Ticker Symbol: 3276

T-FLEX TECHVEST PCB CO., LTD.
AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS
With Independent Auditor's Report

For the Years Ended December 31, 2024 and 2023

Address: No. 12, Gongye 2nd Road, Taoyuan City, Taiwan
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Representation Letter

The entities that are required to be included in the combined financial statements of T-FLEX TECHVEST PCB CO., LTD. as of and for the year ended December 31, 2024 under the Criteria Governing the Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises are the same as those included in the consolidated financial statements prepared in conformity with the International Financial Reporting Standard No.10 endorsed by the Financial Supervisory Commission. In addition, the information required to be disclosed in the combined financial statements is included in the consolidated financial statements. Consequently, T-FLEX TECHVEST PCB CO., LTD. and its Subsidiaries do not prepare a separate set of consolidated financial statements for affiliated companies.

Very truly yours,

HSU, CHENG-MIN
Chairman
T-FLEX TECHVEST PCB CO., LTD.

March 12, 2025

Independent Auditor's Report

To the Board of Directors and Shareholders of T-FLEX TECHVEST PCB CO., LTD.:

Opinion

We have audited the accompanying consolidated financial statements of T-FLEX TECHVEST PCB CO., LTD. and its subsidiaries (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 years then ended, and the notes to the consolidated financial statements, including a summary of significant accounting policies.

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

Basis for Opinion

We conducted our audits following the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of Group under the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities under 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. We have determined the matters described below to be the key audit matters to be communicated in our report.

Timing of income recognition

Please refer to consolidated financial statements Note 4 (15) Income Recognition for information on accounting policy for income. Please refer to consolidated financial statements Note 6 (18) Income Recognition for information on the income.

Description of Key Audit Matters:

THT Group is a TPEx listed company, and its sales revenue is a key indicator for investors and the management to evaluate financial or business performance. Since the accuracy of the timing of revenue recognition has material impact on the financial statements, the examination on the timing of revenue recognition is considered as a key audit matter to our audit on the consolidated financial statements of THT Group.

How the matter was addressed in our audit:

The main audit procedure adopted by us on the aforementioned key audit matter includes the examination of the effectiveness of the internal control on the sales and payment collection operation cycle and the examination of the sub-items, understanding of THT Group's revenue recognition accounting process and evaluation on whether relevant rules and requirements are complied, selection of sales transaction samples at a certain period before and after the financial report date, and verification of relevant documents and certificates, in order to assess the accuracy of the revenue recognition timing. In addition, the status of any major sales return after the period is also understood.

Other Matter

We have audited and expressed an unqualified opinion on the parent company only financial statements of the Group as of and for the years ended December 31, 2024 and 2023.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards (IFRS), International Accounting Standard (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued by the Financial Supervisory Commission of the Republic of China. Besides, internal control, as determined by Management, 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 a going concern, and using the going concern's basis of accounting unless management either intends to liquidate the Group or to cease operations or has no realistic alternative but to do so.

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

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted following the auditing standards generally accepted in the Republic of China will always detect a material misstatement when it exists in the consolidated financial statements. Misrepresentation may be the result of fraud or error. 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 based on these consolidated financial statements.

As part of an audit under the auditing standards generally accepted in the Republic of China, we exercised professional judgment and maintained 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 to design audit procedures that are appropriate in the circumstances, but not to express 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 auditor's 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 auditor's 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 appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit.

We 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 identified 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 Group's consolidated financial statements for the year ended December 31, 2024 and are therefore the key audit matters. We describe these matters in our auditor's report unless laws or regulations preclude 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.

KPMG

CPA

Approval No.:	JIN-GUAN-ZHENG-SHEN-ZI No. 1000011652 JIN-GUAN-ZHENG-6-ZI No.0940100754

March 12, 2025

Note to Readers

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

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

T-FLEX TECHVEST PCB CO., LTD.AND SUBSIDIIARIES

CONSOLIDATED BALANCE SHEETS

For the years ended December 31, 2024 and 2023

(Amounts in Thousands of New Taiwan Dollars)

	Assets	December 31, 2024 Amount	%	December 31, 2023 Amount	%
	Current assets:				
1100	Cash and cash equivalents (Note (6)(1))	$ 98,999	6	$ 91,416	5
	Notes and accounts receivable, net (Note 6(3)and(18))				
1170	- non-related parties	123,244	8	149,090	9
1180	-related parties(Note 7)	80	-	195,450	11
	Other receivables				
1200	- non-related parties	5,720	-	4,314	-
1210	-related parties(Note 7)	145,794	9	12,379	1
1310	Inventories (Note 6(4))	87,796	6	133,710	8
1470	Other current assets (Note 8)	3,871	-	3,418	-
		465,504	29	589,777	34
	Non-current assets:				
1517	Financial assets measured at fair value through other comprehensive income, non-current (Note 6(2))	3,587	-	4,150	-
1550	Investment accounted for using equity method (Note 6(5))	715,100	43	648,589	38
1600	Property, plant and equipment (Note 6(7),7 and 8)	248,342	15	462,673	27
1755	Right-of-use assets (Note 6(8))	220,366	13	20,815	1
1980	Other non-current financial assets (Note 8)	3,050	-	5,650	-
1990	Other non-current assets (Note 8)	5	-	1,486	-
		1,190,450	71	1,143,363	66
	Total assets	$ 1,655,954	100	$ 1,733,140	100

	Liabilities and Equity	December 31, 2024 Amount	%	December 31, 2023 Amount	%
	Current liabilities:				
2100	Short-term debts (Note 6(9))	$ 57,000	3	$ 59,000	4
	Notes and accounts payable				
2170	- non-related parties	63,476	4	259,248	15
2180	-related parties(Note 7)	228,211	14	105,900	6
2200	Other payables(Note 7)	89,953	6	172,872	10
2250	Provisions for liabilities, current (Note 6(13))	118,159	7	74,127	5
2280	Lease liabilities, current (Note 6(12))	2,298	-	4,384	-
2320	Current portion of long-term debts (Note 6(11))	13,336	1	19,529	1
2399	Other current liabilities (Note 6(10))	5,954	-	6,307	-
		578,387	35	701,367	41
	Non-current liabilities:				
2540	Long-term debts (Note 6(11))	20,000	1	69,706	4
2550	Provisions for liabilities, current (Note 6(13))	143,500	9	-	
2580	Lease liabilities, non-current (Note 6(12))	13,646	1	17,014	1
600	Other non-current liabilities (Note 6 (14))	330	-	3,108	-
		177,476	11	89,828	5
	Total liabilities	755,863	46	791,195	46
	Equity (Note 6(16)):				
3110	Ordinary shares	697,127	42	697,127	40
3200	Capital reserve	28,787	2	28,787	2
3310	Legal reserve	30,167	2	24,812	1
3320	Special reserve	54,670	3	26,480	2
3350	Unappropriated retained earnings	18,057	1	75,172	4
	Others:				
3410	Exchange differences on translation of foreign financial statements	(15,281)	(1)	(38,159)	(2)
3420	Unrealized gains or losses on financial assets measured at fair value through other comprehensive income	(17,074)	(1)	(16,511)	(1)
	Equity attributable to owners of parent company	796,453	48	797,708	46
36XX	Non-controlling interest**(Note 6(6))**	103,638	6	144,237	8
	Total equity	900,091	54	941,945	54
	Total liabilities and equity	$ 1,655,954	100	$ 1,733,140	100

See accompanying notes to consolidated financial statements.

T-FLEX TECHVEST PCB CO., LTD. AND SUBSIDIARIES
Consolidated Statements of Comprehensive Income
For the years ended December 31, 2024 and 2023
(Amounts in Thousands of New Taiwan Dollars)

		2024		2023	
		Amount	%	Amount	%
	Operating revenue (Note 6(18) and 7)				
4110	Sales revenue	$ 837,322	94	$ 1,214,843	94
4661	Processing fees revenue	56,632	6	74,814	6
	Net Operating revenue	893,954	100	1,289,657	100
5000	**Cost of sales (Note 6(4) and 7)**	925,734	104	1,235,940	96
	Gross Profit	(31,780)	(4)	53,717	4
	Operating expenses(Note6(3) and 7)				
6100	Sales and marketing expenses	29,824	3	31,339	2
6200	General and administrative expenses	72,545	8	45,423	4
6450	Expected credit losses (gains)	(509)	-	(4,589)	-
	Total	101,860	11	72,713	6
	Operating income(loss)	(133,640)	(15)	(18,456)	(2)
	Non-operating income and expenses: (Note 6 (20) and 7)				
7100	Interest income	2,928	-	3,694	-
7010	Other income	31,383	3	4,050	-
7020	Other gains and losses	9,271	1	(91)	-
7050	Finance costs	(3,194)	-	(4,325)	-
7060	Share of profit (losses) of Affiliates and joint ventures accounted for using equity method	43,633	5	63,107	6
	Total non-operating income and expenses	84,021	9	66,435	6
	Income(loss) before income tax	(49,619)	(6)	47,979	4
7950	**Less: Income tax expense (Note 6(15))**	607	-	1,081	-
	Net income(loss)	(50,226)	(6)	46,898	4
8300	**Other comprehensive income :**				
8310	**Items that will not be reclassified subsequently to profit or loss:**				
8311	Remeasurements of defined benefit plans	-	-	(2,211)	-
8316	Unrealized gains (losses) from equity instruments investments measured at fair value through other comprehensive income	(563)	-	(533)	-
8349	Less: Income tax related to items that will not be reclassified	-	-	-	-
	Total	(563)	-	(2,744)	-
8360	**Items that may be reclassified subsequently into profit or loss**				
8361	Exchange differences in translation of foreign financial statements	22,878	3	(11,949)	(1)
8399	Less: Income tax related to items that may be reclassified subsequently	-	-	-	-
	Total	22,878	3	(11,949)	(1)
8300	**Other comprehensive income (loss), net of income tax**	22,315	3	(14,693)	(1)
8500	**Total comprehensive income (loss)**	**$ (27,911)**	**(3)**	**$ 32,205**	**3**
	Net profit attributable to:				
8610	Owners of the parent company	$ (9,627)	(1)	$ 54,815	5
8620	Non-controlling interests (Note 6(6))	(40,599)	(5)	(7,917)	(1)
		$ (50,226)	**(6)**	**$ 46,898**	**4**
	Total comprehensive income (loss) attributable to:				
8710	Owners of the parent company	12,688	2	$ 41,068	4
8720	Non-controlling interests (Note 6(6))	(40,549)	(5)	(8,863)	(1)
		$ (27,911)	**(3)**	**$ 32,205**	**3**
	Basic earnings per share (Note 6(17))				
9750	**Basic earnings per share (Unit: NTD)**	**$ (0.14)**		**$ 0.79**	
9850	**Diluted earnings per share (Unit: NTD)**	**$ (0.14)**		**$ 0.78**	

See accompanying notes to consolidated financial statements.

