Walsin Lihwa Corporation

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

勤業眾信

勤業眾信聯合會計師事務所
110016 台北市信義區松仁路100號20樓

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

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

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Walsin Lihwa Corporation

Opinion

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

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

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements section of our report. We are independent of the Company in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. Based on our audits and the reports of other auditors, 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 parent company only financial statements as of and for the year ended December 31, 2024. These matters were addressed in the context of our audit of the parent company only financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The following are key audit matters of the Company's parent company only financial statements as of and for the year ended December 31, 2024:

Sales Revenue Recognition

In 2024, the sales revenue of the Company, a portion of whose main products relies on management's preparation of market price adjustment reports as the basis for revenue recognition, was significant to the net income for the year ended December 31, 2024. Therefore, the accuracy of this revenue was considered a key audit matter. Refer to Notes 4 and 22 to the parent company only financial statements for related accounting policies and disclosure of information relating to revenue recognition.

Our audit procedures performed in respect of the above key audit matter were as follows:

1. We obtained an understanding of and tested the sales revenue recognition policy and internal control procedures over the sales and evaluated the effectiveness of relevant internal controls.

2. We obtained the management reports for specific products, performed sampling and relevant audit procedures to verify that revenue transactions were accurately calculated. In addition, we confirmed that the recognized amounts were consistent with those recorded in the general ledger.

Emphasis of Matter

As disclosed in Note 13, the Company acquired 100% interest in Degerfors Long Products AB and Special Melted Products Ltd on August 1 and September 19, 2023, respectively. The purchase price allocation report was finalized in 2024. Therefore, the initial accounting treatment and provisionally determined amounts from the acquisition date were adjusted and retrospectively restated for comparative periods. Our audit opinion is not modified in respect of this matter.

Other Matter

The parent company only financial statements of certain equity-method investees included in the parent company only financial statements as of and for the years ended December 31, 2024 and 2023 were audited by other auditors. Our opinion, insofar as it relates to such investments, is based solely on the reports of other auditors. The investments in such investees amounted to NT$15,484,713 thousand and NT$14,300,700 thousand, which constituted 7.66% and 7.05% of the total assets as of December 31, 2024 and 2023, respectively. The aforementioned investment classified as other non-current liabilities were NT$604,877 thousand and NT$374,028 thousand, which constituted 0.30% and 0.18% of the total assets as of December 31, 2024 and 2023, respectively. The investment gains amounted to NT$158,365 thousand and NT$431,332 thousand for the years ended December 31, 2024 and 2023, respectively.

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

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

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

Those charged with governance (including audit committee) are responsible for overseeing the Company's financial reporting process.

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

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

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

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

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

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

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

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

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

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

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

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

The engagement partners on the audit resulting in this independent auditors' report are Wen-Yea Shyu and Ker-Chang Wu.

Deloitte & Touche
Taipei, Taiwan
Republic of China

February 21, 2025

<u>Notice to Readers</u>

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

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

WALSIN LIHWA CORPORATION

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

	2024		2023 (Restated)	
ASSETS	**Amount**	**%**	**Amount**	**%**
CURRENT ASSETS				
Cash and cash equivalents (Notes 4 and 6)	$ 1,998,361	1	$ 3,530,594	2
Financial assets at fair value through profit or loss - current (Notes 4 and 7)	9,006	-	1,499,047	1
Contract assets - current (Notes 4 and 8)	387,504	-	175,083	-
Notes receivable (Notes 4, 9 and 30)	14,805	-	15,863	-
Trade receivables (Notes 4 and 9)	2,412,917	1	2,119,899	1
Trade receivables from related parties (Notes 4, 9 and 30)	470,886	-	438,177	-
Finance lease receivables (Notes 4, 10 and 30)	9,355	-	9,068	-
Other receivables (Note 30)	1,154,826	1	1,720,601	1
Inventories (Notes 4 and 11)	11,294,554	6	11,120,657	5
Other current assets (Notes 6, 17 and 31)	510,523	-	314,635	-
Total current assets	18,262,737	9	20,943,624	10
NON-CURRENT ASSETS				
Financial assets at fair value through profit or loss - non-current (Notes 4 and 7)	-	-	1,184,108	1
Financial assets at fair value through other comprehensive income - non-current (Notes 4 and 12)	18,474,885	9	18,635,179	9
Investments accounted for using the equity method (Notes 4 and 13)	132,959,770	66	130,785,812	65
Property, plant and equipment (Notes 4 and 14)	21,631,592	11	20,828,266	10
Right-of-use assets (Notes 4 and 15)	81,425	-	75,711	-
Investment properties (Notes 4 and 16)	8,029,197	4	8,099,078	4
Deferred tax assets - non-current (Notes 4 and 24)	997,322	-	680,501	-
Refundable deposits (Notes 6, 29 and 31)	26,427	-	25,700	-
Finance lease receivables - non-current (Notes 4, 10 and 30)	1,547,484	1	1,517,217	1
Net defined benefit assets - non-current (Notes 4 and 20)	20,113	-	-	-
Other non-current assets (Notes 6, 17 and 31)	5,881	-	34,394	-
Total non-current assets	183,774,096	91	181,865,966	90
TOTAL	$ 202,036,833	100	$ 202,809,590	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings (Note 18)	$ 4,650,000	2	$ 504,234	-
Short-term notes and bills payable (Note 18)	2,997,903	2	-	-
Financial liabilities at fair value through profit or loss - current (Notes 4 and 7)	303,362	-	44,519	-
Trade payables (Note 30)	3,094,389	2	3,648,025	2
Other payables	2,461,712	1	2,163,348	1
Other payables to related parties (Note 30)	115,348	-	3,308,150	2
Current tax liabilities (Notes 4 and 24)	884,000	-	1,361,449	1
Lease liabilities - current (Notes 4 and 15)	39,596	-	37,025	-
Current portion of long-term borrowings (Note 18)	3,725,077	2	-	-
Other current liabilities	734,961	-	407,295	-
Total current liabilities	19,006,348	9	11,474,045	6
NON-CURRENT LIABILITIES				
Bonds payable (Note 19)	12,800,000	6	12,800,000	6
Long-term borrowings (Note 18)	25,151,278	13	26,446,398	13
Long-term notes and bills payable (Note 18)	-	-	2,998,822	2
Deferred tax liabilities (Notes 4 and 24)	5,328,284	3	5,974,347	3
Lease liabilities - non-current (Notes 4 and 15)	1,701,314	1	1,675,034	1
Net defined benefit liabilities - non-current (Notes 4 and 20)	-	-	137,005	-
Other non-current liabilities (Notes 27 and 30)	794,415	-	549,116	-
Total non-current liabilities	45,775,291	23	50,580,722	25
Total liabilities	64,781,639	32	62,054,767	31
EQUITY (Note 21)				
Share capital	40,313,329	20	40,313,329	20
Capital surplus	33,592,347	17	33,624,917	16
Retained earnings				
Legal reserve	10,065,084	5	9,538,222	5
Special reserve	2,712,250	1	2,712,250	1
Unappropriated earnings	46,182,358	23	48,285,234	24
Total retained earnings	58,959,692	29	60,535,706	30
Other equity				
Exchange differences on translation of the financial statements of foreign operations	(349,726)	-	(4,948,056)	(3)
Unrealized gain on financial assets at fair value through other comprehensive income	8,058,069	4	14,068,677	7
Loss on hedging instruments	(83,438)	-	(65,100)	-
Other equity - other	(3,235,079)	(2)	(2,774,650)	(1)
Total other equity	4,389,826	2	6,280,871	3
Total equity	137,255,194	68	140,754,823	69
TOTAL	$ 202,036,833	100	$ 202,809,590	100

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

(With Deloitte & Touche auditors’ report dated February 21, 2025)

WALSIN LIHWA CORPORATION

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

	2024		2023 (Restated)	
	Amount	**%**	**Amount**	**%**
OPERATING REVENUE (Notes 4 and 22)	$ 87,379,254	100	$ 83,321,352	100
OPERATING COSTS (Note 11)	(79,789,633)	(91)	(76,550,777)	(92)
REALIZED (UNREALIZED) GAIN	15,192	-	(11,785)	-
GROSS PROFIT	7,604,813	9	6,758,790	8
OPERATING EXPENSES				
Selling and marketing expenses	1,053,311	1	845,777	1
General and administrative expenses	1,558,338	2	1,659,411	2
Research and development expenses	372,155	1	211,655	-
Total operating expenses	2,983,804	4	2,716,843	3
PROFIT FROM OPERATIONS	4,621,009	5	4,041,947	5
NON-OPERATING INCOME AND EXPENSES				
Interest income	141,456	-	254,125	-
Dividend income	625,351	1	510,707	1
Other income - other	307,415	1	58,360	-
(Loss) gain on disposal of property, plant and equipment	(3,460)	-	430	-
Gain on disposal of investments (Note 23)	1,081,687	1	1,085,948	1
Foreign exchange gain, net	224,375	-	102,135	-
(Loss) gain on valuation of financial assets and liabilities at fair value through profit or loss	(1,469,561)	(2)	122,354	-
Other expenses	(237,009)	-	(76,810)	-
Interest expense	(903,321)	(1)	(806,443)	(1)
Share of (loss) profit of subsidiaries and associates accounted for using the equity method	(1,176,900)	(1)	1,604,219	2
Total non-operating income and expenses	(1,409,967)	(1)	2,855,025	3
PROFIT BEFORE INCOME TAX FROM CONTINUING OPERATIONS	3,211,042	4	6,896,972	8
INCOME TAX EXPENSE (Notes 4 and 24)	(420,988)	(1)	(1,817,567)	(2)
NET PROFIT FOR THE YEAR	2,790,054	3	5,079,405	6

(Continued)

WALSIN LIHWA CORPORATION

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

	2024		2023 (Restated)	
	Amount	**%**	**Amount**	**%**
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans (Notes 4 and 20)	$ 98,718	-	$ (34,728)	-
Unrealized (loss) gain on investments in equity instruments at fair value through other comprehensive income	(109,291)	-	6,254,992	7
Share of the other comprehensive (loss) income of associates accounted for using the equity method	(5,803,477)	(6)	1,288,838	2
	(5,814,050)	(6)	7,509,102	9
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating the financial statements of foreign operations	4,250,924	5	(643,291)	(1)
Share of other comprehensive income (loss) of associates accounted for using the equity method	329,069	-	(7,290)	-
	4,579,993	5	(650,581)	(1)
Other comprehensive (loss) income for the year, net of income tax	(1,234,057)	(1)	6,858,521	8
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	$ 1,555,997	2	$ 11,937,926	14
EARNINGS PER SHARE (Note 25)				
Basic	$ 0.69		$ 1.31	
Diluted	$ 0.69		$ 1.31	

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

(With Deloitte & Touche auditors' report dated February 21, 2025) (Concluded)

WALSIN LIHWA CORPORATION

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

			Retained Earnings			Other Equity				
	Share Capital	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translating the Financial Statements of Foreign Operations	Unrealized Valuation Gain (Loss) on Financial Assets at Fair Value through Other Comprehensive Income	Loss on Hedging Instrument	Others	Total Equity
BALANCE AT JANUARY 1, 2023	$ 37,313,329	$ 24,672,454	$ 7,564,090	$ 2,712,250	$ 51,762,058	$ (4,256,774)	$ 6,693,877	$ (105,801)	$ (2,774,607)	$ 123,580,876
Appropriation of 2022 earnings (Note 21)										
Legal reserve	-	-	1,974,132	-	(1,974,132)	-	-	-	-	-
Cash dividends distributed by WLC	-	-	-	-	(6,716,399)	-	-	-	-	(6,716,399)
Changes in capital surplus from investments in associates accounted for using the equity method	-	(6,932)	-	-	204,652	-	(204,652)	-	-	(6,932)
Change in ownership interests in subsidiaries	-	26,730	-	-	-	-	-	-	-	26,730
Issuance of ordinary shares for cash	3,000,000	8,923,497	-	-	-	-	-	-	-	11,923,497
Net profit for the year ended December 31, 2023	-	-	-	-	5,079,405	-	-	-	-	5,079,405
Other comprehensive (loss) income for the year ended December 31, 2023, net of income tax	-	-	-	-	(70,350)	(691,282)	7,579,452	40,701	-	6,858,521
Total comprehensive income (loss) for the year ended December 31, 2023	-	-	-	-	5,009,055	(691,282)	7,579,452	40,701	-	11,937,926
Others	-	9,168	-	-	-	-	-	-	(43)	9,125
BALANCE AT DECEMBER 31, 2023 (AS RESTATED)	40,313,329	33,624,917	9,538,222	2,712,250	48,285,234	(4,948,056)	14,068,677	(65,100)	(2,774,650)	140,754,823
Appropriation of 2023 earnings (Note 21)										
Legal reserve	-	-	526,862	-	(526,862)	-	-	-	-	-
Cash dividends distributed by WLC	-	-	-	-	(4,434,466)	-	-	-	-	(4,434,466)
Changes in capital surplus from investments in associates accounted for using the equity method	-	(5,294)	-	-	74,880	-	(74,880)	-	-	(5,294)
Change in ownership interests in subsidiaries	-	(26,730)	-	-	(128,161)	-	-	-	(460,429)	(615,320)
Net profit for the year ended December 31, 2024	-	-	-	-	2,790,054	-	-	-	-	2,790,054
Other comprehensive income (loss) for the year ended December 31, 2024, net of income tax	-	-	-	-	121,679	4,598,330	(5,935,728)	(18,338)	-	(1,234,057)
Total comprehensive income (loss) for the year ended December 31, 2024	-	-	-	-	2,911,733	4,598,330	(5,935,728)	(18,338)	-	1,555,997
Others	-	(546)	-	-	-	-	-	-	-	(546)
BALANCE AT DECEMBER 31, 2024	$ 40,313,329	$ 33,592,347	$ 10,065,084	$ 2,712,250	$ 46,182,358	$ (349,726)	$ 8,058,069	$ (83,438)	$ (3,235,079)	$ 137,255,194

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

(With Deloitte & Touche auditors’ report dated February 21, 2025)

WALSIN LIHWA CORPORATION

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

	2024	2023 (Restated)
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	$ 3,211,042	$ 6,896,972
Adjustments for:		
Depreciation expenses	1,477,294	1,408,723
Amortization expenses	16,440	28,191
Expected credit loss recognized on trade receivables	737	-
Net loss (gain) on fair value changes of financial assets and liabilities at fair value through profit or loss	1,469,561	(122,354)
Interest expenses	903,321	806,443
Interest income	(141,456)	(254,125)
Dividend income	(625,351)	(510,707)
Share of loss (profit) of subsidiaries and associates accounted for using the equity method	1,176,900	(1,604,219)
Loss (gain) on disposal of property, plant and equipment	3,460	(430)
Gain on disposal of investments	(1,081,687)	(1,085,948)
(Realized) unrealized gain on the transaction with associates	(15,192)	11,785
Unrealized (gain) loss on foreign currency exchange	(115,234)	424
Loss on lease modification	-	8
Changes in operating assets and liabilities		
Decrease in financial assets mandatorily classified as at fair value through profit or loss	742,080	1,084,190
(Increase) decrease in contract assets	(212,421)	92,064
Decrease in notes receivable	1,058	9,195
(Increase) decrease in trade receivables	(326,464)	1,390,043
(Increase) decrease in other receivables	(320,755)	694,938
(Increase) decrease in inventories	(173,897)	698,431
(Increase) decrease in other current assets	(161,532)	1,427,973
(Increase) decrease in other financial assets	(3,189)	280,997
Decrease (increase) in other operating assets	12,073	(2)
(Decrease) increase in trade payables	(553,636)	421,481
Increase (decrease) in other payables	151,523	(866,064)
Increase in other current liabilities	342,858	167,594
Decrease in net defined benefit liabilities	(58,400)	(45,143)
Increase (decrease) in other operating liabilities	10,469	(766)
Cash generated from operations	5,729,602	10,929,694
Interest received	92,699	232,104
Dividends received	3,196,318	1,874,051
Interest paid	(849,020)	(706,048)
Income tax paid	(1,892,488)	(1,349,412)
Net cash generated from operating activities	6,277,111	10,980,389

(Continued)

WALSIN LIHWA CORPORATION

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

	2024	2023 (Restated)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at fair value through other comprehensive income	$ -	$ (173,987)
Proceeds from capital reduction of financial assets at fair value through other comprehensive income	51,003	-
Acquisition of investments accounted for using the equity method	(8,669,161)	(19,529,179)
Disposal of investments accounted for using the equity method	2,246,023	-
Increase in prepaid long-term investments	-	(17,423)
Repatriation through capital reduction of investee companies accounted for using the equity method	-	4,501,800
Purchase of property, plant and equipment	(2,076,398)	(3,507,223)
Proceeds from disposal of property, plant and equipment	2,029	430
(Increase) decrease in refundable deposits	(727)	5,497
Decrease in other receivables	879,372	5,831,227
Decrease in finance lease receivables	18,192	7,475
Other investing activities	842,023	(458,231)
Net cash used in investing activities	(6,707,644)	(13,339,614)
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase (decrease) in short-term borrowings	4,145,771	(6,096,337)
Increase in short-term notes and bills payable	2,997,903	-
Proceeds from bonds payable	-	5,300,000
Proceeds from long-term borrowings	7,005,188	13,246,152
Repayment of long-term borrowings	(4,575,231)	(24,245,024)
(Decrease) increase in long-term notes and bills payable	(2,998,822)	1,500,908
(Decrease) increase in other payables to related parties	(3,195,649)	13,634
Repayment of the principal portion of lease liabilities	(46,077)	(43,182)
Cash dividends paid	(4,434,237)	(6,716,022)
Proceeds from issuance of ordinary shares	-	11,923,497
Other financing activities	(546)	9,168
Net cash used in financing activities	(1,101,700)	(5,107,206)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(1,532,233)	(7,466,431)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	3,530,594	10,997,025
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	$ 1,998,361	$ 3,530,594

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

(With Deloitte & Touche auditors’ report dated February 21, 2025) (Concluded)

1. GENERAL INFORMATION

Walsin Lihwa Corporation ("the Company") was incorporated in December 1966 and commenced operations in December 1966. To diversify its operations, the Company made various investments in construction, electronics, material science, real estate, etc. The Company's main products are wires, cables, stainless steel, resource business and real estate.

The Company's shares have been listed on the Taiwan Stock Exchange (TWSE) since November 1972. In October 1995, November 2010 and June 2023, the Company increased its share capital and issued Global Depositary Receipts (GDRs), which were listed on the Luxembourg Stock Exchange under stock number 168527.

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

2. APPROVAL OF FINANCIAL STATEMENTS

The parent company only financial statements were approved by the board of directors on February 21, 2025.

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

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

Except for the following, the initial application of the IFRS Accounting Standards endorsed and issued into effect by the FSC did not have a material impact on the Company's accounting policies.

1) Amendments to IFRS 16 "Lease Liability in a Sale and Leaseback"

The Company applied the amendments to sale and leaseback transactions entered into on or after the date of initial application to IFRS 16. The amendments clarify that the liability that arises from a sale and leaseback transaction - that satisfies the requirements in IFRS 15 to be accounted for as a sale - is a lease liability to which IFRS 16 applies. However, if the lease in a leaseback that includes variable lease payments does not depend on an index or rate, the seller-lessee shall measure lease liabilities arising from a leaseback in such a way that it does not recognize any amount of the gain or loss that relates to the right of use it retains. The seller-lessee subsequently recognizes in profit or loss the difference between the payments made for the lease and the lease payments that reduce the carrying amount of the lease liability. If the sale and leaseback transaction is accounted for as a sale and the leaseback includes variable lease payments that do not depend on an index or rate, the Company measures the right-of-use asset arising from the leaseback at the proportion of the right of use retained by comparing the present value of expected payments for the lease with the fair value of the asset.

2) Amendments to IAS 1 “Classification of Liabilities as Current or Non-current” (referred to as the “2020 amendments”) and “Non-current Liabilities with Covenants” (referred to as the “2022 amendments”)

The 2020 amendments clarify that for a liability to be classified as non-current, the Company shall assess whether it has the right at the end of the reporting period to defer settlement of the liability for at least twelve months after the reporting period. If such rights exist at the end of the reporting period, the liability is classified as non-current regardless of whether the Company will exercise that right.

The 2020 amendments also stipulate that, if the right to defer settlement is subject to compliance with specified conditions, the Company must comply with those conditions at the end of the reporting period even if the lender does not test compliance until a later date. The 2022 amendments further clarify that only covenants with which an entity is required to comply on or before the reporting date should affect the classification of a liability as current or non-current. Although the covenants to be complied with within twelve months after the reporting period do not affect the classification of a liability, the Company shall disclose information that enables users of financial statements to understand the risk of the Company, which may have difficulty complying with the covenants and repaying its liabilities within twelve months after the reporting period.

