Ji-Haw Industrial, Co., Ltd., and Subsidiaries

Consolidated Financial Statements and Independent Auditor's Review Report

Q3 2024 and 2023

Address: No.53, Baoxing Rd., Xindian Dist., New Taipei City

Telephone: (02)29189189

§TABLE OF CONTENTS§

Item			Page	Financial Statement Note Number
I.	Cover Page		1	-
II.	Table of Contents		2	-
III.	CPA's Review Report		3~4	-
IV.	Consolidated Balance Sheet		5	-
V.	Consolidated Income Statement		6~7	-
VI.	Consolidated Statement of Changes in Equity		8	-
VII.	Consolidated Statement of Cash Flows		9~10	-
VIII.	Notes to the Consolidated Financial Statements			
	(1)	Company History	11	1
	(2)	Date and Procedures of Approval of the Financial Statement	11	2
	(3)	Application of New and Revised Standards and Interpretations	11~16	3
	(4)	Summary of Significant Accounting Policies	16~19	4
	(5)	Key Sources of Significant Accounting Judgments, Estimates, and Assumptions Uncertainty	19	5
	(6)	Notes to Major Accounts	19~55	6-29
	(7)	Related Party Transactions	55~57	30
	(8)	Pledged assets	58	31
	(9)	Significant Contingent Liabilities and Unrecognized Contractual Commitments	-	-
	(10)	Losses From Major Disasters	-	-
	(11)	Major Post-balance Sheet Events	58	32
	(12)	Significant assets and liabilities Denominated in Foreign Currency	58~61	33
	(13)	Other Disclosures		
		1. Information Related to Significant Transactions	61~62	34
		2. Information Related to Business Investments	61	34
		3. Information Related to Investments in Mainland China	61	34
		4. Information on Major Shareholders	62	34
	(14)	Segment Information	62	35

CPAs' Review Report

To Ji-Haw Industrial, Co., Ltd:

Introduction

The Consolidated Balance Sheet as of September 30, 2024 and 2023, and the Consolidated Comprehensive Income Statement and Changes in Consolidated Equity for the for the three months ended September 30, 2024 and 2023 and for the nine months ended September 30, 2024 and 2023 of Ji-Haw Industrial Co., Ltd., and its subsidiaries' financial statements, consolidated cash flow statements, and notes to the consolidated financial statements (including a summary of significant accounting policies) have been reviewed by us. It is the responsibility of the management to prepare the properly expressed consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission.

Scope

Except as stated in the paragraph above, we conducted reviews in accordance with the Standards on Reviews 2410, "Review of Financial Statements". The procedures to be used in reviewing the consolidated financial statements include inquiries (mainly with the person in charge of financial and accounting affairs), analytical procedures, and other review procedures. A review is substantially less in scope than an audit, and therefore does not allow us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Therefore, we do not express an audit opinion.

Basis for a qualified conclusion

As stated in Note 12 to the consolidated financial statements, the financial statements of the non-significant subsidiaries included in the aforementioned consolidated financial statements for the same period have not been reviewed by a CPA. The total assets as of September 30, 2024 and 2023, were NT$208,983 thousand and NT$85,981 thousand, respectively, accounting for 7.43% and 3.99% of the total consolidated assets. The total liabilities amounted to NT$107,415 thousand and NT$135 thousand, respectively, accounting for 9.00% and 0.02% of the total consolidated liabilities. The consolidated net income (loss) for the three months ended September 30, 2024 and 2023, and for the nine months ended September 30, 2024 and 2023 were (NT$15,278) thousand, (NT$144) thousand, (NT$35,901) thousand, and (NT$446) thousand. These figures represent (10.14%), (1.47%), (13.81%), and (1.87%) of the total comprehensive income (loss) on a consolidated basis, respectively. Furthermore, as stated in Note 13 to the consolidated financial statements, the balances of the investments accounted for using this equity method were NT$80,884 thousand and NT$100,879 thousand as of September 30, 2024 and 2023, respectively. The respective portions of the affiliates' profits or losses accounted for using the equity method for the three months ended September 30, 2024 and 2023, and for the nine months ended September 30, 2024, and 2023, were NT$(22,806) thousand, NT$1 thousand, NT$8,529 thousand, and NT$3 thousand. These were recognized based on the financial statements of the investee companies during the same periods that had not been reviewed by the CPAs.

Conclusion with reservation

Based on the results of the CPA review, except for the financial statements of non-material subsidiaries and investee companies as described in the introductory section of the basis of conclusion, which may have an impact on the adjusted presentation of the consolidated financial statements upon completion of the audit by the accountants, no significant deviations were found in all material aspects of the aforementioned consolidated financial statements that would prevent us from expressing a reasonable opinion, as prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the IAS No. 34 "Interim Financial Reporting," approved and issued by the FSC, regarding the consolidated financial position of Ji-Haw Industrial Co., Ltd. and its subsidiaries as of September 30, 2024 and 2023, as well as the consolidated financial performance for the three months ended September 30, 2024 and 2023 and nine months ended September 30, 2024 and 2023, and the consolidated financial performance and cash flows for the nine months ended September 30, 2024 and 2023.

Emphasized matters

As mentioned in Note 3 to the consolidated financial statements, Ji-Haw Industrial, Co., Ltd. and its subsidiaries changed the accounting policy of investment property by resolution of the board of directors on August 13, 2024, and the subsequent measurement was changed from the cost model to the fair value model. The accounting policy is applied retrospectively, and the affected items are adjusted. We did not revise our review conclusion accordingly.

Deloitte Taiwan

CPA Huang Yao-Lin

Number of the approval letter from the Financial Supervisory Commission
Jin-Guan-Zheng-Shen-Zi No. 1060004806

CPA Chou Shih-Chieh

Number of the approval letter from the Financial Supervisory Commission
Jin-Guan-Zheng-Shen-Zi No. 1110348898

November 13, 2024

Ji-Haw Industrial, Co., Ltd., and Subsidiaries

Consolidated Balance Sheets

September 30, 2024, December 31, September 30, and January 1, 2023

Unit: NT$ thousand

Code	Assets	September 30, 2024 Amount	%	December 31, 2023 (After restatement) Amount	%	September 30, 2023 (After restatement) Amount	%	January 1, 2023 (After restatement) Amount	%
	Current assets								
1100	Cash and cash equivalents (Note 6)	$ 208,260	7	$ 276,271	13	$ 274,142	13	$ 397,756	18
1110	Financial assets at FVTPL – Current (Note 7)	-	-	19,669	1	23,960	1	1,265	-
1136	Financial assets at amortized cost – current (Note 9)	128,650	5	18,041	1	26,352	1	26,795	1
1140	Contract assets - current (Note 24)	764	-	4,213	-	-	-	-	-
1170	Notes and accounts receivable (Notes 10 and 24)	441,112	16	384,248	18	436,414	20	386,932	18
130X	Inventories (Note 11)	216,006	8	253,748	12	292,296	14	324,255	15
1470	Other current assets (Notes 19 and 30)	65,317	2	26,803	1	17,130	1	18,436	1
11XX	Total current assets	1,060,109	38	982,993	46	1,070,294	50	1,155,439	53
	Non-current Assets								
1510	Financial assets at FVTPL – non-current (Note 7)	-	-	-	-	353	-	336	-
1535	Financial assets at amortized cost - non-current (Note 9)	-	-	9,017	-	-	-	-	-
1550	Investment under the equity method (Note 13)	80,884	3	20,826	1	100,879	5	98,965	5
1600	Property, plant and equipment (Notes 14 and 31)	292,102	10	297,446	14	245,865	11	261,602	12
1755	Right-of-use assets (Notes 15 and 16)	114,205	4	51,961	2	34,634	2	29,613	2
1760	Investment properties (Notes 3, 4, 15, 16, and 31)	1,044,178	37	585,045	27	593,909	27	594,645	27
1805	Goodwill (Note 17)	120,985	4	97,188	5	-	-	-	-
1821	Intangible assets (Notes 18 and 30)	11,419	1	9,399	-	-	-	-	-
1840	Deferred income tax assets (Note 4)	30,232	1	32,531	2	28,827	1	28,927	1
1990	Other non-current assets (Note 19)	58,289	2	64,288	3	79,946	4	4,001	-
15XX	Total non-current assets	1,752,294	62	1,167,701	54	1,084,413	50	1,018,089	47
1XXX	Total assets	$ 2,812,403	100	$ 2,150,694	100	$ 2,154,707	100	$ 2,173,528	100
Code	Liabilities and equity								
	Current liabilities								
2100	Short-term borrowings (Note 20 and 31)	$ 495,000	17	$ 310,500	15	$ 100,000	5	$ 100,000	5
2130	Contract liabilities - current (Notes 24 and 30)	1,140	-	135	-	-	-	-	-
2170	Notes and accounts payable (Note 30)	363,712	13	306,859	14	344,218	16	309,023	14
2200	Other payables (Notes 21 and 30)	54,482	2	39,387	2	35,094	1	41,760	2
2230	Current income tax liabilities (Note 4)	17	-	89	-	-	-	8,944	-
2280	Lease liabilities – current (Note 15)	18,219	1	9,101	-	2,928	-	935	-
2320	Long-term borrowings due within one year (Note 20 and 31)	5,143	-	3,140	-	-	-	-	-
2399	Other current liabilities (Note 30)	3,794	-	11,146	1	87,061	4	87,541	4
21XX	Total current liabilities	941,507	33	680,357	32	569,301	26	548,203	25
	Non-current liabilities								
2540	Long-term borrowings (Note 20 and 31)	68,066	3	10,908	-	-	-	-	-
2570	Deferred income tax liabilities (Notes 3 and 4)	79,341	3	54,133	3	69,363	3	86,543	4
2580	Lease liabilities – non-current (Note 15)	90,912	3	59,520	3	46,223	2	45,371	2
2640	Net defined benefit liabilities (Note 4 and 22)	751	-	886	-	627	-	823	-
2645	Guarantee deposits	4,031	-	2,209	-	2,195	-	2,203	-
2670	Other non-current liabilities	8,696	-	6,949	-	6,786	1	6,286	1
25XX	Total non-current liabilities	251,797	9	134,605	6	125,194	6	141,226	7
2XXX	Total liabilities	1,193,304	42	814,962	38	694,495	32	689,429	32
	Equity attributable to owners of the Company (Notes 3 and 23)								
3100	Common shares	1,127,192	40	1,127,192	52	1,127,192	52	1,127,192	52
3200	Capital surplus	3,975	-	226,697	11	226,697	11	226,697	10
	Retained earnings (accumulated losses)								
3310	Appropriated as legal capital reserve	-	-	23,586	1	23,586	1	23,586	1
3320	Special reserve	-	-	218,029	10	218,029	10	218,029	10
3350	Undistributed earnings (losses to be covered)	148,848	5	(168,797)	(8)	(66,314)	(3)	(30,233)	(1)
3300	Total retained earnings (accumulated losses)	148,848	5	72,818	3	175,301	8	211,382	10
3400	Other equity	323,147	12	(90,975)	(4)	(68,978)	(3)	(81,172)	(4)
31XX	Total equity of the Company's owners	1,603,162	57	1,335,732	62	1,460,212	68	1,484,099	68
36XX	Non-controlling interests	15,937	1	-	-	-	-	-	-
3XXX	Equity	1,619,099	58	1,335,732	62	1,460,212	68	1,484,099	68
	Total liabilities and equities	$ 2,812,403	100	$ 2,150,694	100	$ 2,154,707	100	$ 2,173,528	100

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

(Please see the Review Report of Deloitte & Touche on November 13, 2024)

Chair: Shih Hao-Ji　　Manager: Lin Meng-Chieh　　Accounting supervisor: Chen Po-Jung

Ji-Haw Industrial, Co., Ltd., and Subsidiaries

Consolidated Statements of Comprehensive Income

For the three months and nine months ended September 30, 2024 and 2023

Unit: NT$ thousand, except for earnings (losses) per share in NT$

Code		For the three months ended September 30, 2024		For the three months ended September 30, 2023 (After restatement)		For the nine months ended September 30, 2024		For the nine months ended September 30, 2023 (After restatement)	
		Amount	%	Amount	%	Amount	%	Amount	%
4000	Operating revenue (Notes 24 and 30)	$ 332,951	100	$ 295,277	100	$ 879,652	100	$ 876,073	100
5000	Operating cost (Notes 11, 18, 25, and 30)	314,647	95	243,351	82	800,082	91	745,116	85
5950	Gross profit	18,304	5	51,926	18	79,570	9	130,957	15
	Operating expenses (Notes 10, 18, 22, 25, and 30)								
6100	Sales promotion expenses	20,599	6	18,801	7	67,116	8	55,225	6
6200	Administrative expenses	48,388	15	39,069	13	133,823	15	106,957	12
6300	Research and development expenses	21,126	6	15,591	5	59,572	7	46,225	5
6450	Impairment loss (reversal) of expected credit loss	776	-	5,306	2	(8,817)	(1)	11,611	2
6000	Total operating expenses	90,889	27	78,767	27	251,694	29	220,018	25
6900	Net operating loss	(72,585)	(22)	(26,841)	(9)	(172,124)	(20)	(89,061)	(10)
	Non-operating income and expenses								
7100	Interest revenue (Note 25)	213	-	410	-	3,482	-	1,945	-
7010	Other income (Notes 13, 15, 16, 25, and 30)	10,086	3	5,707	2	31,631	4	17,723	2
7020	Other gains and losses (Notes 3 and 25)	(6,596)	(2)	(600)	-	(11,329)	(1)	10,508	1
7050	Financial costs (Note 25)	(3,358)	(1)	(1,105)	(1)	(7,155)	(1)	(3,300)	-
7060	Share of profit or loss of affiliates using the equity method (Note 13)	(1,085)	-	1	-	5,423	1	3	-
7000	Total non-operating income and expenses	(740)	-	4,413	1	22,052	3	26,879	3
7900	Net loss before tax	(73,325)	(22)	(22,428)	(8)	(150,072)	(17)	(62,182)	(7)
7950	Income tax income (expense) (Notes 3, 4 and 26)	(3,331)	(1)	1,315	1	(4,019)	-	26,101	3
8200	Net loss for the period	(76,656)	(23)	(21,113)	(7)	(154,091)	(17)	(36,081)	(4)
	Other comprehensive income								
	Items not reclassified into profit or loss								
8312	Revaluation increment of property	238,389	72	-	-	392,002	45	-	-
8320	Share of other comprehensive income of affiliates under the equity method	(21,721)	(7)	-	-	3,106	-	-	-
8349	Income tax on items not reclassified into profit or loss	(120)	-	-	-	(23,727)	(3)	-	-
8310		216,548	65	-	-	371,381	42	-	-

(Continued next page)

(Continued from the previous page)

