TYCOONS GROUP ENTERPRISE CO., LTD.
AND SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENTS
WITH REPORT OF INDEPENDENT ACCOUNTANTS
FOR THE YEARS ENDED
DECEMBER 31, 2024 AND 2023

Address: No.79-1, Sinle St., Gangshan Dist., Kaohsiung City 820, Taiwan (R.O.C.)
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The reader is advised that these consolidated financial statements have been prepared originally in Chinese. In the event of a conflict between these financial statements and the original Chinese version or difference in interpretation between the two versions, the Chinese language financial statements shall prevail.

Consolidated Financial Statements

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REPRESENTATION LETTER

The entities included in the consolidated financial statements as of December 31, 2024 and for the year then ended prepared under the International Financial Reporting Standards, No.10 are the same as the entities to be included in the combined financial statements of the Company, if any to be prepared, pursuant to the Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises (referred to as "Combined Financial Statements"). Also, the footnotes disclosed in the Consolidated Financial Statements have fully covered the required information in such Combined Financial Statements. Accordingly, the Company did not prepare any other set of Combined Financial Statements than the Consolidated Financial Statements.

Very truly yours,

TYCOONS GROUP ENTERPRISE CO., LTD.

Chairman:Huang, Wen-Song

President: Lu, Yan-Juan

Chief finance officer: Zhou, Bi-Wan

March 10, 2025

安永聯合會計師事務所

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Independent Auditors' Report

To TYCOONS GROUP ENTERPRISE CO., LTD.

Opinion

We have audited the accompanying consolidated balance sheets of TYCOONS GROUP ENTERPRISE CO., LTD. (the "Company") and its subsidiaries as of December 31, 2024, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the years ended December 31, 2024, and notes to the consolidated financial statements, including the summary of significant accounting policies (together "the consolidated financial statements").

In our opinion, based on our audits, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Company and its subsidiaries as of December 31, 2024 , and their consolidated financial performance and cash flows for the years ended December 31, 2024, in conformity with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards, International Accounting Standards, interpretations developed by the International Financial Reporting Interpretations Committee or the former Standing Interpretations Committee as endorsed and became effective by Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and the Standards on Auditing of Republic of China. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Company and its subsidiaries in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China (the "Norm"), and we have fulfilled our other ethical responsibilities in accordance with the Norm. 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 2024 consolidated financial statements. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Inventory Valuation

As of December 31, 2024, the Company's and its subsidiaries' net inventories, sold wire rod and spheroidized wire, amounted to NT$2,678,539 thousand, representing 29% of the total consolidated assets, which is significant for the financial statements. Since the raw materials of inventories are significantly affected by the price of the international market and the speed of change of the respective industries. Evaluation involves management's significant accounting estimation and judgement; Therefore, we considered this a key audit matter.

Our audit procedures included, but not limited to, assessing the appropriateness of the accounting policy of inventories evaluation; evaluating and testing the internal controls established by management for inventory write-downs, including conducting walkthrough tests to verify the design and operational effectiveness of control points; obtaining and sampling the allowance for inventory write-down calculation reports to verify the accuracy of the net realizable value amounts adopted by management; reviewing original documents related to inventory movements to confirm the accuracy of aging classifications; analyzing market value information of inventory items ,such as steel raw materials, to assess the reasonableness of obsolescence, evaluating the provision rate for slow-moving inventories, and recalculating the accuracy of the inventory write-down allowance; understanding the warehouse management process, reviewing the annual stocktaking plan, and participating in the annual physical inventory count to assess the effectiveness of management's classification and control of slow-moving inventories. Please refer to Notes 5 and 6 to the Company's consolidated financial statements.

Revenue Recognition

The Company and its subsidiaries primarily generate revenue from the sale of goods. Revenue is recognized upon the completion of sales and fulfillment of performance obligations in accordance with the terms of the contracts. Since the timing of fulfilling performance obligations varies depending on contractual agreements. Therefore, we considered this a key audit matter.

Our audit procedures included, but not limited to, understanding and testing the design and effectiveness of internal controls established by management for revenue recognition; conducting substantive tests by sampling sales revenue details, reviewing related transaction documents such as contracts, customer orders, and shipping documents, and verifying key contract or order terms to identify performance obligations, price allocation, and the timing of fulfillment, ensuring the accuracy of revenue recognition timing. Additionally, a sample of sales transactions within a specified period before and after the balance sheet date is selected and matched with relevant supporting documents to confirm the proper cut-off of revenue recognition. Analytical procedures are performed on the top ten customers of the current and prior periods to identify new transaction partners or patterns, and for newly added transaction partners, transaction verification tests are conducted to check supporting documents and confirm the appropriateness of revenue recognition timing. Please refer to Notes 4 and 6 to the Company's consolidated financial statements.

Other Matters - Making reference to the audits of component auditors

We did not audit the financial statements of certain consolidated subsidiaries of the Group. Those statements were audited by other auditors, whose reports have been furnished to us, and our opinion expressed herein, insofar as it relates to the amounts included in the consolidated financial statements relative to these consolidated subsidiaries, was based solely on the reports of other auditors. The total assets of the subsidiaries amounted to NT$1,238,439 thousand, representing 13.5% of total consolidated assets as of December 31, 2024. And the total revenues of the subsidiaries amounted to NT$37,411 thousand, representing 0.5% of total consolidated revenues for the years ended December 31, 2024.

We did not audit the financial statements of certain subsidiaries, associates and joint ventures accounted for under the equity method. Those financial statements were audited by other auditors, whose reports thereon have been furnished to us, and our opinion expressed herein are based solely on the reports of other auditors. The subsidiaries, associates and joint ventures accounted for under the equity method amounted to NT$177,173 thousand, representing 2% of total consolidated assets as of December 31, 2024. And the related share of profit from the subsidiaries, associates and joint ventures accounted for under the equity method amounted to NT$(158,884) thousand, representing 59% of the consolidated other comprehensive income for the year ended December 31, 2024.

Other Matters

The consolidated financial statements of the Company and its subsidiaries for the year ended December 31, 2023, were audited by another independent accountant, who issued an unqualified opinion on March 13, 2024.

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

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

In preparing the consolidated financial statements, management is responsible for assessing the ability to continue as a going concern of the Company and its subsidiaries, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company and its subsidiaries 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 financial reporting process of the Company and its subsidiaries.

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

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

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

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

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

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

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

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

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

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

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

Other

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

Chen, Cheng-Chu

Lee, Fang-Wen

Ernst & Young, Taiwan

March 10, 2025

Notice to Readers

The accompanying consolidated financial statements are intended only to present the consolidated financial position, results of operations 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 review such consolidated financial statements are those generally accepted and applied in the Republic of China.

English Translation of Consolidated Financial Statements Originally Issued in Chinese

TYCOONS GROUP ENTERPRISE CO., LTD. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars)

Assets	Notes	December 31, 2024	%	December 31, 2023	%
Current assets					
Cash and cash equivalents	4,6.(1)	$879,861	10	$1,144,612	13
Financial assets at fair value through profit or loss, current	4,6.(2)	11,450	0	11,687	0
Notes receivable, net	4,6.(5)	106,970	1	36,704	0
Accounts receivable, net	4,6.(6)	713,620	8	534,533	6
Accounts receivable - related parties, net	4,6.(6),7,8	-	-	15,406	0
Other receivables	4,7	69,144	1	126,281	2
Current tax assets	4,6.(23)	2,167	0	2,171	0
Inventories	4,6.(7)	2,678,539	29	2,271,293	26
Prepayments		156,813	2	159,458	2
Non-current assets or disposal groups classified as held for sale	4,6.(8)	-	-	278,718	3
Other current assets		33,812	0	18,773	0
Other current financial assets	8	22,477	0	3,964	0
Total current assets		4,674,853	51	4,603,600	52
Non-current assets					
Financial assets at fair value through other comprehensive income, non-current	4,6.(2)	105,407	1	101,371	1
Financial assets at amortized cost, non-current	4,6.(4)	82,771	1	63,466	1
Investments accounted for using the equity method	4,6.(8)	177,173	2	444,725	5
Property, plant and equipment	4,6.(10),8	3,539,300	39	3,172,411	36
Right-of-use assets	4,6.(19)	39,000	0	28,599	0
Investment property	4,6.(11)	316,525	4	294,389	3
Intangible assets	4	16,895	0	12,203	0
Deferred tax asset	4,6.(23)	22,079	0	67,514	1
Refundable deposits		5,452	0	5,421	0
Other non-current assets, other		226,304	2	117,385	1
Total non-current assets		4,530,906	49	4,307,484	48
Total Assets		$9,205,759	100	$8,911,084	100

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

English Translation of Consolidated Financial Statements Originally Issued in Chinese

TYCOONS GROUP ENTERPRISE CO., LTD. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars)

Liabilities and Equity	Notes	December 31, 2024	%	December 31, 2023	%
Current liabilities					
Short-term borrowings	4,6.(12)	$1,565,281	18	$945,652	11
Financial liabilities at fair value through profit or loss, current	4,6.(13)	-	-	6,691	0
Contract liabilities, current	4,6.(17)	110,144	1	176,193	2
Notes payable		87,111	1	80,456	1
Accounts payable	7	220,971	2	168,597	2
Other payables	4,6.(23)	211,640	2	139,647	2
Current tax liabilities	4,6.(9)	-	-	4,687	0
Liabilities related to non-current assets or disposal groups classified as held for sale	4,6.(19)	-	-	120,005	1
Lease liabilities, current	4,6.(14)	6,488	0	5,639	0
Long-term loans payable due within one year		9,317	0	9,325	0
Other current liabilities, other		12,427	0	36,282	0
Total current liabilities		2,223,379	24	1,693,174	19
Non-current liabilities					
Long-term borrowings	4,6.(14)	205,274	3	214,687	3
Lease liabilities, non-current	4,6.(23)	37,200	0	36,130	0
Deferred tax liabilities	4,6.(19)	12,024	0	3,322	0
Net defined benefit liabilities, non-current		56,158	1	50,859	1
Guarantee deposits		1,585	0	8,149	0
Other non-current liabilities		2	0	-	-
Total non-current liabilities		312,243	4	313,147	4
Total liabilities		2,535,622	28	2,006,321	23
Equity attributable to the parent company	6.(16)				
Share capital					
Common stock		3,371,682	37	3,371,682	38
Capital surplus		112,693	1	129,054	1
Retained earnings					
Legal reserve		8,130	0	-	-
(Accumulated deficit) Unappropriated earnings		(158,904)	(2)	81,298	1
Total retained earnings		(150,774)	(2)	81,298	1
Other components of equity		43,029	0	34,085	0
Total equity attributable to the parent company		3,376,630	36	3,616,119	40
Non-controlling interests		3,293,507	36	3,288,644	37
Total equity		6,670,137	72	6,904,763	77
Total liabilities and equity		$9,205,759	100	$8,911,084	100

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

English Translation of Consolidated Financial Statements Originally Issued in Chinese

TYCOONS GROUP ENTERPRISE CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

For the years ended December 31, 2024 and 2023

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

Accounting	Notes	For the years ended December 31			
		2024	%	2023	%
Operating revenues	4,6.(17),7	$8,003,810	100	$8,420,093	100
Operating costs	4,6.(7)(20),7	(7,340,970)	(92)	(7,232,718)	(86)
Gross profit		662,840	8	1,187,375	14
Operating expenses	6.(20),7				
Sales and marketing expenses		(533,582)	(7)	(516,505)	(6)
Administrative expenses		(290,711)	(4)	(288,004)	(3)
Research and development expenses		(10,132)	(0)	(11,868)	(0)
Gains on reversal of expected credit	4,6.(18)	1,415	0	32,774	0
Total operating expense		(833,010)	(11)	(783,603)	(9)
Operating (loss) income		(170,170)	(3)	403,772	5
Non-operating income and (expenses)	4,6.(21)				
Interest income		8,144	0	12,815	0
Other income		613	0	108,963	1
Other gains and (losses)		(28,913)	(0)	22,506	0
Finance costs		(95,222)	(1)	(80,811)	(1)
Share of profit (loss) of associates accounted for using the equity method	4,6.(8)	(163,481)	(2)	(96,506)	(1)
Total non-operating income and expense		(278,859)	(3)	(33,033)	(1)
(Loss) Gain from continuing operations before income tax		(449,029)	(6)	370,739	4
Income tax (benefit) expense	4,6.(23)	(44,955)	(1)	(27,655)	(0)
Profit (loss) from continuing operations		(493,984)	(7)	343,084	4
Loss from discontnued operations		-	-	(147,664)	(2)
Net (loss) income		(493,984)	(7)	195,420	2
Other comprehensive income (loss)	4,6.(22)				
Items that will not be reclassified to profit or loss					
Unrealized (losses) gains from investment in equity instruments measured at fair value through other comprehensive income		(517)	(0)	870	0
Share of other comprehensive income of associates, and joint ventures accounted for using the equity method		662	0	1,078	0
Income tax benefit related to items that will not be reclassified subsequently to profit or loss		32	0	361	0
Items that will be reclassified to profit or loss					
Exchange differences on translation of foreign financial statements, net after tax		227,829	3	(23,461)	(0)
Equity related to non-current assets or disposal groups classified as held for sale		-	-	(3,383)	(0)
Income tax benefit (expense) related to items that may be reclassified subsequently to profit or loss		(2,324)	(0)	6,403	0
Total other comprehensive income (loss), net of tax		225,682	3	(18,132)	(0)
Total comprehensive (loss) income		($268,302)	(4)	$177,288	2
Net (loss) income attributable to:					
(Loss) profit, attributable to the parent company		($165,301)	(2)	$80,877	1
(Loss) profit, attributable to non-controlling interests		(328,683)	(4)	114,543	1
		($493,984)	(6)	$195,420	2
Comprehensive (loss) income attributable to:					
Comprehensive (loss) income, attributable to the parent company		($155,695)	(2)	$47,223	1
Comprehensive (loss) income, attributable to non-controlling interests		(112,607)	(2)	130,065	1
		($268,302)	(4)	$177,288	2
(Loss) earnings per share (NTD)	6.(24)				
(Loss)earnings per share - Basic		($0.49)		$0.24	
(Loss)earnings per share - Diluted		($0.49)		$0.24	

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

English Translation of Consolidated Financial Statements Originally Issued in Chinese
TYCOONS GROUP ENTERPRISE CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
For the years ended December 31, 2024 and 2023
(Expressed in Thousands of New Taiwan Dollars)

Accounting	Equity attributable to the parent company								Non-controlling interests	Total equity
			Retained earnings		Other components of equity					
	Common stock	Capital surplus	Legal reserve	Undistributed earnings (Accumulated deficit)	Exchange differences on translation of foreign financial statements	Unrealized gains or losses on financial assets measured at fair value through other comprehensive income	Equity directly related to non-current assets held for sale	Total		
Balance as of January 1, 2023	$4,797,520	$30,629	$16,248	($1,442,086)	$91,574	($1,468)	($21,946)	$3,470,471	$3,016,563	$6,487,034
Net income in 2023	-	-	-	80,877	-	-	-	80,877	114,543	195,420
Other comprehensive income (loss) in 2023	-	-	-	421	(32,247)	1,555	(3,383)	(33,654)	15,522	(18,132)
Total comprehensive income (loss)	-	-	-	81,298	(32,247)	1,555	(3,383)	47,223	130,065	177,288
Capital reduction to offset losses	(1,425,838)	-	(16,248)	1,442,086	-	-	-	-	-	-
The differences between the fair value of the consideration paid or received from acquiring or disposing of subsidiaries and the carrying amounts of subsidiaries	-	33,122	-	-	-	-	-	33,122	1,332	34,454
Restructuring	-	65,303	-	-	-	-	-	65,303	-	65,303
Reclassified as discontinued operations	-	-	-	-	3,954	-	(3,954)	-	-	-
Decrease in non-controlling interest	-	-	-	-	-	-	-		140,684	140,684
Balance as of December 31, 2023	$3,371,682	$129,054	$-	$81,298	$63,281	$87	($29,283)	$3,616,119	$3,288,644	$6,904,763
Balance as of January 1, 2024	$3,371,682	$129,054	$-	$81,298	$63,281	$87	($29,283)	$3,616,119	$3,288,644	6,904,763
Legal reserve	-	-	8,130	(8,130)	-	-	-	-	-	
Cash dividends	-	-	-	(67,433)	-	-	-	(67,433)	-	(67,433)
Net (loss) in 2024	-	-	-	(165,301)	-	-	-	(165,301)	(328,683)	(493,984)
Other comprehensive income (loss) in 2024	-	-	-	662	(19,944)	(395)	29,283	9,606	216,076	225,682
Total comprehensive income (loss)	-	-	-	(164,639)	- 19,944	(395)	29,283	(155,695)	(112,607)	(268,302)
The differences between the fair value of the consideration paid or received from acquiring or disposing of subsidiaries and the carrying amounts of subsidiaries	-	(16,361)	-	-	-	-	-	(16,361)	20,155	3,794
Change in non-controlling interests	-	-	-	-	-	-	-	-	97,315	97,315
Balance as of December 31, 2024	$3,371,682	$112,693	$8,130	($158,904)	$43,337	($308)	$-	$3,376,630	$3,293,507	$6,670,137

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

English Translation of Consolidated Financial Statements Originally Issued in Chinese
TYCOONS GROUP ENTERPRISE CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the years ended December 31, 2024 and 2023
(Expressed in Thousands of New Taiwan Dollars)