T-FLEX TECHVEST PCB CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the years ended December 31, 2024 and 2023

(Amounts in Thousands of New Taiwan Dollars)

	Equity attributable to owners of parent company									
			Reserved surplus			Others				
	Share capital Ordinary shares	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Exchange differences in translation of foreign financial statements	Unrealized gains or losses on financial assets measured at fair value through other comprehensive income	Equity attributable to owners of parent company	Non-controlling interests	Total equity
Balance on January 1, 2023	$ 697,127	28,787	18,537	26,212	63,021	(26,210)	(15,978)	791,496	153,100	944,596
Net income	-	-	-	-	54,815	-	-	54,815	(7,917)	46,898
Other comprehensive income (loss)	-	-	-	-	(1,265)	(11,949)	(533)	(13,747)	(946)	(14,693)
Total comprehensive income (loss)	-	-	-	-	53,550	(11,949)	(533)	41,068	(8,863)	32,205
Appropriation and distribution of retained earnings:										
Legal reserve	-	-	6,275	-	(6,275)	-	-	-	-	-
Special reserve				268	(268)					
Cash dividends on ordinary shares	-	-	-	-	(34,856)	-	-	(34,856)	-	(34,856)
Balance on December 31, 2023	697,127	28,787	24,812	26,480	75,172	(38,159)	(16,511)	797,708	144,237	941,945
Net income(loss)	-	-	-	-	(9,627)	-	-	(9,627)	(40,599)	(50,226)
Other comprehensive income (loss)	-	-	-	-		22,878	(563)	22,315		22,315
Total comprehensive income (loss)	-	-	-	-	(9,627)	22,878	(563)	12,688	(40,599)	(27,911)
Appropriation and distribution of retained earnings:										
Legal reserve	-	-	5,355	-	(5,355)	-	-	-	-	-
Special reserve				28,190	(28,190)					
Cash dividends on ordinary shares	-	-	-	-	(13,943)	-	-	(13,943)	-	(13,943)
Balance on December 31, 2024	$ 697,127	28,787	30,167	54,670	18,057	(15,281)	(17,074)	796,453	103,638	900,091

See accompanying notes to consolidated financial statements.

T-FLEX TECHVEST PCB CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

For the years ended December 31, 2024 and 2023

(Amounts in Thousands of New Taiwan Dollars)

	2024	2023
Cash flows from operating activities:		
Income before income tax	$ (49,619)	47,979
Adjustments for:		
Adjustments to reconcile net income (loss)		
Depreciation expense	82,358	95,701
Amortization expense	23	24
Expected credit loss (gain)	(509)	(4,589)
Interest expense	3,194	4,325
Interest income	(2,928)	(3,694)
Share of profit of Affiliates and joint ventures accounted for using equity method	(43,633)	(63,107)
Gain on disposal of property, plant and equipment	(5,413)	(87)
Lease modification benefits	(55)	-
Other	327	-
Total adjustments	33,364	28,573
Changes in assets and liabilities relating to operating activities:		
Net changes in assets relating to operating activities:		
Notes and accounts receivable	221,725	(113,460)
Other receivables	(10,241)	(8,272)
Inventories	45,914	(26,047)
Other current assets	(92)	(243)
Total net changes in assets relating to operating activities	257,306	(148,022)
Net changes in liabilities relating to operating activities:		
Notes and accounts payable	(73,461)	140,303
Other payables	(85,003)	26,079
Provisions for liabilities	(17,468)	(72,531)
Other current liabilities	(240)	(5,037)
Other non-current liabilities	(2,778)	102
Total net changes in liabilities relating to operating activities	(178,950)	88,916
Total net changes in assets and liabilities relating to operating activities	78,356	(59,106)
Total adjustments	111,720	(30,533)
Cash provided by operations	62,101	17,446
Interest received	2,859	3,680
Interest paid	(3,179)	(4,465)
Income taxes refund	(1,082)	(301)
Net cash provided by operating activities	60,699	16,360
Cash flows from investing activities:		
Acquisition of property, plant, and equipment	(72,100)	(54,108)
Disposal of property, plant, and equipment	90,417	8,038
Acquisition of intangible assets	2,600	-
Other non-current assets	1,130	-
Net cash flows from (used in) investing activities	22,047	(46,070)
Cash flows from financing activities:		
Short-term loans	(2,000)	29,000
Repayment of long-term loans	(55,899)	(32,065)
Repayment of lease liabilities	(3,321)	(4,078)
Distribution of cash dividends	(13,943)	(34,856)
Net cash used in financing activities	(75,163)	(41,999)
Increase (decrease) in cash and cash equivalents	7,583	(71,709)
Cash and cash equivalents at beginning of year	91,416	163,125
Cash and cash equivalents at end of year	**$ 98,999**	**$ 91,416**

See accompanying notes to consolidated financial statements.

T-FLEX TECHVEST PCB CO., LTD. AND SUBSIDIARIES
Notes to Consolidated Financial Statements
For the Years Ended December 31, 2024 and 2023
(Amounts in thousands of New Taiwan Dollars, unless specified otherwise)

1. HISTORY AND ORGANIZATION

T-Flex Techvest PCB Co., Ltd. (hereinafter referred to as "the Company") established on December 29, 1999 with the approval of the Ministry of Economic Affairs (MOEA). Registered address is No. 12, Gongye 2nd Rd., Pingzhen Dist., Taoyuan City. The Company's shares were listed on Taipei Exchange (TPEx) for trading on January 12, 2005. The main business items of the Company and subsidiaries (collectively referred to as "the Group") include manufacturing, processing, purchase and sales of electronic parts and components and printed circuit boards (PCB).

2. APPROVAL DATE AND PROCEDURES OF THE FINANCIAL STATEMENTS

These consolidated financial statements were authorized for issue by the Board of Directors on March 12, 2025.

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

(1) Impact of Newly Adopted and Revised Guidelines and Interpretations Approved by the Financial Supervisory Commission (FSC)

The consolidated company started applying the following newly revised International Financial Reporting Standards (IFRS) accounting standards as of January 1, 2024, and they did not have a significant impact on the consolidated financial statements.

- Amendment to IAS 1 "Classification of Liabilities as Current or Non-current"
- Amendment to IAS 1 "Non-current Liabilities with Covenants"
- Amendment to IAS 7 and IFRS 7 "Supplier Financing Arrangements"
- Amendment to IFRS 16 "Lease Liabilities in Sale and Leaseback Transactions"

(2) Impact of IFRS Accounting Standards Not Yet Adopted by the FSC

The consolidated company has evaluated the impact of the following newly revised IFRS accounting standards, effective from January 1, 2025. These are not expected to have a significant impact on the consolidated financial statements.

- Amendment to IAS 21 "The Effect of Changes in Foreign Exchange Rates - Lack of Exchangeability"

(3) New Standards and Interpretations Issued and Revised by the IASB but Not Yet Approved by the FSC

The following standards and interpretations issued and revised by the International Accounting Standards Board (IASB) but not yet approved by the FSC may be relevant to the consolidated company:

Newly Issued or Revised Standards	Main Revisions	Effective Date Issued by the Council
International Financial Reporting Standard (IFRS) No. 18 'Presentation and Disclosure of Financial Statements	The new standard introduces three types of income and expenses, two subtotal lines in the statement of profit or loss, and a single note regarding the measurement of management performance. These three revisions and enhancements provide guidance on how to segment information in the financial statements, laying the foundation for more reliable and consistent information for users, and will affect all companies. • More Structured Statement of Profit or Loss: Under the current standards, companies use different formats to present their operating results, making it difficult for investors to compare financial performance across companies. The new standard adopts a more structured statement of profit or loss, introducing a newly defined subtotal for "operating profit" and requiring that all income and expenses be classified into three new categories based on the company's primary operating activities. • Management Performance Measurement (MPM): The new standard introduces a definition for management performance measurement and requires companies to provide an explanation in a single note to the financial statements for each measurement indicator. The explanation must clarify why the indicator provides useful information, how it is calculated, and how it is reconciled with amounts recognized under IFRS accounting standards. • More Detailed Information: The new standard includes guidance on how companies should enhance the grouping of information in their financial statements. This includes guidance on whether information should be included in the primary financial statements or further broken down in the notes.	Jaunary 1, 2025

The consolidated company is currently continuing to assess the impact of the above standards and interpretations on the consolidated financial position and operating results. The relevant impacts will be disclosed once the assessment is complete.
The consolidated company expects that the following other newly issued and revised standards, which have not yet been approved, will not have a significant impact on the consolidated financial statements:

- Amendment to IFRS 10 and IAS 28 "Sales or Contributions of Assets between an Investor and its Associate or Joint Venture"
- IFRS 17 "Insurance Contracts" and Amendment to IFRS 17
- IFRS 19 "Disclosure of Non-Publicly Accountable Subsidiaries"
- Amendment to IFRS 9 and IFRS 7 "Amendments to Classification and Measurement of Financial Instruments"
- Annual Improvements to IFRS Standards
- Amendment to IFRS 9 and IFRS 7 "Reliance on Natural Power Contracts"

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

(1) Statement of compliance

The consolidated statements have been prepared following the Regulations Governing the Preparation of Financial Reports by Securities Issuers (hereinafter referred to as the "Preparation Guidelines") The International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), and Interpretations developed by the International Financial Reporting Interpretations Committee (IFRIC) or the former Standing Interpretations Committee (SIC), as endorsed by the FSC, as referred to in Article 3 of the Regulations.

(2) Basis of preparation

A. Basis of measurement

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

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

(b) The net interest on the net defined benefit obligation is measured as the fair value of the pension fund assets less the present value of the defined benefit obligation.

B. Functional and presentation currency

The functional currency of the Group is determined based on the primary economic environment. The consolidated financial statements are presented in New Taiwan Dollar (NTD), which is the Company's functional currency. All financial information is presented in thousands of NTD.

(3) Basis of Consolidation

A. Preparation principle of consolidated financial statements

The entities for which consolidated financial statements are prepared include the Company and entities controlled by the Company (i.e., subsidiaries). The Company controls an investee when it is exposed to or has rights to variable compensation from its participation in the investee and can affect such compensation through its power over the investee.

The financial statements of a subsidiary are included in the consolidated financial statements from the date control is acquired until the date control is lost. Inter-company transactions, balances and any unrealized gains and losses have been eliminated upon the preparation of the consolidated financial statements. The total consolidated income or loss of the subsidiaries is attributed to the Company's owners and non-controlling interests, respectively, even if the noncontrolling interests become deficit balances as a result.

The financial statements of subsidiaries have been appropriately adjusted to conform to the accounting policies used by the Group.

The changes in ownership of the subsidiaries are recognized as an equity transaction.

The difference between the adjustment to non-controlling interests and the fair value of the consideration paid or received is recognized directly in equity and is attributable to the owners of the Company.

B. Subsidiaries Included in Consolidated Financial Statements

Investee name	Subsidiary name	Business nature	Shareholding percentage 2024.12.31	Shareholding percentage 2023.12.31	Description
The Company	TGT Techvest Co., Ltd. (TGT Techvest)	Manufacturing and sales of various types of circuit boards	57.21%	57.21%	Note

C.Subsidiaries not included in the consolidated financial statements: None.

(4) Foreign currency

A. Foreign currency transactions

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

The foreign exchange profit/loss arising from the conversion is typically recognized in profit or loss; however, the equity instruments at fair value through other comprehensive income is recognized under other comprehensive income.

B. Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising from the acquisition, are translated into the presentation currency at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into the presentation currency at the average rate. Exchange differences are recognized in other comprehensive incomes.

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

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, Exchange differences arising from such items are considered to form part of a net investment in the foreign operation and are recognized in other comprehensive income.

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

The consolidated company classifies assets as current if they meet any of the following conditions; all other assets that are not classified as current are classified as non-current:

A.The asset is expected to be realized in the normal operating cycle, or is intended to be sold or consumed;

B.The asset is held primarily for trading purposes;

C.The asset is expected to be realized within twelve months after the reporting period; or

D.The asset is cash or cash equivalents (as defined in IAS 7), unless the exchange or use of the asset to settle liabilities is restricted for at least twelve months after the reporting period.

The consolidated company classifies liabilities as current if they meet any of the following conditions; all other liabilities that are not classified as current are classified as non-current:

A.The liability is expected to be settled in the normal operating cycle;

B.The liability is held primarily for trading purposes;

C.The liability is due to be settled within twelve months after the reporting period; or

D.The company does not have the right to defer the settlement of the liability for at least twelve months after the reporting period.