Code		For the three months ended September 30, 2024 Amount	%	For the three months ended September 30, 2023 (After restatement) Amount	%	For the nine months ended September 30, 2024 Amount	%	For the nine months ended September 30, 2023 (After restatement) Amount	%
8360	Items likely to be reclassified into profit or loss								
8361	Exchange differences on the translation of foreign operations	$ 10,812	3	$ 30,940	10	$ 42,765	5	$ 12,194	1
8300	Other comprehensive income for the period (net after tax)	227,360	68	30,940	10	414,146	47	12,194	1
8500	Total comprehensive income for the period	$ 150,704	45	$ 9,827	3	$ 260,055	30	($ 23,887)	(3)
	Net loss attributable to:								
8610	Owners of the Company	($ 74,263)	(22)	($ 21,113)	(7)	($ 149,909)	(16)	($ 36,081)	(4)
8620	Non-controlling interests	(2,393)	(1)	-	-	(4,182)	(1)	-	-
8600		($ 76,656)	(23)	($ 21,113)	(7)	($ 154,091)	(17)	($ 36,081)	(4)
	Total comprehensive income attributable to:								
8710	Owners of the Company	153,050	46	9,827	3	264,213	30	(23,887)	(3)
8720	Non-controlling interests	(2,346)	(1)	-	-	(4,158)	-	-	-
8700		$ 150,704	45	$ 9,827	3	$ 260,055	30	($ 23,887)	(3)
	Loss per share (Notes 3 and 27)								
9710	Basic	($ 0.66)		($ 0.19)		($ 1.33)		($ 0.32)	

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

(Please see the Review Report of Deloitte & Touche on November 13, 2024)

Chair: Shih Hao-Ji Manager: Lin Meng-Chieh Accounting supervisor: Chen Po-Jung

Ji-Haw Industrial, Co., Ltd., and Subsidiaries

Consolidated Statements of Changes in Equity

For the nine months ended September 30, 2024 and 2023

Unit: NT$ thousand

		Equity attributable to owners of the Company												
				Retained earnings (accumulated losses)				Other equity						
Code		Common shares	Capital surplus	Appropriated as legal capital reserve	Special reserve	Unappropriated Earnings Losses to be offset	Total	Exchange differences on the translation of foreign operations	Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	Revaluation increment of property	Total	Total	Non-controlling interests	Total equity
A1	Balance on January 1, 2023	$ 1,127,192	$ 226,697	$ 23,586	$ 218,029	($ 494,359)	($ 252,744)	($ 67,172)	($ 14,000)	$ -	($ 81,172)	$ 1,019,973	$ -	$ 1,019,973
A3	Adjustments applied retrospectively and retrospectively	-	-	-	-	464,126	464,126	-	-	-	-	464,126	-	464,126
A5	Balance after restatement on January 1, 2023	1,127,192	226,697	23,586	218,029	(30,233)	211,382	(67,172)	(14,000)	-	(81,172)	1,484,099	-	1,484,099
D1	Net loss from January 1, 2023 to September 30, 2023	-	-	-	-	(36,081)	(36,081)	-	-	-	-	(36,081)	-	(36,081)
D3	Other comprehensive income after tax from January 1 to September 30 of the year 2023	-	-	-	-	-	-	12,194	-	-	12,194	12,194	-	12,194
D5	Total comprehensive income from January 1 to September 30 of the year 2023	-	-	-	-	(36,081)	(36,081)	12,194	-	-	12,194	(23,887)	-	(23,887)
Z1	Balance after restatement on September 30, 2023	$ 1,127,192	$ 226,697	$ 23,586	$ 218,029	($ 66,314)	$ 175,301	($ 54,978)	($ 14,000)	$ -	($ 68,978)	$ 1,460,212	$ -	$ 1,460,212
A1	Balance on January 1, 2024	$ 1,127,192	$ 226,697	$ 23,586	$ 218,029	($ 626,001)	($ 384,386)	($ 77,250)	($ 14,000)	$ -	($ 91,250)	$ 878,253	$ -	$ 878,253
A3	Adjustments applied retrospectively and retrospectively	-	-	-	-	457,204	457,204	275	-	-	275	457,479	-	457,479
A5	Balance after restatement on January 1, 2024	1,127,192	226,697	23,586	218,029	(168,797)	72,818	(76,975)	(14,000)	-	(90,975)	1,335,732	-	1,335,732
C7	Changes in affiliates accounted for using the equity method	-	3,217	-	-	-	-	-	-	-	-	3,217	-	3,217
C11	Capital reserve to offset deficit	-	(225,939)	(23,586)	(218,029)	467,554	225,939	-	-	-	-	-	-	-
D1	Net loss from January 1 to September 30, 2024	-	-	-	-	(149,909)	(149,909)	-	-	-	-	(149,909)	(4,182)	(154,091)
D3	Other comprehensive income after tax for the nine months ended September 30, 2024	-	-	-	-	-	-	42,741	3,106	368,275	414,122	414,122	24	414,146
D5	Total comprehensive income for the nine months ended September 30, 2024	-	-	-	-	(149,909)	(149,909)	42,741	3,106	368,275	414,122	264,213	(4,158)	260,055
O1	Non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	20,095	20,095
Y1	Total increase (decrease) in equity in 2024	-	(222,722)	(23,586)	(218,029)	317,645	76,030	42,741	3,106	368,275	414,122	267,430	15,937	283,367
Z1	Balance on September 30, 2024	$ 1,127,192	$ 3,975	$ -	$ -	$ 148,848	$ 148,848	($ 34,234)	($ 10,894)	$ 368,275	$ 323,147	$ 1,603,162	$ 15,937	$ 1,619,099

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

(Please see the Review Report of Deloitte & Touche on November 13, 2024)

Chair: Shih Hao-Ji Manager: Lin Meng-Chieh Accounting supervisor: Chen Po-Jung

Ji-Haw Industrial, Co., Ltd., and Subsidiaries

Consolidated Statements of Cash Flows

For the nine months ended September 30, 2024 and 2023

Unit: NT$ thousand

Code		For the nine months ended September 30, 2024	For the nine months ended September 30, 2023 (After restatement)
	Cash flows from operating activities		
A00010	Net loss before tax	($ 150,072)	($ 62,182)
	Adjustments:		
A20100	Depreciation expense	31,401	23,449
A20200	Amortization Expenses	933	-
A20300	Impairment loss (reversal) of expected credit loss	(8,817)	11,611
A20400	Financial assets income measured at fair value through profit or loss	(140)	(483)
A20900	Finance costs	7,155	3,300
A21200	Interest income	(3,482)	(1,945)
A22300	Share of profit or loss of affiliates using the equity method	(5,423)	(3)
A22500	Losses (gains) from the disposal and scrapping of property, plant and equipment	(388)	46
A23700	Reversal of write-down of inventories	(18,856)	(21,180)
A24100	Unrealized foreign currency exchange loss (gain)	3,198	(7,737)
A24600	Loss on fair value adjustment of investment property	1,739	-
A29900	Gains on bargain purchase	(6,176)	-
A20010	Total income, expenses, and losses	1,144	7,058
A30000	Changes in operating assets and liabilities		
A31125	Contract assets	3,449	-
A31150	Notes and accounts receivable	(23,246)	(50,846)
A31200	Inventories	51,396	51,150
A31240	Other current assets	(35,991)	(1,021)
A32125	Contract Liabilities	1,005	-
A32150	Notes and Accounts Payable	48,414	36,001
A32180	Other payables	13,625	(6,666)
A32230	Other current liabilities	(7,492)	(480)
A32240	Net defined benefit liabilities	(135)	(196)
A32990	Other non-current liabilities	1,747	500
A33000	Cash generated from operations	(96,156)	(26,682)
A33300	Interest paid	(7,155)	(3,300)
A33500	Income Tax Paid	(201)	(1,311)
AAAA	Net cash flow used in operating activities	(103,512)	(31,293)

(Continued next page)

(Continued from previous page)

Code		For the nine months ended September 30, 2024	For the nine months ended September 30, 2023 (After restatement)
	Cash flows from investing activities		
B00040	Acquisition of financial assets at amortized cost	($ 109,767)	($ 22,533)
B00050	Proceeds from the disposal of financial assets at amortized cost	8,906	22,622
B00100	Acquisition of financial assets at fair value through profit or loss	-	(22,622)
B00200	Proceeds from disposal of financial assets at fair value through profit or loss	23,109	-
B01800	Acquisition of long-term equity investment under the equity method	(61,066)	-
B02000	Increase in prepaid investments	(32,340)	-
B02200	Acquisition of net cash outflow from subsidiaries	(18,352)	-
B02400	Proceeds from capital reduction and refund of shares of long-term equity investment under equity method	19,000	-
B02700	Acquisition of Property, Plants, and Equipment	(28,694)	(3,956)
B02800	Disposal of Property, Plants, and Equipment	1,769	-
B03700	Increase in Guarantee Deposits Paid	(3,858)	(150)
B04500	Acquisition of intangible assets	(2,953)	-
B05350	Acquisition of right-of-use assets	-	(1,842)
B06700	Increase in other non-current assets	(12,913)	(75,795)
B07500	Interest received	3,482	1,897
BBBB	Net Cash Outflow From Investing Activities	(213,677)	(102,379)
	Cash flows from financing activities		
C00100	Increase in short-term borrowings	174,500	-
C01600	Borrowing of long-term loans	53,400	-
C01700	Repayment of long-term borrowings	(3,285)	-
C03000	Increase in Guarantee Deposits Received	1,822	-
C03100	Decrease in guarantee deposits	-	(8)
C04020	Repayment of principal of lease liabilities	(10,854)	(945)
C05800	Change in Non-controlling Equity	5,507	-
CCCC	Net cash flows from (used in) financing activities	221,090	(953)
DDDD	Effect of exchange rate changes on cash and cash equivalents	28,088	11,011
EEEE	Net decrease in cash and cash equivalents in the period	(68,011)	(123,614)
E00100	Opening Cash and Cash Equivalents Balance	276,271	397,756
E00200	Closing Cash and Cash Equivalents Balance	$ 208,260	$ 274,142

The accompanying notes are an integral part of the consolidated financial statements.
(Please see the Review Report of Deloitte & Touche on November 13, 2024)

Chair: Shih Hao-Ji Manager:Lin Meng-Chieh Accounting supervisor: Chen Po-Jung

Ji-Haw Industrial, Co., Ltd., and Subsidiaries

Notes to the Consolidated Financial Statements

For the nine months ended September 30, 2024 and 2023

(NT$ thousand, unless otherwise specified)

1. Company History

Ji-Haw Industrial, Co., Ltd., (the “Company”) was incorporated on January 11, 1983. The major business activities of the Company are the sale and manufacturing of precision electric ports and sockets, connectors, electric wires and cables, electronics components, and other industrial and commercial services. The Company’s common shares were listed on the Taiwan Stock Exchange (TWSE) in July 2002.

The consolidated financial statements are presented in New Taiwan Dollar, which is the Company’s functional currency.

2. Date and Procedure for Adopting the Financial Statement

These consolidated financial statements were approved by the Board of Directors on November 13, 2024.

3. Application of New and Revised Standards and Interpretations

(1) Initial application of new accounting policies

Management of the Company and the entities controlled by the Company (hereinafter referred to as the “consolidated company”) believe that the fair value model can provide reliable and more relevant information. Therefore, on August 13, 2024, investment properties were subsequently measured using the fair value model, and special reserve is appropriated in accordance with the requirements of the Jin-Guan-Zheng-Fa-Zi 1030006415. However, as of January 1, 2024, given there was still a loss to be compensated, it was not necessary to provide special reserve to limit the appropriation of earnings.

Effects from the previous period are summarized as follows:

	Amount before restatement	Adjustment of investment property measured at fair value	Amount after restatement
Effect of assets, liabilities and equity			
December 31, 2023			
Investment properties	$ 96,423	$ 488,622	$ 585,045
Total assets affected	$ 96,423	$ 488,622	$ 585,045
Deferred tax liabilities	$ 22,990	$ 31,143	$ 54,133
Total liabilities affected	$ 22,990	$ 31,143	$ 54,133
Losses to be offset	($ 626,001)	$ 457,204	($ 168,797)
Other equity	(91,250)	275	(90,975)
Total equity affected	($ 717,251)	$ 457,479	($ 259,772)
September 30, 2023			
Investment properties	$ 96,484	$ 497,425	$ 593,909
Total assets affected	$ 96,484	$ 497,425	$ 593,909
Deferred tax liabilities	$ 37,594	$ 31,769	$ 69,363
Total liabilities affected	$ 37,594	$ 31,769	$ 69,363
Losses to be offset	($ 532,402)	$ 466,088	($ 66,314)
Other equity	(68,546)	(432)	(68,978)
Total equity affected	($ 600,948)	$ 465,656	($ 135,292)
January 1, 2023			
Investment properties	$ 98,871	$ 495,774	$ 594,645
Total assets affected	$ 98,871	$ 495,774	$ 594,645
Deferred tax liabilities	$ 54,895	$ 31,648	$ 86,543
Total liabilities affected	$ 54,895	$ 31,648	$ 86,543
Losses to be offset	($ 494,359)	$ 464,126	($ 30,233)
Total equity affected	($ 494,359)	$ 464,126	($ 30,233)

(Continued next page)

(Continued from previous page)

	Amount before restatement	Adjustment of investment property measured at fair value	Amount after restatement
Effect of comprehensive income			
For the three months ended September 30, 2023			
Other gains and losses	($ 869)	$ 269	($ 600)
Tax income	1,391	(76)	1,315
Effect of net loss in the period	522	193	715
Other comprehensive income			
Items that may subsequently be reclassified to profit or loss:			
Exchange differences on the translation of foreign operations	30,920	20	30,940
Effect of other comprehensive income after tax in the period	30,920	20	30,940
Effect of the total comprehensive income in the period	$ 31,442	$ 213	$ 31,655
Effect of net loss attributable to:			
Owners of the Company	$ 522	$ 193	$ 715
Effect of total comprehensive income attributable to:			
Owners of the Company	$ 31,442	$ 213	$ 31,655

(Continued next page)

(Continued from previous page)

	Amount before restatement	Adjustment of investment property measured at fair value	Amount after restatement
For the nine months ended September 30, 2023			
Other gains and losses	$ 8,318	$ 2,190	$ 10,508
Tax income	26,329	(228)	26,101
Effect of net loss in the period	34,647	1,962	36,609
Other comprehensive income			
Items that may subsequently be reclassified to profit or loss:			
Exchange differences on the translation of foreign operations	12,626	(432)	12,194
Effect of other comprehensive income after tax in the period	12,626	(432)	12,194
Effect of the total comprehensive income in the period	$ 47,273	$ 1,530	$ 48,803
Effect of net loss attributable to:			
Owners of the Company	$ 34,647	$ 1,962	$ 36,609
Effect of total comprehensive income attributable to:			
Owners of the Company	$ 47,273	$ 1,530	$ 48,803
Effect of earnings per share (NT$)			
For the three months ended September 30, 2023			
Basic earnings (losses) per share	($ 0.19)	$ -	($ 0.19)
For the nine months ended September 30, 2023			
Basic earnings (losses) per share	($ 0.34)	$ 0.02	($ 0.32)

(2) Initial application of the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), Interpretations of IFRS (IFRIC), and

Interpretations of IAS (SIC) (collectively, "IFRSs") endorsed and issued into effect by the Financial Supervisory Commission (FSC)

The application of the amended and promulgated IFRSs approved by the FSC (Financial Supervisory Commission) will not cause significant changes in the accounting policies of the consolidated company.