Accounting	For the years ended December 31	
	2024	2023
Cash flows from operating activities:		
(Loss) Profit before income tax from continuing operations	($449,029)	$370,739
Loss before tax from discontinued operations	-	(146,666)
Adjustments for:		
Depreciation	271,935	288,532
Amortization	3,185	22,324
(Gains) on reversal expected credit	(1,415)	(32,774)
Net (gain) on financial assets and liabilities at fair value through profit or loss	(8,250)	(49,058)
Interest expense	95,418	83,319
Interest income	(8,144)	(12,880)
Dividend income	(613)	(571)
Share of loss of associates accounted for using the equity method	163,481	96,506
Loss on disposal of property, plant and equipment	21,078	41,095
Property, plant and equipment transferred to expenses	10,353	8,977
(Gains) on disposal of investments	(7,934)	-
Loss on impairment of financial assets	156,458	-
(Gain) loss on impairment of non-financial assets	(2,386)	7,582
Purchase of bargain gain	-	(106,228)
Subtotal	693,166	346,824
Changes in operating assets and liabilities:		
Decrease (Increase) in financial assets mandatorily measured at fair value through profit or loss	1,173	(3,701)
(Increase) Decrease in notes receivable	(70,266)	26,414
(Increase) Decrease in accounts receivable	(177,672)	286,085
Decrease in accounts receivable - related parties	15,406	-
Decrease (Increase) in other receivables	57,137	(31,827)
(Increase) Decrease in inventories	(407,246)	670,618
Decrease (Increase) in prepayments	2,645	(95,060)
(Increase) Decrease in other current assets	(15,039)	15,890
(Decrease) Increase in contract liabilities	(66,049)	62,167
(Decrease) in notes payable	-	(25,838)
Increase (Decrease) in accounts payable	59,029	(86,160)
Increase in other payables	75,556	98,142
(Decrease) in other current liabilities	(23,855)	(80,551)
Increase in net defined benefit liabilities, non-current	5,299	3,560
Subtotal	(543,882)	839,739
Cash (used in) provided by operations	(299,745)	1,410,636
Interest received	8,144	12,032
Interest paid	(95,222)	(70,044)
Income tax paid	(4,683)	(55,760)
Net cash (used in) provided by operating activities	(391,506)	1,296,864
Cash flows from investing activities:		
Acquisition of financial assets measured at amortized cost	(19,305)	(32,410)
Acquisition of investments accounted for using the equity method	122	-
Net cash flow from acquisition of subsidiaries	-	(249,424)
Disposal of holding shares in subsidiaries	20,175	-
Acquisition of property, plant and equipment	(500,662)	(375,505)
Disposal of property, plant and equipment	1,372	28,219
Increase in refundable deposits	(31)	(779)
Acquisition of intangible assets	(626)	(3,007)
Acquisition of rigft-of-use assets	-	(5,559)
Acquisition of investment properties	-	(91,433)
Increase (Decrease) in other financial assets	(18,513)	16,698
(Increase) in other non-current assets	(108,919)	(114,720)
Dividends received	613	9,321
Net cash (used in) investing activities	(625,774)	(818,599)
Cash flows from financing activities:		
Increased in short-term borrowings	4,936,758	-
Decreased in short-term borrowings	(4,114,962)	(489,424)
Repayments of long-term borrowings	(9,323)	54,398
(Decrease) in guarantee deposits received	(6,562)	(3,633)
Payment of lease liabilities	(8,042)	(6,888)
Cash dividends paid	(67,433)	-
Acquisition of holding shares in subsidiaries	-	(6,571)
Change in non-controlling interests	97,315	37,253
Net cash provided by (used in) financing activities	827,751	(414,865)
Impact of exchange differences on cash and cash equivalents	(75,222)	(115,539)
Net (decrease) in cash and cash equivalents	(264,751)	(52,139)
Cash and cash equivalents at beginning of period	1,144,612	1,206,169
Cash and cash equivalents at end of period	$879,861	$1,154,030
Reconciliation of the cash and cash equivalents at the end of the period		
Cash and cash equivalents on the consolidated balance sheets	$897,861	$1,144,612
Cash and cash equivalents included in non-current assets held for sale	-	9,418
Cash and cash equivalents at end of period	$897,861	$1,154,030

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

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

1. HISTORY OF ORGANIZATION

Tycoons Group Enterprise Co., Ltd. (the "Company") was incorporated under the Company Law in November, 1980. The address of its registered office and principal place of business is No. 79-1, Sinle St., Gangshan Dist., Kaohsiung City, Taiwan. The main business of the Company and its subsidiaries (the "Group") is to produce, process, commerce, export screws, screw nuts, washer, steel thread, heat-processing of metal-blazed, mechanical parts, press-modeling machines as well as heat-processing equipment, and to manufacture, process and export various metal-models, general international trade business excluding futures transactions and investment. On March 27, 1995, the Company's stocks were approved for listing on the Taiwan Stock Exchange.

2. DATE AND PROCEDURES OF AUTHORIZATION OF FINANCIAL STATEMENTS FOR ISSUEre

The consolidated financial statements of the Company and its subsidiaries ("the Group") for the years ended December 31, 2024 were authorized for issue by the Board of Directors on March 10, 2025.

3. NEWLY ISSUED OR REVISED STANDARDS AND INTERPRETATIONS

(1) Changes in accounting policies resulting from applying for the first-time certain standards and amendments

The Group applied for the first time International Financial Reporting Standards, International Accounting Standards, and Interpretations issued, revised or amended which are recognized by Financial Supervisory Commission ("FSC") and become effective for annual periods beginning on or after 1 January 2025.

(2) Standards or interpretations issued, revised or amended, by International Accounting Standards Board ("IASB") which have been endorsed by FSC, and not yet adopted by the Group as at the end of the reporting period are listed below.

Items	New, Revised or Amended Standards and Interpretations	Effective Date issued by IASB
a	Lack of Exchangeability – Amendments to IAS 21	1 January 2025

(a) Lack of Exchangeability – Amendments to IAS 21

These amendments specify whether a currency is exchangeable into another currency and, when it is not, to determining the exchange rate to use and the disclosures to provide.

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

The abovementioned standards and interpretations were issued by IASB and endorsed by FSC so that they are applicable for annual periods beginning on or after January 1, 2025. As the Group has determined the potential impact of the standards and interpretations, there is no material impact on the Group.

(3) Standards or interpretations issued, revised or amended, by IASB which are not endorsed by FSC, and not yet adopted by the Group as at the end of the reporting period are listed below.

Items	New, Revised or Amended Standards and Interpretations	Effective Date issued by IASB
a	IFRS 10 "Consolidated Financial Statements" and IAS 28 "Investments in Associates and Joint Ventures" — Sale or Contribution of Assets between an Investor and its Associate or Joint Ventures	To be determined by IASB
b	IFRS 17 "Insurance Contracts"	1 January 2023
c	IFRS 18 "Presentation and Disclosure in Financial Statements"	1 January 2027
d	Disclosure Initiative – Subsidiaries without Public Accountability: Disclosures (IFRS 19)	1 January 2027
e	Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7	1 January 2026
f	Annual Improvements to IFRS Accounting Standards – Volume 11	1 January 2026
g	Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7	1 January 2026

(a) IFRS 10 "Consolidated Financial Statements" and IAS 28"Investments in Associates and Joint Ventures" — Sale or Contribution of Assets between an Investor and its Associate or Joint Ventures

The amendments address the inconsistency between the requirements in IFRS 10 *Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures*, in dealing with the loss of control of a subsidiary that is contributed to an associate or a joint venture. IAS 28 restricts gains and losses arising from contributions of non-monetary assets to an associate or a joint venture to the extent of the interest attributable to the other equity holders in the associate or joint ventures. IFRS 10 requires full profit or loss recognition on the loss of control of the subsidiary. IAS 28 was amended so that the gain or loss resulting from the sale or contribution of assets that constitute a business as defined in IFRS 3 between an investor and its associate or joint venture is recognized in full.

IFRS 10 was also amended so that the gains or loss resulting from the sale or contribution of a subsidiary that does not constitute a business as defined in IFRS 3 between an investor and its associate or joint venture is recognized only to the extent of the unrelated investors' interests in the associate or joint venture.

(b) IFRS 17 "Insurance Contracts"

IFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects (including recognition, measurement, presentation and disclosure requirements). The core of IFRS 17 is the General (building block) Model, under this model, on initial recognition, an entity shall measure a group of insurance contracts at the total of the fulfilment cash flows and the contractual service margin. The carrying amount of a group of insurance contracts at the end of each reporting period shall be the sum of the liability for remaining coverage and the liability for incurred claims.

Other than the General Model, the standard also provides a specific adaptation for contracts with direct participation features (the Variable Fee Approach) and a simplified approach (Premium Allocation Approach) mainly for short-duration contracts.

IFRS 17 was issued in May 2017 and it was amended in 2020 and 2021. The amendments include deferral of the date of initial application of IFRS 17 by two years to annual beginning on or after 1 January 2023 (from the original effective date of 1 January 2021); provide additional transition reliefs; simplify some requirements to reduce the costs of applying IFRS 17 and revise some requirements to make the results easier to explain. IFRS 17 replaces an interim Standard – IFRS 4 Insurance Contracts – from annual reporting periods beginning on or after 1 January 2023.

(c) IFRS 18 "Presentation and Disclosure in Financial Statements"

IFRS 18 replaces IAS 1 Presentation of Financial Statements. The main changes are as below:

(1) Improved comparability in the statement of profit or loss (income statement)
IFRS 18 requires entities to classify all income and expenses within their statement of profit or loss into one of five categories: operating; investing; financing; income taxes; and discontinued operations. The first three categories are new, to improve the structure of the income statement, and requires all entities to provide new defined subtotals, including operating profit or loss. The improved structure and new subtotals will give investors a consistent starting point for analyzing entities' performance and make it easier to compare entities.

(2) Enhanced transparency of management-defined performance measures

IFRS 18 requires entities to disclose explanations of those entity-specific measures that are related to the income statement, referred to as management-defined performance measures.

(3) Useful grouping of information in the financial statements

IFRS 18 sets out enhanced guidance on how to organize information and whether to provide it in the primary financial statements or in the notes. The changes are expected to provide more detailed and useful information. IFRS 18 also requires entities to provide more transparency about operating expenses, helping investors to find and understand the information they need.

(d) Disclosure Initiative – Subsidiaries without Public Accountability: Disclosures (IFRS 19)

This standard permits subsidiaries without public accountability to provide reduced disclosures when applying IFRS Accounting Standards in their financial statements. IFRS 19 is optional for subsidiaries that are eligible and sets out the disclosure requirements for subsidiaries that elect to apply it.

(e) Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7

The amendments include:

(1) Clarify that a financial liability is derecognised on the settlement date and describe the accounting treatment for settlement of financial liabilities using an electronic payment system before the settlement date.
(2) Clarify how to assess the contractual cash flow characteristics of financial assets that include environmental, social and governance (ESG)-linked features and other similar contingent features.
(3) Clarify the treatment of non-recourse assets and contractually linked instruments.
(4) Require additional disclosures in IFRS 7 for financial assets and liabilities with contractual terms that reference a contingent event (including those that are ESG-linked), and equity instruments classified at fair value through other comprehensive income.

(f) Annual Improvements to IFRS Accounting Standards – Volume 11

(1) Amendments to IFRS 1
(2) Amendments to IFRS 7
(3) Amendments to Guidance on implementing IFRS 7
(4) Amendments to IFRS 9
(5) Amendments to IFRS 10
(6) Amendments to IAS 7

(g) Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7

The amendments include:

(1) Clarify the application of the ‘own-use’ requirements.
(2) Permit hedge accounting if these contracts are used as hedging instruments.
(3) Add new disclosure requirements to enable investors to understand the effect of these contracts on a company’s financial performance and cash flows.

The abovementioned standards and interpretations issued by IASB have not yet endorsed by FSC at the date when the Group’s financial statements were authorized for issue, the local effective dates are to be determined by FSC. As the Group is still currently determining the potential impact of the new or amended standards and interpretations listed under (a),(c),(e) and (f), it is not practicable to estimate their impact on the Group at this point in time. The remaining new or amended standards and interpretations have no material impact on the Group.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(1) Statement of compliance

The consolidated financial statements of the Group for the years ended December 31, 2024 have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers (“the Regulations”) and TIFRS as endorsed by FSC.

(2) Basis of preparation

The consolidated financial statements have been prepared on a historical cost basis, except for financial instruments that have been measured at fair value. The consolidated financial statements are expressed in thousands of New Taiwan Dollars (“NT$”) unless otherwise stated.

(3) Basis of consolidation

Preparation principle of consolidated financial statement

Control is achieved when the Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Company controls an investee if and only if the Company has:

A. power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
B. exposure, or rights, to variable returns from its involvement with the investee, and
C. the ability to use its power over the investee to affect its returns

When the Company has less than a majority of the voting or similar rights of an investee, the Company considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

A. the contractual arrangement with the other vote holders of the investee
B. rights arising from other contractual arrangements
C. the Company's voting rights and potential voting rights

The Company re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

Subsidiaries are fully consolidated from the acquisition date, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using uniform accounting policies. All intra-group balances, income and expenses, unrealized gains and losses and dividends resulting from intra-group transactions are eliminated in full.

A change in the ownership interest of a subsidiary, without a change of control, is accounted for as an equity transaction.
Total comprehensive income of the subsidiaries is attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

If the Group loses control of a subsidiary, it:

A. derecognizes the assets (including goodwill) and liabilities of the subsidiary;
B. derecognizes the carrying amount of any non-controlling interest;
C. recognizes the fair value of the consideration received;
D. recognizes the fair value of any investment retained;

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E. reclassifies the parent's share of components previously recognized in other comprehensive income to profit or loss, or transfers directly to retained earnings if required by other IFRSs; and
F. recognizes any resulting differences in profit or loss.

The consolidated entities are listed as follows:

			Percentage of ownership (%)		
Investor	Subsidiary	Main businesses	Dec. 31, 2024	Dec. 31, 2023	Note
The Company	Tycoons Group International Co.,Ltd.	Investing	–	100%	11
The Company	Tycoons Worldwide Group (Thailand) Public Co.,Ltd.	Manufacturing industry	31.58%	1.42%	1
Tycoons Group International Co., Ltd.	Tycoons Worldwide Group (Thailand) Public Co.,Ltd.	Manufacturing industry	–	30.42%	3&6
The Company	Tycoons Group (Samoa) Holding Ltd.	Investing	–	100%	2&11
The Company	Green Engineering Holding Co.,Ltd.	Investing	45%	45%	4&13
The Company	Kingford International Ltd.	Investing	100%	100%	4
Tycoons Group International Co., Ltd.	Fastbolt International Pte. Ltd.	Investing	49.41%	49.41%	6&8
Tycoons Group International Co., Ltd.	Viettycoons Steel Co., Ltd.	Manufacturing industry	–	100%	2,7&11
Kingford International Ltd.	Huanghua Jujin Hardware Products Co., Ltd.	Manufacturing industry	60%	60%	

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

			Percentage of ownership (%)		
Investor	Subsidiary	Main businesses	Dec. 31, 2024	Dec. 31, 2023	Note
Huanghua Jujin Hardware Products Co., Ltd.	Huanghua Jujin Trading Co., Ltd.	Trade	60%	60%	
Tycoons Group (Samoa) Holding Ltd.	Tycoons Vietnam Co., Ltd.	Manufacturing industry	—	100%	2,7&11
Tycoons Worldwide Group (Thailand) Public Co., Ltd.	KDB Co.,Ltd.	Invest in real estate projects	14.24%	14.24%	2
Tycoons Worldwide Group (Thailand) Public Co., Ltd.	Fastbolt International Pte. Ltd.	Investing	47.47%	47.47%	9
Tycoons Worldwide Group (Thailand) Public Co., Ltd.	Green Engineering Holding Co., Ltd.	Investing	55%	55%	4
Green Engineering Holding Co., Ltd.	Siam Pc Products Co., Ltd.	Manufacturing industry	60%	—	10
Fastbolt International Pte. Ltd.	Fastbolt Group GmbH	Investing	48.26%	48.26%	
Fastbolt Group GmbH	Fastbolt Schraubengroßhandels GmbH	Trade	48.26%	48.26%	
Fastbolt Group GmbH	Fastbolt Distributors (UK) Ltd.	Trade	48.26%	48.26%	
Fastbolt Group GmbH	FB Ibérica Unipessoal Lda.	Trade	48.26%	48.26%	
Fastbolt Group GmbH	FQC Mechanical Technology Consultancy Co. Ltd	Trade	24.13%	24.13%	
Fastbolt Group GmbH	Fastbolt Trading (Shanghai) Co. Ltd.	Trade	48.26%	48.26%	
The Company	Ju Gu Condtruction Co., Ltd.	Asset Investment	100%	—	12

Note 1：The Company holding.

Note 2：The subsidiaries included in the consolidated report for the years 2024 and 2023 were not audited by accountants during the same period.

Note 3：This subsidiary was originally held by the subsidiary, Tycoons Groups International Co., Ltd. The Group disposed of a portion of the subsidiary's equity in late September and mid-December of the 2021, completing the transaction within the same month. The Company determined that despite holding less than 50% of the voting rights, it still has control over Tycoons Worldwide Group (Thailand) Public Co., Ltd. This is because the Company acquired a majority of the board seats in Tycoons Worldwide Group (Thailand) Public Co., Ltd., enabling us to obtain proxies representing a majority of the voting rights, and we can appoint key management personnel capable of dominating relevant activities in Tycoons Worldwide Group (Thailand) Public Co., Ltd. Therefore, The consolidated financial statements of Tycoons Worldwide Group (Thailand) Public Co., Ltd. and its subsidiaries included in the Group’s consolidated financial statements. The transfer of these equities to The Company occurred in the 2023.

Note 4：This subsidiary, Tycoons Worldwide Group (Thailand) Public Co., Ltd., invests in the second quarter of the 2023.

Note 5：The Group originally held through Tycoons Group International Co., Ltd., was transferred to the Company in the second quarter of the 2023.

Note 6：The Group originally held through Tycoons Group International Co., Ltd., was transferred to the Company in the third quarter of the 2023 to simplify the investment structure.

Note 7：On March 13, 2024, the Company’s Board of Directors approved the Group sell 100% of Tycoons Group International Co., Ltd. and its Subsidiary, Viettycoons steel Co., Ltd., and Tycoons Group Samoa Holding Ltd. and its Subsidiary, Tycoons Vietnam Co., Ltd. Therefore, the assets and liabilities related to those companies have been reclassified as held for sale and presented as discontinued operations. And according to the IFRS5, the Group restated the consolidated statement of comprehensive income for the year ended December 31, 2022.

Note 8：On 15 August 2023, Fastbolt International Pte. Ltd. increased its share capital from 9,300,000 euros (9,300,000 ordinary shares with a par value of 1 euro per share) to 9,600,000 euros (9,600,000 ordinary shares with a par value of 1 euro per share) through the issuance of new ordinary shares, raising 300,000 euros (300,000 ordinary shares with a par value of 1 euro per share). The Company did not subscribe to the newly issued ordinary shares. As a result, its equity stake in Fastbolt International Pte. Ltd. decreased from 51.00% to 49.41%.

Note 9：On 15 August 2023, Fastbolt International Pte. Ltd. increased its share capital from 9,300,000 euros (9,300,000 ordinary shares with a par value of 1 euro per share) to 9,600,000 euros (9,600,000 ordinary shares with a par value of 1 euro per share) through the issuance of new ordinary shares, raising 300,000 euros (300,000 ordinary shares with a par value of 1 euro per share). The consolidated company did not subscribe to the newly issued ordinary shares. As a result, its equity stake in Fastbolt International Pte. Ltd. decreased from 49.00% to 47.47%.