The 2020 amendments stipulate that, for the purpose of liability classification, the aforementioned settlement refers to a transfer of cash, other economic resources or the Company’s own equity instruments to the counterparty that results in the extinguishment of the liability. However, if the terms of a liability that, at the option of the counterparty, result in its settlement by a transfer of the Company’s own equity instruments, and if such an option is recognized separately as equity in accordance with IAS 32 “Financial Instruments: Presentation”, the aforementioned terms would not affect the classification of the liability.

3) Amendments to IAS 7 and IFRS 7 “Supplier Finance Arrangements”

The Company has applied the amendments since January 1, 2024. The amendments stipulate that supplier finance arrangements are characterized by one or more finance providers offering to pay amounts an entity owes its suppliers and the entity agreeing to pay according to the terms and conditions of the arrangements at the same date as, or a date later than, the suppliers are paid. The Company shall disclose the relevant information about its supplier finance arrangements that enables users of financial statements to assess the effects of those arrangements on the Company’s liabilities and cash flows and on the Company’s exposure to liquidity risk.

The impact of the application of the IFRS Accounting Standards endorsed and issued into effect by the FSC will not have a material impact on the Company’s financial position and financial performance.

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

New, Amended and Revised Standards and Interpretations	**Effective Date Announced by IASB**
Amendments to IAS 21 “Lack of Exchangeability”	January 1, 2025 (Note)

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

Amendments to IAS 21 “Lack of Exchangeability”

The amendments stipulate that a currency is exchangeable into another currency when an entity is able to obtain the other currency within a time frame that allows for a normal administrative delay and through a market or exchange mechanism in which an exchange transaction would create enforceable rights and obligations. An entity shall estimate the spot exchange rate at a measurement date when a currency is not exchangeable into another currency to reflect the rate at which an orderly exchange transaction would take place at the measurement date between market participants under prevailing economic conditions. In this situation, the Company shall disclose information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, its financial performance, financial position and cash flows.

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

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

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

1) Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets between an Investor and its Associate or Joint Venture”

The amendments stipulate that, when the Company sells or contributes assets that constitute a business (as defined in IFRS 3) to an associate or joint venture, the gain or loss resulting from the transaction is recognized in full. Also, when the Company loses control of a subsidiary that contains a business but retains significant influence or joint control, the gain or loss resulting from the transaction is recognized in full.

Conversely, when the Company sells or contributes assets that do not constitute a business to an associate or joint venture, the gain or loss resulting from the transaction is recognized only to the extent of the Company’s interest as an unrelated investor in the associate or joint venture, i.e., the Company’s share of the gain or loss is eliminated. Also, when the Company loses control of a subsidiary that does not contain a business but retains significant influence or joint control over an associate or a joint venture, the gain or loss resulting from the transaction is recognized only to the extent of the Company’s interest as an unrelated investor in the associate or joint venture, i.e., the Company’s share of the gain or loss is eliminated.

2) IFRS 18 “Presentation and Disclosure in Financial Statements”

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

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

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

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

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

3) Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments”

The amendments mainly amend the requirements for the classification of financial assets, including if a financial asset contains a contingent feature that could change the timing or amount of contractual cash flows and the contingent event itself does not relate directly to changes in basic lending risks and costs (e.g., whether the debtor achieves a contractually specified reduction in carbon emissions), the financial asset has contractual cash flows that are solely payments of principal and interest on the principal amount outstanding if, and only if,

- In all possible scenarios (before and after the occurrence of a contingent event), the contractual cash flows are solely payments of principal and interest on the principal amount outstanding; and

- In all possible scenarios, the contractual cash flows would not be significantly different from the contractual cash flows on a financial instrument with identical contractual terms, but without such a contingent feature.

The amendments also stipulate that, when settling a financial liability in cash using an electronic payment system, the Company can choose to derecognize the financial liability before the settlement date if, and only if, the Company has initiated a payment instruction that resulted in:

- The Company having no practical ability to withdraw, stop or cancel the payment instruction;

- The Company having no practical ability to access the cash to be used for settlement as a result of the payment instruction; and

- The settlement risk associated with the electronic payment system being insignificant.

4) Amendments to IFRS 9 and IFRS 7 “Contracts Referencing Nature-dependent Electricity”

Contracts referencing nature-dependent electricity are contracts that expose an entity to variability in the underlying amount of electricity because the source of electricity generation depends on uncontrollable natural conditions. Contracts referencing nature-dependent electricity include both contracts to buy or sell nature-dependent electricity and financial instruments that reference such electricity. When the Company enters into contracts to buy nature-dependent electricity, which exposes the Company to the risk that it would be required to buy electricity during a delivery interval in which the Company cannot use the electricity, and the design and operation of the electricity market require any amounts of unused electricity to be sold within a specified time, the amendments stipulate that such sales are not necessarily inconsistent with the contract being held in accordance with the Company’s expected usage requirements. The inconsistency will result in the contract being accounted for as financial instruments otherwise. The Company entered into and continues to hold such a contract in accordance with its expected electricity usage requirements, if the Company has bought, and expects to buy, sufficient electricity to offset the sales of any unused electricity in the same market in which it sold the electricity over a reasonable amount of time.

The amendments also stipulate that, if contracts referencing nature-dependent electricity are designated as hedging instruments in hedges of forecast transactions, for such a hedging relationship the Company is permitted to designate as the hedged item a variable nominal amount of forecast electricity transactions that is aligned with the variable amount of nature-dependent electricity expected to be delivered by the generation facility as referenced in the hedging instrument.

For the amendments related to whether contracts referencing nature-dependent electricity are entered into in accordance with expected electricity usage requirements, the Company shall apply retrospectively but is not required to restate prior periods. The effect of initially applying the amendments shall be recognized as an adjustment to the opening balance at the date of initial application. For the amendments related to hedge accounting, the Company shall apply prospectively.

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

4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

a. Statement of compliance

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

b. Basis of preparation

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

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

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

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

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

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

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

Current assets include:

- Assets held primarily for the purpose of trading;

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

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

Current liabilities include:

- Liabilities held primarily for the purpose of trading;

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

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

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

d. Foreign currencies

In preparing the Company’s parent company only financial statements, transactions in currencies other than the Company’s functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Exchange differences on monetary items arising from settlement or translation are recognized in profit or loss in the period in which they arise except for exchange differences on transactions entered into in order to hedge certain foreign currency risks.

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

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

e. Inventories

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

f. Investments accounted for using the equity method

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

1) Investment in subsidiaries

A subsidiary is an entity that is controlled by the Company.

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

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

When the Company’s share of loss of a subsidiary exceeds its interest in that subsidiary (which includes any carrying amount of the investment accounted for using the equity method and long-term interests that, in substance, form part of the Company’s net investment in the subsidiary), the Company continues recognizing its share of further loss, if any.

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

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

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

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

2) Investment in associates

An associate is an entity over which the Company has significant influence and which is neither a subsidiary nor an interest in a joint venture.

The Company uses the equity method to account for its investments in associates. Under the equity method, investments in an associate is initially recognized at cost and adjusted thereafter to recognize the Company’s share of the profit or loss and other comprehensive income of the associate. The Company also recognizes the changes in the Company’s share of equity of associates.

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

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

When the Company’s share of losses of an associate equals or exceeds its interest in that associate, the Company discontinues recognizing its share of further losses. Additional losses and liabilities are recognized only to the extent that the Company has incurred legal obligations, or constructive obligations, or made payments on behalf of that associate.

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

The Company discontinues the use of the equity method from the date on which its investment ceases to be an associate. Any retained investment is measured at fair value at that date, and the fair value is regarded as the investment's fair value on initial recognition as a financial asset. The difference between the previous carrying amount of the associate attributable to the retained interest and its fair value is included in the determination of the gain or loss on disposal of the associate. The Company accounts for all amounts previously recognized in other comprehensive income in relation to that associate on the same basis as would be required if that associate had directly disposed of the related assets or liabilities.

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

g. Property, plant and equipment

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

Property, plant and equipment in the course of construction are measured at cost less any recognized impairment loss. Cost includes professional fees and borrowing costs eligible for capitalization. Before the asset reaches its intended use, it is measured at the lower of cost or net realizable value, and any proceeds from selling the asset and its related costs are recognized in profit or loss. Such assets are depreciated and classified to the appropriate categories of property, plant and equipment when completed and ready for their intended use.

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

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

h. Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation. Investment properties also include land held for a currently undetermined future use.

Investment properties are initially measured at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at cost less accumulated depreciation and accumulated impairment loss. Depreciation is recognized using the straight-line method.

For a transfer of classification from investment properties to property, plant and equipment, the deemed cost of the property for subsequent accounting is its carrying amount at the commencement of owner-occupation.

For a transfer of classification from property, plant and equipment to investment properties, the deemed cost of the property for subsequent accounting is its carrying amount at the end of owner-occupation.

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

i. Intangible assets

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

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

j. Impairment of property, plant and equipment, right-of-use asset, investment properties, intangible assets other than goodwill and assets related to contract costs

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

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually and whenever there is an indication that the assets may be impaired.

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

Before the Company recognizes an impairment loss from assets related to contract costs, any impairment loss on inventories, property, plant and equipment and intangible assets related to the contract applicable under IFRS 15 shall be recognized in accordance with applicable standards. Then, impairment loss from the assets related to the contract costs is recognized to the extent that the carrying amount of the assets exceeds the remaining amount of consideration that the Company expects to receive in exchange for related goods or services less the costs which relate directly to providing those goods or services and which have not been recognized as expenses. The assets related to the contract costs are then included in the carrying amount of the cash-generating unit to which they belong for the purpose of evaluating impairment of that cash-generating unit.

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

k. Financial instruments

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

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

1) Financial assets

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

a) Measurement categories

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

i. Financial assets at FVTPL

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

Financial assets at FVTPL are subsequently measured at fair value, and any remeasurement gains or losses are recognized in other gains or losses. Fair value is determined in the manner described in Note 29.

ii. Financial assets at amortized cost

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

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

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

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

Interest income is calculated by applying the effective interest rate to the gross carrying amount of such a financial asset, except for:

i) Purchased or originated credit-impaired financial assets, for which interest income is calculated by applying the credit-adjusted effective interest rate to the amortized cost of such financial assets; and

ii) Financial asset that is not credit impaired on purchase or origination but has subsequently become credit-impaired, for which interest income is calculated by applying the effective interest rate to the amortized cost of such financial assets in subsequent reporting periods.

Cash equivalents include time deposits with original maturities within 3 months from the date of acquisition or time deposits with original maturities within 3-12 months from the date of acquisition and the interest earned upon early withdrawal exceeds that of regular saving accounts, which are highly liquid, readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These cash equivalents are held for the purpose of meeting short-term cash commitments.

iii. Investments in equity instruments at FVTOCI

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

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

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

b) Impairment of financial assets and contract assets

The Company recognizes a loss allowance for expected credit losses on financial assets at amortized cost (including trade receivables), operating lease receivables, finance lease receivables, as well as contract assets.

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

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

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

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

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

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

c) Derecognition of financial assets

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

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

2) Equity instruments

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

The repurchase of the Company's own equity instruments is recognized in and deducted directly from equity. No gain or loss is recognized in profit or loss on the purchase, sale, issuance or cancellation of the Company's own equity instruments.

3) Financial liabilities

a) Subsequent measurement

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

i. Financial liabilities at FVTPL

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

Financial liabilities held for trading are stated at fair value, and any remeasurement gains or losses are recognized in other gains or losses. Fair value is determined in the manner described in Note 29.

ii. Financial guarantee contracts

Financial guarantee contracts issued by the Company, if not designated as at FVTPL, are subsequently measured at the higher of:

i) The amount of the loss allowance reflecting expected credit losses; and

ii) The amount initially recognized less, where appropriate, the cumulative amount of income recognized in accordance with the revenue recognition policies.

b) Derecognition of financial liabilities

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

4) Derivative financial instruments

The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts and interest rate swaps.

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

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

l. Hedge accounting

The Company designates certain hedging instruments, which include derivatives, embedded derivatives and non-derivatives in respect of foreign currency risk, as either fair value hedges or cash flow hedges. Hedges of foreign exchange risk on firm commitments are accounted for as cash flow hedges.

1) Fair value hedges

Gain or losses on derivatives that are designated and qualify as fair value hedges are recognized in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The change in the fair value of the hedging instrument and the change in the hedged item attributable to the hedged risk are recognized in profit or loss in the line item relating to the hedged item.

The Company discontinues hedge accounting only when the hedging relationship ceases to meet the qualifying criteria; for instance, when the hedging instrument expires or is sold, terminated or exercised.

2) Cash flow hedges

The effective portion of gains or losses on derivatives that are designated and qualify as cash flow hedges is recognized in other comprehensive income. The gains or losses relating to the ineffective portion are recognized immediately in profit or loss.

The associated gains or losses that were recognized in other comprehensive income are reclassified from equity to profit or loss as reclassification adjustments in the line items relating to the hedged item in the same period in which the hedged item affects profit or loss. If a hedge of a forecasted transaction subsequently results in the recognition of a non-financial asset or a non-financial liability, the associated gains and losses that were recognized in other comprehensive income are removed from equity and included in the initial cost of the non-financial asset or non-financial liability.

The Company discontinues hedge accounting only when the hedging relationship ceases to meet the qualifying criteria; for instance, when the hedging instrument expires or is sold, terminated or exercised. The cumulative gain or loss on the hedging instrument that was previously recognized in other comprehensive income (from the period in which the hedge was effective) remains separately in equity until the forecasted transaction occurs. When a forecasted transaction is no longer expected to occur, the gains or losses accumulated in equity are recognized immediately in profit or loss.

m. Levies

Levies imposed by a government are accrued as other liabilities when the transactions or activities that trigger the payment of such levies occur. If the obligating event occurs over a period of time, the liability is recognized progressively. If an obligation to pay a levy is triggered upon reaching a minimum threshold, the liability is recognized when that minimum threshold is reached.

n. Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and the amount of the obligation can be measured reliably.

Contingent liabilities acquired in a business combination are initially measured at fair value at the acquisition date, when the fair value of the present obligation resulting from past events can be reliably measured. At the end of subsequent reporting periods, such contingent liabilities are measured at their amortized amount. However, if the present obligation amount is assessed to have a probable outflow of resources, the contingent liabilities shall be measured at the higher of the present obligation amount and the amortized amount.

o. Revenue recognition

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

1) Revenue from the sale of goods

Revenue from the sale of goods comes from sales of wires, cables and stainless steel. Sales of wires, cables and stainless steel are recognized as revenue when the customer has full discretion over the manner of distribution and the price to sell the goods, has the primary responsibility for sales to future customers and bears the risks of obsolescence. Trade receivables are recognized concurrently.

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

2) Revenue from the others

a) Revenue from the rendering of services

Revenue from the rendering of services is recognized when services are rendered. Revenue generated from services provided under the contract is recognized according to the completion of the contract.

b) Construction contract revenue

Contract assets are recognized during the construction and are reclassified to trade receivables at the point at which the customer is invoiced. If the milestone payment exceeds the revenue recognized to date, then the Company recognizes a contract liability for the difference. Certain payments retained by the customer as specified in the contract are intended to ensure that the Company adequately completes all of its contractual obligations. Such retention receivables are recognized as contract assets until the Company satisfies its performance obligations.

When the outcome of a performance obligation cannot be reasonably measured, contract revenue is recognized only to the extent of contract costs incurred in satisfying the performance obligation for which recovery is expected.

p. Leases

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

1) The Company as lessor

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

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

Under finance leases, the lease payments comprise fixed payments and variable lease payments which depend on an index or a rate. The net investment in a lease is measured at (a) the present value of the sum of the lease payments receivable by a lessor and any unguaranteed residual value accrued to the lessor plus (b) initial direct costs and is presented as a finance lease receivable. Finance lease income is allocated to the relevant accounting periods so as to reflect a constant, periodic rate of return on the Company's net investment outstanding in respect of leases.

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

2) The Company as lessee

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

Right-of-use assets are initially measured at cost, which comprises the initial measurement of lease liabilities adjusted for lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs needed to restore the underlying assets, and less any lease incentives received. Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses and adjusted for any remeasurement of the lease liabilities.

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

Lease liabilities are initially measured at the present value of the lease payments, which comprise fixed payments, in-substance fixed payments, variable lease payments which depend on an index or a rate, residual value guarantees, the exercise price of a purchase option if the Company is reasonably certain to exercise that option, and payments of penalties for terminating a lease if the lease term reflects such termination, less any lease incentives receivable. The lease payments are discounted using the interest rate implicit in a lease, if that rate can be readily determined. If that rate cannot be readily determined, the lessee's incremental borrowing rate will be used.

Subsequently, lease liabilities are measured at amortized cost using the effective interest method, with interest expense recognized over the lease terms. When there is a change in a lease term, a change in the amounts expected to be payable under a residual value guarantee, a change in the assessment of an option to purchase an underlying asset, or a change in future lease payments resulting from a change in an index or a rate used to determine those payments, the Company remeasures the lease liabilities with a corresponding adjustment to the right-of-use-assets. However, if the carrying amount of the right-of-use assets is reduced to zero, any remaining amount of the remeasurement is recognized in profit or loss. Lease liabilities are presented on a separate line in the parent company only balance sheets.

Variable lease payments that do not depend on an index or a rate are recognized as expenses in the periods in which they are incurred.

q. Government grants

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

Government grants are recognized in profit or loss on a systematic basis over the periods in which the Company recognizes as expenses the related costs that the grants intend to compensate.

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

The benefit of a government loan received at a below-market rate of interest is treated as a government grant measured as the difference between the proceeds received and the fair value of the loan based on prevailing market interest rates.

r. Employee benefits

1) Short-term employee benefits

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

2) Retirement benefits

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

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

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

s. Taxation

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

1) Current tax

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

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

2) Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities and the corresponding tax bases used in the computation of taxable profit. If a temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit and at the time of the transaction, does not give rise to equal taxable and deductible temporary differences, the resulting deferred tax asset or liability is not recognized. In addition, a deferred tax liability is not recognized on taxable temporary differences arising from the initial recognition of goodwill.

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

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

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

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

The Company has applied the exception from the recognition and disclosure of deferred tax assets and liabilities relating to Pillar Two income taxes. Accordingly, the Company neither recognizes nor discloses information about deferred tax assets and liabilities related to Pillar Two income taxes.

3) Current and deferred taxes

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

5. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

When developing material accounting estimates, the Company review the estimates and underlying assumptions on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future years if the revision affects both current and future years.

6. CASH AND CASH EQUIVALENTS

	December 31	
	2024	**2023**
Cash on hand	$ 1,000	$ 1,000
Checking accounts and cash in banks	1,917,361	3,506,214
Cash equivalents		
Time deposits	80,000	-
Foreign exchange deposit account for offshore funds	-	23,380
	$ 1,998,361	$ 3,530,594

The market rate intervals of cash in the bank at the end of the year were as follows (except for checking accounts’ interest rate of 0.00%):

	December 31	
	2024	**2023**
Bank balance	0.001%-2.4%	0.001%-2.60%
Time deposits	0.965%-1.0%	-

Other bank deposits have been reclassified to other accounts for the following purposes:

	Purpose	December 31 2024	December 31 2023
Other current assets - current			
Refundable deposits	Futures deposits	$ 3,188	$ -
Other non-current assets - other			
Pledged time deposits	To meet required security deposits	600	600
		$ 3,788	$ 600

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	December 31 2024	December 31 2023
Financial assets mandatorily classified as at FVTPL		
Derivative financial assets (not under hedge accounting)		
Foreign exchange forward	$ 9,006	$ -
Commodity futures contracts	-	68,870
Non-derivative financial assets		
Contingent consideration	-	2,614,285
Financial assets at FVTPL	$ 9,006	$ 2,683,155
Current	$ 9,006	$ 1,499,047
Non-current	-	1,184,108
	$ 9,006	$ 2,683,155
Financial liabilities held for trading		
Derivative financial liabilities (not under hedge accounting)		
Commodity futures contracts	$ 303,362	$
Foreign exchange forward contracts	-	9,807
Exchange rate swap contracts	-	34,712
Financial liabilities at FVTPL	$ 303,362	$ 44,519
Current	$ 303,362	$ 44,519
Non-current	-	-
	$ 303,362	$ 44,519

a. As of December 31, 2024 and 2023, outstanding commodity futures not under hedge accounting were as follows:

	Type of Transaction	Quantity (Tons)	Trade Date	Maturity Date	Exercise Price (In Thousands)	Market Price (In Thousands)	Valuation (Loss) Gain (In Thousands)
December 31, 2024							
Commodity futures							
Copper	Buy	15,677	2024.05.31-2024.12.31	2025.01.09-2025.08.20	US$ 145,699	US$ 136,756	US$ (8,943)
Copper	Sell	1,475	2024.12.10-2024.12.31	2025.01.15	US$ 13,222	US$ 12,820	US$ 402
Nickel	Buy	1,290	2024.10.22-2024.12.19	2025.01.22-2025.03.19	US$ 20,338	US$ 19,626	US$ (712)
December 31, 2023							
Commodity futures							
Copper	Buy	13,300	2023.08.31-2023.12.29	2024.01.17-2024.06.19	US$ 110,946	US$ 113,261	US$ 2,315
Nickel	Buy	150	2023.11.01-2023.11.24	2024.02.01-2024.02.23	US$ 2,550	US$ 2,478	US$ (72)

b. As of December 31, 2024 and 2023, outstanding foreign exchange forward contracts not under hedge accounting were as follows:

	Currency	Maturity Date	Notional Amount (In Thousands)
December 31, 2024			
Buy	USD to IDR	2025.01.07	USD13,000/IDR206,986,000
	USD to JPY	2025.01.14	USD4,000/JPY605,400
Sell	EUR to USD	2025.02.18	EUR14,000/USD14,759
	USD to IDR	2025.01.08	USD10,000/IDR158,490,000
December 31, 2023			
Buy	USD to IDR	2024.01.02-2024.02.01	USD78,000/IDR1,205,962,000
	USD to JPY	2024.01.29	USD3,500/JPY495,565
Sell	EUR to USD	2024.01.16-2024.01.22	EUR4,000/USD4,342

c. As of the December 31, 2023, outstanding exchange rate swap contracts not under hedge accounting were as follows:

	Currency	Maturity Date	Notional Amount (In Thousands)
December 31, 2023	USD to NTD	2024.01.02-2024.02.29	USD118,000/NTD3,649,647

d. For the years ended December 31, 2024 and 2023, the Company’s strategies for commodity futures contracts, forward exchange contracts and foreign exchange swap contracts were to hedge exposures to fluctuations in the prices of raw material and foreign exchange rates. However, those derivative financial instruments did not meet the criteria of hedge effectiveness; therefore, they were not accounted for hedge accounting.

e. Financial assets - contingent consideration is the amount of consideration to be received by the Company from the acquirer in the disposal of the subsidiary on July 27, 2022. In accordance with the agreement of contingent consideration, the acquirer shall respectively pay additional payments when the gross profit of Target Company during the period starting from the settlement date to December 31, 2023 and the gross profit in the year 2024 meet the amount agreed upon by Target Company. The Company has received $1,273,115 thousand as of December 31, 2024.