(3) IFRSs endorsed by the Financial Supervisory Commission, applicable from 2025 onwards

New/amended/revised IFRSs and interpretations	International Accounting Standards Board Effective date announced by IASB
Amendments to IAS 21 "Lack of Convertibility".	January 1, 2025 (Note)

Note: Applicable for annual reporting periods beginning on or after January 1, 2025. When the amendments are first applied for, the period of comparison shall not be re-stated, but the impact shall be recognized in the retained earnings on the date of initial application or the exchange differences of foreign operations under equity (as appropriate) and related assets and liabilities.

(4) IFRSs issued by the IASB that have been published but have not yet been approved and made effective by the Financial Supervisory Commission (FSC)

New/amended/revised IFRSs and interpretations	Effective date announced by the IASB (Note)
"Annual Improvements to IFRS Accounting Standards — Volume 11"	January 1, 2026
Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments"	January 1, 2026
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"	To be determined
IFRS 17 "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments to IFRS 17 "Initial Application of IFRS 17 and IFRS 9 – Comparative Information"	January 1, 2023
IFRS 18 "Presentation and Disclosures of Financial Statements"	January 1, 2027
IFRS 19 "Subsidiaries without public Accountability: Disclosures"	January 1, 2027

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

IFRS 18 "Presentation and Disclosures of Financial Statements"

IFRS 18 will replace IAS 1 "Presentation of Financial Statements" and the main changes include:

- The income and loss items shall be divided into business, investment, financing, income tax, and discontinued operations.
- The income statement shall present operating profit or loss, profit or loss before financing and income tax, as well as subtotal and total profit and loss.
- Provide guidance to strengthen the requirements of aggregation and segmentation: The Company must identify assets, liabilities, equity, revenues, expenses, and cash flows arising from individual transactions or other events and classify and aggregate them on the basis of common characteristics so that each line item presented in the primary financial statements has at least one similar characteristic. Items with different characteristics shall be broken down in the main financial statements and notes. The Company only marks such items as "others" when no more informative name can be found.
- Increasing the disclosure of the performance measurement defined by management: When the Company has open communication outside the financial statements, and when management's view of the Company's overall financial performance on a certain aspect is communicated with the users of the financial statements, it shall be disclosed in a separate note to the financial statements on performance measurements defined by management, including descriptions of the measurements, how to calculate them, reconciliations between them and any subtotals or totals specified in IFRS, and the impact of relevant adjustments on income tax and non-controlling interests, etc.

In addition to the above effects, as of the date of approving the consolidated financial statements for release, the consolidated company had continued to evaluate the effect of the amendments to the other standards and interpretations on its financial position and financial performance, and the relevant effects will be disclosed when the evaluation is completed.

4. Summary of Significant Accounting Policies

(1) Statement of Compliance

These consolidated financial statements are prepared in accordance with the financial reporting standards for issuers and IAS 34 'Interim Financial Reporting' as approved and issued by the Financial Supervisory Commission (FSC). These consolidated financial statements do not include all the IFRS disclosure information required for the entire annual financial statements.

(2) Basis of Preparation

Except for the financial instruments and investment property measured at fair value and the net defined benefit liabilities recognized by deducting the fair value of plan assets determined in accordance with the fair value, these consolidated financial statements are prepared on a historical cost basis.

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

1. Level 1 inputs: refers to the quoted price (unadjusted) of the same asset or liability available in the active market on the measurement date.
2. Level 2 inputs: these are observable input values for assets or liabilities, either directly (i.e., the price itself) or indirectly (i.e., derived from prices), other than Level 1 quoted prices.
3. Level 3 inputs: this refers to unobservable input values for assets or liabilities.

(3) Consolidated Basis

These consolidated financial statements include the financial statements of the Company and the financial statements of the entities (subsidiaries) controlled by the Company. Income and expenses of subsidiaries acquired or disposed of during the period are included in the consolidated statement of comprehensive income from the effective date of acquisitions up to the effective dates of disposals, as appropriate. The financial statements of the subsidiaries have been adjusted to align their accounting policies with those of the parent company. In the preparation of the consolidated financial statements, all inter-entity transactions, account balances, revenues, and expenses have been eliminated in full. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Company's ownership interests in subsidiaries that do not result in the Company losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the consolidated company's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to the owners of the Company.

For details of subsidiaries, percentage of ownership, and business items, please refer to Note 12 and Tables 6 and 7.

(4) Other Significant Accounting Policies

Except for the following explanations, please refer to the summary of significant accounting policies in the 2023 consolidated financial statements.

1. Classification of current and noncurrent assets and liabilities

Current assets include:

(1) Assets held primarily for the purpose of trading;

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

(3) Cash and cash equivalents unless the asset is restricted from being used for an exchange or used to settle a liability for more than twelve months after the reporting period.

Current liabilities include:

(1) Liabilities held primarily for the purpose of trading;

(2) Liabilities due to be settled within 12 months after the balance sheet date; and

(3) At the balance sheet date, the Company has no substantive right to defer settlement of liabilities for at least 12 months after the balance sheet date.

Assets and liabilities that are not classified as abovementioned are classified as noncurrent.

2. Investment property

Investment properties refers to properties held for the purpose of earning rents or capital appreciation or both (including properties thereof that meet the definition of investment properties and are in the process of construction). Investment properties also include land held for a currently undetermined future use.

Self-owned investment property is initially measured at cost (including transaction cost). Investment property is subsequently measured at fair value, and changes in fair value are recognized in profit or loss in the period in which they occur.

When the property, plant and equipment is transferred to investment property after own use, the difference between the original book value and fair value is recognized in other comprehensive income and accumulated in equity under the revaluation increase in equity, and then derecognized from the asset is transferred directly to retained earnings.

3. Defined benefit post-retirement benefits

The interim pension costs are calculated on the basis of the year-end to the end using the pension cost rate determined in accordance with the actuarial method at the end of the previous year, and take into account the significant market fluctuations and major plan amendments, settlements, or other significant Adjustments of one-off items.

4. Income tax expenses

Income tax expenses represent the sum of the tax currently payable and deferred tax. The interim income tax is calculated on the interim income before tax using the tax rate applicable to the total expected earnings for the year.

5. Key Sources of Significant Accounting Judgments, Estimates, and Assumptions of Uncertainty

Please refer to the explanation of key sources of significant accounting judgments, estimates, and assumptions uncertainty in the 2023 consolidated financial statements.

6. Cash and Cash Equivalents

	September 30, 2024	December 31, 2023	September 30, 2023
Cash on hand	$ 1,476	$ 1,168	$ 1,281
Checking accounts and demand deposits	85,422	98,013	192,727
Cash equivalents (investments with original maturities of less than 3 months)			
Time deposits	121,362	177,090	80,134
	$ 208,260	$ 276,271	$ 274,142

7. Financial Instruments at Fair Value Through Profit or Loss

	December 31, 2023	September 30, 2023
Financial assets – current		
Financial assets mandatorily classified as at FVTPL		
Non-derivative financial assets		
- Fund beneficiary certificate	$ 18,035	$ 22,417
– Foreign listed stock	1,634	1,543
	$ 19,669	$ 23,960
Financial assets – non-current		
Financial assets mandatorily classified as at FVTPL		
Non-derivative financial assets		
- Foreign unlisted stock	$ -	$ 353

8. Financial Assets at Fair Value Through Other Comprehensive Income

These investments in ordinary shares of Soyo Link Energy Co., Ltd., Li Wang Technology Co., Ltd., and S SQUARE SYSTEM LTD., are held for medium to long-term strategic purposes. The management elected to designate these investments as FVTOCI as they believe that recognizing short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the consolidated company's strategy of holding these investments for long-term purposes.

The Group is unable to recover the investment costs as Soyo Link Energy Co., Ltd., and Li Wang Technology Co., Ltd., have discontinued their operations and S SQUARE SYSTEM LTD. has been incurring losses for several years; their fair value was assessed to be zero.

9. Financial Assets Carried at Amortized Cost

	September 30, 2024	December 31, 2023	September 30, 2023
Current			
Foreign investments			
Time deposits with an original maturity date of more than 3 months	$ 128,650	$ 18,041	$ 26,352
Non-current			
Foreign investments			
Time deposits with original maturities of more than 3 months	$ -	$ 9,017	$ -

10. Accounts Receivable and Notes Receivable

	September 30, 2024	December 31, 2023	September 30, 2023
Notes receivable			
Measured at amortized cost	$ 1,785	$ 3,978	$ 3,903
Accounts receivable			
Measured at amortized cost			
Gross carrying amount	448,689	402,583	452,006
Less: allowance	(9,362)	(22,313)	(19,495)
	439,327	380,270	432,511
Notes and accounts receivable	$ 441,112	$ 384,248	$ 436,414

The consolidated company’s average credit period for sales is 30 to 165 days, and the accounts receivable do not accrue interest. The rating of major customers is given by using public financial information that is readily available and historical transaction records. The consolidated company’s credit exposures and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty credit limits that are reviewed and approved by the management annually.

In order to reduce the credit risk, the consolidated company assigns a team responsible for the determination and approval of credit limits and takes other monitoring measures to ensure that proper actions have been taken to recover the overdue accounts receivable. Additionally, the consolidated company reviews the recoverable amount of receivables one by one on the balance sheet date to ensure that proper allowances are recognized for unrecoverable receivables. Accordingly, the management of the Company believes that the consolidated company’s credit risk has been significantly reduced.

The consolidated company applies the simplified approach to providing for expected credit losses prescribed by IFRS 9, which permits the use of lifetime expected loss provisions for all trade receivables. The expected credit losses on trade receivables are estimated considering the past default experience of the debtor and the debtor's current financial position. As the consolidated company's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished according to the consolidated company's different customer base.

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

The following table details the loss allowance of trade receivables:

September 30, 2024

	Not past due	1 to 30 days past due	31 to 60 days past due	61 to 90 days past due	More than 91 days past	Total
Expected credit loss rate	0.18%	3.89%	10.72%	36.27%	100.00%	
Gross carrying amount	$ 421,685	$ 17,743	$ 1,147	$ 499	$ 7,615	$ 448,689
Loss allowance (lifetime ECL)	(752)	(691)	(123)	(181)	(7,615)	(9,362)
Amortized cost	$ 420,933	$ 17,052	$ 1,024	$ 318	$ -	$ 439,327

December 31, 2023

	Not past due	1 to 30 days past due	31 to 60 days past due	61 to 90 days past due	More than 91 days past	Total
Expected credit loss rate	0.28%	14.81%	18.80%	44.36%	100.00%	
Gross carrying amount	$ 354,538	$ 20,849	$ 9,042	$ 2,917	$ 15,237	$ 402,583
Loss allowance (lifetime ECL)	(994)	(3,088)	(1,700)	(1,294)	(15,237)	(22,313)
Amortized cost	$ 353,544	$ 17,761	$ 7,342	$ 1,623	$ -	$ 380,270

September 30, 2023

	Not past due	1 to 30 days past due	31 to 60 days past due	61 to 90 days past due	More than 91 days past	Total
Expected credit loss rate	0.24%	1.05%	5.00%	51.46%	100.00%	
Gross carrying amount	$ 418,448	$ 8,858	$ 5,383	$ 2,425	$ 16,892	$ 452,006
Loss allowance (lifetime ECL)	(993)	(93)	(269)	(1,248)	(16,892)	(19,495)
Amortized cost	$ 417,455	$ 8,765	$ 5,114	$ 1,177	$ -	$ 432,511

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

	For the nine months ended September 30, 2024	For the nine months ended September 30, 2023
Opening balance	$ 22,313	$ 7,539
Plus: Current provision for impairment	-	11,611
Less: Write-offs in current period	(5,437)	-
Less: Reversal of impairment loss for the current period	(8,817)	-
Effect of foreign currency exchange difference	1,303	345
Closing Balance	$ 9,362	$ 19,495

11. Inventory

	September 30, 2024	December 31, 2023	September 30, 2023
Finished goods	$ 135,508	$ 170,193	$ 188,012
Works in process	24,167	17,203	35,998
Raw materials	56,331	66,352	68,286
	$ 216,006	$ 253,748	$ 292,296

The operating cost related to inventories of the consolidated company includes the inventory loss recognized by offsetting the inventory cost to the net realizable value and the inventory reversal profit recognized by the increase in net realizable value during the financial reporting period. The amounts are listed as follows:

	For the three months ended September 30, 2024	For the three months ended September 30, 2023	For the nine months ended September 30, 2024	For the nine months ended September 30, 2023
Reversal of write-down of inventories	$ 3,265	$ 6,172	$ 18,856	$ 21,180

12. Subsidiaries

Subsidiaries included in the consolidated financial statements

The entities included in the preparation of these consolidated financial statements are as follows:

Name of investor	Name of subsidiary	Nature of business activities	Proportion of Ownership (%) September 30, 2024	December 31, 2023	September 30, 2023	Remarks
Ji-Haw Industrial, Co., Ltd.	Ji-Haw Artificial Intelligence Technology (Kunshan) Co.,Ltd. (J.H.K)	Manufacturing and trading of computer cables or plugs	100.00	100.00	100.00	Note 1
	J.B.T Industrial Co., Ltd. (J.B.T)	Manufacturing and trading of computer cables or plugs	100.00	100.00	100.00	-
	Ji-Haw Opto-Electrical (Kunshan) Co., Ltd. (J.H.P)	Manufacturing and trading of precision ceramics, precision molds, and computer cables and plugs	40.48	40.48	40.48	Note 2
	Ji-Haw Investment Co., Ltd. (J.H.I.)	Investing in overseas financial products and stocks	100.00	100.00	100.00	-
	JI-HAW TECHNOLOGY VN CO., LTD (hereinafter referred to as J.H.V)	Manufacturing and trading of computer cables or plugs	100.00	100.00	-	Note 3
	CHINTEK Inc. (CHINTEK)	Software development and design	100.00	100.00	-	Note 4
	Emergence A.I Co., Ltd. (Emergence A.I)	Management consulting and technology R&D services	66.67	-	-	Note 5
	Heph A.I Studio Technology Co., Ltd. (Heph A.I)	Software R&D and management consulting services	100.00	-	-	Note 6
	Silicon Test Tech. Corp. (Silicon Test Tech)	IC packaging OEM	51.03	-	-	Note 7
Silicon Test Tech	Jern Yao Co., Ltd. (Jern Yao)	IC packaging OEM	100.00	-	-	Note 8
CHINTEK	CyPhy-Twin Corp. (CPT)	Integrated sales of software and equipment	75.00	-	-	Note 9
J.B.T	J.H.P	Manufacturing and trading of precision ceramics, precision molds, and computer cables and plugs	59.52	59.52	59.52	Note 2

Note 1: The Company was renamed from “Ji-Haw Electronics (Kun Shan) Co., Ltd.” to “Ji-Haw Artificial Intelligence Technology (Kunshan) Co., Ltd.” on September 25, 2023.

