

JIA WEI LIFESTYLE, INC.
PARENT COMPANY ONLY FINANCIAL STATEMENTS
WITH REPORT OF INDEPENDENT ACCOUNTANTS
FOR THE YEARS ENDED
31 DECEMBER 2024 AND 2023

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The reader is advised that these parent company only financial statements have been prepared originally in Chinese. In the event of a conflict between these financial statements and the original Chinese version or difference in interpretation between the two versions, the Chinese language financial statements shall prevail.

Independent Auditors' Report

To Jia Wei Lifestyle, Inc.

Opinion

We have audited the accompanying parent company only balance sheets of Jia Wei Lifestyle, Inc. (the “Company”) as of 31 December 2024 and 2023, and the related parent company only statements of comprehensive income, changes in equity and cash flows for the years ended 31 December 2024 and 2023, and notes to the parent company only financial statements, including the summary of material accounting policies (together “the parent company only financial statements”).

In our opinion, the parent company only financial statements referred to above present fairly, in all material respects, the parent company only financial position of the Company as of 31 December 2024 and 2023, and their parent company only financial performance and cash flows for the years ended 31 December 2024 and 2023, in conformity with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Financial Statements Audit and Attestation Engagements of Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements section of our report. We are independent of the Company in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China (the “Norm”), and we have fulfilled our other ethical responsibilities in accordance with the Norm. Based on our audits, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significant in our audit of 2024 parent company only financial statements. These matters were addressed in the context of our audit of the parent company only financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

1. Revenue Recognition

The main source of revenue for the Company is the sale of household goods and recognized by the Company amounted to \$5,588,488 thousand. Since the products are mainly for overseas companies and shipped by sea, the revenue is recognized when the ownership and control of the promised goods are transferred to the customer and the performance obligation is fulfilled, we therefore considered this a key audit matter.

Our audit procedures included (but were not limited to), understanding and testing the effectiveness of internal control in the sales cycle at the time of revenue recognition, selecting samples (including the newly added top ten customers in this period) to perform test of control, selecting samples to perform test of details, such as check sales orders, finished product delivery orders, sales invoices, export declarations and subsequent payments, etc., including checking whether the sales was appropriately recognized and the recipient of the payment is the same company, performing cut-off tests before and after the balance sheet date, performing analytical procedures on monthly sales revenue and gross profit margin. We also considered the appropriateness of disclosures of operating revenue in Notes 4.(17) and 6.(14) to the parent company only financial statements.

2. Loss allowance for accounts receivable

As of 31 December 2024, the Company's accounts receivable and loss allowance amounted to \$1,092,004 thousand and \$12,485 thousand, respectively. The net accounts receivable accounted for 19% of the total assets. Since the amount of allowance for receivables is measured by the lifetime expected credit loss, the measurement process must appropriately group the accounts receivable and determine the use of relevant assumptions in the analytical and measurement procedures, including the appropriate accounting aging schedule and the loss rate of each aging interval. The measurement of expected credit losses involved judgment, analysis and estimation, while the measurement results would affect the net amount of accounts receivable, we therefore considered this a key audit matter.

Our audit procedures included (but not limited to) analyzing the appropriateness of the grouping method of accounts receivable; understanding the appropriateness of the management's provision of allowances for bad debts; testing the provision matrix the Company adopted, including assessing whether the aging interval is reasonably determined; testing the statistical information related to the average loss rate based on the monthly roll rate, and assessing its reasonableness; selecting samples to perform test the correctness of the aging; selecting samples to check the collection situation after the period of accounts receivable and assessing the recoverability. We also considered the appropriateness of the disclosures of the expected credit impairment loss of accounts receivable in Notes 4.(7), 5.(2) and 6.(15) of the parent company only financial statements.

3. Impairment assessment of investments accounted for using equity method

As of 31 December 2024, the reinvestment amount was material and goodwill was generated with the reinvestment. While the amount was material using the equity method, impairment assessment was based on the assessment of management, which also involved accounting assumptions, we therefore considered this a key Audit matter.

Our audit procedures included (but not limited to), understanding and evaluating the rationality of the management's basis and procedures for assessing the impairment of the asset, including analyzing the sales model and regions involved; evaluating the management's assessment approaches and assumptions of value in use; involving internal expert to assist us in evaluating the reasonableness of key assumptions used by management such as discount rates , involving internal expert to assist us in evaluating the reasonableness of key components of discount rates such as cost of equity, company-specific risk premium and market risk premium by comparing them to other companies of similar size with the cash-generating units; interviewing management and assessing the reasonableness of assumptions used in their model such as gross margin, growth rates, and the expected future market and economic conditions; comparing the actual financials to date with previously forecast financials and analyzing the Company's historical data and performance to assess the reasonableness of the cash flow forecast. We also considered the appropriateness of disclosures of investments accounted for using equity method in Notes 4.(11), 5.(3) and 6.(5) to the parent company only financial statements.

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

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

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

Those charged with governance, including audit committee, are responsible for overseeing the financial reporting process of the Company.

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

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

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

1. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Company.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability to continue as a going concern of the Company. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the accompanying notes, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

Yao, Shih-Chieh

Chen, Cheng-Chu

Ernst & Young, Taiwan

12 March 2025

Notice to Readers

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

Accordingly, the accompanying financial statements and report of independent accountants are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice. As the financial statements are the responsibility of the management, Ernst & Young cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

English Translation of the parent company only Financial Statements originally issued in Chinese

JIA WEI LIFESTYLE INC.

PARENT COMPANY ONLY BALANCE SHEETS

31 December 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars)

Assets	Notes	31 December 2024		31 December 2023	
		Amount	%	Amount	%
Current assets					
Cash and cash equivalents	4,6(1),12	\$72,553	1	\$424,003	9
Accounts receivable, net	4,6(2),12	997,557	19	867,224	17
Accounts receivable-related parties, net	4,6(2),7	81,962	2	84,652	2
Other receivables	4,12	962	-	10,325	0
Other receivables-related parties	7,12	764,735	14	581,319	11
Inventories	4,6(3)	10,372	0	8,273	0
Prepayments	4,6(4),7	113,111	2	72,812	2
Other financial assets, current	8,12	-	-	42,100	1
Total current assets		2,041,252	38	2,090,708	42
Non-current assets					
Investments accounted for under the equity method	4,6(5)	2,911,638	57	2,758,072	56
Property, plant and equipment	4,6(6)	31,467	1	11,850	0
Right-of-use assets	4,6(16)	26,479	1	18,802	0
Deferred tax assets	4,6(20)	141,897	3	98,729	2
Refundable deposits	12	4,059	-	3,040	0
Other non-current assets		-	-	222	0
Total non-current assets		3,115,540	62	2,890,715	58
Total assets		\$5,156,792	100	\$4,981,423	100

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

English Translation of the parent company only Financial Statements originally issued in Chinese

JIA WEI LIFESTYLE INC.

PARENT COMPANY ONLY BALANCE SHEETS

31 December 2024 and 2023

(Amounts in thousands of New Taiwan Dollars)

Liabilities and Equity	Notes	31 December 2024		31 December 2023	
		Amount	%	Amount	%
Current liabilities					
Short-term loans	6(8),8	\$1,171,422	23	\$1,299,632	26
Short-term notes payable	6(9)	79,987	2	14,963	0
Contract liabilities, current	4,6(14)	35,829	1	10,178	0
Accounts payable	12	1,317	0	2,174	0
Accounts payable-related parties	7,12	534,669	10	719,828	14
Other payables	6(11),7,12	313,854	6	241,720	5
Current tax liabilities	4,6(20)	122,572	3	84,815	2
Lease liabilities, current	4,6(16)	14,136	0	8,267	0
Current portion of long-term loans	6(10)	20,000	0	80,000	2
Other current liabilities		8,607	0	16,162	0
Total current liabilities		2,302,393	45	2,477,739	49
Non-current liabilities					
Long-term loans	6(10)	70,390	2	130,390	3
Deferred tax liabilities	4,6(20)	17,957	0	2,994	0
Lease liabilities, non current	4,6(16)	12,802	0	10,679	0
Total non-current liabilities		101,149	2	144,063	3
Total liabilities		2,403,542	47	2,621,802	52
Equity attributable to the parent company	6(13)				
Capital					
Common stock		803,004	15	803,004	16
Additional paid-in capital		682,138	14	682,138	14
Retained earnings					
Legal reserve		241,844	5	203,202	4
Special reserve		13,061	0	-	-
Unappropriated earnings		941,370	18	684,338	14
Total retained earnings		1,196,275	23	887,540	18
Other equity		71,833	1	(13,061)	(0)
Total equity		2,753,250	53	2,359,621	48
Total liabilities and equity		\$5,156,792	100	\$4,981,423	100

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

English Translation of the parent company only Financial Statements originally issued in Chinese

JIA WEI LIFESTYLE INC.

PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME

For the years ended 31 December 2024 and 2023

(Amounts in thousands of New Taiwan Dollars)

Item	Notes	2024		2023	
		Amount	%	Amount	%
Operating Revenue	4,6(14),7	\$5,588,488	100	\$4,562,431	100
Operating costs	4,6(3),7	(3,870,701)	(69)	(3,165,193)	(69)
Unrealized gross profit		2,347	0	16,317	0
Gross profit		1,720,134	31	1,413,555	31
Operating expenses	4,6(17)				
Sales and marketing expenses	7	(509,687)	(9)	(477,703)	(11)
General and administrative expenses		(191,770)	(3)	(151,089)	(3)
Research and development expenses		(43,862)	(1)	(55,199)	(1)
Expected credit impairment (losses)	4,6(15)	(3,546)	(0)	(6,863)	(0)
Subtotal		(748,865)	(13)	(690,854)	(15)
Operating income		971,269	18	722,701	16
Non-operating income and expense	4,6(18)				
Interest income		5,007	0	4,544	0
Other income		6,562	0	8,590	0
Other gains and losses		8,119	0	30,051	1
Finance costs		(70,511)	(1)	(53,004)	(1)
Share of profit or loss of associates	4,6(5)	(227,537)	(4)	(221,510)	(5)
Subtotal		(278,360)	(5)	(231,329)	(5)
Income from continuing operations before income tax		692,909	13	491,372	11
Income tax expense	4,6(20)	(143,273)	(3)	(104,959)	(2)
Profit from continuing operations		549,636	10	386,413	9
Other comprehensive income					
Items that may be reclassified subsequently to profit or loss:					
Exchange differences on translation of foreign operations	4,6(5),6(19)	106,117	2	(28,156)	(1)
Income tax related to items that may be reclassified subsequently		(21,223)	0	5,632	0
Total other comprehensive income (loss), net of tax		84,894	2	(22,524)	(1)
Total comprehensive income		\$634,530	12	\$363,889	8
Earnings per share (NTD)	6(21)				
Earnings per share-basic		\$6.84		\$4.81	
Earnings per share-diluted		\$6.81		\$4.79	

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

English translation of the parent company only Financial Statements originally issued in Chinese

JIA WEI LIFESTYLE INC.

PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY

For the years ended 31 December 2024 and 2023

(Amounts in thousands of New Taiwan Dollars)

Items	Common Stock	Additional Paid-in Capital	Retained Earnings			Other Equity	Total	Total Equity
			Legal reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translation of Foreign Operations		
Balance as of 1 January 2023	\$803,004	\$682,138	\$179,454	-	\$723,175	\$9,463	\$2,397,234	\$2,397,234
Legal reserve	-	-	23,748	-	(23,748)	-	-	-
Cash dividends	-	-	-	-	(401,502)	-	(401,502)	(401,502)
Net income for the year ended 31 December 2023	-	-	-	-	386,413	-	386,413	386,413
Other comprehensive income, net of tax for the year ended 31 December 2023	-	-	-	-	-	(22,524)	(22,524)	(22,524)
Total comprehensive income	-	-	-	-	386,413	(22,524)	363,889	363,889
Balance as of 31 December 2023	\$803,004	\$682,138	\$203,202	-	\$684,338	(\$13,061)	\$2,359,621	\$2,359,621
Balance as of 1 January 2024	\$803,004	\$682,138	\$203,202	-	\$684,338	(\$13,061)	\$2,359,621	\$2,359,621
Legal reserve	-	-	38,642	-	(38,642)	-	-	-
Special reserve	-	-	-	\$13,061	(13,061)	-	-	-
Cash dividends	-	-	-	-	(240,901)	-	(240,901)	(240,901)
Net income for the year ended 31 December 2024	-	-	-	-	549,636	-	549,636	549,636
Other comprehensive income, net of tax for the year ended 31 December 2024	-	-	-	-	-	84,894	84,894	84,894
Total comprehensive income	-	-	-	-	549,636	84,894	634,530	634,530
Balance as of 31 December 2024	\$803,004	\$682,138	\$241,844	\$13,061	\$941,370	\$71,833	\$2,753,250	\$2,753,250

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

English translation of the parent company only Financial Statements originally issued in Chinese

JIA WEI LIFESTYLE INC.

PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS

For the years ended 31 December 2024 and 2023

(Amounts in thousands of New Taiwan Dollars)

Items	2024	2023	Items	2024	2023
Cash flows from operating activities:			Cash flows from investing activities:		
Net income before tax	\$692,909	\$491,372	Acquisition of investments accounted for equity method	(272,639)	(462,557)
Adjustments to reconcile net income before tax to net cash provided by operating activities:			Acquisition of property, plant and equipment	(26,087)	(12,259)
Income and expense adjustments:			Disposal of property, plant and equipment	40	-
Depreciation	18,696	19,043	(Increase) in refundable deposits	(1,019)	(365)
Expected credit impairment losses	3,546	6,863	Decrease in other financial assets	42,100	89,701
Interest expense	70,511	53,004	Decrease in other non-current assets	222	-
Interest income	(5,007)	(4,544)	Net cash (used in) investing activities	(257,383)	(385,480)
Share of loss of associates accounted for using equity	227,537	221,510			
(Gain) on disposal of property, plant and equipment	(15)	-	Cash flows from financing activities:		
Unrealized gross (profit)	(2,347)	(16,317)	(Decrease) in short-term loans	(128,210)	(32,681)
Profit from lease modification	(161)	-	Increase in short-term notes payable	670,760	300,516
Loss on inventory valuation and obsolescence	4,092	1,448	Decrease in short-term notes payable	(605,736)	(330,544)
			Repayments of long-term loans	(120,000)	(80,000)
Changes in operating assets and liabilities:			Cash payments for the principal portion of the lease liability	(11,775)	(10,842)
Accounts receivable	(133,879)	40,024	Cash dividends	(240,901)	(401,502)
Accounts receivable-related parties	2,690	30,868	Interest paid	(69,443)	(49,944)
Other receivables	9,286	25,401	Net cash (used in) financing activities	(505,305)	(604,997)
Other receivables-related parties	(183,416)	82,042			
Inventories	(6,191)	(9,012)	Net (decrease) increase in cash and cash equivalents	(351,450)	110,975
Prepayments	(40,299)	64,257	Cash and cash equivalents at beginning of year	424,003	313,028
Other current assets	-	297	Cash and cash equivalents at end of year	\$72,553	\$424,003
Contract liabilities	25,651	(2,470)			
Accounts payable	(857)	(4,995)			
Accounts payable-related parties	(185,159)	295,216			
Other payables	71,066	(14,595)			
Other current liabilities	(7,555)	1,773			
Cash generated from operations	561,098	1,281,185			
Interest received	5,084	4,575			
Income tax paid	(154,944)	(184,308)			
Net cash provided by operating activities	411,238	1,101,452			

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

NOTES TO PARENT COMPANY ONLY FINANCIAL STATEMENTS

FOR THE YEARS ENDED 31 DECEMBER 2024 AND 2023

(Expressed in thousands of New Taiwan Dollars unless otherwise Specified)

1. History and organization

Jia Wei Lifestyle Inc. (the Company) was incorporated on 21 April 2005. The Company's common shares were publicly listed on the Taipei Exchange (TPEX) on 27 February 2008. Due to business needs, its registered office and the main business location were moved to the 14F.-4, No. 296, Sec. 4, Xinyi Rd., Da'an Dist., Taipei City 106, Taiwan (R.O.C.) on 14 August 2019, and it was approved by the Ministry of Economy on 5 November 2019 Letter, the company name was changed to Jia Wei Lifestyle, Inc. The main business project is the design, development, manufacturing and sales of household products.

2. Date and procedures of authorization of financial statements for issue

The parent company only financial statements of the Company for the years ended 31 December 2024 and 2023 were authorized for issue in accordance with a resolution of the Board of Directors' meeting on 12 March 2025.

3. Newly issued or revised standards and interpretations

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

The Company applied International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), and Interpretations issued, revised or amended which are recognized by the Financial Supervisory Commission (FSC) and became effective for annual periods beginning on or after 1 January 2024. The nature and the impact of each new standard and amendment have no material effect on the Company.

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

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

(a) Lack of Exchangeability – Amendments to IAS 21

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

The abovementioned amendments are applicable for annual periods beginning on or after 1 January 2025 and have no material impact on the Company.

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

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

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

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

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

- (b) IFRS 17 “Insurance Contracts”

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

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

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

(c) IFRS 18 “Presentation and Disclosure in Financial Statements”

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

(1) Improved comparability in the statement of profit or loss (income statement)

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

(2) Enhanced transparency of management-defined performance measures

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

(3) Useful grouping of information in the financial statements

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

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

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

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

The amendments include:

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

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

(1) Amendments to IFRS 1

The amendments mainly improve the consistency in wording between first-time adoption of IFRS and requirements for hedge accounting in IFRS 9.

(2) Amendments to IFRS 7

The amendments update an obsolete cross-reference relating to gain or loss on derecognition.

(3) Amendments to Guidance on implementing IFRS 7

The amendments improve some of the wordings in the implementation guidance, including the introduction, disclosure of deferred difference between fair value and transaction price and credit risk disclosures.

(4) Amendments to IFRS 9

The amendments add a cross-reference to resolve potential confusion for a lessee applying the derecognition requirements and clarify the term “transaction price”.

(5) Amendments to IFRS 10

The amendments remove the inconsistency between paragraphs B73 and B74 of IFRS 10.

(6) Amendments to IAS 7

The amendments remove a reference to “cost method” in paragraph 37 of IAS 7.

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

The amendments include:

- (1) Clarify the application of the ‘own-use’ requirements.
- (2) Permit hedge accounting if these contracts are used as hedging instruments.

- (3) Add new disclosure requirements to enable investors to understand the effect of these contracts on a company's financial performance and cash flows.

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

4. Summary of material accounting policies

(1) Statement of Compliance

The parent company only financial statements of the Company for the years ended 31 December 2024 and 2023 have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers ("the Regulations").

(2) Basis of Preparation

The parent company only financial statements were prepared in accordance with the Regulations. According to Article 21 of the Regulations, which provided that the profit or loss and other comprehensive income for the period presented in the parent company only financial statement shall be the same as the profit or loss and other comprehensive income attributable to stockholders of the parent presented in the consolidated financial statements for the period, and the total equity presented in the parent company only financial statements shall be the same as the equity attributable to the parent company presented in the consolidated financial statements. Therefore, the Company accounted for its investments in subsidiaries using equity method and, accordingly, made necessary adjustments.

Except for financial instruments measured at fair value, the parent company only financial statements have been prepared on historical cost basis. The Parent company only financial statements are expressed in thousands of New Taiwan Dollars ("NT\$") unless otherwise stated.

(3) Foreign currency transactions

The functional currency presented in the parent company only financial statements of the Company is New Taiwan Dollars ("NT Dollars" or "NT\$").

Transactions in foreign currencies are initially recorded by the Company in the functional currency rate ruling at the date of transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange ruling at the balance sheet date. Non-monetary items that are measured at fair value in a foreign currency should be translated using the exchange rates at the date when the fair value was determined. Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions.

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

- (a) Exchange differences arising from foreign currency borrowings for an acquisition of a qualifying asset to the extent that they are regarded as an adjustment to interest costs are included in the borrowing costs that are eligible for capitalization.
- (b) Foreign currency items within the scope of IFRS 9 Financial Instruments are accounted for based on the accounting policy for financial instruments.
- (c) Exchange differences arising on a monetary item that forms part of a reporting entity's net investment in a foreign operation is recognized initially in other comprehensive income and reclassified from equity to profit or loss on disposal of the net investment.

When a gain or loss on a non-monetary item is recognized in other comprehensive income, any exchange component of that gain or loss is recognized in other comprehensive income. When a gain or loss on a non-monetary item is recognized in profit or loss, any exchange component of that gain or loss is recognized in profit or loss.

(4) Translation of financial statements in foreign currency

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

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

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

(5) Current and non-current distinction

An asset is classified as current when:

- (a) The Company expects to realize the asset, or intends to sell or consume it, in its normal operating cycle
- (b) The Company holds the asset primarily for the purpose of trading
- (c) The Company expects to realize the asset within twelve months after the reporting period
- (d) The asset is cash or cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

- (a) The Company expects to settle the liability in its normal operating cycle
- (b) The Company holds the liability primarily for the purpose of trading
- (c) The liability is due to be settled within twelve months after the reporting period
- (d) The Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

(6) Cash and cash equivalents

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

(7) Financial instruments

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

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

i. Financial instruments: Recognition and Measurement

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

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

- A. the Company's business model for managing the financial assets and
- B. the contractual cash flow characteristics of the financial asset.

Financial assets measured at amortized cost

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

- A. the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and

- B. the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

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

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

Financial asset measured at fair value through other comprehensive income

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

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

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

- A. A gain or loss on a financial asset measured at fair value through other comprehensive income recognized in other comprehensive income, except for impairment gains or losses and foreign exchange gains and losses, until the financial asset is derecognized or reclassified.
- B. When the financial asset is derecognized the cumulative gain or loss previously recognized in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment.
- C. Interest revenue is calculated by using the effective interest method. This is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for:
 - (a) Purchased or originated credit-impaired financial assets. For those financial assets, the Company applies the credit-adjusted effective interest rate to the amortized cost of the financial asset from initial recognition.

- (b) Financial assets that are not purchased or originated credit-impaired financial assets but subsequently have become credit-impaired financial assets. For those financial assets, the Company applies the effective interest rate to the amortized cost of the financial asset in subsequent reporting periods.

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

Financial asset measured at fair value through profit or loss

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

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

ii. Impairment of financial assets

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

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

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

The loss allowance is measured as follows:

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

- B. At an amount equal to the lifetime expected credit losses: the credit risk on a financial asset has increased significantly since initial recognition or financial asset that is purchased or originated credit-impaired financial asset.
- C. For trade receivables or contract assets arising from transactions within the scope of IFRS 15, the Company measures the loss allowance at an amount equal to lifetime expected credit losses.
- D. For lease receivables arising from transactions within the scope of IFRS 16, the Company measures the allowance for losses using the lifetime expected credit loss amount.

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

iii. Derecognition of financial assets

A Financial asset is derecognized when:

- A. The rights to receive cash flows from the asset have expired
- B. The Company has transferred the asset and substantially all the risks and rewards of the asset have been transferred
- C. The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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

iv. Financial liabilities and equity

Classification between liabilities or equity

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

Equity instruments

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

Compound instruments

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

For the liability component excluding the derivatives, its fair value is determined based on the rate of interest applied at that time by the market to instruments of comparable credit status. The liability component is classified as a financial liability measured at amortized cost before the instrument is converted or settled.

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

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

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

Financial liabilities

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

Financial liabilities at fair value through profit or loss

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

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

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

- A. it eliminates or significantly reduces a measurement or recognition inconsistency; or

- B. a Company of financial assets, financial liabilities or both is managed and its performance is evaluated on a fair value basis, in accordance with a documented risk management or investment strategy, and information about the Company is provided internally on that basis to the key management personnel.

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

Financial liabilities at amortized cost

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

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

Derecognition of financial liabilities

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

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

v. Offsetting of financial instruments

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

(8) Fair value measurement

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

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

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

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

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

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

(9) Inventories

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

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

Raw materials – Purchase cost on average basis

Finished goods and work in progress – Cost of direct materials and labor and a proportion of manufacturing overheads based on normal operating capacity but excluding borrowing costs.

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

(10) Non-current assets for sale

Non-current assets or disposal Companies to be sold refer to those who can be sold immediately under general conditions and business practices under current circumstances, and are highly likely to complete the sale within one year. Non-current assets classified as for sale and the disposal Company are measured by the lower of the carrying amount and fair value less the disposal cost.

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

(11) Investments accounted for using the equity method

The Company's investment in subsidiaries is based on the provisions of Article 21 of Regulations Governing the Preparation of Financial Reports by Securities Issuers. "Investments using the equity method" are expressed and adjusted as necessary to make the current profit and loss and other comprehensive losses of the individual financial statements. Profits and losses for the current period and other comprehensive profits and losses in the financial statements prepared on the combined basis are the same as those attributable to the owners of the parent company, and the owners' equity in the individual financial statements is the same as the equity attributable to the owners of the parent company in the financial statements prepared on the combined basis. These adjustments mainly take into account the treatment of investment subsidiaries in the consolidated financial statements in accordance with IFRS 10 "Consolidated Financial Statements" and the differences in

the application of IFRS at different reporting entity levels, and debit or credit "Use of Equity "Investments using the equity method", "Shares of profits and losses of subsidiaries, affiliates and joint ventures using the equity method" or "Shares of other comprehensive profits and losses of subsidiaries, affiliates and joint ventures using the equity method".

