Tech. Co., Ltd. is numbered 0.

2) Subsidiaries are numbered starting from 1.

Note 2: Relationship between the endorser/guarantor and the endorsee/guarantee is classified as follows:

1) Having a business relationship.

2) The endorser/guarantor directly or indirectly owns more than 50% of the ordinary shares of the endorsee/guarantee.

3) The endorsee/guarantee directly or indirectly owns more than 50% of the ordinary shares of the endorser/guarantor.

4) Company in which the public company directly or indirectly holds 90% or more of the voting shares may make endorsements/guarantees for each other.

5) Where a public company fulfills its contractual obligations by providing mutual endorsements/guarantees for another company in the same industry or joint builders for purposes of undertaking a construction project.

6) Due to joint venture, all shareholders provide endorsements/guarantees to the endorsee/guarantee in proportion to its ownership.

7) Where companies in the same industry provide among themselves joint and several securities for a performance guarantee of a sales contract for pre-construction homes pursuant to the Consumer Protection Act for each other.

Note 3: Endorsements/guarantees provided by the Company to a single enterprise shall not exceed 80% of the Company’s net assets as stated in its latest financial statement.

Note 4: The maximum amount of the endorsements/guarantees provided by the Company and its subsidiary shall not exceed 80% of the Company’s net assets as stated in its latest financial statement.

FORCECON TECH. CO., LTD. AND SUBSIDIARIES

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

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	DECEMBER 31, 2024				Note
				Number of Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value	
Forcecon Tech. Co., Ltd.	Stock Phoenix Lu Innovation & Entrepreneurship Investment Co., Ltd.	None	Financial assets at fair value through profit or loss - non-current	5,000,000	$ 48,779	2.54	$ 48,779	

FORCECON TECH. CO., LTD. AND SUBSIDIARIES

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

Buyer	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchase/ Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total	
Forcecon Tech. Co., Ltd.	Suzhou Forcecon Electric Co., Ltd.	Subsidiary	Sale	$ 288,428	6	Net 90 to 120 days from monthly closing date	None	About 60 to 150 days for other companies	$ 302,762	14	
			Purchase	2,815,124	89	Net 90 to 120 days from monthly closing date	None	About 45 to 150 days for other companies	(1,330,775)	63	
	Chongqing Forcecon Technology Corporation	Subsidiary	Sale	389,000	8	Net 90 to 120 days from monthly closing date	None	About 60 to 150 days for other companies	198,246	9	
			Purchase	542,168	17	Net 90 to 120 days from monthly closing date	None	About 45 to 150 days for other companies	(245,672)	12	
	Sichuan Forcecon Technology Co., Ltd.	Subsidiary	Purchase	208,534	7	Net 90 to 120 days from monthly closing date	None	About 45 to 150 days for other companies	(143,331)	7	
Suzhou Forcecon Technology Corporation	Sichuan Forcecon Technology Co., Ltd.	Subsidiary	Purchase	157,662 (RMB 35,382)	4	Net 90 to 120 days from monthly closing date	None	About 30 to 150 days for other companies	(167,484) (RMB (37,402))	10	
	Anhui Forcecon Technology Co., Ltd.	Subsidiary	Sale	155,676 (RMB 34,936)	3	Net 90 to 120 days from monthly closing date	None	About 30 to 150 days for other companies	(52,664) (RMB (11,761)	2	
	Anhui Forcecon Technology Co., Ltd.	Subsidiary	Purchase	1,058,139 (RMB237,535)	28	Net 90 to 120 days from monthly closing date	None	About 30 to 150 days for other companies	(326,734) (RMB (73,044))	19	
Chongqing Forcecon Technology Corporation	Sichuan Forcecon Technology Co., Ltd.	Subsidiary	Purchase	697,341 (RMB 156,593)	37	Net 90 to 120 days from monthly closing date	None	About 90 to 180 days for other companies	(79,078) (RMB (17,659))	13	

FORCECON TECH. CO., LTD. AND SUBSIDIARIES

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

Company Name	Related Party	Relationship	Ending Balance	Turnover Rate	Overdue		Amount Received in Subsequent Period	Allowance for Impairment Loss
					Amount	Actions Taken		
Forcecon Tech. Co., Ltd.	Suzhou Forcecon Electric Co., Ltd.	Subsidiary	$ 302,762	2.19	$ -	-	$ -	$ -
	Chongqing Forcecon Technology Corporation	Subsidiary	198,246	3.10	-	-	-	-
Suzhou Forcecon Electric Co., Ltd.	Forcecon Tech. Co., Ltd.	The Company	1,330,775 (RMB 291,784)	2.44	-	-	-	-
Chongqing Forcecon Technology Corporation	Forcecon Tech. Co., Ltd.	The Company	245,672 (RMB 53,866)	2.74	-	-	-	-
Sichuan Forcecon Technology Co., Ltd.	Suzhou Forcecon Electric Co., Ltd.	Subsidiary	167,484 (RMB 37,324)	1.72	-	-	-	-
Sichuan Forcecon Technology Co., Ltd.	Forcecon Tech. Co., Ltd.	The Company	143,331 (RMB 31,427)	2.64	-	-	-	-
Anhui Forcecon Technology Co., Ltd.	Suzhou Forcecon Electric Co., Ltd.	Subsidiary	326,734 (RMB 73,044)	4.48	-	-	-	-