Note 2: 40.48% held directly by the Company and 59.52% held directly by the 100% owned subsidiary, J.B.T.

Note 3: In response to market demand, the Company completed its incorporation and registration on September 27, 2023.

Note 4: In order to expand the products and markets of the in-vehicle business, the consolidated company acquired 100% equity of the Company for NT$98,000 thousand in cash on October 27, 2023. Please refer to Note 28 for details.

Note 5: In response to market demand, the Company completed its incorporation and registration on February 23, 2024.

Note 6: In response to market demand, the Company completed its incorporation and registration on March 4, 2024.

Note 7: Due to market demand, the consolidated company acquired 51.03% equity of the Company for NT$39,000 thousand in cash on March 25, 2024. Please refer to Note 28 for details.

Note 8: The Company is a 100% owned subsidiary of Silicon Test Tech, which was merged into the consolidated company as a result of the acquisition of Silicon Test Tech.

Note 9: Due to market demand, the company was registered and established on May 27, 2024 and is a subsidiary 75% held by CHINTEK.

For the subsidiaries consolidated into the consolidated financial statements for the nine months ended September 30, 2024 and 2023, the financial statements of other non-significant subsidiaries were not reviewed by accountants, except for JBT and JHP, which were reviewed by accountants.

13. Equity Method Investments

Investment in affiliates

	September 30, 2024	December 31, 2023	September 30, 2023
Individual non-significant affiliates			
Jin-Zuan Semiconductor Investment Co., Ltd. (Jin-Zuan Semiconductor)	$ 59,841	$ -	$ -
CERMAX Co., Ltd. (CERMAX)	19,300	19,154	-
Chuzhou Ding Wang Investment and Development Limited (Chuzhou Ding Wang)	1,743	1,672	100,879
	$ 80,884	$ 20,826	$ 100,879

The consolidated company registered the establishment of Jin-Zuan Semiconductor with NT$40,000 thousand in cash on March 8, 2024. The consolidated company underwent a cash capital increase by NT$125,000 thousand on March 28, 2024. The consolidated company did not participate in the loss of control, so it was an individual non-insignificant associate. On May 15, 2024, the Company received a capital reduction of NT$78,375 thousand, and the consolidated company recovered NT$19,000 thousand of shares. On August 28, 2024, the consolidated company acquired 13.39% equity of the Company for cash consideration of NT$21,066 thousand, resulting in a bargain purchase gain of NT$6,176 thousand.

On November 10, 2023, the consolidated company acquired CERMAX, which was an individually non-significant associate, with NT$20,000 thousand in cash. The goodwill generated from the acquisition of these companies is the cost of NT$14,075 thousand serially credited to the affiliates.

The investments accounted for using the equity method and the share of profit and other comprehensive income enjoyed by the consolidated company are recognized based on the financial statements of the affiliates for the corresponding period, which have not been audited by the CPA.

14. Property, Plants, and Equipment

	September 30, 2024	December 31, 2023	September 30, 2023
Self-owned land	$ 114,717	$ 188,066	$ 91,805
Buildings	71,472	49,160	53,661
Machinery and equipment	55,439	48,299	82,862
Transportation equipment	3,362	3,927	4,288
Other equipment	10,960	7,994	13,249
Leasehold improvements	8,622	-	-
Construction in progress	27,530	-	-
	$ 292,102	$ 297,446	$ 245,865

Except for the recognition of depreciation expenses, there were no significant additions, disposals, or impairments of the consolidated company’s property, plant, and equipment for the nine months ended September 30, 2024 and 2023. The above items of property, plants, and equipment are depreciated on a straight-line basis over their estimated useful lives as follows:

Buildings	5 to 24 years
Machinery and equipment	5 to 20 years
Transportation equipment	3 to 20 years
Other equipment	1 to 33 years
Leasehold improvements	3 years

Depreciation is calculated over the estimated useful life of 5 to 24 years for each material component of buildings which includes the main building, electrical and mechanical construction, and improvements.

For the amount of property, plant and equipment pledged for borrowings, please refer to Note 31.

15. Lease Agreements

(1) Right-of-use assets

	September 30, 2024	December 31, 2023	September 30, 2023
Carrying amount of right-of-use assets			
Land	$ 54,387	$ 28,558	$ 28,640
Buildings	51,667	14,940	-
Transportation equipment	8,151	8,463	5,994
	$ 114,205	$ 51,961	$ 34,634

	For the three months ended September 30, 2024	For the three months ended September 30, 2023	For the nine months ended September 30, 2024	For the nine months ended September 30, 2023
Additions to right-of-use assets	$ -	$ 6,208	$ 45,983	$ 6,208
Depreciation charge for right-of-use assets				
Land	$ 155	$ 429	$ 859	$ 845
Buildings	3,368	-	7,427	-
Transportation equipment	598	250	1,566	250
	$ 4,121	$ 679	$ 9,852	$ 1,095
Revenue from sublease of right-of-use assets (recognized as other income)	($ 29)	($ 1,694)	($ 59)	($ 5,000)

Except for the aforementioned additional recognized depreciation expenses, there have been no significant subleasing or impairment situations regarding the right-of-use assets of the consolidated company for the three months and nine months ended September 30, 2023 and 2024.

The land leased by the Consolidated Company in China and Thailand is subleased under operating leases. Related right-of-use assets are reported as investment properties and set out in Note 16. Right-of-use assets disclosed above do not include those meeting the definition of investment properties.

(2) Lease liabilities

	September 30, 2024	December 31, 2023	September 30, 2023
Carrying amount of lease liabilities			
Current	$ 18,219	$ 9,101	$ 2,928
Non-current	$ 90,912	$ 59,520	$ 46,223

Range of discount rates for lease liabilities was as follows:

	September 30, 2024	December 31, 2023	September 30, 2023
Land	4.46%	4.46%	4.46%
Buildings	1.84%~3.07%	1.84%~2.10%	-
Transportation equipment	2.10%~5.22%	2.10%~5.22%	2.30%~5.22%

(3) Other rental information

Lease arrangements under operating leases for the leasing out of property, plants, and equipment and investment properties are set out in Note 16.

	For the three months ended September 30, 2024	For the three months ended September 30, 2023	For the nine months ended September 30, 2024	For the nine months ended September 30, 2023
Total Cash Outflow From Leases	($ 4,332)	($ 1,020)	($ 13,092)	($ 2,530)

16. Investment Property (after restatement)

Investment property measured at fair value

	Land and buildings	Right-of-use assets	Total
Balance on January 1, 2024	$ 519,170	$ 65,875	$ 585,045
From property, plant and equipment/right-of-use assets	87,712	2,662	90,374
Transferred to property, plant and equipment/right-of-use assets	(2,633)	(24,827)	(27,460)
Losses from changes in fair value	(374)	(1,365)	(1,739)
Increase in revaluation of property	328,577	63,425	392,002
Effects of foreign currency exchange differences	2,031	3,925	5,956
Balance on September 30, 2024	$ 934,483	$ 109,695	$1,044,178
Balance on January 1, 2023	$ 531,328	$ 63,317	$ 594,645
From property, plant and equipment	228	-	228
Effects of foreign currency exchange differences	(121)	(843)	(964)
Balance as of September 30, 2023	$ 531,435	$ 62,474	$ 593,909

Investment property is measured at fair value on a recurring basis. The valuation basis of its fair value is as follows:

	December 31, 2023	January 1, 2023
Outsourced appraisal and review by CPAs	$ 585,045	$ 594,645

The subsequent measurement of the consolidated company's following investment property is based on the discounted cash flow analysis method under the income approach. The relevant important contract terms and evaluation information are as follows:

September 30, 2024

Target	New Taipei City Xindian District Office	Kunshan Industrial Real Estate, Suzhou City
Important contract terms	1. Rent: NT$184 thousand/month 2. Lease term: 9 months	1. Rent: NT$780 - NT$903 thousand/month 2. Lease term: 141 months
Local rent prices	NT$500 - NT$700/ping/month	NT$90 - NT$135/sq.m/month
Rent prices of similar properties	Same as above	Same as above
Current status	Normal use	Normal use
Discount rate	3.645%	6.100%
Outsourced or self-assessed valuation	Outsourced appraisal	Outsourced appraisal
Appraisal firm	Zhan-Mao Real Estate Appraisers	Zhan-Mao Real Estate Appraisers
Name of appraiser	Tsai Ming-Hang	Tsai Ming-Hang
Date of Valuation	December 31, 2023 (Note)	June 30, 2024 (Note)
Fair value of outsourced appraisal	NT$512,182 thousand	NT$159,995 thousand (CNY 35,423 thousand)

Target	Dorm in Shiracha District, Thailand	Laem Chabang Industrial Park, Sriracha District, Thailand
Important contract terms	-	1. Rent: NT$406 thousand/month 2. Lease term: 5 months
Local rent prices	NT$72 - NT$90/sq.m/month	NT$122 - NT$135/sq.m/month
Rent prices of similar properties	Same as above	Same as above
Current status	Normal use	Normal use
Discount rate	7.750%	9.500%
Outsourced or self-assessed valuation	Outsourced appraisal	Outsourced appraisal
Appraisal firm	Zhan-Mao Real Estate Appraisers	Zhan-Mao Real Estate Appraisers
Name of appraiser	Tsai Ming-Hang	Tsai Ming-Hang
Date of Valuation	June 30, 2024 (Note)	June 30, 2024 (Note)
Fair value of outsourced appraisal	NT$16,867 thousand (THB 17,093 thousand)	NT$47,816 thousand (THB 48,456 thousand)

Note: The statement on the validity of the original appraisal report dated September 30, 2024 has been obtained from the appraiser.

December 31, 2023

Target	New Taipei City Xindian District Office	Laem Chabang Industrial Park, Sriracha District, Thailand
Important contract terms	1. Rent: NT$184 - NT$225 thousand/month 2. Lease term: 6 months	1. Rent: NT$121 - NT$405 thousand/month 2. Lease term: 3 - 14 months
Local rent prices	NT$500 - NT$700/ping/month	NT$122 - NT$135/sq.m/month
Rent prices of similar properties	Same as above	Same as above
Current status	Normal use	Normal use
Discount rate	3.645%	9.500%
Outsourced or self-assessed valuation	Outsourced appraisal	Outsourced appraisal
Appraisal firm	Zhan-Mao Real Estate Appraisers	Zhan-Mao Real Estate Appraisers
Name of appraiser	Tsai Ming-Hang	Tsai Ming-Hang
Date of Valuation	December 31, 2023	December 31, 2023
Fair value of outsourced appraisal	NT$512,182 thousand	NT$72,863 thousand (THB 80,806 thousand)

September 30, 2023

Target	New Taipei City Xindian District Office	Laem Chabang Industrial Park, Sriracha District, Thailand
Important contract terms	1. Rent: NT$184 - NT$225 thousand/month 2. Lease term: 9 months	1. Rent: NT$121 - NT$406 thousand/month 2. Lease term: 6 - 17 months
Local rent prices	NT$500 - NT$700/ping/month	NT$122 - NT$135/sq.m/month
Rent prices of similar properties	Same as above	Same as above
Current status	Normal use	Normal use
Discount rate	3.520%	9.500%
Outsourced or self-assessed valuation	Outsourced appraisal	Outsourced appraisal
Appraisal firm	Zhan-Mao Real Estate Appraisers	Zhan-Mao Real Estate Appraisers
Name of appraiser	Tsai Ming-Hang	Tsai Ming-Hang
Date of Valuation	January 1st, 2023 (Note)	January 1st, 2023 (Note)
Fair value of outsourced appraisal	NT$522,260 thousand	NT$71,421 thousand (THB 80,958 thousand)

Note: The statement on the validity of the original appraisal report dated September 30, 2023 has been obtained from the appraiser.

The fair value of investment property amounting to 10% of total assets as of December 31, 2023 was appraised on August 1, 2024 by Tsai Ming-Hang, a real estate appraiser of Zhan-Mao Real Estate Appraisers, which is qualified as a real estate appraiser in Taiwan. The basis of the review was issued on August 1, 2024 by Cheng Yun-Ta, a CPA of Atax Accounting Firm, and the conclusion of the review was that the fair values were reasonable.

The valuation procedure of the income approach is to estimate the effective total revenue, estimate the total expenses, calculate the net income, determine the discount rate and calculate the income price. The above parameters are estimated based on the relevant information of the subject of evaluation and the comparison target with the same or similar characteristics in the last three years, and adjusted after judging their continuity, stability and growth, in order to confirm the availability and reasonableness of the information. Changes in revenues (cash inflows) and expenses (cash outflows) for future periods are based on the historical revenues and expenses (cash flows) of the subject of the survey, the revenues and expenses (cash flows) of comparable industry or alternative comparables, the rate of idleness or loss, and the current or probable future planned revenues and expenses. The objective net income after deducting the total expenses from the total revenue is based on the objective net income that can make the most effective use of the subject matter survey, and is extrapolated by referring to the income of the neighboring similar property under the most effective use.

Except for undeveloped land, the fair value of investment property is evaluated using the income approach, with the following key assumptions. When the estimated capitalization rate or discount rate decreases (increases), the fair value will increase (decrease).

	September 30, 2024	December 31, 2023	September 30, 2023
Discount rate	3.645%~9.500%	3.645%~9.500%	3.52%~9.500%
Capitalized Gains	1.73%~6.15%	1.73%~6.15%	1.73%~6.15%

The discounted cash flow (DCF) analysis of the income approach is adopted for the evaluation. The contract rent provided by the consolidated company during the lease term is evaluated at the market rent after the lease term expires. Discounted cash flow analysis under income approach: It refers to the method in which the net income and ending value of each period during the future discounted cash flow analysis period of the subject of survey are discounted at an appropriate discount rate and then summed up to estimate the price of the subject of survey. Applicable to real estate investment evaluation for investment purpose.

