

Ta Tun Electric Wire & Cable Co., Ltd.

**Parent Company Only Financial
Statements With Independent
Auditors' Report**

For the Years Ended December 31, 2024, and 2023

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Notice to Readers

These financial statements have been translated from the original Chinese version prepared in the Republic of China. In the event of any discrepancy or difference in interpretation between the English translation and the Chinese original, the Chinese version shall prevail.

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Independent Auditors' Report

To the Board of Directors of Ta Tun Electric Wire & Cable Co., Ltd.:

Opinion

We have audited the consolidated financial statements of Ta Tun Electric Wire & Cable Co., Ltd. ,which comprise the parent company only balance sheets as of December 31, 2024 and 2023, and the statements of comprehensive income, statements of changes in equity, and statements of cash flows for the years ended December 31, 2024 and 2023, and notes to the parent company only financial statements (including a summary of significant accounting policies), have been audited by us.

In our opinion, the accompanying parent company only financial statements present fairly, in all material respects, the financial position of Ta Tun Electric Group as of December 31, 2024, and 2023, and its financial performance and cash flows for the years then ended, in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and the Standards on Auditing. Our responsibilities under those standards are further described in the section titled Auditor's Responsibilities for the Audit of the Parent Company Only Financial Statements of our report. The personnel of our firm who are subject to independence requirements have maintained independence from Ta Tun Electric Wire & Cable Co., Ltd. in accordance with the Code of Professional Ethics for Certified Public Accountants and have fulfilled other responsibilities under these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Key Audit Matters

Key audit matters are those that, in our professional judgment, were of most significance in our audit of the parent company only financial statements of Ta Tun Electric Wire & Cable Co., Ltd. for 2024. These matters were addressed in the context of our audit of the parent company only financial statements as a whole and in forming our opinion thereon; we do not provide a separate opinion on these matters. We have determined that the following are the key audit matters to be communicated in our audit report:

1. Revenue Recognition

For accounting policies related to revenue recognition, please refer to Note 4(16) of the parent company only financial statements. For details on significant accounting items related to

revenue, please refer to Note 6(22) of the parent company only financial statements.

Description of Key Audit Matter:

Ta Tun Electric Wire & Cable Co., Ltd. primarily sells products such as electric wires, cables, and accessory equipment. Since revenue is a key indicator of operating performance, and the accuracy of its timing and amount of revenue recognition has a significant impact on the financial statements, revenue recognition is one of the important matters considered during our audit of the parent company only financial statements of Ta Tun Electric Wire & Cable Co., Ltd..

Audit Procedures Performed:

The key audit procedures we performed for the above key audit matter include: understanding Ta Tun Electric Wire & Cable Co., Ltd.'s revenue recognition accounting policies and comparing them with sales contract or order terms to assess the reasonableness of the adopted policies; evaluating and testing the design and operating effectiveness of internal controls over the sales and collection cycle; examining samples of individual sales transactions by reviewing customer contracts or orders, acceptance certificates, shipping documents, and invoices to verify the authenticity of sales revenue transactions; and testing samples of sales revenue transactions and related documentation from periods before and after the reporting date to ensure that revenue is recognized in the appropriate period.

2. Inventory Valuation

For the accounting policy regarding inventory, please refer to Note 4(8) of the parent company only financial statements. For the estimation uncertainty of inventory valuation, please refer to Note 5(1) of the parent company only financial statements. For details on significant inventory accounting items, please refer to Note 6(5) of the parent company only financial statements.

Description of Key Audit Matter:

Ta Tun Electric Wire & Cable Co., Ltd.'s inventory includes copper wires, electric wires, cables, and accessory equipment, which are measured at the lower of cost and net realizable value. Since inventory valuation is affected by fluctuations in international copper prices and raw material costs, and involves significant judgment and estimation by management, inventory valuation is one of the important matters we considered during our audit of the parent company only financial statements of Ta Tun Electric Wire & Cable Co., Ltd.

Audit Procedures Performed:

Our key audit procedures for the above key audit matter include: understanding Ta Tun Electric Wire & Cable Co., Ltd.'s inventory valuation accounting policies to assess whether inventory valuation has been performed in accordance with the accounting policies; obtaining inventory cost and net realizable value assessment data, along with inventory aging reports

prepared by management, examining relevant documentation to evaluate the basis and reasonableness of management's estimates of net realizable value, and recalculating to verify their accuracy.

Management and Governance Unit's Responsibilities for the Parent Company Only Financial Statements

Management's responsibility is to prepare the parent company only financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers to maintain necessary internal controls relevant to the preparation of parent company only financial statements to ensure that the parent company only financial statements are free from material misstatements, whether due to fraud or error.

In preparing the parent company only financial statements, management's responsibilities for assessing Ta Tun Electric Wire & Cable Co., Ltd.'s ability to continue as a going concern, disclosing related matters, and using the going concern basis of accounting unless management either intends to liquidate Ta Tun Electric Wire & Cable Co., Ltd. or to cease operations, or has no realistic alternative but to do so.

The governance units of Ta Tun Electric Wire & Cable Co., Ltd. (including the Audit Committee) are responsible for overseeing the financial reporting process.

Auditor's Responsibilities for the Audit of the Parent Company Only Financial Statements

The objective of our audit of the parent company only financial statements is to obtain reasonable assurance about whether the parent company only financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report. Reasonable assurance is a high level of assurance, but a review conducted in accordance with auditing standards does not guarantee that material misstatements in the parent company only financial statements will always be detected. Misstatements may result from fraud or error. Misstatements are considered material if the individual amounts or aggregates are likely to influence the economic decisions of users of the parent company only financial statements.

When conducting our audit in accordance with auditing standards, we exercise professional judgment and maintain professional skepticism. We also perform the following procedures:

1. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error; design and implement appropriate responses to those assessed risks; and obtain sufficient and appropriate audit evidence to provide a basis for our audit opinion. Because fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control, the risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error.
2. Obtain an understanding of internal control relevant to the audit in order to design appropriate

audit procedures, but not for the purpose of expressing an opinion on the effectiveness of Ta Tun Electric Wire & Cable Co., Ltd.'s internal control.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, assess whether a material uncertainty exists related to events or conditions that may cast significant doubt on Ta Tun Electric Wire & Cable Co., Ltd.'s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause Ta Tun Electric Wire & Cable Co., Ltd. to cease to continue as a going concern.
5. Evaluate the overall presentation, structure, and content of the parent company only financial statements, including notes, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of investee companies under the equity method to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the audit, and for forming the audit opinion for Ta Tun Electric Wire & Cable Co., Ltd.