8. CONTRACT ASSETS

At the end of the year, contract balances were as follows:

	December 31	
	2024	2023
Contract assets		
Cable installation	$ 387,504	$ 175,083
Less: Allowance for impairment loss	-	-
Contract assets - current	$ 387,504	$ 175,083

The changes in the balance of contract assets primarily resulted from the timing differences between the Company’s satisfaction of performance obligations and the respective customer’s payment.

9. NOTES RECEIVABLE AND TRADE RECEIVABLES

	December 31	
	2024	2023
Notes receivable		
Notes receivable	$ 6,522	$ 12,877
Notes receivable - non-operating		
Notes receivable	7,643	1,940
Notes receivable from related parties	640	1,046
	$ 14,805	$ 15,863
Trade receivables		
Trade receivables	$ 2,413,654	$ 2,119,899
Less: Allowance for impairment loss	(737)	-
	2,412,917	2,119,899
Trade receivables from related parties	470,886	438,177
	$ 2,883,803	$ 2,558,076

The average credit period on the sales of goods is 60 days. In determining the collectability of a trade receivable, the Company considered any change in the credit quality of the trade receivable since the date credit was initially granted to the end of the reporting period. When the Company dealt with new entities, the Company reviewed the credit ratings of the entities and obtained sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company uses other publicly available financial information or its own trading records to rate its major customers. The Company's exposure and the credit ratings of its counterparties are continuously monitored, and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the risk management committee annually. In this regard, the management believes the Company's credit risk is significantly reduced.

The Company permits the use of a lifetime expected credit losses allowance for all trade receivables. The expected credit losses on trade receivables are estimated using a provision matrix by reference to the past default experience with the respective debtors and an analysis of the debtors' current financial positions. As the Company's historical credit loss experience does not show significantly different loss patterns for different customer segments, the loss allowance based on the past due status of receivables is not further distinguished according to different segments of the Company's customer base.

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

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

December 31, 2024

	Not Past Due	Up to 90 Days	91 to 180 Days	181 to 365 Days	Over 365 Days	Total
Expected credit loss rate	0%	0%-2%	0%-50%	0%-100%	50%-100%	
Gross carrying amount	$ 2,759,231	$ 83,840	$ 33,791	$ 7,678	$ -	$ 2,884,540
Loss allowance (lifetime ECLs)	-	(274)	(354)	(109)	-	(737)
Amortized cost	$ 2,759,231	$ 83,566	$ 33,437	$ 7,569	$ -	$ 2,883,803

December 31, 2023

	Not Past Due	Up to 90 Days	91 to 180 Days	181 to 365 Days	Over 365 Days	Total
Expected credit loss rate	0%	0%-2%	0%-50%	0%-100%	50%-100%	
Gross carrying amount	$ 2,499,599	$ 58,477	$ -	$ -	$ -	$ 2,588,076
Loss allowance (lifetime ECLs)	-	-	-	-	-	-
Amortized cost	$ 2,499,599	$ 58,477	$ -	$ -	$ -	$ 2,558,076

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

	For the Year Ended December 31	
	2024	2023
Balance at January 1	$ -	$ -
Add: Net remeasurement of loss allowance	737	-
Balance at December 31	$ 737	$ -

10. FINANCE LEASE RECEIVABLE

	December 31	
	2024	2023
Undiscounted lease payments		
Year 1	$ 17,793	$ 17,793
Year 2	107,457	17,793
Year 3	107,457	107,457
Year 4	107,457	107,457
Year 5	107,457	107,457
Year 6 onwards	1,722,277	1,829,733
	2,169,898	2,187,690
Less: Unearned finance income	(613,059)	(661,045)
Net investment in leases presented as finance lease receivables	$ 1,556,839	$ 1,526,285
Current	$ 9,355	$ 9,068
Non-current	1,547,484	1,517,217
	$ 1,556,839	$ 1,526,285

a. In July and October 2023, the Company subleased the land leased at the Kaohsiung Port Intercontinental Container Center to related parties and receives lease payments and management fees annually. The average term of the finance lease is 22 years, which is categorized as a finance lease because the remaining lease term of the main lease is fully subleased; please refer to Note 30.

b. The interest rate inherent in the leases was fixed at the contract date for the entire lease term. The average effective interest rates contracted were approximately 2.50% to 3.20% and 2.83% to 3.20% per annum as of December 31,2024 and 2023.

c. The finance lease receivables as of December 31, 2024, neither past due nor impaired.

11. INVENTORIES

	December 31	
	2024	2023
Raw materials	$ 1,519,124	$ 2,138,339
Raw materials in transit	1,387,795	1,935,674
Supplies	1,029,462	1,015,358
Work-in-process	2,228,056	1,679,293
Finished goods and merchandise	4,961,991	4,245,700
Construction in progress	168,126	106,293
	$ 11,294,554	$ 11,120,657

a. The cost of goods sold related to inventories for the years ended December 31, 2024 and 2023 were NT$78,206,293 thousand and NT$75,130,774 thousand, respectively.

b. The cost of goods sold for the years ended December 31, 2024 and 2023 included inventory write-downs of NT$33,362 thousand and NT$89,173 thousand, respectively.

12. FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	December 31	
	2024	2023
Domestic listed ordinary shares		
HannStar Display Corp.	$ 2,522,903	$ 3,550,641
HannStar Board Corp.	3,120,373	3,525,594
Teco Electric & Machinery Corp.	12,063,667	10,815,701
Domestic unlisted ordinary shares	767,942	743,243
	$ 18,474,885	$ 18,635,179
Non-current	$ 18,474,885	$ 18,635,179

These investments in equity instruments are held for medium- to long-term strategic purposes. Accordingly, the management selected to designate these investments in equity instruments as at FVTOCI as they believe that recognizing short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Company's strategy of holding these investments for long-term purposes. For the years ended December 31, 2024 and 2023, the unrealized valuation (losses) gains resulting from these investments in equity instruments were NT$(109,291) thousand and NT$6,254,992 thousand, respectively, which were recognized in other comprehensive income (loss).

13. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	December 31	
	2024	2023
Investments in subsidiaries	$ 93,984,612	$ 87,045,789
Investments in associates	38,975,158	43,740,023
	$ 132,959,770	$ 130,785,812

a. Investments in subsidiaries

	December 31			
	2024		2023	
Name of Subsidiary	Carrying Value	Ownership Percentage	Carrying Value	Ownership Percentage
Unlisted companies:				
Walsin Lihwa Holdings Ltd.	$ 22,298,258	100.00	$ 20,583,253	100.00
Concord Industries Ltd.	3,138,691	100.00	3,685,272	100.00
Walsin Precision Technology Sdn. Bhd.	643,154	100.00	551,918	100.00
Min Maw Precision Industry Corp.	434,088	100.00	409,853	100.00
Ace Result Limited	434,410	100.00	382,041	100.00
Walsin Info-Electric Inc.	327,695	99.51	348,242	99.51
Chin-Cherng Construction Co., Ltd.	5,340,219	99.22	5,462,298	99.22

(Continued)

Name of Subsidiary	December 31 2024 Carrying Value	2024 Ownership Percentage	2023 Carrying Value	2023 Ownership Percentage
P.T. Walsin Lippo Industries	$ 1,096,757	70.00	$ 980,706	70.00
Joint Success Enterprises Limited	4,168,385	49.05	4,237,555	49.05
PT. Walsin Nickel Industrial Indonesia	5,943,250	50.00	7,269,121	50.00
Walsin Singapore Pte. Ltd.	36,992,678	100.00	30,809,949	100.00
Walsin Lihwa Europe S.a r.l.	10,604,792	100.00 (Note 1)	9,610,780	100.00 (Note 1)
Walsin America, LLC	-	100.00	-	100.00
Walsin Energy Cable System Co., Ltd.	2,499,854	90.00	2,657,462	90.00 (Note 2)
Others	62,381	(Note 3)	57,339	
	$ 93,984,612		$ 87,045,789	

(Concluded)

Note 1: On May 5, 2023 and August 2, 2024, the Company's board of directors approved to increase capital in cash of MEG S.A., and the capital increase base dates were August 30, 2023 and September 6, 2024. Walsin Lihwa Europe S.a r.l. subscribed for additional new shares at a percentage different from its existing ownership percentage, resulting in an increase in the continuing interest rates from 85.03% to 90.21% and from 90.21% to 100.00%.

Note 2: The Company established Walsin Energy Cable System Co., Ltd. with 100% shares, on February 13, 2023. On February 24, 2023, the Company's board of directors approved to increase capital in cash of Walsin Energy Cable System Co., Ltd., and the capital increase base date was on May 23, 2023. The Company did not subscribe according to the shareholding proportion, resulting in a decrease in the shareholding percentage from 100.00% to 90.00%

Note 3: On September 26, 2024, the Company's board of directors approved to increase capital in cash of PT. Walsin Research Innovation Indonesia, and the capital increase base date was on October 7, 2024.

As of December 31, 2024 and 2023, the carrying amounts of Company's long-term investment to Walsin America, LLC and Waltuo Green Resources Corporation were negative, causing NT$608,858 thousand and NT$374,028 thousand were reclassified to other non-current liabilities, respectively.

The Company's subsidiary acquired 100.00% shares of Degerfors Long Products AB and Special Melted Products Ltd. for considerations of NT$182,129 thousand on August 1, 2023, and NT$5,668,618 thousand on September 19, 2023, respectively. The Company adjusted the initial accounting treatment and provisionally determined amounts from the acquisition date based on the finalized purchase price allocation report in 2024. The comparative period amount was restated accordingly.

The adjustments to the Company's balance sheet items are as follows:

	December 31, 2023		
	Amount Before Restatement	Adjustment	Amount After Restatement
Investments accounted for using the equity method	$ 130,841,304	$ (55,492)	$ 130,785,812
Unappropriated Earnings	$ (48,340,145)	$ 54,911	$ (48,285,234)
Exchange differences on translation of the financial statement of foreign operations	$ 4,947,475	$ 581	$ 4,948,056

The adjustments to the Company's statement of comprehensive income items are as follows:

	For the Year Ended December 31, 2023		
	Amount Before Restatement	Adjustment	Amount After Restatement
Gain (loss) on investments accounted for using the equity method	$ 1,659,130	$ (54,911)	$ 1,604,219
Exchange differences on translation of the financial statement of foreign operations	$ (642,710)	$ (581)	$ (643,291)

b. Investments in associates

	December 31			
	2024		2023	
Name of Associate	Carrying Value	Ownership Percentage	Carrying Value	Ownership Percentage
Material associates				
Winbond Electronics Corp.	$ 20,303,647	22.11	$ 20,335,573	21.99
Walton Advanced Engineering, Inc.	2,164,134	21.17	2,230,609	21.17
Walsin Technology Corp.	9,047,293	18.30	8,631,671	18.30
Associates that are not individually material				
Others	7,460,084		12,542,170	
	$ 38,975,158		$ 43,740,023	

Refer to Table 7 "Information on Investees" and Table 8 "Information on Investments in Mainland China" for the nature of activities, principal places of business and countries of incorporation of the associates.

The Company is the single largest shareholder of the abovementioned material associates in which the Company has an ownership percentage of less than 50%. Considering the relative size and wide dispersion of the voting rights owned by other shareholders, the Company has no ability to direct the relevant activities of the associates and therefore has no control over these associates.

Fair values (Level 1) of investments in associates with available published price quotations are summarized as follows:

	December 31	
Name of Associate	**2024**	**2023**
Winbond Electronics Corp.	$ 14,726,008	$ 27,995,121
Walton Advanced Engineering, Inc.	$ 1,529,316	$ 1,671,833
Walsin Technology Corp.	$ 8,223,465	$ 10,934,986

All the associates were accounted for using the equity method.

The summarized financial information below represents amounts shown in the associates' financial statements prepared in accordance with IFRS Accounting Standards adjusted by the Company for equity accounting purposes.

1) Material associates

December 31, 2024

	Winbond Electronics Corp.	Walton Advanced Engineering, Inc.	Walsin Technology Corp.
Current assets	$ 59,515,489	$ 6,218,361	$ 31,266,210
Non-current assets	118,268,659	9,955,842	67,988,977
Current liabilities	(41,761,715)	(3,370,891)	(23,911,364)
Non-current liabilities	(36,863,012)	(2,242,092)	(17,066,670)
Equity	99,159,421	10,561,220	58,277,153
Non-controlling interests	(7,507,933)	(134,378)	(9,631,450)
	$ 91,651,488	$ 10,426,842	$ 48,645,703
Proportion of the Company's ownership	22.11%	21.17%	18.30%
Equity attributable to the Company	$ 20,264,144	$ 2,207,362	$ 8,902,164
Other adjustments	39,503	(43,228)	145,129
Carrying amount	$ 20,303,647	$ 2,164,134	$ 9,047,293
Operating revenue	$ 81,609,768	$ 7,859,456	$ 34,755,041
Net profit (loss) for the year	$ 709,621	$ (27,814)	$ 3,828,708
Other comprehensive (loss) income	(7,866,252)	(360,374)	(21,545)
Total comprehensive (loss) income for the year	$ (7,156,631)	$ (388,188)	$ 3,807,163

December 31, 2023

	Winbond Electronics Corp.	Walton Advanced Engineering, Inc.	Walsin Technology Corp.
Current assets	$ 66,505,389	$ 5,910,245	$ 38,015,600
Non-current assets	124,282,555	11,394,115	56,427,628
Current liabilities	(36,032,759)	(3,608,250)	(25,474,021)
Non-current liabilities	(54,295,007)	(3,069,785)	(12,353,431)
Equity	100,460,178	10,626,325	56,615,776
Non-controlling interests	(8,163,361)	(92,257)	(10,036,131)
	$ 92,296,817	$ 10,534,068	$ 46,579,645
Proportion of the Company's ownership	21.99%	21.17%	18.30%
Equity attributable to the Company	$ 20,296,070	$ 2,230,062	$ 8,524,075
Other adjustments	39,503	547	107,596
Carrying amount	$ 20,335,573	$ 2,230,609	$ 8,631,671
Operating revenue	$ 75,006,078	$ 7,276,069	$ 32,797,671
Net profit (loss) for the year	$ 34,449	$ (112,652)	$ 2,657,922
Other comprehensive (loss) income	(1,304,665)	601,516	1,555,362
Total comprehensive (loss) income for the year	$ (1,270,216)	$ 488,864	$ 4,213,284

2) Associates that are not individually material

	For the Year Ended December 31	
	2024	2023
The Company's share of:		
Net profit from continuing operations	$ 114,888	$ 281,776
Other comprehensive (loss) income	(3,622,158)	1,066,695
Total comprehensive (loss) income for the year	$ (3,507,270)	$ 1,348,471

The Company's share of profit and other comprehensive income of associates for the years ended December 31, 2024 and 2023 were based on the associates' financial statements audited by independent auditors for the same period. The financial statements of certain equity-method investees included in the financial statements were not audited by the auditors of the Company but were audited by other independent auditors. The investment in such investee amounted to NT$15,484,713 thousand and NT$14,300,700 thousand as of December 31, 2024 and 2023, respectively. The equity-method investee classified as other non-current liabilities amounted to NT$604,877 thousand and NT$374,028 thousand as of December 31, 2024 and 2023, respectively. Investment gain amounted to NT$158,365 thousand and NT$431,332 thousand for the years ended December 31, 2024 and 2023, respectively.

14. PROPERTY, PLANT AND EQUIPMENT

	Land	Buildings and Improvements	Machinery and Equipment	Other Equipment	Construction in Progress	Total
Cost						
Balance at January 1, 2024	$ 3,969,100	$ 7,423,464	$ 21,366,475	$ 4,610,515	$ 5,705,924	$ 43,075,478
Additions	157,839	572,780	1,090,477	205,316	164,661	2,191,073
Disposals	-	(1,047)	(167,714)	(59,104)	-	(227,865)
Reclassified	213	3,111,070	840,114	248,641	(4,200,038)	-
Balance at December 31, 2024	$ 4,127,152	$ 11,106,267	$ 23,129,352	$ 5,005,368	$ 1,670,547	$ 45,038,686
Accumulated depreciation and impairment						
Balance at January 1, 2024	$ 8,067	$ 4,724,126	$ 14,212,937	$ 3,302,082	$ -	$ 22,247,212
Disposals	-	(1,047)	(164,131)	(57,198)	-	(222,376)
Depreciation expenses	-	233,045	841,252	307,961	-	1,382,258
Balance at December 31, 2024	$ 8,067	$ 4,956,124	$ 14,890,058	$ 3,552,845	$ -	$ 23,407,094
Carrying amount at December 31, 2024	$ 4,119,085	$ 6,150,143	$ 8,239,294	$ 1,452,523	$ 1,670,547	$ 21,631,592
Cost						
Balance at January 1, 2023	$ 3,748,745	$ 7,348,401	$ 21,165,234	$ 4,475,494	$ 3,105,197	$ 39,843,071
Additions	207,703	67,000	80,539	154,557	2,842,575	3,352,374
Disposals	-	(4,385)	(56,376)	(59,206)	-	(119,967)
Reclassified	12,652	12,448	177,078	39,670	(241,848)	-
Balance at December 31, 2023	$ 3,969,100	$ 7,423,464	$ 21,366,475	$ 4,610,515	$ 5,705,924	$ 43,075,478
Accumulated depreciation and impairment						
Balance at January 1, 2023	$ 8,067	$ 4,545,423	$ 13,470,602	$ 3,058,789	$ -	$ 21,082,881
Disposals	-	(4,385)	(56,376)	(59,206)	-	(119,967)
Depreciation expenses	-	183,088	798,711	302,499	-	1,284,298
Balance at December 31, 2023	$ 8,067	$ 4,724,126	$ 14,212,937	$ 3,302,082	$ -	$ 22,247,212
Carrying amount at December 31, 2023	$ 3,961,033	$ 2,699,338	$ 7,153,538	$ 1,308,433	$ 5,705,924	$ 20,828,266

a. Apart from stated above, the above items of property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives as follows:

Buildings and improvements	3-50 years
Machinery and equipment	3-20 years
Other equipment	3-15 years

The Company's main buildings, office buildings and electrical and mechanical power equipment are depreciated over their estimated useful lives of 50 years and 20 years, respectively.

b. The Company owns parcels of land which were registered in the name of certain individuals because of certain regulatory restrictions. To secure its ownership of such parcels of land, the Company keeps in its possession the land titles with the annotation of the land being pledged to the Company. As of December 31, 2024 and 2023, the recorded total carrying amount of such parcels of land amounted to NT$256,301 thousand and NT$491,917 thousand, respectively.

