Stock code: 3622

Young Fast Optoelectronics Co., Ltd. and Subsidiaries

Consolidated Financial Statements and Independent Auditors' Review Report

For the Nine Months Ended September 30, 2024 and 2023

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Contents

Accountants' Audit Report

To the Board of Directors of Young Fast Optoelectronics Co., Ltd.:

Introduction

We have reviewed the accompanying consolidated balance sheets of Young Fast Optoelectronics Co. and Subsidiaries (Young Fast Group) as of September 30, 2024 and 2023, the related consolidated statements of comprehensive income, changes in equity and cash flows for the Nine months ended September 30, 2024 and 2023, and notes to the consolidated financial statements, including the summary of significant accounting policies (together "the consolidated financial statements"). Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" as endorsed and became effective by Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on these consolidated financial statements based on our reviews.

Scope of Review

Except as explained in the following paragraph, we conducted our reviews in accordance with Statement of Standards on Auditing No. 2410, "Review of Financial Information Performed by the Independent Auditor of the Entity" of the Republic of China. A review of consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with auditing standards generally accepted in the Republic of China and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis for Qualified Conclusion

As stated in Note 4(2) to the consolidated financial statements, a part of its insignificant subsidiaries has been included in the previously mentioned consolidated financial statements based on the financial statements of these invested companies not reviewed by the independent auditors for the same period. As of September 30, 2024 and 2023, these subsidiaries had total assets of NT$349,511 thousand and NT$236,371 thousand, representing 4.32% and 3.33% of the consolidated total assets; and total liabilities of NT$176,704 thousand and NT$97,612 thousand, representing 21.00% and 13.18% of the consolidated total liabilities; and they realized comprehensive profit (loss) of NT$12,913 thousand, NT$38,727 thousand, NT$66,838 thousand, and NT$83,848 thousand for the three months ended September 30, 2024 and 2023, and for the 6 months ended September 30, 2024 and 2023, respectively, representing 5.46%, 11.19%, 6.91%, and 8.92% of the consolidated comprehensive profit (loss).

Besides the above-mentioned in the previous paragraph, as stated in Note 6(8) of the consolidated financial statements, investments accounted for under the equity method of Young Fast Optoelectronics Co., Ltd. and its subsidiaries amounted to NT$362,761 thousand and NT$344,744 thousand as of September 30, 2024. The profit or loss of associates under the equity method were NT$14,616 thousand, NT$21,996 thousand, NT$51,212 thousand, and NT$47,574 thousand for the three months ended September 30, 2024 and 2023, and the Nine months ended September 30, 2024 and 2023, respectively. Those amounts were recognized based on financial statements of the investees for the same period and have not been reviewed by the independent auditors.

Qualified Conclusion

Based on our reviews, except for possible effects from financial statements of these investees mentioned in the paragraph titled "Basis for Qualified Conclusion" if they were reviewed by independent auditors, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of Young Fast Optoelectronics Co., Ltd. and its subsidiaries as of September 31, 2024 and 2023, and of its consolidated financial performance and its consolidated cash flows for the three and Nine months ended September 30, 2024 and 2023 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

KPMG Taiwan
CERTIFIED PUBLIC ACCOUNTANTS
November 6, 2024

Young Fast Optoelectronics Co., Ltd. and Subsidiaries

Consolidated balance sheet

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

Unit: NTD Thousand

		2024.9.30		2023.12.31		2023.9.30	
	Assets	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
11xx	**Current Assets:**						
1100	Cash and cash equivalents (Notes 6 (1))	$ 750,903	9	535,160	7	378,445	5
1110	Current financial assets at fair value through profit or loss (Note 6 (2))	217,131	3	127,624	2	121,403	2
1120	Current financial assets at fair value through other comprehensive income (Note 6 (3))	4,000,593	50	3,831,917	51	3,670,463	52
1136	Financial assets measured at amortized cost - current (Notes 6 (4))	111,244	1				
1150	Notes receivable, net (Note 6 (5) and (20))	309,930	4	253,646	4	246,143	4
1170	Accounts receivable, net (Note 6 (5) and (20))	80,773	1	137,810	2	175,829	2
1180	Accounts receivable due from related parties (Note 6 (5), (20) and 7)	94	-	52,028	1	89,449	1
1200	Other receivables (Note 6 (6))	8,829	-	8,689	-	8,345	-
130X	Inventory (Notes 6 (7) ,7 and 9)	263,774	3	243,382	3	280,292	4
1470	Other current assets	14,367	-	12,407	-	12,600	-
	Total current assets	5,757,638	71	5,202,663	70	4,982,969	70
15xx	**Non-current assets:**						
1517	Non-current financial assets at fair value through other comprehensive income (Note 6 (3))	533,987	7	366,781	5	342,580	5
1550	Investments accounted for using equity method, net (Note 6 (7))	362,761	5	348,778	5	344,744	5
1600	Property, plant and equipment (Notes 6 (8),7and 9)	858,846	11	843,121	11	850,875	12
1755	Right of use assets (Notes 6 (9), (13) and 7)	104,028	1	116,847	2	125,094	2
1760	Investment real estate, net (Note 6(8), (10) and 7)	279,656	3	291,426	4	300,916	4
1780	Intangible assets (Note 6 (11))	4,471	-	4,284	-	4,506	-
1840	Deferred tax assets	103,702	1	103,702	1	39,813	1
1915	Prepaid equipment (Note 6 (8))	1,158	-	38,621	1	38,097	-
1990	Other non-current assets (Note 6 (4),(5) and (19))	88,707	1	93,846	1	76,321	1
	Total non-current assets	2,337,316	29	2,207,406	30	2,122,946	30
1xxx	**Total assets**	$ 8,094,954	100	7,410,069	100	7,105,915	100

		2024.9.30		2023.12.31		2023.9.30	
	Liabilities and Equity	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
21xx	**Current liabilities:**						
2130	Current contract liabilities (Note 6 (19)	21,460	-	4,892	-	4,276	-
2170	Accounts payable	125,032	2	127,338	2	147,362	2
2180	Accounts payable, related parties (Note 7)	71	-	1,738	-	5,635	-
2200	Other payables (Note 6 (20) and 7)	223,908	3	244,542	4	215,647	3
2216	Dividends Payable	49,088	1	-	-	-	-
2230	Current tax liabilities	37,983	-	32,340	-	12,550	-
2250	Current provisions (Note 6 (14))	44,623	1	45,779	1	43,623	1
2281	Lease liabilities (Notes 6 (13))	135	-	118	-	498	-
2282	Lease liabilities－Related parties (Notes 6 (13) and 7)	18,089	-	17,877	-	17,807	-
2399	Other current liabilities	9,895	-	8,369	-	6,789	-
	Total current liabilities	530,284	7	482,993	7	454,187	6
25xx	**Non-current liabilities:**						
2540	Long-term borrowings (Notes 6 (12))	35,000	-				
2551	Provision for employee benefit liabilities, non-current	5,944	-	5,944	-	5,337	-
2552	Provision for long-term liabilities for warranties (Note 6 (14))	138,528	2	140,948	2	129,367	2
2556	Provision for long-term liabilities for decommissioning, rehabilitation, and restoration costs (Note 6 (14))	5,164	-	5,164	-	5,164	-
2570	Deferred tax liabilities	881	-	881	-	932	-
2581	Lease liabilities (Notes 6 (13))	18,948	-	18,908	-	19,457	-
2582	Lease liabilities－Related parties (Notes 6 (13) and 7)	21,405	-	34,998	-	39,494	1
2670	Other non-current liabilities (Note 7)	85,385	1	82,767	1	86,808	1
	Total non-current liabilities	311,255	3	289,610	3	286,559	4
2xxx	**Total liabilities**	841,539	10	772,603	10	740,746	10
31xx	**Owners' equity attributable to the parent company (Notes 6 (7) and (17)):**						
3110	Share capital from common stock	1,513,276	19	1,513,276	21	1,513,276	21
3200	Capital reserve	1,850,197	23	1,925,860	26	1,925,860	27
3300	Retained earnings:						
3310	Legal reserve	169,865	2	113,160	2	113,160	2
3350	Undistributed surplus earnings	1,518,081	19	1,191,368	16	1,040,557	15
	Total retained earnings	1,687,946	21	1,304,528	18	1,153,717	17
3400	Other equity interest	2,132,171	26	1,810,096	24	1,672,724	24
	Subtotal of equity attributable to owners of parent company	7,183,590	89	6,553,760	89	6,265,577	89
36xx	**Non-controlling interests**	69,825	1	83,706	1	99,592	1
3xxx	**Total Equity**	7,253,415	90	6,637,466	90	6,365,169	90
2-3xxx	**Total liabilities and equity**	$ 8,094,954	100	7,410,069	100	7,105,915	100

(Please refer to the attached notes to the consolidated financial statements)

Young Fast Optoelectronics Co., Ltd. and Subsidiaries

Consolidated Statements of Comprehensive Income

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

Unit: NTD Thousand

		July to September, 2024		July to September, 2023		January to September, 2024		January to September, 2023	
		Amount	%	Amount	%	Amount	%	Amount	%
4000	**Operating revenue (Note 6 (19) and 7)**	$ 486,038	100	522,464	100	1,295,329	100	1,214,063	100
5000	**Operating costs (Notes 6 (6), (8), (9), (13), (15), 7 and 12)**	283,299	58	314,968	60	695,518	54	775,615	64
5900	**Gross profit**	202,739	42	207,496	40	599,811	46	438,448	36
6000	**Operating expenses (Notes 6 (4), (8), (9), (13), (15), (20), 7 and 12):**								
6100	Marketing expenses	13,624	3	10,377	2	37,269	3	30.874	2
6200	Management expenses	43,662	9	42,231	8	118,853	9	104,046	9
6300	Research and development expenses	11,173	2	11,212	2	31,311	3	33,330	3
6450	Expected credit loss	(11,597)	(2)	(10,888)	(2)	6,019	-	2,593	-
	Total operating expenses	56,862	12	52,932	10	193,452	15	170,843	14
6900	**Net operating profit (loss)**	145,877	30	154,564	30	406,359	31	267,605	22
7000	**Non-operating revenue and expenses (Notes 6 (2), (7), (8), (13), (21), 7 and 12):**								
7100	Interest income	1,853	-	730	-	5,609	-	3,332	-
7010	Other income	149,334	31	119,898	23	192,622	15	158,091	13
7020	Other gains and losses	17,038	3	(366)	-	31,109	3	(8,095)	(1)
7050	Finance costs, net	(791)	-	(653)	-	(2,202)	-	(1,962)	-
7060	Share of profit of associates accounted for using equity method	14,616	3	21,996	4	51,212	4	47,574	4
	Total non-operating revenue and expenses	182,050	37	141,605	27	278,350	22	198,940	16
7900	**Net profit from continuing operations before tax**	327,927	67	296,169	57	684,709	53	466,545	38
7950	**Less: Income tax expense (Note 6 (16))**	10,490	2	915	-	39,092	3	12,037	1
8200	**Net profit for the period**	317,437	65	295,254	57	645,617	50	454,508	37
8300	**Other comprehensive income (Note 6 (7) and (17)):**								
8310	**Components of other comprehensive income that will not be reclassified to profit or loss**								
8316	Unrealized losses from investments in equity instruments measured at fair value through other comprehensive income	(61,847)	(12)	15,635	3	290,373	22	442,333	36
8349	Income tax related to components of other comprehensive	-	-	-	-	-	-	-	-
	Total items that will not be reclassified to profit or loss	(61,847)	(12)	15,635	3	290,373	22	442,333	36
8360	**Items that may subsequently be reclassified to profit or loss**								
8361	Exchange differences on translation of foreign financial statements	(20,393)	(4)	29,308	5	24,490	2	40,364	4
8370	Share of other comprehensive profits and losses of affiliated companies recognized using the equity method	1,260	-	5,752	1	7,212	1	2,294	-
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	-		-	-	-	-	-	-
	Total items that may subsequently be reclassified to profit or loss	(19,133)	(4)	35,060	6	31,702	3	42,658	4
8300	**Other comprehensive income for the current period**	(80,980)	(16)	50,695	9	322,075	25	484,991	40
8500	**Total comprehensive income for the current period**	$ 236,457	49	345,949	66	967,692	75	939,499	77
	Profit attributable to:								
8610	Owners of parent	$ 306,565	63	279,094	54	610,410	47	416,237	34
8620	Non-controlling interests	10,872	2	16,160	3	35,207	3	38,271	3
		$ 317,437	65	295,254	57	645,617	50	454,508	37
	Comprehensive income attributable to:								
8710	Owners of parent	$ 225,585	47	329,789	63	932,485	72	901,228	74
8720	Non-controlling interests	10,872	2	16,160	3	35,207	3	38,271	3
		$ 236,457	49	345,949	66	967,692	75	939,499	77
	EPS(Unit: New Taiwan Dollars) (Note 6 (18))								
9750	Basic EPS	$ 2.02		1.85		4.03		2.75	
9850	Diluted EPS	$ 2.02		1.84		4.03		2.74	