The subsequent measurement of the following investment properties of the consolidated company is based on the land development analysis method. The related key contract terms and valuation information are as follows:

September 30, 2024

Target	Land at Baoxing Section, Xindian Dist., New Taipei City
Estimated total sales amount	NT$749,848 thousand
Current status	Normal use
Profit margin	18.000%
Comprehensive interest rate of capital interest	2.770%
Outsourced or self-assessed valuation	Outsourced appraisal
Appraisal firm	Zhan-Mao Real Estate Appraisers
Name of appraiser	Tsai Ming-Hang
Date of Valuation	September 30, 2024
Fair value of outsourced appraisal	NT$307,318 thousand

The consolidated company's land located in the Baoqing section of Xindian Dist., New Taipei City, is currently temporarily used as a parking lot. Since it is undeveloped land with no rental agreements in place, and there are few leasing cases in the surrounding industrial land area, its fair value is assessed using the land development analysis method. If the estimated total sales amount increases (decreases), the profit margin decreases (increases), or the comprehensive capital interest rate decreases (increases), the fair value will increase (decrease).

The land development analysis price is determined by estimating the total sales amount after development or construction, based on the legal land use, intensity of use, and the changes in land value resulting from development and improvement. This total sales amount is then reduced by the direct costs, indirect costs, capital interest, and profit incurred during the development period. The resulting value, calculated through the aforementioned method, is the land development analysis price before development or construction. The procedure for land development analysis valuation is as follows:

(1) Determine the land development content and the expected development timeline.
(2) Investigate various costs and related expenses, and gather market data.
(3) Conduct site inspections and analyze the degree of environmental development.
(4) Estimate the land or building area for ordinary sales after development or construction.
(5) Estimate the total sales amount after development or construction.
(6) Estimate various costs and related expenses.
(7) Select appropriate profit margin and capital interest combined rate.
(8) Calculate the land development analysis price.

The forecast for the overall economic situation is as follows:

(1) Domestic export products are influenced by the rise of opportunities in artificial intelligence, with information and communication technology and audiovisual products maintaining high-end levels. Traditional goods benefit from inventory replenishment demand and increased orders.
(2) In terms of domestic production, the information electronics industry continues to strengthen its production capacity, with the growth in demand for high-performance computing, artificial intelligence applications, and cloud data services driving wafer foundry production. However, due to the slow global economic recovery, the end-user demand for traditional industries has yet to show a significant rebound.

The investment properties are currently leased out in the form of operating leases, and the rental incomes generated are as follows:

	For the three months ended September 30, 2024	For the three months ended September 30, 2023	For the nine months ended September 30, 2024	For the nine months ended September 30, 2023
Rental income	$ 2,089	$ 4,120	$ 9,444	$ 11,902

Lease payments receivable under operating leases of investment properties in the future was as follows:

	September 30, 2024	December 31, 2023	September 30, 2023
Year 1	$ 11,482	$ 8,967	$ 12,870
Year 2	9,356	645	2,028
Year 3	9,473	-	-
Year 4	9,824	-	-
More than 5 Years	80,630	-	-
	$ 120,765	$ 9,612	$ 14,898

17. Goodwill

	For the nine months ended September 30, 2024
Cost	
Opening balance	$ 97,188
Acquired through business combination in the current period (Note 28)	23,797
Closing Balance	$ 120,985

18. Intangible Assets

	September 30, 2024	December 31, 2023
Software licensing	$ 7,804	$ 8,442
Technology licensing	868	939
Computer software	2,747	18
	$ 11,419	$ 9,399

Except for the recognition of amortization expenses, there was no significant addition, disposal, or impairment of the consolidated Company's intangible assets for the nine months ended September 30, 2024 Amortization expenses are provided on a straight-line basis over useful years shown as follows:

Software licensing	10 years
Technology licensing	10 years
Computer software	3 years

Summary of amortization expenses by function:

	For the three months ended September 30, 2024	For the nine months ended September 30, 2024
Operating costs	$ 350	$ 837
Sales expenses	36	36
Research and development expenses	30	60
	$ 416	$ 933

19. Other Assets

	September 30, 2024	December 31, 2023	September 30, 2023
Prepayments	$ 43,310	$ 18,418	$ 6,429
Prepaid investments	32,340	-	-
Prepayments for equipment	12,539	1,777	355
Refundable deposits	11,742	7,884	3,486
Excess VAT paid	10,526	5,878	7,250
Other receivables	8,991	1,882	841
Supplies Inventory Count	1,777	-	-
Prepaid expenses - related parties (Note 30)	1,751	-	-
Receivable income tax refund	571	625	473
Other receivables - Related parties (Note 30)	59	-	2,137
Prepayments for land, building and construction	-	54,627	76,105
	$ 123,606	$ 91,091	$ 97,076
Current	$ 65,317	$ 26,803	$ 17,130
Non-current	58,289	64,288	79,946
	$ 123,606	$ 91,091	$ 97,076

20. Loans

(1) Short-term loans

	September 30, 2024	December 31, 2023	September 30, 2023
Secured borrowings (Note 31)			
Bank borrowing	$ 470,000	$ 310,500	$ 100,000
Unsecured borrowings			
Credit limit borrowings	25,000	-	-
	$ 495,000	$ 310,500	$ 100,000

The interest rates on bank borrowings for turnover as of September 30, 2024, December 31 and September 30, 2023 were 2.63% to 2.88%, 1.99% to 2.74%, and 2.19%, respectively.

(2) Long-term borrowings

	September 30, 2024	December 31, 2023	September 30, 2023
Secured borrowings (Note 31)			
Bank borrowing	$ 53,400	$ -	$ -
Unsecured borrowings			
Bank borrowing	19,809	14,048	-
Less: Portion due within 1 year	(5,143)	(3,140)	-
Subtotal	14,666	10,908	-
Long-term borrowings	$ 68,066	$ 10,908	$ -

The increase in long-term bank loans for the consolidated company is due to the acquisition of new bank loans amounting to NT$53,400 thousand for the nine months ended September 30, 2024, and the bank loans of NT$9,046 thousand obtained through the merger of a subsidiary. As of September 30, 2024, and December 31, 2023, the effective interest rates were 2.22% to 3.38% and 2.095%, respectively.

21. Other Payables

	September 30, 2024	December 31, 2023	September 30, 2023
Payables expenses	$ 24,857	$ 17,970	$ 14,145
Salaries and bonuses payable	28,448	20,357	19,825
Tax payable	1,156	1,060	1,124
Other payables - Related parties (Note 30)	21	-	-
	$ 54,482	$ 39,387	$ 35,094

22. Post-employment Benefit Plan

The pension expenses related to the defined benefit plan recognized for the three months ended September 30 and for the nine months ended September 30, 2024 and 2023, are based on the actuarial determination of retirement on December 31, 2023 and 2022, and the amounts were NT$2 thousand, NT$19 thousand, NT$7 thousand, and NT$57 thousand, respectively.

23. Equity (after restatement)

(1) Common stock share capital

	September 30, 2024	December 31, 2023	September 30, 2023
Number of shares authorized (thousand shares)	180,000	180,000	180,000
Amount of shares authorized	$ 1,800,000	$ 1,800,000	$ 1,800,000
Number of shares issued and fully paid (thousand shares)	112,719	112,719	112,719
Amount of shares issued	$ 1,127,192	$ 1,127,192	$ 1,127,192

Fully paid ordinary shares, with a par value of NT$10, each of which carries one vote per share and carry a right to receive dividends. The portion of authorized capital reserved for the issuance of employee stock options is 27,000 thousand shares.

(2) Capital Reserve

	September 30, 2024	December 31, 2023	September 30, 2023
It may be used to offset losses, distribute cash, or allocate to share capital.			
Premium from stock issuance	$ -	$ 200,024	$ 200,024
Treasury share transactions	-	25,915	25,915
Donated assets	758	758	758
May be used to offset a deficit only			
Changes in net worth of equity of affiliates under the equity method (2)	3,217	-	-
	$ 3,975	$ 226,697	$ 226,697

1. The capital surplus may be used to offset a deficit and it may be distributed as cash dividends or transferred to capital when the Company has no deficit (limited to a certain percentage of the Company's paid-in capital and once a year).
2. The capital surplus is the effect of equity transactions recognized due to changes in the equity of associates recognized under the equity method when the Company has not actually acquired or disposed the equity of the affiliates recognized under the equity method.

(3) Retained earnings and dividend policy

According to the Company's Articles of Incorporation and profit distribution policy, if there is a surplus in the annual financial statements, it shall be used to pay taxes and make up for accumulated losses. Subsequently, 10% is appropriated as legal capital reserve until it reaches the paid-in capital. Any remaining surplus may be allocated or reversed according to the Company's operational needs or legal requirements as legal capital reserves. If there is still a balance, it will be added to the accumulated undistributed profits, and the Board of Directors will propose a profit distribution resolution to the shareholders' meeting for approval, ranging from 10% to 100%. Please refer to Note 25 (7) regarding the policy for employee remuneration and directors' remuneration stipulated in the Company's Articles of Incorporation.

The cash dividend shall not be less than 30% of the total dividend. However, if the cash dividend per share is less than NT$0.1, it may be changed to a stock dividend. The ratio of profit distribution may be adjusted based on factors such as the actual profit for the year, capital budgeting, and financial conditions.

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

The Company held shareholder meetings on June 28, 2024, and June 29, 2023, respectively, and passed resolutions for the appropriation of losses for 2023 and 2022.

The proposal for 2023 loss appropriation is as follows:

	2023
Legal capital reserve to offset deficits	($ 23,586)
Special capital reserve for offsetting deficits	($ 218,029)
Capital reserve to offset deficit	($ 225,939)

(4) Other equity items

Revaluation increment of property

	For the nine months ended September 30, 2024
Opening balance	$ -
Revaluation increment of property	392,002
Income tax recognized in other comprehensive income	(23,727)
Closing Balance	$ 368,275

(5) Non-controlling interests

	For the nine months ended September 30, 2024
Opening balance	$ -
Non-controlling interests increased by the establishment of Emergence A.I	5,000
Non-controlling interests increased by the establishment of C.P.T	507
Increased non-controlling interests from acquisition of Silicon Test Tech (Note 28)	14,588
Exchange differences on the translation of foreign operations	24
Net loss for the period	(4,182)
Closing Balance	$ 15,937

24. Revenue

	For the three months ended September 30, 2024	For the three months ended September 30, 2023	For the nine months ended September 30, 2024	For the nine months ended September 30, 2023
Revenue from contracts with customers				
Revenue from sale of goods	$ 308,004	$ 295,277	$ 821,319	$ 876,073
Project, licensing, and labor service income	1,764	-	9,174	-
Processing revenue	23,183	-	49,159	-
	$ 332,951	$ 295,277	$ 879,652	$ 876,073

(1) Balance of contract

	September 30, 2024	December 31, 2023	September 30, 2023	January 1, 2023
Notes and accounts receivable (Note 10)	$ 450,474	$ 406,561	$ 455,909	$ 394,471
Contract assets				
Software development project	$ 764	$ 4,213	$ -	$ -
Contract Liabilities				
Software development project	$ 1,140	$ 135	$ -	$ -

The change in contract liabilities mainly arises from the difference between the point at which performance obligations are satisfied and the point at which customers pay.

The consolidated company recognizes loss allowance for contract assets based on lifetime expected credit losses. The contract assets will be reclassified as accounts receivable when the bill is issued, and the credit risk characteristics are the same as the accounts receivable generated from similar contracts. Therefore, the consolidated company believes that the expected credit loss rate of accounts receivable can also be applied to contracts assets.

	September 30, 2024	December 31, 2023	September 30, 2023
Expected credit loss rate	-	-	-
Gross carrying amount	$ 764	$ 4,213	$ -
Loss allowance (lifetime ECL)	-	-	-
	$ 764	$ 4,213	$ -

(2) Description of contracts with customers

Please refer to Note 35 for a detailed breakdown of customer contract revenue.

25. Net loss (after restatement)

(1) Interest income

	For the three months ended September 30, 2024	For the three months ended September 30, 2023	For the nine months ended September 30, 2024	For the nine months ended September 30, 2023
Bank deposits	$ 185	$ 410	$ 3,414	$ 1,945
Others	28	-	68	-
	$ 213	$ 410	$ 3,482	$ 1,945

(2) Other income

	For the three months ended September 30, 2024	For the three months ended September 30, 2023	For the nine months ended September 30, 2024	For the nine months ended September 30, 2023
Rental income	$ 2,118	$ 4,120	$ 9,503	$ 11,902
Gains on bargain purchase	6,176	-	6,176	-
Others	1,792	1,587	15,952	5,821
	$ 10,086	$ 5,707	$ 31,631	$ 17,723

(3) Other gains and losses

	For the three months ended September 30, 2024	For the three months ended September 30, 2023	For the nine months ended September 30, 2024	For the nine months ended September 30, 2023
Net foreign currency exchange gain (loss)	($ 881)	($ 265)	($ 255)	$ 10,767
Interest in financial assets				
Financial assets mandatorily measured at fair value through profit or loss	2	11	140	483
Loss on fair value adjustment of investment property	(30)	-	(1,739)	-
Gain (loss) on disposal of property, plant and equipment	98	(10)	388	(46)
Others	(5,785)	(336)	(9,863)	(696)
	($ 6,596)	($ 600)	($ 11,329)	$ 10,508

(4) Financial cost

	For the three months ended September 30, 2024	For the three months ended September 30, 2023	For the nine months ended September 30, 2024	For the nine months ended September 30, 2023
Interest expense from bank borrowing	$ 2,487	$ 558	$ 4,917	$ 1,715
Interest expense from lease liabilities	871	547	2,238	1,585
	$ 3,358	$ 1,105	$ 7,155	$ 3,300

Information on interest capitalization is as follows:

	For the three months ended September 30, 2024	For the three months ended September 30, 2023	For the nine months ended September 30, 2024	For the nine months ended September 30, 2023
Amount of capitalized interest	$ 784	$ -	$ 2,817	$ -
Interest rate of capitalized interest	2.07%~3.29%	-	2.07%~3.29%	-

(5) Depreciation and Amortization

	For the three months ended September 30, 2024	For the three months ended September 30, 2023	For the nine months ended September 30, 2024	For the nine months ended September 30, 2023
Property, plants, and equipment	$ 7,292	$ 6,735	$ 21,549	$ 22,354
Right-of-use assets	4,121	679	9,852	1,095
Intangible assets	416	-	933	-
	$ 11,829	$ 7,414	$ 32,334	$ 23,449
Analysis of depreciation by function				
Operating costs	$ 4,770	$ 5,349	$ 14,898	$ 16,671
Operating expenses	4,520	2,065	11,784	6,778
Other gains and losses	2,123	-	4,719	-
	$ 11,413	$ 7,414	$ 31,401	$ 23,449
Amortization expenses by function				
Operating costs	$ 350	$ -	$ 837	$ -
Operating expenses	66	-	96	-
	$ 416	$ -	$ 933	$ -

(6) Employee welfare expenses

	For the three months ended September 30, 2024	For the three months ended September 30, 2023	For the nine months ended September 30, 2024	For the nine months ended September 30, 2023
Retirement benefits				
Defined contribution plan	$ 3,662	$ 2,410	$ 9,374	$ 7,720
Defined benefit plans	2	19	7	57
Subtotal	3,664	2,429	9,381	7,777
Other employee benefits	94,474	62,776	235,429	184,660
Total	$ 98,138	$ 65,205	$ 244,810	$ 192,437
Analysis of employee benefits by function				
Operating costs	$ 45,909	$ 26,022	$ 103,759	$ 80,724
Operating expenses	52,229	39,183	141,051	111,713
	$ 98,138	$ 65,205	$ 244,810	$ 192,437

(7) Employee remuneration and directors' remuneration

In accordance with the Company's Articles of Incorporation, employee remuneration and directors' remuneration are provided at a rate of 3% to 15% and 1% to 5%, respectively, of the pre-tax benefit before the distribution of employee and directors' remuneration for the year. However, employee remuneration and director's remuneration are not estimated because of the net loss before tax for the nine months ended September 30, 2024 and 2023.