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

From the matters communicated with those charged with governance, we determine the key audit matters for the audit of the Ta Tun Electric Wire & Cable Co., Ltd.'s parent company only financial statements for 2024. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

KPMG

Accountants:

Document Number	:	Approval Document No. 1010004977 issued by the Financial Supervisory Commission
Approved by the Securities Regulatory Authority		Approval Document No. 1120333238 issued by the Financial Supervisory Commission
March 31, 2025		

Ta Tun Electric Wire & Cable Co., Ltd.
Consolidated Balance Sheet
December 31, 2024, and 2023
(In Thousands of New Taiwan Dollars)

		2024.12.31		2023.12.31				2024.12.31		2023.12.31	
Assets		Amount	%	Amount	%	Liabilities and Equity		Amount	%	Amount	%
Current Assets:						Current Liabilities:					
1100	Cash and Cash Equivalents (Note 6(1))	\$ 719,477	11	209,565	4	2100	Short-term debt (Notes 6(12) and 8)	\$ 1,777,664	28	2,038,185	38
1110	Financial Assets at Fair Value through Profit or Loss - Current (Notes 6(2) and 8)	179,839	3	180,950	3	2120	Financial Liabilities at Fair Value through Profit or Loss - Current (Note 6(2))	-	-	1,580	-
1140	Contract Assets - Current (Note 6(22))	1,095,539	17	630,909	12	2130	Contract Liabilities - Current (Notes 6(22) and 7)	152,830	2	582,909	10
1170	Notes and Accounts Receivable net(Notes 6(4), (22) and 7)	718,642	11	952,696	18	2170	Notes and Accounts Payable (Note 7)	458,182	7	325,239	6
130X	Inventories (Note 6(5))	1,539,140	24	1,509,073	28	2230	Current Income Tax Liabilities	132,949	2	91,637	2
1470	Other Current Assets (Notes 6(11) and 8)	617,189	10	558,335	10	2280	Lease Liabilities - Current (Note 6(14))	4,876	-	4,419	-
Total Current Assets		4,869,826	76	4,041,528	75	2322	Current portion of long- term loans payable (Notes 6(13) and 8)	167,706	3	103,108	2
Non-current Assets:						2300	Other Current Liabilities (Note 7)	124,406	2	91,190	2
1517	Financial Assets at Fair Value through Other Comprehensive Income - Non-current (Note 6(3))	76,109	1	69,034	2	Total Current Liabilities		2,818,613	44	3,238,267	60
1550	Investments Accounted for Using Equity Method (Note 6(6))	14,954	-	14,735	-	2540	Long-term debt payable (Notes 6(13) and 8)	922,243	15	488,264	9
1600	Property, Plant and Equipment (Notes 6(7) and 8)	770,956	12	679,312	13	2570	Deferred Income Tax Liabilities (Note 6(18))	871	-	-	-
1755	Right-of-use Assets (Note 6(8))	22,049	-	19,240	-	2580	Lease Liabilities - Non-current (Note 6(14))	17,483	-	15,493	-
1760	Investment Property, Net (Notes 6(9), 7 and 8)	338,102	6	436,360	8	2640	Net Defined Benefit Liabilities - Non-current (Note 6(17))	8,520	-	11,296	-
1780	Intangible Assets (Note 6(10))	13,448	-	12,274	-	2600	Other Non-current Liabilities (Note 6(15))	106,275	2	127,644	3
1840	Deferred Income Tax Assets (Note 6(18))	8,694	-	-	-	Total Non-current Liabilities		1,055,392	17	642,697	12
1900	Other Non-current Assets (Note 6(11))	287,969	5	98,847	2	Total Liabilities		3,874,005	61	3,880,964	72
Total Non-current Assets		1,532,281	24	1,329,802	25	Equity: (Note 6(3) and (19))					
						3100	Share Capital	600,000	9	536,600	10
						3200	Additional paid-in capital	713,485	11	362,382	7
						3300	Retained Earnings	1,154,020	18	549,082	10
						3400	Other Equity	60,597	1	42,302	1
						Total Equity		2,528,102	39	1,490,366	28
						Total Liabilities and Equity		\$ 6,402,107	100	5,371,330	100
Total Assets		\$ 6,402,107	100	5,371,330	100						

(Accompanying notes to the parent company only financial statements)

Ta Tun Electric Wire & Cable Co., Ltd.
Statements of Comprehensive Income
For the Years Ended December 31, 2024, and 2023
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

		2024		2023	
		Amount	%	Amount	%
4000	Operating Revenue (Note 6(22) and 7)	\$ 5,482,989	100	4,216,296	100
5000	Operating Costs (Note 6(5), (10), (17) and 7)	4,492,746	82	3,570,023	85
5900	Gross Profit from Operations	990,243	18	646,273	15
6000	Operating Expenses (Note 6(4), (10), (11), (17), (20), (23) and 7):				
6100	Selling Expenses	48,926	1	49,364	1
6200	Administrative Expenses	85,969	2	139,703	3
6300	Research and Development Expenses	15,328	-	17,150	-
6450	Expected Credit Gain on Reversal of Impairment Loss	(1,922)	-	(49,756)	(1)
	Total Operating Expenses	148,301	3	156,461	3
6900	Operating Income	841,942	15	489,812	12
7000	Non-operating Income and Expenses:				
7100	Interest income (Notes 6(24) and 7)	19,015	-	17,054	-
7010	Other Income (Notes 6(3), (16), (24) and 7)	53,934	1	18,064	-
7020	Other Gains and Losses (Notes 6(15) and (24))	66,594	1	28,865	1
7050	Finance Costs (Notes 6(15) and (24))	(76,142)	(1)	(52,779)	(1)
7070	Share of Profit of Subsidiaries, Associates and Joint Ventures Accounted for Using Equity Method (Note 6(6))	219	-	(110)	-
	Total Non-operating Income and Expenses	63,620	1	11,094	-
7900	Profit Before Tax	905,562	16	500,906	12
7950	Less: Income Tax Expenses (Note 6(18))	172,555	3	91,955	2
8200	Profit for the Period	733,007	13	408,951	10
8300	Other Comprehensive Income:				
8310	Items That Will Not Be Reclassified subsequently to Profit or Loss				
8311	Remeasurement of Defined Benefit Plans (Note 6(17))	2,695	-	2,508	-
8316	Unrealized Valuation Gain (Loss) on Investments in Equity Instruments Measured at Fair Value through Other Comprehensive Income	48,511	1	27,199	-
8349	Less: Income Tax Related to Items That Will Not Be Reclassified (Note 6(18))	-	-	(502)	-
8300	Other Comprehensive Net Income or Loss for Current Period	51,206	1	29,205	-
8500	Total Comprehensive Net Income or Loss for Current Period	\$ 784,213	14	438,156	10
	Profit Attributable to:				
	Owners of the Parent	\$ 733,007	13	406,487	10
	Interests under Common Control	-	-	2,464	-
		\$ 733,007	13	408,951	10
	Total Comprehensive Income Attributable to:				
	Owners of the Parent	\$ 784,213	14	435,692	10
	Interests under Common Control	-	-	2,464	-
		\$ 784,213	14	438,156	10
	Earnings Per Share (Note 6(21))(Unit: NT\$)				
9750	Basic Earnings Per Share	\$ 12.58		12.17	
9850	Diluted Earnings Per Share	\$ 12.57		12.14	