(Please refer to the attached notes to the consolidated financial statements)

Young Fast Optoelectronics Co., Ltd. and Subsidiaries

Consolidated Statements of Changes in Equity

For the Nine months ended September 30, 2024 and 2023

Unit: NTD Thousand

	Equity attributable to owners of parent										
			Retained earnings			Total other equity interest					
	Share capital from common stock	Capital reserve	Legal reserve	Undistributed surplus earnings	Total	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	Total	Total equity attributable to owners of parent	Non-controlling interests	Total equity
Balance on January 1, 2023	$ 1,513,276	2,001,516	71,324	817,484	888,808	13,527	1,174,206	1,187,733	5,591,333	61,321	5,652,654
Earnings Allocation and Distribution:											
Provision for Legal Reserve	-	-	41,836	(41,836)	-	-	-	-	-	-	-
Cash Dividends of Ordinary Shares	-	-	-	(151,328)	(151,328)	-	-	-	(151,328)	-	(151,328)
Changes in Other Capital Reserves:											
Changes in equity of investment in associates and joint ventures accounted for using equity method	-	8	-	-	-	-	-	-	8	-	8
Cash Dividends from Capital Reserves	-	(75,664)	-	-	-	-	-	-	(75,664)	-	(75,664)
Net profit for the period	-	-	-	416,237	416,237	-	-	-	416,237	38,271	454,508
Other comprehensive income, net of tax, for the period	-	-	-	-	-	42,658	442,333	484,991	484,991	-	484,991
Total comprehensive income for the period	-	-	-	416,237	416,237	42,658	442,333	484,991	901,228	38,271	939,499
Balance on September 30, 2023	**$ 1,513,276**	**1,925,860**	**113,160**	**1,040,557**	**1,153,717**	**56,185**	**1,616,539**	**1,672,724**	**6,265,577**	**99,592**	**6,365,169**
Balance on January 1, 2024	$ 1,513,276	1,925,860	113,160	1,191,368	1,304,528	10,401	1,799,695	1,810,096	6,553,760	83,706	6,637,466
Earnings Allocation and Distribution:											
Provision for Legal Reserve	-	-	56,705	(56,705)	-	-	-	-	-	-	-
Cash Dividends of Ordinary Shares	-	-	-	(226,992)	(226,992)	-	-	-	(226,992)	-	(226,992)
Changes in Other Capital Reserves:											
Cash Dividends from Capital Reserves	-	(75,663)		-	-	-	-	-	(75,663)	-	(75,663)
Net profit for the period	-	-	-	610,410	610,410	-	-	-	610,410	35,207	645,617
Other comprehensive income, net of tax, for the period	-	-	-	-	-	31,702	290,373	322,075	322,075	-	322,075
Total comprehensive income for the period	-	-	-	610,410	610,410	31,702	290,373	322,075	932,485	35,207	967,692
Reduction in non-controlling interests	-	-	-	-	-	-	-	-	-	(49,088)	(49,088)
Balance on September 30, 2024	**$ 1,513,276**	**1,850,197**	**169,865**	**1,518,081**	**1,687,946**	**42,103**	**2,090,068**	**2,132,171**	**7,183,590**	**69,825**	**7,253,415**

(Please refer to the attached notes to the consolidated financial statements)

Young Fast Optoelectronics Co., Ltd. and Subsidiaries

Consolidated Statements of Cash Flows

For the Nine months ended September 30, 2024 and 2023

Unit: NTD Thousand

	January to September, 2024	January to September, 2023
Cash flows from operating activities:		
Net profit before tax for the current period	$ 684,709	466,545
Adjustments:		
Adjustments to reconcile profit (loss)		
Depreciation expense	97,617	90,191
Amortization expense	1,270	1,129
Expected credit loss	6,019	2,593
Loss (gain) on financial assets at fair value through profit or loss	(42,390)	(7,156)
Interest expense	2,202	1,962
Interest income	(5,609)	(3,332)
Dividends Income	(127,330)	(99,959)
Share of profit of associates accounted for using equity method	(51,212)	(47,574)
Proceeds from disposal of property, plant and equipment	700	(150)
Losses on disposals of investment property	319	-
Total income and expense items	(118,414)	(62,296)
Changes in operating assets and liabilities:		
Changes in operating assets, net:		
Current Financial Assets at Fair Value through Profit or Loss	(47,117)	(39,277)
Notes receivable	(66,535)	(144,229)
Accounts receivable (including related parties)	110,443	(146,575)
Other receivables (including related parties)	(140)	(1,768)
Inventory	(20,392)	(42,511)
Other current assets	(1,896)	(1,553)
Total changes in operating assets, net	(25,637)	(375,913)
Changes in operating liabilities, net:		
Contract liabilities	16,568	(1,303)
Notes payable	-	(546)
Accounts payable (including related parties)	(3,973)	51,010
Other payables	(12,994)	31,567
Provisions	(3,576)	44,805
Other current liabilities	1,526	1,009
Decrease in other operating liabilities	(2,449)	126,542
Net changes in operating assets and liabilities	(28,086)	(249,371)
Total adjustments	(146,500)	(311,667)
Cash inflow generated from operations	538,209	154,878
Interest received	5,609	3,332
Interest paid	(2,202)	(1,962)
Payment of income tax	(33,513)	(19,693)
Net cash inflow from operating activities	508,103	136,555
Cash flows from (used in) investing activities:		
Acquisition of financial assets at fair value through other comprehensive income	(45,509)	(219,185)
Acquired financial assets measured at amortized cost	(111,244)	
Disposal of acquired financial assets measured at amortized cost	-	70,710
Acquisition of property, plant and equipment	(39,124)	(11,496)
Disposal of property, plant and equipment	1,175	150
Increase in refundable deposits	(1,833)	(279)
Acquisition of intangible assets	(330)	-
Other non-current assets	11,068	(4,506)
Decrease (increase) in prepaid equipment	(867)	(38,287)
Dividends received	171,771	132,280
Net cash flows (used in) from investing activities	(14,893)	(70,613)
Cash flows from (used in) financing activities:		
Increase in long-term borrowings	35,000	-
Increase (decrease) in deposits received	732	1,242
Payment of lease liabilities	(13,917)	(13,256)
Dividends Payable	(302,655)	(226,992)
Net cash flows used in financing activities	(280,840)	(239,006)
Effect of exchange rate changes on cash and cash equivalents	3,373	5,007
Net decrease in cash and cash equivalents for the period	215,743	(168,057)
Cash and cash equivalents at beginning of period	535,160	546,502
Cash and cash equivalents at end of period	$ 750,903	378,445

(Please refer to the attached notes to the consolidated financial statements)

Young Fast Optoelectronics Co., Ltd. and Subsidiaries
Notes to the Consolidated Financial Statements
For the Nine Months Ended September 30, 2024 and 2023
(Amounts in Thousands of New Taiwan Dollars, Unless Specified Otherwise)

I. Company history

Young Fast Optoelectronics Co., Ltd. ("the Company"), previously known as Dahelong Electromechanical Co., Ltd., was established and registered with the approval of the Ministry of Economic Affairs on July 30, 2002, in accordance with the Company Law and its relevant laws and regulations, and obtained registration as a for-profit enterprise with its main business being the manufacture of power cable accessories such as power generation, transmission and distribution. Please refer to Note 14 for details.

(Original) Young Fast Optoelectronics Co., Ltd. (formerly Young Fast Optoelectronics Company) was established on August 1, 2007 in accordance with the Business Mergers and Acquisitions Act. Its main business items are the research and development, manufacturing, and sales of various types of touch panels. Please refer to Note 14 for details.

In order to improve our operational performance and competitiveness, the Company passed a resolution of its extraordinary shareholders' meeting of November 23, 2007 to undergo a merger with the former Young Fast Optoelectronics Company and change the Company's name to Young Fast Optoelectronics Co., Ltd. Following the merger, the Company was to be the surviving company with a swap of 0.5 common shares of the original Young Fast Optoelectronics for 1 common share of the Company. All rights and obligations of the original Young Fast Optoelectronics was to be generally accepted by the Company. The Company issued 84,000 thousand ordinary shares for the merger and capital increase, and December 24, 2007 was the base date for the merger and capital increase and issuance of new shares.

The Company passed a resolution of the Board of Directors on July 28, 2017 such that in accordance with Article 19 of the Business Mergers And Acquisitions Act and taking May 31, 2017 as the base date, a simple merger was undertaken with the 100%-owned reinvested companies Lucky Chance Enterprise Co., Ltd. ("Lucky Chance") and with Lead Well Technology Co., Ltd. ("Lead Well"). After the mergers, Lucky Chance and Lead Well were to be the extinguished companies and the Company was to be the surviving company.

II. Approval date and procedures of the financial statements

These consolidated financial statements were published after authorization by the Board of Directors on November 6, 2024.

III. New standards, amendments and interpretations adopted

(I) The impact of adopting the newly issued and revised standards and interpretations approved by the Financial Supervisory Commission (“the FSC”).

The Company will apply the following newly amended International Financial Reporting Standards from January 1, 2024, and there is no significant impact on the parent company only financial statements.

- Amendments to IAS 1 “Classification of Liabilities as Current or Non-current”
- Amendments to IAS 1 “Non-current Liabilities with Covenants”
- Amendments to IAS 7 and IFRS 7 “Supplier Finance Arrangements”
- Amendments to IFRS 16 “Leases Liability in a Sale and Leaseback”

(II) The impact of IFRS issued by IASB but not yet endorsed by the FSC

The Group determined that the newly revised IFRS which will be taken into effect on January 1, 2025 will not have a significant impact on the consolidated financial statement.

- Amendments to IFRS 21 “Lack of Exchangeability”

(III) The newly issued or revised IFRS issued by IASB but not yet endorsed by the FSC

The newly issued or revised IFRSs issued by the IASB but not yet endorsed by the FSC to the Group is summarized as below:

New, Revised, or Amended Standards and Interpretations	Major Amendments	Effective Date Issued by IASB
IFRS 18“Presentation and Disclosure in Financial Statements”	The new standard introduces three categories of income and expenses, two income statement subtotals and one single note on management performance measures. The three amendments, combined with enhanced guidance on how to disaggregate information, set the stage for better and more consistent information for users, and will affect all the entities. ・A more structured income statement: Under current standards, companies use different formats to present their results, making it difficult for investors to compare financial performance across companies. The new standard promotes a more structured income	January1, 2027

statement, introducing a newly defined ‘ operating profit’ subtotal, and a requirement for all income and expenses to be allocated between three new distinct categories based on a company’ s main business activities.

- Management performance measures (MPMs): the new standard introduces a definition for management performance measures, and requires companies to explain in a single note to the financial statements why the measure provides useful information, how it is calculated, and reconcile it to an amount determined under IFRS Accounting Standards.。
- Greater disaggregation of information: The new standard includes enhanced guidance on how companies group information in the financial statements. This includes guidance on whether information is included in the primary financial statements or is further disaggregated in the notes.。

The Group is evaluating the impact of its initial adoption of the above-mentioned standards or interpretations on its consolidated financial position and consolidated financial performance. The results thereof will be disclosed when the Group completes its evaluation.

The Group does not expect the following other unapproved new and revised standards to have a material impact on the consolidated financial statements.

- Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture”
- IFRS 17 “ Insurance Contracts” and amendments to IFRS 17 “ Insurance Contracts” Amendments to IFRS 17 “Initial Application of IFRS 17 and IFRS 9 – Comparative Information “
- Amendments to IFRS 19 “Subsidiaries without Public Accountability: Disclosures”
- Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments”
- Annual revision of the accounting principles of IFRS

IV. Summary of significant accounting policies

Except as described in the following paragraphs, the significant accounting policies used in the interim financial statement are consistent with the consolidated financial statement for the year ended December 31, 2023. For related information, please refer to note 4 of the consolidated financial statement for the year ended December 31, 2023.

(I) Statement of compliance

These consolidated financial statements have been prepared in accordance with the preparation and guidelines of IAS 34 “Interim Financial Reporting” which are endorsed and issued into effect by FSC, and do not include all of the information required by the Regulations and International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations endorsed and issued into effect by the FSC (hereinafter referred to IFRS endorsed by the FSC) for a complete set of the annual consolidated financial statements.

(II) Basis of consolidation

Principles of preparation of the consolidated financial statements are consistent with the consolidated financial statement for the year ended December 31, 2023. For related information, please refer to note 4(3) of the consolidated financial statement for the year ended December 31, 2023.

1. Subsidiaries of these consolidated financial statements are listed as follows:

Name of Investing Company	Subsidiary name	Nature of business	Shareholding ratio 2024.9.30	2023.12.31	2023.9.30	Explanation
The Company	Young Fast (SAMOA) Co., Ltd. (Young Fast Samoa)	Professional investment	100.00%	100.00%	100.00%	
The Company	Taiwan SRU Corporation Limited (Taiwan SRU)	Manufacturing of wire and cable accessories	51.00%	51.00%	51.00%	Note
Young Fast Samoa	Young Fast Optoelectronics (VIETNAM) Co., Ltd. (Young Fast Vietnam)	Manufacture and sales of touch panels	100.00%	100.00%	100.00%	
Young Fast Samoa	Tengyang Optoelectronics (Huizhou) Co., Ltd. (Tengyang Optoelectronics)	After sales services (labor)	100.00%	100.00%	100.00%	

Note : This is an immaterial subsidiary for which the consolidated financial statements are neither reviewed nor audited by the Company’s independent auditors.

2. Subsidiaries excluded from the consolidated financial statements: None.

(III) Employee benefits

Under defined benefit plans, pension cost for an interim period is calculated on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior financial year adjusted for significant market fluctuations since that time and for significant curtailments, settlements, or other significant one-off events.

(IV) Income taxes

Tax expense in the interim financial statements is measured and disclosed according to paragraph B12 of IAS 34 “Interim Financial Reporting”.

Income tax expense for the year is best estimated by multiplying pretax income for the interim reporting period by the effective annual tax rate as forecasted by the management. This should be recognized fully as tax expense for the current period.

Temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases shall be measured based on the effective tax rate at the time of realization or liquidation and recognized directly in equity or other comprehensive income as tax expense.

V. Significant accounting assumptions and judgments, and major sources of estimation uncertainty:

The preparation of the consolidated financial statements in conformity with Regulations as well as IFRSs (in accordance with IAS 34 endorsed by the FSC) requires management to make judgments, estimates, and assumptions that affect the application of the accounting policies and the reported amount of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

In the preparation of the consolidated interim financial statements, the major sources of significant accounting assumptions, judgments and estimation uncertainty are consistent with note 5 of the annual consolidated financial statements for the year ended December 31, 2023.

VI. Explanation of significant accounts

(I) Cash and cash equivalents

	2024.9.30	2023.12.31	2023.9.30
Cash	$ 690	597	543
Demand deposits	543,432	375,518	279,417
Checking deposits	-	-	80
Fixed deposits	206,781	159,045	98,405
	$ 750,903	**535,160**	**378,445**

Please refer to Note 6 (23) for the fair value sensitivity analysis and exchange rate risk of the financial assets and liabilities.

(II) Financial assets at fair value through profit or loss－current

	2024.9.30	2023.12.31	2023.9.30
Financial assets designated as at fair value through profit or loss:			
Gold passbook accounts	**$ 217,131**	**127,624**	**121,403**

Please refer to Note 6 (22) for the reevaluation of fair value.

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

	2024.9.30	2023.12.31	2023.9.30
Equity investments at fair value through other comprehensive income			
Current:			
Domestic TWSE listed company shares:			
Taiwan Cooperative Financial Holding Co., Ltd.	$ 1,504,293	1,498,317	1,436,588
Mega Financial Holding Company Limited	971,288	921,408	886,150
First Financial Holding Co.,Ltd.	817,799	793,979	769,348
Taiwan Business Bank	262,526	192,646	185,615
Taiwan Fertilizer Co., Ltd.	168,316	196,175	170,928
Cathay Financial Holdings Co., Ltd.	111,200	76,502	74,496
Chang Hwa Commercial Bank, Ltd.	165,171	152,890	147,338
	4,000,593	3,831,917	3,670,463

Non current:			
Domestic TWSE listed company shares:			
Hold-Key Electric Wire & Cable Co., Ltd.	$ 502,845	345,639	323,938
Unlisted domestic common shares:			
Sol Young Enterprises Co., Ltd.	12,610	12,610	12,610
ICP Technology Co., Ltd.	3,032	3,032	3,032
Willide Optoelectronics Co., Ltd.	3,000	3,000	3,000
Tung Wah Electrical Engineering Co., Ltd.	2,500	2,500	-
Zhihang Technology Co., Ltd.	10,000	-	-
	31,142	21,142	18,642
	533,987	366,781	342,580
Total	**$ 4,534,580**	**4,198,698**	**4,013,043**

The Group designated the investments shown above as equity securities as at fair value through other comprehensive income because these equity securities represent those investments that the Group intends to hold for long-term for strategic purposes.

The Group did not dispose of strategic investments and transfers of any cumulative gain or loss within equity relating to these investments as of September 30, 2024 and 2023.

For market risk information please refer to Note 6 (23).

(IV) Financial assets measured at amortized cost are assets

	2024.9.30	**2023.12.31**	**2023.9.30**
Current:			
Time deposits with original maturities of over three months	**$ 111,244**	**-**	**-**
Interest rate range (%)	**1.4~5.08**	**-**	**-**

The Group assesses these assets as being held to maturity in order to receive their contractual cash flows, and the cash flows of these financial assets constitute in their entirety the payment of principal and interest on the outstanding principal amounts. They are therefore presented as financial assets measured at amortized cost.

(V) Notes receivable and accounts receivable

		2024.9.30	2023.12.31	2023.9.30
Notes receivable	$	331,331	258,689	258,148
Accounts receivable		80,802	139,311	178,391
Accounts receivable - related parties		94	52,028	89,449
Long-term notes receivable (Other Non-Current Assets)		19,283	25,390	-
Less:				
Loss allowance - notes receivable		(21,401)	(5,043)	(12,005)
Loss allowance - accounts receivable		(29)	(1,501)	(2,562)
Loss allowance - Long-term notes receivable		(6,376)	(4,060)	-
	$	**403,704**	**464,814**	**511,421**

The Company entered into an accounts receivable factoring agreement with CTBC Bank in November 2023. As agreed, the Company shall not bear the default risk of accounts receivable transferred but losses arising from disputes, and the bank shall offer a 90-percent credit risk protection while the Company shall not have any continuing involvement in the transferred accounts receivable. Therefore, the requirements of derecognition of financial assets were met. After the derecognition of accounts receivable, the debt receivable from the financial institution was recognized as other receivables. As of December 31 2023.the information on accounts receivable transferred that were undue on the reporting date is as follows：

2023.12.31						
Factor	**Amount derecognized**	**Advance amount available**	**Advance amount withdrawn**	**Amount reclassified as other receivables**	**Interest rate range**	**Other important matter**
CTBC Bank	2,286	39,149	-	2,286	-	None
	(USD74)	(USD1,275)		(USD74)		

As of September 30, 2024 and December 31 2023, the credits approved for the accounts receivable factoring agreement between the Group and CTBC Bank were NTD47,475 thousand (USD1,500 thousand) and NTD46,058 thousand (USD1,500 thousand), respectively, while the Group may withdraw advance up to 85% of the agreed facility. As of September 30, 2024, the Group did not factor any of its accounts receivable.

The Group According to the credit approval notice signed with Shanghai Commercial and Savings Bank in 2023, the merged company can advance payment within 80% of the contract amount from January 6 to August 30, 2023. The above-mentioned sales contract for accounts receivable expired on August 30, 2023.

The Group applies the simplified approach to provide for its expected credit losses, i.e., using the measurement of expected credit loss during the period. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due, as well as incorporated forward looking information, including macroeconomic and relevant industry information. According to the historical experience of the Group's credit losses, there is no significant difference in the loss patterns of different customer groups. Therefore, the provision matrix does not further differentiate customer groups.

Analysis of expected credit losses of the Group notes receivable and accounts receivable (excluding related parties) is as follows:

	2024.9.30		
	Carrying values of notes receivable and accounts receivable	**Expected Weighted average loss rate (%)**	**Allowance for expected credit loss during the period**
Current	$ 427,783	0.00~5.65	24,173
More than 180 days past due	3,633	100.00	3,633
	$ 431,416		27,806

	2023.12.31		
	Carrying values of notes receivable and accounts receivable	**Expected Weighted average loss rate (%)**	**Allowance for expected credit loss during the period**
Current	$ 419,681	0.00~1.96	6,903
61 to 90 days past due	21	61.80	13
More than 180 days past due	3,688	100.00	3,688
	$ 423,390		10,604

	2023.9.30		
	Carrying values of notes receivable and accounts receivable	Expected Weighted average loss rate (%)	Allowance for expected credit loss during the period
Current	$ 430,561	0.00~2.54	10,935
1 to 30 days past due	1,191	4.62	55
91 to 120 days past due	58	39.66	23
151 to 180 days past due	3,633	67.66	2,458
More than 180 days past due	1,096	100.00	1,096
	$ 436,539		14,567

According to the contracts signed between the consolidated company and its clients, the consolidated company can only invoice the clients after the clients have received payment from their end customer, Taiwan Power Company. Some of the consolidated company's notes receivable, although due but not yet cashed, are listed under the non-overdue category because they are not yet eligible for invoicing. As of September 30, 2024, 、December 31, 2023, and September 30, 2023, the amounts of these due but not yet cashed notes receivable were NT$104,854 thousand, NT$95,958 thousand, and NT$121,135 thousand, respectively.

According to historical experience, the Group accounts receivable due from related parties have experienced no credit losses, and we also consider that as of the balance sheet date, the accounts receivable due from related parties have not been overdue and there is no other indication that the credit quality of accounts receivable due from related parties has changed from the original credit dates. Therefore, the Group assessment of accounts receivable due from related parties is that they will not generate credit losses, and they are not included for calculation in the analysis table of expected credit losses.

The table of changes in loss allowance for notes receivable and accounts receivable of the Group is as follows:

	January to September, 2024	January to September, 2023
Opening balance	$ 10,604	11,974
Provision for impairment loss (reversal gain)	17,202	2,593
Ending balance	$ 27,806	14,567

(VI) Other receivables (Including current and non-current)

	2024.9.30	2023.12.31	2023.9.30
Current			
Finance lease receivable, net.	$ 884	835	819
Other receivables	7,945	7,854	7,526
	8,829	8,689	8,345
Non-current (Other Non-current Assets)			
Long-term finance lease receivable, net.	2,804	3,472	3,687
Long-term accounts	53,983	65,166	65,166
Loss allowance－Long-term accounts	(53,983)	(65,166)	(65,166)
	2,804	3,472	3,687
	$ 11,633	**12,161**	**12,032**

The table of changes in loss allowance for other receivables and long-term receivables of the Group is as follows:

	January to September, 2024	January to September, 2023
Opening balance	$ 65,166	65,166
Reversal of impairment losses	(11,183)	-
Ending balance	**$ 53,983**	**65,166**

For other credit risk information please refer to Note 6 (23).