(6) Cash and cash equivalents

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

(7) Financial instruments

Trade receivables are initially recognized when they originate. All other financial assets and financial liabilities are initially recognized when the Group becomes a party to the contractual provisions of the instrument. A financial asset (excluding account receivables not containing significant financial component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. Trade receivables not containing significant financial component was initially measured at the transaction price.

A. Financial assets

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

On initial recognition, a financial asset is classified as measured at amortized cost; Fair value through other comprehensive income (FVOCI) – equity investment; or FVTPL.

Financial assets are not reclassified after their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

(a) Financial assets measured at amortized cost

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

·It is held within a business model whose objective is to hold assets to collect contractual cash flows; and

·Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

(b) Financial assets measured at fair value through other comprehensive income (FVOCI)

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

Dividend income is recognized in profit or loss on the date on which the Group's right to receive payment is established. (normally refers to the ex-dividend date)

(c) Impairment of financial assets

The Group recognizes loss allowances for expected credit losses (ECL) on financial assets measured at amortized cost (including cash and cash equivalents, notes and bills receivables, other receivables, guarantee deposits paid and other financial assets).

The Group measures loss allowances at an amount equal to lifetime expected credit loss (ECL), except for the following which is measured as 12 month ECL:

·Debt securities that are determined to have low credit risk at the reporting date; and

·Other debt securities and bank balances for which credit risk (i.e. the risk of a default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowance for trade receivables and contract assets are always measured at an amount equal to lifetime ECL.

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

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

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

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

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

At each reporting date, the Group assesses whether financial assets carried at amortized cost and debt securities at FVOCI are credit impaired. A financial asset is ‘credit impaired’ when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial asset is credit-impaired includes the following observable data:

·Significant financial difficulty of the borrower or issuer;

·A breach of contract such as a default or being more than 90 days past due;

·The lender of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession that the lender would not otherwise consider;

·The borrower will probably enter bankruptcy or other financial reorganization; or

·The disappearance of an active market for financial assets because of financial difficulties.

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. The Group individually assesses respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Group expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities to comply with the Group's procedures for recovery of amounts due.

(d) Derecognition of financial assets

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

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

B. Financial liabilities and equity instruments

(a) Classification between liabilities or equity

The Group classifies the instrument issued as a financial liability or an equity instrument following the substance of the contractual arrangement and the definitions of a financial liability, and an equity instrument.

(b) Equity transaction

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

(c) Financial liabilities

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

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

(d) Derecognition of financial liabilities

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

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

(e) Offsetting of financial assets and liabilities

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

(8) Inventories

Inventories are measured at the lower of cost and net realizable value in the financial statements. The cost of inventories is calculated using the weight average method and includes expenditure incurred in acquiring the inventories, production or conversion costs, and other costs incurred in bringing them to their present location and condition. In the case of manufactured inventories and work in progress, cost includes an appropriate share of production overheads based on normal operating capacity.

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

(9) Investment in Affiliates

Affiliate refers to an entity to which the Group has material impact on its financial and operational policies, excluding controlling of joint controlling thereof.

The Group adopts the equity method for the equity of an Affiliate. Under the equity method, it is reorganized at cost during the initial acquisition, and the investment cost includes the transaction cost. The carrying amount of the an invested Affiliate includes the reputation identified during the initial investment, less any accumulated impairment loss.

The consolidated financial report includes, from the date having material impact to the date of losing material impact, and after making consistent accounting policy adjustment with the Group, the Group recognizes the profit or loss and the amount of other comprehensive income or loss of each invested Affiliate according to the equity ratio. When an Affiliate is subject to equity change not for profit or loss or other comprehensive income and when the shareholding percentage of the Affiliate held by the Group is not affected, the Group then recognizes all of the equity change as the “capital reserve” according to the shareholding percentage.

The unrealized profit and loss arising from the transactions between the Group and the Affiliate is recognized in the enterprise’s financial statements only within the equity scope of the investor on the Affiliate.

When the loss amount of the Affiliate required for recognition proportionally by the Group equals to or exceeds the its equity in the Affiliate, its loss is no longer recognized, and additional loss and relevant liabilities are recognized only within the scope of occurrence of statutory obligation, presumed obligation or payments made on behalf of the investee.

(10) Property, plant, and equipment

A. Recognition and measurement

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

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

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

B. Subsequent costs

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

C. Depreciation

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

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

(a) Buildings and structures	2years~27 years
(b) Machinery and equipment	2 year~12 years
(c) Leased Equipment	4 year~12 years
(d) Other equipment	2 year~10 years

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

(11) Lease

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

A. As a lessee

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

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

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

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

(a) Fixed payments, including in-substance fixed payments;
(b) Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
(c) Amounts expected to be payable under a residual value guarantee; and
(d) Payments for purchase or termination options that are reasonably certain to be exercised.

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

(a) There is a change in future lease payments arising from the change in an index or rate; or
(b) There is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or(c) Amounts expected to be payable under a residual value guarantee;
(c) There is a change in the lease term resulting from a change of its assessment on whether it will exercise an option to purchase the underlying asset, or
(d) There is a change of its assessment on whether it will exercise an extension or termination option; or

(e) There is any lease modification.

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

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

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

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

B. As a lessor

When the Group acts as a lessor, it determines at lease commencement whether each lease is a finance lease or an operating lease. To classify each lease, the Group makes an overall assessment of whether the lease transfers to the lessee substantially all of the risks and rewards of ownership incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then the lease is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

(12) Intangible assets

A. Recognition and measurement

Goodwill arising from the acquisition of subsidiaries is measured at cost less accumulated impairment.

Intangible assets, including computer software, that are acquired by the Group are measured at cost less accumulated amortization and any accumulated impairment losses.

B. Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognized in profit or loss as incurred.

C. Amortization

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

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

(13) Impairment of non-financial assets

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

For impairment testing, assets are grouped into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units (CGUs). Goodwill acquired in a business combination is allocated to each cash-generating unit or group of cash-generating units that is expected to benefit from the combined effect.

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

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's ("CGU") fair value less costs to sell and its value in use and is determined for an individual asset unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

An impairment loss is recognized immediately in profit or loss and reduces the carrying amount of goodwill in the cash-generating unit first, and then reduces the carrying amount of each asset in the unit in proportion to the book value of the other assets in the unit.

Goodwill impairment losses are not reversed. For non-financial assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization if no impairment loss had been recognized.

(14) Provisions for liabilities

A provision for a liability is recognized when, as a result of a past event, the consolidated company has a present obligation that is expected to require an outflow of resources embodying economic benefits to settle the obligation, and the amount of the obligation can be reliably estimated.

Provision for Decommissioning, Restoration, and Rehabilitation Costs

A provision for decommissioning liabilities related to the dismantling, removal of property, plant, and equipment, and restoration of the location where they are situated is measured at the present value of the expected future cash flows required to settle the obligation. The decommissioning costs are recognized as part of the cost of the asset.

Site Restoration

The provision for liabilities is evaluated in accordance with the consolidated company's published environmental policies and applicable regulatory requirements.

(15) Revenue recognition

Revenue from contracts with customers

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

A. Sale of goods - Electronic components

The Group manufactures and sells electronic components to customers. The Group recognizes revenue when control of the products has transferred, being when the products are delivered to the customer, the customer has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products have been shipped to a specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products under the sales contract, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for acceptance have been satisfied.

The Group often recognizes revenue based on the total amount if the sale according to aggregate sales of electronic components is over 6 months or 1 year and had a discount agreement previously or its highly possible to have sales discounts in marketing experience. The Group evaluates the amount of discounts on the day of the occurrence of that fact or the date of the balance sheet, offsets sales revenue or recognizes sales allowance, and recognizes the revenue only to the extent that, probably, a significant reversal will not occur. As of the reporting date, the expecting amount paid to customers relating to the unit price discounts and defects of the product is recognized as refund liabilities.

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

B. Financing components

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

(16) Employee benefits

A. Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in future payments is available.

B. Defined benefits plan

The Group's net obligation for the defined benefit plan is calculated by discounting the present value of future benefit amounts earned by employees for each plan, either currently or through prior service, less the fair value of any plan assets.

The defined benefit obligation is actuarially determined annually by a qualified actuary using the projected unit benefit method. When the result of the calculation is likely to be favorable to the Group, the asset is recognized to the extent of the present value of any economic benefits available in the form of refunds of contributions from the plan or reductions in future contributions to the plan. The present value of economic benefits is calculated by taking into account any minimum funding requirements.

The remeasurement of the net defined benefit obligation, which includes actuarial gains and losses, return on plan assets (excluding interest), and any change in the asset ceiling effect (excluding interest) is recognized immediately in other comprehensive income and accumulated in retained earnings. The Group determines the net interest expense (income) on the net defined benefit liability (asset) using the net defined benefit liability (asset) and discount rate determined at the beginning of the annual reporting period. The net interest expense and other expenses of the defined benefit plans are recognized in profit or loss.

When a plan is amended or curtailed, the change in benefits related to prior service cost or curtailment benefit or loss is recognized immediately in profit or loss. The Group recognizes a gain or loss on the settlement of a defined benefit plan when the settlement occurs.

C. Short-term employee benefits

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

(17) Income taxes

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

The Group has determined that interest and penalties related to income taxes, including uncertain tax treatment, do not meet the definition of income taxes, and therefore accounted for them under IAS37.

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

It is measured using tax rates enacted or substantively enacted at the reporting date. Deferred taxes arise due to temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases. Deferred taxes are recognized except for the following:

A. Temporary differences in the initial recognition of assets and liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profits (losses) at the time of the transaction;
B. Temporary differences related to investments in subsidiaries, Affiliates and joint arrangements to the extent that the Group can control the timing of the reversal of the temporary differences and, probably, they will not reverse in the foreseeable future; and
C. Taxable temporary differences arising on the initial recognition of goodwill.

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

Deferred taxes are measured at tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date, and reflect uncertainty related to income taxes if any.

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

A. The Group has a legally enforceable right to set off current tax assets against current tax liabilities; and
B. The deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on either:
   (a) The same taxable entity; or

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

(18) Earnings(loss) per share

The Group discloses the Company's basic and diluted earnings per share attributable to ordinary shareholders of the Company. Basic earnings per share are calculated as the profit attributable to ordinary shareholders of the Company divided by the weighted average number of ordinary shares outstanding. Diluted earnings per share are calculated as the profit attributable to ordinary shareholders of the Company divided by the weighted average number of ordinary shares outstanding after adjustment for the effects of all potentially dilutive ordinary shares.

The Group's potentially dilutive ordinary shares include employee compensation.

(19) Segment information

An operating segment is a component of the Group that engages in operating activities that may earn revenues and incur expenses, including revenues and expenses related to transactions with other components of the Group. The operating results of all operating divisions are reviewed regularly by the Group's chief operating decision-maker to make decisions about the allocation of resources to the division and to evaluate its performance. Separate financial information is available for each operating segment.

5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Management's Judgment and Estimates in the Preparation of Consolidated Financial Statements

In preparing the consolidated financial statements, management must make judgments and estimates about the future (including climate-related risks and opportunities) that will affect the adoption of accounting policies and the reported amounts of assets, liabilities, revenues, and expenses. Actual results may differ from these estimates.

Management continues to review these estimates and underlying assumptions, ensuring alignment with the consolidated company's risk management and climate-related commitments. Changes in estimates are recognized in the periods in which the change occurs and in future periods affected by the change.