15. LEASE ARRANGEMENTS

a. Right-of-use assets

	December 31	
	2024	2023
Carrying amounts		
Land	$ 35,252	$ 41,463
Buildings	5,683	279
Transportation equipment	40,490	33,969
	$ 81,425	$ 75,711

	For the Year Ended December 31	
	2024	2023
Additions to right-of-use assets	$ 30,869	$ 15,910
Disposal	$ -	$ (1,267)
Sublease (Note 10)	$ -	$ (1,345,977)
Depreciation charge for right-of-use assets		
Land	$ 6,211	$ 35,957
Buildings	1,875	1,647
Transportation equipment	17,069	15,345
	$ 25,155	$ 52,949

b. Lease liabilities

	December 31	
	2024	2023
Carrying amounts		
Current	$ 39,596	$ 37,025
Non-current	$ 1,701,314	$ 1,675,034

Range of discount rates for lease liabilities was as follows:

	December 31	
	2024	2023
Land	2.05%-3.759%	2.05%-3.759%
Buildings	2.5%	1.198%
Transportation equipment	1.964%-5.615%	1.964%-3.44%

c. Other lease information

	For the Year Ended December 31	
	2024	2023
Expenses relating to short-term leases	$ 25,376	$ 16,436
Expenses relating to low-value asset leases	$ 453	$ 243
Expenses relating to variable lease payments not included in the measurement of lease liabilities	$ 23	$ -
Total cash outflow for leases	$ (71,929)	$ (59,861)

16. INVESTMENT PROPERTIES

	December 31	
	2024	2023
Completed investment properties	$ 8,029,197	$ 8,099,078

	Completed Investment Properties
Cost	
Balance at January 1, 2024	$ 9,977,685
Additions	-
Balance at December 31, 2024	$ 9,977,685
Balance at January 1, 2023	$ 9,977,685
Additions	-
Balance at December 31, 2023	$ 9,977,685
Accumulated depreciation and impairment	
Balance at January 1, 2024	$ 1,878,607
Depreciation expenses	69,881
Balance at December 31, 2024	$ 1,948,488
Balance at January 1, 2023	$ 1,807,131
Depreciation expenses	71,476
Balance at December 31, 2023	$ 1,878,607

a. The completed investment properties are depreciated on a straight-line method over their estimated useful lives of 20 to 50 years.

b. The investment property of the Company is the Walsin Xin Yi Building and other completed investment properties. The building valuation was commissioned by independent appraisal agencies (third parties). As of December 31, 2024 and 2023, the fair values of the investment properties were NT$34,364,058 thousand and NT$32,102,265 thousand, respectively.

17. OTHER ASSETS

	December 31	
	2024	2023
Prepayment for purchases	$ 123,342	$ 74,732
Prepaid expense	97,620	198,207
Overpaid sales taxes	244,090	37,717
Prepayment for investments	5,227	17,423
Tax refund receivable	35,333	4,166
Others	10,792	16,784
	$ 516,404	$ 349,029
Current	$ 510,523	$ 314,635
Non-current	5,881	34,394
	$ 516,404	$ 349,029

18. BORROWINGS

	December 31	
	2024	2023
Short-term borrowings	$ 4,650,000	$ 504,234
Short-term notes and bills payable	$ 2,997,903	$ -
Current portion of long-term borrowings	$ 3,725,077	$ -
Long-term borrowings	$ 25,151,278	$ 26,446,398
Long-term notes and bills payable	$ -	$ 2,998,822

a. Short-term borrowings as of December 31, 2024 and 2023 were as follows:

	December 31			
	2024		2023	
	Interest Rate %	Amount	Interest Rate %	Amount
Procurement loans	-	$ -	0.86-1.00	$ 4,234
Bank lines of credit	1.81-1.98	4,650,000	1.60	500,000
		$ 4,650,000		$ 504,234

b. Short-term notes and bills payables as of December 31, 2024 were as follows:

December 31, 2024

Acceptance Agency	Character	Interest Rate (%)	Amount
International Bills, Mega Bills and China Bills	Unsecured	1.800-1.850	$ 3,000,000
Less: Discount on short-term bills payable			(2,097)
			$ 2,997,903

c. Long-term borrowings as of December 31, 2024 and 2023 were as follows:

	December 31		
	2024		2023
	Significant Covenant	Amount	Amount
Long-term credit loan			
The Export-Import Bank of the Republic of China	Long-term credit loan from December 04, 2020 to December 04, 2027; principal to be repaid evenly in seven phases; 1st repayment due 48 months after the drawdown date, after which repayments are due once every six months	$ 975,231	$ 1,137,770
Bank of Taiwan	Principal repayments at maturity, from September 22, 2020 to October 4, 2027; principal to be repaid in two phases: From the 5th year, repayments are due once every six months; at rates of 20% and 80%, respectively	7,400,000	9,000,000
Taiwan Cooperative Bank	Principal repayment at maturity, from June 28, 2021 to June 28, 2026; principal to be repaid in two phases: 1st repayment due 48 months after the drawdown date, 2nd repayment due maturity date.	2,000,000	2,000,000
Hua Nan Commercial Bank	Principal repayment at maturity, from March 29, 2021 to March 29, 2026; principal to be repaid in two phases: From the 5th year, repayments are due once every six months	2,000,000	2,000,000
Taiwan Cooperative Bank	Principal repayments at maturity, from October 4, 2022 to October 4, 2027; principal to be repaid in two phases: From the 4th year, repayments are due once every six months; at rates of 20% and 80%, respectively	3,000,000	3,000,000
Far Eastern International Bank	Principal repayments at maturity, from October 21, 2022 to October 14, 2027; principal to be repaid evenly in three phases; 1st repayment due 48 months after the drawdown date, after which repayments are due once every six months	2,000,000	2,000,000
Hua Nan Commercial Bank	Principal repayments at maturity, from March 8, 2022 to March 8, 2027	2,500,000	2,500,000
Chang Hwa Commercial Bank	Principal repayments at maturity, from March 8, 2022 to March 8, 2027	2,000,000	2,000,000
Bank of Taiwan	Loan from June 13, 2023 to June 13, 2030; principal to be repaid evenly in forty eight phases; 1st repayment is due 36 months after the drawdown date	2,501,124	1,799,194
Hua Nan Commercial Bank	From November 22, 2024 to June 13, 2030; after the grace period, repayments are due monthly.	2,000,000	-
E.SUN Commercial Bank	From June 13, 2023 to May 15, 2028; after the grace period, repayments are due monthly.	1,000,000	209,024
First Commercial Bank	From June 13, 2023 to November 15, 2033; after the grace period, repayments are due monthly.	1,000,000	300,010
Others bank long-term credit loan	Principal repayments at maturity, from September 22, 2022 to September 22, 2029	500,000	500,400
		28,876,355	26,446,398
Less: current portion of long-term borrowings		(3,725,077)	-
		$ 25,151,278	$ 26,446,398

1) As mentioned above, long-term borrowings are assigned to credit loans.

2) As of December 31, 2024 and 2023, the effective interest rate ranges of the credit borrowings were 1.375%-2.0719% and 1.250%-1.9397% per annum, respectively.

3) As of December 31, 2024, the Company’s current portions of the long-term borrowings under the loan agreements was NT$3,725,077 thousand.

d. Long-term notes and bills payables as of December 31, 2023 were as follows:

December 31, 2023

Acceptance Agency	Character	Interest Rate (%)	Amount
China Bills, Mega Bills and International Bills	Unsecured	1.521-1.58	$ 3,000,000
Less: Discount on long-term bills payable			(1,178)
			$ 2,998,822

19. BONDS PAYABLE

	December 31	
	2024	2023
Domestic unsecured bonds	$ 12,800,000	$ 12,800,000

On October 8, 2021, the Company issued the first unsecured bonds for NT$7.5 billion, each with a face value of NT$10 million. The issuance period is 5 years, and annual rate is 0.7%. The maturity date is on October 8, 2026. The annual percentage rate is 0.7%. From the issuance date, the interest will be paid once a year, and the principal will be repaid once due.

On April 11, 2023, the Company issued the first unsecured bond of 2023 in the amount of NT$5.3 billion which was divided into A and B bonds according to different issuance conditions. The issuance amount of Bond A is NT$3 billion, and the issuance period is 5 years. The annual rate is 1.7%, and the maturity date is on April 11, 2028. The issuance amount of Bond B is NT$2.3 billion, and the issuance period is 10 years. The annual rate is 2.1%, and the maturity date is on April 11, 2033. The interest of the two bonds will be paid once a year, and the principal will be repaid at maturity.

20. RETIREMENT BENEFIT PLANS

a. Defined contribution plan

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

The total expenses recognized in profit or loss for the years ended December 31, 2024 and 2023 were NT$111,234 thousand and NT$114,765 thousand, respectively, which is based on the specified ratio in defined contributions plan.

b. Defined benefit plans

The defined benefit plans adopted by the Company in accordance with the Labor Standards Act are operated by the government of the ROC. Pension benefits are calculated on the basis of the length of service and average monthly salaries of the 6 months before retirement. The Company contributes amounts equal to 2% of total monthly salaries and wages to a pension fund administered by the pension fund monitoring committee. Pension contributions are deposited in the Bank of Taiwan in the committee's name. Before the end of each year, the Company assesses the balance in the pension fund. If the amount of the balance in the pension fund is inadequate to pay retirement benefits for employees who conform to retirement requirements in the next year, the Company is required to fund the difference in one appropriation that should be made before the end of March of the next year. The pension fund is managed by the Bureau of Labor Funds, Ministry of Labor (the "Bureau"); the Company has no right to influence the investment policy and strategy.

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

	December 31	
	2024	2023
Present value of defined benefit obligation	$ 1,097,499	$ 1,175,002
Fair value of plan assets	(1,115,666)	(1,036,090)
Net defined benefit (assets) liabilities	$ (18,167)	$ 138,912

As of December 31, 2024 and 2023, net defined benefit (assets) liabilities of NT$1,946 thousand and NT$1,907 thousand, respectively, were recorded under "other payables - accrued expense."

	Present Value of Defined Benefit Obligation	Fair Value of Plan Assets	Net Defined Benefit Liabilities (Assets)
Balance at January 1, 2023	$ 1,209,509	$ (1,060,075)	$ 149,434
Service cost			
Current service cost	6,128	-	6,128
Net interest expense (income)	15,119	(13,317)	1,802
Recognized in profit or loss	21,247	(13,317)	7,930
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	(9,604)	(9,604)
Actuarial loss			
Experience adjustments	44,332	-	44,332
Recognized in other comprehensive income	44,332	(9,604)	34,728
Contributions from the employer	-	(53,180)	(53,180)
Benefits paid	(100,086)	100,086	-
Balance at December 31, 2023	1,175,002	(1,036,090)	138,912
Service cost			
Current service cost	4,169	-	4,169
Net interest expense (income)	14,688	(13,014)	1,674
Recognized in profit or loss	18,857	(13,014)	5,843
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	(95,643)	(95,643)
Actuarial gain			
Changes in financial assumptions	(19,854)	-	(19,854)
Actuarial loss			
Experience adjustments	16,779	-	16,779
Recognized in other comprehensive income	(3,075)	(95,643)	(98,718)
Contributions from the employer	-	(64,204)	(64,204)
Benefits paid	(93,285)	93,285	-
Balance at December 31, 2024	$ 1,097,499	$ (1,115,666)	$ (18,167)

	For the Year Ended December 31	
	2024	2023
Operating costs	$ 3,102	$ 4,178
Selling and marketing expenses	472	791
General and administrative expenses	2,180	2,846
Research and development expenses	89	115
	$ 5,843	$ 7,930

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

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

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

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

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

	December 31	
	2024	2023
Discount rate(s)	1.50%	1.25%
Expected rate(s) of salary increase	2.25%	2.25%

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

	December 31	
	2024	2023
Discount rate(s)		
0.5% increase	$ (38,101)	$ (43,458)
0.5% decrease	$ 40,270	$ 46,068
Expected rate(s) of salary increase		
0.5% increase	$ 39,163	$ 44,682
0.5% decrease	$ (37,431)	$ (42,588)

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

21. EQUITY

	December 31	
	2024	2023
Share capital		
Ordinary shares	$ 40,313,329	$ 40,313,329
Capital surplus	33,592,347	33,624,917
Retained earnings	58,959,692	60,535,706
Others	4,389,826	6,280,871
	$ 137,255,194	$ 140,754,823

a. Share capital

Ordinary shares

	December 31	
	2024	2023
Number of authorized shares (in thousands)	6,500,000	6,500,000
Amount of authorized shares	$ 65,000,000	$ 65,000,000
Number of issued and fully paid shares (in thousands)	4,031,333	4,031,333
Amount of issued shares	$ 40,313,329	$ 40,313,329

On May 29, 2023, the Company's board of directors resolved to issue ordinary shares for cash to participate in the issuance of GDRs. On June 30, 2023, the Company issued 30,000 thousand units of GDRs on the Luxembourg Stock Exchange, with each unit representing 10 ordinary shares of the Company. This amounted to a total of 300,000 thousand shares with a unit price of US$12.97, raising a total of US$389,100 thousand. As of December 31, 2024, the paid-in capital was NT$40,313,329 thousand, divided into 4,031,333 thousand ordinary shares at par value of NT$10.

As of December 31, 2024, 21 thousand GDRs of the Company were traded on the Luxembourg Stock Exchange. The number of ordinary shares represented by the GDRs was 212 thousand shares (one GDR represents 10 ordinary shares).

b. Capital surplus

	December 31	
	2024	2023
May be used to offset a deficit, distributed as cash dividend or transferred to share capital (Note)		
Issuance of ordinary shares	$ 27,787,949	$ 27,787,949
The difference between the consideration received or paid and the carrying amount of the subsidiaries' net assets during actual disposal or acquisition	2,130	2,130
Share of changes in capital surplus of associates	428,949	434,243
Treasury share transactions	2,254,074	2,254,074
Gain on disposal of property, plant and equipment	2,074,231	2,074,231
Others	1,045,014	1,045,560

(Continued)

	December 31	
	2024	2023
May only be used to offset a deficit		
The change of interest in subsidiaries	$ -	$ 26,730
	$ 33,592,347	$ 33,624,917

(Concluded)

Note: The premium from shares issued in excess of par (share premium from issuance of ordinary shares, conversion of bonds and treasury share transactions) and donations may be used to offset a deficit; in addition, when the Company has no deficit, such capital surplus may be distributed as cash dividends or transferred to share capital (limited to a certain percentage of the Company's capital surplus and to once a year).The capital surplus arises from changes in capital surplus of associates accounted for using the equity method, employee share options and share warrants may not be used for any purposes.

c. Retained earnings and dividend policy

Under the dividends policy, where the Company made a profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting losses of previous years, setting aside as legal reserve 10% of the remaining profit this requirement is not applicable when the legal reserve has reached the total capital, and then any remaining profit together with prior unappropriated earnings shall be appropriated for special reserve or appropriate reversal of special reserve in accordance with the laws and regulations, and then the balance shall be used by the Company's board of directors as the basis for proposing a distribution plan, which should be resolved in the shareholders' meeting for the distribution of dividends to shareholders. If appropriated earnings are distributed in cash, the cash distribution shall be resolved by the Company's board of directors and reported in the shareholders' meeting. Other than the aforementioned regulations, the distribution shall be after deducting the share of profit of associates accounted for using the equity method and adding cash dividends of associates accounted for using the equity method. The Company shall reserve no lesser than 40% of the balance amount as shareholders' profit after offsetting its loss and tax payments in the previous year, capital reserve, and special reserve adjusted by the accumulated net deduction of other equity. The profits shall be distributed in cash or in form of shares; cash dividends shall not be lesser than 70% of the total dividends.

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

Items referred to under Rule No. 1090150022 issued by the FSC and in the directive titled "Questions and Answers for Special Reserves Appropriated Following Adoption of IFRSs" should be appropriated to or reversed from a special reserve by the Company.

Refer to Note 23 for the policies on the distribution of employees' compensation and remuneration of directors.

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

	Appropriation of Earnings		Dividends Per Share (NT$)	
	2023	2022	2023	2022
Legal reserve	$ 526,862	$ 1,974,132	$ -	$ -
Cash dividends	4,434,466	6,716,399	1.1	1.8
	$ 4,961,328	$ 8,690,531		

The above appropriations for cash dividends were approved by the Company's board of directors on February 23, 2024 and February 24, 2023, respectively. The other appropriations were approved at the shareholder's meeting scheduled for May 17, 2024 and May 19, 2023, respectively.

The appropriation of earnings for 2024, which was approved in the shareholders' meeting on February 21, 2025, was as follows:

	For the Year Ended December 31, 2024
Legal reserve	$ 280,354
Cash dividends	$ 2,015,666
Dividends per share (NT$)	$ 0.5

The above appropriations for cash dividends was approved by the Company's board of directors, the other are pending resolution at the shareholders meeting on May 16, 2025.

d. Special reserve

	December 31	
	2024	2023
Special reserve	$ 2,712,250	$ 2,712,250

Information regarding the above special reserve did not change for 2024 and 2023.

e. Other equity items

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

	For the Year Ended December 31	
	2024	2023
Balance at January 1	$ (4,948,056)	$ (4,256,774)
Share from subsidiaries and associates accounted for using the equity method	4,598,330	(691,282)
Balance at December 31	$ (349,726)	$ (4,948,056)

Exchange differences relating to the translation of the results and net assets of the Company's foreign operations from their functional currencies to the Company's presentation currency (the New Taiwan dollar) were recognized directly in other comprehensive income and accumulated in the exchange differences on the translation of the financial statements of foreign operations.

Exchange differences previously accumulated in the exchange differences on the translation of the financial statements of foreign operations were reclassified to profit or loss when disposing foreign operation.

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

	For the Year Ended December 31	
	2024	2023
Balance at January 1	$ 14,068,677	$ 6,693,877
Unrealized (loss) gain - equity instruments	(109,291)	6,254,992
Share from associates accounted for using the equity method	(5,826,437)	1,324,460
Cumulative unrealized loss of equity instruments transferred to retained earnings due to disposal	(74,880)	(204,652)
Balance at December 31	$ 8,058,069	$ 14,068,677

3) Loss on the hedging instruments

	For the Year Ended December 31	
	2024	2023
Cash flow hedges		
Balance at January 1	$ (65,100)	$ (105,801)
Share from associates accounted for using the equity method	(18,338)	40,701
Balance at December 31	$ (83,438)	$ (65,100)

4) Other equity - others

	For the Year Ended December 31	
	2024	2023
Balance at January 1	$ (2,774,650)	$ (2,774,607)
Originally recognized equity items arising from the acquisition of subsidiary equity instrument's put and call options	(460,429)	-
Other comprehensive loss from associates accounted for using the equity method	-	(43)
Balance at December 31	$ (3,235,079)	$ (2,774,650)

22. OPERATING REVENUE

	For the Year Ended December 31	
	2024	2023
Sales revenue	$ 84,645,300	$ 80,859,850
Other revenue	2,733,954	2,461,502
	$ 87,379,254	$ 83,321,352

23. NET PROFIT FROM CONTINUING OPERATIONS

Non-operating Income and Expenses - Gain on Disposal of Investments

	For the Year Ended December 31	
	2024	2023
Gain on disposal of investments - commodity futures	$ 462,280	$ 787,980
Loss on disposal of investments - forward exchange contracts	(45,645)	(56,354)
(Loss) gain on disposal of investments - exchange rate swap contracts	(11,811)	354,322
Gain on disposal of associates	676,863	-
	$ 1,081,687	$ 1,085,948

Employee Benefits Expense, Depreciation and Amortization

	For the Year Ended December 31, 2024			
	Operating Costs	Operating Expenses	Non-operating Expenses and Losses	Total
Short-term employment benefits	$ 1,792,237	$ 1,448,396	$ -	$ 3,240,633
Post-employment benefits	$ 67,051	$ 50,026	$ -	$ 117,077
Other employee benefits	$ 163,434	$ 94,956	$ -	$ 258,390
Depreciation				
Property, plant and equipments	$ 1,172,321	$ 209,937	$ -	$ 1,382,258
Right-of-use assets	7,552	17,603	-	25,155
Investment properties	67,701	2,180	-	69,881
	$ 1,247,574	$ 229,720	$ -	$ 1,477,294
Amortization	$ -	$ 16,440	$ -	$ 16,440

	For the Year Ended December 31, 2023			
	Operating Costs	Operating Expenses	Non-operating Expenses and Losses	Total
Short-term employment benefits	$ 1,733,457	$ 1,526,618	$ -	$ 3,260,075
Post-employment benefits	$ 70,182	$ 52,513	$ -	$ 122,695
Other employee benefits	$ 167,052	$ 100,329	$ -	$ 267,381
Depreciation				
Property, plant and equipments	$ 1,096,208	$ 188,090	$ -	$ 1,284,298
Right-of-use assets	7,123	45,826	-	52,949
Investment properties	69,296	2,180	-	71,476
	$ 1,172,627	$ 236,096	$ -	$ 1,408,723
Amortization	$ -	$ 28,191	$ -	$ 28,191

According to the Company's Articles, the Company accrued employees' compensation and remuneration of directors at rates of no less than 1% and no higher than 1%, respectively, of net profit before income tax, employees' compensation, and remuneration of directors. For the years ended December 31, 2024 and 2023, the compensation of employees' amounted to NT$47,470 thousand and NT$70,700 thousand, respectively, and the remuneration of directors amounted to NT$14,450 thousand and NT$30,000 thousand, respectively. The compensation of employees and the remuneration of directors for the years ended December 31, 2024 and 2023 were approved by the Company's board of directors on February 21, 2025 and February 23, 2024, respectively.