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

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

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

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

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

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

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

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

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

(12) Property, plant and equipment

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

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

Machinery and Equipment	5~12 years
Other Facilities	1~20 years
Leasehold improvements	the shorter one of the useful life or lease term

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

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

(13) Leases

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

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

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

Company as a lessee

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

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

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

After the commencement date, the Company measures the lease liability on an amortised cost basis, which increases the carrying amount to reflect interest on the lease liability by using an effective interest method; and reduces the carrying amount to reflect the lease payments made.

At the commencement date, the Company measures the right-of-use asset at cost. The cost of the right-of-use asset comprises:

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

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

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

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

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

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

Company as a lessor

At inception of a contract, the Company classifies each of its leases as either an operating lease or a finance lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset. At the commencement date, the Company recognizes assets held under a finance lease in its balance sheet and present them as a receivable at an amount equal to the net investment in the lease.

For a contract that contains lease components and non-lease components, the Company allocates the consideration in the contract applying IFRS 15.

The Company recognizes lease payments from operating leases as rental income on either a straight-line basis or another systematic basis. Variable lease payments for operating leases that do not depend on an index or a rate are recognized as rental income when incurred.

(14) Intangible assets

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

The useful lives of intangible assets are assessed as finite.

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

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

Gains or losses arising from derecognition of an intangible asset are recognized in profit or loss.

Patents

The patent right has been granted for a period of ten years by the relevant government agency.

	Patent
Durability	Limited
Amortization method	Straight-line amortization
Internally generated or external acquisition	External acquisition

(15) Impairment of non-financial assets

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

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

A cash generating unit, or Companies of cash-generating units, to which goodwill has been allocated is tested for impairment annually at the same time, irrespective of whether there is any indication of impairment. If an impairment loss is to be recognized, it is first allocated to reduce the carrying amount of any goodwill allocated to the cash generating unit (Company of units), then to the other assets of the unit (Company of units) pro rata on the basis of the carrying amount of each asset in the unit (Company of units). Impairment losses relating to goodwill cannot be reversed in future periods for any reason.

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

(16) Provisions

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

(17) Revenue recognition

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

Sale of goods

The Company sells products. Sales are recognized when control of the goods is transferred to the customer and the goods are delivered to the customers. The main product of the Company is household products and revenue is recognized based on the consideration stated in the contract.

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

The credit period of the Company's sale of goods is from 30 to 180 days. For most of the contracts, when the Company transfers the goods to customers and has a right to an amount of consideration

that is unconditional, these contracts are recognized as trade receivables. The Company usually collects the payments shortly after transfer of goods to customers; therefore, there is no significant financing component to the contract. For some of the contracts, the Company has transferred the goods to customers but does not have a right to an amount of consideration that is unconditional, these contracts should be presented as contract assets. Besides, in accordance with IFRS 9, the Company measures the loss allowance for a contract asset at an amount equal to the lifetime expected credit losses. However, for some contracts, part of the consideration was received from customers upon signing the contract, and the Company has the obligation to transfer the goods subsequently; accordingly, these amounts are recognized as contract liabilities.

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

(18) Borrowing costs

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

(19) Post-employment benefits

All regular employees of the Company are entitled to a pension plan that is managed by an independently administered pension fund committee. Fund assets are deposited under the committee's name in the specific bank account and hence, not associated with the Company. Therefore fund assets are not included in the parent company only financial statements.

For the defined contribution plan, the Company will make a monthly contribution of no less than 6% of the monthly wages of the employees subject to the plan. The Company recognizes expenses for the defined contribution plan in the period in which the contribution becomes due.

(20) Income tax

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

Current income tax

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

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

Deferred income tax

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

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

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

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

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

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

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity. Deferred tax assets are reassessed at each reporting date and are recognized accordingly.

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

(21) Business combinations and goodwill

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

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

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

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

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

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

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

5. Significant accounting judgements, estimates and assumptions

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

Estimates and assumptions

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

(1) Income tax

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

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

(2) Accounts Receivables-estimation of impairment loss

The Company estimates the impairment loss of accounts receivables at an amount equal to lifetime is measured by the amount of expected credit losses. The credit loss is the present value of the difference between the contractual cash flows that are due under the contract (carrying amount) and the cash flows hat expects to receive (evaluate forward looking information). However, as the impact from the discounting of short-term receivables is not material, the credit loss is measured by the undiscounted cash flows. Where the actual future cash flows are lower than expected, a material impairment loss may arise.

(3) Impairment of non-financial assets

An impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use. The fair value less costs to sell calculation is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date less incremental costs that would be directly attributable to the disposal of the asset or cash generating unit. The value in use calculation is based on a discounted cash flow model. The cash flows projections are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the cash generating unit being tested. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

6. Contents of significant accounts

(1) Cash and cash equivalents

	31 Dec 2024	31 Dec 2023
Cash on hand	\$1,339	\$1,218
Demand deposits	71,214	422,785
Total	<u>\$72,553</u>	<u>\$424,003</u>

(2) Accounts receivable, net

	31 Dec 2024	31 Dec 2023
Account receivables	\$1,010,042	\$876,163
Less: loss allowance	(12,485)	(8,939)
Subtotal	<u>997,557</u>	<u>867,224</u>
Accounts receivable-related parties	<u>81,962</u>	<u>84,652</u>
Total	<u>\$1,079,519</u>	<u>\$951,876</u>

Accounts receivables were not pledged.

The estimation of the impairment loss of the company's receivables is in accordance with IFRS 9. Please refer to Note 6.(15) for more details on loss allowance of trade receivables for the year ended 31 December 2024 and 2023. Please refer to Note 12 for more details on credit risk management.

(3) Inventories

	31 Dec 2024	31 Dec 2023
Finished goods	<u>\$10,372</u>	<u>\$8,273</u>

The cost of inventories recognized as expenses in 2024 and 2023 are \$3,870,701 thousand and \$3,165,193thousand respectively, including the loss of recognized inventory valuation and obsolescence \$4,092 thousand and \$1,448, respectively.

(4) Prepayment

	31 Dec 2024	31 Dec 2023
Payment in advance (Note)	\$68,415	\$34,870
Overpaid Vat	11,387	7,957
Other	33,309	29,985
Total	<u>\$113,111</u>	<u>\$72,812</u>

(Note): Including prepaid for related parties, please refer to Note 7.(2)E for more details.

(5) Investments Accounted For Under the Equity Method

	31 Dec 2024		31 Dec 2023	
	Amount	Percentage of ownership	Amount	Percentage of ownership
Investments in subsidiary:				
Achieve Goal Limited	\$652,804	100.00%	\$768,823	100.00%
Freshlink Product Development, LLC	266,785	100.00%	240,230	100.00%
Golden Star Ocean Ltd.	1,315,848	100.00%	1,325,017	100.00%
First Design Global, Inc.	54,692	99.87%	36,800	99.84%
Jia Wei Lifestyle VietNam Limited Company	621,509	100%	387,202	100.00%
Total	<u>\$2,911,638</u>		<u>\$ 2,758,072</u>	

1. The Company acquired Golden Star Ocean Ltd and Achieve Goal Limited 100% equity in an investment agreement on 5 June 2019 and acquired Freshlink Product Development, LLC DBA PREPARA 100% equity in an investment agreement on 18 July 2019. By investment eagreement was controlled on 1 August 2019, so it was included in the consolidated entity. Golden Star Ocean Ltd and Achieve Goal Limited 100% owned subsidiaries are also included in the consolidated entity.
2. The Company adjusted its operating strategy and acquired the 100% equity of Freshlink Product Development LLC. on 3 July 2019 by the board of directors and an investment agreement was signed for an acquisition contract, the transaction amount was USD 3,500 thousand, the shares were transited and paid on 26 July 2019. As of 8 March 2024, the board of directors authorized cash capital increase of USD 13,000 thousand and finished cash capital increase of USD 12,500 thousand.
3. The Company adjusted its operating strategy and acquired the 100% equity of Achieve Goal Limited held by Golden Fame Co., Ltd. from Golden Fame Co., Ltd. on 17 April 2019 by the board of directors and on 28 May 2019 by shareholders 'meeting. An investment agreement was signed for an acquisition contract on 5 June 2019, and the transaction amount was not higher than USD 23,600 thousand. The company approved the amount of USD 23,600 thousand according to the investment review committee of the Ministry of Economic Affairs. As of 31 Decrmber 2023, the Company had remitted USD 23,600 thousand, and completed the transfer.

4. The Company adjusted its operating strategy and acquired its 100% equity interest in Golden Star Ocean Ltd. from Lucky Star Worldwide Ltd. on 17 April 2019 by the board of directors and on 28 May 2019 by shareholders' meeting. An investment agreement was signed for an acquisition contract on 5 June 2019, and the transaction amount was not higher than USD 57,000 thousand; in addition, on 15 October 2019 the price adjustment mechanism was started to reduce the purchase price to USD 48,500 thousand. It is equivalent to \$ 1,484,100 thousand). As of 31 December 2024, the Company had paid \$1,484,100 thousand in accordance with the contract, and completed the transfer.
5. Due to the need for the operation and improvement of the financial structure of First Design Global, Inc., the board of directors of the Company authorized cash capital increase of USD7,000 thousand. As of 12 March 2025, the Company had finished capital increase of USD6,000 thousand.
6. The company approved an investment of USD 19,500 thousand in Vietnam. As of 12 March 2025, a total of USD 19,500 thousand has been invested.
7. Subsidiaries of the Company conducted impairment tests on the cash-generating unit, and calculated the recoverable amount of the cash-generating unit based on its value in use. After assessing that the Company did not recognize any impairment loss in 2024 and 2023, Please refer to consolidated financial statements Note 6. (22) for more details.

Investment subsidiaries are expressed as "investments using the equity method" in individual financial reports, and make necessary evaluation adjustments.

Share of profit or loss of subsidiaries and affiliated companies recognized by the equity method recognized by the Company in the 2024 and 2023 was (\$227,537) thousand and (\$221,510) thousand respectively. Share of other comprehensive income(loss) of subsidiaries and affiliated companies's recognition of the equity method was adopted in the 2024 and 2023 were \$84,894 thousand and (\$22,524) thousand, respectively.

(6) Property, plant and equipment

	Buildings	Machinery and equipment	Other facilities	Construction in progress and equipment awaiting examination	Total
Cost:					
As of 1 Jan 2024	-	-	\$35,866	\$1,905	\$37,771
Additions	-	-	27,992	(1,905)	26,087
Disposals	-	-	(147)	-	(147)
Reclassified	-	-	-	-	-
As of 31 Dec 2024	-	-	\$63,711	-	\$63,711
As of 1 Jan 2023	-	-	\$25,512	-	\$25,512
Additions	-	-	1,160	\$11,099	12,259
Disposals	-	-	-	-	-
Reclassified	-	-	9,194	(9,194)	-
As of 31 Dec 2023	-	-	\$35,866	\$1,905	\$37,771

	Buildings	Machinery and equipment	Other facilities	Construction in progress and equipment awaiting examination	Total
Depreciation and impairment:					
As of 1 Jan 2024	-	-	\$25,921	-	\$25,921
Depreciation	-	-	6,445	-	6,445
Disposals	-	-	(122)	-	(122)
As of 31 Dec 2024	-	-	\$32,244	-	\$32,244
As of 1 Jan 2023	-	-	\$17,692	-	\$17,692
Depreciation	-	-	8,229	-	8,229
Disposals	-	-	-	-	-
As of 31 Dec 2023	-	-	\$25,921	-	\$25,921
Net carrying Amount as at:					
31 Dec 2024	-	-	\$31,467	-	\$31,467
31 Dec 2023	-	-	\$9,945	\$1,905	\$11,850

(7) Intangible assets

	Patents	Computer software	Total
Cost:			
As of 1 Jan 2024	\$15,320	\$9,193	\$24,513
Addition-acquired separately	-	-	-
As of 31 Dec 2024	\$15,320	\$9,193	\$24,513
As of 1 Jan 2023	\$15,320	\$9,193	\$24,513
Addition-acquired separately	-	-	-
As of 31 Dec 2023	\$15,320	\$9,193	\$24,513
Amortization and impairment:			
As of 1 Jan 2024	\$15,320	\$9,193	\$24,513
Amortization	-	-	-
As of 31 Dec 2024	\$15,320	\$9,193	\$24,513
As of 1 Jan 2023	\$15,320	\$9,193	\$24,513
Amortization	-	-	-
As of 31 Dec 2023	\$15,320	\$9,193	\$24,513

	Patents	Computer software	Total
Net carrying amount as at:			
31 Dec 2024	-	-	-
31 Dec 2023	-	-	-

The company recognized amortization expense of intangible assets under the statement of comprehensive income:

	2024	2023
Operating costs	-	-

(8) Short-term borrowings

A.