Accounting Policies Involving Significant Judgment

The following information pertains to accounting policies that involve significant judgments and have a major impact on the amounts recognized in the consolidated financial statements:

(1) Recognition and Measurement of Provisions for Liabilities

When assuming responsibility for site restoration, the consolidated company recognizes the funds received as a liability provision, considering the estimated restoration costs for the incomplete portion. The company continuously reviews the basis for these estimates and makes adjustments as appropriate (see Note 6(13)).

In accordance with applicable regulations, the consolidated company is responsible for certain site restoration obligations, including dismantling, removing, or restoring the location. Therefore, the present value of the expected costs related to dismantling, removing, or restoring the site is recognized as a provision. The company expects this provision to be realized progressively in the future (see Note 6(13)).

6. STATEMENTS OF MAJOR ACCOUNTING ITEMS

(1) Cash and cash equivalents

		December 31, 2024	December 31, 2023
Cash in hand	$	100	100
Cash in banks			
Demand deposits		54,540	82,316
Time deposits		44,359	9,000
Cash and cash equivalents in consolidated statement of cash flows	**$**	**98,999**	**91,416**

Please refer to Note 6(21) for the disclosure of credit, interest, currency risks and sensitivity analysis of the financial instruments of the Group.

The Group's cash and cash equivalents have not been pledged as collateral. Cash and cash equivalents are expressed not pledged.

(2) Financial assets measured at fair value through other comprehensive income

		December 31, 2024	December 31, 2023
Equity instrument investments measured at fair value through other comprehensive income:			
Listed companies' stocks	**$**	**3,587**	**4,150**

A. Investments in equity instruments measured at fair value through other comprehensive income or loss

The Group held these investments in equity instruments as long-term strategic investments and were not held for trading purposes, and therefore had been designated as measured at fair value through other comprehensive income or loss.

The Group did not dispose of any strategic investments in 2024 and 2023, and the accumulated gains and losses during that period were not transferred to equity.

B. Please refer to Note 6(21) for credit and market risks information.

C. None of the above financial assets were pledged as collateral.

(3) Notes and accounts receivable

	December 31, 2024	December 31, 2023
Accounts receivable	123,780	345,505
Less: Loss allowance	(456)	(965)
Total	$ 123,324	344,540

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

	December 31, 2024		
	Gross carrying amount	Weighted average loss rate	Loss allowance provision
Not yet due	$ 123,324	0.00%	-
Overdue 91 days above	456	100.00%	456
	$ 123,780		456

	December 31, 2023		
	Gross carrying amount	Weighted average loss rate	Loss allowance provision
Not yet due	$ 343,149	0.00%	-
Overdue within 30 days	1,297	0.00%~8.86%	102
Overdue 31-90 days	196	0.00%~64.80%	-
Overdue above 91 days	863	100.00%	863
	$ 345,505		965

The movement in the loss allowance for notes and accounts receivable was as follows:

	2024	2023
Opening balance	$ 965	$ 5,554
Impairment losses (reversed) recognized	(509)	(4,589)
Ending balance	$ 456	$ 965

Please refer to 6(21) for the credit and the currency risks of the Group's accounts receivables.

The Group's notes and accounts receivable have not been pledged as collateral.

(4) Inventories

	December 31, 2024	December 31, 2023
Finished goods(including goods)	87,665	20,663
Work in progress	114	69,965
Raw materials and supplies	17	43,082
	$ 87,796	133,710

The details of the cost of sales of the Group were as follows:

	2024	2023
Cost of goods sold	$ 891,482	$ 1,264,165
Inventory write-downs and obsolescence (reversal of gains) losses	(7,945)	3,862
Revenue from sale of scraps	(13,080)	(32,680)
Inventory scrap loss	6,271	593
Unaplied manufacturing expenses	49,006	-
	$ 925,734	$ 1,235,940

The consolidated company recognizes inventory write-downs and obsolescence losses when the net realizable value of inventory falls below its cost due to the inventory becoming obsolete, outdated, or unusable. If the factors that previously caused the inventory's net realizable value to be lower than its cost no longer exist, and the net realizable value increases, the company recognizes a reversal of the inventory write-down.

The Group’s inventories have not been pledged as collateral.

(5) Investment accounted for under the equity method

The investments of the Group accounted for using the equity method at the report date are as follows:

	2024.12.31	2023.12.31
Affiliate	$ 715,100	648,589

1. Affiliates

Relevant information of Affiliates having materiality to the Group is as follows:

Affiliate name	Nature of relationship with the Group	Company registration country	Proportion of ownership interest 2024.12.31	Proportion of ownership interest 2023.12.31
Chi Chen Investment Co., Ltd. (Chi Chen Company)	Its main business refers to general investment business, and it is a company jointly invested by the Group and the parent company	SAMOA	19.27%	19.27%

The shareholding percentage of the Group on the Affiliate is less than 20%; however, the Group acts as a director of the company and participates in the decision making, such that the Group has material influence on the company. Accordingly, the equity valuation method is adopted.

The financial information of Affiliates having materiality on the Group is summarized in the following. For such financial information, the amounts indicated in the consolidated financial report according to the IFRS has been adjusted, in order to reflect the fair value adjustment made when the Group acquires the equity of the Affiliates and the adjustment made with respect to the accounting policy difference:

(1) Summary of financial information of Chi Chen Company

		2024.12.31		2023.12.31
Current Assets	$	4,335,441		4,021,015
Non-current assets		2,152,009		2,147,834
Current liabilities		(1,792,873)		(1,910,416)
Non-current liabilities		(31,418)		(28,996)
Net assets	$	4,663,159	$	4,229,437
Net assets attributable to uncontrolled equity	$	953,052	$	864,402
Net assets attributable to owners of the investee	$	3,710,107	$	3,365,035

		2024		2023
Net income for the period	$	284,551	$	411,560
Other comprehensive income		149,171		(77,928)
Total comprehensive income	$	433,722	$	333,632
Total comprehensive income (loss) attributable to non-controlling interests	$	88,650	$	68,210
Total comprehensive income (loss) attributable to owners of the investee	$	345,072	$	265,422

		2024	2023
Proportion of net assets of associate held by the Group at beginning of the period	$	648,589	597,431
Total comprehensive income (loss) attributable to the Group in the current period		66,511	51,158
Carrying amount of the associates' equity of the Group at end of the period	$	715,100	648,589

The Group did not provide any investment accounted for using the equity method as collateral for its loans.

(6) Significant information on subsidiaries of non-controlling interests

Subsidiaries of on-controlling interests having materiality on the Group are as follows:

Subsidiary name	Main operating location/ Company registration country	Proportion of ownership of non-controlling interests and voting rights 2024.12.31	2023.12.31
TGT Techvest Co., Ltd. (TGT Techvest)	Taiwan	42.79%	42.79%

The financial information of the aforementioned subsidiaries is summarized in the following. The financial information has been prepared according to the IFRS and has reflected the fair value adjustment made when the Company acquires the equity of the associates and the adjustment made with respect to the accounting policy difference, and the financial information indicates the amount for the transactions with the Group that has not yet been written off:

Summary of financial information of TGT Techvest

	2024.12.31	2023.12.31
Current Assets	$ 423,920	505,825
Non-current assets	471,764	490,621
Current liabilities	(475,993)	(569,826)
Non-current liabilities	(177,476)	(89,828)
Net assets	$ 242,215	336,792
Carrying amount of non-controlling interests at end of the period	$ 103,787	144,237

	2024	2023
Operating revenue	$ 809,349	$ 1,193,622
Net income (loss) of current period	$ (94,577)	$ (18,505)
Other comprehensive income	-	(2,211)
Total comprehensive income	$ (94,577)	$ (20,716)
Net income (loss) attributable to uncontrolled equity of the current period	$ (40,599)	$ (7,917)
Total comprehensive income (loss) attributable to non-controlling interests	$ (40,599)	$ (8,863)
Cash flow from operating activities	$ 71,393	$ (20,758)
Cash flow from investment activities	22,047	(46,070)
Cash flow from financing activities	(59,220)	(36,143)
Increase(Decrease) in cash and cash equivalents	$ 34,220	(102,971)

(7) Property, plant, and equipment

The cost, depreciation, and impairment of the property, plant and equipment of the Group were as follows:

	Buildings and structures	Machinery and equipment	Leased Assets	Other equipment	Total
Cost or deemed cost:					
Balance on January 1, 2024	$ 535,184	965,100	-	36,114	1,536,398
Additions	280	73,656	-	235	74,171
Disposals	-	(378,214)	-	(9,279)	(387,493)
Reclassification	-	(98,679)	99,002	(323)	-
Balance on December 31, 2024	**$ 535,464**	**561,863**	**99,002**	**26,747**	**1,223,076**
Balance on January 1, 2023	$ 529,552	952,380	-	35,686	1,517,618
Additions	5,632	43,827	-	623	50,082
Disposals	-	(31,107)	-	(195)	(31,302)
Balance on December 31, 2023	**$ 535,184**	**965,100**	**-**	**36,114**	**1,536,398**
Accumulated depreciation and impairment loss:					
Balance on January 1, 2024	$ 393,002	646,848	-	33,875	1,073,725
Depreciation	30,301	41,485	6,423	778	78,987
Disposals	-	(168,699)	-	(9,279)	(177,978)
Reclassification	-	(45,382)	45,566	(184)	-
Balance on December 31, 2024	**$ 423,303**	**474,252**	**51,989**	**25,190**	**974,734**
Balance on January 1, 2023	$ 362,866	609,828	-	32,749	1,005,443
Depreciation	30,136	60,176	-	1,321	91,633
Disposals	-	(23,156)	-	(195)	(23,351)
Balance on December 31, 2023	**$ 393,002**	**646,848**	**-**	**33,875**	**1,073,725**
Book value					
December 31, 2024	**$ 112,161**	**87,611**	**47,013**	**1,557**	**248,342**
January 1, 2023	**$ 166,686**	**342,552**	**-**	**2,937**	**512,175**
December 31, 2023	**$ 142,182**	**318,252**	**-**	**2,239**	**462,673**

The subsidiary of the consolidated company in the 2024, restructured its production line setup for operational needs, resulting in the disposal of machinery and equipment. For information related to transactions with related parties, please refer to Note 7(3)5: Property Transactions.

Please refer to Note 8 for information on the Group's loans guarantees.

(8) Right-of-use assets

The cost and depreciation of the leasing transportation equipment of the Group were as follows:

		Land	Transportation equipment	Total
Cost:				
Balance on January 1, 2024	$	27,165	7,338	34,503
Additions(Note)		205,000	-	205,000
Derecognition		-	(6,660)	(6,660)
Balance on December 31, 2024	$	232,165	678	232,843
Balance on January 1, 2023	$	27,165	6,015	33,180
Additions		-	2,737	2,737
Derecognition			(1,414)	(1,414)
Balance on December 31, 2023	$	27,165	7,338	34,503
Accumulated depreciation:				
Balance on January 1, 2024	$	10,238	3,450	13,688
Depreciation		1,881	1,490	3,371
Derecognition		-	(4,582)	(4,582)
Balance on December 31, 2024	$	12,119	358	12,477
Balance on January 1, 2023	$	8,357	2,677	11,034
Depreciation		1,881	2,187	4,068
Derecognition		-	(1,414)	(1,414)
Balance on December 31, 2023	$	10,238	3,450	13,688
Book value				
December 31, 2024	$	220,046	320	220,366
December 31, 2023	$	16,927	3,888	20,815

Note: This refers to the decommissioning liability for soil remediation. Please refer to Note 6(13) for further details.

(9) Short-term debts

	December 31, 2024	December 31, 2023
Unsecured bank loans	$ 57,000	59,000
Unused short-term credit lines	$ 246,742	227,825
Interest Rates (%)	1.97%-2.36%	1.95%-2.08%

The Group did not provide any asset as collateral for its short-term debts.