Note 10：This is a consolidated subsidiary acquired by Green Engineering Holding Co., Ltd. in the first quarter of 2024. Since the Group has the ability to govern significant activities of the acquired company, it is regarded as a subsidiary. The subsidiary has been included in the consolidated financial statements from the date the consolidated company obtained control.

Note 11：On March 13, 2024, the Company's Board of Directors resolved to dispose of the 100% equity of Tycoons Group International Co., Ltd. and Tycoons Group (Samoa) Holding Ltd. The Group completed the transfer of equity in March 2024.

Note 12：The Company's chairman resolved to establish Ju Gu Condtruction Co., Ltd. through cash capital increase, and the establishment was registered on August 21, 2024, with a total capital of NT$30,000 thousand.

(4) Foreign currency transactions

The Group's consolidated financial statements are presented in New Taiwan Dollar, which is also the Group's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

Foreign currency transactions are recorded in functional currencies converted using the exchange rate on the transaction date. At the end of each reporting period, foreign currency monetary items are converted at the closing exchange rate on that date; Measure foreign currency non-monetary items at fair value to measure the exchange rate translation on the date of fair value; Non-monetary items in foreign currencies measured at historical cost are converted at the exchange rate on the original transaction date.

All exchange differences arising on the settlement of monetary items or on translating monetaryitems are taken to profit or loss in the period in which they arise except for the following:

A. Exchange differences arising from foreign currency borrowings for an acquisition of a qualifying asset to the extent that they are regarded as an adjustment to interest costs are included in the borrowing costs that are eligible for capitalization.

B. Foreign currency items within the scope of IFRS 9 Financial Instruments are accounted for based on the accounting policy for financial instruments.
C. Exchange differences arising on a monetary item that forms part of a reporting entity's net investment in a foreign operation is recognized initially in other comprehensive income and reclassified from equity to profit or loss on disposal of the net investment.

When a gain or loss on a non-monetary item is recognized as other comprehensive gain or loss, any conversion component of that benefit or loss is recognized as other comprehensive gain or loss. When a gain or loss on a non-monetary item is recognized as a gain or loss, any conversion component of that benefit or loss is recognized as a gain or loss.

(5) Translation of financial statements in foreign currency

The assets and liabilities of foreign operations are translated into New Taiwan Dollar at the closing rate of exchange prevailing at the reporting date and their income and expenses are translated at an average rate for the period. The exchange differences arising on the translation are recognized in other comprehensive income. On the disposal of a foreign operation, the cumulative amount of the exchange differences relating to that foreign operation, recognized in other comprehensive income and accumulated in the separate component of equity, is reclassified from equity to profit or loss when the gain or loss on disposal is recognized. The following partial disposals are accounted for as disposals:

A. when the partial disposal involves the loss of control of a subsidiary that includes a foreign operation; and
B. when the retained interest after the partial disposal of an interest in a joint arrangement or a partial disposal of an interest in an associate that includes a foreign operation is a financial asset that includes a foreign operation.

On the partial disposal of a subsidiary that includes a foreign operation that does not result in a loss of control, the proportionate share of the cumulative amount of the exchange differences recognized in other comprehensive income is re-attributed to the non-controlling interests in that foreign operation. In partial disposal of an associate or joint arrangement that includes a foreign operation that does not result in a loss of material effect or joint control, only the proportionate share of the cumulative amount of the exchange differences recognized in other comprehensive income is reclassified to profit or loss.

Any goodwill and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and expressed in its functional currency.

(6) Current and non-current distinction

An asset is classified as current when:

A. The Group expects to realize the asset, or intends to sell or consume it, in its normal operating cycle
B. The Group holds the asset primarily for the purpose of trading
C. The Group expects to realize the asset within twelve months after the reporting period
D. The asset is cash or cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

A. The Group expects to settle the liability in its normal operating cycle
B. The Group holds the liability primarily for the purpose of trading
C. The liability is due to be settled within twelve months after the reporting period
D. The Group does not have the right at the end of the reporting period to defer settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

(7) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and short-term, highly liquid time deposits (including ones that have maturity within 3 months) or investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(8) Financial instruments

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

Financial assets and financial liabilities within the scope of IFRS 9 Financial Instruments are recognized initially at fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial assets or financial liabilities.

A.Financial instruments: Recognition and Measurement

The Group accounts for regular way purchase or sales of financial assets on the trade date.

The Group classified financial assets as subsequently measured at amortized cost, fair value through other comprehensive income or fair value through profit or loss considering both factors below:

a. the Group's business model for managing the financial assets and
b. the contractual cash flow characteristics of the financial asset.

Financial assets measured at amortized cost

A financial asset is measured at amortized cost if both of the following conditions are met and presented as note receivables, trade receivables, financial assets measured at amortized cost and other receivables etc., on balance sheet as at the reporting date:

a. the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
b. the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Such financial assets are subsequently measured at amortized cost (the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between the initial amount and the maturity amount and adjusted for any loss allowance) and is not part of a hedging relationship. A gain or loss is recognized in profit or loss when the financial asset is derecognized, through the amortization process or in order to recognize the impairment gains or losses.

Interest revenue is calculated by using the effective interest method. This is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for:

a. purchased or originated credit-impaired financial assets. For those financial assets, the Group applies the credit-adjusted effective interest rate to the amortized cost of the financial asset from initial recognition.
b. financial assets that are not purchased or originated credit-impaired financial assets but subsequently have become credit-impaired financial assets. For those financial assets, the Group applies the effective interest rate to the amortized cost of the financial asset in subsequent reporting periods.

Financial asset measured at fair value through other comprehensive income

A financial asset is measured at fair value through other comprehensive income if both of the following conditions are met:

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

Recognition of gain or loss on a financial asset measured at fair value through other comprehensive income are described as below:

a. A gain or loss on a financial asset measured at fair value through other comprehensive income recognized in other comprehensive income, except for impairment gains or losses and foreign exchange gains and losses, until the financial asset is derecognized or reclassified.
b. When the financial asset is derecognized the cumulative gain or loss previously recognized in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment.
c. Interest revenue is calculated by using the effective interest method. This is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for:

    (i) Purchased or originated credit-impaired financial assets. For those financial assets, the Group applies the credit-adjusted effective interest rate to the amortized cost of the financial asset from initial recognition.
    (ii) Financial assets that are not purchased or originated credit-impaired financial assets but subsequently have become credit-impaired financial assets. For those financial assets, the Group applies the effective interest rate to the amortized cost of the financial asset in subsequent reporting periods.

Besides, for certain equity investments within the scope of IFRS 9 that is neither held for trading nor contingent consideration recognized by an acquirer in a business combination to which IFRS 3 applies, the Group made an irrevocable election to present the changes of the fair value in other comprehensive income at initial recognition. Amounts presented in other comprehensive income shall not be subsequently transferred to profit or loss (when disposal of such equity instrument, its cumulated amount included in other components of equity is transferred directly to the retained earnings) and these investments should be presented as financial assets measured at fair value through other comprehensive income on the balance sheet. Dividends on such investment are recognized in profit or loss unless the dividends clearly represent a recovery of part of the cost of investment.

Financial asset measured at fair value through profit or loss

Financial assets were classified as measured at amortized cost or measured at fair value through other comprehensive income based on aforementioned criteria. All other financial assets were measured at fair value through profit or loss and presented on the balance sheet as financial assets measured at fair value through profit or loss.

Such financial assets are measured at fair value, the gains or losses resulting from remeasurement is recognized in profit or loss which includes any dividend or interest received on such financial assets.

B. Impairment of financial assets

The Group recognizes a loss allowance for expected credit losses on debt instrument investments measured at fair value through other comprehensive income and financial asset measured at amortized cost. The loss allowance on debt instrument investments measured at fair value through other comprehensive income is recognized in other comprehensive income and not reduce the carrying amount in the balance sheet.

The Group measures expected credit losses of a financial instrument in a way that reflects:

a. an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
b. the time value of money; and
c. reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The loss allowance is measures as follow:

a. At an amount equal to 12-month expected credit losses: the credit risk on a financial asset has not increased significantly since initial recognition or the financial asset is determined to have low credit risk at the reporting date. In addition, the Group measures the loss allowance at an amount equal to lifetime expected credit losses in the previous reporting period, but determines at the current reporting date that the credit risk on a financial asset has increased significantly since initial recognition is no longer met.
b. At an amount equal to the lifetime expected credit losses: the credit risk on a financial asset has increased significantly since initial recognition or financial asset that is purchased or originated credit-impaired financial asset.

c. For trade receivables or contract assets arising from transactions within the scope of IFRS 15, the Group measures the loss allowance at an amount equal to lifetime expected credit losses.
d. For lease receivables arising from transactions within the scope of IFRS 16, the Group measures the loss allowance at an amount equal to lifetime expected credit losses.

At each reporting date, the Group needs to assess whether the credit risk on a financial asset has increased significantly since initial recognition by comparing the risk of a default occurring at the reporting date and the risk of default occurring at initial recognition. Please refer to Note 12 for more details on credit risk.

C. Derecognition of financial assets

A financial asset is derecognized when:

i. The rights to receive cash flows from the asset have expired
ii. The Group has transferred the asset and substantially all the risks and rewards of the asset have been transferred
iii. The Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On derecognition of a financial asset in its entirety, the difference between the carrying amount and the consideration received or receivable including any cumulative gain or loss that had been recognized in other comprehensive income, is recognized in profit or loss.

D. Financial liabilities and equity

Classification between liabilities or equity

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

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. The transaction costs of an equity transaction are accounted for as a deduction from equity (net of any related income tax benefit) to the extent they are incremental costs directly attributable to the equity transaction that otherwise would have been avoided.

Compound instruments

The Group evaluates the terms of the convertible bonds issued to determine whether it contains both a liability and an equity component. Furthermore, the Group assesses if the economic characteristics and risks of the put and call options contained in the convertible bonds are closely related to the economic characteristics and risk of the host contract before separating the equity element.

For the liability component excluding the derivatives, its fair value is determined based on the rate of interest applied at that time by the market to instruments of comparable credit status. The liability component is classified as a financial liability measured at amortized cost before the instrument is converted or settled. For the embedded derivative that is not closely related to the host contract (for example, if the exercise price of the embedded call or put option is not approximately equal on each exercise date to the amortized cost of the host debt instrument), it is classified as a liability component and subsequently measured at fair value through profit or loss unless it qualifies for an equity component. The equity component is assigned the residual amount after deducting from the fair value of the instrument as a whole the amount separately determined for the liability component. Its carrying amount is not remeasured in the subsequent accounting periods. If the convertible bond issued does not have an equity component, it is accounted for as a hybrid instrument in accordance with the requirements under IFRS 9 Financial Instruments.

Transaction costs are apportioned between the liability and equity components of the convertible bond based on the allocation of proceeds to the liability and equity components when the instruments are initially recognized.

On conversion of a convertible bond before maturity, the carrying amount of the liability component being the amortized cost at the date of conversion is transferred to equity.

Financial liabilities

Financial liabilities within the scope of IFRS 9 Financial Instruments are classified as financial liabilities at fair value through profit or loss or financial liabilities measured at amortized cost upon initial recognition.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated as at fair value through profit or loss. A financial liability is classified as held for trading if:

a. it is acquired or incurred principally for the purpose of selling or repurchasing it in the near term;
b. on initial recognition it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking; or
c. it is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

If a contract contains one or more embedded derivatives, the entire hybrid (combined) contract may be designated as a financial liability at fair value through profit or loss; or a financial liability may be designated as at fair value through profit or loss when doing so results in more relevant information, because either:

a. it eliminates or significantly reduces a measurement or recognition inconsistency; or
b. a group of financial liabilities or financial assets and financial liabilities is managed and its performance is evaluated on a fair value basis, in accordance with a documented risk management or investment strategy, and information about the group is provided internally on that basis to the key management personnel.

Gains or losses on the subsequent measurement of liabilities at fair value through profit or loss including interest paid are recognized in profit or loss.

Financial liabilities at amortized cost

Financial liabilities measured at amortized cost include interest bearing loans and borrowings that are subsequently measured using the effective interest rate method after initial recognition. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the effective interest rate method amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or transaction costs.

Derecognition of financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified (whether or not attributable to the financial difficulty of the debtor), such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts and the consideration paid or payable, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

E. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the balance sheet if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

(9) Derivative instrument

The Group uses derivative instruments to hedge its foreign currency risks and interest rate risks. A derivative is classified in the balance sheet as financial assets or liabilities at fair value through profit or loss except for derivatives that are designated as and effective hedging instruments which are classified as financial assets or liabilities for hedging.

Derivative instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. The changes in fair value of derivatives are taken directly to profit or loss, except for the effective portion of hedges, which is recognized in either profit or loss or equity according to types of hedges used.

When the host contracts are either non-financial assets or liabilities, derivatives embedded in host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not designated at fair value though profit or loss.

(10) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

A. In the principal market for the asset or liability, or
B. In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible to by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market act participants in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

(11) Inventories

Inventories are valued at lower of cost and net realizable value item by item.

Costs incurred in bringing each inventory to its present location and condition are accounted for as follows:

Raw materials – Purchase cost on a first in, first out basis
Finished goods and work in progress – Cost of direct materials and labor and a proportion of manufacturing overheads based on normal operating capacity but excluding borrowing costs.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Rendering of services is accounted in accordance with IFRS 15 and not within the scope of inventories.

(12) Non-current assets held for sale and discontinued operations

Non-current assets and disposal groups are classified as held for sale if their carrying amounts will be recovered through a sale transaction that is highly probable within one year from the date of classification and the asset or disposal group is available for immediate sale in its present condition. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

In the consolidated statement of comprehensive income of the reporting period, and of the comparable period of the previous year, income and expenses from discontinued operations are reported separately from income and expenses from continuing operations, down to the level of profit after taxes, even when the Group retains a non-controlling interest in the subsidiary after the sale. The resulting profit or loss (after taxes) is reported separately in the statement of comprehensive income.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortized.

(13) Investments accounted for using the equity method

The Group's investment in its associate is accounted for using the equity method other than those that meet the criteria to be classified as held for sale. An associate is an entity over which the Group has significant influence. A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture.

Under the equity method, the investment in the associate or an investment in a joint venture is carried in the balance sheet at cost and adjusted thereafter for the post-acquisition change in the Group's share of net assets of the associate or joint venture. After the interest in the associate or joint venture is reduced to zero, additional losses are provided for, and a liability is recognized, only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture. Unrealized gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the Group's related interest in the associate or joint venture.

When changes in the net assets of an associate or a joint venture occur and not those that are recognized in profit or loss or other comprehensive income and do not affect the Group's percentage of ownership interests in the associate or joint venture, the Group recognizes such changes in equity based on its percentage of ownership interests. The resulting capital surplus recognized will be reclassified to profit or loss at the time of disposing the associate or joint venture on a prorata basis.

When the associate or joint venture issues new stock, and the Group's interest in an associate or a joint venture is reduced or increased as the Group fails to acquire shares newly issued in the associate or joint venture proportionately to its original ownership interest, the increase or decrease in the interest in the associate or joint venture is recognized in additional paid in capital and investment accounted for using the equity method. When the interest in the associate or joint venture is reduced, the cumulative amounts previously recognized in other comprehensive income are reclassified to profit or loss or other appropriate items. The aforementioned capital surplus recognized is reclassified to profit or loss on a pro rata basis when the Group disposes of x`the associate or joint venture.

The financial statements of the associate or joint venture are prepared for the same reporting period as the Group. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate or an investment in a joint venture is impaired in accordance with IAS 28 Investments in Associates and Joint Ventures. If this is the case the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value and recognizes the amount in the 'share of profit or loss of an associate' in the statement of comprehensive income in accordance with IAS 36 Impairment of Assets. In determining the value in use of the investment, the Group estimates:

A. Its share of the present value of the estimated future cash flows expected to be generated by the associate or joint venture, including the cash flows from the operations of the associate and the proceeds on the ultimate disposal of the investment; or
B. The present value of the estimated future cash flows expected to arise from dividends to be received from the investment and from its ultimate disposal.

Because goodwill that forms part of the carrying amount of an investment in an associate or an investment in a joint venture is not separately recognized, it is not tested for impairment separately by applying the requirements for impairment testing goodwill in IAS 36 Impairment of Assets.

Upon loss of significant influence over the associate or joint venture, the Group measures and recognizes any retaining investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence and the fair value of the retaining investment and proceeds from disposal is recognized in profit or loss. Furthermore, if an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate, the entity continues to apply the equity method and does not remeasure the retained interest.

(14) Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of dismantling and removing the item and restoring the site on which it is located and borrowing costs for construction in progress if the recognition criteria are met. Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. When significant parts of property, plant and equipment are required to be replaced in intervals, the Group recognized such parts as individual assets with specific useful lives and depreciation, respectively. The carrying amount of those parts that are replaced is derecognized in accordance with the derecognition provisions of IAS 16 Property, plant and equipment. When a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred.

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

Depreciation is calculated on a straight-line basis over the estimated economic lives of the following assets:

Land improvement	5～30 years
Buildings	3～50 years
Machinery and equipment	4～25 years
Transportation equipment	3～10 years
Office equipment	19 years
Other equipment	2-25 years
Leasehold improvements	15 years

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is recognized in profit or loss.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

(15) Investment property

The Group's owned investment properties are measured initially at cost, including transaction costs. The carrying amount includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day servicing of an investment property. Subsequent to initial recognition, other than those that meet the criteria to be classified as held for sale (or are included in a disposal group that is classified as held for sale) in accordance with IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*, investment properties are measured using the cost model in accordance with the requirements of IAS 16 *Property, plant and equipment* for that model. If investment properties are held by a lessee as right-of-use assets and is not held for sale in accordance with IFRS 5, investment properties are measured in accordance with the requirements of IFRS 16.

Investment properties are derecognized when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss in the period of derecognition.

The Group transfers properties to or from investment properties according to the actual use of the properties.

The Group transfers to or from investment properties when there is a change in use for these assets. Properties are transferred to or from investment properties when the properties meet, or cease to meet, the definition of investment property and there is evidence of the change in use.

(16) Leases

The Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset for a period of time, the Group assesses whether, throughout the period of use, has both of the following:

A. the right to obtain substantially all of the economic benefits from use of the identified asset; and
B. the right to direct the use of the identified asset.

For a contract that is, or contains, a lease, the Group accounts for each lease component within the contract as a lease separately from non-lease components of the contract. For a contract that contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components. The relative stand-alone price of lease and non-lease components shall be determined on the basis of the price the lessor, or a similar supplier, would charge the Group for that component, or a similar component, separately. If an observable stand-alone price is not readily available, the Group estimates the stand-alone price, maximising the use of observable information.