Material differences between such estimated amounts and the amounts proposed by the board of directors on or before the issuance date of the annual financial statements are adjusted in the year the compensation and remuneration were recognized. If there is a change in the amounts after the issuance date of the annual consolidated financial statements, the differences will be recorded as a change in the accounting estimate in the next year.

The employees' compensation and the remuneration of directors for the years ended December 31, 2023 and 2022 resolved by the Company's board of directors on February 23, 2024 and February 24, 2023, respectively, are the same as the amounts recognized in the 2023 and 2022 financial statements.

Information on the employees' compensation and remuneration of directors resolved by the Company's board of directors in 2024 and 2023 is available at the Market Observation Post System website of the Taiwan Stock Exchange.

24. INCOME TAXES RELATING TO CONTINUING OPERATIONS

a. Income tax recognized in profit or loss

Major components of income tax expense are as follows:

	For the Year Ended December 31	
	2024	**2023**
Current tax		
In respect of the current year	$ 1,496,788	$ 1,030,748
Income tax on unappropriated earnings	3	306,493
Adjustments for prior year	(112,919)	(18,555)
	1,383,872	1,318,686
Deferred tax		
In respect of the current year	(1,033,717)	513,036
Adjustments for prior year	70,833	(14,155)
	(962,884)	498,881
Income tax expense recognized in profit or loss	$ 420,988	$ 1,817,567

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

	For the Year Ended December 31	
	2024	2023
Profit before tax from continuing operations	$ 3,211,042	$ 6,896,972
Income tax expense calculated at the statutory rate	$ 642,208	$ 1,379,394
Investment income accounted for using the equity method	121,973	313,200
Tax-exempt dividend income	(125,070)	(102,141)
Foreign dividend income	452,633	6,777
Deductible temporary differences	(629,023)	(53,740)
Others	350	294
Income tax on unappropriated earnings	3	306,493
Adjustments for prior years' tax	(42,086)	(32,710)
Income tax expense recognized in profit or loss	$ 420,988	$ 1,817,567

b. Current tax assets and liabilities

	December 31	
	2024	2023
Current tax assets		
Tax refund receivable (recorded under other current and other non-current assets - others)	$ 35,333	$ 4,166
Current tax liabilities		
Income tax payable	$ 884,000	$ 1,361,449

c. Deferred tax assets and liabilities

	December 31	
	2024	2023
Deferred tax assets		
Pension expense overlimit	$ 3,038	$ 14,337
Unrealized impairment loss on long-term investments	7,000	7,000
Unrealized loss on inventories write-down	63,663	57,183
Loss on idle capacity	-	21,234
Loss on liquidation of investments	439,000	439,000
Impairment loss on property, plant and equipment	102,193	110,982
Unrealized loss on valuation of financial assets	312,999	9,493
Others	69,429	21,272
	$ 997,322	$ 680,501
Deferred tax liabilities		
Provision for land value-added tax	$ (131,132)	$ (131,132)
Unrealized gain of investments	(5,197,152)	(5,843,215)
	$ (5,328,284)	$ (5,974,347)

d. The Company's income tax returns through 2020 have been assessed by the tax authorities.

25. EARNINGS PER SHARE

	For the Year Ended December 31					
	2024			2023		
	Amounts (Numerator)		Earnings Per Share (In Dollars)	Amounts (Numerator)		Earnings Per Share (In Dollars)
	After Income Tax (Attributable to Owners of the Company)	Shares (Denominator) (In Thousands)	After Income Tax (Attributable to Owners of the Company)	After Income Tax (Attributable to Owners of the Company)	Shares (Denominator) (In Thousands)	After Income Tax (Attributable to Owners of the Company)
Basic earnings per share						
Net income	$ 2,790,054	4,031,333	$ 0.69	$ 5,079,405	3,883,388	$ 1.31
Effect of potentially dilutive ordinary shares						
Employee bonus	-	2,292		-	2,500	
	$ 2,790,054	4,033,625	$ 0.69	$ 5,079,405	3,885,888	$ 1.31

26. ACQUISITION OF A SUBSIDIARY THAT DOES NOT CONSTITUTE A BUSINESS

To combine the acquired company's products, technologies and market advantages to expand the department business, the Company acquired Hangzhou Walsin Power Cable & Wire Co., Ltd., Com. Steel Inox S.p.A. and DMV GmbH through its subsidiaries on February 29, May 3, and November 1, 2024, for $1,341,944 thousand, $841,200 thousand, and $4,020,514 thousand, respectively. On August 1, 2023 and September 19, 2023, the Company acquired 100% equity interests in Degerfors Long Products AB and Special Melted Products Ltd. for $182,129 thousand and $5,668,618 thousand, respectively.

In accordance with IFRS 3 "Business Combinations", the aforementioned acquisition of equity does not constitute a business; therefore, the share purchase transaction is accounted for as the acquisition of assets. For the description of the acquisition of the investment in subsidiaries, refer to Note 32 to the Company's consolidated financial statements for the year ended December 31, 2024.

27. OPERATING LEASE ARRANGEMENTS

Operating leases relating to leases of the emporium and the investment properties owned by the Company with lease terms between 5 and 10 years, with an option to extend for another 10 years. All operating lease contracts contain market review clauses in the event that the lessees exercise its option to renew. The lessees do not have a bargain purchase options to acquire the properties at the expiry of the lease periods.

As of December 31, 2024 and 2023, deposits received under operating leases amounted to NT$170,333 thousand and NT$171,003 thousand, respectively (recorded under other non-current liabilities).

As of December 31, 2024, the Company's future minimum lease receivables on non-cancelable operating lease commitments are as follows:

2025	$ 745,837
2026-2029	2,154,277
	$ 2,900,114

28. CAPITAL MANAGEMENT

The Company's capital management objective is to ensure that it has the necessary financial resources and operational plan so that it can cope with the next 12 months working capital requirements, capital expenditures, debt repayments and dividends spending.

The capital structure of the Company consists of net debt (borrowings offset by cash and cash equivalents) and equity attributable to owners of the Company (comprising issued capital, reserves, retained earnings and other equity).

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

29. FINANCIAL INSTRUMENTS

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

Except the following assets and liabilities, the management considers the carrying amounts of financial assets and financial liabilities not recognized at fair value approximate to their fair values.

December 31, 2024

	Carrying Amount	Fair Value			
		Level 1	Level 2	Level 3	Total
Financial liabilities					
Financial liabilities at amortized cost					
Bonds payable	$ 12,800,000	$ -	$ 12,556,633	$ -	$ 12,556,663

December 31, 2023

	Carrying Amount	Fair Value			
		Level 1	Level 2	Level 3	Total
Financial liabilities					
Financial liabilities at amortized cost					
Bonds payable	$ 12,800,000	$ -	$ 12,403,494	$ -	$ 12,403,494

The fair values of the financial assets and financial liabilities included in the Level 2 categories above have been determined in accordance with the income approach based on a discounted cash flow analysis. The observable inputs included bond duration, bond interest rates and credit rating.

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

1) Fair value hierarchy

December 31, 2024

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Derivatives not designated as hedging instruments	$ -	$ 9,006	$ -	$ 9,006
Financial assets at FVTOCI				
Investments in equity instruments				
Listed securities in ROC	$ 17,706,943	$ -	$ -	$ 17,706,943
Unlisted securities	-	-	767,942	767,942
	$ 17,706,943	$ -	$ 767,942	$ 18,474,885
Financial liabilities at FVTPL				
Derivatives not designated as hedging instruments	$ 303,362	$ -	$ -	$ 303,362

December 31, 2023

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Contingent consideration	$ -	$ -	$ 2,614,285	$ 2,614,285
Derivatives not designated as hedging instruments	68,870	-	-	68,870
	$ 68,870	$ -	$ 2,614,285	$ 2,683,155
Financial assets at FVTOCI				
Investments in equity instruments				
Listed securities in ROC	$ 17,891,936	$ -	$ -	$ 17,891,936
Unlisted securities	-	-	743,243	743,243
	$ 17,891,936	$ -	$ 743,243	$ 18,635,179
Financial liabilities at FVTPL				
Derivatives not designated as hedging instruments	$ -	$ 44,519	$ -	$ 44,519

1) There were no transfers between Levels 1, 2 and 3 in 2024 and 2023.

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

For the year ended December 31, 2024

Financial Assets	Financial Assets at FVTPL	Financial Assets at FVTOCI
	Financial Instruments	Equity Instruments
Balance at January 1, 2024	$ 2,614,285	$ 743,243
Disposals	(1,463,430)	-
Recognized in other comprehensive income	-	24,699
Recognized in profit or loss	(1,150,855)	-
Balance at December 31, 2024	$ -	$ 767,942

For the year ended December 31, 2023

Financial Assets	Financial Assets at FVTPL	Financial Assets at FVTOCI
	Financial Instruments	Equity Instruments
Balance at January 1, 2023	$ 2,567,786	$ 498,902
Additions	-	150,000
Recognized in other comprehensive income	-	94,341
Recognized in profit or loss	46,499	-
Balance at December 31, 2023	$ 2,614,285	$ 743,243

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

Financial Instruments	Valuation Technique and Inputs
Derivatives - foreign exchange forward contracts	Discounted cash flow. Future cash flows are estimated based on observable forward exchange rates at the end of the reporting period and contract forward rates, discounted at a rate that reflects the credit risk of various counterparties.
Derivatives - exchange rate swap contracts	Discounted cash flow. Future cash flows are estimated based on observable forward exchange rates at the end of the reporting period and contract forward rates, discounted at a rate that reflects the credit risk of various counterparties.

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

Financial Instruments	Valuation Technique and Inputs
Unlisted equity securities	Market approach. Fair values are determined based on observable and comparable companies' fair values at the end of the reporting period, adjusted by price earnings ratio and price-to-book ratio of the investees.
	Net asset method. Fair values are determined based on the book value of companies.
	Discounted cash flow. Present values are determined based on future cash flows discounted at market yield.
Contingent consideration	The estimated fair value is discounted according to the probability of reaching the agreed conditions and based on credit risk discount rate and other information.

c. Categories of financial instruments

	December 31	
	2024	2023
<u>Financial assets</u>		
Financial assets at amortized cost		
Cash and cash equivalents	$ 1,998,361	$ 3,530,594
Contract assets - current	387,504	175,083
Notes receivable and trade receivables (including related parties)	2,898,608	2,573,939
Finance lease receivables (current and non-current)	1,556,839	1,526,285
Other receivables	1,154,826	1,720,601
Refundable deposits	26,427	25,700
Financial assets at FVTPL (current and non-current)	9,006	2,683,155
Financial assets at FVTOCI (current and non-current)	18,474,885	18,635,179
<u>Financial liabilities</u>		
Financial liabilities at FVTPL (current and non-current)	303,362	44,519
Financial liabilities at amortized cost		
Short-term borrowings	4,650,000	504,234
Short-term notes and bills payable	2,997,903	-
Notes payables and trade payables	3,094,389	3,648,025
Other payables	2,577,060	5,471,498
Bonds payable	12,800,000	12,800,000
Long-term borrowings (including current portion)	28,876,355	26,446,398
Long-term notes and bills payable	-	2,998,822
Deposits received (recorded under other non-current liabilities)	185,557	175,088

d. Financial risk management objectives and policies

The Company's major financial instruments included equity and investments, borrowings, trade receivables and trade payables. The Company's corporate treasury function provides services to the business, coordinates access to domestic and international financial markets, and monitors and manages the financial risks relating to the operations of the Company through internal risk reports that analyze exposures by degree and magnitude of risks. These risks include market risk, credit risk and liquidity risk.

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

1) Market risk

The Company's activities exposed it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Company entered into foreign exchange forward contracts and interest rate swaps contracts to hedge foreign currency risk and interest rate risk.

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

a) Foreign currency risk

The Company had foreign currency sales and purchases, which exposed the Company to foreign currency risk. Exchange rate exposures were managed within approved policy parameters utilizing foreign exchange forward contracts.

It is the Company's policy to negotiate the terms of the derivatives to match the terms of the hedged item to maximize hedge effectiveness.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities (including those eliminated on consolidation) at the end of the period are set out in Note 35.

The carrying amounts of the Company's derivatives exposed to foreign currency risk at the end of the reporting period were as follows:

	December 31	
	2024	**2023**
Assets		
U.S. dollar	$ 885,195	$ -
Euro	458,990	-
Liabilities		
U.S. dollar	-	6,125,648
Euro	-	135,920

Sensitivity analysis

The Company is mainly exposed to the U.S. dollars.

The following table details the Company's sensitivity to a 1% increase and decrease in the New Taiwan dollar (i.e., functional currency) against the relevant foreign currencies. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the end of the year for a 1% change in foreign currency rates.

	U.S. Dollar Impact	
	For the Year Ended December 31	
	2024	**2023**
Profit or loss	$ (1,476)	$ (81,249)

b) Interest rate risk

The Company was exposed to interest rate risk because entities in the Company borrow funds at both fixed and floating interest rates.

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

	December 31	
	2024	**2023**
Fair value interest rate risk		
Financial liabilities	$ 12,800,000	$ 12,800,000
Cash flow interest rate risk		
Financial liabilities	$ 36,524,258	$ 29,949,454

Sensitivity analysis

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

If interest rates had been 1% basis points higher and all other variables were held constant, the Company's pre-tax net profit for the years ended December 31, 2024 and 2023 would decrease by NT$365,243 thousand and NT$299,495 thousand, respectively.

2) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Company. As at the end of the year, the Company's maximum exposure to credit risk, which would cause a financial loss to the Company due to the failure of the counterparty to discharge its obligation and due to financial guarantees provided by the Company, could be equal to the total of the following:

a) The carrying amount of the respective recognized financial assets as stated in the parent company only balance sheets; and

b) The maximum amount the entity would have to pay if the financial guarantee is called upon, irrespective of the likelihood of the guarantee being exercised.

The Company adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company's exposure and the credit ratings of its counterparties are continuously monitored, and the aggregate value of transactions concluded is spread amongst the approved counterparties. Credit exposure is controlled by setting credit limits that are reviewed and approved by the risk management committee annually.

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

3) Liquidity risk

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

a) The following table details the Company's expected maturities for its non-derivative financial liabilities with agreed upon repayment periods.

December 31, 2024

	1 Year	1-2 Years	2-5 Years	5+ Years	Total
Non-derivative financial liabilities					
Variable interest rate liabilities	$ 11,473,109	$ 2,000,000	$ 20,151,278	$ 3,000,000	$ 36,624,387
Lease liabilities	43,337	126,655	350,405	1,733,560	2,253,957
Fixed interest rate liabilities	-	7,500,000	3,000,000	2,300,000	12,800,000
Non-interest bearing liabilities	5,605,098	20,489	63,183	68,105	5,756,875
	$ 17,121,544	$ 9,647,144	$ 23,564,866	$ 7,101,665	$ 38,947,791

December 31, 2023

	1 Year	1-2 Years	2-5 Years	5+ Years	Total
Non-derivative financial liabilities					
Variable interest rate liabilities	$ 3,800,013	$ 3,000,000	$ 25,644,810	$ 800,410	$ 33,245,233
Lease liabilities	36,274	32,125	313,986	1,656,268	2,038,653
Fixed interest rate liabilities	-	-	10,500,000	2,300,000	12,800,000
Non-interest bearing liabilities	5,894,405	20,654	69,121	14,652	5,998,832
	$ 9,730,692	$ 3,052,779	$ 36,527,917	$ 4,771,330	$ 54,082,718

b) The Company’s expected maturities for its derivative financial instruments with agreed upon settlement date were as follows:

December 31, 2024

	On Demand or Less Than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	Total
Net settled					
Commodity futures contracts	$ (101,455)	$ (167,466)	$ (34,441)	$ -	$ (303,362)
Foreign exchange forward contracts	10,215	(1,209)	-	-	9,006
	$ (91,240)	$ (168,675)	$ (34,441)	$ -	$ (294,356)

December 31, 2023

	On Demand or Less Than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	Total
Net settled					
Commodity futures contracts	$ 27,614	$ 34,910	$ 6,346	$ -	$ 68,780
Foreign exchange forward contracts	(9,371)	(436)	-	-	(9,807)
Exchange rate swap contracts	4,467	(39,179)	-	-	(34,712)
	$ 22,710	$ (4,705)	$ 6,346	$ -	$ 24,351

e. Transfers of financial assets

Factored trade receivables that are not overdue at the end of the year were as follows:

Counterparty	Proceeds from Receivables Factoring	Amount Reclassified to Other Receivables	Advances Received - Unused	Advances Received - Used	Annual Interest Rates on Advances Received (Used) (%)
2024					
CTBC bank	$ 99,405	$ 6,494	US$ 2,700	$ -	-
2023					
CTBC bank	$ 144,250	$ 20,318	US$ 2,700	$ -	-

30. TRANSACTIONS WITH RELATED PARTIES

Details of transactions between the Company and other related parties are disclosed as follows:

a. Related party name and category

Related Party Name	Related Party Category
Walsin Lihwa Holdings Ltd.	Subsidiary
Jiangyin Walsin Specialty Alloy Materials Co., Ltd.	Subsidiary
Changshu Walsin Specialty Steel Co., Ltd.	Subsidiary
Shanghai Walsin Lihwa Power Wire & Cable Co., Ltd.	Subsidiary
Yantai Walsin Stainless Steel Co., Ltd.	Subsidiary
PT. Walsin Nickel Industrial Indonesia	Subsidiary
Walsin Internation Investments Limited	Subsidiary
Borrego Energy Holdings, LLC	Subsidiary
Borrego Energy, LLC	Subsidiary
Waltuo Green Resources Corporation	Subsidiary
PT. Sunny Metal Industry	Subsidiary
Walsin Singapore Pte. Ltd.	Subsidiary
Walsin Energy Cable System Co., Ltd.	Subsidiary
PT. Walsin Lippo Industries	Subsidiary
Metalinox Cogne Acos Inoxidaveis Especiais Ltda	Subsidiary
Dongguan Cogne Steel Products Co., Ltd.	Subsidiary
Cogne Celik Sanayi ve Ticaret Limited Sirketi	Subsidiary
Cogne Edelstahl Gmbh	Subsidiary
Cogne Acciai Speciali S.p.A.	Subsidiary
Cogne U.K. Limited	Subsidiary
Cogne France Societe par Actions Simplifiee	Subsidiary
Cogne Korea	Branch of a subsidiary
Degerfors Long Product AB	Subsidiary
Walsin Info-Electric Corp.	Subsidiary
Chin-Cherng Construction Co.	Subsidiary
Dongguan Walsin Wire & Cable Co., Ltd.	Subsidiary
Min Maw Precision Industry Corp.	Subsidiary
Walsin Technology Corp.	Associate
Walton Advanced Engineering, Inc.	Associate
Chin-Xin Investment Co., Ltd.	Associate
Tsai Yi Corporation	Associate
Winbond Electronics Corp.	Associate
Prosperity Dielectrics Co., Ltd.	Associate
PT. Westrong Metal Industry	Associate (Note)
HannStar Display Corp.	Substantive related party
HannsTouch Holdings Company	Substantive related party
Global Brands Manufacture Ltd.	Substantive related party
Info-Tek Corp.	Substantive related party
Kuang Tai Metal Industrial Co., Ltd.	Substantive related party
HannStar Board Corp.	Substantive related party
T.D.V. Trefileries des Vosges SA	Substantive related party
Novametal SA	Substantive related party
Trefilados Inoxidables de Mexico, S.A. DE C.V.	Substantive related party
Novametal do Brasil LTDA	Substantive related party
Ferriere di Stabio SA	Substantive related party
Wire Products Stainless Steel PTY Ltd	Substantive related party

Note: All of the shares were disposed of in January 2024.

b. Sales

	For the Year Ended December 31	
	2024	2023
Subsidiaries	$ 760,677	$ 1,002,325
Other related parties	2,158,467	2,032,889
	$ 2,919,144	$ 3,035,214

c. Rental income

	For the Year Ended December 31	
	2024	2023
Subsidiaries	$ 8,797	$ 7,501
Associates	43,320	37,349
Other related parties	1,259	1,135
	$ 53,376	$ 45,985

d. Purchases of goods

	For the Year Ended December 31	
	2024	2023
Subsidiaries		
Walsin Singapore Pte. Ltd.	$ 20,436,165	$ 8,154,060
Others	538	38,796
Other related parties	3,773	3,239
	$ 20,440,476	$ 8,196,095

e. Administrative expenses

	For the Year Ended December 31	
	2024	2023
Subsidiaries	$ 390	$ 390
Associates	16,060	15,511
Other related parties	15,662	15,756
	$ 32,112	$ 31,657