(VII) Inventory

	2024.9.30	2023.12.31	2023.9.30
Raw materials	$ 160,958	173,523	186,933
Work in process	62,826	51,763	65,499
Finished products	30,036	14,330	15,362
Goods held in inventory	6,568	2,431	8,108
Inventory in transit	3,386	1,335	4,390
	$ 263,774	**243,382**	**280,292**

In addition to transferring inventory to operating costs due to normal sales in July 1 to September 30, January 1 to September 30, 2024 and 2023, the Group’s other total expenses and losses directly included in operating costs are listed as follows:

	July to September, 2024	July to September, 2023	January to September, 2024	January to September, 2023
Inventory valuation and obsolescence loss (reversal gain)	$ 2,510	(10,021)	(14,515)	(24,225)
Inventory obsolescence loss	(1)	2,214	397	19,925
Unamortized manufacturing overhead	13,272	10,704	41,498	34,291
Inclusion in operating costs	**$ 15,781**	**2,897**	**27,380**	**29,991**

The reversal of previously recognized impairment and bad debt losses in July 1 to September 30, January 1 to September 30, 2024 and 2023 is mainly due to the sale of inventories that have been provisioned for impairment and bad debt losses.

None of the Group's inventory was pledged as collateral as of September 30, 2024, December 31, 2023, and September 30, 2023.

(VIII) Investments accounted for using equity method

The Group’s financial information for investments accounted for using the equity method at the reporting date was as follows:

	2024.9.30	2023.12.31	2023.9.30
Affiliated companies	**$ 362,761**	**348,778**	**344,744**

1. Affiliated companies

Affiliates which are material to the Group consisted of the following:

Affiliated companies Name	Within the Group Nature of Relationship	Main operating location / incorporation	Proportion of shareholding and voting rights		
			2024.9.30	2023.12.31	2023.9.30
Epoch Chemtronics Corp. (Epoch)	Optical instrument manufacturing, etc.	Taiwan	23.75%	23.75%	23.75%

Aggregated financial information of affiliated companies that are material to the Group are set forth below.

	2024.9.30	2023.12.31	2023.9.30
Current assets	$ 2,747,575	2,865,841	3,114,982
Non-current assets	989,210	1,026,259	987,885
Current liabilities	(2,195,662)	(2,409,012)	(2,661,806)
Non-current liabilities	(101,515)	(102,345)	(77,305)
Net assets	**$ 1,439,608**	**1,380,743**	**1,363,756**

	July to September, 2024	July to September, 2023	January to September, 2024	January to September, 2023
Operating income	$ 1,460,035	1,676,158	4,419,795	4,455,380
Profit from continuing operations	$ 61,539	92,616	215,629	200,311
Other comprehensive income	5,304	24,218	30,365	9,661
Total comprehensive income	$ 66,843	116,834	245,994	209,972

	January to September, 2024	January to September, 2023
Share of net assets of the Company's affiliates on January 1	$ 327,931	306,342
Comprehensive income (loss) attributable to the Company	58,424	49,868
Dividends received from affiliated companies	(44,441)	(32,321)
Change of the Company’s affiliates using the equity method	-	8
Share of net assets of related companies attributable to the Company at end of period	341,914	323,897
Add: Goodwill	20,847	20,847
Carrying amount of equity in affiliated companies attributable to the Company at period end	$ 362,761	344,744

The difference between the Group's equity and the carrying amount of the investment using the equity method mainly constitutes goodwill arising from the purchase of the investment at a premium when originally acquired.

2. Collateral

As of September 30, 2024, December 31, 2023, and September 30, 2023, none of the Group's investments using the equity method was pledged as collateral.

3. The unreviewed financial statements of investments accounted for using equity method

Investments accounted for using the equity method and the consolidated company's share of profits and other comprehensive income are calculated based on unaudited financial reports.

(IXI)Property, plant and equipment

The cost, depreciation, and impairment loss of the property, plant and equipment of the Group for September 30, 2024 and 2023 were as follows:

	Land	Housing and construction	Machinery and equipment	Leased assets	Other equipment	Total
Cost or deemed cost:						
Balance as at January 1, 2024	$ 263,627	1,545,326	2,384,763	45,849	553,268	4,792,833
Addition	-	2,807	4,590	-	24,087	31,484
Disposal	-	(14,558)	(8,534)	-	(16,933)	(40,025)
Reclassification (Note 1)	-	16,608	6,697	-	24,760	48,065
Effect of movements in exchange rates	-	30,158	58,044	-	13,060	101,262
Balance as at September 30, 2024	$ 263,627	1,580,341	2,445,560	45,849	598,242	4,933,619
Balance as at January 1, 2023	$ 263,627	1,541,971	2,474,022	45,188	541,043	4,865,851
Addition	-	669	3,583	541	5,805	10,598
Disposal	-	-	(55,333)	-	(1,587)	(56,920)
Reclassification (Note 1)	-	-	8,347	-	1,992	10,339
Effect of movements in exchange rates	-	49,550	94,786	-	21,423	165,759
Balance as at September 30, 2023	$ 263,627	1,592,190	2,525,405	45,729	568,676	4,995,627
Depreciation and impairment loss:						
Balance as at January 1, 2024	$ -	1,100,784	2,300,835	26,766	521,327	3,949,712
Depreciation for the current period	-	32,678	19,656	7,560	8,115	68,009
Disposal	-	(12,683)	(8,534)	-	(16,933)	(38,150)
Reclassification	-	6,484	-	-	-	6,484
Effect of movements in exchange rates	-	19,125	56,690	-	12,903	88,718
Balance as at September 30, 2024	$ -	1,146,388	2,368,647	34,326	525,412	4,074,773
Balance as at January 1, 2023	$ -	1,062,875	2,401,312	16,732	514,094	3,995,013
Depreciation for the current period	-	30,718	16,601	7,520	6,803	61,642
Disposal	-	-	(55,333)	-	(1,5867)	(56,920)
Effect of movements in exchange rates	-	31,518	92,471	-	21,028	145,017
Balance as at September 30, 2023	$ -	1,125,111	2,455,051	24,252	540,338	4,144,752
Carrying amounts:						
Balance as at January 1, 2024	$ 263,627	444,542	83,928	19,083	31,941	843,121
Balance as at September 30, 2024	$ 263,627	433,953	76,913	11,523	72,830	858,846
Balance as at September 30, 2023	$ 263,627	467,079	70,354	21,477	28,338	850,875

Note 1: Transferred from payments for prepaid equipment in total of 38,057 thousand NTD and from the book value of investment real estate in total of 3,524 thousand NTD.

Note 2: Transferred from payments of prepaid equipment.

The Group as of September 30, 2024, for details of the long-term loan guarantee.please refer to Note 8.

(X) Right of use assets

The cost, depreciation, and impairment loss of the land and buildings of the Group were as follows:

		Land	Housing and construction	Total
Right of use asset costs:				
Balance as at January 1, 2024	$	73,720	96,018	169,738
Effect of movements in exchange rates		2,269	-	2,269
Balance as at September 30, 2024	$	75,989	96,018	172,007
Balance as at January 1, 2023	$	73,732	94,334	168,066
Addition		-	1,684	1,684
Effect of movements in exchange rates		3,745	-	3,745
Balance as at September 30, 2023	$	77,477	96,018	173,495
Right of use asset depreciation:				
Balance as at January 1, 2024	$	8,979	43,912	52,891
Depreciation for the current period		1,430	13,399	14,829
Effect of movements in exchange rates		259	-	259
Balance as at September 30, 2024	$	10,668	57,311	67,979
Balance as at January 1, 2023	$	7,153	26,120	33,273
Depreciation for the current period		1,380	13,325	14,705
Effect of movements in exchange rates		423	-	423
Balance as at September 30, 2023	$	8,956	39,445	48,401
Carrying amounts:				
Balance as at January 1, 2024	$	64,741	52,106	116,847
Balance as at September 30, 2024	$	65,321	38,707	104,028
Balance as at September 30, 2023	$	68,521	56,573	125,094

(XI) Investment real estate

Investment real estate constitutes the Group's own assets and right-of-use assets that recognize leasehold rights.

		Own assets		Right of use assets	
		Land	Land and buildings	Land	Land
Carrying amount:					
Balance as at January 1, 2024	$	69,908	192,433	29,085	291,426
Balance as at September 30, 2024	$	69,908	180,403	29,345	279,656
Balance as at September 30, 2023	$	69,908	200,225	30,783	300,916

The right-of-use assets of the Group have no significant additions, dispositions, impairment, or reversals for the Nine months ended September 30, 2024 and 2023. Please refer to note 12 for the amount of depreciation, and for other related information, please refer to Note 6(12). of the consolidated financial statement for the year ended December 31, 2023.

There is no significant difference between the fair value of the consolidated company's investment properties and the information disclosed in Note 6(12) of the consolidated financial statements for the year 2023.

(XII) Intangible assets

	Computer software
Carrying amounts:	
Balance as at January 1, 2024	$ 4,284
Balance as at September 30, 2024	$ 4,471
Balance as at September 30, 2023	$ 4,506

The intangible assets of the Group have no significant additions, dispositions, impairment, or reversals for the Nine months ended September 30, 2024 and 2023. For the related information, please refer to note 6(13) of the consolidated financial statement for the year ended December 31, 2023.

(XIII) Long-term borrowings

	2024.9.30		
	Interest rate range (%)	Maturity year	Amount
Long-term borrowings	2.220	120	$ 35,000
Less: Those maturing within one year			-
Less: current portion			
Total			$ 35,000
Unused long-term credit lines			$ -

On March 25, 2024, the consolidated company borrowed NT$35,000 thousand from the Bank of Taiwan, with the loan purpose restricted to the construction of solar power equipment.

The consolidated company agreed with the bank to use the solar power equipment as enhanced collateral for the long-term loan. The solar power generation equipment was completed in August 2024. Please refer to Note 8 for relevant mortgage and pledge information.

The Group as of December 31, 2023, and September 30, 2023, the Group had no long-term borrowings.

(XIV) Lease liabilities

Book value of the Group's lease liabilities is as follows:

		2024.9.30	2023.12.31	2023.9.30
Current:				
Lease liabilities	$	135	118	498
Lease liabilities - Related parties		18,089	17,877	17,807
	$	**18,224**	**17,995**	**18,305**
Non-current:				
Lease liabilities	$	18,948	18,908	19,457
Lease liabilities - Related parties		21,405	34,998	39,494
	$	**40,353**	**53,906**	**58,951**

For maturity analysis of financial instruments, please refer to Note 6 (23).

Amounts recognized as profit or loss are as follows:

		July to September, 2024	July to September, 2023	January to September, 2024	January to September, 2023
Interest on lease liabilities	**$**	**587**	**651**	**1,793**	**1,957**
Expenses relating to short term leases	**$**	**318**	**40**	**947**	**119**
Expenses relating to leases of low value assets, excluding short term leases of low value assets	**$**	**9**	**254**	**32**	**678**

Amounts recognized in the Statements of Cash Flows are as follows:

		January to September, 2024	January to September, 2023
Total amount of net cash flows from operating activities	$	2,772	2,754
Total amount net cash flows from financing activities		13,917	13,256
Total cash flows from leases	**$**	**16,689**	**16,010**

The Group leases land, houses, and buildings as factories, offices and leases. Land and building leases are typically for three to five years. When the lease period expires, the option to extend the same period as the original contract is available. In addition, the land lease period is 37 years.

The Group leases some offices and transportation equipment for a period of one year to three years. Such leases are leases of short term or low value subject matter, and the Company has elected not to recognize right of use assets and lease liabilities for these leases.

(XV) Provisions

	2024.9.30	2023.12.31	2023.9.30
Current:			
After-sales service provisions	$ 44,623	45,779	43,623
Non-current:			
After-sales service provisions	138,528	140,948	129,367
Decommissioning, restoration, and rehabilitation costs	5,164	5,164	5,164
	143,692	146,112	134,531
	$ 188,315	**191,891**	**178,154**

There is no significant changes of provisions for the Nine months ended September 30, 2024 and 2023. Please refer to note 6(15) of the consolidated financial statements for the year ended December 31, 2023 for related information.