<u>Group as a lessee</u>

Except for leases that meet and elect short-term leases or leases of low-value assets, the Group recognizes right-of-use asset and lease liability for all leases which the Group is the lessee of those lease contracts.

At the commencement date, the Group measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses its incremental borrowing rate. At the commencement date, the lease payments included in the measurement of the lease liability comprise the following payments for the right to use the underlying asset during the lease term that are not paid at the commencement date:

A. fixed payments (including in-substance fixed payments), less any lease incentives receivable;
B. variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
C. amounts expected to be payable by the lessee under residual value guarantees;
D. the exercise price of a purchase option if the Group is reasonably certain to exercise that option; and
E. payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

After the commencement date, the Group measures the lease liability on an amortised cost basis, which increases the carrying amount to reflect interest on the lease liability by using an effective interest method; and reduces the carrying amount to reflect the lease payments made.
At the commencement date, the Group measures the right-of-use asset at cost. The cost of the right-of-use asset comprises:

A. the amount of the initial measurement of the lease liability;
B. any lease payments made at or before the commencement date, less any lease incentives received;
C. any initial direct costs incurred by the lessee; and
D. an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

For subsequent measurement of the right-of-use asset, the Group measures the right-of-use asset at cost less any accumulated depreciation and any accumulated impairment losses. That is, the Group measures the right-of-use applying a cost model.

If the lease transfers ownership of the underlying asset to the Group by the end of the lease term or if the cost of the right-of-use asset reflects that the Group will exercise a purchase option, the Group depreciates the right-of-use asset from the commencement date to the end of the useful life of the underlying asset. Otherwise, the Group depreciates the right-of-use asset from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

The Group applies IAS 36 “Impairment of Assets” to determine whether the right-of-use asset is impaired and to account for any impairment loss identified.

Except for those leases that the Group accounted for as short-term leases or leases of low-value assets, the Group presents right-of-use assets and lease liabilities in the balance sheet and separately presents lease-related interest expense and depreciation charge in the statement of comprehensive income.

For short-term leases or leases of low-value assets, the Group elects to recognize the lease payments associated with those leases as an expense on either a straight-line basis over the lease term or another systematic basis.

(17) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is its fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in profit or loss for the year in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life is reviewed at least at the end of each financial year. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortization period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in profit or loss when the asset is derecognized.

(18) Impairment of non-financial assets

The Group assesses at the end of each reporting period whether there is any indication that an asset in the scope of IAS 36 Impairment of Assets may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's ("CGU") fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been an increase in the estimated service potential of an asset which in turn increases the recoverable amount. However, the reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years.

An impairment loss of continuing operations or a reversal of such impairment loss is recognized in profit or loss.

(19) Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Group expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

The liability to pay a levy is recognized progressively if the obligating event occurs over a period of time.

(20) Revenue recognition

The Group's revenue arising from contracts with customers are primarily related to sale of goods and rendering of services. The accounting policies are explained as follow:

<u>Sale of goods</u>

The Group manufactures and sells goods. Sales are recognized when control of the goods is transferred to the customer and the goods are delivered to the customers. The main product of the Group is wire rod and screw and revenue is recognized based on the consideration stated in the contract. For certain sales of goods transactions, they are usually accompanied by volume discounts (based on the accumulated total sales amount for a specified period). Therefore, revenue from these sales is recognized based on the price specified in the contract, net of the estimated volume discounts. The Group estimates the discounts using the expected value method based on historical experiences. Revenue is only recognized to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur and when the uncertainty associated with the variable consideration is subsequently resolved. During the period specified in the contract, refund liability is recognized for the expected volume discounts.

The Group provides its customer with a warranty with the purchase of the products. The warranty provides assurance that the product will operate as expected by the customers. And the warranty is accounted in accordance with IAS 37.

The credit period of the Group's sale of goods is from 30 to 90 days. For most of the contracts, when the Group transfers the goods to customers and has a right to an amount of consideration that is unconditional, these contracts are recognized as trade receivables. The Group usually collects the payments shortly after transfer of goods to customers; therefore, there is no significant financing component to the contract. For some of the contracts, the Group has transferred the goods to customers but does not have a right to an amount of consideration that is unconditional, these contacts should be presented as contract assets. Besides, in accordance with IFRS 9, the Group measures the loss allowance for a contract asset at an amount equal to the lifetime expected credit losses.

The period between the transfers of contract liabilities to revenue is usually within one year, thus, no significant financing component is arised.

(21) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective assets. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

(22) Post-employment benefits

All regular employees of the Company and its domestic subsidiaries are entitled to a pension plan that is managed by an independently administered pension fund committee. Fund assets are deposited under the committee's name in the specific bank account and hence, not associated with the Company and its domestic subsidiaries. Therefore, fund assets are not included in the Group's consolidated financial statements. Pension benefits for employees of the overseas subsidiaries and the branches are provided in accordance with the respective local regulations.

For the defined contribution plan, the Company and its domestic subsidiaries will make a monthly contribution of no less than 6% of the monthly wages of the employees subject to the plan. The Company recognizes expenses for the defined contribution plan in the period in which the contribution becomes due. Overseas subsidiaries and branches make contribution to the plan based on the requirements of local regulations.

Post-employment benefit plan that is classified as a defined benefit plan uses the Projected Unit Credit Method to measure its obligations and costs based on actuarial assumptions. Re-measurements, comprising of the effect of the actuarial gains and losses, the effect of the asset ceiling (excluding net interest) and the return on plan assets, excluding net interest, are recognized as other comprehensive income with a corresponding debit or credit to retained earnings in the period in which they occur.

Past service costs or the change in the present value of the defined benefit obligation resulting from the planned amendment or reduction are recognized in profit or loss on the earlier of:

A. the date of the plan amendment or curtailment, and
B. the date that the Group recognizes restructuring-related costs or termination benefits

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset, both as determined at the start of the annual reporting period, taking account of any changes in the net defined benefit liability (asset) during the period as a result of contribution and benefit payment.

(23) Share-based payment transactions

The cost of equity-settled transactions between the Group and its employees is recognized based on the fair value of the equity instruments granted. The fair value of the equity instruments is determined by using an appropriate pricing model.

The cost of equity-settled transactions is recognized, together with a corresponding increase in other capital reserves in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the statement of profit or loss for a period represents the movement in cumulative expense recognized as at the beginning and end of that period.

No expense is recognized for awards that do not ultimately vest, except for equity-settled transactions where vesting is conditional upon a market or non-vesting condition, which are treated as vesting irrespective of whether or not the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

Where the terms of an equity-settled transaction award are modified, the minimum expense recognized is the expense as if the terms had not been modified, if the original terms of the award are met. An additional expense is recognized for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification.

Where an equity-settled award is cancelled, it is treated as if it vested on the date of cancellation, and any expense not yet recognized for the award is recognized immediately. This includes any award where non-vesting conditions within the control of either the entity or the employee are not met. However, if a new award is substituted for the cancelled award, and designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

The cost of restricted stocks issued is recognized as salary expense based on the fair value of the equity instruments on the grant date, together with a corresponding increase in other capital reserves in equity, over the vesting period. The Group recognized unearned employee salary which is a transitional contra equity account; the balance in the account will be recognized as salary expense over the passage of vesting period.

(24) Income taxes

Income tax expense (income) is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Current income tax relating to items recognized in other comprehensive income or directly in equity is recognized in other comprehensive income or equity and not in profit or loss.

The income tax for undistributed earnings is recognized as income tax expense in the subsequent year when the distribution proposal is approved by the Shareholders' meeting.

Deferred tax

Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

A. Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination; at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and at the time of the transaction, does not give rise to equal taxable and deductible temporary differences.
B. In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except:

A. Where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination; at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and at the time of the transaction, does not give rise to equal taxable and deductible temporary differences.
B. In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date. The measurement of deferred tax assets and deferred tax liabilities reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity. Deferred tax assets are reassessed at each reporting date and are recognized accordingly.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

According to the temporary exception in the International Tax Reform-Pillar Two Model Rules (Amendments to IAS 12), information about deferred tax assets and liabilities related to Pillar Two income tax will neither be recognized nor be disclosed.

(25) Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The consideration transferred, the identifiable assets acquired and liabilities assumed are measured at acquisition date fair value. For each business combination, the acquirer measures any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are accounted for as expenses in the periods in which the costs are incurred and are classified under administrative expenses.

When the Group acquires a business, it assesses the assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date through profit or loss.

Any contingent consideration to be transferred by the acquirer will be recognized at the acquisition date fair value. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability, will be recognized in accordance with IFRS 9 *Financial Instruments* either in profit or loss or as a change to other comprehensive income. However, if the contingent consideration is classified as equity, it should not be remeasured until it is finally settled within equity.

Goodwill is initially measured as the amount of the excess of the aggregate of the consideration transferred and the non-controlling interest over the net fair value of the identifiable assets acquired and the liabilities assumed. If this aggregate is lower than the fair value of the net assets acquired, the difference is recognized in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units. Each unit or group of units to which the goodwill is so allocated represents the lowest level within the Group at which the goodwill is monitored for internal management purpose and is not larger than an operating segment before aggregation.

Where goodwill forms part of a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation. Goodwill disposed of in this circumstance is measured based on the relative recoverable amounts of the operation disposed of and the portion of the cash-generating unit retained.

5. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Group's consolidated financial statements require management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumption and estimate could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(1) Fair value of financial instruments

Where the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using valuation techniques including the income approach (for example the discounted cash flows model) or market approach. Changes in assumptions about these factors could affect the reported fair value of the financial instruments. Please refer to Note 12 for more details.

(2) Inventories

Estimates of net realisable value of inventories take into consideration that inventories may be damaged, become wholly or partially obsolete, or their selling prices have declined. The estimates are based on the most reliable evidence available at the time the estimates are made. Please refer to Note 6 for more details.

(3) Income tax

Uncertainties exist with respect to the interpretation of complex tax regulations and the amount and timing of future taxable income. Given the wide range of international business relationships and the long-term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Group establishes provisions, based on reasonable estimates, for possible consequences of audits by the tax authorities of the respective counties in which it operates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective Group company's domicile.

Deferred tax assets are recognized for all carryforward of unused tax losses and unused tax credits and deductible temporary differences to the extent that it is probable that taxable profit will be available or there are sufficient taxable temporary differences against which the unused tax losses, unused tax credits or deductible temporary differences can be utilized. The amount of deferred tax assets determined to be recognized is based upon the likely timing and the level of future taxable profits and taxable temporary differences together with future tax planning strategies.

6. CONTENTS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	As of	
	Dec. 31, 2024	Dec. 31, 2023
Cash on hand and saving accounts	$570,951	$881,842
Time deposits	308,910	262,770
Total	$879,861	$1,144,612

(2) Financial assets measured at fair value through profit or loss

	As of	
	Dec. 31, 2024	Dec. 31, 2023
Mandatorily measured at fair value through profit or loss:		
Forward exchange contracts	$1,207	$128
Stocks	2,092	2,300
Funds	8,151	9,259
Total	$11,450	$11,687
Current	$11,450	$11,687
Non-current	—	—
Total	$11,450	$11,687

Financial assets at fair value through profit or loss were not pledged.

Outstanding forward exchange contracts consisted of the following:

	Maturity Date	Contract Amount (In Thousands)
December 31, 2024		
Buy USD	August 2024 to January 2026	USD 6,761
December 31, 2023		
Buy USD	August 2023 to June 2024	USD 5,329
Buy CNY	July 2023 to February 2024	CNY 35,000

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

(3) Financial assets at fair value through other comprehensive income

	Dec. 31, 2024	Dec. 31, 2023
Equity instrument investments measured at fair value through other comprehensive income – Non-current:		
Unlisted companies stocks	$105,407	$101,371

On August 11, 2023, The Board of Directors of the Company has a resolution to restructure the group. The shareholder of Jinhai Hardware Co., Ltd. (Thailand) has changed from Tycoons Group International Co., Ltd., to the Company. The change of registration has been completed.

Financial assets at fair value through other comprehensive income were not pledged.

(4) Financial assets measured at amortized cost

	Dec. 31, 2024	Dec. 31, 2023
Pledge time deposits	$82,771	$63,466
Non-pledge time deposits	—	—
Total	$82,771	$63,466
Current	$—	$—
Non-current	82,771	63,466
Total	$82,771	$63,466

(5) Notes receivable, net

	As of	
	Dec. 31, 2024	Dec. 31, 2023
Notes receivables arising from operating activities (total carrying amount)	$107,386	$37,120
Less: loss allowance	(416)	(416)
Total	$106,970	$36,704

Accounts receivables were not pledged.

The Group follows the requirement of IFRS 9 to assess the impairment. Please refer to Note 6.(18) for more details on loss allowance and Note 12 for details on credit risk.

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

(6) Accounts receivable and accounts receivable - related parties

	As of	
	Dec. 31, 2024	Dec. 31, 2023
Accounts receivable (total carrying amount)	$734,495	$554,612
Less: loss allowance	(20,875)	(20,079)
Subtotal	713,620	534,533
Accounts receivable-related parties (total carrying amount)	—	15,406
Total	$713,620	$549,939

Please refer to note 8 for information relating to accounts receivables as security.

Accounts receivables are generally on 90-120 day terms. The total carrying amount as of December 31, 2024 and 2023 were NT$734,495 thousand and NT$570,018 thousand, respectively. Please refer to Note 6. (18) for more details on loss allowance of accounts receivable for the years ended December 31, 2024 and 2023. Please refer to Note 12 for more details on credit risk management.

(7) Inventories

	As of	
	Dec. 31, 2024	Dec. 31, 2023
Merchandises	$415,706	$531,654
Finished goods	850,273	417,092
Work in progress	352,178	194,505
Raw materials	568,480	625,373
Materials	442,033	394,355
Goods in transit	49,869	108,314
Total	$2,678,539	$2,271,293

The cost of inventories recognized in expenses amounts to NT$7,340,970 thousand for the year ended December 31, 2024, including the reversal of write-down of inventories of NT$690 thousand.

The cost of inventories recognized in expenses amounts to NT$7,232,718 thousand for the years ended December 31, 2023, including the write-down of inventories of NT$86,108 thousand.

Due to the impact of fluctuations in raw material market prices and other factors, inventory valuation losses and recovery gains have occurred.

Please refer to note 8 for information relating to inventories as security.

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

(8) Investments accounted for using the equity method

A. The breakdown is as follows:

	As of			
	31 Dec. 2024		31 Dec. 2023	
Investees	Carrying amount	Percentage of ownership (%)	Carrying amount	Percentage of ownership (%)
Investments in associates:				
Hurco Automation Co., Ltd.	$177,173	35.00%	$171,482	35.00%
TY Steel Co., Ltd.	—	25.37%	273,243	25.37%
Total	$177,173		$444,725	

B. The Group's equity method investments in affiliated companies for the year ended December 31, 2024 are based on the financial statements of the affiliates for the same period, which were audited by other accountants.

C. The investment in Hurco Automation Co., Ltd. is not significant to the Group. The summarized book value of the investment in Hurco Automation Co., Ltd. for the Group is NT$177,173 thousand as of December 31, 2024, and NT$171,482 thousand as of December 31, 2023. Reconciliation of the associate’s summarized financial information presented to the carrying amount of the Group’s interest is as follows:

	For the years ended Dec. 31,	
	2024	2023
Profit from continuing operations	$28,539	$52,416
Other comprehensive income	—	—
Total comprehensive income	$28,539	$52,416

D. On 4 December 2023, the Board of Directors Meeting of TY Steel Co., Ltd. passed a resolution approving the reduction of shares for capital , whereby TY Steel Co., Ltd. decreased its share capital from Baht 2,724,492 thousand (272,449,200 ordinary shares with a par value of Baht 10 per share) to be Baht 1,687,278 thousand (168,727,789 ordinary shares with a par value of Baht 10 per share). The reduction of capital has no impact on the ownership percentage of the group. An increase in share capital from Baht 1,687,278 thousand (168,727,789 ordinary shares with a par value of Baht 10 per share) to Baht 1,887,278 thousand (188,727,789 ordinary shares with a par value of Baht 10 per share) by issuing capital increase in ordinary shares Baht 200,000 thousand (20,000,000 new ordinary shares with a par value of Baht 10 per share). On 27 November, 2023, the Board of Directors Meeting passed a resolution approving the acquisition of shares for capital increase in TY Steel Company Limited, The Company purchased 3,878,109 ordinary shares of the additionally issued ordinary shares and made full payment amounting to Baht 39 million. The increase of capital has no impact on the ownership percentage of the group.

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

E. The investment in TY Steel Co., Ltd. is not significant to this group. The summarized book value of TY Steel Co., Ltd. as of December 31, 2024 and 2023 were NT$0 thousand and NT$273,243 thousand, respectively. Reconciliation of the associate's summarized financial information presented to the carrying amount of the Group's interest is as follows:

	For the years ended Dec. 31,	
	2024	2023
Profit from continuing operations	($679,683)	($449,111)
Other comprehensive income	—	—
Total comprehensive income	($679,683)	($449,111)

F. The investee company, TY Steel Company Limited, encountered financial repayment and asset liquidity issues in December 2024, indicating significant uncertainty regarding the going concern assumption. The Group has assessed that there is no ability to continue as a going concern and has fully recognized an impairment loss of NT$156,458 thousand on the remaining carrying amount. The recoverable amount was measured based on its value in use, and since the projected future cash flows were zero, no discount rate was applied in the calculation.

G. The aforementioned investment associates have no contingent liabilities or capital commitments and were not pledged as of December 31, 2024 and 2023.

(9) Non-current assets (or disposal group classified) held for sale

On March 13, 2024, the Company's Board of Directors had made a resolution, that the subsidiaries, Tycoons Group International Co., Ltd. and Tycoons Group (Samoa) Holding Ltd., will be disposed. The assets and liabilities related to the aforementioned two subsidiaries have been reclassified as held for sale groups and expressed as discontinued operations, as they meet the definition of a discontinued operations unit.