The stock registration matters of the Company and related parties were handled together. The related fees allocated to the related parties were charged against general and administrative expenses.

f. Dividend income

	For the Year Ended December 31	
	2024	2023
Other related parties		
HannStar Board Corp.	$ 102,589	$ 153,009
Others	5,779	5,779
	$ 108,368	$ 158,788

g. Notes receivable

Not arising from operating activities

	December 31	
	2024	2023
Associates	$ 640	$ 1,046

h. Trade receivables

	December 31	
	2024	2023
Subsidiaries		
Jiangyin Walsin Specialty Alloy Materials Co., Ltd.	$ 59,057	$ 99,469
Metalinox Cogne Acos Inoxidaveis Especiais Ltda	55,535	20,976
Cogne Korea	61,065	-
Others	89,300	102,581
Other related parties		
Kuang Tai Metal Industrial Co., Ltd.	56,506	51,392
Novametal SA	54,994	77,568
Others	94,529	86,191
	$ 470,986	$ 438,177

i. Trade payables

	December 31	
	2024	2023
Subsidiaries		
Walsin Singapore Pte. Ltd.	$ 955,199	$ 126,177
Others	1,202	11,680
Other related parties	605	-
	$ 957,006	$ 137,857

j. Other receivables (excluding financing provided)

	December 31	
	2024	2023
Subsidiaries		
Walsin Singapore Pte. Ltd.	$ 351,550	$ 290,281
Others	81,435	6,968
Associates	16,958	16,090
Other related parties	2,882	3,698
	$ 452,825	$ 317,037

k. Other payables (excluding loans from related parties)

Related Party	December 31 2024	December 31 2023
Subsidiaries		
Walsin Lihwa Holdings Ltd.	$ 11,649	$ 10,910
Others	3,570	1,461
	$ 15,219	$ 12,371

l. Acquisitions of property, plant and equipment

Related Party	For the Year Ended December 31 2024	For the Year Ended December 31 2023
Min Maw Precision Industry Corp.	$ -	$ 2,676

m. Sublease arrangements

Sublease of finance lease

Line Item	Related Party Category	December 31 2024	December 31 2023
Finance lease receivables	Subsidiaries/Walsin Energy Cable System Co., Ltd.	$ 1,556,839	$ 1,526,285

Line Item	Related Party Category	For the Year Ended December 31 2024	For the Year Ended December 31 2023
Interest revenue	Subsidiaries/Walsin Energy Cable System Co., Ltd.	$ 48,746	$ 22,839

n. Guarantee deposits

	December 31	
	2024	2023
Associates	$ 7,362	$ 7,362
Other related parties	282	282
	$ 7,644	$ 7,644

o. Loan to related parties (including interest receivable)

	December 31	
Related Party Category/Name	**2024**	**2023**
Subsidiaries		
Borrego Energy, LLC	$ -	$ 648,967
Borrego Energy Holdings, LLC	-	230,405
	$ -	$ 879,372

Interest revenue

	For the Year Ended December 31	
Related Party Category/Name	**2024**	**2023**
Subsidiaries		
PT. Sunny Metal Industry	$ -	$ 75,231
Borrego Energy, LLC	33,640	4,162
Others	11,960	117
	$ 45,600	$ 79,510
Associates		
PT. Westrong Metal Industry	$ -	$ 73,636

The interest rate of the Company's loan to the above-mentioned related parties is equivalent to the market interest rate.

p. Loan from related parties (including interest payable)

	December 31	
Related Party	**2024**	**2023**
Walsin Internation Investments Limited	$ -	$ 3,195,696
Walsin Info-Electric Corp.	100,129	100,383
	$ 100,129	$ 3,295,779

	For the Year Ended December 31	
	2024	**2023**
Interest expenses		
Subsidiaries	$ 51,865	$ 73,603

q. Endorsements and guarantees

	December 31	
	2024	2023
Subsidiaries		
Amount endorsed	$ 8,604,648	$ 3,901,716
Amount utilized	$ 4,151,773	$ -

r. Remuneration of key management personnel

The remunerations of directors and key executives in 2024 and 2023 were as follows:

	For the Year Ended December 31	
	2024	2023
Short-term employee benefits	$ 121,645	$ 137,226
Post-employment benefits	1,267	1,301
	$ 122,912	$ 138,527

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

31. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The following assets were provided as collaterals for future deposits:

	December 31	
	2024	2023
Refundable deposits (recorded under other financial assets - current)	$ 3,188	$ -
Pledged time deposits (recorded under other non-current financial assets - other)	600	600
	$ 3,788	$ 600

32. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

In addition to those disclosed in other notes, significant contingencies and unrecognized commitments of the Company on December 31, 2024 and 2023 were as follows:

a. Outstanding letters of credit not reflected in the parent company only financial statements as of December 31, 2024 and 2023 were as follows (in thousands):

	December 31	
	2024	2023
New Taiwan dollar	NT$ 19,919	NT$ 43,944
U.S. dollar	US$ 23,567	US$ 9,130
Renminbi	RMB 2,939	RMB 2,189
Japanese yen	JPY 10,050	JPY 107,111
Euro	EUR 5,569	EUR 12,626

b. Outstanding standby letters of credit and bid bonds of contingent liabilities not reflected in the accompanying parent company only financial statements were as follows (in thousands):

	December 31			
	2024		2023	
New Taiwan dollar	NT$	860,611	NT$	846,165
U.S. dollar	US$	60	US$	30

c. Based on the tariff and relevant regulations, the Company issue tariff letters of credit to import goods and to meet the needs of post-release duty payment. The amount of tariff letters of credit were as follows:

	December 31			
	2024		2023	
New Taiwan dollar	NT$	433,000	NT$	458,000

d. Non-cancelable raw material procurement contracts were as follows:

	December 31			
	2024		2023	
U.S. dollar	US$	21,621	US$	27,839

e. The Company entered into a contract for the construction of new plants on the Company's own land. The amount of the unrecognized commitments was as follow:

	December 31			
	2024		2023	
U.S. dollar	US$	1,138	US$	238
Euro	EUR	3,931	EUR	35,830
New Taiwan dollar	NT$	604,197	NT$	2,193,920
Renminbi	RMB	2,189	RMB	-

33. OTHERS

On February 15, 2023, the president of the ROC announced the amendments to the "Climate Change Response Act", which added the provision of carbon fee collection. Subsequently, the Ministry of Environment announced the "Regulations Governing the Collection of Carbon Fees", "Regulations for Administration of Voluntary Reduction Plans" and "Designated Greenhouse Gas Reduction Goal for Entities Subject to Carbon Fees" on August 29, 2024 and the carbon fee rate on October, 2024. The fees will be levied starting from January 1, 2025. Based on the emissions of the Group in 2024, the Group expects that it will be the entity subject to carbon fees. The Group will recognize the provision of the carbon fees based on its actual emissions in 2025 and will pay them in May 2026.

34. SIGNIFICANT SUBSEQUENT EVENTS

In January 2025, the Company's board of directors resolved to issue ordinary shares, tentatively issuing no more than 400,000 thousand shares of common stock. As of the date of the issuance of these consolidated financial statements, the aforementioned cash capital increase is still awaiting approval from the competent authorities.

In January 2025, the Company's board of directors resolved to implement changes in accounting estimates. The depreciation and amortization methods for machinery, equipment, and intangible assets within the Resources Business were changed from the accelerated depreciation method, to the straight-line method, starting from January 1, 2025. The shareholders' meeting is scheduled to be held on May 16, 2025.

35. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

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

December 31, 2024

Unit: Foreign Currency/In Thousands of Taiwan Dollars

	Foreign Currency	Exchange Rate	Carrying Amount
Financial assets			
Monetary items			
U.S. dollar	$ 86,022	32.7850	$ 2,820,231
Japanese yen	670,874	0.2099	140,816
Euro	22,269	34.1400	760,264
Hong Kong dollar	3,075	4.2220	12,983
Renminbi	1,359	4.5607	6,198
Australian dollar	632	20.3900	12,886
Investments accounted for using the equity method			
U.S. dollar	1,324,624	32.7850	43,427,798
Renminbi	6,586,623	4.5607	30,041,588
Indonesia rupiah	674,435,001	0.00203	1,369,103
Euro	308,107	34.1400	10,518,773
Malaysian ringgit	91,027	7.0655	643,197
Financial liabilities			
Monetary items			
U.S. dollar	131,523	32.7850	4,311,982
Japanese yen	42,759.06	0.2099	8,979
Euro	91.96	34.1400	3,140
Swiss franc	17.00	36.2650	617

December 31, 2023

Unit: Foreign Currency/In Thousands of Taiwan Dollars

	Foreign Currency	Exchange Rate	Carrying Amount
Financial assets			
Monetary items			
U.S. dollar	$ 67,802	30.7050	$ 2,081,860
Japanese yen	635,549	0.2172	138,041
Euro	15,846	33.9800	538,447
Hong Kong dollar	1,005	3.9290	3,949
Australian dollar	306	20.9800	6,420
Singapore dollar	154	23.2900	3,587
Investments accounted for using the equity method			
U.S. dollar	1,259,917	30.7050	38,685,751
Renminbi	6,663,558	4.33524	28,888,123
Indonesia rupiah	1,423,535,240	0.00198	2,818,600
Euro	284,469	33.9800	9,666,272
Malaysian ringgit	86,089	6.4110	551,917
Financial liabilities			
Monetary items			
U.S. dollar	132,912	30.7050	4,081,063
Euro	581	33.9800	19,742
Swiss franc	17	36.4850	620
Japanese yen	31,554	0.2172	6,854

For the years ended December 31, 2024 and 2023, realized and unrealized net foreign exchange were gain NT$224,375 thousand and gain NT$102,135 thousand, respectively. It is impractical to disclose net foreign exchange gains (losses) by each significant foreign currency due to the variety of the foreign currency transactions and functional currencies of the entities in the Group.

36. SEPARATELY DISCLOSED ITEMS

a. Information about significant transactions and b. information on investees:

1) Financing provided to others (Table 1)

2) Endorsements/guarantees provided (Table 2)

3) Marketable securities held (Table 3)

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

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

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

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

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

9) Trading in derivative instruments (Note 7)

10) Information on investees (Table 7)

c. Information on investments in mainland China

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

2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses (Table 7):

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

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

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

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

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

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

d. Information of major shareholders: List all shareholders with ownership of 5% or greater showing the name of the shareholder, the number of shares owned, and percentage of ownership of each shareholder (Table 9).

37. SEGMENT INFORMATION

The Company has provided the financial information of the operating segments in the consolidated financial statements. These parent company only financial statements do not provide such information.

TABLE 1

WALSIN LIHWA CORPORATION

FINANCING PROVIDED TO OTHERS
FOR THE YEAR ENDED DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars and U.S. Dollars)

No.	Lender	Borrower	Financial Statement Account	Related Party	Highest Balance for the Period	Ending Balance	Actual Amount Borrowed	Interest Rate (%)	Nature of Financing	Business Transaction Amount	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower (Note 1)	Aggregate Financing Limit (Note 1)
													Item	Value		
0	Walsin Lihwa Corporation	Borrego Energy Holdings, LLC & Borrego Energy, LLC	Other receivables	Yes	$ 1,641,750 (US$ 50,000)	$ - (US$ -)	$ - (US$ -)	-	Operating capital	$ -	Operating capital	$ -	None	$ -	$ 54,902,078	$ 54,902,078

Notes:

1. According to the financing regulations provided by Walsin Lihwa Corporation, the limit on the amount of financing provided to a single enterprise that holds directly or indirectly 100% of the voting rights of a subsidiary cannot exceed 40% of the equity presented in the consolidated financial statements of Walsin Lihwa Corporation.

   a. The limit on the amount of financing provided to a single enterprise was as follows:

      Borrego Energy Holdings, LLC & Borrego Energy, LLC = $137,255,194 × 40%＝$54,902,078

   b. The limit on the amount of financing provided was as follows:

      The limit on the amount of financing provided = $137,255,194 × 40% = $54,902,078

2. Amounts are stated in thousands of New Taiwan dollars, except those stated in thousands of U.S. dollars.

3. The currency exchange rate as of December 31, 2024 was as follows: US$ to NT$ = 1:32.785.

WALSIN LIHWA CORPORATION

ENDORSEMENTS/GUARANTEES PROVIDED
FOR THE YEAR ENDED DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars, U.S. Dollars and Renminbi Dollars)

No. (Note 1)	Endorsement/ Guarantor	Endorsee/Guarantee		Limits on Endorsement/ Guarantee Given on Behalf of Each Party (Note 3)	Maximum Amount Endorsed/ Guarantee During the Period	Outstanding Endorsement/ Guarantee at the End of the Period (Note 4)	Actual Amount Borrowed	Amount of Endorsement/ Guarantee by Collateral	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements (%)	Aggregate Endorsement/ Guarantee Limit (Note 3)	Guaranteed Provided by Parent Company	Guarantee Provided by A Subsidiary	Provided to Subsidiaries Mainland China
		Name	Relationship (Note 2)										
0	Walsin Lihwa Corporation	Yantai Walsin Stainless Steel Co., Ltd.	b	$ 4,242,610 (RMB 930,250)	$ 4,141,935 (RMB 900,000)	$ 4,104,648 (RMB 900,000)	$ 2,002,793 (RMB 439,140)	$ -	2.99	$ 137,255,194	Yes	No	Yes
		Walsin Energy Cable System Co., Ltd.	b	6,253,236	4,500,000	4,500,000	2,148,980	-	3.28	137,255,194	Yes	No	No

Notes:

1. The information on Walsin Lihwa Corporation and its subsidiaries is listed and labeled on the entitled “No.” column.

   a. “0” represents Walsin Lihwa Corporation.
   b. Subsidiaries are numbered consecutively starting from 1.

2. The relationship between Walsin Lihwa Corporation and the endorsed/guaranteed entities can be classified into the following categories:

   a. A company with which Walsin Lihwa Corporation does business.
   b. A company in which Walsin Lihwa Corporation directly and indirectly holds more than 50% of the voting shares.
   c. A company that directly and indirectly holds more than 50% of the voting shares in Walsin Lihwa Corporation.
   d. A company in which Walsin Lihwa Corporation directly or indirectly holds 90% or more of the voting shares.
   e. A company that fulfills Walsin Lihwa Corporation’s contractual obligations by providing mutual endorsements/guarantees for another company in the same industry or for joint builders for purposes of undertaking a construction project.
   f. A company in which all capital contributing shareholders make endorsements/guarantees for it and Walsin Lihwa Corporation’s joint-investment company in proportion to their shareholding percentages.
   g. A company in the same industry as Walsin Lihwa Corporation whereby either provides among themselves joint and several security for a performance guarantee of a sales contract for pre-construction homes pursuant to the Consumer Protection Act for each other.

3. According to the endorsements/guarantees provided and financing regulations provided by Walsin Lihwa Corporation, the total limit on the amount of endorsements/guarantees cannot exceed 100% of the equity of Walsin Lihwa Corporation’s current financial statements (including the consolidated financial statements). The limit on the amount of endorsements/guarantees provided and financing provided to a single enterprise cannot exceed the equity of the guaranteed company. The amount which is 250% of the net value multiplied by the equity percentage of the guarantee provider.

   a. The limit on the amount of endorsements/guarantees provided was as follows:

      NT$137,255,194 × 100% = $137,255,194

   b. The limit on the amount of endorsements/guarantees provided to a single entity was as follows:

      Yantai Walsin Stainless Steel Co., Ltd.: RMB372,100 × 250% × 100.00% = RMB930,250 ($4,242,610)

      Walsin Energy Cable System Co., Ltd.:2,779,216 × 250% × 90% = 6,253,236

4. The currency exchange rates as of December 31, 2024 were as follows: RMB to NT$ = 1:4.56072

WALSIN LIHWA CORPORATION

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

Holding Company Name	Type and Name of Issuer of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2024				Note
				Number of Shares/Units	Carrying Amount	Percentage of Ownership (%)	Fair Value	
Walsin Lihwa Corporation	Share							
	HannStar Display Corp.	The holding company is a director of the issuer company	Financial assets at fair value through other comprehensive income - non-current	299,632,180	$ 2,522,903	10.19	$ 2,522,903	
	HannStar Board Corp.	The chairman of the holding company and the chairman of the company are second-class relatives	Financial assets at fair value through other comprehensive income - non-current	58,653,635	3,120,373	12.06	3,120,373	
	TECO Electric & Machinery Co., Ltd.	-	Financial assets at fair value through other comprehensive income - non-current	231,104,730	12,063,167	10.81	12,063,167	
	Kuang Tai Metal Industrial Co., Ltd.	The holding company is a director of the issuer company	Financial assets at fair value through other comprehensive income - non-current	9,631,802	340,732	9.39	340,732	
	Global Investment Holdings	The holding company is a director of the issuer company	Financial assets at fair value through other comprehensive income - non-current	5,221,228	58,245	2.97	58,245	
	Universal Venture Capital Investment	-	Financial assets at fair value through other comprehensive income - non-current	1,400,000	15,269	1.16	15,269	
	Hwa Bao Botanic Conservation Corp.	The holding company is a supervisor of the issuer company	Financial assets at fair value through other comprehensive income - non-current	27,000,000	261,945	15.00	261,945	
	Tung Mung Development Co., Ltd.	-	Financial assets at fair value through other comprehensive income - non-current	14,285,000	91,751	3.43	91,751	

TABLE 4

WALSIN LIHWA CORPORATION

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

Company Name	Type and Name of Marketable Securities	Financial Statement Account	Purpose of Transaction Counterparty	Relationship	Beginning Balance		Acquisition		Disposal				Ending Balance	
					Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount	Carrying Amount	Gain on Disposal	Number of Shares	Amount
Walsin Lihwa Corporation	Share													
	Concord Industries Limited	Investments accounted for using the equity method	Capital investment	Subsidiaries	297,498,375	$ 3,685,272	35,000,000	$ (546,581) (Note 1)	-	$ -	$ -	$ -	332,498,375	$ 3,138,691
	Walsin Lihwa Europe S.a r.l.	Investments accounted for using the equity method	Capital investment	Subsidiaries	12,000	9,610,780	-	994,012 (Note 1)	-	-	-	-	12,000	10,604,792
	Walsin Singapore Pte. Ltd.	Investments accounted for using the equity method	Capital investment	Subsidiaries	733,000,000	30,809,949	140,000,000	6,182,729 (Note 1)	-	-	-	-	873,000,000	36,992,678
	Innovation West Mantewe Pte. Ltd.	Investments accounted for using the equity method	Capital investment: CNGR Hong Kong Material Science & Technology Co., Limited	Associates	40	2,444,727	2,600,000	96,057 (Note 1)	20	1,900,383	1,236,414 (Note 2)	663,969	2,600,020	1,306,723
	Winbond Electronics Corporation	Investments accounted for using the equity method	Capital investment	Associates	919,380,016	20,335,573	75,620,524	(31,926) (Note 1)	-	-	-	-	995,000,540	20,303,647

Note 1: The amount included a capital increase in cash, recognition of investment gains and losses, and changes in other equity.

Note 2: The amount included the disposal of related direct costs.