TABLE 6

FORCECON TECH. CO., LTD. AND SUBSIDIARIES

INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS
FOR THE YEAR ENDED DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars)

No. (Note 1)	Investee Company	Counterparty	Relationship (Note 2)	Transaction Details			
				Financial Statement Account	Amount	Payment Terms (Note 4)	% of Total Sales or Assets (Note 3)
0	Forcecon Tech. Co., Ltd.	Suzhou Forcecon Electric Co., Ltd.	1	Sales	$ 288,428	-	3
				Accounts receivable	302,762	-	3
				Other income	25,704	-	-
				Purchase	2,815,124	-	31
				Accounts payable	1,330,775	-	13
		Chongqing Forcecon Technology Corporation	1	Sales	389,000	-	4
				Accounts receivable	198,246	-	2
				Other income	22,491	-	-
				Purchase	542,168	-	6
				Accounts payable	245,672	-	2
		Sichuan Forcecon Technology Co., Ltd.	1	Other income	12,852	-	-
				Purchase	208,534	-	2
				Accounts payable	143,331	-	1
		Forcecon Technology Vietnam Co., Ltd.	1	Other receivable	150,524		2
1	Suzhou Forcecon Electric Co., Ltd.	Chongqing Forcecon Technology Corporation	3	Purchase	35,651	-	-
				Accounts receivable	20,938	-	-
		Sichuan Forcecon Technology Co., Ltd.	3	Purchase	157,662	-	2
				Accounts payable	167,484	-	2
		Anhui Forcecon Electronics Co., Ltd.	3	Sales	155,676	-	2
				Accounts receivable	52,664	-	1
				Proceeds from sales of property, plant and equipment	11,568	-	-
				Other receivable	10,139	-	-
				Purchase	1,058,139	-	12
				Accounts payable	326,734	-	3
2	Chongqing Forcecon Technology Corporation	Sichuan Forcecon Technology Co., Ltd.	3	Purchase	697,341	-	8
				Accounts payable	79,078	-	1
3	Sichuan Forcecon Technology Co., Ltd.	Anhui Forcecon Electronics Co., Ltd.	3	Sales	20,479	-	-
				Accounts receivable	11,754	-	-

Note 1: Companies in the “No.” column are denoted as follows:

1. Parent Company is numbered as 0.

2. Subsidiaries are numbered sequentially according to their company name starting from 1.

(Continued)

Note 2: The relationships between the investee company and the counterparty are numbered as follows:

1. Parent company to subsidiary
2. Subsidiary to parent company
3. Subsidiary to subsidiary

Note 3: If financial statement accounts are classified as items in the balance sheets, the ratio is calculated by dividing the ending balance by the total assets. If the financial statement accounts are classified as items in the income statement, the ratio is calculated by dividing the accumulated amount in the interim period by total sales.

Note 4: Sales between the parent company and its subsidiaries are handled on the basis of general sales terms and conditions.

Note 5: For the standard amount disclosed above, it is based on the disclosure standard of transactions amounting to 10,000 thousand dollars or more.

(Concluded)

FORCECON TECH. CO., LTD. AND SUBSIDIARIES

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

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		Balance as of December 31, 2024			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				December 31, 2024	December 31, 2023	Number of Shares (In Thousands)	Percentage of Ownership (%)	Carrying Amount			
Forcecon Tech. Co., Ltd.	Forcecon Technology Co., Ltd. (Mauritius)	Mauritius	Development and investment business	$ 1,078,964	$ 1,078,964	34,435	100	$ 4,305,521	$ 582,909	$ 585,211	Subsidiary
	Forcecon Technology Co., Ltd.	Vietnam	Manufacturing of electronic components; import and export of goods	USD 6,000	USD 6,000	-	100	155,544	(23,886)	(23,886)	Subsidiary
Forcecon Technology Co., Ltd. (Mauritius)	Suzhou Forcecon Electric Co., Ltd.	China	New electronic components (CPU thermal module), computer and electronic motor related spare parts	RMB 265,079	RMB 265,079	-	100	4,339,029 (RMB 968,966)	582,972 (RMB 130,829)	582,972 (RMB 130,829)	Subsidiary
Suzhou Forcecon Electric Co., Ltd.	Chongqing Forcecon Technology Corporation	China	New electronic components (CPU thermal module), computer and electronic motor related spare parts	RMB 225,000	RMB 165,000	-	100	2,151,374 (RMB 480,432)	390,506 (RMB 87,636)	390,506 (RMB 87,636)	Subsidiary
	Anhui Forcecon Electronics Co., Ltd.	China	Manufacturing of electronic components; wholesale of electronic components; retail of electronic components; import and export of goods	RMB 70,000	RMB 40,000	-	100	423,879 (RMB 94,658)	78,296 (RMB 17,571)	78,296 (RMB 17,571)	Subsidiary
Chongqing Forcecon Technology Corporation	Sichuan Forcecon Technology Co., Ltd.	China	New electronic components (CPU thermal module), computer and electronic motor related spare parts	RMB 255,000	RMB 145,000	-	100	1,257,275 (RMB 280,767)	114,203 (RMB 25,629)	114,203 (RMB 25,629)	Subsidiary