Items	31 Dec 2024	31 Dec 2023
Purchase loans	\$157,183	\$296,558
Unsecured bank loans	1,014,239	1,003,074
Total	\$1,171,422	\$1,299,632

B. Coupon rate 、 expiry date 、 unused amount as following:

	31 Dec 2024	31 Dec 2023
Coupon rate	2.05%~5.90%	1.97%~6.98%
Expiry date	2025.2.18~2025.6.23	2024.2.27~2024.6.24

The Company's unused short-term loans of credit amounted to \$2,178,516 thousand and \$1,321,594 thousand as of 31 December 2024 and 2023, respectively.

C. Short-term borrowings provide guarantees for repayment of deposits from households. Please refer to Note 8 for guarantees.

(9) Short-term notes payable

31 Dec 2024

Guarantee agency	Face value	Discount value	Book value	Interest rate (%)	Collateral	Book value of collateral
Commercial paper payable China Bills Finance Corporation	\$80,000	(\$13)	\$79,987	2.038%	None	-

31 Dec 2023

Guarantee agency	Face value	Discount value	Book value	Interest rate (%)	Collateral	Book value of collateral
Commercial paper payable China Bills Finance Corporation	\$15,000	(\$37)	\$14,963	1.938%	None	-

(10) Long-term borrowings

Lenders	31 Dec 2024	Interest Rate(%)	Redemption
Unsecured Long-Term Loan from E.SUN Bank	\$90,390	2.22%	Effective 6 October 2022 to 6 October 2026. The principal is repaid in 20 installments, the principal is amortized at \$20,000 thousand each quarter, and the balance was settled by the due date.
Subtotal	90,390		
Less: Due within one year	(20,000)		
Total	<u>\$70,390</u>		

Lenders	31 Dec 2023	Interest Rate(%)	Redemption
Unsecured Long-Term Loan from E.SUN Bank	\$210,390	2.10%	Effective 6 October 2022 to 6 October 2026. The principal is repaid in 20 installments, the principal is amortized at \$20,000 thousand each quarter, and the balance was settled by the due date.
Subtotal	210,390		
Less: Due within one year	(80,000)		
Total	<u>\$130,390</u>		

Long-term borrowings are secured by certificates of deposits and deposits from the compensating account. Please refer to Note 8 for the guarantee status.

(11) Other payables

Details of other payables are as follows:

	31 Dec 2024	31 Dec 2023
Accrued employee compensation and director remuneration	\$65,137	\$50,529
Interest payable	6,791	5,723
Other accrued expenses	214,656	178,932
Other payables-other (related parties)	27,270	6,536
Total	<u>\$313,854</u>	<u>\$241,720</u>

(12) Post-employment benefits

Defined contribution plan

Expenses under the defined contribution plan for the years ended 31 December 2024 and 2023 are \$3,032 thousand and \$2,934 thousand, respectively.

Short-term for paid leave liability

As of 31 December 2024 and 2023, the accrued liabilities for paid leave were \$3,991 thousand and \$3,894 thousand, respectively, which were recognized in other payables.

(13) Equities

I. Common stock

A. On 19 June 2019, the company used private equity to issue cash capital increase 14,975 thousand new shares, with a nominal value of 10 per share, issued at a premium of 19.624 per share, and paid-in capital of \$149,750 thousand. On 19 June 2019 is the base date for capital increase. The change registration has been completed on 13 August 2019. The equity obligations of private placement new shares are the same as those of ordinary shares already issued. However, in accordance with the provisions of the Securities Exchange Law, privately-raised ordinary shares may not be freely transferred within three years after issuance.

B. As of 31 December 2024 and 2023, both of the company's rated share capital were \$2,050,000 thousand, with a face value of \$10 per share, divided into 205,000 thousand shares, and issued capital are \$803,004 thousand, divided into 80,300 thousand shares (including 11,730 thousand shares of private equity). All outstanding stock have been paid and each share has one voting right and the right to receive dividends.

II. Additional paid-in capital

	31 Dec 2024	31 Dec 2023
Share premium	\$672,119	\$672,119
Share options of convertible bonds	4,908	4,908
Employee stock options	5,111	5,111
Total	<u>\$682,138</u>	<u>\$682,138</u>

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

III. Retained earnings and dividend policies

The company's shareholders' meeting held on 29 May 2023 passed a resolution to amend the company's articles of association. After the amendment, the surplus distribution can be made after the end of each annual financial year. The revised articles of association stipulate that the company shall estimate and retain taxable contributions, make up for losses in accordance with the law, estimate retention of employee remuneration and directors' remuneration, and reserve 10% of the statutory surplus when surplus is distributed every half of the fiscal year; but when the statutory surplus reserve has reached the total paid-in capital of the company, this is not the case. If necessary, the special surplus reserve will be drawn or converted according to law. If there is surplus, the cumulative undistributed surplus of the first half of the fiscal year will be the shareholder Dividends shall be distributed by the board of directors and shall be resolved by the board of directors when they are distributed in cash; if new shares are to be issued, they shall be submitted to the shareholders meeting for

distribution after a resolution.

The current year's earnings, if any, shall first be used to pay all taxes and offset against prior years' operating losses and then be distributed as follows: 10% as legal reserve, and appropriate or reverse for special reserve until the legal reserve equals the Company's paid-in capital. The remaining earnings, if any, may be appropriated along with the accumulated unappropriate earnings according to a resolution proposed by the Board of Directors and resolved by the shareholders' meeting.

The Company shall distribute the whole or a part of the reserve in accordance with the laws or regulations of the competent authority in consideration of financial, business, and management factors. If the distribution is made in cash, the board of directors may make a resolution in accordance with Article 241 of the Company Act, and report to the shareholders' meeting without submitting a request for approval to the shareholders' meeting.

The policy of dividend distribution should reflect factors such as financial situation of the company and capital budgets in the future. The Board of Directors shall make the distribution proposal annually and present it at the shareholders' meeting. Dividend distribution should account for more than 20% of the total distributable earnings. Accordingly, at least 10% of the dividends must be paid in the form of cash.

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

According to existing regulations, when the Company distributing distributable earnings, it shall set aside to special reserve, from the profit/loss of the current period and the undistributed earnings from the previous period, an amount equal to "other net deductions from shareholders' equity for the current fiscal year, provided that if the company has already set aside special reserve in the first-time adoption of the IFRS, it shall set aside supplemental special reserve based on the difference between the amount already set aside and other net deductions from shareholders' equity. For any subsequent reversal of other net deductions from shareholders' equity, the amount reversed may be distributed from the special reserve.

The distribution of earnings and dividends for 2024 and 2023 was approved by the Board of Director's meeting held on 12 March 2025 and was proposed in the stockholders' meeting held on 27 May 2024. The details of distribution are as follows:

	Appropriation of earnings		Dividend per share	
	2024	2023	2024	2023
Legal reserve	\$54,964	\$38,642	—	—
(Reversal of) Special reserve	(\$13,061)	\$13,061	—	—
Cash dividend	\$200,751	\$240,901	\$2.50	\$3.00
Stock dividend	\$40,150	—	\$0.50	—

(14) Operating revenues

	2024	2023
Revenue from contracts with customer:		
Sale of goods	\$5,588,488	\$4,562,431

i. Disaggregation of revenue

The Company is a single operating department. The income generated from the sale of goods is \$5,588,488 thousand and \$4,562,431 thousand for the years ended 31 December 2024 and 2023, respectively which is recognized at a certain point in time.

ii. Contract balances

	31 Dec 2024	31 Dec 2023
Contract liabilities - current	\$35,829	\$10,178

The significant changes in the Company's balances of contract liabilities for the years ended 31 December 2024 and 2023 are as follows:

	2024	2023
The opening balance transferred to revenue	(\$5,819)	(\$15,187)
The amount incurred and transferred to revenue during the period	(19,546)	(17,060)
Increase in receipts in advance during the period	51,016	29,777

iii. Transaction price allocated to unsatisfied performance obligations

None

iv. Assets recognized from costs to fulfil a contract

None

(15) Expected credit impairment (losses)

	2024	2023
Operating expenses – Expected credit impairment (losses)		
Accounts receivables	(\$3,546)	(\$6,863)

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

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

31 December 2024

Group 1	Overdue						Total
	Not yet due	<=30 days	31-60 days	61-90 days	91-120 days	>=121 days	
Gross carrying amount	-	-	-	-	-	\$11,723	\$11,723
Loss ratio	-	-	-	-	-	100%	
Lifetime expected credit losses	-	-	-	-	-	11,723	11,723
Subtotal	-	-	-	-	-	-	-

Part of the account balance of the Company whose overdue days are more than 121 days, and provided with 100% of the allowance.

Group 2	Overdue						Total
	Not yet due	<=30 days	31-60 days	61-90 days	91-120 days	>=121 days	
Gross carrying amount	\$1,038,592 0.00%~	\$40,539	\$241	\$676	\$38	\$195	\$1,080,281
Loss ratio	0.02%	0.07%	4.26%	41.74%	100%	100%	
Lifetime expected credit losses	207	30	10	282	38	195	762
Subtotal	\$1,038,385	\$40,509	\$231	\$394	-	-	1,079,519
Carrying amount of accounts receivables							<u>\$1,079,519</u>

31 Decmber 2023

Group 1	Overdue						Total
	Not yet due	<=30 days	31-60 days	61-90 days	91-120 days	>=121 days	
Gross carrying amount	-	-	-	-	-	\$8,760	\$8,760
Loss ratio	-	-	-	-	-	100%	
expected credit losses	-	-	-	-	-	8,760	8,760
Subtotal	-	-	-	-	-	-	-

Part of the account balance of the Company whose overdue days are more than 121 days, and provided with 100% of the allowance.

Group 2	Overdue						Total
	Not yet due	<=30 days	31-90 days	61-90 days	91-120 days	>=120 days	
Gross carrying amount	\$948,529	\$3,507	\$-	\$15	\$4	\$-	\$952,055
Loss ratio	0.00%~						
	0.02%	0.02%	-	12.56%	100%	-	
expected credit losses	172	1	-	2	4	-	179
Subtotal	\$948,357	\$3,506	-	\$13	-	-	951,876
Carrying amount of accounts receivables							<u>\$951,876</u>

The movement in the provision for impairment of accounts receivables for the years ended 31 December 2024 and 2023 are as follows:

	Accounts receivables
Beginning balance at 1 January 2024	\$8,939
Net recognize (reversal)	3,546
Write off	-
Ending balance at 31 December 2024	<u>\$12,485</u>
Beginning balance at 1 January 2023	\$19,155
Net recognize (reversal)	6,863
Write off	(17,079)
Ending balance at 31 December 2023	<u>\$8,939</u>

(16) Leases

Company as a lessee

The Company leases various properties, including real estate such as buildings and office equipment. The lease terms range from 3 to 5 years.

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

A. Amounts recognized in the balance sheet

(a) Right-of-use assets

The carrying amount of right-of-use assets

	31 Dec 2024	31 Dec 2023
Buildings	\$26,007	\$18,511
Office equipment	472	291
Total	<u>\$26,479</u>	<u>\$18,802</u>

During the years ended 31 December 2024 and 2023, the Company have added right-of-use assets amounted to \$19,928 thousand and \$24,744 thousand, respectively.

(b) Lease liabilities

	31 Dec 2024	31 Dec 2023
Current	\$14,136	\$8,267
Non-current	12,802	10,679
Total	<u>\$26,938</u>	<u>\$18,946</u>

Please refer to Note 6.(18)(D) for the interest on lease liabilities recognized during the years ended 31 December 2024 and 2023, and refer to Note 12.(5) Liquidity Risk Management for the maturity analysis for lease liabilities as at 31 December 2024 and 2023.

B. Amounts recognized in the statement of profit or loss

Depreciation charge for right-of-use assets

	2024	2023
Buildings	\$12,120	\$10,714
Office equipment	131	100
Total	\$12,251	\$10,814

C. Income and costs relating to leasing activities

	2024	2023
The expenses relating to short-term leases	\$4,902	\$3,627
Fees for low-value asset leases (excluding short-term leases for low-value asset leases)	-	-
Changes in lease payments not included in the measurement of lease liabilities	12	9

D. Cash outflow relating to leasing activities

During the years ended 31 December 2024 and 2023, the Company's total cash outflows for leases amounted to \$ 17,958 thousand and \$14,854 thousand, respectively.