(Accompanying notes to the parent company only financial statements)

Ta Tun Electric Wire & Cable Co., Ltd.
Statements of Changes in Equity
For the Years Ended December 31, 2024, and 2023
(Expressed in Thousands of New Taiwan Dollars)

	Share Capital		Retained Earnings			Other Equity Items	Interests under Common Control	Total Equity
	Capital Common Stock	Additional paid-in capital	Legal Reserve	Retained Earnings	Total	Unrealized Valuation Gains and Losses on Financial Assets Measured at Fair Value through Other Comprehensive Income		
Balance on January 1, 2023	\$ 300,000	-	289,522	651,067	940,589	15,103	-	1,255,692
Retrospective Adjustment of Successor Interests in a Reorganization under Common Control	-	-	-	-	-	-	(33,551)	(33,551)
Restated Balance on January 1, 2023	300,000	-	289,522	651,067	940,589	15,103	(33,551)	1,222,141
Appropriation and Distribution of Earnings:								
Appropriation of Legal Reserve	-	-	13,963	(13,963)	-	-	-	-
Common Stock Cash Dividends	-	-	-	(800,000)	(800,000)	-	-	(800,000)
	-	-	13,963	(813,963)	(800,000)	-	-	(800,000)
Profit for the Period	-	-	-	406,487	406,487	-	2,464	408,951
Other Comprehensive Net Income or Loss for Current Period	-	-	-	2,006	2,006	27,199	-	29,205
Total Comprehensive Net Income or Loss for Current Period	-	-	-	408,493	408,493	27,199	2,464	438,156
Cash Capital Increase	236,600	352,300	-	-	-	-	-	588,900
Organization Restructuring	-	3,263	-	-	-	-	31,087	34,350
Share-based Payment Transactions	-	6,819	-	-	-	-	-	6,819
Balance as of December 31, 2023	536,600	362,382	303,485	245,597	549,082	42,302	-	1,490,366
Appropriation and Distribution of Earnings:								
Appropriation of Legal Reserve	-	-	14,375	(14,375)	-	-	-	-
Common Stock Cash Dividends	-	-	-	(160,980)	(160,980)	-	-	(160,980)
	-	-	14,375	(175,355)	(160,980)	-	-	(160,980)
Profit for the Period	-	-	-	733,007	733,007	-	-	733,007
Other Comprehensive Net Income or Loss for Current Period	-	-	-	2,695	2,695	48,511	-	51,206
Total Comprehensive Net Income or Loss for Current Period	-	-	-	735,702	735,702	48,511	-	784,213
Cash Capital Increase	63,400	348,700	-	-	-	-	-	412,100
Share-based Payment Transactions	-	2,403	-	-	-	-	-	2,403
Disposal of Equity Instruments at Fair Value through Other Comprehensive Income	-	-	-	30,216	30,216	(30,216)	-	-
Balance as of December 31, 2024	\$ 600,000	713,485	317,860	836,160	1,154,020	60,597	-	2,528,102

(Accompanying notes to the parent company only financial statements)

Ta Tun Electric Wire & Cable Co., Ltd.

Statements of Cash Flows

For the Years Ended December 31, 2024, and 2023

(Expressed in Thousands of New Taiwan Dollars)

	2024	2023
Cash Flows from Operating Activities:		
Profit before Tax	\$ 905,562	500,906
Adjustments:		
Income and Expense Items		
Depreciation Expense	49,549	51,339
Amortization Expense	4,384	2,355
Expected Credit Gain on Reversal of Impairment Loss	(1,922)	(49,756)
Net Gain on Financial Assets and Liabilities at Fair Value through Profit or Loss	(20,292)	(20,633)
Interest Expense	76,142	52,779
Interest revenue/income	(19,015)	(17,054)
Dividend Income	(7,277)	(4,496)
Share-based Compensation Cost	2,403	6,819
Share of (Gain) Loss of Subsidiaries, Associates and Joint Ventures Accounted for Using the Equity Method	(219)	110
Loss (Gain) on Disposal and Retirement of Property, Plant and Equipment	419	(1,157)
Gain on Disposal of Investment Property	(43,805)	-
Loss on Disposal of Investments	-	8,371
Gain on Lease Modification	(450)	-
Total Revenue and Expense Items	39,917	28,677
Changes in Assets/Liabilities Related to Operating Activities:		
Net Changes in Assets Related to Operating Activities:		
Contract Assets	(464,630)	(373,819)
Notes and Accounts Receivable	235,976	(232,463)
Other Receivables - Related Parties	-	4,841
Inventory	(30,067)	(73,940)
Other Current Assets	(63,496)	(261,770)
Other Non-Current Assets	-	49,756
Net Changes in Liabilities Related to Operating Activities:		
Financial Liabilities Held for Trading	-	250
Contract Liabilities	(430,079)	220,032
Notes and Accounts Payable	132,943	(142,482)
Provision for Liabilities	(18,473)	-
Other Current Liabilities	33,216	50,622
Net Defined Benefit Liabilities	(81)	(4,216)
Total Net Changes in Assets and Liabilities Related to Operating Activities	(604,691)	(763,189)
Cash Inflow (Outflow) Generated from Operations	340,788	(233,606)
Interest Received	19,015	17,054
Interest Paid	(76,142)	(52,558)

(Accompanying notes to the parent company only financial statements)