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

FORCECON TECH. CO., LTD.AND SUBSIDIARIES

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

Investee Company	Main Businesses and Products	Paid-in Capital	Method of Investment (Note 1)	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2024	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of December 31, 2024	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note 2)	Carrying Amount as of December 31, 2024	Accumulated Repatriation of Investment Income as of December 31, 2024
					Outward	Inward						
Suzhou Forcecon Electric Co., Ltd.	New electronic components (CPU thermal module), computer and electronic motor related spare parts	RMB 265,079	(2)	$ 1,039,317 (USD 33,170)	$ -	$ -	$ 1,039,317 (USD 33,170)	$ 582,972 (RMB 130,829)	100	$ 582,972 (RMB 130,829)	$ 4,339,029 (RMB 968,966)	$ -
Chongqing Forcecon Technology Corporation	New electronic components (CPU thermal module), computer and electronic motor related spare parts	RMB 225,000	(3)	-	-	-	-	390,506 (RMB 87,636)	100	390,506 (RMB 87,636)	2,151,374 (RMB 480,432)	-
Sichuan Forcecon Technology Co., Ltd.	New electronic components (CPU thermal module), computer and electronic motor related spare parts	RMB 255,000	(4)	-	-	-	-	114,203 (RMB 25,629)	100	114,203 (RMB 25,629)	1,257,275 (RMB 280,767)	-
Anhui Forcecon Electronics Co., Ltd.	Manufacturing of electronic components; wholesale of electronic components; retail of electronic components; import and export of goods	RMB 70,000	(3)	-	-	-	-	78,296 (RMB 17,571)	100	78,296 (RMB 17,571)	423,879 (RMB 94,658)	-

Accumulated Outward Remittance for Investments in Mainland China as of December 31, 2024	Investment Amount Authorized by the Investment Commission, MOEA (Note 3)	Upper Limit on the Amount of Investments Stipulated by the Investment Commission, MOEA
$ 1,039,317 (USD 33,170)	$ 1,322,875 (USD 40,350)	$ 2,937,403

Note 1: Method of investments are divided into the following types:

(1) Direct investments in mainland China.

(2) Indirect investments in mainland China through a company established in a third region (reinvestment through Forcecon Technology Co., Ltd. (Mauritius)).

(3) Other method (reinvestment through Suzhou Forcecon Electric Co., Ltd.).

(4) Other method (reinvestment through Chongqing Forcecon Technology Corporation).

Note 2: Amount was recognized on the basis of the audited financial statements.

Note 3: This amount translation into the New Taiwan dollar at the exchange rate on the date of the financial statements.

TABLE 9

FORCECON TECH. CO., LTD. AND SUBSIDIARIES

SIGNIFICANT TRANSACTIONS WITH INVESTEE COMPANIES IN MAINLAND CHINA, EITHER DIRECTLY OR INDIRECTLY THROUGH A THIRD PARTY, AND THEIR PRICES, PAYMENT TERMS, AND UNREALIZED GAINS OR LOSSES
FOR THE YEAR ENDED DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investee Company	Transaction Type	Purchase/Sale		Price	Transaction Details		Notes/Accounts Receivable (Payable)		Unrealized (Gain) Loss
		Amount	%		Payment Terms	Comparison with Normal Transactions	Ending Balance	%	
Suzhou Forcecon Electric Co., Ltd.	Sales	$ 288,428	6	According to the contract	Based on general terms and conditions	-	$ 302,762	14	$ 81,549
	Property transaction	-	-	According to the contract	Based on general terms and conditions	-	-	-	433
	Purchase	2,815,124	89	According to the contract	Based on general terms and conditions	-	1,330,775	63	34,518
	Other income	25,704	25	According to the contract	Based on general terms and conditions	-	-	-	-
Chongqing Forcecon Technology Corporation	Sales	389,000	8	According to the contract	Based on general terms and conditions	-	198,246	9	40,650
	Property transaction	-	-	According to the contract	Based on general terms and conditions	-	-	-	473
	Purchase	542,168	17	According to the contract	Based on general terms and conditions	-	245,672	12	3,516
	Other income	22,491	22	According to the contract	Based on general terms and conditions	-	-	-	-
Sichuan Forcecon Technology Co., Ltd.	Sales	2,269	-	According to the contract	Based on general terms and conditions	-	-	-	123
	Purchase	208,534	7	According to the contract	Based on general terms and conditions	-	143,331	7	478
	Other income	12,852	13	According to the contract	Based on general terms and conditions	-	-	-	-