E. Extension and termination options

Option to extend lease and option to terminate lease

Some of the Company's property rental agreement contain extension and termination options. In determining the lease terms, the non-cancellable period for which the Company has the right to use an underlying asset, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. These options are used to maximize operational flexibility in terms of managing contracts. The majority of extension and termination options held are exercisable only by the Company. After the commencement date, the Company reassesses the lease term upon the occurrence of a significant event or a significant change in circumstances that is within the control of the lessee and affects whether the Company is reasonably certain to exercise an option not previously included in its determination of the lease term, or not to exercise an option previously included in its determination of the lease term.

(17) Summary statement of employee benefits, depreciation and amortization expenses by function:

Function Nature	2024			2023		
	Operating costs	Operating expenses	Total amount	Operating costs	Operating expenses	Total amount
Employee benefits expense						
Salaries	-	\$153,501	\$153,501	-	\$143,818	\$143,818
Labor and health insurance	-	\$6,701	\$6,701	-	\$6,602	\$6,602
Pension	-	\$3,032	\$3,032	-	\$2,934	\$2,934
Director's remuneration	-	\$38,481	\$38,481	-	\$28,902	\$28,902
Other employee benefits expense	-	\$5,743	\$5,743	-	\$5,060	\$5,060
Depreciation	-	\$18,696	\$18,696	-	\$19,043	\$19,043
Amortization	-	-	-	-	-	-

The number of employees in this year and the previous year was 73 and 70 respectively, of which the directors, who weren't concurrent employees were 5 and 5 people, respectively.

- A. Average employee benefit in 2024 and 2023 were \$2,485 thousand and \$2,437 thousand.
- B. Average salaries in 2024 and 2023 were \$2,257 thousand and \$2,213 thousand.
- C. Average salaries variable proportion was 1.99%.
- D. The Company has established the Audit Committee in replace of supervisors and therefore the supervisors' remuneration for the years ended 31 December 2024 and 2023 were both \$0.
- E. According to the Company's articles of incorporation is formulated in accordance with the local laws, no less than 3% of profit of the current year is distributable as employees' compensation and no higher than 5% of profit of the current year is distributable as remuneration to directors and supervisor which shall be distributed by the resolution of the board of directors. In addition, the monthly fixed amount of independent directors shall be paid according to the directors and supervisors. The method of remuneration is distributed.

As the year ended of 31 December 2024, the Company estimated the amounts of the employees' compensation and remuneration to directors to be 4% profit of the current year and 4% profit of the current year \$30,126 thousand and \$30,126 thousand, respectively.

As the year ended of 31 December 2023, the Company estimated the amounts of the employees' compensation and remuneration to directors to be 4% profit of the current year and 4% profit of the current year \$21,364 thousand and \$21,364 thousand, respectively.

On 27 May 2024, the Shareholders' meeting resolved to distribute employee compensation and director remuneration for the year 2023 in cash, amounting to \$21,364 thousand and \$21,364 thousand, respectively, which is not significantly different from the amount recognized as expenses in the financial statements for that year, as of 12 March 2025, all have been distributed.

(18) Non-operating income and expenses

A. Interest income

	2024	2023
Financial assets at amortized cost	\$5,007	\$4,544

B. Other income

	2024	2023(Note)
Other	\$6,562	\$8,590

C. Other gains and losses

	2024	2023
Foreign exchange gains, net	\$14,143	\$34,158
Gains on disposal of property, plant and equipment	15	-
Others	(6,039)	(4,107)
Total	\$8,119	\$30,051

D. Finance costs

	2024	2023
Interest on borrowings from bank	(\$69,243)	(\$52,628)
Interest on lease liabilities	(1,268)	(376)
Total	(\$70,511)	(\$53,004)

(19) Components of other comprehensive income

For the year ended 31 December 2024

	Arising during the period	Reclassification adjustments during the period	Other comprehensive income, before tax	Income tax relating to components of other comprehensive income	Other comprehensive income, net of tax
To be reclassified to profit or loss in subsequent periods:					
Exchange differences resulting from translating the financial statements of a foreign operation	\$106,117	-	\$106,117	(\$21,223)	\$84,894

For the year ended 31 December 2023

	Arising during the period	Reclassification adjustments during the period	Other comprehensive income, before tax	Income tax relating to components of other comprehensive income	Other comprehensive income, net of tax
To be reclassified to profit or loss in subsequent periods:					
Exchange differences resulting from translating the financial statements of a foreign operation	(\$28,156)	-	(\$28,156)	\$5,632	(\$22,524)

(20) Income tax

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

Income tax expense recognized in profit or loss

	2024	2023
Current income tax (expense):		
Current income tax charge	(\$122,572)	(\$84,815)
Prepaid income tax	(70,129)	(61,188)
Deferred income tax (expense) benefit:		
Related to the origination and reversal of temporary difference	49,428	41,044
Total income tax (expense)	<u>(\$143,273)</u>	<u>(\$104,959)</u>

Income tax relating to components of other comprehensive income

	2024	2023
Deferred income tax:		
Income tax relating to components of other comprehensive income	<u>(\$21,223)</u>	<u>(\$5,632)</u>

B. A reconciliation between income tax expense and benefit before tax at applicable tax rate was as follows:

	2024	2023
Accounting profit before tax from continuing operations	<u>\$692,909</u>	<u>\$491,372</u>
Income tax calculated at the parent company's legal tax rate	(\$138,582)	(\$98,274)
Deferred tax assets/ liabilities in respect of income tax	-	-
Corporate income surtax on undistributed retained earnings	(4,691)	(6,685)
Total income tax (expense) recognized in profit or loss	<u>(\$143,273)</u>	<u>(\$104,959)</u>

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

For the year ended 31 December 2024

	Beginning balance as of 1 Jan 2024	Deferred tax income (expense) recognized in profit or loss	Deferred tax income recognized in other comprehensive income	Ending balance as of 31 Dec 2024
Temporary differences				
Unrealized foreign currency exchange (gains) losses	(\$2,994)	\$3,240	-	\$246
Allowance for losses	-	313	-	313
Investment losses under equity method	94,387	45,038	-	139,425
Exchange differences on translation of foreign operations	3,266	-	(\$21,223)	(17,957)
Other	1,076	837	-	1,913
Deferred tax (expense)/ benefit		<u>\$49,428</u>	<u>(\$21,223)</u>	
Net deferred tax assets	<u>\$95,735</u>			<u>\$123,940</u>
Reflected in balance sheet as follows:				
Deferred tax assets	<u>\$98,729</u>			<u>\$141,897</u>
Deferred tax liabilities	<u>\$2,994</u>			<u>\$17,957</u>

For the year ended 31 December 2023

	Beginning balance as of 1 Jan 2023	Deferred tax income (expense) recognized in profit or loss	Deferred tax income recognized in other comprehensive income	Ending balance as of 31 Dec 2023
Temporary differences				
Unrealized foreign currency exchange losses (gains)	(\$4,364)	\$1,370	-	(\$2,994)
Allowance for losses	1,733	(1,733)	-	-
Investment losses under equity method	53,349	41,038	-	94,387
Exchange differences on translation of foreign operations	(2,366)	-	\$5,632	3,266
Other	707	369	-	1,076
		<u>\$41,044</u>	<u>\$5,632</u>	
Deferred tax (expense)/ benefit	<u>\$49,059</u>			<u>\$95,735</u>
Net deferred tax assets				
Reflected in balance sheet as follows:				
Deferred tax assets	<u>\$55,789</u>			<u>\$98,729</u>
Deferred tax liabilities	<u>\$6,730</u>			<u>\$2,994</u>

D. The assessment of income tax returns

As of 31 December 2024, the assessment of the income tax returns of the Company is as follows:

	The assessment of income tax returns
The Company	Assessed and approved up to 2022

E. Unrecognized deferred tax assets

As of 31 December 2024 and 2023, deferred tax assets that have not been recognized both amount to \$0.

(21) Earnings per share

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

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

	2024	2023
A. Basic earnings per share		
Net income	\$549,636	\$386,413
Weighted average number of ordinary shares outstanding for basic earnings per share (thousand shares)	80,300	80,300
Basic earnings per share	\$6.84	\$4.81
	2024	2023
B. Diluted earnings per share		
Net income	\$549,636	\$386,413
Effect of dilution:		
Employee compensation-stock (thousand shares)	417	385
Weighted average number of ordinary shares outstanding after dilution (thousand shares)	80,717	80,685
Diluted earnings per share	\$6.81	\$4.79

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

7. Related party transactions

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

(1) Related party name and relationship

Name of related parties	Nature of relationship of the related parties
Freshlink Product Development, LLC DBA PREPARA (Prepara)	Subsidiary
First Design Global, Inc. (FDG)	Subsidiary
Jia Wei Lifestyle VietNam Limited Company (VietNam)	Subsidiary
Tzeng Shyng Plastic Product (Heyuan) Co., Ltd. (TSP)	Sub-subsidiary
Tzeng Shyng Melamine Products (Heyuan) Co., Ltd. (TSM)	Sub-subsidiary

(2) Significant transactions with the related parties

A. Sales

	2024	2023
Prepara	\$173,012	\$178,407
FDG	37,099	66,277
Total	\$210,111	\$244,684

The sales prices and collection terms to related parties were not significantly different from those of sales to non-related parties. The sales price to other related parties were determined through mutual agreement in reference to market conditions, and the collection periods are 180 days after shipment.

B. Purchases

	2024	2023
TSP	\$2,851,572	\$2,175,737
TSM	806,468	821,726
Total	\$3,658,040	\$2,997,463

The price of the Company's purchase of goods from the related parties were negotiated by both parties with reference to market conditions; the payment terms of the Company's purchase of goods to the related parties are equivalent to those of ordinary manufacturers, and the payment periods are 30 days and in addition, because TSM need to stock up, the payment method is advance payment.

C. Accounts receivable-related parties

	31 Dec 2024	31 Dec 2023
Prepara	\$22,066	\$12,181
FDG	59,896	72,471
Total	\$81,962	\$84,652

D. Other receivable-related parties

	31 Dec 2024	31 Dec 2023
Non-financial financing		
Prepara	-	\$42
FDG	\$1,679	1,572
TSP(Note)	763,056	579,705
Total	<u>\$764,735</u>	<u>\$581,319</u>

(Note): Purchases payable not yet due.

E. Prepayment

	31 Dec 2024	31 Dec 2023
TSM	<u>\$51,235</u>	<u>\$16,822</u>

F. Accounts payable-related parties

	31 Dec 2024	31 Dec 2023
TSP	<u>\$534,669</u>	<u>\$719,828</u>

G. Other payable-related parties

	31 Dec 2024	31 Dec 2023
Prepara	\$24,108	\$6,536
FDG	3,162	-
Total	<u>\$27,270</u>	<u>\$6,536</u>

(3) Key management personnel compensation

	2024	2023
Short-term employee benefits (Note)	\$88,341	\$69,404
Post-employment benefits	432	432
Total	<u>\$88,773</u>	<u>\$69,836</u>

(Note) including the rental fee for house using by key management.

(4) Others

(a) The Company's loans are jointly and severally guaranteed by related parties.

(b) The Company obtained a right-of-use asset-buildings and structures valued at \$13,658 thousand from related parties for the year ended 31 December 2024.

- (c) For the year ended of 31 December 2023, the Company paid advertising fees and business consulting fees \$38,343 thousand to Prepara, and listed under advertising and other expense.
- (d) For the year ended of 31 December 2024, the Company paid advertising fees and business consulting fees are \$36,976 thousand to Prepara, and listed under advertising and other expense, respectively.
- (e) As of 31 December 2024, the Company paid advertising fees and business consulting fees \$50,458 thousand to FDG, and listed under advertising fee and other expense, respectively.
- (f) For the year ended of 31 December 2024, the Company endorsement guarantees for Prepara and VietNam.