(10) Other current liabilities

	December 31, 2024	December 31, 2023
Refund liabilities	$ 4,670	$ 4,325
Tax liabilities	573	688
Other	711	1,294
Total	$ 5,954	$ 6,307

Refund liability is mainly due to the characteristics of the industry in which the sales of electronic components may generate a sales discount due to product defects or price drops, which are expected to be paid to customers.

(11) Long-term debts

	December 31, 2024			
	Currency	Interest Rates	Period	Amount
Secured bank loans	New Taiwan Dollars	2.64%~2.83%	June 27, 2026~ August 01, 2027	$ 333,336
Less: Current portion				(13,336)
Total				$ 20,000
Unused long-term credit lines				$ 70,000

	December 31, 2023			
	Currency	Interest Rates	Period	Amount
Secured bank loans	New Taiwan Dollars	2.41%~2.64%	June 7, 2025~ August 01, 2027	$ 89,235
Less: Current portion				(19,529)
Total				$ 69,706
Unused long-term credit lines				$ 70,000

For information on the risk of exposure to interest rates and liquidity risks of the Company, please see Note 6(21).

The Group provide asset as collateral for its bank borrowings, please refer to Note 8.

(12)Lease liabilities

The Group lease liabilities were as follows:

	December 31, 2024	December 31, 2023
Current	$ 2,298	4,384
Non-current	$ 13,646	17,014

For the maturity analysis, please refer to Note 6(21).

The amounts recognized in profit or loss were as follows:

	2024	2023
Interest on lease liabilities	$ 296	344
Expenses relating to short-term leases	$ 1,184	3,205
Expenses relating to leases of low-value assets, excluding short term leases of low-value assets	$ 240	239

The amounts recognized in the statement of cash flows for the Group were as follows:

	2024	2023
Total cash outflow for leases	$ 5,041	7,866

A. Lease of land

The Group usually leases land for its production and office premises for a period of 10 years.

B. Other leases

The Group leases transportation equipment for a period of three years.

In addition, the Group's lease period for lease of employee dormitory and other equipment is one year, such lease is short-term lease or lease of low value. The Group chooses to apply the recognition exemption rules to not recognize its related right-of-use assets and lease liabilities.

(13) Provisions for liabilities

	December 31, 2024	December 31, 2023
Site Restoration - Current	$ 56,659	74,127
Decommissioning Liability - Current	$ 61,500	-
	$ 118,159	74,127
Decommissioning Liability – Non-Current	$ 143,500	-

The consolidated company, due to assuming the responsibility for site restoration, has recognized the funds received as a provision for liabilities. The related restoration costs are expected to be incurred gradually in the future years.

The consolidated company's Kaohsiung plant reached an agreement with the Kaohsiung City Government Environmental Protection Bureau of the Republic of China (2024) to carry out a soil remediation plan. After the plan was confirmed by both parties, the project was entrusted to Ye Xing Environmental Technology Co., Ltd. for the remediation work. As of December 31, 2024, a decommissioning liability provision of NT$205,000,000 for soil remediation costs has been estimated.

(14)Employee benefits

A. Defined benefits plan

Changes in present value of defined benefit obligation and fair value of plan assets are as follows:

	December 31, 2024	December 31, 2023
Present value of the defined benefit obligation	$ -	25,775
Plan assets at fair value	-	(23,295)
Increase in net defined benefit liability	**$ -**	**2,480**

The Group's defined benefit plan is transferred to the custodian account for the Bank of Taiwan's Labor Retirement Reserve Fund. The retirement payment for each employee under the Labor Standards Act is calculated based on the base figure obtained from years of service and the average salary for the six months before retirement.

(a) Components of plan assets

The Group's retirement fund under the Labor Standards Act is managed by the Bureau of Labor Funds, Ministry of Labor (hereinafter referred to as the BLF). According to the "Regulations for Revenues, Expenditures, Safeguard and Utilization of the Labor Retirement Fund", the minimum annual earnings to be distributed from the fund shall not be less than the earnings calculated based on the two-year time deposit rate of the local bank.

(b) Present value of the defined benefit obligation

Changes in the present value of the Group's defined benefit obligation are as follows:

	2024	2023
Defined benefit obligation on January 1	$ 25,775	22,816
Current period service costs	2,988	659
Remeasurements of the net defined benefit liability		
－Actuarial gains and losses arising from changes	-	922

	2024	2023
in financial assumptions		
－Actuarial gains and losses resulting from changes in experience adjustments	-	1,378
Benefits paid	(28,763)	-
Defined benefit obligation on December 31	$ -	25,755

(c) Fair value of plan assets

The changes in the fair value of the Group's defined benefit obligation assets were as follows:

	2024	2023
Plan assets at fair value at 1 Jaunary	$ 23,295	$ 22,409
Interest income	2,042	384
Remeasurements of the net defined benefit liability		
－Actuarial gains and losses	-	89
Amount contributed to plan	3,426	413
Benefits paid	(28,763)	-
Plan assets at fair value at 31 December	$ -	23,295

(d) Expenses recognized as profit and loss

Breakdown of expenses disbursed by the Group is as follows:

	2024	2023
Current period service costs	$ 946	272
Net interest on net defined benefit liabilities	-	3
Operating costs	$ 946	275

(e) Actuarial assumptions

The significant actual assumptions used by the Group to determine the present value of the defined benefit obligation at the end of the reporting period are as follows:

	December 31, 2024	December 31, 2023
Discount rate	-%	1.23%
Future salary increase rate	-%	1.00%

(f) Sensitivity analysis

The effect of changes in key actuarial assumptions on the present value of the defined benefit obligation when used is as follows:

		Effect on defined benefit obligation	
		Add 0.25%	Less 0.25%
December 31, 2023			
Discount rate (Change 0.25%)	$	(485)	502
Future salary increase rate (Change 0.25%)		495	(481)

The sensitivity analysis above analyzes the effect of changes in a single assumption with other assumptions held constant. In practice, changes in many assumptions may be linked. The sensitivity analysis is consistent with the methodology used to calculate the net defined benefit liability in the Balance Sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analyses compared to the previous period.

As of December 31, 2024, the consolidated company has settled the defined benefit obligations.

B. Defined contribution plans

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

The Group's pension costs incurred from the contributions to the Bureau of the Labor Insurance amounted to NTD3,924,000 and NTD5,959,000 for the years ended December 31, 2024 and 2023, respectively.

(15)Income taxes

A. Income tax expense

The statement of income tax expense of the Group is as follows:

		2024	2023
Current Income Tax Expense			
Incurred in the current period	$	607	1,081
Income tax expense	**$**	**607**	**1,081**

Reconciliation of income tax and profit before tax were as follows:

		2024	2023
Income before income tax	**$**	**(49,619)**	**47,979**
Income tax using the Group's domestic tax rate	$	(20,719)	7,484
Non-deductible expenses		(4,549)	(3,990)

	2024	2023
Tax-exempt income	10,821	2,118
Current year losses for which no deferred tax asset was recognized	26,778	7,434
Change in unrecognized temporary differences	(12,025)	(12,918)
Undistributed earnings additional tax	607	1,081
Recognition of taxable loss not recognized in the previous period	(306)	(128)
Income tax expense	$ 607	1,081

B. Deferred tax assets and liabilities

(a) Unrecognized deferred tax liabilities

For the temporary difference related to the investment in associates for the years ended December 31, 2024 and 2023, since the ultimate parent entity of the Group is able to control the timing for the reversal of the temporary difference and reversal is not likely to be performed in the foreseeable future, it is recognized under the deferred income tax liabilities. Its relevant amount is as follows:

	December 31, 2024	December 31, 2023
Aggregate amount of temporary differences related to investments in Affiliates	$ 100,604	89,139

(b) Unrecognized deferred tax assets

Deferred tax assets have not been recognized in respect of the following items:

	December 31, 2024	December 31, 2023
Tax effect of deductible Temporary Differences	$ 2,161	5,460
The carryforward of unused tax losses	157,309	130,838
	$ 159,470	136,298

Under the Income Tax Act, tax losses incurred in the ten years, prior to the approval of the tax authorities, may be deducted from the net profit for the current year and then audited for income tax purposes. These items are not recognized as deferred tax assets because it is not probable that the Group will have sufficient tax assets in the future to provide for the temporary differences.

As of December 31, 2024, the Group has not used the tax loss on deferred tax assets, which is deducted over the following periods:

Year of loss		Loss not yet deducted	Last year for which the deduction was made
2015	$	138,612	2025
2016		180,949	2026
2017		6,430	2027
2018		64,139	2028
2019		82,622	2029
2020		140,400	2030
2022		2,334	2032
2023		3,7170	2033
2024		133,892	2034
	$	786,548	

C. Assessment of tax

The Company and tgt Techvest Co., Ltd.s' tax returns through 2022 have been assessed and approved by the Tax Authority.

(16) Capital and other equity

A. Ordinary shares

As of December 31, 2024 and 2023, the authorized shares of 150,000,000, with a par value of $10 per share, amounted to $1,500,000,000, of which, 69,713,000 ordinary shares were issued. All issued shares were paid up upon issuance.

B. Capital reserve

		December 31, 2024	December 31, 2023
Additional paid-in capital	$	25,100	25,100
Conversion of treasury shares		3,687	3,687
	$	28,787	28,787

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

C. Retained earnings

The Company's article of incorporation stipulates that Company's net earnings should first be used to offset the prior years' deficits, if any, before paying any income taxes. Of the remaining balance, 10% is to be appropriated as a legal reserve, and then any remaining profit together with any undistributed retained earnings shall be distributed as new stacks according to the distribution plan or shares newly issued proposed by the Board of Directors and submitted to the stockholders' meeting for approval. If there is any surplus, the Board of Directors may prepare a proposal for the distribution of such surplus together with the previous year's earnings, and if the distribution is made by issuing new shares, a resolution shall be submitted to the Shareholders' Meeting for distribution.

If the Company distributes dividend bonus, legal reserve, special reserve, or part/whole of the capital surplus by cash payment, two of the three authorized board members must be present during the meeting, and half of the attendees' approval must be obtained before reporting the agreed appropriation at the shareholders' meeting.

To consider stable development and complete financial structure, the Company's surplus distribution shall be no less than 10% of the distributable surplus, minus the previous year's surplus. However, if the distributable surplus, minus the previous year's surplus, is less than the percentage of paid-in capital, the Group may decide to transfer all of the retained surplus to unappropriated retained earnings.

When distributing surplus, cash dividend shall not be less than 10% of the total dividend.

(a) Legal reserve

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

(b) Special reserve

When the Company distributes the distributable surplus, the net deduction of other shareholders' equity in the current year is reported, and the special surplus reserve is made up of the current profit and loss and the undistributed surplus in the previous period; it is the deduction of other shareholders' equity accumulated in the previous period Amount, from the undistributed surplus of the previous period, the special surplus reserve shall not be distributed. When the deduction amount of other shareholders' equity is reversed thereafter, the surplus may be distributed on the reversed part.