Income Tax Paid	(135,366)	(31,579)
Net Cash Inflow (Outflow) from Operating Activities	148,295	(300,689)
Cash Flows from Investing Activities:		
Acquisition of Financial Assets at Fair Value through Other Comprehensive Income	-	(1,766)
Disposal of Financial Assets at Fair Value through Other Comprehensive Income	41,436	-
Disposal of Financial Assets at Fair Value through Profit or Loss	19,823	-
Acquisition of Investments Accounted for Using Equity Method	-	(14,750)
Acquisition of Property, Plant and Equipment	(63,442)	(127,445)
Disposal of Property, Plant and Equipment	29	1,280
Decrease in Other Receivables - Related Parties	-	141,539
Acquisition of Intangible Assets	(5,558)	(2,119)
Disposal of Investment Properties	139,988	-
Increase (Decrease) in Other Non-Current Assets	(260,231)	18,002
Dividends Received	7,277	4,496
Net Cash Inflow from Reorganization under Common Control	-	34,350
Net Cash (Outflow) Inflow from Investing Activities	(120,678)	53,587
Cash Flows from Financing Activities:		
Decrease in Short-term debt	(260,521)	(28,466)
Proceeds from Long-term debt payable	664,080	250,000
Repayment of Long-term debt payable	(165,503)	(78,421)
Decrease in Deposits Received	(2,896)	(1,176)
Repayment of Lease Principal	(3,985)	(4,210)
Distribution of Cash Dividends	(160,980)	(800,000)
Cash Capital Increase	412,100	588,900
Net Cash Inflow (Outflow) from Financing Activities	482,295	(73,373)
Increase (Decrease) in Cash and Cash Equivalents for the Period	509,912	(320,475)
Cash and Cash Equivalents at Beginning of Period	209,565	530,040
Cash and Cash Equivalents at End of Period	\$ 719,477	209,565

(Accompanying notes to the parent company only financial statements)

Ta Tun Electric Wire & Cable Co., Ltd.
Notes to the Parent Company Only Financial Statements
For the Years Ended December 31, 2024, and 2023
(Unless otherwise stated, all amounts are in thousands of New Taiwan Dollars)

1. Company History

Ta Tun Electric Wire & Cable Co., Ltd. (the Company) was approved for establishment by the Ministry of Economic Affairs on July 16, 1962. The registered address is No. 3, Ln. 349, Sec. 2, Meishi Rd., Yangmei Dist., Taoyuan City 326014, Taiwan (R.O.C.). The Company is primarily engaged in the manufacturing, processing, trading and installation of electric wires and cables.

2. Approval Date and Procedure of Financial Statements

This parent company only financial statement was approved and released by the Board of Directors on March 31, 2025.

3. Application of New and Amended Standards and Interpretations

(1) Impact of New and Revised Standards and Interpretations Endorsed by the Financial Supervisory Commission

The Company has adopted the following newly amended International Financial Reporting Standards and accounting standards from January 1, 2024, which have not had a significant impact on the parent company only financial statements.

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

(2) Impact of New and Revised Standards and Interpretations Endorsed by the FSC but Not Yet Adopted

The Company has assessed that the following newly amended International Financial Reporting Standards and accounting standards, which will be effective from January 1, 2025, will not have a significant impact on the parent company only financial statements.

- Amendments to IAS 21 "Lack of Exchangeability

(3) New Standards and Interpretations Issued But Not Yet Endorsed by the FSC

The International Accounting Standards Board has issued and amended standards and interpretations that have not yet been endorsed by the FSC. Those that may be relevant to the Company are as follows:

Notes to the Parent Company Only Financial Statements of Ta Tun Electric Wire & Cable Co., Ltd. (Continued)

Newly Issued or Amended Standards	Main Amendments	Effective Date Announced by the Board
IFRS 18 "Presentation and Disclosure in Financial Statements"	<p>The new standard introduces three categories of income and expenses, two subtotals in the income statement, and a single note on management performance measures. These three amendments and enhancements to the guidance on how to disaggregate information in financial statements lay the foundation for providing better and more consistent information to users, and will affect all companies.</p> <ul style="list-style-type: none"> • More structured income statement: Under current standards, companies use different formats to present their operating results, making it difficult for investors to compare financial performance across companies. The new standard adopts a more structured income statement, introduces a newly defined "operating profit" subtotal, and requires all income and expenses to be classified into three new distinct categories according to the company's main operating 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 each measure provides useful information, how it is calculated, and how the measure reconciles with amounts recognized under IFRS Accounting Standards. • More disaggregated information: The new standard includes guidance on how companies can enhance the grouping of information in financial statements. This includes guidance on whether information should be included in the primary financial statements or further disaggregated in the notes. 	January 1, 2027

The Company is currently evaluating the impact of the above standards and interpretations on its financial position and operating results. The relevant impacts will

Notes to the Parent Company Only Financial Statements of Ta Tun Electric Wire & Cable Co., Ltd. (Continued)

be disclosed upon completion of the assessment.

The Company expects that the following new and amended standards that have not yet been endorsed will not have a significant impact on the parent company only 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
- IFRS 19 "Subsidiaries without Public Accountability: Disclosures

Amendments to IFRS 9 and IFRS 7 "Classification and Measurement of Financial Instruments

- Annual Improvements to IFRS Standards
- Amendments to IFRS 9 and IFRS 7 "Contracts Referencing Nature-dependent Electricity

4. Summary of Material Accounting Policies

The significant accounting policies adopted in these parent company only financial statements are summarized as follows. The following accounting policies have been consistently applied to all periods presented in these parent company only financial statements.

(1) Statement of Compliance

This parent company only financial statement has been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers (the Regulations).

(2) Basis of Preparation

1. Basis of Measurement

Except for the following significant items in the balance sheet, these parent company only financial statements have been prepared on a historical cost basis:

- (1) Financial assets measured at fair value through profit or loss measured at fair value;
- (2) Financial assets measured at fair value through other comprehensive income measured at fair value; and
- (3) Net defined benefit liability (or asset), which is measured as the fair value of pension fund assets less the present value of the defined benefit obligation and the effect of the asset ceiling described in Note 4(17).

Notes to the Parent Company Only Financial Statements of Ta Tun Electric Wire & Cable Co., Ltd. (Continued)

2. Functional and Presentation Currency

The Company uses the currency of the primary economic environment in which it operates as its functional currency. This parent company only financial statement is presented in New Taiwan Dollars, which is the Company's functional currency. All financial information presented in New Taiwan Dollars is expressed in thousands of New Taiwan Dollars.