WALSIN LIHWA CORPORATION

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

Company Name	Related Party	Nature of Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Payable or Receivable		Note
			Purchase/ Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total	
Walsin Lihwa Corporation	Kuang Tai Metal Industrial Co., Ltd.	Director of the related party	Sales	$ (1,585,857)	(2)	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	$ 56,506	2	
	Walsin Singapore Pte. Ltd.	100% directly owned subsidiary	Purchases	20,436,165	26	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	(955,199)	(31)	
	Jiangyin Walsin Specialty Alloy Materials Co., Ltd.	100% indirectly owned subsidiary	Sales	(223,596)	-	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	59,057	2	
	Changshu Walsin Specialty Steel Co., Ltd.	100% indirectly owned subsidiary	Sales	(140,800)	-	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	46,057	2	
	Metalinox Cogne Acos Inoxidaveis Eseciais Ltda	70% indirectly owned subsidiary	Sales	(169,649)	-	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	55,535	2	
	Cogne Korea	A branch of a 70% indirectly owned subsidiary	Sales	(133,719)	-	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	61,065	2	
	Novametal SA	Substantive related party	Sales	(200,001)	-	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	54,994	2	
	Ferriere di Stabio SA	Substantive related party	Sales	(131,860)	-	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	8,253	-	
	Novametal do Brasil LTDA	Substantive related party	Sales	(124,592)	-	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	52,559	2	

TABLE 6

WALSIN LIHWA CORPORATION

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

Company Name	Related Party	Relationship	Financial Statement Account and Ending Balance		Turnover Rate	Overdue		Amounts Received in Subsequent Period	Allowance for Bad Debts
						Amount	Action Taken		
Walsin Lihwa Corporation	Walsin Singapore Pte. Ltd.	100% directly owned subsidiary	Other receivables	$ 351,550	-	$ -	-	$ -	$ -

WALSIN LIHWA CORPORATION

NAMES, LOCATIONS, AND RELATED INFORMATION OF INVESTEES OVER WHICH THE GROUP EXERCISES SIGNIFICANT INFLUENCE
FOR THE YEAR ENDED DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars)

Information of investees that Walsin Lihwa Corporation and its subsidiaries have controlling power or significant influence over was as follows:

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		Balance as of December 31, 2024			Net Income (Loss) of the Investee	Investment Gain (Loss)	Note
				December 31, 2024	December 31, 2023	Number of Shares	Percentage of Ownership (%)	Carrying Amount			
Walsin Lihwa Corporation	Walsin Lihwa Holdings Limited	British Virgin Islands	Investments holding	$ 103,022	$ 103,022	2,730,393	100.00	$ 22,298,258	$ 584,068	$ 583,817	
	Concord Industries Limited	British Virgin Islands	Investments holding	14,408,033	13,274,435	332,498,375	100.00	3,138,691	(1,740,641)	(1,740,641)	
	Ace Result Global Limited	British Virgin Islands	Investments holding	1,587,416	1,587,416	44,739,988	100.00	434,410	32,156	32,156	
	Min Maw Precision Industry Corp.	Taiwan	Solar power systems management, design, and installation	180,368	180,368	37,058,059	100.00	434,088	20,975	24,235	
	Waltuo Green Resources Corporation	Taiwan	Waste disposal, resource recovery and cement products	10,000	10,000	1,828,287	100.00	(3,981)	(13,232)	(13,232)	
	Chin-Cherng Construction Co.	Taiwan	Investment in the construction of residential, sale of commercial buildings, rental design and interior decoration business	135,412	135,412	529,955,805	99.22	5,340,219	(281,402)	(279,221)	
	Walsin Info-Electric Corp.	Taiwan	Mechanical and electrical, communications, and power systems	270,034	270,034	29,854,246	99.51	327,695	4,383	4,362	
	PT. Walsin Lippo Industries	Indonesia	Steel wires	481,663	481,663	10,500	70.00	1,096,757	111,506	78,054	
	PT. Walsin Lippo Kabel	Indonesia	Production and sale of cables and wires	12,004	12,004	2,999,500	70.00	11,218	(1,223)	(856)	
	Joint Success Enterprises Limited	British Virgin Islands	Investments holding	689,979	689,979	21,344,562	49.05	4,168,385	(584,134)	(286,518)	
	Chin-Xin Investment Co., Ltd.	Taiwan	Investments	2,237,969	2,237,969	179,468,270	37.00	5,039,061	284,399	105,228	
	Tsai Yi Corporation	Taiwan	Management and investments holding	457,610	457,610	49,831,505	33.97	949,671	23,380	7,651	
	Concord II Venture Capital Co., Ltd.	Taiwan	Venture capital and consulting affairs	257,860	257,860	26,670,699	26.67	164,629	(19,209)	(5,948)	
	Winbond Electronics Corp.	Taiwan	Research, development, production and sale of semiconductors and related components	9,799,646	8,211,615	995,000,540	22.11	20,303,647	601,001	131,371	
	Walton Advanced Engineering, Inc.	Taiwan	Production, sale, and testing of semiconductors	1,185,854	1,185,854	109,628,376	21.17	2,164,134	135,882	33,569	
	Walsin Technology Corp.	Taiwan	Production and sale of ceramic capacitors	1,649,039	1,649,039	88,902,325	18.30	9,047,293	2,951,540	477,766	
	PT. Walsin Nickel Industrial Indonesia	Indonesia	Production and sale of nickel pig iron	1,509,171	1,509,171	500,000	50.00	5,943,250	849,588	453,078	
	Walsin Precision Technology Corp.	Malaysia	Production and sale of stainless steel plates	434,994	434,994	32,178,385	100.00	643,154	33,358	33,358	
	Walsin Singapore Pte. Ltd.	Singapore	Investments holding	30,911,410	26,357,910	873,000,000	100.00	36,992,678	229,246	(154,914)	
	Walsin Energy Cable System Co., Ltd.	Taiwan	Submarine communication cables	2,700,000	2,700,000	270,000,000	90.00	2,499,854	(164,485)	(149,050)	
	Walsin Lihwa Europe S.a r.l.	Luxembourg	Investments holding	12,848,247	11,560,560	12,000	100.00	10,604,792	121,409	121,409	
	PT. Walsin Research Innovation Indonesia	Indonesia	Consulting and management	65,909	43,669	20,930	99.67	51,163	(8,172)	(8,132)	
	Walsin America, LLC	USA	Investments	196,654	196,654	NA	100.00	(604,877)	(201,306)	(201,306)	
	PT. CNGR Walsin New Energy and Technology Indonesia	Indonesia	Investments holding	- (Note1)	300,000	-	-	-	(4,679)	(1,365)	
	Innovation West Mantewe Pte. Ltd.	Singapore	Investments holding	1,310,393	2,452,575	2,600,020	20.00	1,306,723	42,130	16,355	
	PT CNGR Walsin New Mining Industry Investment Indonesia	Indonesia	Investments holding	- (Note2)	46,929	-	-	-	(25,591)	(7,034)	

Note 1: Walsin Lihwa Corporation disposed of all of the shares of PT. CNGR Walsin New Mining Industry Investment Indonesia in July 2024.

Note 2: Walsin Lihwa Corporation disposed of all of the shares of PT. CNGR New Energy and Technology Indonesia in July 2024.

WALSIN LIHWA CORPORATION

INFORMATION ON INVESTMENTS IN MAINLAND CHINA
FOR THE YEAR ENDED DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars, U.S. Dollars and Renminbi)

Walsin Lihwa Corporation

A. The names of investee companies in mainland China, their main businesses and products, total amount of paid-in capital, investment type, investment flows, percentage of ownership in investment, investment gain or loss, carrying amount, accumulated inward remittance of earnings and upper limit on investment in mainland China were as follows:

Investee Company	Main Businesses and Products	Paid-in Capital	Method of Investment (Note 1)	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2024	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of December 31, 2024	Net Income (Loss) of the Investee	Ownership of Direct or Indirect Investment (%)	Investment Gain (Loss) (Note 17)	Carrying Amount as of December 31, 2024	Accumulated Repatriation of Investment Income as of December 31, 2024
					Outward	Inward						
Jiangyin Walsin Steel Cable Co., Ltd.	Manufacture and sale of steel cables and wires	$ 655,700 (US$ 20,000)	b	$ 853,754 (US$ 26,041) (Note 2)	$ - -	$ - -	$ 853,754 (US$ 26,041) (Note 2)	$ (55,388)	100.00	$ (55,388)	$ 710,150	$
Shanghai Walsin Lihwa Power Wire & Cable Co., Ltd.	Manufacture and sale of cables and wires	512,331 (US$ 15,627)	b	490,332 (US$ 14,956) (Note 3)	- -	- -	490,332 (US$ 14,956) (Note 3)	(15,357)	95.71	(14,698)	601,823	-
Hangzhou Walsin Power Cable & Wire Co., Ltd.	Manufacture and sale of cables and wires	5,838,353 (US$ 178,080)	b	2,766,398 (US$ 84,380) (Note 4)	- -	- -	2,766,398 (US$ 84,380) (Note 4)	155,619	100.00	94,991	2,234,470	-
Walsin (China) Investment Co., Ltd.	Investments	2,576,901 (US$ 78,600)	b	2,576,901 (US$ 78,600) (Note 5)	- -	- -	2,576,901 (US$ 78,600) (Note 5)	(154,798)	100.00	(154,798)	4,134,990	-
Changshu Walsin Specialty Steel Co., Ltd.	Manufacture and sale of specialized steel tubes	3,180,145 (US$ 97,000)	b	3,180,145 (US$ 97,000) (Note 6)	- -	- -	3,180,145 (US$ 97,000) (Note 6)	379,989	100.00	379,989	1,751,877	-
Dongguan Walsin Wire & Cable Co., Ltd.	Manufacture and sale of bare copper cables and wires	852,410 (US$ 26,000)	b	852,410 (US$ 26,000) (Note 7)	- -	- -	852,410 (US$ 26,000) (Note 7)	(6,665)	100.00	(6,665)	1,494,074	-
Jiangyin Walsin Specialty Alloy Materials Co., Ltd.	Manufacture and sale of cold-rolled stainless steel and flat rolled products	1,606,465 (US$ 49,000)	b	1,606,465 (US$ 49,000) (Note 8)	- -	- -	1,606,465 (US$ 49,000) (Note 8)	(793,975)	100.00	(793,975)	735,959	-
XiAn Walsin Metal Product Co., Ltd. (Note 11)	Manufacture and sale of specialized stainless steel plates	1,814,650 (US$ 55,350)	b	988,468 (US$ 30,150)	- -	- -	988,468 (US$ 30,150)	(52,681)	100.00	(52,681)	(940,329)	-
Yantai Walsin Stainless Steel Co., Ltd.	Production and sale of electronic components and new alloy materials	12,132,581 (US$ 370,065) (Note 9)	b	6,980,812 (US$ 212,927)	1,147,475 (US$ 35,000)	- -	8,128,287 (US$ 247,927)	(2,156,799)	100.00	(2,156,799)	1,697,044	-
Changzhou China Steel Precision Materials Co., Ltd.	Melting and forging of nonferrous metallic materials and composites as well as new types of alloys	1,429,426 (US$ 43,600) (Note 13)	b	428,828 (US$ 13,080)	- -	- -	428,828 (US$ 13,080)	79,630	30.00	23,890	530,909	1,037,809 (US$ 31,655)

(Continued)

Investee Company	Main Businesses and Products	Paid-in Capital	Method of Investment (Note 1)	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2024	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of December 31, 2024	Net Income (Loss) of the Investee	Ownership of Direct or Indirect Investment (%)	Investment Gain (Loss) (Note 17)	Carrying Amount as of December 31, 2024	Accumulated Repatriation of Investment Income as of December 31, 2024
					Outward	Inward						
Nanjing Taiwan Trade Mart Management Co., Ltd.	Business and asset management, consulting and advertising services	$ 32,785 (US$ 1,000)	b	$ 32,785 (US$ 1,000)	$ - -	$ - -	$ 32,785 (US$ 1,000)	$ (10,727)	100.00	$ (10,727)	$ (556,162)	$ -
Dong Guan Cogne Steel Products Co., Ltd.	Stainless Steel Products	788,258 (EUR 23,089)	b	- (EUR -)	- -	- -	- (EUR -)	18,464	70.00	12,925	609,019	-
Shaanxi Tianhong Silicon Industrial Corporation	Polysilicon production	5,472,864 (RMB 1,200,000)	b	- (US$ -)	- -	- -	- (US$ -)	-	19.00	-	- (Note 10)	-
Jiangsu Taiwan Trade Mart Development Co., Ltd.	Development and management of Nanjing Taiwan Trade Mart Management Co., Ltd.	45,607 (RMB 10,000)	b	9,967 (US$ 304)	- -	- -	9,967 (US$ 304)	722	20.00	144	10,430	-
Shaanxi Electronic Group Optoelectronics Technology Co., Ltd. (Note 12)	Communications equipment and electronic components	709,634 (RMB 155,597)	b	- (RMB -)	- -	- -	- (RMB -)	35,664	6.02	-	76,825	-
Walsin (Nanjing) Development Co., Ltd.	Construction, rental and sale of buildings and industrial factories	1,639,250 (US$ 50,000)	b	1,632,693 (US$ 49,800) (Note 14)	- -	- -	1,632,693 (US$ 49,800) (Note 14)	(584,098)	99.60	(581,777)	8,399,186	-
Nanjing Walsin Property Management Co., Ltd.	Property management, business management and housing leasing	4,561 (RMB 1,000)	b	- (RMB -)	- -	- -	- (RMB -)	234	99.60	235	(22,562)	-
Hangzhou Futong Electric Industries Co., Ltd.	Power cable accessories and technology development, technical service, technical advisory	456,072 (RMB 100,000)	b	- (US$ -)	- -	- -	- (US$ -)	10,420	51.00	8,493	130,313	-

B. The upper limit on investment of WLC in mainland China was as follows:

Accumulated Outward Remittance for Investment in Mainland China as of December 31, 2024 (NT$ and US$ in Thousands)	Investment Amounts Authorized by the Investment Commission, MOEA (NT$ and US$ in Thousands)	Upper Limit on the Amount of Investments Stipulated by the Investment Commission, MOEA (NT$ in Thousands)
$ 20,972,171 (US$ 639,688)	$ 21,459,717 (US$ 654,559)	N/A (Note)

Notes:

1. Investments can be classified into three categories as follows:

   a. Direct investment in mainland China.
   b. Reinvestment in mainland China through companies in a third country companies.
   c. Others.

2. Including US$15,000 thousand investment through Walsin (China) Investment Co., Ltd.

3. Including US$14,950 thousand investment through Walsin (China) Investment Co., Ltd.

(Continued)

4. Including US$13,300 thousand investment through Walsin (China) Investment Co., Ltd., US$53,000 thousand investment through Ace Result Global Ltd. and US$22,730 thousand dividends appropriated from Dongguan Walsin Wire & Cable Co., Ltd., Jiangying Walsin Steel Cable Co., Ltd., Shanghai Walsin Lihwa Power Wire & Cable Co., Ltd. and Hangzhou Walsin Power Cable & Wire Co., Ltd.

5. Capital investment of US$28,600 thousand was contributed from the accounts payable of Walsin (China) Investment Co., Ltd. to Walsin Lihwa Holdings Limited.

6. Including US$20,000 thousand investment through Walsin Specialty Steel Corp. and US$42,000 thousand dividends appropriated from Changshu Walsin Specialty Steel Co., Ltd. and Shanghai Baihe Walsin Lihwa Specialty Steel Co., Ltd.

7. Investment through Walsin (China) Investment Co., Ltd.
8. Including investments through Walsin (China) Investment Co., Ltd. of US$4,500 thousand and US$4,500 thousand of the own capital of Walsin (China) Investment Co., Ltd.

9. Including investments of its own capital of RMB578,796 thousand from Shanghai Baihe Walsin Lihwa Specialty Steel Co., Ltd., Changzhou Wujin NSL Co., Ltd. and Changshu Walsin Specialty Steel Co., Ltd. and RMB3,750 thousand made through Changzhou Wujin NSL Co., Ltd. Including US$32,927 thousand investment through Yantai Huanghai Iron and Steel Co., Ltd. and Yantai Dazhong Recycling Resource Co., Ltd. which were merged.

10. The amount was adjusted by the capital of XiAn Lv Jing Technology Co., Ltd. of RMB228,000 thousand and by the fair value.

11. XiAn Walsin Metal Product Co., Ltd. merged XiAn Lv Jing Technology Co., Ltd. and XiAn Walsin Opto-electronic Limited.

12. Shaanxi Electronic Group Optoelectronics Technology Co., Ltd. was formerly known as Shaanxi Optoelectronics Technology Co., Ltd.

13. The amount included capitalization of retained earnings of US$7,280 thousand.

14. The amount included investment through Joint Success Enterprise Limited approved in the previous years.

15. Amounts are stated in thousands of New Taiwan dollars, except those stated in thousands of U.S. dollars and Renminbi.

16. The currency exchange rates as of December 31, 2024 were as follows: US$ to NT$ = 1:32.785, RMB to NT$ = 1:4.56072, EUR to NT$ = 1:34.14. The average exchange rates of December 31, 2024 were as follows: US$ to NT$ = 1:32.114, RMB to NT$ = 1:4.51266, EUR to NT$ = 1:34.74534

17. The basis for recognizing investment gains and losses in the current period is the financial report audited by an international accounting firm that has a cooperative relationship with the accounting firm of the Republic of China.

18. Upper limit on investment:

C. The Company was approved as the operation headquarters by the Industrial Development Bureau, Ministry of Economic Affairs and is thus exempted from the related regulations of “Regulations Governing the Approval of Investment or Technical Cooperation in Mainland China”.

(Concluded)

TABLE 9

WALSIN LIHWA CORPORATION AND SUBSIDIARIES

INFORMATION OF MAJOR SHAREHOLDERS
DECEMBER 31, 2024

Name of Major Shareholder	Shares	
	Number of Shares	Percentage of Ownership (%)
Winbond Electronics Corp.	248,002,375	6.15
Chin-Xin Investment Co., Ltd.	247,527,493	6.14
TECO Electric & Machinery Co., Ltd.	210,332,690	5.22

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

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

WALSIN LIHWA CORPORATION

THE CONTENTS OF STATEMENTS OF MAJOR ACCOUNTING ITEMS

STATEMENT 1

WALSIN LIHWA CORPORATION

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

Item	Description	Amount
Cash on hand and petty cash	Company factories and offices	$ 1,000
Cash in banks		
Checking accounts and demand deposits		257,683
Foreign currency deposits	Including US$37,994 thousand @32.785, JPY368,381 thousand @0.2099, EUR10,034 thousand @34.14 and RMB1 thousand @4.561	1,659,678
Cash equivalents		
Time deposits		80,000
		$ 1,998,361

WALSIN LIHWA CORPORATION

STATEMENT OF NOTES RECEIVABLE
DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars, Unless Specified Otherwise)

Client Name	Amount
Notes receivable from operating activities	
Client A	$ 2,391
Client B	1,658
Client C	1,143
Client D	1,026
Others (Note)	304
	6,522
Notes receivable not from operating activities	
Client E	7,643
Others (Note)	640
	8,283
	$ 14,805

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

STATEMENT 3

WALSIN LIHWA CORPORATION

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

Client Name	Amount
Unrelated parties	
Client F	$ 136,250
Client G	133,790
Client H	130,237
Client I	128,505
Others (Note)	1,884,872
	2,413,654
Less: Allowance for impairment loss	(737)
	$ 2,412,917

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

STATEMENT 4

WALSIN LIHWA CORPORATION

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

Item	Description	Amount
Other receivables	Other receivable - related parties	$ 452,825
	Business tax refund receivable	282,286
	Compensation receivable	196,262
	Futures deposits	106,984
	Discount on raw material	42,261
	Others	74,208
		$ 1,154,826

WALSIN LIHWA CORPORATION

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

Item	Description	Amount Cost	Amount Fair Value (Note 2)
Finished goods	Copper wire	$ 532,875	$ 532,875
	Wire and cables	2,457,997	2,329,136
	Special steel	2,238,599	2,099,980
		5,229,471	4,961,991
Work in process	Wire and cables	712,382	712,382
	Special steel	1,314,273	1,290,094
	Others	227,225	225,580
		2,253,880	2,228,056
Raw materials	Copper plates	11,331	11,331
	Special steel and alloy iron	1,165,765	1,161,210
	Others	367,039	346,583
		1,544,135	1,519,124
Raw materials in transit		1,387,795	1,387,795
Raw materials		1,029,462	1,029,462
Construction in progress		168,126	168,126
Less: Allowance for inventory and obsolescence losses (Note 1)		(318,315)	-
		$ 11,294,554	$ 11,294,554

Note 1: Including finished goods of $267,480 thousand, work in process of $25,824 thousand, and raw materials of $25,011 thousand.

Note 2: Fair value is the net realizable value.

WALSIN LIHWA CORPORATION

STATEMENT OF FINANCIAL ASSETS AT FVOCI - NON-CURRENT
FOR THE YEAR ENDED DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars)

Name and Type of Securities	Balance, January 1, 2024		Additions in Investment			Decrease in Investment			Balance, December 31, 2024		Collateral
	Shares	Amount	Acquired Shares	Amount		Shares	Amount		Shares	Fair Value	
HannStar Display Corp.	299,632,180	$ 3,550,641	-	$ -		-	$ 1,027,738	(Note 1)	299,632,180	$ 2,522,903	Nil
HannStar Board Corp.	63,753,952	3,525,594	-	-		5,100,317	405,221	(Note 2)	58,653,635	3,120,373	Nil
Teco Electronic and Machinery Co., Ltd.	231,104,730	10,815,701	-	1,247,966	(Note 1)	-	-		231,104,730	12,063,667	Nil
Kuang Tai Metal Industrial Co., Ltd.	9,631,802	295,107	-	45,625	(Note 1)	-	-		9,631,802	340,732	Nil
Global Investment Holdings	5,221,228	64,327	-	-		-	6,082	(Note 1)	5,221,228	58,245	Nil
Universal Venture Capital Investment	1,400,000	14,954	-	315	(Note 1)	-	-		1,400,000	15,269	Nil
Hwa Bao Botanic Conservation Corp.	27,000,000	284,474	-	-		-	22,529	(Note 1)	27,000,000	261,945	Nil
Tung Mung Development Co., Ltd.	14,285,000	84,381	-	7,370	(Note 1)	-	-		14,285,000	91,751	Nil
		$ 18,635,179		$ 1,301,276			$ 1,461,570			$ 18,474,885	

Note 1: The amount included adjustments to the valuation at fair value method at the end of the year.