(XVI) Employee benefits

1. Defined benefit plan

Management believes that there was no material volatility of the market, no material reimbursement and settlement or other material one-time events since prior fiscal year. As a result, the pension cost in the accompanying interim consolidated financial statements was measured and disclosed according to the actuarial report as of December 31, 2023 and 2022.

The pension expenses under the defined benefit plan pension system from July 1 to September 30, January 1 to September 30, 2024 and 2023 were NTD 0 thousand, NTD 0 thousand, NTD 0 thousand, and NTD 98 thousand respectively.

2. Defined contribution plan

Among the Group, in the Company and in its subsidiary Taiwan SRU Corp.

established in the Republic of China, transfers are made to individual labor pension accounts established by the Bureau of Labor Insurance in line with the contribution rate of 6% of monthly employee salaries and in accordance with the provisions of the Labor Pension Act. Under this setup, after the Company and Taiwan SRU Corp. have provided a fixed amount to the Bureau of Labor Insurance, there is no statutory or constructive obligation to pay an additional amount.

The Groups' subsidiaries located in China and Vietnam are determined as providing for retirement, and these pension are based on employee salaries. A certain percentage of the related allocations are deposited into a special account of the retirement fund, which is managed by the local statutory insurance agency. When an employee retires, he or she can receive the employee's self-provided funds and the Company's relative contribution funds and its yield from the special fund account.

Pension expenses under the Group's July 1 to September 30, January 1 to September 30, 2024 and 2023 defined pension appropriation measures are NTD 1,556 thousand, NTD 1,493 thousand, NTD 4,582 thousand, and NTD 4,349 thousand respectively.

(XVII) Income taxes

The Group's income tax expenses (gains) are detailed as follows:

	July to September, 2024	July to September, 2023	January to September, 2024	January to September, 2023
Current income tax expense	$ 10,490	915	39,092	12,037

The Company's tax returns for the years through 2021 were examined and approved by the tax authority.

(XVIII) Capital and other equity

Apart from the matters described in the following paragraphs, there were no major changes in the Consolidated Company's capital and other equity for the Nine months ended September 30, 2024 and 2023. For relevant information, please refer to Note 6 (18) of the consolidated financial statements for the year ended December 31, 2023.

1. Earnings distribution

On May 27 and 31, 2024, the shareholders' meeting approved the capital surplus cash dividend of 2023 and 2022 distribution proposal and the earning proposal. The amounts of cash dividends is as follows:

		2023	2022
Dividends distributed to owners of ordinary shares:			
Cash - retained earnings	$	226,992	151,328
Cash - capital reserve		75,663	75,664
	$	302,655	226,992
Distribution rate in NT dollars (NTD)	$	2.00	1.50

Information on the distribution of earnings as resolved by the Company's shareholders' meeting can be inquired through the Market Observation Post System.

2. Other equity (net of tax)

		Foreign currency translation differences for foreign operations	Unrealized valuation gains (losses) on financial assets at fair value through other comprehensive income	Total
Balance as at January 1, 2024	$	10,401	1,799,695	1,810,096
Exchange differences on translation of foreign financial statements		24,490	-	24,490
Share of other comprehensive income of subsidiaries, affiliates, and joint ventures recognized using the equity method		7,212	-	7,212
Unrealized valuation gains and losses on financial assets at fair value through other comprehensive income		-	290,373	290,373
Balance as at September 30, 2024	$	42,103	2,090,068	2,132,171
Balance as at January 1, 2023	$	13,527	1,174,206	1,187,733
Exchange differences on translation of foreign financial statements		40,364	-	40,364
Share of other comprehensive income of subsidiaries, affiliates, and joint ventures recognized using the equity method		2,294	-	2,294
Unrealized valuation gains and losses on financial assets at fair value through other comprehensive income		-	442,333	442,333
Balance as at September 30, 2023	$	56,185	1,616,539	1,672,724

(XIXI) Earnings per share

Unit: Thousand shares

	July to September, 2024	July to September, 2023	January to September, 2024	January to September, 2023
Basic EPS:				
Net profit attributable to holders of ordinary shares of the Company	$ 306,565	279,094	610,410	416,237
Weighted average number of ordinary shares outstanding	151,328	151,328	151,328	151,328
Basic EPS - Continuing Operations (Unit: New Taiwan Dollars)	$ 2.02	1.85	4.03	2.75
Diluted EPS:				
Net profit attributable to holders of ordinary shares of the Company	$ 306,565	279,094	610,410	416,237
Weighted average number of ordinary shares outstanding	151,328	151,328	151,328	151,328
Effects of all dilutive potential common shares				
Employees' compensation	175	230	215	337
Weighted average number of ordinary shares outstanding (diluted)	151,503	151,558	151,543	151,665
Diluted EPS - Continuing Operations (Unit: New Taiwan Dollars)	$ 2.02	1.84	4.03	2.74

(XX) Revenue from contracts with customers

1. Details of revenue

	July to September, 2024		
	Optoelectronics Division	Electromechanical Division	Total
Principal regional markets:			
Asia	$ 27,973	5,132	33,105
Americas	12,571	-	12,571
Taiwan	41,500	398,862	440,362
	$ 82,044	**403,994**	**486,038**

	July to September, 2023		
	Optoelectronics Division	Electromechanical Division	Total
Principal regional markets:			
Asia	$ 27,385	6,331	33,716
Americas	13,027	-	13,027
Taiwan	85,975	389,746	475,721
	$ 126,387	**396,077**	**522,464**

	January to September, 2024		
	Optoelectronics Division	Electromechanical Division	Total
Principal regional markets:			
Asia	$ 73,326	15,517	88,843
Americas	36,215	-	36,215
Taiwan	121,687	1,048,584	1,170,271
	$ 231,228	**1,064,101**	**1,295,329**

	January to September, 2023		
	Optoelectronics Division	Electromechanical Division	Total
Principal regional markets:			
Asia	$ 83,305	8,824	92,129
Americas	27,211	-	27,211
Taiwan	175,221	919,502	1,094,723
	$ 285,737	**928,326**	**1,214,063**

2. Contract balances

	2024.9.30	2023.12.31	2023.9.30
Notes receivable	$ 331,331	258,689	258,148
Accounts receivable	80,802	139,311	178,391
Accounts receivable - related parties	94	52,028	89,449
Long-term notes receivable (Other Non-Current Assets)	19,283	25,390	-
Less: Loss allowance－notes receivable	(21,401)	(5,043)	(12,005)
Less: Loss allowance - accounts receivable	(29)	(1,501)	(2,562)
Loss allowance - Long-term notes receivable	(6,376)	(4,060)	-
Total	**$ 403,704**	**464,814**	**511,421**
Contract Liabilities - Merchandise Sales	**$ 21,460**	**4,892**	**4,276**

Please refer to Note 6 (5) for disclosure of notes and accounts receivable and their impairment.

(XXI) Remuneration of employees and directors

According to the Articles of Incorporation of the Company, if there is profit for the year then not less than 2% shall be set aside for employees' remuneration and not more than 1.5% shall be set aside as remuneration for directors. However, when the Company still has accumulated losses, it should reserve the compensatory amount in advance. Stock or cash may be distributed to persons to whom employee remuneration is to be distributed as in the preceding paragraph, including employees of controlling or subordinate companies meeting certain conditions.

The Company's estimated amounts of employee remuneration from July 1 to September 30, January 1 to September 30, 2024 and 2023 were NTD 6,315 thousand, NTD 5,784 thousand, NTD 12,952 thousand, and NTD8,857 thousand respectively. The corresponding estimated amounts for directors' remuneration were NTD 4,736 thousand, NTD 4,338 thousand, NTD 9,714 thousand, and NTD 6,643 thousand. The estimated amounts mentioned above are calculated based on net profit before tax of the Company, excluding remuneration to employees and directors, and multiplied by the percentage of remuneration to employees and directors as stipulated in the Company's Articles of Incorporation. These remunerations were reported under operating expenses. The differences between the actual distributed amounts, as determined by the Board of Directors, and those recognized in the financial statements, if any, shall be accounted for as changes in accounting estimates and recognized in profit or loss in the following year. Relevant information can be inquired through the Market Observation Post System. If the Board of Directors decides to pay employee compensation in stock, the numbers of shares to be distributed were calculated based on the closing price of the Company's shares one day before the date of the decision of the Board of Directors. If the actual amount of dividends distributed in the next year is different from the estimated amount, it will be treated as a change in accounting estimate, and the difference will be recognized in the next year's income statement.

The Company's estimated amounts of employee remuneration for 2023 and 2022 were NTD 10,751 thousand and NTD 8,636 thousand respectively. The corresponding estimated amounts for directors' remuneration were NTD 8,063 thousand and NTD 6,463 thousand. which is no different from the actual distribution situation. The information is available on the Market Observation Post System website.

(XXII) Non-operating revenue and expenses

1. Interest income

Details of the interest income of the Group are as follows:

		July to September, 2024	July to September, 2023	January to September, 2024	January to September, 2023
Bank deposit interest	$	1,762	655	5,326	3,229
Other		91	75	283	103
	$	**1,853**	**730**	**5,609**	**3,332**

2. Other income

The details of other revenue of the Group were as follows:

		July to September, 2024	July to September, 2023	January to September, 2024	January to September, 2023
Lease income	$	19,721	18,324	54,694	52,342
Dividends income		127,157	99,959	127,330	99,959
Other income		2,456	1,615	10,598	5,790
	$	**149,334**	**119,898**	**192,622**	**158,091**

3. Other gains and losses

The details of other gains and losses were as follows:

	July to September, 2024	July to September, 2023	January to September, 2024	January to September, 2023
Proceeds from disposal of property, plant and equipment	$ (1,529)	-	(700)	150
Loss on disposal of investment property	(319)	-	(319)	-
Investment real estate depreciation expense	(4,934)	(4,727)	(14,779)	(13,844)
Net foreign currency exchange gains (loss)	5,354	2,120	4,566	(823)
Gain (loss) on financial assets at fair value through profit or loss	18,512	2,325	42,390	7,156
Other	(46)	(84)	(49)	(734)
	$ 17,038	(366)	31,109	(8,095)

4. Finance costs

The Group's finance costs were as follows:

	July to September, 2024	July to September, 2023	January to September, 2024	January to September, 2023
Interest Expense:				
Bank loans	$ 201	-	401	-
Lease liabilities	587	651	1,793	1,957
Other	3	2	8	5
	$ 791	653	2,202	1,962

(XXIII) Financial instruments

Except for those described below, there were no significant changes on fair value, credit risk, liquidity risk and market risk of financial instruments. Please refer to note 6(23) of the consolidated financial statements for the year ended December 31, 2023 for related information.

1. Credit risk

(1) Credit risk exposure

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

(2) Concentration of credit risk

Among the balances of accounts receivable and notes receivable of the Group as at September 30, 2024、December 31, 2023 and September 30,2023, three major customers accounted for 80%、67% and 59% respectively.

(3) Credit risk on receivables and financial assets at amortized cost

For credit risk exposure of notes receivable and accounts receivable, please refer to Note 6 (5). For credit risk exposure of other receivables and long-term receivables, please refer to Note 6 (6). Other receivables, long-term receivables and other financial assets measured at amortized cost are financial assets with low credit risk. The loss allowance for that period is therefore measured at the twelve-month expected credit loss amount.

2. Liquidity risk

The Group manages and maintains sufficient cash and cash equivalents to support the Group's operations and mitigate the impact of fluctuations in cash flow. The Group's management supervises the use of bank financing lines and ensures compliance with terms of the loan contracts.