(c) Earnings Distribution

According to the resolutions of the Board of Directors of the Company on April 22, 2024 and April 28, 2023 on the cash dividend amounts for the 2023 and 2022 earnings distribution, the amount of owners' dividends distributed is as follows:

	2023		2022	
	Dividend per share (NTD)	Amount	Dividend per share (NTD)	Amount
Dividends distributed to ordinary shareholders				
Cash	0.20	13,943	0.50	34,856

D. Other equity

		Exchange differences in translation of foreign financial statements	Unrealized gains or losses on financial assets measured at fair value through other comprehensive income	Non-controlling interests
January 1, 2024	$	(38,159)	(16,511)	144,237
Net loss attributable to non-controlling interests		-	-	(40,599)
Exchange differences arising from the translation of net assets of foreign operating entities		22,878	-	-
Unrealized gains or losses on financial assets measured at fair value through other comprehensive income		-	(563)	-
Balance on December 31, 2024	$	(15,281)	(17,074)	103,638
January 1, 2023	$	(26,210)	(15,978)	153,100
Net loss attributable to non-controlling interests		-	-	(7,917)
Remeasurements of defined benefit plans		-	-	(946)
Exchange differences arising from the translation of net assets of foreign operating entities		(11,949)	-	-
Unrealized gains or losses on financial assets measured at fair value through other comprehensive income		-	(533)	-
Balance on December 31, 2023	$	(38,159)	(16,511)	144,237

(17)Earnings(loss) per share

		2024	2023
Basic earnings(loss) per share			
Net income (loss) attributable to the company	$	(9,627)	54,815
Weighted average number of ordinary shares (in thousands)		69,713	69,713
Basic earnings(loss) per share (NTD)	$	(0.14)	0.79
Diluted earnings(loss) per share			
Net income (loss) attributable to the company	$	(9,627)	54,815
Weighted average number of ordinary shares (in thousands)		69,713	69,713
－Effect of employee share bonus		-	176
Weighted average number of ordinary shares (in thousands)		69,713	69,889
（after adjusting for the effects of dilutive potential common shares)			
Diluted earnings(loss) per share (NTD)	$	(0.14)	0.78

Note: For the year 2024, the effect of employee compensation was anti-dilutive and therefore excluded from the calculation of diluted earnings per share.

(18)Revenue from contracts with customers

A. Details of revenue

		2024	2023
Primary geographical markets:			
Taiwan	$	599,167	989,947
USA		208,230	202,820
Others		86,557	96,890
	$	893,954	1,289,657
Major products/services lines			
Printed circuit boards	$	837,322	1,214,843
Processing fees revenue		56,632	74,814
	$	893,954	1,289,657

B. Contract balances

	December 31, 2024	December 31, 2023	January. 1, 2023
Accounts receivable	123,780	345,505	232,045
Less: Loss allowance	(456)	(965)	(5,554)
Total	$ 123,324	344,540	226,491

For details on notes and accounts receivable and allowance for impairment, please refer to Note 6(3).

For refund liabilities disclosure please refer to Note 6(10).

(19) Employee compensation and directors' remuneration

Under the Articles of Incorporation, the Company should contribute 5% to 15% of the profit as employee compensation and less than 3% as directors' remuneration when there is profit for the year. However, if the Group has accumulated deficits (including adjustments to the amount of undistributed surplus), the profit should be reserved to offset the deficit. The amount of remuneration of each director and of compensation for employees entitled to receive the abovementioned employee compensation is approved by the Board of Directors. The recipients of shares and cash may include the employees of the Group's affiliated companies who meet certain conditions.

For the years ended December 31, 2024 and 2023, the Company accrued employee compensation in the amounts of NT$0 thousand and NT$2,942 thousand, respectively. The accrued compensation for directors and supervisors was NT$0 thousand for both years. The amounts were estimated based on the Company's income before tax, before deducting employee and director/supervisor compensation, less any accumulated losses, and then multiplied by the respective percentages specified in the Company's Articles of Incorporation. These amounts were recognized as operating expenses for the respective periods. Relevant information can be found on the Market Observation Post System (MOPS). The amounts of employee and director/supervisor compensation resolved by the Board of Directors were consistent with the amounts accrued in the Company's standalone financial statements for the years 2024 and 2023.

(20) Non-operating income and expenses

A. Interest income

The details of other gains and losses were as follows:

	2024	2023
Bank deposit interest income	$ 2,928	3,694

B. Other Income

The details of other gains and losses were as follows:

	2024	2023
Rental income	$ 6,635	77
Other	24,748	3,973
	$ 31,383	4,050

C.Other gains and losses

The details of other gains and losses were as follows:

	2024	2023
Net profit from disposal of property, plant and equipment	$ 5,413	87
Foreign exchange gains (losses)	3,971	(175)
Others	(113)	(3)
	$ 9,271	(91)

(21)Financial instruments

A. Credit risk

(a) Credit risk exposure

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

(b) Concentration of credit risk

The main customers of the Group centralized in the electronics industry, and to reduce the notes and accounts receivable credit risk, the Group continues to evaluate the financial status of customers, and periodically evaluates the feasibility of recovery of notes and accounts receivable and appropriates allowance for doubtful accounts. Up to December 31, 2024 and 2023, the accounts receivable balance was 79% and 70% contributed to two customers respectively. Therefore, the Group is concluded to have credit risk concentration.

(c) Credit risk of receivables and debt securities

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

Other financial assets at amortized cost include other receivables and certificate of deposit, and etc.

All these financial assets are considered to have low risk, and thus, the impairment provision recognized during the period was limited to 12 months of expected credit losses. The deposit account held by the Group, the transaction counterparty, and the performing party are financial institutions with investment grades and above, so the credit risk is deemed to be low.

B. Liquidity risk

The following table shows the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements.

	Net carrying amount as of:	Contractual cash flows	Within 6 months	6-12 months	1~2 years	2~5 years	Over 5 years
December 31, 2024							
Non-derivative financial liabilities							
Secured bank loans	$ 33,336	34,274	10,159	3,852	20,263	-	-
Unsecured bank loans	57,000	57,247	57,247	-	-	-	-
Notes and accounts payable	291,687	291,687	285,513	6,174	-	-	-
Other payables	89,953	89,953	89,881	72	-	-	-
Lease liabilities	15,944	16,979	1,159	1,159	2,183	6,247	6,231
Deposits received(classified under other non-current liabilities)	330	330	-	-	330	-	-
	$ 488,250	490,470	443,959	11,257	22,776	6,247	6,231
December 31, 2023							
Non-derivative financial liabilities							
Secured bank loans	$ 89,235	93,273	10,865	10,736	40,845	30,827	-
Unsecured bank loans	59,000	59,221	59,221	-	-	-	-
Notes and accounts payable	365,148	365,148	365,148	-	-	-	-
Other payables	172,872	172,872	171,941	931	-	-	-
Lease liabilities	21,398	22,762	2,337	2,082	3,251	6,784	8,308
Deposits received(Classified under other non-current liabilities)	628	628	-		628	-	-
	$ 708,281	713,904	609,512	13,749	44,724	37,611	8,308

The Group does not expect the cash flows included in the maturity analysis to occur significantly earlier or at significantly different amounts.

C. Currency risks

(a) Exposure to foreign currency risk

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

	December 31, 2024			December 31, 2023		
	Foreign Currency	Exchange Rate	New Taiwan Dollars	Foreign Currency	Exchange Rate	New Taiwan Dollars
Financial assets						
Monetary items						
USD	$ 9,116	32.79	298,888	12,638	30.71	388,048
Financial liabilities						
Monetary items						
USD	9,542	32.79	312,829	10,765	30.71	330,532

(b) Sensitivity analysis

The Group’s exposure to foreign currency risk arises from the translation of the foreign currency exchange gains and losses on cash and cash equivalents, accounts receivable and other receivables, loans and borrowings, and accounts payable and other payables that are denominated in foreign currency. A strengthening (weakening) of 5% of the NTD against each transaction currencies currency on December 31, 2024 and 2023 would have increased (decreased) the net income(loss) by $695,000 and $2,804,000. The analysis in 2024 is performed on the same basis for 2023.

(c) Foreign exchange gain and loss on monetary items

The exchange gains and losses of the Group's monetary items (including realized and unrealized) converted into functional currency, and converted to the Group's presentation currency are as follows:

	2024		2023	
	Exchange gains (losses)	**Average Rate**	**Exchange gains (losses)**	**Average Rate**
New Taiwan Dollars	$ 3,971	-	(175)	-

D. Interest rate analysis

Please refer to the notes on liquidity risk management about the interest rate exposure of the Group’s financial assets and liabilities.

The following sensitivity analysis is based on the exposure to the interest rate risk of derivative and non-derivative financial instruments on the reporting date. Regarding assets with variable interest rates, the analysis assumes that the value of assets outstanding at the reporting date was outstanding throughout the year. The rate of change is expressed as the interest rate increases or decreases by 1% when reporting to Management internally, which also represents the Group management's assessment of the reasonably possible interest rate change.

If the interest rate had increased /decreased by 1 %, the Group’s net income(loss) would have increased or decreased by NTD358,000 in 2024 and NTD660,000 in 2023 with all other variable factors remaining constant. Mainly due to group variable interest rate deposits and loans.

E. Fair value of financial instruments

(a) Fair value hierarchy

The financial assets measured at fair price through other comprehensive income of the Group are measured at fair price based on the repetitiveness. The book value and fair values of each class of financial assets and financial liabilities (including fair value hierarchy information, except for financial instruments not carried at fair value whose book value is a reasonable approximation of fair value and lease obligations for which disclosure of fair value information is not required by regulation) are presented below:

	December 31, 2024				
		Fair Value			
	Net carrying amount as of:	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value through other comprehensive income	$ 3,587	-	-	3,587	3,587
Financial assets measured at amortized cost					
Cash and cash equivalents	$ 98,999	-	-	-	-
Notes and accounts receivable	123,324	-	-	-	-
Other receivables	151,514	-	-	-	-
Other financial assets(classified under other current assets and other financial assets)	6,196	-	-	-	-
Subtotal	380,033	-	-	-	-
Financial liabilities at amortized cost					
Bank loan	$ 90,336	-	-	-	-
Notes and accounts payable	291,687	-	-	-	-
Other payables	89,953	-	-	-	-
Lease liabilities	15,944	-	-	-	-
Deposits received(classified under other non-current liabilities)	330	-	-	-	-
Subtotal	488,250	-	-	-	-

	December 31, 2023				
		Fair Value			
	Net carrying amount as of:	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value through profit or loss	$ 4,150	-	-	4,150	4,150
Financial assets measured at fair value through other					

	December 31, 2023				
		Fair Value			
	Net carrying amount as of:	Level 1	Level 2	Level 3	Total
comprehensive income					
Financial assets measured at amortized cost					
Cash and cash equivalents	$ 91,416	-	-	-	-
Notes and accounts receivable	344,540	-	-	-	-
Other receivables	16,693	-	-	-	-
Other financial assets(classified under other current assets and other financial assets)	7,803	-	-	-	-
Subtotal	460,452	-	-	-	-
Financial liabilities at amortized cost					
Bank loan	$ 148,235	-	-	-	-
Notes and accounts payable	365,148	-	-	-	-
Other payables	172,872	-	-	-	-
Lease liabilities	21,398	-	-	-	-
Deposits received(classified under other non-current liabilities)	628	-	-	-	-
Subtotal	708,281	-	-	-	-

(b) Fair value through profit or loss financial instrument-fair value evaluation technique

a. Non-derivative financial instruments

A financial instrument is regarded as being quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency and those prices represent actual and regularly occurring market transactions on an arm’s length basis.

If open quote of a financial instrument can be timely and frequently obtained from exchange, broker, underwriter, industry association, pricing service institution or competent authority, and the price represents actual and frequently occurred fair market transaction, then the financial instrument has an active market open quote. If the aforementioned criteria are not met, then the market is deemed to be inactive. In general, when the bid-ask spread is great, and the bid-ask spread obviously increases or trading volume is small, then they serve as indicators of an inactive market.