Note 2: The amount included the investee company's capital reduction in cash and adjustments to the allowance for valuation at fair value at the end of the year.

WALSIN LIHWA CORPORATION

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

	Balance, January 1, 2024		Additions in Investment		Decrease in Investment		Balance, December 31, 2024			Market Value or Net Assets Value			
Name and Type of Securities	Shares	Amount	Acquired Shares	Amount	Shares	Amount	Shares	Percentage of Ownership (%)	Amount	Unit Price	Total Amount	Valuation	Collateral
Walsin Lihwa Holdings Limited	2,730,393	$ 20,583,253	-	$ 1,715,005	-	$ -	2,730,393	100.00	$ 22,298,258		$ 22,511,879	Equity method	Nil
Concord Industries Limited	297,498,375	3,685,272	35,000,000	1,133,598	-	1,680,179	332,498,375	100.00	3,138,691		3,138,691	Equity method	Nil
Min Maw Precision Industry Corp.	34,837,100	409,853	2,220,959	24,235	-	-	37,058,059	100.00	434,088		434,088	Equity method	Nil
Ace Result Limited	44,739,988	382,041	-	52,369	-	-	44,739,988	100.00	434,410		434,410	Equity method	Nil
Waltuo Green Resources Corporation	1,828,287	9,251	-	-	-	13,232	1,828,287	100.00	(3,981)		(3,981)	Equity method	Nil
Walsin Precision Technology Sdn Bhd	32,178,385	551,918	-	91,236	-	-	32,178,385	100.00	643,154		643,154	Equity method	Nil
Walsin Singapore Pte. Ltd.	733,000,000	30,809,949	140,000,000	6,182,729	-	-	873,000,000	100.00	36,992,678		34,628,842	Equity method	Nil
Walsin Lihwa Europe S.a r.l.	12,000	9,610,780	-	994,012	-	-	12,000	100.00	10,604,792		10,604,792	Equity method	Nil
Walsin America, LLC	-	(374,028)	-	-	-	230,849	-	100.00	(604,877)		(604,877)	Equity method	Nil
Chin-Cherng Construction Co.	529,955,805	5,462,298	-	-	-	122,079	529,955,805	99.22	5,340,219		5,340,219	Equity method	Nil
Walsin Info-Electric Corp.	29,854,246	348,242	-	-	-	20,547	29,854,246	99.51	327,695		327,695	Equity method	Nil
PT. Walsin Research Innovation Indonesia	13,930	36,315	7,000	22,240	-	7,392	20,930	99.67	51,163		51,141	Equity method	Nil
PT. Walsin Lippo Industries	10,500	980,706	-	116,051	-	-	10,500	70.00	1,096,757		1,096,757	Equity method	Nil
PT. Walsin Lippo Kabel	2,999,500	11,773	-	-	-	555	2,999,500	70.00	11,218		11,218	Equity method	Nil
PT. Walsin Nickel Industrial Indonesia	500,000	7,269,121	-	-	-	1,325,871	500,000	50.00	5,943,250		6,119,697	Equity method	Nil
Joint Success Enterprises Limited	21,344,562	4,237,555	-	-	-	69,170	21,344,562	49.05	4,168,385		4,107,672	Equity method	Nil
Chin-Xin Investment Co., Ltd.	179,468,270	8,575,298	-	-	-	3,536,237	179,468,270	37.00	5,039,061		5,144,522	Equity method	Nil
Tsai Yi Corporation	49,831,505	1,026,607	-	-	-	76,936	49,831,505	33.97	949,671		949,671	Equity method	Nil
PT. CNGR Walsin New Energy and Technology Indonesia	140,651	280,654	-	-	140,651	280,654	-	-	-		-	Equity method	Nil
Concord II Venture Capital Co., Ltd.	26,670,699	169,753	-	-	-	5,124	26,670,699	26.67	164,629		164,629	Equity method	Nil
Powertec Electrochemical Corp.	318,552,792	1,678,639	-	-	-	-	318,552,792	22.46	1,678,639		-	Equity method	Nil
Impairment loss	-	(1,678,639)	-	-	-	-	-	-	(1,678,639)		-	Equity method	Nil
Winbond Electronics Corp.	919,380,016	20,335,573	75,620,524	1,588,031	-	1,619,957	995,000,540	22.11	20,303,647		20,264,144	Equity method	Nil
Walton Advanced Engineering, Inc.	109,628,376	2,230,609	-	-	-	66,475	109,628,376	21.17	2,164,134		2,164,134	Equity method	Nil
Walsin Technology Corp.	88,902,325	8,631,671	-	415,622	-	-	88,902,325	18.30	9,047,293		9,047,293	Equity method	Nil
PT. CNGR Walsin New Mining Industry Investment Indonesia	22,257	45,131	-	-	22,257	45,131	-	-	-		-	Equity method	Nil
Walsin Energy Cable System Co., Ltd.	270,000,000	2,657,462	-	-	-	157,608	270,000,000	90.00	2,499,854		2,501,294	Equity method	Nil
Innovation West Mantewe Pte Ltd.	40	2,444,727	2,600,000	96,057	20	1,234,061	2,600,020	20.00	1,306,723		81,605	Equity method	Nil
		130,411,784		12,431,185		10,492,057			132,350,912		129,158,689		
Others non-current liabilities		374,028		-		(234,830)			608,858		-		
		$ 130,785,812		$ 12,431,185		$ 10,257,227			$ 132,959,770		$ 129,158,689		

STATEMENT 8

WALSIN LIHWA CORPORATION

STATEMENT OF CHANGES IN RIGHT-OF-USE ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars)

Item	Balance at January 1, 2024	Addition	Deduction	Balance at December 31, 2024
Cost				
Land	$ 63,782	$ -	$ -	$ 63,782
Buildings and improvements	2,921	7,279	(2,921)	7,279
Transportation equipments	65,101	23,590	(10,854)	77,837
	$ 131,804	$ 30,869	$ (13,775)	$ 148,898
Accumulated depreciation				
Land	$ 22,319	$ 6,211	$ -	$ 28,530
Buildings and improvements	2,642	1,875	(2,921)	1,596
Transportation equipments	31,132	17,069	(10,854)	37,347
	$ 56,093	$ 25,155	$ (13,775)	$ 67,473

WALSIN LIHWA CORPORATION

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

Item	Description	Balance, December 31, 2024	Contract Period	Annual Interest Rates (%)	Collateral
Bank loan					
Citibank, N.A.	Line of credit	$ 700,000	2024.12.30-2025.01.24	Note	Nil
Hua Nan Commercial Bank	Line of credit	1,000,000	2024.12.23-2025.01.23	Note	Nil
Bank of China	Line of credit	900,000	2024.11.21-2025.02.07	Note	Nil
Taiwan Cooperative Bank	Line of credit	2,050,000	2024.12.10-2025.12.10	Note	Nil
		$ 4,650,000			

Note: The effective interest rate ranges of the bank lines of credit were 1.81%-1.98%.

WALSIN LIHWA CORPORATION

STATEMENT OF FINANCIAL LIABILITIES AT FVTPL - CURRENT
DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars, Unless Specified Otherwise)

Item	Description	Maturity Date	Notional Amount	Fair Value
Buy futures	Copper	2025.01.09-2025.08.20	US$ 145,699	$ 293,188
Buy futures	Nickel	2025.01.22-2025.03.19	US$ 20,338	23,350
Sell futures	Copper	2025.01.15	US$ 13,222	(13,176)
				$ 303,362

WALSIN LIHWA CORPORATION

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

Vendor Name	Amount
Company A	$ 245,481
Company B	142,365
Other (Note)	1,749,537
	2,137,383
Trade payable - related parties	
Walsin Singapore Pte. Ltd.	955,199
Other (Note)	1,807
	957,006
	$ 3,094,389

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

STATEMENT 12

WALSIN LIHWA CORPORATION

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

Item	Description	Amount
Accrued expenses	Bonus	$ 809,548
	Salaries and wages	218,565
	Interest	142,103
	Others (Note)	1,014,598
		2,184,814
Payables on equipment		273,082
Other payables - others		3,816
		$ 2,461,712

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

STATEMENT 13

WALSIN LIHWA CORPORATION

STATEMENT OF OTHER CURRENT LIABILITIES
DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars)

Item	Description	Amount
Advance receipts		$ 728,881
Other current liabilities - other		6,080
		$ 734,961

WALSIN LIHWA CORPORATION

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

Creditor	Repayment	Contract Period	Annual Interest Rates (%)	Amount: Current Portion of Long-term Borrowings	Amount: Non-current Portion of Long-term Borrowings	Amount: Total	Collateral
The Export-Import Bank of the Republic of China	Principal is to be repaid evenly in seven phases; 1st repayment due 48 months after the drawdown date, after which repayments are due once every six months.	2020.12.04-2027.12.04	Note	$ 325,077	$ 650,154	$ 975,231	Nil
Bank of Taiwan	Principal repayments at maturity are from September 22, 2020 to October 4, 2027. The principal is to be repaid in two phases: From the 5th year, repayments are due once every six months; at rates of 20% and 80%, respectively.	2020.09.22-2027.10.04	Note	1,400,000	6,000,000	7,400,000	Nil
Taiwan Cooperative Bank	Principal repayment of $1,000,000 thousand is due on the 48th month, and the remaining $1,000,000 thousand is due on maturity.	2021.06.28-2026.06.28	Note	1,000,000	1,000,000	2,000,000	Nil
Hua Nan Commercial Bank	Principal repayments at maturity	2021.03.29-2026.03.29	Note	1,000,000	1,000,000	2,000,000	Nil
Taiwan Cooperative Bank	Principal repayments at maturity are from October 4, 2022 to October 4, 2027. The principal is to be repaid in two phases: From the 4th year, repayments are due once every six months; at rates of 20% and 80%, respectively.	2022.10.04-2027.10.04	Note	-	3,000,000	3,000,000	Nil
Far Eastern International Bank Co., Ltd.	Principal repayments at maturity are from October 21, 2022 to October 14, 2027. The principal is to be repaid evenly in three phases; 1st repayment is due 48 months after the drawdown date, after which repayments are due once every six months	2022.10.14-2027.10.14	Note	-	2,000,000	2,000,000	Nil
Hua Nan Commercial Bank	Principal repayments at maturity	2022.03.08-2027.03.08	Note	-	2,500,000	2,500,000	Nil
Chang Hwa Commercial Bank	Principal repayments at maturity	2022.03.08-2027.03.08	Note	-	2,000,000	2,000,000	Nil
Bank of Taiwan	Principal is to be repaid evenly in forty-eight phases; 1st repayment is due 36 months after the drawdown date.	2023.06.13-2030.06.13	Note	-	2,501,124	2,501,124	Nil
The Export-Import Bank of the Republic of China	Principal is to be repaid evenly in seven phases; 1st repayment is due 48 months after the drawdown date, after which repayments are due once every six months	2022.09.22-2029.09.22	Note	-	500,000	500,000	Nil
E.SUN Commercial Bank, Ltd.	Principal is to be repaid evenly in forty-eight phases; 1st repayment is due 36 months after the drawdown date.	2023.06.13-2028.05.15	Note	-	1,000,000	1,000,000	Nil
First Commercial Bank	Principal is to be repaid evenly in sixteen phases; 1st repayment is due 36 months after the drawdown date.	2023.06.13-2033.11.15	Note	-	1,000,000	1,000,000	Nil
Hua Nan Commercial Bank	Principal is to be repaid evenly in forty-eight phases; 1st repayment is due 36 months after the drawdown date.	2023.06.13-2030.06.13	Note	-	2,000,000	2,000,000	Nil
				$ 3,725,077	$ 25,151,278	$ 28,876,355	

Note: The effective interest rate ranges were 1.3750%-2.0719%.

STATEMENT 15

WALSIN LIHWA CORPORATION

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

Item	Lease Terms	Discount Rate	Amount
Land			$ 1,690,774
Buildings and improvements			5,592
Transportation equipments			44,544
			1,740,910
Less: Current portion			(39,596)
			$ 1,701,314

WALSIN LIHWA CORPORATION

STATEMENT OF OTHER NON-CURRENT LIABILITIES
DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars)

Item	Description	Amount
Deposits received		$ 185,557
Credit balance of investment using the equity method		608,858
		$ 794,415

WALSIN LIHWA CORPORATION

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

Item	Description	Amount
Bare copper wire	73,082 tons	$ 22,069,911
Wire and cables	34,490 tons	15,616,077
Copper communication cable	797,052 Km pair	539,847
Optical communication cable	3,500 Km core	75,308
Stainless steel	575,850 tons	45,259,313
Copper plates		1,084,844
		84,645,300
Other operating revenue		
Other		2,733,954
		$ 87,379,254

STATEMENT 18

WALSIN LIHWA CORPORATION

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

Item	Amount
Raw materials	
Raw materials inventory, January 1	$ 2,160,410
Add: Purchases of raw materials	51,047,497
Internal transfer variance, quantity variance	65,922
Other receiving (transfer among factories and part number)	264,504
Less: Other sending (resending, lending and outsourcing)	(906,015)
Selling raw materials	(715,162)
Raw materials inventory, December 31	(1,544,135)
Raw materials used	50,373,021
Direct labor	968,710
Manufacturing overhead	7,669,926
Manufacturing cost	59,011,657
Add: Work in process inventory, January 1	1,717,866
Incoming	1,642,633
Work in process variance reserved	(36,052)
Less: Others (picking for R&D, sample and outsourcing)	(421,650)
Internal transfer variance, quantity variance	(244,933)
Selling work in process	(51,386)
Work in process inventory, December 31	(2,253,880)
Cost of finished goods	59,364,255
Add: Finished goods inventory, January 1	4,470,009
Purchases of finished goods	2,548,951
Receiving from outsourcing and returned goods	20,002,038
Finished goods variance reserved	236,314
Less: Selling expense and picking for construction in progress, etc.	(1,325,275)
Internal transfer of returned goods	(211,241)
Others (retirement)	(85,621)
Finished goods inventory, December 31	(5,229,471)
Cost of finished goods sold	79,769,959
Add: Cost	766,548
Idle capacity loss	668,216
Loss on reduction of inventory to LCM	33,362
Less: More or less clause and gain on physical inventory	(268,687)
Others	(2,153,154)
Variance allocation	(609,951)
Cost of goods sold	78,206,293
Construction cost	1,313,250
Other operating costs	270,090
	$ 79,789,633

WALSIN LIHWA CORPORATION

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

Item	Description	Amount
Selling and marketing expenses	Warehousing and shipping expense	$ 672,315
	Salary and wages expense	232,343
	Other (Note)	148,653
		$ 1,053,311

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

WALSIN LIHWA CORPORATION

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

Item	Description	Amount
General and administrative expenses	Salary and wages expense	$ 1,178,964
	Depreciation expense	201,091
	Professional service fee	106,062
	Insurance expense	95,813
	Other (Note)	412,307
	Less: Administrative expense of investment enterprise (the deduction of investment income)	(435,899)
		$ 1,558,338

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

WALSIN LIHWA CORPORATION

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

Item	Description	Amount
Research and development expenses	Salary and wages expense	$ 87,115
	Miscellaneous expenses	85,640
	Inspection expense	58,031
	Research outsourcing expense	26,259
	Process development cost	24,945
	Depreciation expense	20,773
	Consumption of raw material expense	17,797
	Others (Note)	51,595
		$ 372,155

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

WALSIN LIHWA CORPORATION

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

Item	Description	Amount
Other income	Insurance compensation	$ 228,881
	Government grants	38,319
	Financial income	25,307
	Others (Note)	14,908
		$ 307,415

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

WALSIN LIHWA CORPORATION

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

Item	Description	Amount
Miscellaneous expenses	Business interruption loss	$ 96,999
	Disposal loss	53,610
	Employee benefits	49,130
	Others	37,270
		$ 237,009

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

WALSIN LIHWA CORPORATION

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

	For the Year Ended December 31, 2024			
	Operating Costs	Operating Expenses	Non-operating Expenses and Losses	Total
Employee benefits expense				
Salaries and wages expense	$ 1,792,237	$ 1,448,396	$ -	$ 3,240,633
Labor/health insurance	$ 163,434	$ 94,956	$ -	$ 258,390
Pension expense	$ 67,051	$ 50,026	$ -	$ 117,077
Directors' salaries	$ -	$ 27,000	$ -	$ 27,000
Depreciation				
Property, plant and equipment	$ 1,172,321	$ 209,937	$ -	$ 1,382,258
Right-of-use assets	7,552	17,603	-	25,155
Investment property	67,701	2,180	-	69,881
	$ 1,247,574	$ 229,720	$ -	$ 1,477,294
Amortization expense	$ -	$ 16,440	$ -	$ 16,440

	For the Year Ended December 31, 2023			
	Operating Costs	Operating Expenses	Non-operating Expenses and Losses	Total
Employee benefits expense				
Salaries and wages expense	$ 1,733,457	$ 1,526,618	$ -	$ 3,260,075
Labor/health insurance	$ 167,052	$ 100,329	$ -	$ 267,381
Pension expense	$ 70,182	$ 52,513	$ -	$ 122,695
Directors' salaries	$ -	$ 30,000	$ -	$ 30,000
Depreciation				
Property, plant and equipment	$ 1,096,208	$ 188,090	$ -	$ 1,284,298
Right-of-use assets	7,123	45,826	-	52,949
Investment property	69,296	2,180	-	71,476
	$ 1,172,627	$ 236,096	$ -	$ 1,408,723
Amortization expense	$ -	$ 28,191	$ -	$ 28,191

(Continued)

Note 1: As of December 31, 2024 and 2023, the Company had 2,950 and 3,003 employees, of which 11 and 11 were non-employee directors for respective years.

Note 2: The average employee benefits expenses were $1,231 thousand and $1,220 thousand for the years ended December 31, 2024 and 2023, respectively. The average salaries and wages were $1,103 thousand and $1,090 thousand for the years ended December 31, 2024 and 2023, respectively.

Note 3: There was a 0.4% adjusted change in the average salaries and wages.

Note 4: The Company did not have supervisions for the years ended December 31, 2024 and 2023. Therefore, there's no compensation to the supervisor.

Note 5: The company's compensation policy:

a. The Company's remuneration is established on the principle of being able to attract and retain talent as follows:

1) Salary:

a) A reasonable and competitive overall remuneration based on the market value of each professional function and the employee's contribution to their responsibilities.

b) Bonus payments are made in accordance with the Company's operational performance, the achievement of team objectives and the employee's personal contribution and performance.

c) Employees are paid and compensated on the basis of their academic experience, technical expertise, professional seniority and personal performance, without discrimination based on gender, race, religion, political affiliation, marital status or union affiliation.

d) The starting salary standards for fresh graduates and foreign workers comply with local laws and regulations.

e) The Company creates harmonious labor relations within the scope of the law, in accordance with the relevant local laws and regulations.

f) The Company reviews its profitability and conducts market salary survey annually to plan salary adjustments.

2) Bonuses and Rewards: The reward and compensation system offered by the Company is designed to motivate employees who perform well in their work. Performance bonuses and production bonuses are granted based on the Company's operational performance, achievement of team goals and individual performance, and employees are remunerated according to the Company's profitability.

3) The Company establishes compensation committee to ensure the compensation arrangements of the Company comply with applicable laws and regulations and are sufficient to recruit outstanding talents.

(Continued)

b. Compensation for employees and directors:

The Company's Article 25-1 includes the amount and coverage of compensation for employees and directors. If the Company turns a profit in a year, no less than 1% of the profit should be distributed to its employees as compensation and no more than 1% to directors as compensation. The actual amount should be determined by a board meeting where no less than two-thirds of the directors are present and more than half of the directors present votes to approve the suggested amounts. The amounts should be reported to the shareholders meeting. However, if the Company still has accumulated deficit from previous terms, it should first reserve the amount needed to settle the outstanding balance.

c. Remuneration of directors and supervisors:

The Company's Independent Directors and Directors who are authorized by the Board of Directors to regularly involve in the Company's operation may receive remuneration; the amount of remuneration shall be reviewed in accordance with Director's participation and value contributed in the Company's operation, together with reference of international and domestic industrial practice, by the Remuneration Committee and submitted to the Board of Directors for approval.

d. Manager compensation:

To ensure that the manager's performance is closely linked with the Company's strategy and has a competitive salary, the company has formulated the "Manager Performance Evaluation and Salary Management Regulation" as the basis of manager performance review and remuneration payment. The abovementioned regulation includes the manager's performance evaluation and salary compensation policy, system, standard and structure, which shall be submitted to the board of directors after deliberation by the remuneration committee. The manager's remuneration includes salary and bonus. Salary refers to the company's business strategy and profitability, as well as factors such as the manager's professional ability, the scope of responsibility, and market competitiveness; bonus takes individual performance evaluation, company operating performance and future risks into account. However, if there are significant risk events that can affect the company's goodwill, improper internal management, personnel fraud and other risk events, the bonus will be reduced or not be issued.

(Concluded)