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

	Carrying amount	Contractual cash flows	Within 1 year	1-2 years	2-5 years	More than 5 years
September 30, 2024						
Non derivative financial liabilities						
Accounts payable (including related parties)	$ 125,103	125,103	125,103	-	-	-
Other payables	223,908	223,908	223,908	-	-	-
Dividends payable	49,088	49,088	49,088	-	-	-
Long-term borrowings	35,000	38,725	584	777	17,932	19,432
Lease liabilities (including related parties)	58,577	95,069	20,329	19,529	9,148	46,063
Deposits received	22,196	22,196	334	6,856	15,006	-
Other non-current liabilities	63,189	63,189	-	-	-	63,189
	$ 577,061	617,278	419,346	27,162	42,086	128,684

		Carrying amount	Contractual cash flows	Within 1 year	1-2 years	2-5 years	More than 5 years
December 31, 2023							
Non derivative financial liabilities							
Accounts payable (including related parties)	$	129,076	129,076	129,076	-	-	-
Other payables		244,542	244,542	244,542	-	-	-
Lease liabilities (including related parties)		71,901	109,065	20,276	20,276	22,109	46,404
Deposits received		21,464	21,464	8,303	10,221	2,940	-
Other non-current liabilities		61,303	61,303	-	-	-	61,303
	$	528,286	565,450	402,197	30,497	25,049	107,707
September 30, 2023							
Non derivative financial liabilities							
Accounts payable (including related parties)	$	152,997	152,997	152,997	-	-	-
Other payables		215,647	215,647	215,647	-	-	-
Dividends payable		-	-	-			
Lease liabilities (including related parties)		77,256	116,883	20,740	20,363	27,011	48,769
Deposits received		22,381	22,381	8,979	220	13,182	-
Other non-current liabilities		64,427	64,427	-	-	-	64,427
	$	532,708	572,335	398,363	20,583	40,193	113,196

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

3. Exchange rate risk

(1) Exposure to exchange rate risk

The Group's financial assets and liabilities exposed to significant foreign currency exchange rate risk were as follows:

	2024.9.30			2023.12.31			2023.9.30		
	Foreign currency	Exchange rate	New Taiwan Dollar	Foreign currency	Exchange rate	New Taiwan Dollar	Foreign currency	Exchange rate	New Taiwan Dollar
Financial assets									
Monetary items									
US Dollar	$ 10,583	31.6500	334,942	12,830	30.7050	393,951	11,527	32.2700	371,966
RMB	117	4.5230	528	269	4.3270	1,162	269	4.4150	1,188
Vietnamese Dong	32,339,809	0.0013	41,072	7,424,876	0.0013	9,281	8,965,488	0.0013	11,745
Japanese Yen	372,820	0.2223	82,878	226,949	0.2172	49,293	221,147	0.2162	47,812
Financial liabilities									
Monetary items									
US Dollar	13,094	31.6500	414,431	7,372	30.7050	226,354	7,570	32.2700	244,290
Vietnamese Dong	14,114,579	0.0013	17,926	17,369,658	0.0013	21,712	14,600,815	0.0013	19,127
Japanese Yen	90,516	0.2223	20,122	96,192	0.2172	20,893	160,592	0.2162	34,720

(2) Sensitivity analysis

The Group’s exposure to exchange rate risk arises from the translation of the foreign currency exchange gains and losses on cash and cash equivalents, accounts receivable (including related parties), accounts payable (including related parties), and other payables that are denominated in foreign currency.

As at September 30, 2024 and 2023, if the TWD, when compared with the USD, CNY, VND, and JPY had appreciated or depreciated 5% with all other factors remaining constant, then net profit before tax for January to March, 2024 and 2023 would have respectively increased or decreased by approximately NTD 347 thousand and NTD6,729 thousand. The analysis is performed on the same basis for both periods.

(3) Exchange gains and losses on monetary items

Due to the wide variety of foreign currency transactions of the Group, gains or losses on foreign exchange are summarized as a single amount. Foreign currency exchange losses (including both realized and unrealized) in July 1 to September 30, January 1 to September 30, 2024 and 2023 were NTD 5,354 thousand, NTD 2,120 thousand, NTD 4,566 thousand, and NTD(823) thousand, respectively.

4. Interest rate risk

The interest rate risk of the Group financial assets is explained in the financial risk management section of this note.

The Group major financial assets that are sensitive to interest rates are term deposits calculated at floating interest rates. However, after assessing their increase and decrease, the change is not large, so it will not cause a significant cash flow risk to the Group.

5. Other market price risk

Sensitivity analyses for the changes in the securities price at the reporting date were performed using the same basis for the profit and loss as illustrated below:

Price of securities at reporting date	**January to September, 2024**	**January to September, 2023**
Up 5%	$ 226,729	200,652
Down 5%	$ (226,729)	(200,652)

6. Fair value information

(1) Hierarchy and fair value of financial instruments

The Group's financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income are measured at fair value on a recurring basis. The carrying amount and fair value of each category of financial assets and liabilities, including the information on fair value hierarchy were as follows; however, except as described in the following paragraphs, for financial instruments not measured at fair value whose carrying amount is reasonably close to the fair value, and for equity investments that has no quoted prices in the active markets and whose fair value cannot be reliably measured, disclosure of fair value information is not required:

	2024.9.30				
		Fair value			
	Carrying amount	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets at fair value through profit or loss					
Non-derivative financial assets mandatorily measured at fair value through profit or loss	$ 217,131	217,131	-	-	217,131
Financial assets at fair value through other comprehensive income					
Domestic TWSE (TPEx) listed shares	4,503,438	4,503,438	-	-	4,503,438
Equity instruments without an active market measured at fair value	31,142	-	-	31,142	31,142
Subtotal	4,534,580	4,503,438	-	31,142	4,534,580
Financial assets measured at amortized cost					
Cash and cash equivalents	750,903	-	-	-	-
Financial assets measured at amortized cost - current	111,244	-	-	-	-
Notes receivable and accounts receivable (including related parties)	390,797	-	-	-	-
Other receivables	11,633	-	-	-	-
Long-term notes receivable	12,907	-	-	-	-
Refundable deposits	7,639	-	-	-	-
Other non-current assets	63,189	-	-	-	-
Subtotal	1,348,312	-	-	-	-
Total	**$ 6,100,023**	**4,720,569**	**-**	**31,142**	**4,751,711**
Financial liabilities measured at amortized cost					
Accounts payable (including related parties)	$ 125,103	-	-	-	-
Other payables	223,908	-	-	-	-
Long-term borrowings	49,088	-	-	-	-
Dividends Payable	35,000				
Lease liabilities (including related parties)	58,577	-	-	-	-
Deposits received	22,196	-	-	-	-
Other non-current liabilities	63,189	-	-	-	-
Total	**$ 577,061**	**-**	**-**	**-**	**-**

	2023.12.31				
		Fair value			
	Carrying amount	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss					
Non-derivative financial assets mandatorily measured at fair value through profit or loss	$ 127,624	127,624	-	-	127,624
Financial assets at fair value through other comprehensive income					
Domestic TWSE (TPEx) listed shares	4,177,556	4,177,556	-	-	4,177,556
Equity instruments without an active market measured at fair value	21,142	-	-	21,142	21,142
Subtotal	4,198,698	4,177,556	-	21,142	4,198,698
Financial assets measured at amortized cost					
Cash and cash equivalents	535,160	-	-	-	-
Notes receivable and accounts receivable (including related parties)	443,484	-	-	-	-
Other receivables	12,161	-	-	-	-
Long-term notes receivable	21,330	-	-	-	-
Refundable deposits	5,806	-	-	-	-
Other non-current assets	61,303	-	-	-	-
Subtotal	1,079,244	-	-	-	-
Total	$ 5,405,566	4,305,180	-	21,142	4,326,322
Financial liabilities measured at amortized cost					
Accounts payable (including related parties)	$ 129,076	-	-	-	-
Other payables	244,542	-	-	-	-
Lease liabilities (including related parties)	71,901	-	-	-	-
Deposits received	21,464	-	-	-	-
Other non-current liabilities	61,303	-	-	-	-
Total	$ 528,286	-	-	-	-

	2023.9.30				
		Fair value			
	Carrying amount	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss					
Non-derivative financial assets mandatorily measured at fair value through profit or loss	$ 121,403	121,403	-	-	121,403
Financial assets at fair value through other comprehensive income					
Domestic TWSE (TPEx) listed shares	3,994,401	3,994,401	-	-	3,994,401
Equity instruments without an active market measured at fair value	18,642	-	-	18,642	18,642
Subtotal	4,013,043	3,994,401	-	18,642	4,013,043
Financial assets measured at amortized cost					
Cash and cash equivalents	378,445	-	-	-	-
Notes receivable and accounts receivable (including related parties)	511,421	-	-	-	-
Other receivables	12,032	-	-	-	-
Refundable deposits	6,014	-	-	-	-
Other non-current assets	64,427	-	-	-	-
Subtotal	972,339	-	-	-	-
Total	**$ 5,106,785**	**4,115,804**	**-**	**18,642**	**4,134,446**
Financial liabilities measured at amortized cost					
Notes payable and accounts payable (including related parties)	$ 152,997	-	-	-	-
Other payables	215,647	-	-	-	-
Dividends Payable	-				
Lease liabilities (including related parties)	77,256	-	-	-	-
Deposits received	22,381	-	-	-	-
Other non-current liabilities	64,427	-	-	-	-
Total	**$ 532,708**	**-**	**-**	**-**	**-**

(2) Valuation techniques for financial instruments measured at fair value—non-derivative financial instruments

If there is a quoted market price in an active market for a financial instrument, the fair value is based on the quoted market price in an active market. The market price announced by the major exchanges for all listed (over-the-counter) equity instruments taken as the basis for fair value.

Among financial instruments held by the Group, the stocks of listed (over-the-counter listed) companies and gold passbook accounts are financial assets with standard terms and conditions and are traded in the active market, and their fair values are determined by reference to market quotations.

Except for the above-mentioned financial instruments for which there is an active market, the fair values of other financial instruments are based on valuation techniques. Fair value obtained through valuation techniques may refer to the current fair value of other financial instruments with substantially similar conditions and characteristics, discounted cash flow methods, or other valuation techniques including those calculated using models based on market information available at the consolidated balance sheet date.

Financial instruments held by the Group constitute equity instruments without an active market that are not publicly quoted and are measured at fair value. Fair value is estimated using the market comparable approach as well as net asset value. The main assumptions of the market comparable approach are based on the after-tax net profit or equity net worth of the investee and the earnings or book value multipliers derived from market quotations of comparable listed companies. This estimate has been adjusted for the discounting effect of the lack of market liquidity of the equity securities. Because the amount of equity investment estimated by the Group using the market comparable company method and net asset value to estimate the fair value is not significant, there is no intention to disclose quantitative information.

(XXIV) Financial risk management

Apart from the matters described in the following paragraphs, there were no significant changes in the objectives and policies of the Consolidated Company's financial risk management compared to those disclosed in Note 6(24) of the consolidated financial statements for the year ended December 31, 2023.

Bank borrowings are an important source of liquidity for the consolidated company. As of September 30, 2024、December 31, 2023 and September 30,2023, the unused bank financing limits for the consolidated company were NT$1,657,105 thousand, NT$1,476,493 thousand, and NT$1,296,716 thousand, respectively.

(XXV) Capital management

The Consolidated Company's capital management objectives, policies, and procedures were consistent with those disclosed in the consolidated financial statements for the year ended December 31, 2023. In addition, there were no significant changes in the aggregate quantitative information of capital management items compared to the information disclosed in the consolidated financial statements for the year ended 2023. Please refer to Note 6(25) of the consolidated financial statements for the year ended December 31, 2023 for relevant information.

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

The Group's investing and financing activities not affecting current cash flow in January to September, 2024 and 2023 were as follows:

1. For acquisition of the right-of-use asset by lease, please refer to Note 6 (10).
2. The Group's Reconciliation of liabilities from financing activities January to September, 2024 and 2023 is as follows:

			Non cash changes			
	2024.1.1	**Cash flows**	**Addition**	**Disposal and Remeasurement Contracts in the Current Period**	**Exchange rate changes**	**2024.9.30**
Lease liabilities	$ 71,901	(13,917)	-	-	593	58,577
Long-term borrowings	-	35,000	-	-	-	35,000
Total liabilities from financing activities	$ 71,901	21,083	-	-	593	93,577

			Non cash changes			
	2023.1.1	**Cash flows**	**Addition**	**Disposal and Remeasurement Contracts in the Current Period**	**Exchange rate changes**	**2023.9.30**
Total liabilities from financing activities(Lease liabilities)	$ 87,859	(13,256)	1,684	-	969	77,256

VII. Related party transactions

(I) Names and relationship with related parties

Parties involved in transactions with the Group during the period covered by this consolidated financial report are as follows:

Name of related party	Relationship with the Group
Epoch Vietnam Technology Co., Ltd. (Epoch Vietnam)(Note)	Associate of the Company
Epoch Chemtronics Corp (Epoch)	Associate of the Company
Hold-Key Electric Wire & Cable Co., Ltd. (Hold-Key)	Other related parties (major shareholders of the Company)

Note：The original name was Luminous Optical Technology (Vietnam) Co., Ltd. and the company name change Epoch Vietnam Technology Co., Ltd. on April 19, 2024.