If the amounts in the annual consolidated financial statements change after the date of issuance, they will be adjusted in the following year's financial statements in accordance with accounting estimates.

The Company held board meetings on March 13, 2024, and March 17, 2023, respectively, and resolved not to distribute employee remuneration and director remuneration for 2023 and 2022. There is no difference between the amounts resolved and those recognized in the consolidated financial statements for 2023 and 2022.

Information on employee compensation and directors' compensation resolved by the Company's Board of Directors is available at the MOPS of the Taiwan Stock Exchange.

(8) Gains/losses on foreign currency exchange

	For the three months ended September 30, 2024	For the three months ended September 30, 2023	For the nine months ended September 30, 2024	For the nine months ended September 30, 2023
Total foreign exchange gain	$ 4,832	$ 28,660	$ 28,432	$ 72,726
Total foreign exchange loss	(5,713)	(28,925)	(28,687)	(61,959)
Net income	($ 881)	($ 265)	($ 255)	$ 10,767

26. Income tax (after restatement)

(1) Income tax recognized in profit or loss

The main components of income tax profits (expenses) are as follows:

	For the three months ended September 30, 2024	For the three months ended September 30, 2023	For the nine months ended September 30, 2024	For the nine months ended September 30, 2023
Current income tax				
Incurred in the current period	($ 18)	$ -	($ 49)	$ 1,684
Adjustments from previous years	-	4	-	7,784
	(18)	4	(49)	9,468
Deferred income tax				
Incurred in the current period	(3,313)	1,311	(3,970)	16,633
Income tax gains (expenses) recognized in profit or loss	($ 3,331)	$ 1,315	($ 4,019)	$ 26,101

(2) Authorization of income tax

The business income tax returns of the Company, CHINTEK, and Jern Yao up to 2022 have been approved by the tax collection authority.

Silicon Test Tech's business income tax returns up to 2021 have been approved by the tax collection authority.

The income tax return of JHK, JHP, JBT, and JHV has been filed within the time limit regulated by local tax authorities.

Emergence A.I, Heph A.I Studio and CP.T. were all established in 2024 and have not filed an income tax return yet.

Since JHI was established in Samoa, there is no relevant income tax burden.

27. Loss per share (after restatement)

The net loss per share and the weighted average number of common shares issued for the calculation of the net loss per share are as follows:

Net loss for the period

	For the three months ended September 30, 2024	For the three months ended September 30, 2023	For the nine months ended September 30, 2024	For the nine months ended September 30, 2023
Net loss for the period	($ 74,263)	($ 21,113)	($ 149,909)	($ 36,081)

Number of shares

Unit: thousand shares

	For the three months ended September 30, 2024	For the three months ended September 30, 2023	For the nine months ended September 30, 2024	For the nine months ended September 30, 2023
Weighted average number of common shares used to calculate basic loss per share.	112,719	112,719	112,719	112,719

28. Business merger

(1) Acquisition of subsidiaries

	Major operating activities	Date of acquisition	Owner's interest with voting rights/ percentage of acquisition (%)	Transfer consideration
Silicon Test Tech	IC packaging OEM	March 25, 2024	51.03	$ 39,000
CHINTEK	Software development and design	October 27, 2023	100.00	$ 98,000

The consolidated company acquired Silicon Test Tech on March 25, 2024 for the purpose of continuing to expand the consolidated company's operations in the electronics industry.

The consolidated company acquired CHINTEK in 2023 to expand the software development and design business of the consolidated company.

(2) Assets acquired and liabilities assumed on the date of acquisition

	Silicon Test Tech	CHINTEK
Current assets		
Cash and cash equivalents	$ 20,648	$ 7,520
Current financial assets at fair value through profit or loss	3,225	556
Contract assets - current	-	3,585
Notes and accounts receivable	21,025	14,444
Inventories	-	2,752
Other current assets	2,577	307
Non-current Assets		
Property, plants, and equipment	$ 12,773	$ 419
Right-of-use assets	408	3,210
Intangible assets	-	36
Other non-current assets	886	1,523
Current liabilities		
Short-term borrowings	(10,000)	(10,500)
Contract liabilities - current	-	(7)
Notes and Accounts Payable	(10,677)	(3,796)
Other payables	(1,470)	(1,116)
Lease liabilities - current	(418)	-
Other current liabilities	(140)	(666)
Non-current liabilities		
Long-term borrowings	(9,046)	(14,288)
Lease liabilities - non-current	-	(3,167)
	$ 29,791	$ 812

The original accounting treatment of the acquisition of Silicon Test Tech and CHINTEK is only provisional at the balance sheet date. For tax purposes, the tax bases of the assets of Silicon Test Tech and CHINTEK shall be re-determined based on the market values of these assets. As of the date the consolidated financial statements were approved for issue, the required market evaluation and other calculations have not yet been completed, so only the best estimate of the consolidated company's management level is used to determine the possible taxable value.

The fair value of the receivables acquired from Silicon Test Tech and CHINTEK in the business combination were NT$21,025 thousand and NT$14,444 thousand, respectively, and the total contract amount was NT$21,025 thousand and NT$19,110 thousand, respectively. The best estimates of the contractual cash flows recovered were NT$0 thousand and NT$4,666 thousand, respectively.

(3) Non-controlling interests

The non-controlling interest of Silicon Test Tech (48.97% of ownership interest) is measured at the fair value of the non-controlling interest of NT$14,588 thousand on the acquisition date. This fair value is estimated using the income method, and the main assumptions used to determine the fair value are as follows:

1. The discount rate is 10.96%;
2. The long-term sustainable growth rate is 3.35%; and
3. Adjust the stock based on the factors considered by the market participants (including the lack of control over Silicon Test Tech and the lack of market liquidity of the stock).

(4) Goodwill arising from acquisition

	Silicon Test Tech	CHINTEK
Transfer consideration	$ 39,000	$ 98,000
Add: Non-controlling equity (48.97% equity interest in Silicon Test Tech)	14,588	-
Less: Fair value of net identifiable assets acquired	(29,791)	(812)
Goodwill arising from acquisition	$ 23,797	$ 97,188

The goodwill generated from the acquisition of Silicon Test Tech and CHINTEK is mainly from the control premium. In addition, the consideration paid for the merger includes the expected synergy of the merger, revenue growth, future market development, and the value of the employees of Silicon Test Tech and CHINTEK. However, such benefits do not meet the recognition criteria of identifiable intangible assets, so they are not recognized separately.

The expected deductible income tax of the goodwill arising from the merger is NT$23,797 thousand and NT$97,188 thousand, respectively, and the taxable deductions are based on the 15-year average amortization amount.

(5) Acquisition of net cash outflow from subsidiaries

	Silicon Test Tech	CHINTEK
Consideration for cash payment	$ 39,000	$ 98,000
Less: Balance of cash and cash equivalents acquired	(20,648)	(7,520)
	$ 18,352	$ 90,480

(6) Effect of business combination on operating results

From the acquisition date, the operating results of the acquired company are as follows:

	Silicon Test Tech	CHINTEK
Operating income	$ 49,159	$ 5,858
Net loss for the period	($ 5,299)	($ 8,396)

If the acquisition of Silicon Test Tech in March 2024 occurred on January 1 , 2024, and during the nine months ended September 30, 2024, the consolidated company assumed the operating revenue to be NT$902,924 thousand, and the net loss to be NT$154,227 thousand, respectively. If the October 2023 acquisition of the CHINTEK had occurred on January 1, 2023, the consolidated company would have estimated its 2023 operating revenue and net loss to be NT$1,188,086 thousand and NT$141,979 thousand, respectively. Such amounts do not reflect the actual revenue and operating results that the consolidated company would generate if the business combination were completed on the commencement date of the acquisition year, and should not be used as a forecast for future operating results.

Management has taken into account the following factors when compiling the hypothetical operating revenue and net profit on the assumption that the consolidated company acquires Silicon Test Tech and CHINTEK from the beginning of the fiscal year of the assumed acquisition date:

1. Depreciation is calculated based on the fair value of the plant and property at the time of the original accounting treatment of the merger, instead of the carrying amount recognized in the pre-acquisition financial statements; and
2. Estimate the borrowing cost based on the capital position, credit rating, and debt-to-equity ratio of the consolidated company after the merger.

29. Financial instruments

(1) Fair value - financial instruments not measured at fair value

The consolidated company believes the carrying amounts of financial assets and financial liabilities that are not measured at fair value approximated their fair values.

(2) Fair value - financial instruments at fair value on a recurring basis

1. Fair value hierarchy

December 31, 2023

	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value through profit or loss				
Fund beneficiary certificate	$ 18,035	$ -	$ -	$ 18,035
Foreign listed stocks	1,634	-	-	1,634
	$ 19,669	$ -	$ -	$ 19,669

September 30, 2023

	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value through profit or loss				
Fund beneficiary certificate	$ 22,417	$ -	$ -	$ 22,417
Foreign listed stocks	1,543	-	-	1,543
Foreign unlisted stocks	-	-	353	353
	$ 23,960	$ -	$ 353	$ 24,313

There were no transfers between Level 1 and Level 2 fair value measurements in 2024 and during the nine months ended September 30, 2024 and 2023.

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

For the nine months ended September 30, 2023

	Measured at fair value through profit or loss
Financial assets	Equity instruments
Opening balance	$ 336
Foreign exchange rate effect	17
Closing Balance	$ 353

3. Valuation techniques and inputs for Level 3 fair value measurement

For foreign unlisted shares, their fair values were measured under the asset-based approach

(3) Types of financial instruments

	September 30, 2024	December 31, 2023	September 30, 2023
Financial assets			
Measured at fair value through profit or loss			
Financial assets mandatorily classified as at FVTPL	$ -	$ 19,669	$ 24,313
Measured at amortized cost (Note 1)	798,814	697,343	743,372
Financial liabilities			
Measured at amortized cost (Note 2)	960,799	633,620	460,558

Note 1: The balance includes cash and cash equivalents, financial assets measured at amortized cost, accounts and notes receivable, other receivables (included under other current assets), other receivables – related parties (included under other current assets), and deposits as collateral (included under other non-current assets), all measured at amortized cost.

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

(4) Financial risk management objectives and policies

The consolidated company's operating activities require the use of multiple financial instruments, including equity investments, accounts receivable, accounts payable, and bank borrowings. However, due to the aforementioned financial instruments and operating activities, the consolidated company is exposed to risks such as credit risks, liquidity risks, and market risks.

To avoid the possible adverse impacts from the aforementioned financial risks on the consolidated company, the consolidated company has been dedicated to analyzing, identifying, and evaluating relevant financial risks. The financial risk management framework of the consolidated company is supervised by the Board of Directors. The accounting department establishes and follows financial risk management policies. Financial risk control procedures are regularly and intermittently reviewed by the internal auditors and related results are reported to the

Board of Directors on a regular basis. The consolidated company is committed to developing a disciplined and constructive control environment to reduce the potential adverse impact of the aforementioned risks on the consolidated company.

1. Market risk

The consolidated company's activities exposed it primarily to the financial risks of changes in foreign currency exchange rates (see (1) below) and interest rates (see (2) below).

There were no changes in the exposures of financial instruments to market risk and the management and measurement of such exposures.

(1) Exchange rate risk

The consolidated company had foreign currency sales and purchases, which exposed the consolidated company to foreign currency risk. Exchange rate exposures were managed by hedging which was not for the purpose of making profits. Foreign currency inflows and outflows resulted in natural hedging effects in the long run, and exchange rate changes had little impact on the Company's operations. Therefore, the Company only adjusted the cash reserves of foreign currency deposits and did not use accounts receivable/payable as derivative products for hedging. However, the hedging for exchange rate risk will be carried out through relevant commodities in a timely manner based on the exchange rate movement and the evaluation report of financial institutions.

For non-functional currency denominated monetary assets and monetary liabilities on the balance sheet date in the consolidated financial statements (including non-functional currency denominated monetary items offset in the consolidated financial statements), please refer to Note 33.

Sensitivity Analysis

The consolidated company is primarily affected by fluctuations in the USD exchange rate.

The following schedule details the sensitivity analysis of the consolidated company when the NT$ (functional currency) strengthens or weakens by 1% against the relevant foreign currencies. 1% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible changes in foreign exchange rates. The sensitivity analysis includes only the outstanding monetary items in foreign currency. Also, the translation at the period-end is adjusted in accordance with the changes of exchange rates by 1%. The positive numbers in the following table represent the amount by which the net loss before tax would be reduced when the NT$ depreciates by 1% against the relevant foreign currencies, and the effect on the net loss before tax when the NT$ appreciates by 1% against the relevant foreign currencies. It will be a negative number of the same amount.

	USD impact	
	For the nine months ended September 30, 2024	For the nine months ended September 30, 2023
Profit or loss	$ 1,817	$ 2,748

This was mainly due to the consolidated company's bank deposits and receivables and payables denominated in USD that were outstanding and not cash flow hedged at the balance sheet date.

(2) Interest rate risk

The carrying amounts of the consolidated company's financial assets and financial liabilities exposed to interest rate risk as of the balance sheet date were as follows:

	September 30, 2024	December 31, 2023	September 30, 2023
Fair value interest rate risk			
Financial assets	$ 250,012	$ 204,148	$ 106,486
Financial liabilities	109,131	68,621	49,151
Risk of cash flow changes due to interest rate			
Financial assets	84,832	231,423	191,808
Financial liabilities	568,209	324,548	100,000

Sensitivity Analysis

The sensitivity analyses below have been determined on the basis of the exposure to interest rates for non-derivative instruments on balance sheet dates. For floating rate assets and liabilities, the analysis is prepared assuming the amount of the asset and liability outstanding on the balance sheet dates outstanding for the entire period. A 100 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If the interest rate increased/decreased by 100 basis points, with all other variables remaining unchanged, the consolidated company's net loss before tax for the nine months ended September 2024 and 2023, would have decreased by NT$3,625 thousand and increased by NT$689 thousand, respectively, mainly due to the consolidated company's net positions of variable interest rate deposits and variable interest rate borrowings.