	As of Dec. 31, 2023
Cash and cash equivalents	$9,418
Other receivable	163
Inventory	52,253
Prepayments	42,534
Property, plant and equipment	129,851
Right-of-use asset	41,287
Guarantee deposits	3,212
Total non-current assets or disposal group classified as held for sale	$278,718

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

	As of Dec. 31, 2023
Accounts payable	$1,724
Other payables	117,425
Current tax liabilities	856
Total liabilities related to non-current assets or disposal groups classified as held for sale	$120,005
Equity related to non-current assets or disposal groups classified as held for sale	($29,283)

(10) Property, plant and equipment

	As of	
	Dec. 31, 2024	Dec. 31, 2023
Owner occupied property, plant and equipment	$3,539,300	$3,172,411
Operating leases	—	—
Total	$3,539,300	$3,172,411

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

(a) Owner occupied property, plant and equipment

	Land	Buildings and facilities	Machinery equipment	Office equipment	Transportation equipment	Leasehold improvements	Other equipment	Construction in progress and equipment awaiting examination	Total
Cost:									
As of Jan.1, 2024	$933,769	$2,258,931	$4,741,595	$201,312	$284,729	$5,680	$391,603	$55,031	$8,872,650
Additions	88,453	39,443	73,319	8,453	9,691	—	24,904	254,006	498,269
Disposals	—	(2,055)	(216,170)	(1,675)	(11,755)	—	(10,344)	—	(241,999)
Reclassification	1,377	11,575	137,223	5,148	237	—	307	(168,577)	(12,710)
Exchange differences	43,749	131,230	361,848	7,622	8,442	—	22,150	2,705	577,746
As of Dec. 31, 2024	$1,067,348	$2,439,124	$5,097,815	$220,860	$291,344	$5,680	$428,620	$143,165	$9,693,956
As of Jan. 1, 2023	$891,711	$2,012,355	$4,851,137	$136,360	$282,568	$5,680	$385,988	$99,848	$8,665,647
Additions	24,219	96,637	49,897	9,392	17,104	—	43,101	177,046	417,396
Business combinations	—	67,086	34,518	63,912	10,700	—	—	454	176,670
Disposals	(670)	(17,172)	(378,646)	(7,165)	(22,642)	—	(33,201)	(95,374)	(554,870)
Reclassification	14,430	9,379	162,326	(114)	(4,573)	—	(6,139)	(124,329)	50,980
Exchange differences	4,079	90,646	22,363	(1,073)	1,572	—	1,854	(2,614)	116,827
As of Dec. 31, 2023	$933,769	$2,258,931	$4,741,595	$201,312	$284,729	$5,680	$391,603	$55,031	$8,872,650

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

	Land	Buildings and facilities	Machinery equipment	Office equipment	Transportation equipment	Leasehold improvements	Other equipment	Construction in progress and equipment awaiting examination	Total
Depreciation and impairment:									
As of Jan. 1, 2024	$96,416	$1,575,726	$3,292,976	$158,247	$254,133	$610	$322,131	$—	$5,700,239
Depreciation	5,988	88,299	139,499	11,773	10,522	435	22,719	—	279,235
Disposals	—	(1,915)	(194,935)	(1,552)	(11,577)	—	(10,942)	—	(220,921)
Exchange differences	7,714	102,572	250,927	6,398	7,891	—	20,601	—	396,103
As of Dec. 31, 2024	$110,118	$1,764,682	$3,488,467	$174,866	$260,969	$1,045	$354,509	$—	$6,154,656
As of Jan. 1, 2022	$90,732	$1,447,560	$3,333,554	$106,898	$256,858	$175	$328,788	$—	$5,564,565
Depreciation	5,271	86,511	157,575	11,497	9,718	435	23,658	—	294,665
Business combinations	—	42,917	24,729	49,752	9,956	—	—	—	127,354
Disposals	(248)	(11,559)	(329,619)	(6,919)	(21,707)	—	(32,713)	—	(402,765)
Reclassification	—	4,274	91,417	(2,082)	(1,879)	—	650	—	92,380
Exchange differences	661	6,023	15,320	(899)	1,187	—	1,748	—	24,040
As of Dec. 31, 2023	$96,416	$1,575,726	$3,292,976	$158,247	$254,133	$610	$322,131	$—	$5,700,239
Net carrying amount:									
As of Dec. 31, 2024	$957,230	$674,442	$1,609,348	$45,994	$30,375	$4,635	$74,111	$143,165	$3,539,300
As of Dec. 31, 2023	$837,353	$683,205	$1,448,619	$43,065	$30,596	$5,070	$69,472	$55,031	$3,172,411

Please refer to Note 8 for more details on property, plant and equipment under pledge.

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

(11) Investment property

	Land	Buildings	Total
Cost:			
As of Jan. 1, 2024	$294,490	$3,486	$297,976
Addition	—	—	—
Exchange differences	21,640	1,166	22,806
As of Dec. 31, 2024	$316,130	$4,652	$320,782
As of Jan. 1, 2023	$201,564	$3,461	$205,025
Addition	91,433	—	91,433
Exchange differences	1,493	25	1,518
As of Dec. 31, 2023	$294,490	$3,486	$297,976
Depreciation:			
As of Jan. 1, 2024	$—	$3,587	$3,587
Depreciation	—	396	396
Exchange differences	—	274	274
As of Dec. 31, 2024	$—	$4,257	$4,257
As of Jan. 1, 2023	$—	$2,942	$2,942
Depreciation	—	625	625
Exchange differences	—	20	20
As of Dec. 31, 2023	$—	$3,587	$3,587
Net carrying amount:			
As of Dec. 31, 2024	$316,130	$395	$316,525
As of Dec. 31, 2023	$294,490	($101)	$294,389

A. The related depreciation of the Group's investment properties is calculated using the estimated useful lives of 20 years.

B. The fair value has been determined based on valuation performed by an independent valuer, using market approach.

C. The fair value of the investment property in the consolidated financial statement stated below:

	As of Dec. 31, 2024	As of Dec. 31, 2023
Land and buildings	$422,830	$347,050

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

(12) Short-term borrowings

	As of	
	Dec. 31, 2024	Dec. 31, 2023
Purchase borrowing	$1,241,028	$764,659
Credit borrowing	44,700	—
Secured borrowing	279,553	180,993
Total	$1,565,281	$945,652

The Group's short-term borrowing rate were 1.98%~7.33% and 3.87%~7.72% as of December 31, 2024 and 2023, respectively.

(13) Financial liabilities at fair value through profit or loss

	As of	
	Dec. 31, 2024	Dec. 31, 2023
Designated financial liabilities at fair value through profit or loss:		
Derivatives not designated as hedging instruments		
Forward foreign exchange contracts	$—	$6,691
Current	$—	$6,691
Non-current	—	—
Total	$—	$6,691

(14) Long-term borrowings

A. The breakdown of long-term borrowing as of December 31, 2024 is as follows

Lenders	As of Dec. 31, 2024	Interest rate (%)	Maturity date
NRW-Bank	$85,350	4.06%	117.3.30
Volks bank	129,241	1.40%~4.00%	114.12.31～132.2.28
Subtotal	214,591		
Less: current portion	(9,317)		
Total	$205,274		

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

B. The breakdown of long-term borrowings as of December 31, 2023 is as follows

Lenders	As of Dec. 31, 2023	Interest rate (%)	Maturity date
NRW-Bank	$84,952	4.06%	117.3.30
Volks bank	138,919	1.40%~4.00%	114.12.31～132.2.28
HSBC	141	3.09%	114.3.7
Subtotal	224,012		
Less: current portion	(9,325)		
Total	$214,687		

C. Please refer to Note 8 for the pledge status of the Group's credit borrowings listed above.

(15) Post-employment benefits

Defined contribution plan

Expenses under the defined contribution plan for the years ended December 31, 2024 and 2023 were NT$3,919 thousand and NT$4,180 thousand, respectively.

Defined benefits plan

Tycoons Worldwide Company (Thailand) Public Company Limited adopted the defined benefit plans.

The Group expects to contribute NT$5,004 thousand and NT$288 to its defined benefit plan during the 12 months beginning after December 31, 2024 and 2023.

As of December 31, 2024 and 2023, the Group’s defined benefit plans are expected to expire in 10 and 11years.

The following table summarizes the persion costs recognized in profit and loss:

	For the years ended December 31,	
	2024	2023
Current period service costs	$4,742	$3,220
Past service costs	—	—
Net interest expense of net defined benefit liability	1,482	1,292
Total	$6,234	$4,512

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

Reconciliation of the defined benefit obligation and fair value of plan assets is as follows:

	As of	
	Dec. 31, 2024	Dec. 31, 2023
Present value of the defined benefit obligation	$56,158	$50,859
Plan assets at fair value	—	—
Other non-current (assets) liabilities-net defined benefit (assets) liabilities	$56,158	$50,859

Reconciliation of net defined benefit liability:

	Present value of the defined benefit obligation	Plan assets at fair value	Net defined benefit liability (asset)
As of January 1, 2024	$50,859	—	$50,859
Current period service costs	4,752	—	4,752
Net interest expense (income)	1,482	—	1,482
Subtotal	6,234	—	6,234
Remeasurement of the net defined benefit liability/asset remeasurement:			
Effect of changes in financial assumptions	(3,004)	—	(3,004)
Experience adjustments	(1,527)	—	(1,527)
Subtotal	(4,531)	—	(4,531)
Payments from the plan	(295)	—	(295)
Contributions by employer	3,891	—	3,891
As of December 31, 2024	$56,158	—	$56,158
As of December 31, 2023	$46,763	—	$46,763
Current period service costs	3,220	—	3,220
Net interest expense (income)	1,292	—	1,292
Subtotal	4,512	—	4,512
Payments from the plan	(753)	—	(753)
Effect of exchange rate changes	337	—	337
As of December 31, 2023	$50,859	—	$50,859

The following main assumptions are used to determine the Group’s defined benefit plan:

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

	As at	
	Dec. 31, 2024	Dec. 31, 2023
Discount rate	2.5%~2.8%	2.8%
Expected rate of salary increases	2.2%~4.0%	3.0%~4.5%

Sensitivity analysis for significant assumptions is shown below:

	For the years ended December 31			
	2024		2023	
	Increase in defined benefit obligation	Decrease in defined benefit obligation	Increase in defined benefit obligation	Decrease in defined benefit obligation
Discount rate increases by 0.25%	—	$2,887	—	$2,682
Discount rate decreases by 0.25%	$2,887	—	$2,682	
Future salary increases by 0.25%	$2,887	—	$2,682	—
Future salary decreases by 0.25%	—	$2,887	—	$2,682

The sensitivity analyses above are based on a change in a significant assumption (for example: change in discount rate or future salary), keeping all other assumptions constant. The sensitivity analyses may not be representative of an actual change in the defined benefit obligation as it is unlikely that changes in assumptions would occur in isolation of one another.

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

(16) Equity

A. Common stock

i. As of December 31, 2024 and 2023, the Company's authorized capital was NT$7,000,000 thousand, divided into 700,000 thousand shares, respectively, each at a per value of NT$10.

ii. As of December 31, 2024 and 2023, the Company issued capital was NT$3,371,680 thousand, divided into 337,168 thousand shares, respectively, each at a per value of NT$10.

B. Capital surplus

	As of	
	Dec. 31, 2024	Dec. 31, 2023
Adjusting of reselling bonds	$7,722	$7,722
The differences between the fair value of the consideration paid or received from acquiring or disposing of subsidiaries and the carrying amounts of subsidiaries	39,668	56,029
Restructuring	65,303	65,303
Total	$112,693	$129,054

i. The Group applies the related interpretations issued in R.O.C. for the intra-group reorganisation since there is no definite rules for business combinations (or referred as 'reorganisation') of entities under common control in IFRS 3, 'Business combinations' as explained in the IFRS Q&A 'explanations to IFRS 3 Business Combinations under Common Control' issued by Accounting Research and Development Foundation on October 26, 2018.

ii. In accordance with Accounting Research and Development Foundation Interpretation ("ARDF Interpretation") 100-248, the Group recognised the intra-group reorganisation based on the carrying amounts of subsidiaries accounted for using equity method (net of impairment loss). The difference between the carrying amount and the consideration of the transaction will be adjusted in 'capital surplus - additional paid-in capital', which if insufficient, will decrease the retained earnings. The difference between initial investment cost and net equity will be accounted for by the entities after reorganisation.

iii. According to the Company Act, the capital surplus shall not be used except for offsetting the deficit of the company. When a company incurs no loss, it may distribute the capital surplus related to the incxome derived from the issuance of new shares at a premium or income from endowments received by the company. The distribution could be made in cash or in the form of dividend shares to its stockholders in proportion to the number of shares being held by each of them.

C. Retained earnings and dividend policy

According to the Company's Articles of Incorporation, current year's earnings, if any, shall be distributed in the following order:

a. Reserve for tax payments.
b. Offset accumulated losses in previous years, if any.
c. Legal reserve, which is 10% of leftover profits.
d. Allocation or reverse of special reserves as required by law or government authorities.
e. The remaining shall be distributed according to the distribution plan proposed by the Board of Directors according to the dividend policy and submitted to the stockholders' meeting for approval.

The policy of dividend distribution should reflect factors such as the current and future investment environment, fund requirements, domestic and international competition and capital budgets; as well as the interest of the shareholders, share bonus equilibrium and long-term financial planning etc. The Board of Directors shall make the distribution proposal annually and present it at the shareholders' meeting. The distribution of shareholders' dividend shall be allocated as stock dividend in the range of 0% to 90%, and cash dividend in the range of 10% to 100%

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

According to the Company Act, the company needs to set aside amount to legal reserve unless where such legal reserve amounts to the total authorized capital. The legal reserve can be used to offset the deficit of the company. When the Company incurs no loss, it may distribute the portion of legal serve which exceeds 25% of the paid-in capital by issuing new shares or by cash in proportion to the number of shares being held by each of the stockholders.

The Company, in accordance with the FSC letter No. 1010012865 and the "Q&A on the Application of Special Surplus Reserve after Adopting International Financial Reporting Standards (IFRSs)," sets aside and reverses the special surplus reserve as prescribed. When there is a reversal in other equity reduction items, profits may be distributed based on the reversed portion.

The appropriations earnings of 2023 was approved by the shareholders' meeting held on May 29, 2024. Details are summarised below:

	Appropriations and distributions of earnings	Dividend per share (NT dollars)
	2023	2023
Legal reserve	$8,130	$—
Cash dividends	$67,433	$0.2

The shareholders' meeting held on May 30, 2023 has approved to offset a deficit of 2022 and capital reduction to offset losses. Information about the meeting is available on the Market Observation Post System website of the TSE.

Please refer to Note 6. (20) for more details on employees' compensation and remuneration to directors.

D. Non-controlling interests

	For the years ended December 31,	
	2024	2023
Beginning balance	$3,288,644	$3,016,563
(Loss) Profit attributable to non-controlling interests	(328,683)	114,543
Other comprehensive income (losses), attributable to non-controlling interests, net of tax:		
Unrealized loss on financial assets at FVTOCI	(112)	(635)
Share of other comprehensive income of associates	—	701
Exchange differences on translation of foreign financial statements	216,166	15,189
Income tax effects	22	267
The differences between the fair value of the consideration paid or received from acquiring or disposing of subsidiaries and the carrying amounts of subsidiaries	20,155	1,332
Dividends paid by the subsidiary	—	(16,832)
Changes in non-controlling interests	97,315	157,516
Ending balance	$3,293,507	$3,288,644

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

(17) Operating revenues

	For the years ended December 31,	
	2024	2023
Revenue from contracts with customers		
Sale of goods	$7,745,117	$8,230,589
Processing	258,693	189,504
Total	$8,003,810	$8,420,093

Analysis of revenue from contracts with customers for the years ended December 31, 2024 and 2023 are as follows:

A. Disaggregation of revenue

	For the years ended December 31,	
	2024	2023
Revenue from contracts with customers		
Sale of goods	$7,745,117	$8,230,589
Processing	258,693	189,504
Total	$8,003,810	$8,420,093
Timing of revenue recognition:		
At a point in time	$8,003,810	$8,420,093

B. Contract balances

Contract liabilities, current

	As of		
	Dec. 31, 2024	Dec. 31, 2023	Jan. 01, 2023
Sale of goods	$110,144	$176,193	$113,164

The decrease in the amount of contracted liabilities of the Group is due to the fulfillment of obligations in some contracts.

C. Transaction price allocated to unsatisfied performance obligations
None.

D. Assets recognized from costs to fulfil a contract with customer
None.

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

(18) Expected credit losses (gains on reversal)

	For the years ended December 31,	
	2024	2023
Operating expenses – expected credit losses (gains on reversal)		
Accounts receivables	($1,415)	($32,774)

Please refer to Note 12 for more details on credit risk.

The Group measures the loss allowance of its accounts receivable (including notes receivable, accounts receivable (including related parties), and other receivables (including related parties)) at an amount equal to lifetime expected credit losses. The assessment of the Group's loss allowance as of December 31, 2024 and 2023 are as follows:

A. The Group considers the grouping of trade receivables by counterparties' credit rating, by geographical region and by industry sector and its loss allowance is measured by using a provision matrix, details are as follow:

As of Decmeber 31, 2024

	Not overdue	Overdue days				
	(Note)	Within 90 days	91-180 days	181-365 days	Over 365 days	Total
Gross carrying amount	$624,803	$186,339	$10,360	$3,703	$16,676	$841,881
Loss ratio	—	2.5%	30%	50%	70%	
Lifetime expected credit losses	—	(4,658)	(3,108)	(1,852)	(11,673)	(21,291)
Subtotal	$624,803	$181,681	$7,252	$1,851	$5,003	$820,590

As of December 31, 2023

	Not overdue	Overdue days				
	(Note)	Within 90 days	91-180 days	181-365 days	Over 365 days	Total
Gross carrying amount	$375,137	$194,037	$22,073	$258	$15,633	$607,138
Loss ratio	—	2.5%	30%	50%	70%	
Lifetime expected credit losses	—	(2,801)	(6,622)	(129)	(10,943)	(20,495)
Subtotal	$375,137	$191,236	$15,451	$129	$4,690	$586,643

Note: The Group's note receivables are not overdue.

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

B. The movement in the provision for impairment of accounts receivable during 2024 and 2023 is as follows:

	Note receivable	Accounts receivable
As of Jan. 1, 2024	$416	$20,079
(Reversal) for the current period	—	(1,415)
Effect of exchange rate changes	—	2,211
As of Dec. 31, 2024	$416	$20,875
As of Jan. 1, 2023	$416	$20,833
Business combinations	—	135
(Reversal) for the current period	—	(32,774)
Write off	—	(487)
The effect of exchange rate changes	—	32,372
As of Dec. 31, 2023	$416	$20,079

(19) Leases

Group as a lessee

The Group leases transportation equipments and buildings. The lease terms are all 2~3 years.

The Group’s leases effect on the financial position, financial performance and cash flows are as follow:

A. Amounts recognized in the balance sheet

a. Right-of-use assets
The carrying amount of right-of-use assets

	As of	
	Dec. 31, 2024	Dec. 31, 2023
Land	$35,466	$64,540
Buildings	977	—
Transportation equipments	2,557	5,346
Subtotal	39,000	69,886
Reclassification as non-current assets or disposal group classified as held for sale	—	(41,287)
Total	$39,000	$28,599

During the years ended December 31, 2024 and 2023, the additions to right-of-use assets of the Group amounted to NT$17,397 thousand and NT$19,546 thousand.