(3) Foreign currency

Foreign currency transactions are translated into the functional currency at the exchange rates on the transaction date. Foreign currency monetary items are translated into the functional currency using the exchange rate at the end of each subsequent reporting period (hereinafter referred to as the reporting date). Foreign currency non-monetary items measured at fair value are translated into the functional currency using the exchange rate on the date when the fair value was measured, while foreign currency non-monetary items measured at historical cost are translated using the exchange rate on the transaction date. Except for foreign currency exchange differences arising from the translation of equity instruments designated as fair value through other comprehensive income, which are recognized in other comprehensive income, other foreign currency exchange differences resulting from translation are usually recognized in profit or loss.

(4) Classification Criteria for Current and Non-current Assets and Liabilities

The Company classifies assets as current if they meet any of the following conditions; all other assets are classified as non-current:

1. Expected to be realized in its normal operating cycle, or intended to be sold or consumed;
2. Holding the asset primarily for trading purposes;
3. Expected to realize the asset within twelve months after the reporting period; or
4. The asset is cash or cash equivalent (as defined in IAS 7), unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

Notes to the Parent Company Only Financial Statements of Ta Tun Electric Wire & Cable Co., Ltd. (Continued)

The Company classifies liabilities as current if they meet any of the following conditions; all other liabilities are classified as non-current:

1. Expected to settle the liability in its normal operating cycle;
2. Holding the liability primarily for trading purposes;
3. The liability is due to be settled within twelve months after the reporting period; or
4. At the end of the reporting period, the entity does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

(5) Cash and cash equivalents

Cash includes cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Time deposits that meet the above definition and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes are reported as cash equivalents.

(6) Financial Instruments

Accounts receivable and debt securities issued are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the financial instrument. Financial assets (except for accounts receivable without a significant financing component) or financial liabilities not measured at fair value through profit or loss are initially measured at fair value plus transaction costs directly attributable to their acquisition or issuance. Accounts receivable without a significant financing component are initially measured at their transaction price.

1. Financial Assets

Financial assets purchased or sold that meet the criteria for regular way trades are accounted for using trade date accounting by the Company consistently for all purchases and sales of financial assets classified in the same manner.

At initial recognition, financial assets are classified as: financial assets measured at amortized cost, equity instrument investments measured at fair value through other comprehensive income, or financial assets measured at fair value through profit or loss. The Company reclassifies all affected financial assets only when it changes its business model for managing financial assets, beginning from the first day of the next reporting period.

(1) Financial Assets Measured at Amortized Cost

Financial assets are measured at amortized cost when they simultaneously meet the

Notes to the Parent Company Only Financial Statements of Ta Tun Electric Wire & Cable Co., Ltd. (Continued)

following conditions and are not designated as at fair value through profit or loss:

- The financial asset is held within a business model whose objective is to hold assets to collect contractual cash flows.
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. These assets are subsequently measured at amortized cost, which is the amount at initial recognition plus/minus the cumulative amortization calculated using the effective interest method, adjusted for any loss allowance. Interest revenue/income, foreign exchange gains and losses, and impairment losses are recognized in profit or loss. Upon derecognition, gains or losses are recognized in profit or loss.

(2) Financial Assets Measured at Fair Value through Other Comprehensive Income

The Company may make an irrevocable election at initial recognition to present subsequent changes in the fair value of investments in equity instruments that are not held for trading in other comprehensive income. The aforementioned election is made on an instrument-by-instrument basis.

Equity instrument investments are subsequently measured at fair value. Dividend income (unless it clearly represents a recovery of part of the investment cost) is recognized in profit or loss. Other net gains or losses are recognized in other comprehensive income and are not reclassified to profit or loss.

Dividend income from equity investments is recognized on the date when the Company has the right to receive dividends (usually the ex-dividend date).

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

Financial assets that are not measured at amortized cost or at fair value through other comprehensive income as described above (for example, financial assets held for trading and those managed and evaluated on a fair value basis), are measured at fair value through profit or loss, including derivative financial assets. At initial recognition, the Company may irrevocably designate a financial asset that otherwise eligible for measurement at amortized cost or fair value through other comprehensive income as measured at fair value through profit or loss if doing so eliminates or significantly reduces an accounting mismatch.

These assets are subsequently measured at fair value, and their net gains or losses (including related dividend income and interest revenue/income) are recognized in profit or loss.

Notes to the Parent Company Only Financial Statements of Ta Tun Electric Wire & Cable Co., Ltd. (Continued)

(4) Impairment of financial assets

The Company recognizes a loss allowance for expected credit losses on financial assets measured at amortized cost (including cash and cash equivalents, notes and accounts receivable, other receivables, refundable deposits, and other financial assets) and contract assets.

The following financial assets have their loss allowance measured at an amount equal to 12-month expected credit losses, while the rest are measured at an amount equal to lifetime expected credit losses:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and cash in banks for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

The loss allowance for accounts receivable and contract assets is measured at an amount equal to lifetime expected credit losses.

When determining whether the credit risk has increased significantly since initial recognition, the Company considers reasonable and supportable information (available without undue cost or effort), including both qualitative and quantitative information, as well as analysis based on its historical experience, credit assessment, and forward-looking information.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the portion of expected credit losses that result from possible default events on a financial instrument within the 12 months after the reporting date (or a shorter period if the expected life of the financial instrument is less than 12 months).

The maximum period considered in measuring expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

Expected credit losses are the probability-weighted estimate of credit losses over the expected life of the financial instrument. Credit losses are measured at the present value of all cash shortfalls, representing the difference between the contractual cash flows due to the Company and the cash flows it expects to receive. Expected credit losses are discounted at the effective interest rate of the financial asset.

At each reporting date, the Company assesses whether financial assets measured at amortized cost and debt securities measured at fair value through other

Notes to the Parent Company Only Financial Statements of Ta Tun Electric Wire & Cable Co., Ltd. (Continued)

comprehensive income are credit-impaired. When one or more events that have an adverse effect on the estimated future cash flows of the financial asset have occurred, the financial asset is credit-impaired. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- Significant financial difficulty of the borrower or issuer;
- Default, such as delinquency or serious past-due payment;
- Due to the borrower's financial difficulty, the Company granted a concession it would not have otherwise considered for economic or contractual reasons;
- The borrower is likely to file for bankruptcy or undergo other financial reorganization;
- or
- The active market for that financial asset has disappeared due to financial difficulties.