8. Assets pledged as security

The following table lists assets of the Company pledged as security:

Assets pledged for security	Carrying amount		Guaranteed debt content
	31 Dec 2024	31 Dec 2023	
Other financial assets - current	\$-	\$42,100	Long and short-term loans

9. Commitments and contingencies

- (1) Amounts available under unused letters of credit as of 31 December 2024 were USD4,623 thousand.
- (2) Guaranteed notes issued to the bank due to borrowing as of 31 December 2024 were \$1,920,000 thousand, and USD64,000 thousand.
- (3) To adjust the operating strategy, the Company and the seller signed the share purchase agreement, which acquired Achieve Goal Limited and its subsidiaries: Tzeng Shyng Plastic Product (Heyuan) Co., Ltd. and Tzeng Shyng Melamine Products (Heyuan) Co., Ltd. As of 31 December 2020, due to Guangzhou Lili Industrial Co., Ltd. couldn't pay off the mature debts, Ganzhou Dongxin Chemical Materials Co., Ltd. applied bankruptcy liquidation to Guangzhou Intermediate People's Court. The details of debt receivables the Guangzhou Lili Industrial Co., Ltd. submitted requested the Company's Sub-Subsidiary, Tzeng Shyng Melamine Products (Heyuan) Co., Ltd. to pay off the debt amounted to RMB 12,374 thousand. Few days ago, the court dismissed the prosecute of the plaintiff Guangzhou Lili Industrial Co., Ltd.. Meanwhile, the dispute of set-off in bankruptcy between the original owner of Tzeng Shyng Melamine Products (Heyuan) Co., Ltd. and Guangzhou Lili Industrial Co., Ltd. is still being trialed by the court. Also, a commitment has been issued, if the case finally requires compensation, the seller will fulfill it. After the Company's assessment, the aforementioned case has no significant impact on current operation.
- (4) A company in Utah, USA, allege that the company infringe their patent, and ask the Company to pay compensation. As of the date releasing report, both parties are still under negotiation and the contingency has been evaluated.

10. Losses due to major disasters

None.

11. Significant subsequent events

None.

12. Financial instruments

(1) Categories of financial instruments

Financial assets

	<u>31 Dec 2024</u>	<u>31 Dec 2023</u>
Financial assets at amortized cost		
Cash and cash equivalents (excluding cash on hand)	\$71,214	\$422,786
Accounts receivables	1,079,519	951,876
Other receivables	765,697	591,645
Other financial assets - current	-	42,100
Refundable deposits	4,059	3,040
Total	<u>\$1,920,489</u>	<u>\$2,011,447</u>

Financial liabilities

	<u>31 Dec 2024</u>	<u>31 Dec 2023</u>
Financial liabilities at amortized cost:		
Short-term loans	\$1,171,422	\$1,299,632
Short-term notes payable	79,987	14,963
Accounts payables	535,986	722,002
Other payables	313,854	241,720
Long-term loans (including current portion)	90,390	210,390
Lease liabilities (including current portion)	26,938	18,946
Total	<u>\$2,218,577</u>	<u>\$2,507,653</u>

(2) Financial risk management objectives and policies

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

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

(3) Market risk

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

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

A. Foreign currency risk

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

The Company has certain foreign currency receivables to be denominated in the same foreign currency with certain foreign currency payables, therefore forming a natural hedge. Furthermore, as net investments in foreign subsidiaries are for strategic purposes, they are not hedged by the Company.

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

When NTD strengthens/weakens against USD by 1%, the profit for 2024 and 2023 are increased / decreased by \$1,888 thousand and decreased/increased \$74 thousand, respectively.

B. Interest rate risk

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

The Company manages its interest rate risk by having a balanced portfolio of fixed and variable loans and borrowings and entering into interest rate swaps. The interest rate sensitivity analysis is as follow:

A change of 10 basis points of interest rate in a reporting period could cause the profit for 2024 and 2023 to decrease/increase by \$1,271 thousand and \$1,060 thousand, respectively.

(4) Credit risk management

Credit risk is the risk that a counterparty will not meet its obligations under a contract, leading to a financial loss. The Company is exposed to credit risk from operating activities (primarily for accounts receivables and notes receivables) and from its financing activities, including bank deposits and other financial instruments.

Credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to credit risk management. Credit limits are established for all counter parties based on their financial position, rating from credit rating agencies, historical experience, prevailing economic condition and the Company's internal rating criteria etc. Certain counter parties' credit risk will also be managed by taking credit enhancing procedures, such as requesting for prepayment or insurance.

As of 31 December 2024 and 2023, amounts receivables from top ten customers represent 87.78% and 87.85% of the total accounts receivables of the Company, respectively. The credit concentration risk of other accounts receivables is insignificant.

Credit risk from balances with banks, fixed income securities and other financial instruments is managed by the Company's treasury in accordance with the Company's policy. The Company only transacts with counterparties approved by the internal control procedures, which are banks and financial institutions, companies and government entities with good credit rating. Consequently, there is no significant credit risk for these counter parties.

In addition, when the Company assesses that it cannot reasonably expect to recover the financial assets (such as the issuer or debtor's major financial difficulties, or has gone bankrupt), it shall recognize 100% of the allowance loss.

The Company will promptly dispose of such investment in debt instruments with increased credit risk to reduce credit losses. When using IFRS 9 to assess expected credit losses, the assessment of forward-looking information (which can be obtained without undue cost or investment) includes general economic information and industry information, etc., will adjust the loss rate further considering significant impact on the forward-looking information.

(5) Liquidity risk management

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

Non-derivative financial instruments

	< 1 year	2 to 3 years	4 to 5 years	> 5 years	Total
31 Dec 2024					
Loans	\$1,191,813	\$70,896	-	-	\$1,262,709
Short-term notes payable	\$79,987	-	-	-	\$79,987
Payables	\$849,840	-	-	-	\$849,840
Lease liabilities	\$15,759	\$10,224	\$2,979	-	\$28,962
31 Dec 2023					
Loans	\$1,383,000	\$132,292	-	-	\$1,515,292
Short-term notes payable	\$14,963	-	-	-	\$14,963
Payables	\$963,722	-	-	-	\$963,722
Lease liabilities	\$8,550	\$10,811	\$11	-	\$19,372

(6) Reconciliation of liabilities arising from financing activities

Reconciliation of liabilities for the year ended 31 December 2024:

	Short-term loans	Short-term notes payable	Long-term loans	Lease liabilities	Total liabilities from financing activities
1 Jan 2024	\$1,299,632	\$14,963	\$210,390	\$18,946	\$1,543,931
Cash flow	(128,210)	65,024	(120,000)	(13,043)	(196,229)
Non-cash movement	-	-	-	21,035	21,035
31 Dec 2024	\$1,171,422	\$79,987	\$90,390	\$26,938	\$1,368,737

Reconciliation of liabilities for the year ended 31 December 2023:

	Short-term loans	Short-term notes payable	Long-term loans	Lease liabilities	Total liabilities from financing activities
1 Jan 2023	\$1,332,313	\$44,991	\$290,390	\$5,044	\$1,672,738
Cash flow	(32,681)	(30,028)	(80,000)	(11,218)	(153,927)
Non-cash movement	-	-	-	25,120	25,120
31 Dec 2023	\$1,299,632	\$14,963	\$210,390	\$18,946	\$1,543,931

(7) Fair values of financial instruments

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

- a. The carrying amount of cash and cash equivalents, trade receivables, accounts payable and other current liabilities approximate their fair value due to their short maturities.
- b. For financial assets and liabilities traded in an active market with standard terms and conditions, their fair value is determined based on market quotation price (including listed equity securities, beneficiary certificates, bonds and futures etc.) at the reporting date.

- c. Fair value of debt instruments without market quotations, bank loans, bonds payable and other non-current liabilities are determined based on the counterparty prices or valuation method. The valuation method uses DCF method as a basis, and the assumptions such as the interest rate and discount rate are primarily based on relevant information of similar instrument (such as yield curves published by the GreTai Securities Market, average prices for Fixed Rate Commercial Paper published by Reuters and credit risk, etc.)
- d. The fair value of derivatives which are not options and without market quotations, is determined based on the counterparty prices or discounted cash flow analysis using interest rate yield curve for the contract period. Fair value of option-based derivative financial instruments is obtained using on the counterparty prices or appropriate option pricing model (for example, Black-Scholes model) or other valuation method (for example, Monte Carlo Simulation).

B. Fair value of financial instruments measured at amortized cost

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

	Book value	
	31 Dec 2024	31 Dec 2023
Financial liabilities :		
Short-term loans	\$1,171,422	\$1,299,632
Short-term notes payable	\$79,987	\$14,963
Long-term loans (current portion included)	\$90,390	\$210,390

	Fair value	
	31 Dec 2024	31 Dec 2023
Financial liabilities :		
Short-term loans	\$1,171,422	\$1,299,632
Short-term notes payable	\$79,987	\$14,963
Long-term loans (current portion included)	\$89,884	\$209,259

(8) Significant assets and liabilities denominated in foreign currencies

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

	31 Dec 2024		
	Foreign currencies (in thousands)	Foreign exchange rate	NT\$ (in thousands)
Financial assets			
Monetary items:			
USD	\$35,177	32.785	\$1,153,278
RMB	\$176	4.478	\$788

31 Dec 2024			
	Foreign currencies (in thousands)	Foreign exchange rate	NT\$ (in thousands)
<u>Financial liabilities</u>			
Monetary items:			
USD	\$40,937	32.785	\$1,342,120
RMB	\$29	4.478	\$130
 The exchange (loss) gains of monetary financial assets and liabilities			
<u>USD and RMB</u>			\$14,143

31 Dec 2023			
	Foreign currencies (in thousands)	Foreign exchange rate	NT\$ (in thousands)
<u>Financial assets</u>			
Monetary items:			
USD	\$61,208	30.71	\$1,879,392
RMB	\$107	4.3352	\$464
Non-Monetary items:			
USD	\$20,331	30.71	\$624,372
VND	\$300,856,218	0.001287	\$387,202
 <u>Financial liabilities</u>			
Monetary items:			
USD	\$60,969	30.71	\$1,872,053
 The exchange (loss) gains of monetary financial assets and liabilities			
<u>USD and RMB</u>			\$34,158

The above information is disclosed based on the carrying amount of foreign currency (after conversion to functional currency)

(9) Capital management

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

13. Other disclosure

A. Information at significant transactions and on investees for the years ended 31 December 2024:

- (a) Financing provided to others: None.
- (b) Endorsement/Guarantee provided to others: Please refer to Attachment 1.
- (c) Securities held as of 31 December 2024: None.
- (d) Individual securities acquired or disposed of with accumulated amount exceeding the lowers of \$100 million or 20% of the capital stock: None.
- (e) Acquisition of individual real estate with amount exceeding the lower of \$300 million or 20% of the capital stock: Please refer to Attachment 2.
- (f) Disposal of individual real estate with amount exceeding the lower of \$300 million or 20% of the capital stock: None.
- (g) Related party transactions for purchases and sales amounts exceeding the lower of \$100 million or 20% of the capital stock: Please refer to Attachment 3.
- (h) Receivables from related parties with amounts exceeding the lower of \$100 million or 20% of capital stock as of 31 December 2024: Please refer to Attachment 4.
- (i) Financial instruments and derivative transactions: None

B. Reinvestment business related information:

Those who directly or indirectly have significant influence, control or joint venture control on the invested company that is not in the mainland area should disclose their name, location, main business project, original investment amount, ending shareholding situation, Relevant information such as period profit and loss and recognized investment profit and loss: Please refer to Attachment 5.

C. Information on investments in mainland China:

- (a) Information on investments in mainland China : Please refer to Attachment 6.
- (b) For the years ended 31 December 2024, the following significant transactions with the investee companies in China directly or indirectly through the third area and the relevant prices, payment terms and unrealized gains and losses:
 - i. Purchase, ending balance of related payables and their weightings: Please refer to Attachment 1.
 - ii. Sales, the ending balance of related receivables and their weightings: Please refer to Attachment 1.
 - iii. The amount of property transactions and the amount of profits and losses: None.
 - iv. Ending balance of endorsements/guarantees or collateral provided and the purposes: None.
 - v. The maximum balance, ending balance, interest rate range and total interest of the financial intermediation in current period: None.
 - vi. Transactions that have significant impact on the profit or loss of current period or the financial position: None.