(II) Significant transactions with related parties

1. Operating revenue

The Group's significant sales amounts with related parties are as follows:

Related party	July to September, 2024	July to September, 2023	January to September, 2024	January to September, 2023
Hold-Key	$ 33,610	86,845	144,459	217,211
Associate of the Company	-	-	-	152
Total	$ 33,610	86,845	144,459	217,363

The prices and payment terms of the Group's sales to the above-mentioned related parties are not significantly different from those of general customers. In addition, the Group does not provide similar processing services to other customers for the processing income of related parties, so there is no general customer for comparison of the transaction price. The payment terms are negotiated by both parties.

2. Purchase and processing costs

Amounts of purchase and processing costs between the Group and related parties are as follows:

Related party	July to September, 2024	July to September, 2023	January to September, 2024	January to September, 2023
Associate of the Company	$ 72	4,216	52	12,211

The Group's has not purchased similar products from other manufacturers or commissioned other manufacturers to provide similar labor services, there is no general manufacturer for comparison of the above transaction prices. However, the payment terms are not significantly different from those of general manufacturers.

The merged company and its affiliated companies had a purchase refund of in July 1 to September 30, January 1 to September 30, 2024 and 2023 were NTD 0 thousand, NTD 0 thousand, NTD 20 thousand, and NTD 0 thousand, respectively.

3. Receivables from related parties

Details of the Group's receivables from related parties are as follows:

Accounts	Related Party Category/Name	2024.9.30	2023.12.31	2023.9.30
Accounts receivable	Hold-Key	$ 94	52,028	89,449

As of September 30, 2024、December 31, 2023 and September 30,2023, none of the above accounts receivable has any loss allowance.

4. Payable to related parties

Details of the Group's payables to related parties are as follows:

Accounts	Related Party Category/Name	2024.9.30	2023.12.31	2023.9.30
Accounts payable	Associate of the Company	$ 71	1,738	5,635
Other payables	Associate of the Company	607	-	-
	Other related parties	774	816	794
		$ 1,381	816	794

5. Property transaction－Acquisition of property, plant and equipment

Related Party Category/Name	July to September, 2024	July to September, 2023	January to September, 2024	January to September, 2023
Associate of the Company	$ -	-	839	-

6. Leases

In March 2023, the Group leased a parking lot from Hold-Key and signed a lease contract for about four years. The total value of the contract is NTD 1,728 thousand. In addition, in April 2022, the Group renewed its five-year factory lease contract with Hold-Key. The total value of the contract after renewal is NTD 88,868 thousand. The above rents were negotiated based on the agreed prices between the two parties and the rent prices in the neighboring areas. The interest expense recognized by the Group for the above lease liabilities in July 1 to September 30, January 1 to September 30, 2024 and 2023 was NTD 162 thousand, NTD 231 thousand, NTD 538 thousand, and NTD 742 thousand respectively, and the balances of unpaid lease liabilities as of September 30, 2024、December 31, 2023 and September 30, 2023 was NTD 39,494 thousand 、NTD 52,875 thousand and NTD 57,301 thousand.

7. Leasing revenue

Related party	July to September, 2024	July to September, 2023	January to September, 2024	January to September, 2023
Epoch Vietnam	$ 4,869	2,921	14,486	7,192

Through September 30, 2024、December 31, 2023 and September 30, 2023, the Group's deposits for renting out its factory to Luminous Optical Vietnam were NTD 3,631 thousand 、NTD 3,523 thousand and NTD 3,702 thousand.

(III) Remuneration of key management personnel

	July to September, 2024	July to September, 2023	January to September, 2024	January to September, 2023
Short-term employee benefits	$ 13,717	13,746	35,277	31,818
Retirement benefits	109	93	301	274
	$ 13,826	13,839	35,578	32,092

VIII. Pledged assets ：

The details of the book value of the assets pledged and guaranteed by the merged company are as follows:

Assets	Pledge Guarantee subject	113.9.30	112.12.31	112.9.30
Property, plant and equipment	Long-term borrowings	$ 41,541	-	-

IX. Significant commitments and contingencies

Amounts of unused standby letters of credit that the Group has issued for the purchase of raw materials and machinery and equipment are as follows:

	2024.9.30		2023.12.31		2023.9.30	
Japanese Yen	JPY	24,964	JPY	-	JPY	63,817
USD	USD	65	USD	137	USD	92
NTD	NTD	-	NTD	-	NTD	1,741

X. Losses Due to Major Disasters: None.

XI. Subsequent Events: None.

XII. Other

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

By function / By nature	July to September, 2024			July to September, 2023		
	Classified as operating costs	Classified as operating expenses	Total	Classified as operating costs	Classified as operating expenses	Total
Employee benefits						
Salary	32,297	43,794	76,091	32,279	33,716	65,995
Health and labor insurance	3,498	2,345	5,843	3,477	1,641	5,118
Pension	742	814	1,556	734	759	1,493
Other employee benefit expenses	1,585	588	2,173	1,808	594	2,402
Depreciation expense (Note)	23,036	4,984	28,020	21,328	4,297	25,625
Amortization expense	287	154	441	242	138	380

By function / By nature	January to September, 2024			January to September, 2023		
	Classified as operating costs	Classified as operating expenses	Total	Classified as operating costs	Classified as operating expenses	Total
Employee benefits						
Salary	94,490	104,757	199,247	88,376	83,350	171,726
Health and labor insurance	10,353	6,029	16,382	10,242	5,059	15,301
Pension	2,214	2,368	4,582	2,256	2,191	4,447
Other employee benefit expenses	4,887	1,632	6,519	5,268	1,579	6,847
Depreciation expense (Note)	68,155	14,683	82,838	63,757	12,590	76,347
Amortization expense	839	431	1,270	714	415	1,129

Note: Depreciation expenses incurred for investment real estate in July to September, 2024 and 2023 and January to September, 2024, and 2023 were NTD 4,934 thousand, NTD 4,727 thousand, NTD 14,779 thousand, and NTD 13,844 thousand respectively, accounted under other gains and losses.

(2) Seasonality of operation:

The Group's operation is not subject to seasonal or periodical fluctuations.

XIII. Other disclosures

(I) Information on significant transactions:

The following is the information on significant transactions required for disclosure by the Regulations Governing the Preparation of Financial Reports by Securities Issuers for the Group for January to September, 2024:

1. Loans to other parties:

Number (Note 1)	Lending company	Loan and counter party	Whether the current subject	is a related party	Maximum amount for the current period (Note 2)	Ending balance (Note 3)	Actual expenditure amount	Interest rate range (%)	Nature of the loan of funds (Note 4)	Transaction amount for business between two parties	Reasons for necessity of short-term financing	Allowance for bad debt	Collateral		Loan of funds and limit for individual counterparties (Notes 5 and 6)	Loan of funds and total limit (Notes 5 and 6)
													Name	Value		
1	Young Fast Samoa	Young Fast Vietnam	Other receivables	Yes	158,250	79,125	-	0.65	2	-	Operating turnover	-		-	893,046	893,046

Note 1: The method for filling in the "Number" column is as follows:
(I). The Company is filled in as 0.
(II). Subsidiaries - in sequence by company from the Arabic numeral 1.
Note 2: The highest balance of funds loaned to others in the current year.
Note 3: Refers to the quota approved by the Board of Directors as of September 30, 2024.
Note 4: Method for filling in "Nature of the loan of funds":
(I). For those with business dealings please fill in "1."
(II). If there is a need for short-term financing, please fill in "2."
Note 5: For companies that have short-term financing with Young Fast Samoa, the individual loan amount shall not exceed 10% of the net value of the Company, and the total loan amount shall not exceed 30% of the net value of the Company. When the counterparty of a loan of funds is the Company or is a company of the Group not located in Taiwan and in which the Company holds 100% of its total shares, the total amount and individual loans and limits shall not exceed 100% of the net worth of Young Fast Samoa.
Note 6: Loans of funds and limit amounts are calculated based on the most recent financial statements audited and certified by an accountant.
Note 7:In respect to transactions between merged entities listed above, these have been eliminated in preparing the consolidated financial statements.

2. Guarantees and endorsements for other parties:

Number (Note 1)	Endorsement/guarantee company name	Counterparty of guarantee/ endorsement		Endorsement/guarantee limit for a single business (Note 3)	Maximum endorsement /guarantee balance in the current period	Endorsement/guarantee balance at end of period	Actual expenditure amount	Endorsement/guarantee amount by property guarantee	Proportion of cumulative endorsement/guarantee amounts to the net value of the most recent financial statements (%)	Maximum endorsement/guarantee amount (Note 3)	Parent company to subsidiary Endorsement/guarantee	Subsidiary to parent company Endorsement/ guarantee	Endorsement/guarantee for the Mainland China region
		Company name	Relationship (Note 2)										
0	The Company	Young Fast Vietnam	2	2,155,077	202,560	139,260	2,819	-	1.94	3,591,795	Y	N	N
0	The Company	Young Fast Samoa	2	2,155,077	316,500	316,500	-	-	4.41	3,591,795	Y	N	N

Note 1: The method for filling in the "Number" column is as follows:
(I). The Company is filled in as 0.
(II). Subsidiaries - in sequence by company from the Arabic numeral 1.
Note 2: The relationship between the one providing endorsements/guarantees and the one receiving endorsements/guarantees is classified into Nine types:
(I). Intercompany business transactions
(II). Companies in which the Company directly and indirectly holds more than 50% of the voting rights.
(III). Companies that directly and indirectly hold more than 50% of the voting shares of the Company.
(IV). Companies that are mutually protected under contractual requirements based on the needs of the contractor.
(V). Companies that are endorsed by shareholders in accordance with their shareholding ratios because of the joint investment relationship.
(VI). Performance guarantees for pre-sale contracts under the Consumer Protection Act.
Note 3: The total amount of the Company's endorsements/guarantees shall be 50% of the net value of the Company's most recent financial statements, and endorsements/guarantees for a single enterprise shall not exceed 15% of the net value of the Company's most recent financial statements. The amount of endorsements and guarantees for companies that are directly and indirectly held 100% by voting shares may not exceed 30% of the net worth of the company's most recent financial statements.

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

Name of holder	Category and name of security	Relationship with issuer of securities	Account title	End of period Shares/Units	Carrying amount	Percentage of ownership	Fair value	Note
The Company	Shares:							
	Promell Materials Technology Inc.	-	Financial assets mandatorily designated as at fair value through profit or loss-current	2,647	-	7.42%	-	
	Ritfast Corporation	-	"	245	-	0.74%	-	
	Shares:							
	First Financial Holding Co.,Ltd.	-	Financial assets at fair value through other comprehensive income-current	29,847	817,799	0.21%	817,799	
	Mega Financial Holding Company Limited	-	"	24,715	971,288	0.17%	971,288	
	Taiwan Cooperative Financial Holding Co., Ltd.	-	"	58,081	1,504,293	0.38%	1,504,293	
	Taiwan Business Bank	-	"	16,459	262,526	0.18%	262,526	
	Taiwan Fertilizer Co., Ltd.	-	"	2,902	168,316	0.30%	168,316	
	Cathay Financial Holdings Co., Ltd.	-	"	1,672	111,200	0.01%	111,200	
	Chang Hwa Commercial Bank, Ltd.	-	"	9,227	165,171	0.08%	165,171	
					4,000,593		4,000,593	
The Company	Hold-Key Electric Wire & Cable Co., Ltd.	Major shareholders of the Company	Financial assets at fair value through other comprehensive income－ non - current	10,586	502,845	5.49%	502,845	
	Sol Young Enterprises Co., Ltd.	Corporate director of the Company	"	356	12,610	0.55%	12,610	
	ICP Technology Co., Ltd.	-	"	295	3,032	0.90%	3,032	
	Willide Optoelectronics Co., Ltd.			3	3,000	15.00%	3,000	
	Tung Wah Electrical Engineering Co., Ltd.			Note1	2,500	5.00%	2,500	
	Zhihang Technology Co., Ltd.	-	"	1,000	10,000	9.12%	10,000	
					533,987		533,987	

Note1：Tung Wah Electrical Engineering Co., Ltd..is a limited liability company and has not issued shares, so there is no number of shares.