Except for financial instruments with an active market, the fair value of other financial instruments is obtained either based on the valuation technique or by reference to the quotes from counter-parties. The fair value of financial instruments measured by using valuation techniques can be referred to current fair value of instruments with similar terms and characteristics in substance, discounted cash flow method or other valuation methods, including calculated by applying model using market information available at the consolidated balance sheet date.

If a financial instrument held by the Group has no active market, then its fair value is determined according to the category and attribute as follows:

Equity instrument without open quote: The market comparable company method is used to estimate the fair value, and its main assumption is to use the net value per share of the investee and the earnings multiples inferred from the market quotation of domestic TWSE (TPEx) listed companies as the basis for measurement. The estimated value has been adjusted for the discount effect of the equity-based securities with insufficient market circulation.

b. Derivative financial instruments

Measurement of the fair value of derivative instruments is based on the valuation techniques generally accepted by market participants such as the discounted cash flow or option pricing models. The fair value of forwarding currency is usually determined by the forward currency exchange rate.

(c) Transfers between Level 1 and Level 2：None.

(d) Fair value measurements in Level 3 – sensitivity analysis of reasonably possible alternative assumptions:

	Measured at fair value through other comprehensive income
	Equity instruments without public quotations
January 1, 2024	$ 4,150
Total gains or losses	
Recognized in other comprehensive income	(563)
December 31, 2024	**$ 3,587**
January 1, 2023	$ 4,683
Total gains or losses	
Recognized in other comprehensive income	(533)
December 31, 2023	**$ 4,150**

The above total gains or losses are reported in series as unrealized gains or losses on financial assets measured at fair value through other comprehensive income. The related assets still held in 2024 and 2023 are as follows:

	2024	2023
Total gains or losses		
Amount recognized in OCI: (presented in "Unrealized gains (loss)from financial assets measured at fair value through other comprehensive income)	(563)	(533)

(e) Quantitative information on fair value measurements of material unobservable inputs value (Level 3)

The fair value measurements of the Group are classified as Level 3, mainly financial assets measured at fair value through other comprehensive income - investments in equity securities.

The Group's investments in equity instruments with no active market have multiple significant unobservable inputs. The quantitative information of material unobservable inputs is listed below:

Items	Valuation techniques	Significant unobservable inputs	Significant unobservable Relationship between inputs and fair value
Financial asset measured at fair value through other comprehensive income - Equity instrument investment without active market	Comparable to listed companies	• Multiple of the net value of stock price (1.06 and 0.94 as of December 31, 2024 and December 31, 2023, respectively)	·The higher the multiplier, the higher the fair value
		• Discount due to the lack of market liquidity (30% as of December 31, 2024 and	·The higher the discount for lack of marketability, the lower the fair value

Items	Valuation techniques	Significant unobservable inputs	Significant unobservable Relationship between inputs and fair value
		December 31, 2023, respectively)	

(f) For Level 3 fair value measurements, the sensitivity of fair value to reasonably possible alternative assumptions is analyzed

The Group's fair value measurement of financial instruments is reasonable, but the use of different valuation models or valuation parameters may result in different valuation results. For financial instruments classified as Level 3, the effect on the current profit or loss or other comprehensive income if the valuation parameters are changed is as follows:

	Input value	Upward or downward change	Fair value changes reflected in other comprehensive income: Favorable change	Fair value changes reflected in other comprehensive income: Unfavorable change
December 31, 2024				
Financial assets measured at fair value through other comprehensive income				
Equity instrument investment without active market	Price-to-book Ratio Multiplier	3%	$ 108	(108)
	Liquidity Discount Ratio	3%	154	(154)
			$ 262	**(262)**

	Input value	Upward or downward change	Fair value changes reflected in other comprehensive income: Favorable change	Fair value changes reflected in other comprehensive income: Unfavorable change
December 31, 2023				
Financial assets measured at fair value through other comprehensive income				
Equity instrument investment without active market	Price-to-book Ratio Multiplier	3%	$ 125	(125)
	Liquidity Discount Ratio	3%	178	(178)
			$ 303	**(303)**

Favorable and unfavorable changes in the Group represent fluctuations in fair value, which is calculated using valuation techniques based on varying degrees of unobservable input parameters. If the fair value of a financial instrument is affected by more than one input, the above table reflects only the effect of changes in a single input value and does not take into account the correlation and variability among the input values.

(22)Financial risk management

A.Overview

The Group has exposure to the following risks from its financial instruments:

(a)Credit risk

(b)Liquidity risk

(c)Market risk

The following likewise discusses the Group's objectives, policies and processes for measuring and managing the abovementioned risks. For more disclosures about the quantitative effects of these risk exposures, please refer to the respective notes in the consolidated financial statements.

B.Structure of risk management

The Group's financial management department provides services for each business, coordinates the operation of entering domestic and international financial markets, as well as supervises and manages the financial risks related to the Group's operations through internal risk reports that analyze the level and range of risks that may occur. The use of derivative financial instruments is regulated by the policies adopted by the Board of Directors. Those policies are written principles for the exchange rate, interest rate, credit risk, the use of derivative financial instruments and nonderivative financial instruments, and the investment of remaining liquid funds. The Audit Committee and internal auditors continue to perform review and audit on the policy compliance and risk exposure, and the financial department also provides report to the Board of Directors and Audit Committee periodically.In addition, the Group does not trade financial instruments (including derivative financial instruments) for speculative purposes.

C.Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from cash and cash equivalents, financial instruments and the Group's receivables from customers.

(a)Accounts receivable and other receivables

The Group credit risk is affected by individual client circumstances.

The Group has established the credit policy, and according to such policy, before the Group makes standard payment and delivery terms, it is necessary to analyze the credit raking of each new customer individually. The Group's review includes external ratings, when available, and, in some cases, bank references. Purchase limits are established for each customer and represent the maximum open amount without requiring approval from the board; these limits are reviewed regularly. Customers that fail to meet the Group's benchmark creditworthiness may transact with the Group only on a prepayment basis.

The Group does not require any collateral for accounts receivable and other receivables.

(b)Investments

The credit risk of bank deposits and other financial instruments is measured and monitored by the Group's finance department. Since the Group's counterparties and burden of contract parties are creditworthy banks, financial institutions and corporate organizations with investment grades, there are no materiality concerns, so there is no materiality credit risk.

(c)Guarantees

The Group's policy is to provide financial guarantees only to Companies with business dealings, companies that directly and indirectly hold or hold more than 50% of the voting shares. As of December 31, 2024 and 2023, no other guarantees were outstanding.

D.Liquidity risk

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

The Group uses activity-based costing to cost its products and services, which assists it in monitoring cash flow requirements and optimizing its cash return on investments. The Group aims to maintain the level of its cash and cash equivalents and other highly marketable debt investments at an amount above expected cash flows on financial liabilities (other than trade payables) over the succeeding 60 days. The Group also monitors the level of expected cash outflows on trade and other payables. This excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

As of December 31, 2024 and 2023, the Group's unused credit lines amounted to NTD316,742,000 and NTD327,825,000 respectively.

E.Market risk

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

The Group buys and sells derivatives, and also incurs financial liabilities, in order to manage market risk. All such transactions are carried out within the guidelines set by the Board of Directors.

(a)Currency risks

The Group is exposed to currency risk on sales, purchases, and borrowings that are denominated in a currency other than the respective functional currencies of the Group's entities. Therefore, the Group engages in derivative transactions to avoid exchange rate risks. The gains and losses of foreign currency assets and liabilities due to exchange rate changes will roughly offset the valuation gains and losses of derivatives. However, derivative transactions can help reduce the number of merged companies but still cannot completely rule out the impact of changes in foreign currency exchange rates.

The Group regularly reviews the risky positions of individual foreign currency assets and liabilities and hedges the risky positions. The main hedging tool used is forward foreign exchange contracts. The maturity dates of the forward foreign exchange contracts undertaken by the Group are all shorter than six months and do not meet the requirements of hedging accounting.

(b)Interest rate risks

The Group's policy is to ensure that the loan interest rate change risk exposure is reduced.

(23)Capital management

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

To maintain or adjust the capital structure, the Group may adjust the dividend payment to the shareholders, reduce the capital for redistribution to shareholders, issue new shares, or sell assets to settle any liabilities.

The Group and other entities in the same industry use the debt to equity ratio to manage capital. This ratio is the total net debt divided by the total capital. The net debt from the balance sheet is derived from the total liabilities less cash and cash equivalents. The total capital and equity include share capital, capital surplus, retained earnings, and other equity plus net debt.

The Group's capital management strategy in 2024 is consistent with the strategy in 2023 The Group's debt to capital ratios are as follows:

	December 31, 2024	**December 31, 2023**
Total liabilities	$ 755,863	791,195
Less: Cash and cash equivalents	(98,999)	(91,416)

	December 31, 2024	December 31, 2023
Net debt	656,864	699,779
Total equity	900,091	941,945
Total capital	$ 1,556,955	1,641,724
Debt to equity ratio	42.19%	42.62%

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

Non-cash transaction investment activities of the Group are as follows:

For obtaining the right of use asset by lease, please refer to Note 6(8).

Reconciliation of liabilities arising from financing activities was as follows:

	January 1, 2024	Cash flows	Others	December 31, 2024
Long-term debts	$ 89,235	(55,899)	-	33,336
Short-term debts	59,000	(2,000)	-	57,000
Lease liabilities	21,398	(3,321)	(2,133)	15,944
Total liabilities from financing activities	$ 169,633	(61,220)	(2,133)	106,280

	Jan. 1, 2023	Cash flows	Others	December 31, 2023
Long-term debts	$ 121,300	(32,065)	-	89,235
Short-term debts	30,000	29,000	-	59,000
Lease liabilities	22,739	(4,078)	2,737	21,398
Total liabilities from financing activities	$ 174,039	(7,143)	2,737	169,633

7. RELATED-PARTY TRANSACTIONS

（1） Parent company and ultimate controlling party

Taiwan PCB Techvest Co., Ltd. is the parent company of the Group and the ultimate controller of the Group. Taiwan PCB Techvest Co., Ltd. has prepared consolidated financial statements for the general public.

（2） Related parties and relationship

The followings are entities that have had transactions with the related party during the periods covered in the parent company only financial statements.

Name of related parties	Relationship with the Group
Taiwan Printed Circuit Board Techvest Co., Ltd. (tpt)	Parent company of The Group
CATAC Electronic (Zhongshan) Co., Ltd. (tft)	Subsidiary of tpt(Other Related party of The Group)
T- Mac Techvest (Wuxi) PCB Co., Ltd. (tmt)	Subsidiary of tpt(Other Related party of The Group)

Name of related parties	Relationship with the Group
Chi Chau Printed Circuit Board (Vietnam) Co., Ltd. (tpt Vietnam)	Subsidiary of tpt(Other Related party of The Group)
Chi Chau Printed Circuit Board (Suining) Co., Ltd. (twt)	Subsidiary of tpt(Other Related party of The Group)

（3） Significant transactions with the related parties

A. Operating Revenue

The amounts of significant sales (including processing fees revenue) by the Group to related parties were as follows:

	2024	2023
Parent company	$ 305,217	$ 727,747

The transaction price of the Group and the aforementioned related parties is not comparable with general customers. The related party transaction payment receipt time-limit is Net 30 days, and it is Net 30~120 days for general customers.

B. Purchases

The amounts of significant purchases (including processing costs) by the Group from related parties were as follows:

	2024	2023
Parent company	$ 194,328	33,654
Other Related paries-tmt	76,438	86,173
Other Related paries- tpt Vietnam	151,828	-
Other Related parties	516	2,819
	$ 423,110	122,646

The transaction price of the Group and the aforementioned related parties have no major difference from those of general suppliers. The related party transaction payment time-limit is Net30~170 days. For general suppliers, the payment term is T/T at sight ~ Net 180 days.