(3) Other pricing risks

The consolidated company was exposed to equity price risk through its investments in domestic and foreign listed equity securities. The consolidated company does not actively trade these investments. Relevant personnel have been assigned to the supervision of price risk and assessment of the timing of increasing the hedging.

As the amount of equity investment was not material, there was no significant price risk of changes in equity price.

2. Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the consolidated company. As of the balance sheet date, the consolidated company's maximum exposure to credit risk resulting from the counterparty's default on its contractual obligations and the consolidated company's provision of financial guarantee is the carrying amount of the financial assets on the consolidated balance sheets.

To mitigate the impact of credit risk, the Group considers the default risk by industries and countries of each customer, as well as the nature of the counterparty (capital scale, loan status, etc), based on which credit policies, payment terms, and trade terms were established by the accounting department. If necessary, a third-party risk assessment institution is engaged to assess its risk. Relevant terms are reviewed and audited by the Audit Office regularly.

Given that most of the major customers are well-known domestic listed (TWSE/TPEx) companies with normal transaction records, the default risks are quite low. The risk from new small customers is managed by only receiving advance payments or cash. After the transaction basis becomes stable, the credit limit is updated by referring to external information. Hence, there is a limited impact of credit risk on the consolidated company. Furthermore, the consolidated company has established a provision policy, set an allowance account, and presented this in the statement to reflect the estimation of the potential loss resulting from the credit risk.

3. Liquidity risk

Liquidity risk refers to the risk that relevant obligations are not fulfilled due to the consolidated company’s failure to settle the financial liabilities in cash or other financial assets. The share capital and working capital of the consolidated company is sufficient, therefore there is no liquidity risk from the inability to raise capital for fulfilling contractual obligations. Bank borrowing is an important source of liquidity for the consolidated company. As of September 30, 2024, and December 31 and September 30, 2023, the consolidated company’s undrawn short-term bank facilities were NT$165,000 thousand, NT$106,000 thousand, and NT$320,000 thousand, respectively.

Liquidity and interest rate risk tables for non-derivative financial liabilities

The analysis for the consolidated company’s remaining contractual maturities for its non-derivative financial liabilities with agreed repayment periods has been drawn up based on the undiscounted cash flows (including both the principal and estimated interests) of financial liabilities from the earliest date on which the consolidated company can be required to pay. Specifically, bank borrowings with a repayment on demand clauses were included in the earliest time band regardless of the probability of the banks choosing to exercise their rights. The maturity dates for other non-derivative financial liabilities were based on the agreed repayment dates.

The undiscounted interest payment relating to borrowing with variable interest rates was extrapolated based on the yield curve as of the end of the reporting period.

September 30, 2024

	Pay on demand or less than 1 month	1 to 3 months	3 months to 1 year	1 to 5 Years	More than 5 Years
Non-derivative Financial Liabilities					
Non-interest Bearing Liabilities	$ 67,815	$ 98,180	$ 220,228	$ 4,031	$ -
Lease Liabilities	1,511	3,025	17,034	54,023	67,796
Variable Interest Rate Liabilities	1,924	4,540	506,606	69,232	-
	$ 71,250	$ 105,745	$ 743,868	$ 127,286	$ 67,796

Further information on lease expiration analysis is as follows:

	Less than 1 year	1 to 5 years	5 to 10 years	10 to 15 years	15 to 20 years	More than 20 years
Lease Liabilities	$ 21,570	$ 54,023	$ 25,592	$ 13,781	$ 17,226	$ 11,197

December 31, 2023

	Pay on demand or less than 1 month	1 to 3 months	3 months to 1 year	1 to 5 Years	More than 5 Years
Non-derivative Financial Liabilities					
Non-interest Bearing Liabilities	$ 55,583	$ 168,461	$ 86,083	$ 2,209	$ -
Lease Liabilities	749	1,500	9,397	27,787	59,815
Variable Interest Rate Liabilities	104,440	527	224,724	11,333	-
	$ 160,772	$ 170,488	$ 320,204	$ 41,329	$ 59,815

Further information on the analysis for contractual maturities for lease liabilities was as follows:

	Less than 1 year	1 to 5 years	5 to 10 years	10 to 15 years	15 to 20 years	More than 20 years
Lease Liabilities	$ 11,646	$ 27,787	$ 15,741	$ 15,741	$ 15,741	$ 12,592

September 30, 2023

	Pay on demand or less than 1 month	1 to 3 months	3 months to 1 year	1 to 5 Years	More than 5 Years
Non-derivative Financial Liabilities					
Non-interest Bearing Liabilities	$ 37,349	$ 59,187	$ 247,720	$ 2,195	$ -
Lease Liabilities	132	263	4,206	15,112	59,290
Variable Interest Rate Liabilities	180	541	102,218	-	-
	$ 37,661	$ 59,991	$ 354,144	$ 17,307	$ 59,290

Further information on lease expiration analysis is as follows:

	Less than 1 year	1 to 5 years	5 to 10 years	10 to 15 years	15 to 20 years	More than 20 years
Lease Liabilities	$ 4,601	$ 15,112	$ 15,400	$ 15,400	$ 15,400	$ 13,090

30. Related-Party Transactions

Transactions, balances, revenues, and expenses between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note. The transactions between the consolidated company and other related parties are as follows.

(1) Names of related parties and their relationships

Name of related party	Relationship with the consolidated company
Chuzhou Ding Wang	Associate
Jin-Zuan Semiconductor	Associate
SHAN YI Investment Co., LTD (SHAN YI Investment)	Associate
Fable Technology Co., Ltd. (Fable Technology)	Substantive related party

(2) Operating revenue

Category/Name of related party	For the nine months ended September 30, 2024
Substantive related party	$ 36

The consolidated company's operating revenue from related parties is based on general commercial terms and conditions, and the payment conditions are the same as those from general sales transactions.

(3) Purchases

Category/Name of related party	For the nine months ended September 30, 2024
Substantive related party	$ 304

The consolidated company's purchase price from the related party is based on general commercial terms and conditions, and the payment terms are the same as the general supplier payment.

(4) Contract liabilities

Category/Name of related party	For the nine months ended September 30, 2024
Substantive related party	$ 72

(5) Receivables from related parties

Account Item	Related Party Category	September 30, 2023
Other receivables - related parties (included in other current assets)	Associate	$ 2,137

The interest rate of short-term loans to related parties was equal to the market rate. The loans provided by the consolidated company to related parties are unsecured loans.

As of September 30, 2023, for the consolidated company's other receivables from Associate- related parties are interest receivable.

(6) Accounts payable to related parties

Account Item	Related Party Category	September 30, 2024
Accounts payable - related parties	Substantive related party	$ 1,626
Other payables - related parties	Substantive related party	21
		$ 1,647

(7) Prepayments

Category/Name of related party	September 30, 2024
Substantive related party	$ 1,751

(8) Acquisition of intangible assets

Category/Name of related party	For the nine months ended September 30, 2024
Substantive related party	$ 2,205

(9) Sublease agreement

Sublease of operating lease

The consolidated company subleased the right-of-use of the Nangang office to associate Jin-Zuan Semiconductor and Shanyi Investment under an operating lease.

The lease term is 1 year. The rent is based on the rent level of similar assets, and fixed lease payments are collected monthly in accordance with the lease contract.

The operating lease receivables are summarized as follows:

Category/Name of related party	September 30, 2024
Associate	$ 59

Total amount of lease payments to be received in the future is summarized as follows:

Category/Name of related party	September 30, 2024
Associate	$ 61

The rental income is summarized as follows:

Category/Name of related party	For the three months ended September 30, 2024	For the nine months ended September 30, 2024
Associate	$ 29	$ 59

(10) Transactions with other related parties

Account Item	Name of related party	September 30, 2024	December 31, 2023	September 30, 2023
Other current liabilities	Associate			
	Chuzhou Ding Wang	$ -	$ -	$ 82,000
Professional service expenses	Substantive related party	$ 180	$ -	$ -

Chuzhou Ding Wang has passed a resolution in the shareholders' meeting in November 2020 to reduce the capital by 78%. In November 2020, the consolidated company has fully returned the investment funds from the capital reduction.

(11) Remuneration of key management personnel

	For the three months ended September 30, 2024	For the three months ended September 30, 2023	For the nine months ended September 30, 2024	For the nine months ended September 30, 2023
Short-term employee benefits	$ 2,232	$ 3,337	$ 10,163	$ 7,111
Retirement benefits	95	158	415	328
	$ 2,327	$ 3,495	$ 10,578	$ 7,439

The remuneration of directors and other key management personnel is determined by the Remuneration Committee in accordance with individual performance and market trends.

31. Pledged assets (after restatement)

The following assets have been provided as collateral for financing loans:

	September 30, 2024	December 31, 2023	September 30, 2023
Property, plants, and equipment	$ 116,906	$ 88,941	$ 89,463
Investment properties	819,500	585,045	522,260
	$ 936,406	$ 673,986	$ 611,723

32. Material events after the reporting period

On October 1, 2024, the Company subscribed to a cash capital increase in its subsidiary, CHINTEK, by purchasing shares worth NT$35,000 thousand in proportion to its ownership.

On October 1, 2024, the Company subscribed to a cash capital increase in its subsidiary, Heph A.I, by purchasing shares worth NT$35,000 thousand in proportion to its ownership.

On October 8, 2024, the Company subscribed the cash capital increase of the subsidiary, Silicon Test Tech, in non-proportion of NT$15,000 thousand, resulting in an increase in shareholding from 51.03% to 68.93%.

On October 6, 2024, the affiliate, CERMAX, conducted a cash capital increase. The consolidated company did not participate, resulting in a decrease in its ownership ratio from 20.01% to 18.81%.

33. Information on assets and liabilities denominated in foreign currencies with material impact

The following information is aggregated by foreign currencies other than the functional currencies of the consolidated company. The exchange rates disclosed refer to the rates at which the foreign currencies were converted into functional currencies. The significant assets and liabilities denominated in foreign currencies were as follows:

September 30, 2024

	Foreign currencies	Exchange rates	Carrying amount
Foreign currency assets			
Monetary items			
USD	$ 8,522	31.650 (USD:NTD)	$ 269,721
USD	12,635	7.0073 (USD:CNY)	399,898
USD	429	32.0734 (USD:THB)	13,578
USD	50	25,019.7628 (USD:VND)	1,583
Foreign currency liabilities			
Monetary items			
USD	$ 11,733	31.650 (USD:NTD)	$ 371,349
USD	4,079	7.0073 (USD:CNY)	129,100
USD	83	32.0734 (USD:THB)	2,627

December 31, 2023

	Foreign currencies	Exchange rates	Carrying amount
Foreign currency assets			
Monetary items			
USD	$ 6,861	30.705 (USD:NTD)	$ 210,667
USD	12,280	7.0827 (USD:CNY)	377,057
USD	213	34.0523 (USD:THB)	6,540
USD	100	24,662.6506 (USD:VND)	3,071
Foreign currency liabilities			
Monetary items			
USD	9,277	30.705 (USD:NTD)	284,850
USD	2,661	7.0827 (USD:CNY)	81,706
USD	413	34.0523 (USD:THB)	12,681

September 30, 2023

Foreign currency assets	Foreign currencies	Exchange rates	Carrying amount
Monetary items			
USD	$ 8,095	32.27 (USD:NTD)	$ 261,226
USD	13,500	7.1798 (USD:CNY)	435,645
USD	260	36.579 (USD:THB)	8,390
Foreign currency liabilities			
Monetary items			
USD	10,665	32.27 (USD:NTD)	344,160
USD	2,547	7.1798 (USD:CNY)	82,192
USD	128	36.579 (USD:THB)	4,131

The consolidated company was mainly subject to the foreign exchange risk of USD. The following information is summarized based on the entity holding foreign currencies and expressed in functional currency. The exchange rates disclosed are used to translate the functional currencies into the expressing currency. Foreign exchange gains and losses with material influence (including realized and unrealized) are as follows:

	For the three months ended September 30, 2024		For the three months ended September 30, 2023	
Functional currency	Functional currency to currency presented	Net exchange gains (losses)	Functional currency to currency presented	Net exchange gains (losses)
THB	0.99 (THB:NTD)	($ 932)	0.91 (THB:NTD)	$ 19
NTD	1 (NTD:NTD)	3,914	1 (NTD:NTD)	(1,159)
CNY	4.52 (CNY:NTD)	(3,863)	4.42 (CNY:NTD)	875
VND	0.001265 (VND:NTD)	-	0.001265 (VND:NTD)	-
		($ 881)		($ 265)

For the nine months ended September 30, 2024	For the nine months ended September 30, 2023

Functional currency	Functional currency to currency presented	Net exchange gains (losses)	Functional currency to currency presented	Net exchange gains (losses)
THB	0.90 (THB:NTD)	($ 1,259)	0.90 (THB:NTD)	$ 232
NTD	1 (NTD:NTD)	(596)	1 (NTD:NTD)	(841)
CNY	4.51 (CNY:NTD)	1,568	4.41 (CNY:NTD)	11,376
VND	0.001265 (VND:NTD)	32	0.001265 (VND:NTD)	-
		($ 255)		$ 10,767

34. Disclosures in the Notes

(1) Information about significant transactions:

1. Loaning of funds to others. (None)
2. Endorsements/guarantees provided for others. (Table 1)
3. Marketable securities held at the end of the period (excluding investments in subsidiaries and affiliates) (Table 2)
4. The cumulative amount of buying or selling the same securities reaches NT$300 million or more than 20% of the paid-in capital. (None)
5. The amount of real estate acquisition reaches NT$300 million or more than 20% of the paid-in capital. (None)
6. The amount of property disposed of at or above NT$300 million or 20% of the paid-in capital. (None)
7. Total purchases from and sales to related parties reaching NT$100 million or more than 20% of the Paid-in capital. (Table 3)
8. Accounts receivable from related parties reaching at least NT$100 million or 20% of the paid-in capital. (Table 4)
9. Trading in derivative instruments. (None)
10. Others: The business relationship between the parent and its subsidiaries and between each subsidiary and the circumstances and amounts of any significant transactions or transactions between them. (Table 5)

(2) Information on invested businesses (Table 6)

(3) Investment information in mainland China

1. The name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, investment income or loss, carrying amount of the investment, repatriations of investment income, and limit of investment in mainland China of the investee company in

mainland China, including the name, main business activities, and amount of principal business activities in mainland China. (Table 7)

2. Any of the following significant transactions with the investee in mainland China, either directly or indirectly through a third region, and their prices, terms of payment, and unrealized gain or loss: (None)

(1) The amount and percentage of purchases, and the ending balance and percentage.

(2) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period.

(3) The amount of property transactions and the amount of the resultant gains or losses.