The allowance for losses on financial assets measured at amortized cost is deducted from the carrying amount of the assets. The allowance for losses on debt instrument investments measured at fair value through other comprehensive income is adjusted through profit or loss and recognized in other comprehensive income (without reducing the carrying amount of the asset).

When the Company cannot reasonably expect to recover all or part of a financial asset, it directly reduces the gross carrying amount of the financial asset. For corporate customers, the Company analyzes the timing and amount of write-offs on an individual basis, based on whether recovery can reasonably be expected. The Company does not expect significant reversals of amounts already written off. However, written-off financial assets may still be subject to enforcement activities in order to comply with the Company's procedures for recovery of overdue amounts.

(5) Derecognition of financial assets

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it has transferred the financial asset and substantially all the risks and rewards of ownership of the asset to another entity, or when it has neither transferred nor retained substantially all the risks and rewards of ownership and has not retained control of the financial asset.

The Company enters into transactions to transfer financial assets, and if it retains all or substantially all the risks and rewards of ownership of the transferred assets, it continues to recognize these assets on the balance sheet.

Notes to the Parent Company Only Financial Statements of Ta Tun Electric Wire & Cable Co., Ltd. (Continued)

2. Financial liabilities and equity instruments

(1) Classification of liability or equity

The Company classifies debt and equity instruments issued according to the substance of the contractual arrangements and the definitions of financial liabilities and equity instruments as financial liabilities or equity.

(2) Equity transactions

An equity instrument refers to any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recognized at the amount of the proceeds received, net of direct issue costs.

(3) Financial liabilities

Financial liabilities are classified as either at amortized cost or at fair value through profit or loss. Financial liabilities are classified as at fair value through profit or loss when they are held for trading, are derivative instruments, or are designated as such at initial recognition. Financial liabilities at fair value through profit or loss are measured at fair value, and any net gains and losses, including any interest expense, are recognized in profit or loss.

Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gains or losses on derecognition are also recognized in profit or loss.

(4) Derecognition of Financial Liabilities

The Company derecognizes financial liabilities when contractual obligations have been fulfilled, canceled, or expired. When the terms of a financial liability are modified and the cash flows of the modified liability are significantly different, the original financial liability is derecognized, and a new financial liability is recognized at fair value based on the modified terms.

When a financial liability is derecognized, the difference between its carrying amount and the total consideration paid or payable (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss.

(5) Offsetting of Financial Assets and Liabilities

Financial assets and liabilities are offset and presented as a net amount in the balance sheet only when the Company currently has a legally enforceable right to offset and intends either to settle on a net basis or to realize the assets and settle the

Notes to the Parent Company Only Financial Statements of Ta Tun Electric Wire & Cable Co., Ltd. (Continued)

liabilities simultaneously.

3. Derivative Financial Instruments

The Company holds derivative financial instruments to hedge against foreign currency and interest rate risk exposures. Derivatives are initially measured at fair value; subsequently measured at fair value, with gains or losses from remeasurement directly recognized in profit or loss.

(7) Inventories

Inventories are measured at the lower of cost and net realizable value. Cost includes acquisition, production or processing costs, and other costs incurred in bringing them to their existing location and condition, and is calculated using the weighted average method. The cost of finished goods and work-in-progress inventories includes manufacturing expenses allocated in appropriate proportions based on normal production capacity.

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

(8) Investment in Associates

Associates are entities over which the Company has significant influence over their financial and operating policies, but does not have control or joint control.

The Company accounts for its interests in associates using the equity method. Under the equity method, the investment is initially recognized at cost, including transaction costs. The carrying amount of investments in associates includes goodwill identified at the time of original investment, less any accumulated impairment losses.

The parent company only financial statements include the amount of profit or loss and other comprehensive income of associates recognized by the Company in proportion to its equity interest, after adjustments to align with the accounting policies of the Company, from the date significant influence commences until the date significant influence ceases. When an associate has changes in equity not related to profit or loss and other comprehensive income, and these changes do not affect the Company's ownership percentage, the Company recognizes its proportionate share of such equity changes as additional paid-in capital.

Unrealized profits and losses arising from transactions between the Company and its associates are recognized in the financial statements only to the extent that they are unrelated to the investor's interest in the associates. When the Company's proportionate share of losses in an associate equals or exceeds its interest in the associate, it

Notes to the Parent Company Only Financial Statements of Ta Tun Electric Wire & Cable Co., Ltd. (Continued)

discontinues recognizing its share of further losses. Additional losses and liabilities are recognized only to the extent that the Consolidated Company has incurred legal or constructive obligations or made payments on behalf of the investee.

(9) Investment in Subsidiaries

When preparing parent company only financial statements, the Company adopts the equity method to evaluate investee companies over which it has control. Under the equity method, the current profit or loss and other comprehensive income in the parent company only financial statements are the same as the share of profit or loss and other comprehensive income attributable to the owners of the parent company in the consolidated financial statements, and the owners' equity in the individual financial statements is the same as the equity attributable to the owners of the parent company in the consolidated financial statements.

Changes in the Company's ownership interests that do not result in the loss of control over the subsidiaries are accounted for as equity transactions with owners.

(10) Investment property

Investment property refers to property held to earn rental income or for capital appreciation or both, rather than for normal business sale, use in production, provision of goods or services, or for administrative purposes. Investment property is initially measured at cost and subsequently measured at cost less accumulated depreciation expense and accumulated impairment losses. Its depreciation method, useful life, and residual value are treated in accordance with the provisions for property, plant and equipment.

Gains or losses on disposal of investment property (calculated as the difference between the net disposal proceeds and the carrying amount of the item) are recognized in profit or loss.

Rent revenue/income from investment property is recognized as other income on a straight-line basis over the lease term. Lease incentives granted are recognized as part of lease income over the lease term.

Notes to the Parent Company Only Financial Statements of Ta Tun Electric Wire & Cable Co., Ltd. (Continued)

(11) Property, plant and equipment

1. Recognition and measurement

Property, plant and equipment items are measured at cost (including capitalized borrowing costs) less accumulated depreciation expense and any accumulated impairment losses.

When significant components of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains or losses on the disposal of property, plant and equipment are recognized in profit or loss.

2. Subsequent costs

Subsequent expenditure is capitalized only when it is probable that future economic benefits associated with the expenditure will flow to the Company.

3. Depreciation Expense

Depreciation expense is calculated on the cost of an asset less its residual value and is recognized in profit or loss on a straight-line basis over the estimated useful life of each component.

Land is not depreciated.