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

b. Lease liabilities

	As of	
	Dec. 31, 2024	Dec. 31, 2023
Lease liabilities	$18,512	$8,961
Current	$6,488	$5,639
Non-current	$12,024	$3,322

Please refer to Note 6. (21) D. finance costs for the interest on lease liabilities recognized during the years ended December 31, 2024 and 2023 and refer to Note 12. (5) liquidity risk management for the maturity analysis for lease liabilities as of December 31, 2024 and 2023.

B. Amounts recognized in the statement of profit or loss

Depreciation charge for right-of-use assets

	For the years ended December 31,	
	2024	2023
Land	$3,547	$6,443
Buildings	489	496
Transportation equipment	2,789	2,789
Subtotal	6,825	9,728
Less: Discontinued operation	—	(2,880)
Total	$6,825	$6,848

C. Income and costs relating to leasing activities

	For the years ended December 31,	
	2024	2023
The expenses relating to short-term leases	$195	$169
The expenses relating to leases of low-value assets (Not including the expenses relating to short-term leases of low-value assets)	$5,560	$4,059

D. Cash outflow relating to leasing activities

During the years ended December 31, 2024 and 2023, the Group’s total cash outflows for leases amounted to NT$13,797 thousand and NT$11,314 thousand.

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

(20) Summary statement of employee benefits, depreciation and amortization expenses by function is as follows:

Function / Nature	For the years ended December 31,					
	2024			2023		
	Operating costs	Operating expenses	Total	Operating costs	Operating expenses	Total
Employee benefits expense						
Salaries	$249,448	$294,911	$544,359	$300,622	$298,509	$599,131
Labor and health insurance	$11,650	$60,494	$72,144	$14,597	$39,793	$54,300
Pension	$4,241	$4,858	$9,099	$4,186	$4,506	$8,692
Directors' remuneration	$－	$2,040	$2,040	$－	$2,040	$2,040
Other employee benefits expense	$4,346	$9,835	$14,181	$4,227	$9,166	$13,393
Depreciation	$224,017	$40,697	$264,714	$232,986	$46,456	$279,442
Amortization	$1,256	$1,929	$3,185	$19,562	$2,762	$22,324

According to the Articles of Incorporation, no less than 2%~5% of profit of the current year is distributable as employees' compensation and no more than 1% of profit of the current year is distributable as remuneration to directors. However, the Company's accumulated losses shall have been covered. The Company may, by a resolution adopted by a majority vote at a meeting of Board of Directors attended by two-thirds of the total number of directors, have the profit distributable as employees' compensation in the form of shares or in cash; and in addition thereto a report of such distribution is submitted to the shareholders' meeting. Information on the Board of Directors' resolution regarding the employees' compensation and remuneration to directors can be obtained from the "Market Observation Post System" on the website of the TWSE.

The Company did not make a profit in 2024 and intends not to distribute employee remuneration.

On March 13, 2023 the Board of Directors approved to distribute NT$1,540 thousand and NT$770 thousand in cash as employees' compensation and remuneration to directors and supervisors of 2023, respectively. No material differences existed between the estimated amount and the actual distribution of the employee compensation and remuneration to directors and supervisors for the year ended 31 December 2022.

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

(21) Non- operating income and (expenses)

A. Interest income

	For the years ended December 31,	
	2024	2023
Interest income- Financial assets at amortized cost	$8,144	$12,815

B. Other income

	For the years ended December 31,	
	2024	2023
Dividend income	$613	$571
Other income- Others	—	108,392
Total	$613	$108,693

C. Other gains and (losses)

	For the years ended December 31,	
	2024	2023
(Loss) on disposal of property, plant and equipment	($21,078)	($41,095)
Foreign exchange gain (loss), net	100,637	(6,414)
Gain on financial assets at fair value through profit or loss (Note)	8,250	49,058
Gain on disposal of investments	7,934	—
Impairment loss	(156,458)	—
Impairment (loss) reversal on non-financial assets	2,386	(7,582)
Others	29,416	15,872
Less: other gains and losses-discontinued operations	—	12,667
Total	($28,913)	$22,506

Note: It is generated form financial assets mandatorily measured at fair value through profit or loss.

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

D. Finance costs

	For the years ended December 31,	
	2024	2023
Interest on borrowings from bank	$95,027	$83,121
Interest on lease liabilities	195	198
Less: Finance cost-discontinued operations	—	(2,508)
Total finance costs	$95,222	$80,811

(22) Components of other comprehensive income

For the year ended December 31, 2024:

	Other comprehensive (loss) income, before tax				
	Arising during the period	Reclassification adjustments during the period	Other comprehensive income, before tax	Income tax relating to components of other comprehensive income (loss)	Other comprehensive income, net after tax
Items that will not to be reclassified subseqently to profit or loss:					
Unrealized gains (losses) from equity instruments investments measured at fair value through other comprehensive income	($517)	$—	($517)	$103	($414)
Remeasurements of defined benefit plans for using the equity method	662	—	662	(71)	591
To be reclassified to profit or loss in subsequent periods:					
Exchange differences resulting from translating the financial statements of a foreign operation	227,829	—	227,829	(2,324)	225,505
Total	$227,974	—	$227,974	($2,292)	$225,682

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

For the year ended December 31, 2023:

	Other comprehensive (loss) income, before tax				
	Arising during the period	Reclassification adjustments during the period	Other comprehensive income, before tax	Income tax relating to components of other comprehensive income (loss)	Other comprehensive income, net after tax
Items that will not to be reclassified subseqently to profit or loss:					
Unrealized gains (losses) from equity instruments investments measured at fair value through other comprehensive income	$870	$—	$870	$317	$1,187
Remeasurements of defined benefit plans for using the equity method	1,078	—	1,078	44	1,122
To be reclassified to profit or loss in subsequent periods:					
Exchange differences on translation of foreign financial statements	(23,461)	—	(23,461)	6,403	(17,058)
Equity directly related to non-current assets held for sale	(3,383)	—	(3,383)	—	(3,383)
Total	($24,896)	$—	($24,896)	$6,764	($18,132)

(23) Income tax

A. The major components of income tax expense (benefit) are as follows:

i. Income tax (benefit) expense recognized in profit or loss

	For the years ended December 31,	
	2024	2023
Current income tax expense (benefit):		
Underestimated income tax for previous year	$—	$3,187
Current income tax charge	11,669	26,576
Deferred tax expense (benefit):		
Deferred tax (benefit) expense related to origination and reversal of temporary differences	33,286	(1,110)
Less: income tax-discontinued operations	—	(998)
Total income tax (benefit) expense	$44,955	$27,655

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

ii. Income tax recognized in other comprehensive income

	For the years ended December 31,	
	2024	2023
Deferred income tax expense (benefit)：		
Unrealized gains (losses) from equity instruments investments measured at fair value through other comprehensive income	$32	$317
Remeasurements of defined benefit plans for using the equity method	—	44
Exchange differences resulting from translating the financial statements of a foreign operation	(2,324)	6,403
Income tax related to other comprehensive income	($2,292)	$6,764

iii. Reconciliation between tax expense and the product of accounting profit multiplied by applicable tax rates is as follows:

	For the years ended December 31,	
	2024	2023
Accounting (loss) profit before tax from continuing operations	($449,029)	$370,739
(Loss) before tax of discontinued operation	—	(146,666)
(Loss) Income before tax	($449,029)	$224,073
Tax at the domestic rates applicable to profits in the country concerned	11,669	26,576
Tax effect of expenses not deductible for tax purposes	2,989	—
Tax effect of revenue exempt from taxation	(4,783)	—
Adjustments in respect of current income tax of prior years	—	3,187
Tax effect of deferred tax assets/liabilites	35,080	(1,110)
Income tax-discontinued operations	—	(998)
Total income tax expense recognized in profit or loss	$44,955	$27,655

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

iv. Deferred tax assets (liabilities) relate to the following:

For the year ended December 31, 2024	Beginning balance as of Jan. 1, 2024	Deferred tax income (expense) recognized in profit or loss	Deferred tax income (expense) recognized in other comprehensive income	The effect of exchange rate changes	Ending balance as of Dec. 31, 2024
Temporary differences					
Exchange difference on foreign operations	($10,295)	$—	($2,324)	$1,785	($10,834)
Unrealized loss on investments in equity instruments at FVTOCI	(1,194)	—	32	(235)	(1,397)
Investment account of using the equity method	15,962	(32,655)	—	(6,888)	(23,581)
Others	18,628	7,652	—	(5,589)	20,691
Loss carryforward	8,283	(8,283)	—	—	—
Deferred tax income		($33,286)	($2,292)	($10,927)	
Net deferred tax assets	$31,384				($15,121)
Reflected in balance sheet as follows:					
Deferred tax assets	$67,514				$22,079
Deferred tax liabilities	($36,130)				($37,200)

For the year ended December 31, 2023	Beginning balance as of Jan. 1, 2023	Deferred tax income (expense) recognized in profit or loss	Deferred tax income (expense) recognized in other comprehensive income	The effect of exchange rate changes	Ending balance as of Dec. 31, 2023
Temporary differences					
Exchange difference on foreign operations	($17,407)	$—	$6,403	$709	($10,295)
Unrealized loss on investments in equity instruments at FVTOCI	(1,343)	—	317	(168)	(1,194)
Investment account of using the equity method	24,103	(8,338)	—	197	15,962
Others	17,348	1,165	44	71	18,628
Loss carryforward	—	8,283	—	—	8,283
Deferred tax income		$1,100	$6,764	$809	
Net deferred tax assets	$22,701				$31,384
Reflected in balance sheet as follows:					
Deferred tax assets	$40,108				$67,514
Deferred tax liabilities	($17,407)				($36,130)

v. The assessment of income tax returns

As of December 31, 2024, the overseas subsidiaries of the Group have already completed their tax filings on time in compliance with the tax laws and regulations of each country,and the income tax returns of the domestic Company have been assessed and approved as follows:

	The assessment of income tax returns
The Company	Approved up to 2021

(24) Earnings per share

Basic earnings per share amounts are calculated by dividing net profit for the year attributable to ordinary equity holders of the parent entity by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share amounts are calculated by dividing the net profit attributable to ordinary equity holders of the parent entity by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

	For the years ended December 31,	
	2024	2023
(1) Basic earnings per share		
(Loss) Profit attributable to ordinary equity holders of the Company (in thousands)	($165,301)	$80,877
Weighted average number of ordinary shares outstanding for basic earnings per share (in thousands)	337,168	337,168
Basic earnings per share (NT$)	($0.49)	$0.24
(2) Diluted (losses) earnings per share		
(Loss) Profit attributable to ordinary equity holders of the Company (in thousands)	($165,301)	$80,877
Profit attributable to ordinary equity holders of the Company after dilution (in thousands)	337,168	337,168
Effect of dilution:		
Employee compensation－stock (in thousands)	－	121
Weighted average number of ordinary shares outstanding after dilution (in thousands)	337,168	337,289
Diluted (losses) earnings per share (NT$)	($0.49)	$0.24

There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of completion of the financial statements.

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

(25) Business combination

Acquisition of Siam Pc Products Co., Ltd. (SPC)

The subsidiary Green Engineering Holding Co., Ltd. acquired 60% of the shares of Siam Pc Products Co., Ltd. (SPC) by purchasing 3,000 common shares at THB100 per share, totaling Baht 300,000,000. After the acquisition, it increased its capital by 1,497,000 common shares, totaling Baht 149,700,000. The company has already paid Baht 150,000,000, which accounts for 75.68% of the issued shares. On April 29, 2024, it increased its capital by 518,000 common shares ,totaling 51,800,000. The subsidiary Green Engineering Holding Co., Ltd. did not subscribe according to its shareholding ratio, resulting in a decrease in its shareholding ratio from 75.68% to 60%.

The fair value of the identifiable assets and liabilities of SPC as at the date of acquisition were:

	Fair value recognized on the acquisition date
Assets	
Cash and cash equivalents	$387
Liabilities	
Other current liabilities	($18)
Identifiable net assets	$369

Goodwill of SPC is as follows:	
Purchase consideration	$265
Add: non-controlling interests at fair value	148
Less: identifiable net assets at fair value	(369)
Goodwill	$44

The non-controlling interest (40% ownership interest) of SPC is measured at the identifiable net assets of NT$148 thousand as of the acquisition date.

Cash flow on acquisition	
Net cash acquired with the subsidiary	($387)
Cash paid	265
Net cash outflow	($122)

Acquisition of Fastbolt Group GmbH

In January of the 2023, the Group acquired 74.90% of the shares of the Germany company, Fastbolt Group GmbH. Fastbolt Group GmbH and its subsidiaries are distributors of products such as fasteners.

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

The acquisition of Fastbolt Group GmbH enabled the Group to sell its products in regions such as Europe through the company's distribution network. Additionally, through this acquisition transaction, the merged company gained access to the acquired company's customer base.
From the acquisition date until December 31, 2023, the contributions of Fastbolt Group GmbH and its subsidiaries to revenue and net profit were $1,249,831 thousand and $210,607 thousand, respectively.
The legal advisory expenses incurred from this acquisition transaction amounted to $2,780 thousand, and these expenses were recognized as operating expenses in the consolidated statement of comprehensive income.

	Fair value recognized on the acquisition date
Assets	
Cash and cash equivalents	$48,910
Accounts receivables	197,537
Other receivables	70,196
Inventory	689,728
Prepayments	3,647
Other current assets	615
Property, plant and equipment	124,878
Intangible assets	4,871
Other non-current assets	65
Liabilities	
Contract liabilities	(3,240)
Short-term loan	(272,329)
Accounts payable	(75,350)
Other payables	(173,695)
Other current liabilities	(20,136)
Long term loan	(48,788)
Total	$546,909

Gain on a bargain purchase due to the acquisition is as follows:

Purchase consideration	$298,334
Add: non-controlling interests (measured as the proportion of identifiable net assets to other equity interest)	142,353
Exchange difference	1,706
Less: identifiable net assets at fair value	(546,909)
Bargain purchase benefits (accounted for as other income)	($104,516)

The non-controlling interests of Fastbolt Group GmbH (shareholding percentage is 25.10%) is measured at the non-controlling interests’ identifiable net assets $142,353 thousand at the date of acquisition.

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

Cash flow on acquisition	
Net cash acquired with the subsidiary	($48,910)
Cash paid	298,334
Net cash outflow	$249,424

Acquisition of Tycoons Group International

The Group signed an agreement on March 13, 2024, to sell the shares of Tycoons Group International Co., Ltd. and Tycoons Group (Samoa) Holding Ltd., completing the transaction in the same month. As a result, the merged company lost control over Tycoons Group International Co., Ltd., Tycoons Group (Samoa) Holding Ltd., and their subsidiaries.

	Fair value recognized on the acquisition date
Assets	
Cash and cash equivalents	$37,425
Accounts receivables	9,895
Other receivables	13,844
Inventory	1,763
Prepayments	36,617
Property, plant and equipment	129,504
Right-of-use assets	40,200
Guarantee deposits paid	3,242
Liabilities	
Contract liabilities	(3,877)
Accounts payable	(19,286)
Other payables	(199,880)
Other current liabilities	(404)
Total	$49,043

The amounts of disposal of subsidiary interests are as follows:

Consideration received	$57,600
Net assets	(49,043)
(Disposal profit	$8,557

The net cash inflow from the disposal of subsidiaries is as follows:

Consideration received in cash and cash equivalents	$57,600
Less: Cash and cash equivalents remaining after disposal	(37,425)
Net cash outflow	$20,175

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

7. RELATED PARTY TRANSACTIONS

Information of the related parties that had transaction with the Group during the financial reporting period is as follows:

Name and nature of relationship of the related parties

Name of the related parties	Nature of relationship of the related parties
TY Steel Co., Ltd. (“TY”)	An associate
Jin Hai Hardware Co., Ltd. (“Jin Hai”)	The other related party
Siam Prestressed Material Co., Ltd.(“SPM”)	The other related party
Huang Wen Sung	The other related party
Huang Bing Lun	The other related party
Huang He Ruei nyu	The other related party
All directors and the main management	The other related party

Significant related party transactions

A. Sales

	For the years ended December 31,	
	2024	2023
TY	$44,424	$91,892
Jin Hai	34,563	46,363
Others	3,787	—
Total	$82,774	$138,255

The sales price of the goods sold by the Group to related parties was determined through mutual agreement based on the market rates, and the collection period is month-end 30~90 days.

B. Purchases

	For the years ended December 31,	
	2024	2023
TY	$797,475	$2,007,070
SPM	42,758	—
Total	$840,233	$2,007,070

C. Accounts receivables - related parties

	As of	
	Dec. 31, 2024	Dec. 31, 2023
TY	$—	$15,406
Jin Hai	—	—
Total	$—	$15,406

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

D. Accounts payables - related parties

	As of	
	Dec. 31, 2024	Dec. 31, 2023
TY	$90,260	$－

E. Other receivables - related parties

	As of	
	Dec. 31, 2024	Dec. 31, 2023
TY	$－	$918

F. Acquisition of property

	For the years ended December 31,	
	2024	2023
SPM	$98,905	$－

G. Temporary debit

	As of	
	Dec. 31, 2024	Dec. 31, 2023
Huang He Ruei nyu	$110,728	$－

The company purchased land from Huang He Ruei nyu. The subject of the sale was obtained through the enforcement of the division of jointly owned property as per the ruling No. 19194 of the 112th year of the Taiwan Ciaotou District Court. Upon receiving the payment of NT$110,280 thousand from the Company, Huang He Ruei nyu immediately paid the amount to the Taiwan Ciaotou District Court. After obtaining the certificate of rights transfer issued by the Taiwan Ciaotou District Court, she collaborated with the Company to handle the registration of land ownership transfer. The Company acquired the land title on January 10, 2025, completed the inspection, and recognized it as fixed assets - land cost. Additionally, the land value increment tax and related transfer fees, as well as the notary fees, were paid by the Company on January 9, 2025, amounting to NT$126 thousand.

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

H. Others

The Company leased land from Huang Wen Sung and Huang Bing Lun, who is a related party, in April 2022 with lease terms of 3 years. The monthly rent is NT$240 thousand, paid for every three months. On December 31, 2024 and 2023 NT$2,640 thousands and NT$2,880 thousand has been paid, respectively.
The contract was terminated early in November 2024. A new lease of land agreement was made with the related party, Huang Binglun, with a lease term of 5 years. The monthly rent is NT$238 thousands, payable every three months. The company has already paid NT$238 thousands in 2024.