D. Information of major shareholders as of 31 December 2024: Please refer to Attachment 7.

JIA WEI LIFESTYLE, INC. AND INVESTEEES
FOR THE YEAR ENDED 31 DECEMBER 2024
(Expressed in thousands of New Taiwan Dollars unless Otherwise Specified)

ENDORSEMENT GUARANTEE FOR OTHERS

Attachment 1

Number	Endorsement Guarantor	endorsed and is a guarantee object		single business	highest in this period	Final	Actual expenditure	secured by property	Cumulative Endorsement Guarantee Amount	Endorsement Guarantee	parent company	subsidiary	Genus pairs	remark
				Endorsement Guarantee	Endorsement Guarantee	Endorsement Guarantee	Amount	Endorsement guarantee amount	the most recent financial statements	Maximum limit	subsidiaries	parent company	China	
		(Note1)	Name	English Name	Relationship(note2)	Limit (Note 3, Note 4)	Balance (Note 5)	Balance (Note 6)	(Note 7)	Ratio of Net Value (Note 3, Note 4)	(Note 3, Note 4)	Endorsement Guarantee (Note 8)	Endorsement Guarantee (Note 8)	
0	Jia Wei Lifestyle, Inc.	Jia Wei Lifestyle Vietnam Limited Company	2	\$2,753,250	\$2,134,275	\$2,131,025	\$1,990,050	\$1,990,050	72.28%	\$2,753,250	Y	N	N	
0	Jia Wei Lifestyle, Inc.	Freshlink Product Development, LLC	2	\$2,753,250	\$14,776	\$14,753	\$14,753	\$14,753	0.54%	\$2,753,250	Y	N	N	

(Note 1): The method of filling in the number column is as follows:

- 1. The issuer should fill in 0.
- 2. The investee companies are numbered sequentially by company starting with Arabic numerals 1.

(Note 2): There are seven types of relationships between the endorser and the endorsed object, and the type can be indicated:

- (1) Companies with which we have business dealings.
- (2) A company in which the company directly or indirectly holds more than 50% of the voting shares.
- (3) A company that directly or indirectly holds more than 50% of the voting rights of the company.
- (4) Between companies in which the company directly or indirectly holds more than 90% of the voting shares.
- (5) A company that guarantees each other in accordance with the contract between the same industry or the co-sponsor based on the needs of the contracted project.
- (6) A company in which all the shareholders of the capital are endorsed and guaranteed by the shareholders in accordance with their shareholding ratios due to the joint investment relationship.
- (7) Joint and several guarantees for the performance of the contract for the sale of pre-sold houses in accordance with the Consumer Protection Law.

(Note 3): According to the Company's (Measures for the Administration of Endorsement and Guarantee), the amount of endorsement guarantee for a single enterprise shall not exceed 100% of the net value of the Company's latest financial statements.

(Note 4): According to the Measures for the Administration of Endorsement and Guarantee, the total amount of endorsement guarantee shall not exceed 100% of the net value of the Company's latest financial statements.

(Note 5): The maximum amount of the endorsement guarantee for others in the current year.

(Note 6): The amount approved by the Board of Directors. However, if the board of directors authorizes the chairman of the board of directors to make a decision in accordance with paragraph 8 of Article 12 of the Standards for the Handling of Capital Loans and Endorsement Guarantees of a Public Offering Company, it refers to the amount of the chairman of the board of directors.

(Note 7): The actual amount of expenditure of the endorsed company within the balance of the endorsement guarantee should be entered.

(Note 8): Y must be filled in if it is an endorsement guarantee from the parent company of the listed stock company to the subsidiary, an endorsement guarantee from the subsidiary to the parent company of the listed company, or an endorsement guarantee from the mainland area.

(Note 9): According to the Company's grandson company, Zhengxing Plastic Products (Heyuan) Co., Ltd. (Endorsement and Guarantee Management Measures), the total amount of guarantee and endorsement guarantee for a single enterprise shall not exceed 100% of the net value of the latest financial statements of the grandson company.

JIA WEI LIFESTYLE, INC. AND INVESTEES

FOR THE YEAR ENDED 31 DECEMBER 2024

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

ACQUIRED REAL ESTATE WITH AN AMOUNT OF NT\$300 MILLION OR MORE THAN 20% OF THE PAID-IN CAPITAL

Attachment 2

Passive companies	Property Name	Date	Amount	Payment of the price	Transaction Partners	Relationship	If transaction partner is a related party, the data transferred in the previous transaction				Indicative of the value	Acquisition and use of the situation	Other
							All	Relationship	Transition date	Amount			
Jia Wei Lifestyle Vietnam Limited Company	Land	2024.11.12 (Note)	USD 77,000	Contract Payment	OSTA TRADING CO., LTD.	N	N	N	N	N	Price comparison and bargaining	production use...	None
	Building			Progress payment	Ho Team Construction Co., Ltd	N	N	N	N	N	Price comparison and bargaining		None

Note: It is based on the expected transaction information (including right-of-use assets) in the capital budget approved by the Board of Directors, and the actual transaction information shall be subject to the actual price paid by Jia Wei Lifestyle Vietnam Limited Company.

JIA WEI LIFESTYLE, INC. AND INVESTEES

FOR THE YEAR ENDED 31 DECEMBER 2024

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

RELATED PARTY TRANSACTIONS WITH PURCHASE OR SALES AMOUNT OF AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL

Attachment 1

Company Name	Related Party	Nature of Relationships	Transaction Details				Abnormal Transaction(Note 1)		Notes/Accounts Payable or Receivable		Note
			Purchases/ Sales	Amount	Percentage to Total	Collection/ Payment Terms	Unit Price	Collection/ Payment Terms	Ending Balance	Percentage to Total	
Jia Wei Lifestyle, Inc.	Tzeng Shyng Plastic Product (Heyuan) Co., Ltd.	sub-subsiary	Purchases	\$2,851,572	54.18%	Net 30 days from the end of the month	-	-	(\$534,669)	99.75%	
Jia Wei Lifestyle, Inc.	Tzeng Shyng Melamine Products (Heyuan) Co., Ltd.	sub-subsiary	Purchases	\$806,382	15.32%	Net 30 days from the end of the month	-	-	-	-	Recognized as advance payments \$51,235
Jia Wei Lifestyle, Inc.	Freshlink Product Development,LLC.DBA PREPARA	subsidiary	Sales	\$173,012	3.10%	Net 180 days from the end of the month	-	-	\$22,066	2.02%	

Note 1 : If the transction detail is difference from the general trading terms, the differents and the reasons should be stated in the unit price and the collection/ payment terms columns.

Note 2: If there is an advance payment (payment), the reason, contractual terms, amount, and differences from the general transaction terms should be stated in the note column.

Note 3: Paid-in capital refers to the paid-in capital of the parent company. If the issuer's stock has no par value or the par value per share is not NT\$10, the transaction amount of 20% of the paid-in capital shall be calculated based on the 10% of the equity attributable to the owner of the parent company on the balance sheet .

Note 4 : All the above transactions were eliminated on consolidation.

JIA WEI LIFESTYLE, INC. AND INVESTEEES

FOR THE YEAR ENDED 31 DECEMBER 2024

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

RECEIVABLES FROM RELATED PARTIES OF AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL

Attachment 4

Company Name	Related Party	Nature of Relationships	Ending Balance (Note 1)	Turnover Ratio (times)	Overdue		Amounts Received in Subsequent Periods	Allowance for Doubtful Accounts
					Amount	Action Taken		
Tzeng Shyng Plastic Product (Heyuan) Co., Ltd.	Jia Wei Lifestyle, Inc.	sub-subsidiary	\$534,669	4.49	-	-	\$476,767	-

Note 1: Please fill in separately according to accounts receivable, bills, other receivables... etc.

Note 2 : All the above transactions were eliminated on consolidation.

JIA WEI LIFESTYLE, INC. AND INVESTEEES
FOR THE YEAR ENDED 31 DECEMBER 2024
(Expressed in thousands of New Taiwan Dollars unless Otherwise Specified)
NAMES, LOCATIONS AND RELATED INFORMATION OF INVESTEE COMPANIES (Not including investment in Mainland China)

Attachment 5

Investor Company	Investee Company	Address	Main businesses and products	Initial Investment		Investment as of December 31, 2024			Net income (loss) of investee company (Note 2(2))	Investment income (loss) recognized (Note 2(3))	Note
				Ending balance	Beginning balance	Number of shares (thousand)	Percentage of ownership (%)	Carrying amount			
Jia Wei Lifestyle, Inc.	Golden Star Ocean Ltd.	Seychelles	Investment holding	\$1,484,100 (USD48,500)	\$1,484,100 (USD48,500)	-	100.00%	\$1,315,848	(\$21,446)	(\$21,446)	subsidiary
Golden Star Ocean Ltd.	Tzeng Shyng Industries Corp.	Seychelles	International trade	-	-	-	100.00%	(USD3,604)	(\$21,405)	(\$21,405)	sub-subsidiary
Golden Star Ocean Ltd.	First Design Global, Inc.	Texas, USA	International trade	-	-	-	0.13%	(US1,998)	(\$29,509)	(\$40)	sub-subsidiary
Jia Wei Lifestyle, Inc.	Achieve Goal Limited	Darawa, USA	Investment holding	\$688,524 (USD23,600)	\$688,524 (USD23,600)	-	100.00%	\$652,804	(\$180,099)	(\$180,099)	subsidiary
Jia Wei Lifestyle, Inc.	Freshlink Product Development, LLC.DBA PREPARA	New York, USA	Household products design and trade	\$483,898 (USD16,000)	\$483,898 (USD16,000)	-	100.00%	\$266,785	\$15,467	\$15,467	subsidiary
Jia Wei Lifestyle, Inc.	First Design Global, Inc.	Texas, USA	International trade	\$191,236 (USD6,500)	\$143,875 (USD5,000)	-	99.87%	\$54,692	(\$29,509)	(\$29,469)	subsidiary
Jia Wei Lifestyle, Inc.	Jia Wei Lifestyle Vietnam Limited Company	Vietnam	Productions and sales of household products	\$626,486 (USD19,500)	\$401,209 (USD12,500)	-	100.00%	\$621,509	(\$11,990)	(\$11,990)	subsidiary

Note 1: If a public offering company has a foreign holding company and uses consolidated statements as the main financial statements in accordance with local laws and regulations, the disclosure of information about the foreign invested company may only disclose relevant information to the holding company.

Note 2: For those who are not in the circumstances described in (Note 1), fill in according to the following regulations:

- (1) All columns above should be filled, and the nature of relationships should be stated in the Note column.
- (2) Net income (loss) should be stated in the Investee Company column.
- (3) It is only necessary to fill in the profit and loss amount of each subsidiary recognized by the (public offering) company for direct reinvestment and each invested company evaluated by the equity method, and the rest is not required.

JIA WEI LIFESTYLE, INC. AND INVESTEEES
FOR THE YEAR ENDED 31 DECEMBER 2024
(Expressed in thousands of New Taiwan Dollars unless Otherwise Specified)
INFORMATION ON INVESTMENT IN MAINLAND CHINA

Attachment 6

(1)

Investee Company	Main Businesses and Products	Total Amount of Paid-in Capital	Method of Investment (Note 1)	Accumulated Outflow of Investment from Taiwan as of 1 January 2024	Investment Flows		Accumulated Outflow of Investment from Taiwan as of December 31, 2024	Profits/Losses of the Investee Company	Percentage of Ownership (Direct or Indirect Investment)	Share of Profits/Losses (Note 2)	Carrying Amount as of December 31, 2024	Accumulated Inward Remittance of Earnings as of 31 December 2024
					Outflow	Inflow						
Gamma Optical Investment (Samoa) Co., Ltd.	Manufacturing and processing of optical products, conductive films and related materials	-	2	\$141,963	—	—	\$141,963	—	—	—	—	—
Tzeng Shyng Plastic Product (Heyuan) Co., Ltd.	Production and sales of household products	USD\$16,500 (\$514,305)	2	\$461,311 (USD15,812)	—	—	\$461,311 (USD15,812)	(\$89,266)	100.00%	(\$89,266) (2).B	\$391,635 (USD11,946)	—
Tzeng Shyng Melamine Products (Heyuan) Co., Ltd.	Production and sales of household products	USD\$6,500 (\$202,605)	2	\$227,213 (USD7,788)	—	—	\$227,213 (USD7,788)	(\$86,012)	100.00%	(\$86,012) (2).B	\$77,613 (USD2,367)	—

(2)

Accumulated Outflow of Investment from Taiwan to Mainland China at the end of year	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on Investment (Note5)
\$832,270 (USD28,087,831.39)	\$864,225 (USD29,087,831.39)	\$1,651,950

(Note 1) : The methods for investment in Mainland China are categorized into the following three types. Please specify the type.

- (1) Direct investment in Mainland China.
- (2) Indirectly investment in Mainland China through companies registered in the third area (Please specify the name of the company in third region).
- (3) Others.

(Note 2) : In Share of Profits/Losses column

- (A) If it is in preparation and there is no investment gain or loss, it should be indicated
- (B) The recognition basis of investment gains and losses is divided into the following three types, which should be specified
 1. The approved financial statements have been checked by all international accounting firms in cooperation with the Republic of China Accounting Firm.
 2. The financial statements of the visa are reviewed by the Taiwanese parent company's visa accountant.
 3. Other

(Note 3) : The table is expressed in thousands of New Taiwan Dollars.

(Note 4) : All the above transactions were eliminated on consolidation.

(Note 5) : 60% of combined net worth.