The estimated useful lives for the current and comparative periods are as follows:

(1) Buildings 3–50 years

(2) Machinery and equipment 2–20 years

(3) Other equipment 2–15 years

The Company reviews the depreciation method, useful life, and residual value at each reporting date and makes appropriate adjustments as necessary.

(12) Leases

At the inception of the contract, the Company assesses whether a contract is, or contains, a lease. A contract is considered a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

1. Lessee

The Company recognizes right-of-use assets and lease liabilities on the lease commencement date. The right-of-use asset is initially measured at cost, which includes the initial amount of the lease liability adjusted for any lease payments made on or before the commencement date, plus any initial direct costs incurred and estimated costs to dismantle and remove the underlying asset or to restore the asset or

Notes to the Parent Company Only Financial Statements of Ta Tun Electric Wire & Cable Co., Ltd. (Continued)

the site where it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. In addition, the Company regularly assesses whether the right-of-use asset is impaired and deals with any impairment loss that has occurred and adjusts the right-of-use asset accordingly when the lease liability is remeasured.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date. If the interest rate implicit in the lease is readily determinable, it is used as the discount rate; if not, the Company's incremental borrowing rate is applied. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise:

- (1) fixed payments, including in-substance fixed payments;
- (2) variable lease payments that depend on an index or a rate, initially measured using the index or rate as on the commencement date;
- (3) amounts expected to be payable under a residual value guarantee; and
- (4) the exercise price of a purchase option or penalties for terminating the lease, if the Consolidated Company is reasonably certain to exercise the option or termination.

The lease liability is subsequently accreted using the effective interest method and remeasured when:

- (1) there is a change in future lease payments arising from the change in an index or rate used to determine those payments;
- (2) there is a change in the amounts expected to be payable under a residual value guarantee;
- (3) there is a change in the assessment of an option to purchase the underlying asset;
- (4) there is a change in the lease term resulting from a change in the assessment of whether the Consolidated Company will exercise an extension or termination option;
- (5) there is a modification in lease subject, scope, or other terms.

When the lease liability is remeasured due to changes in an index or rate used to determine lease payments, changes in the amounts expected to be payable under a residual value guarantee, and changes in assessments of purchase, extension or termination options as mentioned above, a corresponding adjustment is made to the carrying amount of the right-of-use asset. If the carrying amount of the right-of-use asset is reduced to zero, any remaining amount of the remeasurement is recognized in profit

Notes to the Parent Company Only Financial Statements of Ta Tun Electric Wire & Cable Co., Ltd. (Continued)

or loss.

For lease modifications that decrease the scope of the lease, the carrying amount of the right-of-use asset is reduced to reflect the partial or full termination of the lease, and the difference between this reduction and the remeasurement of the lease liability is recognized in profit or loss.

The Company presents right-of-use assets and lease liabilities that do not meet the definition of investment property as separate line items in the balance sheet.

If an agreement contains lease and non-lease components, the Company allocates the consideration in the contract to individual lease components on the basis of their relative stand-alone prices. However, when leasing land and buildings, the Company elects not to separate non-lease components and accounts for the lease and non-lease components as a single lease component.

For short-term leases of office equipment and leases of low-value assets, the Company has elected not to recognize right-of-use assets and lease liabilities. Instead, related lease payments are recognized as expenses on a straight-line basis over the lease term.

2. Lessor

For transactions in which the Company is the lessor, at the inception of a lease, it classifies the lease contract as either a finance lease or an operating lease based on whether it transfers substantially all the risks and rewards incidental to ownership of the underlying asset. If it does, the lease is classified as a finance lease; otherwise, it is classified as an operating lease. In the assessment, the Company considers relevant specific indicators, such as whether the lease term covers a major part of the economic life of the underlying asset.

If the Company is a sub-lessor, it accounts for the head lease and the sublease transactions separately and assesses the classification of the sublease transaction with reference to the right-of-use asset arising from the head lease. If the head lease is a short-term lease to which the Group applies the recognition exemption, then the sublease transaction shall be classified as an operating lease.

If an arrangement contains lease and non-lease components, the Company applies IFRS 15 to allocate the consideration in the contract.

For operating leases, the Company recognizes rent revenue/income on a straight-line basis over the lease term.

Notes to the Parent Company Only Financial Statements of Ta Tun Electric Wire & Cable Co., Ltd. (Continued)

(13) Intangible Assets

1. Recognition and Measurement

The Company measures acquired intangible assets with finite useful lives at cost, less accumulated amortization and accumulated impairment losses.

2. Subsequent Expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditures are recognized in profit or loss when incurred, including internally generated goodwill and brands.

3. Amortization

Amortization is calculated based on the cost of the asset less its estimated residual value and is recognized in profit or loss on a straight-line basis over the estimated useful lives of intangible assets from the date they are available for use.

The estimated useful lives for the current and comparative periods are as follows:

Computer software 3–8 years

The Company reviews the amortization method, useful life, and residual value of intangible assets at each reporting date and makes appropriate adjustments as necessary.

(14) Impairment of Non-financial Assets

The Company assesses at each reporting date whether there are indicators that the carrying amount of non-financial assets (excluding inventories, contract assets, and deferred income tax assets) may be impaired. If any such indicators exist, then the recoverable amount of the asset is estimated.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows that are largely independent of the cash inflows from other individual assets or groups of assets. Goodwill acquired in a business combination is allocated to each cash-generating unit or group of cash-generating units that is expected to benefit from the synergies of the combination. The recoverable amount is the higher of an individual asset's or cash-generating unit's fair value less costs of disposal and its value in use. In assessing value in use, estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash-generating unit.

If the recoverable amount of an individual asset or cash-generating unit is less than its

Notes to the Parent Company Only Financial Statements of Ta Tun Electric Wire & Cable Co., Ltd. (Continued)

carrying amount, an impairment loss is recognized.

Impairment losses are recognized immediately in profit or loss and are first used to reduce the carrying amount of any goodwill allocated to the cash-generating unit, and then to reduce the carrying amounts of the other assets in the unit on a pro-rata basis.

(15) Provisions

Provisions are recognized when the Company has a present obligation resulting from a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation in the future, and the amount of the obligation can be reliably estimated. Provisions are discounted using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the liability. The amortization of the discount is recognized as interest expense.