C. Receivables from Related Parties

The receivables from related parties were as follows:

Account	Relationship	December 31, 2024	December 31, 2023
Accounts receivable	Parent company	$ 80	195,450
Other receivables(note 1)	Parent company	31,357	12,191
Other receivables(note 1)	Other Related party	114,437	188
		$ 145,874	207,829

Note 1: Includes receivables for equipment, with balances of NT$130,938 thousand and NT$6,427 thousand as of December 31, 2024 and 2023, respectively.

D. Payables from Related Parties

The payables to related parties were as follows:

Account	Relationship	December 31, 2024	December 31, 2023
Accounts payable	Parent company	$ 145,082	$ 38,049
Accounts payable	Other Related parties-tmt	37,318	65,032
Accounts payable	Other Related parties	45,811	2,819
Other payable	Parent company	71	2,472
Other payable	Other Related parties-tmt	-	8,455
		$ 228,282	116,827

E. Property transaction

(a) Purchases of property, plant and equipment

The purchases price of property, plant and equipment purchased from related parties were summarized as follows:

	2024	2023
Parent company	-	1,828
Other Related parties-tmt	207	8,887
	$ 207	10,715

(b) Disposal of property, plant, and equipment

The disposals of property, plant and equipment to related parties are summarized as follows:

	2024		2023	
Relationship	Disposal price	Gain (loss) from disposal	Disposal price	Gain (loss) from disposal
Parent company	$ 90,098	702	8,038	87
Other Related parties- tpt Vietnam	79,398	2,972		
Other Related parties-twt	30,439	1,634		
Other Related parties	10,743	296	-	-
	$ 210,678	5,604	8,038	87

F. Others

Relationship	Items	2024	2023
Parent company	operating	$ (4,376)	177,42

Relationship	Items	2024	2023
	expenses(deduction)		
Parent company	Purchase of Raw Materials on Behalf of Others	27,068	6,653
Parent company	Non-operating revenue and expenses	15,646	3,587
Parent company	Service fees	360	
Parent company	Rental income(note)	6,558	
Other Related parties	operating expenses(deduction)	(15,298)	(837)
Other Related parties	Purchase of Raw Materials on Behalf of Others	204	8
Other Related parties	Non-operating revenue and expenses	4,490	-

Note: In 2024, the consolidated company leased assets to its ultimate parent company, with payments collected on a 30-day monthly basis.

(4) Key management personnel compensation

Key management personnel comprised:

	2024	2023
Short-term employee benefits	$ 7,164	12,100
Post-employment benefits	251	278
	$ 7,415	12,378

8. PLEDGED ASSETS

The carrying values of pledged assets were as follows:

Pledged assets	Objects	December 31, 2024	December 31, 2023
Property, plant, and equipment	Long-term debts	$ 142,679	248,878
Refundable deposits (classified under other current assets and other non-current financial assets)	Lease dormitory and plant deposit etc.	3,196	2,803
Restricted bank deposits(classified under other non-current financial assets)	Customs guarantee	3,000	5,000
Total		$ 148,875	256,681

9. SIGNIFICANT COMMITMENTS AND CONTINGENCIES:

Letter of credit issued but unused

	December 31, 2024	December 31, 2023
EUR	$ 87	44
USD	$ -	264

10. LOSSES DUE TO MAJOR DISASTERS: None.

11. SIGNIFICANT SUBSEQUENT EVENTS: None.

12. OTHERS

(1)summary of current period employee benefits, depreciation, and amortization, by function, is as follows:

By function / By nature	2024			2023		
	Cost of sales	Operating expenses	Total	Cost of sales	Operating expenses	Total
Employee benefits						
Salaries	54,455	38,041	92,496	164,080	17,785	181,865
Labor and health insurance	5,748	1,052	6,800	15,154	1,506	16,660
Pension	2,398	2,472	4,870	5,520	714	6,234
Remuneration of directors	-	1,152	1,152	-	1,026	1,026
Other employee benefits	6,687	897	7,584	20,999	1,597	22,596
Depreciation	69,546	12,812	82,358	88,246	7,455	95,701
Amortization	22	1	23	22	2	24

(2)On May 20, 2024, the Board of Directors of TGT Technology Co., Ltd., a significant subsidiary of the THT Group, resolved to temporarily suspend its in-house production operations and adopt a fully outsourced manufacturing model in order to improve the company’s operational performance and reduce losses.

13. OTHER DISCLOSURES

(1) Information on significant transactions

The following is the information on significant transactions required by the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" for the Group for the year ended December 31, 2024:

A. Lending to other parties: None.

B. Guarantees and endorsements for other parties: None.

C. Securities held at the end of the period (excluding investment in subsidiaries, Affiliates and joint ventures):

(In Thousands of New Taiwan Dollars/Per share)

Name of holder	Category and name of security	Relationship with the Group	Account title	Ending balance				Highest shareholding or capital contribution	Notes
		Relationship with marketable securities Issuer		Shares	during the year	Shareholding Ratio	Fair Value		
The Company	EVA Technologies Co., Ltd. (Ordinary share)	Non-related party	Financial assets measured at fair value through other comprehensive income, non-current	560,000	3,587	2.71%	3,587	2.71%	None

D. Individual securities acquired or disposed of with accumulated amount exceeding the lower of NTD300 million or 20% of the capital stock: None.

E. Acquisition of individual real estate with an amount exceeding the lower of NTD300 million or 20% of the capital stock: None.

F. Disposal of real estate in the amount exceeding the lower of NTD300 million or 20% of capital stock: None.

G. Related-party transactions for purchases and sales amounts exceeding the lower of NTD100 million or 20% of capital stock:

(In Thousands of New Taiwan Dollars)

Name of company	Related party	Nature of relationship	Transaction details				Reasons why and description of how the transaction conditions differ from general transactions		Notes/ accounts receivable (payable)		Notes
			Purchase/ Sale	Amount	Percentage of total purchases/ sales	Payment terms	Unit price	Payment terms	Ending balance	Percentage of total notes/accounts receivable (payable)	
tgt	tpt	Parent company	(Sale)	305,217	(38)%	Net 30 days from the end of the month	-	-	80	-%	None
tgt	tpt	Parent company	Purchases	194,328	34%	Net 150 days from the end of the month	-	-	(145,082)	(57)%	None
tgt	tpt Vietnam	Other Related parties	Purchases	151,828	27%	Net 30 days from the end of the month	-		(45,435)	(18)%	None

H. Receivables from related parties with amounts exceeding the lower of NTD100 million or

20% of capital stock:None

I. Trading in derivative instruments: None.

J. Business relationships and significant transactions between parent and subsidiary companies: None.

(2) Information on investees：

The following is the information on investees for the year 2024 (excluding information on investees in Mainland China):

(In thousands of New Taiwan Dollars/Per share)

Investors Name of Company	Investees	Location	Main businesses and products ITEM	Original investment amount December 31, 2024	Original investment amount December 31, 2023	Balance as of December 31, 2024 No. of Shares	Balance as of December 31, 2024 Ratio	Balance as of December 31, 2024 Net carrying amount as of:	Highest balance during the year	Net income (losses) of the investee	Share of profits/losses of the investee	Notes
The Company	Chi Chen	Samoa	General investment	252,297	252,297	8,500,000	19.27%	715,100	19.27%	226,377	43,633	None.
The Company	tgt	Taiwan	Manufacturing, selling of circuit boards	405,977	405,977	26,757,000	57.21%	138,576	57.21%	(94,577)	(54,110)	Note 2,3

Note 1: If the relevant figures in this table involve foreign currencies, except for the amount remitted from Taiwan at the historical exchange rate, the profit and loss are calculated at the average exchange rate, and the rest are listed in Taiwan dollars at the exchange rate on the balance sheet date.
Note 2: The difference is due to the amortization between the investment cost and the fair value of the identifiable net assets.
Note 3: The transactions have been written off in the preparation of the consolidated financial statements.

(3) Information on investment in mainland China:

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

(In thousands of New Taiwan Dollars)

Investees Name of Company	Main businesses and products Items	Paid-in capital	Method of investment (Note 1)	Accumulated outflow of investment from Taiwan as of January 1, 2023	Investment flows for the period Outflow	Investment flows for the period Inflow	Accumulated outflow of investment from Taiwan as of December 31, 2024	Net profits (losses) of the investee for the period	The Company percentage of shareholding ratio of direct or indirect investment	Highest shareholding or capital contribution during the year	Investment income (losses) (Note 2.2)	Book value of investments at the end	Accumulated remittance of earnings for the period
twt	Manufacturing, selling of circuit boards	1,813,288	(2)	278,673	-	-	278,673	284,527	15.33%	15.33%	43,628	994,465	-

2. Limitation on investment in Mainland China:

Company Name	Accumulated Investment in Mainland China as of December 31, 2024	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on Investment (Note 3)
The Company	278,673	278,673	540,054

Note 1: The investment method is divided into three types:
(1) Direct investments in mainland China.
(2) Investment in mainland China through third region companies.
(3) Other methods.
Note 2: The investment profit and loss column recognized in this period:
(1) The recognition basis of investment gains and losses is divided into the following three types, which should be specified.
A. Financial statements verified by international accounting firms in partnership with the Republic of China Accounting Firm.
B. The financial statements have been reviewed by the Taiwanese parent company's certified accountant.
C. Other－self-assessed financial statements of investee.

Note 3: The Company is an enterprise with the paid-in capital exceeding NT$80 million, and according to the "Principles for Reviewing Investment or Technical Cooperation in the Mainland China", the maximum amount shall be 60% of the consolidated net worth.

Note 4: If the relevant figures in this table involve foreign currencies, profit and loss are calculated at the average exchange rate, and others are listed in Taiwan dollars at the exchange rate on the balance sheet date.

Note 5: Taiwan Printed Circuit Board Techvest (Suining) Co., Ltd is a subsidiary jointly invested by the Company and Chi Chen Investment Co., Ltd.

3. Significant transactions: None.

(4) Major shareholder information

Unit: Share

Shareholding / Name of Major Shareholder	Shares	Shareholding ratio
Taiwan Printed Circuit Board Techvest Co., Ltd.	30,821,897	44.21%

14. SEGMENT INFORMATION

(1) General information

The main business items of the Group include manufacturing, processing, purchase and sales of electronic parts and components and printed circuit boards (PCB). Accordingly, the Seining operation decision maker of the Group considers that the Group has one signal operating segment only.

(2) Product and service categories information

The Group's revenue information from external customers is as follows:

Name of Products and Services	2024	2023
Printed circuit boards	$ 837,322	1,214,843
Processing fees revenue	56,632	74,814
Total	**$ 893,954**	**1,289,657**

(3) Geographical information

Information by territorial location of the Group is shown below, where revenues are categorized based on the geographical location of customers and non-current assets are categorized based on the geographical location of assets.

By region	2024	2023
Revenue from external customers:		
Taiwan	$ 599,167	989,947
USA	208,230	202,820
Others	86,557	96,890
Total	**$ 893,954**	**1,289,657**

By region	December 31, 2024	December 31, 2023
Non-current assets:		
Taiwan	$ 468,713	483,517

Non-current assets include property, plant and equipment, right-of-use assets, and intangible assets (excluding goodwill), but exclude financial instruments and deferred income tax assets arising from the rights of insurance contracts.

(4) Information on major clients

A breakdown of the Group's clients whose operating revenues accounted for 10% or more of the net operating revenues on the Consolidated Statements of Comprehensive Income is as follows:

	2024	2023
A company	$ 305,217	727,747
B company	204,781	150,815
C company	137,799	128,917