I. Key management personnel compensation

	For the years ended December 31,	
	2024	2023
Short-term employee benefits	$57,974	$47,092
Post-employment benefits	2,734	1,793
Total	$60,708	$48,885

8. ASSETS PLEDGED AS COLLATERAL

The following table lists assets of the Group pledged as collateral:

	As of		
Items	Dec. 31, 2024	Dec. 31, 2023	Secured liabilities
Financial assets amortized cost	$82,771	$63,466	Short-term loan
Account receivable	$42,150	$43,725	Short-term loan
Inventories	$478,249	$500,170	Long-term and Short-term loan
Other financial assets	$22,477	$3,964	Short-term loan
Property, plant and equipment	$3,689,707	$1,933,648	Long-term and Short-term loan
Right-of-use assets	$20,574	$19,835	Short-term loan

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

A. As of December 31, 2024 and 2023, the Company provided guarantee note deposits were both NT$165,000 thousand, to the banks as securities against credit facilities.

B. As at 31 December 2024, the Company had raw material purchase commitments amounting of Baht 105 million and USD 2 million (2023: USD 17 million). The materials will be shipped to the Company within not more than 1 year from the contract dates.

C. The Company had capital commitments relating to the acquisition of building and attached facilities and machinery and equipment as follows:

(Unit: Million THB)

	Consolidated/Separate financial statements	
	2024	2023
Currency		
THB	$20.6	$16.6
USD	2.5	1.0
NTD	-	3.5

D. As at 31 December 2024, the Company had an outstanding commitment in respect of uncalled portion of investment in Green Engineering Holding Co., Ltd. (a subsidiary) amounting to Baht 74 million (2023: Baht 124 million).

E. As at 31 December 2024, there were outstanding bank guarantees of approximately Baht 27million (2023: Baht 27 million) issued by banks on behalf of the Company in respect of certain performance bonds to guarantee electricity use among others.

10. LOSSES DUE TO MAJOR DISASTER

None.

11. SIGNIFICANT SUBSEQUENT EVENTS

None.

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

12. OTHERS

(1) Categories of financial instruments

Financial Assets

	As of	
	Dec. 31, 2024	Dec. 31, 2023
Financial assets at fair value through profit or loss:		
Financial assets at fair value through profit or loss	$11,450	$11,687
Financial assets at fair value through other comprehensive income	105,407	101,371
Financial assets measured at amortized cost		
Cash and cash equivalents	879,861	1,144,612
Financial assets at amortized cost	82,771	63,466
Notes receivable(including related parties)	106,970	36,704
Accounts receivable (including related parties)	713,620	549,939
Other receivables (including related parties)	69,144	126,281
Refundable deposits	5,452	5,421
Other financial assets, current	22,477	3,964
Subtotal	1,880,295	1,930,387
Total	$1,997,152	$2,043,445

Financial Liabilities

	As of	
	Dec. 31, 2024	Dec. 31, 2023
Financial liabilities at amortized cost:		
Short-term borrowings	$1,565,281	$945,652
Payables and other payables (including related parties)	519,722	388,700
Long-term borrowings (including current portion)	214,591	224,012
Guarantee deposits	1,586	8,149
Lease liabilities	18,512	8,961
Subtotal	2,319,692	1,575,474
Financial liabilities at fair value through profit or loss:		
Designated at fair value through profit or loss	—	6,691
Total	$2,319,692	$1,582,165

(2) Financial risk management objectives and policies

The Group’s principal financial risk management objective is to manage the market risk, credit risk and liquidity risk related to its operating activates. The Group identifies measures and manages the aforementioned risks based on the Group’s policy and risk appetite.

The Group has established appropriate policies, procedures and internal controls for financial risk management. Before entering into significant transactions, due approval process by the Board of Directors and Audit Committee must be carried out based on related protocols and internal control procedures. The Group complies with its financial risk management policies at all times.

(3) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of the changes in market prices. Market prices comprise currency risk, interest rate risk and other price risk (such as equity risk).

In practice, it is rarely the case that a single risk variable will change independently from other risk variable, there is usually interdependencies between risk variables. However, the sensitivity analysis disclosed below does not take into account the interdependencies between risk variables.

Foreign currency risk

The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense are denominated in a different currency from the Group's functional currency) and the Group's net investments in foreign subsidiaries.

The Group has certain foreign currency receivables to be denominated in the same foreign currency with certain foreign currency payables, therefore natural hedge is received. The Group also uses forward contracts to hedge the foreign currency risk on certain items denominated in foreign currencies. Hedge accounting is not applied as they did not qualify for hedge accounting criteria. Furthermore, as net investments in foreign subsidiaries are for strategic purposes, they are not hedged by the Group.

The foreign currency sensitivity analysis of the possible change in foreign exchange rates on the Group's profit is performed on significant monetary items denominated in foreign currencies as at the end of the reporting period. The Group's foreign currency risk is mainly related to the volatility in the exchange rates for foreign currency A and foreign currency B. The information of the sensitivity analysis is as follows:

When NTD strengthens/weakens against foreign currency USD by 1%, the profit for the years ended December 31, 2024 and 2023 is decreased/increased by NT$3,456 thousand and NT$1,103 thousand, respectively.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's debt instrument investments at variable interest rates, bank borrowings with fixed interest rates and variable interest rates.

The Group manages its interest rate risk by having a balanced portfolio of fixed and variable loans and borrowings and entering into interest rate swaps. Hedge accounting does not apply to these swaps as they do not qualify for it.

The interest rate sensitivity analysis is performed on items exposed to interest rate risk as at the end of the reporting period. At the reporting date, a change of 10 basis points of interest rate in a reporting period could cause the profit for the years ended December 31, 2024 and 2023 to increase/decrease by NT$1,780 thousand and NT$3,432 thousand, respectively.

Equity price risk

The fair value of the Group's listed and unlisted equity securities and conversion rights of the Euro-convertible bonds issued are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Group's listed and unlisted equity securities are classified under financial assets measured at fair value through profit or loss and financial assets measured at fair value through other comprehensive income. The Group manages the equity price risk through diversification and placing limits on individual and total equity instruments. Reports on the equity portfolio are submitted to the Group's senior management on a regular basis. The Group's Board of Directors reviews and approves all equity investment decisions.

(4) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial losses to the Group. The Group is exposed to credit risks from operating activities, primarily trade receivables, investment and others. Credit risk is managed separately for business-related and financial-related exposures.

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

Business related credit risk

The majority of the Group's outstanding trade receivables are not covered by collaterals or guarantees. While the Group has procedures to monitor and manage credit risk exposure on trade receivables, there is no assurance such procedures will effectively eliminate losses resulting from its credit risk. The Group uses other methods to manage this risk, like prepaid from the client, insurance, and so on. The Group believes the concentration of credit risk is not material for the remaining accounts receivable.

Financial credit risk

This risk of the bank deposit and investment in financial instruments are managed by the financial department of the Group. The Group mitigates the credit risks from financial institutions by limiting its counterparties to only reputable domestic or international financial institutions with good credit standing and spreading its holdings among various financial institutions. The Group's exposure to credit risk arising from the default of counter-parties is limited to the carrying amount of these instruments. The Group believes the concentration of this risk is not material.

(5) Liquidity risk management

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of cash and cash equivalents, bank borrowings, convertible bonds and finance leases. The table below summarizes the maturity profile of the Group's financial liabilities based on the contractual undiscounted payments and contractual maturity. The payment amount includes the contractual interest. The undiscounted payment relating to borrowings with variable interest rates is extrapolated based on the estimated interest rate yield curve as of the end of the reporting period.

Non-derivative financial liabilities

	Less than 1 year	2 to 3 years	4 to 5 years	More than 5 years	Total
As of Dec. 31, 2024					
Borrowings	$1,574,598	$24,619	$99,727	$81,934	$1,780,878
Payables	$519,722	—	—	—	$519,722
Lease liabilities	$6,488	$12,024	—	—	$18,512

	Less than 1 year	2 to 3 years	4 to 5 years	More than 5 years	Total
As of Dec. 31, 2023					
Borrowings	$1,002,497	$12,737	$99,608	$181,118	$1,295,960
Payables	$388,700	—	—	—	$388,700
Lease liabilities	$5,741	$3,343	—	—	$9,084

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

(6) Reconciliation of liabilities arising from financing activities

Information on the reconciliation of liabilities for 2024：

	Short-term borrowings	Long-term borrowings (Including current portion)	Lease liabilities	Total liabilities from financing activities
As of Jan. 1, 2024	$945,652	$224,012	$8,961	$1,178,625
Cash flow	821,796	(9,323)	(8,042)	804,431
Non-cash changes	—	—	17,593	17,593
Effect of exchange rate changes	(202,167)	(98)	—	(202,265)
As of Dec. 31, 2024	$1,565,281	$214,591	$18,512	$1,798,384

Information on the reconciliation of liabilities for 2023：

	Short-term borrowings	Long-term borrowings (Including current portion)	Lease liabilities	Total liabilities from financing activities
As of Jan. 1, 2023	$1,319,373	$—	$15,849	$1,335,222
Cash flow	110,052	169,614	—	279,666
Non-cash changes	(489,424)	54,398	(6,888)	(441,914)
Effect of exchange rate changes	5,651	—	—	5,651
As of Dec. 31, 2023	$945,652	$224,012	$8,961	$1,178,625

(7) Fair values of financial instruments

A. The methods and assumptions applied in determining the fair value of financial instruments:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following methods and assumptions were used by the Group to measure or disclose the fair values of financial assets and financial liabilities:

a. The carrying amount of cash and cash equivalents, trade receivables, accounts payable and other current liabilities approximate their fair value due to their short maturities.
b. For financial assets and liabilities traded in an active market with standard terms and conditions, their fair value is determined based on market quotation price (including listed equity securities, beneficiary certificates, bonds and futures etc.) at the reporting date.
c. Fair value of debt instruments without market quotations, bank loans, bonds payable and other non-current liabilities are determined based on the counterparty prices or valuation method. The valuation method uses DCF method as a basis, and the assumptions such as the interest rate and discount rate are primarily based on relevant information of similar instrument (such as yield curves published by the GreTai Securities Market, average prices for Fixed Rate Commercial Paper published by Reuters and credit risk, etc.)

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

B. Fair value of financial instruments measured at amortized cost

Other than cash and cash equivalents, trade receivables, accounts payable and other current liabilities whose carrying amount approximate their fair value, the fair value of the Group's financial assets and financial liabilities measured at amortized cost is listed in the table below:

	Carrying amount as of	
	Dec.31, 2024	Dec.31, 2023
Financial assets:		
Financial assets measured at amortized cost	$82,771	$63,466
Financial liabilities:		
Short-term borrowings	$1,565,281	$945,652
Long-term borrowings (including current portion)	$214,591	$224,012

	Fair Value as of	
	Dec.31, 2024	Dec.31, 2023
Financial assets：		
Financial assets measured at amortized cost	$82,771	$63,466
Financial liabilities:		
Short-term borrowings	$1,565,281	$945,652
Long-term borrowings (including current portion)	$214,591	$224,012

C. Fair value measurement hierarchy for financial instruments

Please refer to Note 12. (8) for fair value measurement hierarchy for financial instruments of the Group.

(8) Fair value measurement hierarchy

A. Fair value measurement hierarchy

All asset and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, based on the lowest level input that is significant to the fair value measurement as a whole. Level 1, 2 and 3 inputs are described as follows:

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities that the entity can access at the measurement date
Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
Level 3 – Unobservable inputs for the asset or liability

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Group determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorization at the end of each reporting period.

B. Fair value measurement hierarchy of the Group's assets and liabilities

The Group does not have assets that are measured at fair value on a non-recurring basis. Fair value measurement hierarchy of the Group's assets and liabilities measured at fair value on a recurring basis is as follows:

As of December 31, 2024:

	Level 1	Level 2	Level 3	Total
Assets measured at fair value:				
Financial assets at fair value through profit or loss				
Derivative financial assets	$—	1,207	—	$1,207
Non-derivative financial assets	$10,243	—	—	$10,243
Financial assets at fair value through other comprehensive income				
Investment in non-publicly trade stocks	$—	—	105,407	$105,407

As of December 31, 2023:

	Level 1	Level 2	Level 3	Total
Assets measured at fair value:				
Financial assets at fair value through profit or loss				
Derivative financial assets	$—	128	—	$128
Non-derivative financial assets	$11,559	—	—	$11,559
Financial assets at fair value through other comprehensive income				
Investment in non-publicly trade stocks	$—	—	101,371	$101,371
Financial liabilities at fair value through profit or loss				
Derivative financial liabilities	$—	6,691	—	$6,691

Transfers between Level 1 and Level 2

During the years ended December 31, 2024 and 2023, there were no transfers between Level 1 and Level 2 fair value measurements.

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

(9) Significant assets and liabilities denominated in foreign currencies

Information regarding the significant assets and liabilities denominated in foreign currencies is listed below:

	As of December 31, 2024		
	Foreign currencies (thousand)	Foreign exchange rate	NTD (thousand)
Financial assets			
Monetary items:			
USD	$3,721	32.79	$122,012
EUR	$2,477	34.14	$84,565
THB	$1,814	0.96	$1,741
Financial liabilities			
Monetary items:			
USD	$14,262	32.79	$467,651
EUR	$381	34.14	$13,007

	As of December 31, 2023		
	Foreign currencies (thousand)	Foreign exchange rate	NTD (thousand)
Financial assets			
Monetary items:			
USD	$6,950	30.71	$213,444
EUR	$2,788	33.98	$94,749
THB	$20,977	0.90	$18,879
CNY	$21	4.33	$91
Financial liabilities			
Monetary items:			
USD	$10,542	30.71	$323,750
EUR	$74	33.98	$2,526
CNY	$55,952	4.33	$242,274

The above information is disclosed on the basis of the carrying amount in foreign currency (converted to functional currency) and the disclosure standard is that the amount after exchanging to NTD is greater than NT$1,000 thousand.

The Group has a wide variety of foreign currency transactions, which cannot be disclosed separately according to the foreign currencies that have a significant impact, so the exchange gains and losses of each currency are disclosed in aggregate. The Group's exchange gains (losses) on monetary financial assets and financial liabilities for the years ended December 31, 2024 and 2024 were NT$100,637 thousand and NT($6,414) thousand, respectively.

(10) Capital management

The primary objective of the Group’s capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize shareholder value. The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust dividend payment to shareholders, return capital to shareholders or issue new shares.

13. ADDITIONAL DISCLOSURES

(1) Information on significant transactions and reinvestments

A. Financing provided to others for the year ended December 31, 2024: Please refer to Attachment 1.
B. Endorsement/Guarantee provided to others for the year ended December 31, 2023: None.
C. Securities held as of December 31, 2024: Please refer to Attachment 2.
D. Individual securities acquired or disposed of with accumulated amount exceeding the lower of NT$300 million or 20 percent of the capital stock for the year ended December 31, 2024: None.
E. Acquisition of individual real estate with amount exceeding the lower of NT$300 million or 20 percent of the capital stock for the year ended December 31, 2024: None
F. Disposal of individual real estate with amount exceeding the lower of NT$300 million or 20 percent of the capital stock for the year ended December 31, 2024: None.
G. Related party transactions for purchases and sales amounts exceeding the lower of NT$100 million or 20 percent of the capital stock for the year ended December 31, 2024: Please refer to Attachment 3.
H. Receivables from related parties with amounts exceeding the lower of NT$100 million or 20 percent of the capital stock for the year ended December 31, 2024: None.
I. Financial instruments and derivative transactions: Please refer Note 6.(2)
J. Other: Intercompany relationships and significant intercompany transactions for the year ended December 31, 2024: Please refer to Attachment 4.

(2) Information on reinvestments

A. Those who directly or indirectly have significant influence or control over the investee company (excluding Mainland China investee companies): Please refer to Attachment 5.

B. If there is direct or indirect control over the investee company, it is necessary to disclose the relevant information about the investee company's transactions in items 1 through 9 of the preceding paragraph. However, if the total assets or operating income of the investee company does not reach 10% of the respective amounts of the issuer, or those who directly or indirectly control the personnel, finances, or business, may only disclose relevant information in items 1 through 4: None.

(3) Information on investments in Mainland China

A. Information on investment in Mainland China: Please refer to Attachment 6.

B. Directly or indirectly significant transactions through third regions with the investees in Mainland China, including price, payment terms, unrealized gain or loss:

  a. The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period: None.
  b. The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period: None.
  c. The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes: None.
  d. Other transactions that have a material effect on the profit or loss for the period or on the financial position: None.

(4) Information on major shareholders: Please refer to Attachment 7.