4. Individual securities acquired or disposed of with accumulated amount exceeding the lower of NT$300 million or 20% of the capital stock: None.
5. Acquisition of individual real estate with amount exceeding the lower of NT$300 million or 20% of the capital stock: None.
6. Disposal of individual real estate with amount exceeding the lower of NT$300 million or 20% of the capital stock: None.
7. Related party transactions for purchases and sales with amounts exceeding the lower of NT$100 million or 20% of the capital stock:

Company with accounts receivable	Name of transaction counterparty	Relationship	Transaction Status				Different trade terms from ordinary transactions and reason		Notes or accounts payable (receivable)		Notes
			Purchase (sale)	Amount	Percentage of total purchase (sale) (%)	Credit Period	Unit Price	Credit Period	Balance	Percentage	
The Company	Hold-Key Electric Wire & Cable Co., Ltd.	Other related parties	Sale	(144,459)	(11.11)	Note 1	-	-	94	0.02	
The Company	Young Fast Vietnam	Parent and subsidiary of subsidiary companies	Purchase	168,426	26.37	Note 2	-	-	(129,920)	(45.73)	Note 3
The Company	Taiwan SRU Corp.	Parent and subsidiary companies	Purchase	218,502	34.21	Note 2	-	-	(48,006)	(16.90)	Note 3
Young Fast Vietnam	The Company	Subsidiary of subsidiary and parent companies	sale	(168,426)	(99.47)	Note 2	-	-	129,920	99.98	Note 3
Taiwan SRU Corp.	The Company	Subsidiary and parent companies	sale	(218,502)	(100.00)	Note 2	-	-	48,006	100.00	Note 3

Note 1：The company's transaction conditions for this related party are not significantly different from those for general customers.
Note 2：The company's transaction conditions for this related party are agreed upon by both parties.
Note 3：In respect to transactions between merged entities listed above, these have been eliminated in preparing the consolidated financial statements.

8. Receivables from related parties with amounts exceeding the lower of NT$100 million or 20% of the capital stock:

Company with accounts receivable	Name of transaction counterparty	Relationship	Balance of receivables from related parties	Turnover rate (%)	Overdue receivables from related parties		Amounts subsequently recovered from receivables of related parties (Note2)	Allowance for bad debt
					Amount	Action taken		
Young Fast Vietnam	The Company	Parent and subsidiary companies	129,920 (Note1)	1.85	-		11,703	-

Note 1： The Payment of sales revenue, transaction terms shall be agreed upon by both parties.
Note 2：As of October 11, 2024.
Note 3：In respect to transactions between merged entities listed above, these have been eliminated in preparing the consolidated financial statements.

9. Trading in derivative instruments: None.

10. Business relationships and significant intercompany transactions:

Number	Name of transaction party	Name of counter party	Relationship with transaction party	Intercompany transactions			
				Account name	Amount	Trading terms	Percentage of the consolidated net revenue or total assets
0	The Company	Young Fast Vietnam	1	Cost of goods sold	168,426	Mutually negotiated	13.00%
0	The Company	Young Fast Vietnam	1	Accounts payable	129,920	Mutually negotiated	1.60%
0	The Company	Taiwan SRU Corp.	1	Cost of goods sold	218,502	Mutually negotiated	16.87%

Note 1: The method for filling in the “Number” column is as follows:
(I). Parent company - 0.
(II). Subsidiaries - in sequence from 1.
Note 2: Relationships are classified into three types:
(I) . Parent company to subsidiary.
(II) . Subsidiary to parent company.
(III). Subsidiary to subsidiary.
Note 3: It is hereby disclosed that the amount of this item is a balance sheet account accounting for more than 1% of consolidated total assets and an income account accounting for more than 1% of the consolidated total revenue.
Note 4: In respect to transactions between merged entities listed above, these have been eliminated in preparing the consolidated financial statements.

(II) Information on investees

Information on the company's reinvestment business for the Group in January to September, 2024 is as follows (excluding investments in Mainland China companies):

Investing company name	Investee company name	Region	Main business items	Initial investment amount (Note 3)		Held at the end of the period			Profit and loss of the investee company for the current period (Note 2)	Investment gains and losses recognized in the current period (Note 4)	Note
				End of the current period	End of prior year	Number of shares	Percentage (%)	Carrying amount (Note 4)			
The Company	Young Fast Samoa	Samoa	Professional investment	1,946,551 (USD66,500)	1,946,551 (USD66,500)	57,195	100.00%	889,949 Note2	(2,516) Note2	(1,406) Note2	Note1
"	Taiwan SRU Corp.	Taiwan	Manufacturing of wire and cable accessories	30,960	30,960	3,096	51.00%	87,034 Note3	72,616 Note3	36,639 Note3	Note1
"	Epoch	Taiwan	Optical instruments	150,626	150,626	8,080	23.75%	362,761 Note3	215,629 Note3	51,212 Note3	
Young Fast Samoa	Young Fast Vietnam	Vietnam	Manufacture and sales of touch panels	965,402 (USD32,200)	965,402 (USD32,200)	-	100.00%	808,628 Note2	(6,454) Note2	(5,436) Note2	Note1

Note 1: Taking into account unrealized and realized gains and losses on intercompany transactions.

Note 2: The amounts of investment gains and losses recognized by the Company are based on financial statements of the investee company audited by accountants and estimated by the equity method.

Note 3: The amounts of investment gains and losses recognized by the Company and the book values of investments at the end of the period are based on financial statements of the investee company checked by CPAs of the parent company with estimation carried out using by the equity method.

Note 4: In respect to transactions between merged entities listed above, these have been eliminated in preparing the consolidated financial statements.

Note 5: Initial investment amount is calculated based on historical exchange rates.

(III) Information on investment in Mainland China:

1. Information on business reinvestment in Mainland China:

Mainland investee company name	Main business items	Paid-in capital	Investment me(thod (Note 1)	Accumulated investment amount remitted from Taiwan at the beginning of the current period	Investment amount remitted or recovered in the current period		Accumulated investment amount remitted from Taiwan at the end of the current period	Profit and loss of the investee company for the current period(Note2)	Shareholding ratio of direct or indirect investment by the Company (%)	Investment gains and losses recognized in the current period (Note 2 and 3)	Book value of investments at the end of the period (Note 2 and 3)	Investment income repatriated up to the current period
					Outflow	Inflow						
Tengyang Optoelectronics	After sales services (labor)	4,660 (USD 150)	(II)	-	-	-	-	(331)	100.00	(331)	1,602	-

Note 1: The investment methods are divided into the following three categories, and it is sufficient to indicate the category:

(I) Direct investment in mainland China.

(II) Reinvestment in mainland China through a company in a third region. The current investment amount of USD 150 thousand is invested by Young Fast Samoa using its own funds.

(III) Other methods.

Note 2: The amounts of investment gains and losses recognized by the Company and the book values of investments at the end of the period are based on financial statements of the investee company checked by CPAs of the parent company with estimation carried out using by the equity method.

Note 3: In respect to transactions between merged entities listed above, these have been eliminated in preparing the consolidated financial statements.

Note 4: The above listed USD to NTD exchange rates are based on historical exchange rates.

2. Limits on reinvestment in mainland China:

Unit: NTD thousand

Accumulated investment amount remitted from Taiwan to the mainland at the end of the current period (Note 3)	Investment amounts authorized by the Investment Commission of the Ministry of Economic Affairs (Note 2)	Investment limits for the Mainland Area in accordance with the regulations of the Investment Committee of the Ministry of Economic Affairs (Note 1)
-	2,310,735 (USD 73,009)	4,310,154

Note 1: 60% of net value.

Note 2: Accumulated remittance amount from Taiwan at the end of the current period (net of repatriation) calculated using historical exchange rates. The amount approved by the Investment Committee of the Ministry of Economic Affairs is calculated at the exchange rate of September 30, 2024 (USD:NTD exchange rate = 1:31.650).

Note 3: Does not include cumulative disposals (including sale, liquidation, dissolution, merger and bankruptcy, etc.) (net of repatriation). The amount of investment that has not been repatriated is NTD 2,106,592 thousand (USD 66,559 thousand).

3. Significant transactions: None.

(IV) Information on major shareholders:

Unit: Shares

Name of major shareholder	Number of shares held	% of shareholding
Sol Young Enterprises Co., Ltd.	32,102,114	21.21%
Hold-Key Electric Wire & Cable Co., Ltd.	20,414,832	13.49%
Zhangmiao Development Co., Ltd.	9,403,000	6.21%

Note: (1) Information on major shareholders in this table is calculated from the depository company on the last business day at the end of each quarter, and includes shareholders holding more than 5% of ordinary shares and preferred shares of the Company that have completed physical registration and delivery (including treasury shares). As for share capital recorded in the Company's financial statements and the actual number of shares delivered by the Company without physical registration, there may be differences or discrepancies due to different calculation bases.

(2) If the above-mentioned information indicates that shareholders are to hand over shares to a trust, this shall be disclosed by the trustee who has opened an individual sub-account of the trustor of the special trust account. As for the insider shareholding declaration of shareholders holding more than 10% of the shares in accordance with the Securities and Exchange Act, such shareholdings include self-held shares plus the shares that are delivered to the trust and have the right to exercise decision-making power over the trust property, and so on. Please refer to the Market Observation Post System for information on insider shareholding declarations.

(3) Shareholding ratios are unconditionally rounded to two decimal places.

XIV. Segment information

The Group’s operating segment information and reconciliation are as follows:

	July to September, 2024			
	Optoelectronics Business Group	Electromechanical Business Group	Adjustments and write-offs	Total
Revenue:				
Revenue from external customers	$ 82,044	403,994	-	486,038
Reportable segment profit (loss)	$ (34,776)	180,832	(179)	145,877

	July to September, 2023			
	Optoelectronics Business Group	Electromechanical Business Group	Adjustments and write-offs	Total
Revenue:				
Revenue from external customers	$ 126,387	396,077	-	522,464
Reportable segment profit (loss)	$ (27,696)	182,350	(90)	154,564

	January to September, 2024			
	Optoelectronics Business Group	Electromechanical Business Group	Adjustments and write-offs	Total
Revenue:				
Revenue from external customers	$ 231,228	1,064,101	-	1,295,329
Reportable segment profit (loss)	$ (108,150)	515,049	(540)	406,359

	January to September, 2023			
	Optoelectronics Business Group	Electromechanical Business Group	Adjustments and write-offs	Total
Revenue:				
Revenue from external customers	$ 285,737	928,326	-	1,214,063
Reportable segment profit (loss)	$ (125,991)	393,866	(270)	267,605

	Optoelectronics Business Group	Electromechanical Business Group	Adjustments and write-offs	Total
Reported Segment Assets:				
September 30, 2024	$ 5,244,675	3,323,748	(473,469)	8,094,954
December 31,2023	$ 4,851,107	3,020,782	(461,820)	7,410,069
September 30, 2023	$ 4,691,731	2,748,630	(334,446)	7,105,915

The Group reports that the profit and loss of operating segments and the pre-tax profit and loss of segments with continuing operations are reconciled as follows:

	July to September 2024	July to September 2023	January to September 2024	January to September 2023
Profit and loss of operating segments to be reported	$ 145,877	154,564	406,359	267,605
Non-operating income and expenses	182,050	141,605	278,350	198,940
Profit and loss before tax from segments with continuing operations	$ 327,927	296,169	684,709	466,545