JIA WEI LIFESTYLE, INC. AND INVESTEES

AS OF 31 DECEMBER 2024

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

MAJOR SHAREHOLDER INFORMATION

Attachment 7

Unit : Share

Major shareholder	stock	
	Number of shares	Percentage of ownership
SMART INVESTMENT LIMITED	10,345,034	12.88%
MYOTT INVESTMENT CO., LTD.	7,089,310	8.82%
DA FA UNIVERSAL INVESTMENT LIMITED	7,018,294	8.74%
OMEGA INVESTMENT LIMITED	5,780,000	7.19%

Note 1: The information of major shareholders in this table is based on the last business day of the end of each quarter by Taiwan Depository & Clearing Corporation, calculating that shareholders hold 5% or above of the company's ordinary shares and special shares that have completed unregistered delivery (including treasury shares). The above information. As for the share capital recorded in the company's financial report and the company's actual number of shares delivered without physical registration, there may be differences or differences due to different calculation bases.

Note 2: If the above-mentioned information belongs to the shareholders' delivery of shares to the trust, it is disclosed in individual accounts by the trustor who opened the trust account by the trustee. As for the shareholder's declaration of insider's equity holding more than 10% of the shares in accordance with the Securities Exchange Act, his shareholding includes his own shareholding plus the shares delivered to the trust and the right to use the trust property, etc. For information on insider's equity declaration, please refer to Public information observatory.

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JIAWEI LIFESTYLE, INC.

1. STATEMENT OF CASH AND CASH EQUIVALENTS

31 December 2024

(In Thousands of New Taiwan Dollars)

Item	Description	Amount	Note
Petty Cash			Exchange rate USD to TWD = 1 : 32.785
TWD		\$1,140	Exchange rate JPY to TWD = 1 : 0.2099
Cash on hand of foreign currency	USD 4,231.00	139	Exchange rate RMB to TWD = 1 : 4.4780
	RMB 8,413.00	38	Exchange rate
	EUR 650.00	22	EUR to TWD = 1 : 34.14
Subtotal		1,339	
Bank deposit :			
Savings accounts of TWD		8,157	
Savings accounts of foreign currency	USD 1,898,415.95	62,240	
	JPY 581,398.00	122	
	RMB 155,167.74	695	
Subtotal		71,214	
Total		\$72,553	

JIAWEI LIFESTYLE, INC.
2.STATEMENT OF ACCOUNTS RECEIVABLES
31 December 2024

(In Thousands of New Taiwan Dollars)

Client Name	Description	Amount	Note
A	Tableware and Kitchenware	\$370,335	
B	Tableware and Kitchenware	285,568	
C	Tableware and Kitchenware	57,882	
Other	The amount of individual client in others does not exceed 5% of the account balance.	296,257	
Subtotal		<u>1,010,042</u>	
Less: loss allowance		(12,485)	
Net		<u><u>\$997,557</u></u>	

JIAWEI LIFESTYLE, INC.
3.STATEMENT OF OTHER RECEIVABLES
31 December 2024

(In Thousands of New Taiwan Dollars)

Client Name	Description	Amount	Note
Other receivables	Order receivable test fee,etc.	<u>\$962</u>	

JIAWEI LIFESTYLE, INC.

4.STATEMENT OF INVENTORIES

31 December 2024

(In Thousands of New Taiwan Dollars)

Item	Description	Cost	Market Price	Note
Goods		\$15,912	\$10,372	Market price of goods are net realizable value
Subtotal		\$15,912	\$10,372	
(loss)Allowance for inventory valuation losses		(5,540)		
Net		\$10,372		

JIAWEI LIFESTYLE, INC.
5.STATEMENT OF PREPAYMENTS
31 December 2024

(In Thousands of New Taiwan Dollars)

Item	Amount	Note
Prepayments to suppliers	\$68,415	
VAT Retained	11,387	
Prepaid exhibition fees	13,802	
Perpaid Decoration fees	8,600	
Other	10,907	
Total	\$113,111	

JIAWEI LIFESTYLE, INC.
6.STATEMENT OF CHANGES IN INVESTMENTS ACCOUNTED FOR UNDER THE EQUITY METHOD
For the year ended 31 December 2024

Investees	As of 1 January 2024		Additions		Decrease		As of 31 December 2024			Fair value/Net assets value		Collateral	Note
	Shares (In Thousands)	Amount	Shares (In Thousands)	Amount	Shares (In Thousands)	Amount	Shares (In Thousands)	%	Amount	Unit price (NTD)	Total Amount		
Freshlink Product Development,LLC DBA PREPARA		\$240,230		\$26,555 (Note)		-		100.00%	\$266,785	-	\$268,009	None	
Golden Star Ocean Ltd		1,325,017		-		(\$9,169) (Note 3)		100.00%	1,315,848	-	\$1,312,277	None	
Achieve Goal Limited		768,823		-		(116,019) (Note 4)		100.00%	652,804	-	\$657,625	None	
First Design Global, Inc.		36,800		47,361 (Note 1)		(29,469) (Note 5)		99.87%	54,692	-	\$54,692	None	
Jia Wei Lifestyle Vietnam Limited Company		387,202		234,307 (Note 2)		-		100.00%	621,509	-	\$621,509	None	
Subtotal		2,758,072		308,223		(154,657)			2,911,638				
Less: Impairment		-		-		-			-				
Net		\$2,758,072		\$308,223		(\$154,657)			\$2,911,638				

(Note) The amount included share of profit or loss of associates & joint ventures accounted for using equity method \$15,467 thousand, Exchange differences on translation of foreign operations \$12,312 thousand, realized gross profit \$16,883 thousand and unrealized profit (\$18,107) thousand.

(Note1) In 2024, the cash capital increase is USD 1,500 thousand.

(Note2) In 2024, the cash capital increase is USD 7,000 thousand and the amount included share of profit or loss of associates & joint ventures accounted for using equity method (\$11,990) thousand, Exchange differences on translation of foreign operations \$21,019 thousand

(Note3) The amount included share of profit or loss of associates & joint ventures accounted for using equity method (\$21,446) thousand, Exchange differences on translation of foreign operations \$8,706 thousand, realized gross profit \$6,584 thousand and unrealized profit (\$3,013) thousand.

(Note4) The amount included share of profit or loss of associates & joint ventures accounted for using equity method (\$180,099) thousand (including the counter-current realized gross profit from sales of \$7,570 thousand and the counter-current unrealized gross profit from sales (\$12,391) thousand),

Exchange differences on translation of foreign operations \$64,080 thousand.

(Note5) The amount included share of profit or loss of associates & joint ventures accounted for using equity method (\$29,469) thousand.

JIAWEI LIFESTYLE, INC.
7.STATEMENT OF CHANGES IN RIGHT-OF-USE ASSETS
For the year ended 31 December 2024

(In Thousands of New Taiwan Dollars)

Item	1-Jan-24 Balance	Changing			31-Dec-24 Balance
		Additions	Decrease	reclass	
Cost :					
Buildings	\$24,744	\$19,616	-	-	\$44,360
Other facilities	500	312	-	-	812
Subtotal	25,244	19,928	-	-	45,172
Depreciation :					
Buildings	6,233	12,120	-	-	18,353
Other facilities	209	131	-	-	340
Subtotal	6,442	12,251	-	-	18,693
Net	<u>\$18,802</u>				<u>\$26,479</u>

JIAWEI LIFESTYLE, INC.

8.STATEMENT OF REFUNDABLE DEPOSITS

31 December 2024

(In Thousands of New Taiwan Dollars)

Item	Description	Amount
Refundable deposits of office		\$3,373
Refundable deposits of legal services		607
Other		79
Total		\$4,059

JIawei Lifestyle, Inc.

9.STATEMENT OF SHORT-TERM LOANS

31 December 2024

(In Thousands of New Taiwan Dollars)

Description	Bank Name	Amount	Contract Period	Interest rates applied	Collateral	Note
Credit loan	CTBC Bank	\$226,741	2024/08/22~2025/03/21	5.73%~5.89%	None	
Purchase loan	CTBC Bank	11,899	2024/12/02~2025/04/16	5.90%	None	
Credit loan	HSBC Bank	40,000	2024/12/02~2025/05/02	2.05%	None	
Purchase loan	HSBC Bank	126,755	2024/10/24~2025/06/23	5.50%~5.74%	None	
Credit loan	Taipei Fubon Bank	747,498	2024/09/27~2025/06/20	5.71%~5.78%	None	
Purchase loan	SKCB Bank	18,529	2024/09/30~2025/04/07	5.35%~5.37%	None	
Total		<u>\$1,171,422</u>				

JIAWEI LIFESTYLE, INC.

10.STATEMENT OF ACCOUNTS PAYABLE

31 December 2024

(In Thousands of New Taiwan Dollars)

Vendor Name	Description	Amount	Note
A		\$531	
B		437	
C		321	
Other	The amount of individual vender in others does not exceed 5% of the account balance.	28	
Total		<u>\$1,317</u>	

JIAWEI LIFESTYLE, INC.

11.STATEMENT OF OTHER PAYABLES

31 December 2024

(In Thousands of New Taiwan Dollars)

Item	Description	Amount	Note
Accrued employee compensation and director remuneration		\$65,137	
Accrued Commission		60,760	
Bonus payable		34,039	
Sales discount payable		16,890	
Accrued sponsorship and consult fee	Related parties	27,270	
Other	The amount of individual item in others does not exceed 5% of the account balance.	109,758	
Total		<u>\$313,854</u>	

JIAWEI LIFESTYLE, INC.
12.STATEMENT OF CURRENT INCOME TAX LIABILITIES
31 December 2024

(In Thousands of New Taiwan Dollars)

Item	Description	Amount	Note
	Accrued tax payable for 2024	\$117,881	
	Additional tax payable on undistributed profit for 2023	4,691	
	Total	<u>\$122,572</u>	

JIAWEI LIFESTYLE, INC.
13.STATEMENT OF OTHER CURRENT LIABILITIES
31 December 2024

(In Thousands of New Taiwan Dollars)

Item	Description	Amount	Note
Temporary receipts	Sponsor from costco	\$7,479	
Receipts under custody	Collection of taxes, etc.	1,128	
Total		<u>\$8,607</u>	

JIAWEI LIFESTYLE, INC.

14.STATEMENT OF LEASE LIABILITIES

31 December 2024

(In Thousands of New Taiwan Dollars)

Item	Description	Lease term	Discount rate	Amount	Note
Buildings	Office and Dormitory lease	2023/1/1~2026/4/30	1.85%~6.97%	\$26,457	
Other facilities	Photocopier lease	2021/7/15~~2029/5/11	2.50%	481	
Total				26,938	
Less: current portion				(14,136)	
Net				\$12,802	

JIAWEI LIFESTYLE, INC.
15.STATEMENT OF NET REVENUES
For the year ended 31 December 2024

(In Thousands of New Taiwan Dollars)

Item	Shipments	Amount	Note
Tableware	39,814,503 KG	\$5,567,922	
Other		20,566	
Total		<u>\$5,588,488</u>	

JIAWEI LIFESTYLE, INC.
16.STATEMENT OF COST OF GOOD SOLD
For the year ended 31 December 2024

(In Thousands of New Taiwan Dollars)

Item	Amount
Cost of good sold:	
Goods, beginning of year	\$9,721
Add : goods purchased	3,874,034
(Less) : goods, end of year	(15,912)
Transferred to other subject	(1,234)
Subtotal	<u>3,866,609</u>
Other operating cost:	
Inventory valuation and obsolescence loss	<u>4,092</u>
Total	<u><u>\$3,870,701</u></u>

JIawei LIFESTYLE, INC.

17.STATEMENT OF OPERATING EXPENSES

For the year ended 31 December 2024

(In Thousands of New Taiwan Dollars)

Item	Sales and marketing expenses	General and administrative expenses	Research and development expenses
Personnel	\$18,906	\$135,744	\$9,344
Rent expenses	3,047	-	1,829
Travel expenses	4,160	9,154	1,098
Shipping expenses	25,128	-	-
Postage expenses	2,812	7,351	-
Repairs and maintenance expense	-	2,584	-
Advertising fee	100,574	-	-
Insurance	4,318	4,703	-
Social	-	1,190	-
Depreciation	13,029	5,585	-
Employee Welfare	-	2,406	-
Commission	273,392	-	-
Service	19,725	13,986	29,108
Customs expenses	10,302	-	-
Sample	2,240	-	-
Testing	26,790	-	-
Other(Note)	5,264	9,067	2,483
Total	\$509,687	\$191,770	\$43,862

(Note) : The amount of each item in others does not exceed over \$1,000 thousand of the account balance.