14. SEGMENT INFORMATION

The Group determined its operating segments based on business activities with discrete financial information regularly reported through the Group’s internal reporting protocols to the Group’s chief operating decision-maker. The Group has three reportable segments, the Company and subsidiaries in Thailand (Tycoons Worldwide Group (Thailand) Public Co., Ltd. and its subsidiaries) and in Europe (Fastbolt Group GmbH and is subsidiaries). Reportable segment information for the years ended December 31, 2024 and 2023 were as follows:

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

For the year ended Dec. 31, 2024

	The Company	Subsidiaries in Thailand	Subsidiaries in Europe	Other	Adjustment and elimination	Consolidated
Revenue						
External customer	$1,365,535	$3,871,644	$1,306,376	$1,460,255	－	$8,003,810
Inter- segment	55,234	26,796	－	115,369	($197,399)	－
Total revenue	$1,420,769	$3,898,440	$1,306,376	$1,575,624	($197,399)	$8,003,810
Segment profit/ loss	($154,300)	($526,148)	$47,718	$75,047	$108,654	($449,029)

For the year ended Dec. 31, 2023

	The Company	Subsidiaries in Thailand	Subsidiaries in Europe	Other	Adjustment and elimination	Consolidated
Revenue						
External customer	$800,080	$4,865,427	$1,292,676	$1,461,910	－	$8,420,093
Inter- segment	103,331	158,147	－	173,591	($435,069)	－
Total revenue	$903,411	$5,023,574	$1,292,676	$1,635,501	($435,069)	$8,420,093
Segment profit/ loss	$74,694	$76,980	$336,761	$223,563	($341,259)	($370,739)

The following table presents segment assets of the Group's operating segments as of December 31, 2024 and 2023:

	The Company	Subsidiaries in Thailand	Subsidiaries in Europe	Other	Adjustment and elimination	Consolidated
As of Dec. 31, 2024						
Segment assets	$3,673,037	$5,417,057	$1,238,439	$1,030,598	($2,153,372)	$9,205,759
As of Dec. 31, 2023						
Segment assets	$1,787,943	$4,906,398	$1,161,099	$1,188,898	($133,254)	$8,911,084

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

(3) Geographical information

External customer：

	For the years ended December 31,	
	2024	2023
America	$432,579	$218,000
Asia	5,503,744	5,079,243
Europe	1,956,232	3,013,555
Others	111,256	108,495
Total	$8,003,810	$8,419,293

Tycoons Group Enterprises Co., Ltd.-(Continued)
(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)
As of December 31, 2024

Attachment 1

Financing provided to others:

No. (Note 1)	Financing Company	Counter-party	Financial Statement Account	Related Party	Maximum Balance for the Period (Note 5)	Ending Balance (Note 4)	Amount Actually Drawn	Interest Rate	Nature of Financing (Note 2)	Transaction Amounts (Note 7)	Reason for Financing	Bad Debt	Collateral Item	Collateral Value	Financing Limits for Each Borrowing Company (Note 3)	Financing Company's Total Financing Amount Limits (Note 3)
0	Tycoons Group Enterprise Co.,Ltd.	Fastbolt International Pte. Ltd.	Other receivables -related parties	Y	1,000	$1,000	$－	－	2	$－	Short－term financing	$－	None	－	$675,326	$1,350,652
		Tycoons Worldwide Group (Thailand) Public Co., Ltd.	Other receivables -related parties	Y	1,000	1,000	6	－	2	－	Advance payment	－	None	－	675,326	1,350,652
		Tycoons Vietnam Co., Ltd.	Other receivables	N (Note 8)	104,144	－	－	－	2	－	Short－term financing	－	None	－	337,663	1,350,652
		Tycoons Group International Co., Ltd.	Other receivables	N (Note 8)	31,580	－	－	－	2	－	Short－term financing	－	None	－	337,663	1,350,652
		Ju Gu Condtruction Co., Ltd.	Other receivables -related parties	Y	60,000	60,000	60,000	2.5	2	－	Short－term financing	－	None	－	1,350,652	1,350,652
1	Huanghua Jujin Hardware Products Co.,Ltd.	Huanghua Haixin Hardware Products Co.,Ltd.	Other receivables -related parties	Y	44,700	44,700	26,820	4.8	2	－	Short－term financing	－	None	－	64,897	259,588
2	Fastbolt Schraubengroßhandels GmbH	FB Ibérica Unipessoal Lda.	Other receivables -related parties	Y	10,656	10,242	10,242	5.938	2	－	Short－term financing	－	None	－	273,167	273,167

Note 1：The Company and its subsidiaries are coded as follows:
1.The Company is coded “0”.
2.The subsidiaries are coded consecutively beginning from ”1” in the order presented in the table above.
Note 2：Nature for financing is coded as follows:
1.Business transactions.
2.Short-term financing.
Note 3：The company's financing provided limit for individual objects is the individually specified percentage of the net assets value of the latest financial statement. The total financing provided limit is 10%~40% of the net assets value of the latest financial statement.
Note 4：If a public company makes a loan to the board of directors on a case-by-case basis in accordance with Article 14 (1) of the Regulations Governing Loaning of Funds and Making of Endorsements / Guarantees by Pu blic Companies, even though it has not yet allocated funds, the amount of the board resolutions shall be included in the announcement balance to reveal its bear the risk; but after the fund is repaid, the balance after the repayment should be disclosed to reflect the adjustment of risk. If the public offering company authorizes the chairman of the board of directors to approve the loan in a certain amount and within one year in accordance with Article 14 (2) of the Regulations Governing Loaning of Funds and Making of Endorsements / Guarantees by Public Companies, the fund loan and the amount approved by the board of directors shall still be used as the announced balance. Although the funds will be repaid thereafter, it is still possible to allocate the loan again, so the fund loan and quota approved by the board of directors should still be used as the announced balance.
Note 5：The maximum balance is the maximum amount spent in the current period .
Note 6：When preparing this consolidated financial statement, it has been offset.
Note 7：If the nature of financing provided is a business transaction, the amount of the business transaction should be entered. The amount of business transactions refers to the amount of business transactions between the company that lends funds and the loanee in the latest year.
Note 8：In March 2024, our company sold its equity interests of Tycoons Group International Co., Ltd. and Tycoons Group (Samoa) Holding Ltd. (including its subsidiary, Tycoons Vietnam Co., Ltd.), resulting in the loss of control over these companies. Consequently, the lending limit to the aforementioned companies shall not exceed 10% of the net worth in our company's most recent financial statements.

Tycoons Group Enterprises Co., Ltd.-(Continued)
(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)
As of December 31, 2024

Attachment 2

Marketable securities held

Held Company Name	Marketable Securities Type and Name (Note 1)		Relationship with the Company	Financial Statement Account	31-Dec-24				Note (Note 3)
					Shares / Units	Carrying Value (Note 2)	Percentage of Ownership	Fair Value	
Tycoons Group Enterprises Co., Ltd.	Common stock	Taiwan Cement Corporation	—	Financial assets at fair value through profit or loss, current	65,995	$2,092	—	$2,092	Note 5
	Funds	Taiwan Cooperative Bank USD Denominated Callable Bond	—	Financial assets at fair value through profit or loss, current	100,000	$3,151	—	$3,151	Note 5
	Funds	Jih Sun Taiwan Quality Multi-Asset Fund	—	Financial assets at fair value through profit or loss, current	500,000	$5,000	—	$5,000	Note 5
	Common stock	JinHai Hardware Company Limited	—	Financial assets at fair value through other comprehensive income, non-current	4,354,875	$41,410	18.19%	THB 43,032,318	Note 4
Tycoons Worldwide Group (Thailand) Public Co., Ltd.	Common stock	Thai Union Fastener Co., Ltd.	—	Financial assets at fair value through other comprehensive income, non-current	6,000,000	$63,997	8.70%	THB 66,504,468	Note 4

Note 1：The securities mentioned in this table refer to stocks, bonds, beneficiary certificates and securities derived from the above items that fall within the scope of International Financial Reporting Standard No. 9 "Financial Instruments". 。
Note 2：If measured by fair value, please fill in the book value after the fair value evaluation adjustments and deduct the allowance loss; if it is not measured by fair value, please fill in the amortized cost (after deducting the allowance loss) of the book balance.
Note 3：The listed securities have users who are restricted due to the provision of guarantees, pledged loans, or other agreed-upon agreements. The remarks column should indicate the number of guarantees or pledged shares, the amount of guarantees or pledges, and the circumstances of restricted use.
Note 4：There is no public market price, which is determined by the net equity value or by evaluation.
Note 5：The market price is closing price on December 31,2024.

Tycoons Group Enterprises Co., Ltd.-(Continued)
(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)
For the year ended December 31, 2024

Attachment 3

Total purchases from or sales to related parties of at least NT$ 100 million or 20% of the paid-in capital

Company Name	Related Party	Nature of Relationships	Transaction Details				Details of non-arm's length transaction		Notes and Accounts receivable (payable)	
			Purchases / Sales	Amount	Percentage of total purchases (sales)	Payment Terms	Unit Price	Payment Terms	Ending Balance	Percentage of total receivables (payable)
Tycoons Worldwide Group (Thailand) Public Co., Ltd.	TY Steel Co., Ltd.	Associate	Purchases	$797,475	20%	30~120days	No significant difference	No significant difference	($90,260)	25%

Note 1：It has been offset when preparing the consolidated financial statements.

Tycoons Group Enterprises Co., Ltd.-(Continued)
(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)
For the year ended December 31, 2024

Attachment 4

The business relationship between the parent and subsidiaries and significant transactions between them

No. (Note 1)	Company Name	Counter-party	Nature of Relationships (Note 2)	Transaction Details			
				Financial Statement item	Amount	Transaction Terms	Percentage of consolidated revenue or assets % (Note 3)
0	Tycoons Group Enterprise Co., Ltd.	Tycoons Worldwide Group (Thailand) Public Co., Ltd.	1	Sales	$37,038	Refer to the transaction conditions of other customers.	–
		Tycoons Vietnam Co., Ltd.	1	Sales	18,195	Refer to the transaction conditions of other customers.	–
				Purchase	46,697	Refer to the transaction conditions of other customers.	1
		Vietthycoons Steel Co., Ltd.	1	Purchase	91,785	Refer to the transaction conditions of other customers.	2
1	Tycoons Worldwide Group (Thailand) Public Co., Ltd.	Fastbolt Schraubengroßhandels GmbH	1	Sales	26,796	Refer to the transaction conditions of other customers.	1
2	Fastbolt Group GmbH	Fastbolt Schraubengroßhandels GmbH	1	Accounts payable	19,992	Refer to the transaction conditions of other customers.	–

Note 1：The Company and its subsidiaries are coded as follows:
1. The Company is coded “0”. 2. The subsidiaries are coded consecutively beginning from ”1” in the order presented in the table above.

Note 2：The relationship with the trader has the following three types:
1. Parent company to a subsidiary. 2. Subsidiary to the parent company. 3. Subsidiary to subsidiary.

Note 3：For the calculation of the ratio of the transaction amount to consolidated revenue or assets, if it is an asset-liability item, it is calculated by the balance at the end of the period in the consolidated assets; if it is a profit and loss item, it is calculated by the cumulative amount in the period as a share of the consolidated revenue.

Note 4：It has been offset when preparing the consolidated financial statements.

Tycoons Group Enterprises Co., Ltd.-(Continued)
(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)
As of December 31, 2024

Attachment 5

Names, locations and related information of investees over which the company exercises significant influence

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment		Balance as of December 31, 2024			Net Income (Losses) of the Investee	Shares of Profits / Losses of Investee	Notes
				31-Dec-24	31-Dec-23	Shares	Percentage of Ownership	Carrying value			
The Company	Tycoons Group International Co., Ltd.	Cayman	Holding	$－	$2,902,712	－	－	$－	USD 63,872	1,678	Subsidiary
	Tycoons Group (Samoa) Holding Ltd.	Samoa	Holding	－	USD 778,106	－	－	－	(USD 107,282)	(3,374)	Subsidiary
	Hurco Automation, Ltd	Taiwan	Design, manufacture, sale and distribution of industrial controllers	42,077	42,077	4,207,707	35.00%	177,173	28,539	9,465	Associate
	Green Engineering Holding Co., Ltd.	Thailand	Investment green energy industry	66,064	29,779	74,250	45.00%	67,671	(THB 8,698,189)	(3,566)	Subsidiary
	Kingford International Ltd.	Samoa	Holding	USD 10,955,528	USD 10,955,528	5,938,051	100.00%	408,069	USD 1,043,330	33,517	Subsidiary
	TY Steel Co., Ltd.	Thailand	Production and sale of steel billets	USD 2,387,372	USD 2,387,372	16,185,593	5.94%	－	(THB 746,084,805)	(40,883)	Associate
	Fastbolt International Pte.,Ltd.	Singapore	Holding	USD 7,062,147	USD 7,062,147	4,743,000	49.41%	306,961	EUR 577,366	9,914	Subsidiary
	Tycoons Worldwide Group (Thailand) Public Co., Ltd.	Thailand	Production, processing, and sales of wire rods, annealed wires, screws, bolts, and other related products	USD 38,334,926 18,348	USD 38,334,926 21,204	188,462,477	31.58%	1,187,479	(THB 566,378,964)	(156,030)	Subsidiary
	Ju Gu Condtruction Co., Ltd.	Taiwan	Asset Investment	30,000	－	3,000,000	100%	27,359	(2,641)	(2,641)	Subsidiary
Tycoons Group International Co.,Ltd.	Viettycoons Steel Co.,Ltd.	Vietnam	Production and sales of cold rolled steel products, pickled steel coils, hot-dip galvanized steel coils, various types of steel mesh, wire mesh, bolts, screws, rivets, round bars for screws, screws, nuts, and scissors	－	USD 6,000,000	－	－	－	VND 1,569,459,661	VND 1,569,459,661	Subsidiary

Tycoons Group Enterprises Co., Ltd.-(Continued)
(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)
As of December 31, 2024

Attachment 5-1

Names, locations and related information of investees over which the company exercises significant influence

Investor Company	Investee Company	Main Businesses and Products	Main Businesses and Products	Original Investment		Balance as of December 31, 2024			Net Income (Losses) of the Investee	Shares of Profits / Losses of Investee	Notes
				31-Dec-24	31-Dec-23	Shares	Percentage of Ownership	Carrying value			
Tycoons Worldwide Group (Thailand) Public Co., Ltd.	TY Steel Co., Ltd.	Thailand	Production and sale of steel billets	THB 1,145,682,320	THB 1,145,682,320	52,950,032	19.43%	–	(THB 746,084,805)	(THB 144,964,278)	Associate
	KDB Co., Ltd.	Thailand	Investment real estate	THB 173,640,000	THB 173,640,000	121,321	44.99%	THB 172,200,180	(THB 977,682)	(THB 439,903)	Subsidiary
	Green Engineering Holding Co., Ltd.	Thailand	Investment green energy industry	THB 90,749,450	THB 41,249,750	90,750	55.00%	THB 85,947,998	(THB 8,698,189)	(THB 4,783,975)	Subsidiary
	Fastbolt International Pte., Ltd.	Singapore	Holding	THB 167,901,150	THB 167,901,150	4,557,000	47.47%	THB 344,207,993	EUR 577,366	THB 10,307,490	Subsidiary
Tycoons Group (Samoa) Holding Ltd.	Tycoons Vietnam Co., Ltd.	Vietnam	Wire production and sales business	–	USD 699,800	–	–	–	(VND 2,636,140,671)	(VND 2,636,140,671)	Subsidiary
Green Engineering Holding Co., Ltd.	Siam Pc Products Co., Ltd.	Thailand	Wire production and sales business	THB 150,000,000	–	1,500,000	60.00%	THB 141,307,470	(THB 14,399,430)	(THB 8,643,231)	Subsidiary
Siam Pc Products Co., Ltd.	Mega Import-Export Company Limited	Thailand	Import and export of rebar, wire rod, steel plates, and various sizes of steel materials.	THB 2,040,000	–	5,100	51.00%	THB 2,015,421	(THB 48,195)	(THB 24,579)	Subsidiary
Fastbolt International Pte., Ltd.	Fastbolt Group GmbH	Germany	Holding	EUR 9,000,000	EUR 9,000,000	55,239	74.90%	EUR 17,364,635	EUR 893,133	EUR 668,957	Subsidiary
Fastbolt Group GmbH	Fastbolt Schraubengroß handels GmbH	Germany	Selling screws	EUR 255,646	EUR 255,646	(investment amount) EUR 255,646	100.00%	EUR 19,740,343	EUR 1,211,971	EUR 1,211,971	Subsidiary
	Fastbolt Distributors (UK) Ltd.	Britain	Selling screws	GBP 18,900.00	GBP 18,900.00	189,000	100.00%	EUR 2,315,253	(GBP 282,045)	(GBP 282,045)	Subsidiary
	FB Ibérica Unipessoal Lda.	Portugal	Selling screws	EUR 50,000	EUR 50,000	(investment amount) EUR 50,000	100.00%	EUR 611,918	(EUR 39,884)	(EUR 39,884)	Subsidiary

Attachment 6

Information on investment in mainland China

1.The detail of the investment in mainland China:

Amounts in Thousands of New Taiwan Dollars and Foreign Currencies in Dollars

Investee Company	Main Businesses and Products	Total Amount of Paid-in Capital	Method of Investment	Accumulated Outflow of Investment from Taiwan as of January 1, 2024	Investment Flows		Accumulated Outflow of Investment from Taiwan as of December 31, 2024	Net Income (Loss) of Investee Company	Percentage of Ownership	Shares of Profits / Losses (Note 3)	Carrying Amount as of December 31,2024	Accumulated Inward Remittance of Earnings as of December 31, 2024
					Outflow	Inflow						
HuangHua Jujin Hardware Products Co.,Ltd	Production, processing and sales of wires, screws, bolts and other related products	$359,988 (CNY 81,667,000)	Note 1	$189,793 (USD 5,931,028)	$ –	$ –	$189,793 (USD 5,931,028)	$74,677 (CNY 16,739,955)	60.00%	$44,774 (USD 1,393,738)	$389,387 (USD 11,876,991)	$314,922 (USD 9,841,302)
FQC Mechanical Technology Consultancy Co. Ltd	Quality inspection	$6,892 (EUR 200,000)	Note 2	–	–	–	–	($85) (CNY -19,607)	50.00%	($44) (EUR -1,259)	$1,455 (EUR 42,611)	–
Fastbolt Trading (Shanghai) Co. Ltd.	Selling screws	$3,520 (USD 110,000)	Note2	–	–	–	–	$8,818 (CNY 1,976,576)	100.00%	$8,820 (EUR 253,792)	$36,233 (EUR 1,061,304)	–

2.Investment limit for reinvestment in mainland China

Accumulated Investment in Mainland China as of December 31, 2024 (Note 4)	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on Investmen (Note 5)
$180,907 (USD 5,931,028)	$180,907 (USD 5,931,028)	$2,025,978

Note 1：Indirectly investment in Mainland China through the Kingford International Limited registered in a third region.

Note 2：The acquisition of Fastbolt Group GmbH by the consolidated company, which includes its previously invested subsidiary in China.

Note 3：The investment profit / loss column recognized in the current period is based on the company's audited financial statements.

Note 4：Accumulated investment amounts denominated in foreign currencies are translated into New Taiwan Dollars using the spot rates at the financial report date. (USD 1：32.785 , CNY 1：4.478 , EUR 1：34.24)

Note 5：According to the regulations of the Investment Commission of the Ministry of Economic Affairs, the upper limit of the cumulative amount of its investment in the mainland is 60% of the net value.

Attachment 7

Major shareholders information

Major shareholders \ Shares	Number of Shares held	Percentage of shareholding
Yisheng Investment Co.,Ltd,	27,339,523	8.10%
Hengsha Investment Co.,Ltd.	25,785,022	7.64%

Note 1：This table is based on the last business day at the end of each quarter and calculates that shareholders hold more than 5% of the Company's ordinary shares and special shares that have completed unregistered delivery (including treasury shares). As for the share capital recorded in the company's financial report and the company's actual number of shares delivered without physical registration, there may be differences or differences due to different calculation bases.

Note 2：In the case of the above information, if the shareholders' shares are in the trust, it is disclosed in individual accounts by the trustee who opened the trust account by the trustee. As for the shareholder's declaration of insider's equity in accordance with the Securities and Exchange Act, the shareholding includes his own shareholding plus the trust shares and the right to use the trust property. For information on insider's equity declaration, please refer to the Market Observation Post System website of the TSE.