(4) The balance of negotiable instrument endorsements, guarantees, or pledges of collateral at the end of the period and the purposes.

(5) The highest balance, the end of period balance, the interest rate range, and total current period interest with respect to financing of funds.

(6) Other transactions that have a material effect on the profit or loss for the period or on the financial position, such as the rendering or receipt of services.

(4) Information on major shareholders: the names of shareholders with a shareholding ratio of more than 5%, the number and percentage of shareholdings. (Table 8)

35. Segment Information

(1) Segment revenue and operating result

The following was an analysis of revenue and results of the continuing operation of the consolidated company by the reporting segment.

	Segment revenue		Segment losses	
	For the nine months ended September 30, 2024	For the nine months ended September 30, 2023	For the nine months ended September 30, 2024	For the nine months ended September 30, 2023
Connection cables	$ 800,291	$ 867,710	($ 15,083)	$ 29,792
Others	79,361	8,363	(32,035)	(285)
Continuing operations net amount	$ 879,652	$ 876,073	(47,118)	29,507
Administrative expenses			(133,823)	(106,957)
Expected credit impairment reversal gain (loss)			8,817	(11,611)
Interest income			3,482	1,945
Other income			31,631	17,723
Other gains and losses			(11,329)	10,508
Finance costs			(7,155)	(3,300)
Share of profit or loss of affiliates under the equity method			5,423	3
Net loss before tax			($ 150,072)	($ 62,182)

The above reporting revenue were generated through transactions with external customers. There were no inter-segment sales from January 1 to September 30 in 2024 and 2023.

Segment profit refers to the profit earned by each segment, excluding other revenue, other gains and losses to be apportioned, share of profit or loss of associates accounted for using the equity method, financial costs, administrative expenses, expected credit impairment reversal gain (loss), and income tax benefits (expenses). This is the measure reported to the consolidated company's chief operating decision maker to allocate resources to each segment and evaluate its performance.

(2) Segment assets

As the measurement amounts of assets were not provided to the operating decision-makers, the measurement amounts of total assets and liabilities were not disclosed.

Ji-Haw Industrial, Co., Ltd., and Subsidiaries

Endorsements/guarantees for others

For the nine months ended September 30, 2024

Table 1

Unit: Unless otherwise stated, in NT$ thousands.

No.	Name of Endorser/Guarantor	The Endorsed/Guaranteed		Endorsement/ Guarantee Limit per Company	Current maximum endorsement / guarantee balance	Closing balance of endorsements/ guarantees	Actual amount drawn	Amount of endorsements/ guarantees secured by property	Cumulative amount of endorsements/ guarantees as a percentage of net worth stated in the latest financial statements (%)	Endorsement/ Guarantee limit	Parent company's guarantees/ endorsements to subsidiaries	Subsidiary's guarantees/ endorsements to parent company	Guarantees/ endorsements to the mainland China	Remarks
		Company Name	Relationship											
0	Ji-Haw Industrial, Co., Ltd.	CHINTEK Inc.	Subsidiary	$ 290,022 (The limit of endorsement and guarantee for a single enterprise is limited to 20% of the net equity of the Company in its most recent financial statements)	$ 25,000	$ 25,000	$ 25,000	$ -	1.72	$ 580,045 (The maximum amount of endorsements and guarantees shall be limited to 40% of the Company's net share value as shown in the most recent financial statements)	Y	N	N	

Ji-Haw Industrial, Co., Ltd., and Subsidiaries

Marketable securities held at the end of the period

September 30, 2024

Table 2

Unit: Unless otherwise stated, in NT$ thousands.

Holding Company Name	Marketable Securities Type and Name	Relationship with the issuer of securities	Financial Statement Account	End of the period				Remarks
				Number of shares	Carrying amount	Shareholding ratio	Fair value	
Ji-Haw Industrial, Co., Ltd.	Stocks							
	Soyo Link Energy Co., Ltd.	-	Non-current financial assets at fair value through other comprehensive income	300,000	$ -	7.14	$ -	Note 2
	Li Wang Technology Co., Ltd.	-	Non-current financial assets at fair value through other comprehensive income	185,185	-	6.90	-	Note 2
	S SQUARE SYSTEM LTD.	-	Non-current financial assets at fair value through other comprehensive income	747	-	3.19	-	Note 2

Note 1: Marketable securities stated in this table refer to stocks within the scope of IFRS 9 “Financial Instruments”.

Note 2: Not provided as collateral, pledged, or restricted in other ways.

Ji-Haw Industrial, Co., Ltd., and Subsidiaries

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

For the nine months ended September 30, 2024

Table 3

Unit: Unless otherwise stated, in NT$ thousands.

Purchase (sale) company	Counterparty	Relationship	Transaction status				Transaction terms different from general transactions and the reasons		Notes/Accounts Receivable (Payable)		Remarks
			Purchase (Sale)	Amount	Percentage of total sales (purchases) (%)	Credit period	Unit price	Credit period	Balance	Percentage of total notes and accounts receivable (payable) (%)	
Ji-Haw Industrial, Co., Ltd.	J.H.P	Subsidiary	Purchase	$ 384,447	87	Note 1	-	Note 1	($ 345,522)	93	-
J.H.P	Ji-Haw Industrial, Co., Ltd.	Parent company	Sale of goods	(384,447)	56	Note 1	-	Note 1	345,522	72	-

Note 1: 240 days for monthly settlement.

Note 2: All transactions listed above have been eliminated in the consolidated financial statements.

Ji-Haw Industrial, Co., Ltd., and Subsidiaries

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

September 30, 2024

Table 4

Unit: Unless otherwise stated, in NT$ thousands.

Company with receivables booked	Counterparty	Relationship	Balance of receivables from related parties	Turnover rate	Overdue receivables from related parties		Subsequent recovery amount of receivables from related parties	Allowance for impairment loss
					Amount	Handling method		
J.H.P	Ji-Haw Industrial, Co., Ltd.	Parent company	$ 345,522	1.67	$ -	-	$ 21,659	$ -

Note 1: All transactions listed above have been eliminated in the consolidated financial statements.

Ji-Haw Industrial, Co., Ltd., and Subsidiaries

Business relationships and significant transaction dealings and amounts between the parent and subsidiary companies and among subsidiary companies.

For the nine months ended September 30, 2024

Table 5

Unit: Unless otherwise stated, in NT$ thousands.

No. (Note 1)	Transaction party name	Transaction counterparty	Relationship with transaction party (Note 2)	Transaction details			
				Financial Statement Accounts	Amount	Payment terms	Percentage of total sales or assets (%) (Note 3)
0	Ji-Haw Industrial, Co., Ltd.	J.H.P	1	Purchase	$ 384,447	Agreed upon contract price	44
		J.H.P	1	Accounts payable	345,522	240 days for monthly settlement	12

Note 1: "0" stands for the parent company. Subsidiaries are numbered from "1".

Note 2: "1" means from the parent company to a subsidiary.

Note 3: Regarding calculation of the percentage of transaction amount to the total consolidated revenue or assets, for assets and liabilities, amounts are calculated as a percentage to consolidated total assets, while revenues, costs, and expenses are calculated as a percentage to consolidated total operating revenues.

Note 4: All transactions listed above have been eliminated in the consolidated financial statements.

Ji-Haw Industrial, Co., Ltd., and Subsidiaries

Information on investees, location, etc.

For the nine months ended September 30, 2024

Table 6

Unit: Unless otherwise stated, in NT$ thousands.

Name of investor	Name of investee	Location	Main business items	Initial investment amount		Held as of the end of the period			Investee profit or loss for the period	Investment gains and losses recognized in the current period (Note 1)	Remarks
				September 30, 2024	December 31, 2023	Number of shares	Percentage (%)	Carrying amount			
Ji-Haw Industrial, Co., Ltd.	J.B.T	227, M003, Laem Chabang Industrial Estate, Sukhumvit Road, Thungsukla, Sriracha, Chonburi 20230 Thailand	Manufacturing and trading of computer cables or plugs	$ 207,215	$ 207,215	18,600,000	100.00	$ 584,474	($ 32,355)	($ 32,355)	Subsidiary
	J.H.I	Sertus Chambers, P.O. Box 603, Apia, Samoa.	Investing in overseas financial products and stocks	9,649	9,649	300,000	100.00	4,626	76	76	Subsidiary
	J.H.V	3rd Floor, No. 87 89 Khuat Duy Tien Street, Nhan Chinh Ward, Thanh Xuan District, Hanoi	Manufacturing and trading of computer cables or plugs	3,159	3,159	-	100.00	2,674	(272)	(272)	Subsidiary
	CHINTEK Inc.	8F-1, No. 198, Jingmao 2nd Road, Nangang District. Taipei City	Development and sales of automotive electronics and other software products	98,000	98,000	1,600,000	100.00	68,448	(21,229)	(21,229)	Subsidiary
	CERMAX Co., Ltd.	No. 36, Lane 816, Bo’ai St., Zhubei City, Hsinchu County	Manufacturing and trading of precision ceramics, precision instruments and machinery	20,000	20,000	1,250,000	20.01	19,300	(13,415)	(3,070)	Note 2
	Emergence A.I Co., Ltd.	8F-1, No. 198, Jingmao 2nd Road, Nangang District. Taipei City	Management consulting and technology R&D services	10,000	-	1,000,000	66.67	6,876	(4,685)	(3,124)	Subsidiary
	Heph A.I Studio Technology Co., Ltd.	8F-1, No. 198, Jingmao 2nd Road, Nangang District. Taipei City	Software R&D and management consulting services	10,000	-	1,000,000	100.00	4,985	(5,015)	(5,015)	Subsidiary
	Jin-Zuan Semiconductor Investment Co., Ltd.	No. 53, Baoxing Road, Xindian District, New Taipei City	Professional investment company	42,066	-	3,260,000	37.63	59,841	35,155	8,493	-
	Silicon Test Tech Corp.	2F., No. 2, Lane 214, Section. 1, Zhongxing Road., Sanchong Rd., Zhudong Township, Hsinchu County	IC packaging OEM	39,000	-	780,000	51.03	36,295	(5,299)	(2,705)	Subsidiary Note 2
Silicon Test Tech	Jern Yao Co., Ltd.	5F-3, No. 262, Section 2, Huamei Street, North District, Taichung City	IC packaging OEM	1,000	-	100,000	100.00	1,067	(18)	3	Subsidiary Note 2
CHINTEK	C.P.T	5-402, 12, Higashi-Shinagawa 1-chome, Shinagawa-ku, Tokyo	Integrated sales of software and equipment	2,031	-	72	75.00	1,517	(107)	(80)	Subsidiary

Note 1: Except for the financial statements of J.B.T., which have been reviewed by external auditors, the financial statements of other non-material subsidiaries have not been reviewed by external auditors.

Note 2: The investment income recognized in the current period is recognized in accordance with the shareholding ratio from the date of acquisition.

Note 3: Please refer to Table 7 for information on investment in mainland China.

Note 4: Except for CERMAX and Jin-Zuan Semiconductor, the investment income, investments under the equity method, and the net asset value of the investee shown in the table above have been eliminated in the preparation of the consolidated financial statements.

Ji-Haw Industrial, Co., Ltd., and Subsidiaries

Information on investment in mainland China

For the nine months ended September 30, 2024

Table 7

Unit: Unless otherwise stated, in NT$ thousands.

Name of investee company in mainland China	Main business items	Paid-in capital	Method of investment	Accumulated outward remittance for investment from Taiwan at the beginning of the period	The outward or inward amount of investments as of the period		Accumulated outward remittance for investment from Taiwan at the end of the period	Investee profit or loss for the period (Note 1)	Percentage of ownership of direct or indirect investment	Recognized gains (losses) from investments in the current period (Note 1)	Book value of investment at the end of the period (Note 1)	Accumulated repatriation of investment income for the period	Remarks
					Outward	Inward							
J.H.K	Manufacturing and trading of computer cables or plugs	$ 3,234 (USD 100 thousand)	100% direct investment by the Company	$ 3,165 (USD 100 thousand)	$ -	$ -	$ 3,165 (USD 100 thousand)	($ 1,056)	100%	($ 1,056)	$ 81,163	$ 277,250	-
J.H.P	Manufacturing and trading of precision ceramics, precision molds, and computer cables and plugs	414,018 (USD 12,600 thousand)	40.48% held directly by the Company and 59.52% held directly by the 100% owned subsidiary, J.B.T.	303,840 (USD 9,600 thousand)	-	-	303,840 (USD 9,600 thousand)	(25,222)	100%	(28,269)	690,088	-	Note 3
Chuzhou Ding Wang	Investment development	279,316 (CNY 60,180 thousand)	Direct investment by the Company's 100% owned subsidiary, JHP	-	-	-	-	-	39%	-	1,743	-	-

Accumulated outward remittance from Taiwan for investment in mainland China at the end of the period	Investment amounts authorized by the Investment Commission, MOEA	Limit on the amount of investment in mainland China stipulated by Investment Commission, MOEA
$ 307,005 (USD 9,700 thousand)	$ 401,955 (USS 12,700 thousand)	$ 971,459 (Note 4)

Note 1: Calculations are based on the unreviewed financial statements of the investees, except for JHP that has been reviewed by a certified public accountant.

Note 2: Except for the investee company's current period income and recognized gains (losses) from investments recognized in the current period, which are calculated using the average exchange rate for the nine months ended September 30, 2024, the rest are calculated using the spot exchange rate at the end of September 2024.

Note 3: For the investment loss of NT$28,269 thousand recognized in the current period, except for the investment loss of NT$13,257 thousand recognized based on 40.48% of the Company's shareholding (including unrealized upstream transactions), the remaining investment loss of NT$15,012 thousand was recognized through the 100%-owned subsidiary, J.B.T., according to its shareholding ratio of 59.52%.

Note 4: Calculated pursuant to Article 3 of the MOEA's Principle of Investment or Technical Cooperation in Mainland China, which was the higher of the net worth of the entity or 60% of the consolidated net worth.

Note 5: The investment gains (losses) among the related investment companies, the investments accounted for using the equity method by investment companies, and the net equity of the investee companies, as shown in the above table, have been eliminated upon the preparation of the consolidated financial statements, except for Chuzhou Ding Wang Company.

Ji-Haw Industrial, Co., Ltd.

Information on major shareholders

September 30, 2024

Table 8

Name of major shareholder	Shares	
	Number of shares owned	Shareholding ratio
No data for this quarter	-	-

Note: The information of major shareholders presented in this table is provided by the Taiwan Depository & Clearing Corporation based on the number of ordinary shares and preference shares held by shareholders with ownership of 5% or greater, that have been issued without physical registration (including treasury shares) by the Company as of the last business day for the current quarter. The number of shares stated in the consolidated financial statements of the Company may differ from the actual number of shares delivered without physical registration, potentially due to variations in the calculation methodology or other factors.