(16) Revenue Recognition

1. Revenue from Contracts with Customers

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring goods or services. The Company recognizes revenue when it satisfies a performance obligation by transferring control of goods or services to a customer. The Company's primary revenue items are described as follows:

(1) Sale of Goods

The Company manufactures and sells wires and cables to customers. The Company recognizes revenue when control of the products is transferred. The transfer of control of the product is deemed to occur when the product has been delivered to the customer, the customer has full discretion over the sales channels and pricing of the product, and there are no unfulfilled obligations that could affect the customer's acceptance of the product. Delivery occurs when the product has been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the product in accordance with the sales contract, the acceptance provisions have lapsed, or the Company has objective evidence that all acceptance criteria have been met.

Revenue that has been recognized but not yet billed is recorded as a contract asset, which is reclassified to accounts receivable when the right to the consideration becomes unconditional. Advance payments are recognized as contract liabilities before the control of the product is transferred.

Notes to the Parent Company Only Financial Statements of Ta Tun Electric Wire & Cable Co., Ltd. (Continued)

(2) Construction contracts

The Company engages in construction contracting businesses. Since the asset is controlled by the customer during construction, revenue is recognized over time, based on the stages of completed work. Customers make payments of fixed amounts according to the agreed schedule. The Company only recognizes revenue to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue will not occur. Revenue that has been recognized but not yet billed is recorded as a contract asset, which is reclassified to accounts receivable when the right to the consideration becomes unconditional.

If the degree of completion of the performance obligation in a construction contract cannot be reasonably measured, contract revenue is recognized only to the extent of costs incurred that are expected to be recoverable.

When the Company expects that the unavoidable costs of fulfilling the obligations of a construction contract exceed the economic benefits expected to be received from the contract, a provision for the onerous contract is recognized.

If circumstances change, estimates of revenue, costs, and degree of completion will be revised, and the resulting increases or decreases will be reflected in profit or loss in the period when management becomes aware of the changed circumstances and makes revisions.

(3) Financing Component

The Company expects that the time interval between transferring services to customers and receiving payments in all customer contracts will not exceed one year. Therefore, the Company does not adjust the transaction price for the time value of money.

(17) Government Grants

Government grants that compensate the Company for expenses or losses incurred are recognized in profit or loss on a systematic basis in the same periods in which the related expenses are recognized.

(18) Employee Benefits

1. Defined Contribution Plans

Defined contribution pension plan obligations are recognized as an expense during the period in which employees provide services.

2. Defined Benefit Plans

The Company's net obligation to defined benefit plans is calculated by the amount of

Notes to the Parent Company Only Financial Statements of Ta Tun Electric Wire & Cable Co., Ltd. (Continued)

future benefits earned by employees in current or previous periods of service, discounted to present value, and reduced by the fair value of any plan assets.

Defined benefit obligations are actuarially determined annually by qualified actuaries using the projected unit credit method. When the calculation results may be favorable to the Company, the recognized asset is limited to the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan. When calculating the present value of economic benefits, any minimum funding requirements are taken into consideration.

Remeasurements of net defined benefit liability, including actuarial gains and losses, return on plan assets (excluding interest), and any changes in the effect of the asset ceiling (excluding interest) are immediately recognized in other comprehensive income and accumulated in retained earnings. The Company determines the net interest expense (income) on the net defined benefit liability (asset) using the net defined benefit liability (asset) and discount rate determined at the beginning of the annual reporting period. Net interest expense and other expenses of defined benefit plans are recognized in profit or loss.

When a plan is amended or curtailed, the change in benefit relating to past service cost or the gain or loss on curtailment is immediately recognized in profit or loss. The Company recognizes the settlement gain or loss on defined benefit plans when the settlement occurs.

3. Short-term employee benefits

Short-term employee benefit obligations are recognized as expenses when the service is provided. If the Company has a present legal or constructive obligation to make payments as a result of past service provided by the employee, and the obligation can be estimated reliably, the amount is recognized as a liability.

(19) Share-based Payment Transactions

Equity-settled share-based payment arrangements are recognized as expenses with a corresponding increase in equity over the vesting period of the awards at their fair value on the grant date. The recognized expense is adjusted according to the expected number of awards that meet the service conditions and non-market vesting conditions; the final amount recognized is measured based on the number of awards that meet the service conditions and non-market vesting conditions on the vesting date.

For non-vesting conditions related to share-based payment awards, these are reflected in the measurement of fair value at the grant date of the share-based payment, and

Notes to the Parent Company Only Financial Statements of Ta Tun Electric Wire & Cable Co., Ltd. (Continued)

differences between expected and actual results do not require true-up adjustments.

The fair value amount of cash-settled share appreciation rights payable to employees is recognized as an expense with a corresponding increase in liabilities over the period that employees become unconditionally entitled to the remuneration. At each reporting date and settlement date, the liability is remeasured based on the fair value of the share appreciation rights, and any changes are recognized in profit or loss.

The grant date of the Company's share-based payments is the date when employees are notified.

(20) Income Taxes

Income taxes include current and deferred income taxes. Income taxes include current and deferred income taxes. Current income tax and deferred income tax should be recognized in profit or loss, except for items related to business combinations, items recognized directly in equity, or items recognized in other comprehensive income.

Current income tax includes the estimated income tax payable or refundable calculated based on taxable income (loss) for the year, as well as any adjustments to income tax payable or refundable for prior years. The amount is measured at the best estimate of expected payments or receipts based on the statutory tax rates or substantively enacted tax rates at the reporting date.

Deferred income tax is measured and recognized for temporary differences between the carrying amounts of assets and liabilities and their tax bases at the reporting date. Deferred income tax is not recognized for temporary differences arising from the following situations:

1. Assets or liabilities initially recognized in transactions that are not business combinations, and at the time of the transaction (i) do not affect accounting profit and taxable income (loss) and (ii) do not create equal taxable and deductible temporary differences;
2. Temporary differences arising from investments in subsidiaries, associates, and joint ventures where the Company can control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future; and
3. Taxable temporary differences arising from the initial recognition of goodwill.

Deferred income tax assets are recognized for unused tax losses, unused tax credits carried forward, and deductible temporary differences to the extent that it is probable that future taxable income will be available against which they can be utilized. And are

Notes to the Parent Company Only Financial Statements of Ta Tun Electric Wire & Cable Co., Ltd. (Continued)

reassessed at each reporting date, with reductions made to the extent that related tax benefits are not likely to be realized; or previously reduced amounts are reversed to the extent that it becomes probable that sufficient taxable income will be available.

Deferred income tax is measured at the tax rates that are expected to apply to the period when the temporary differences reverse, based on the statutory tax rates or substantively enacted tax rates at the reporting date.

The Company offsets deferred income tax assets and deferred income tax liabilities only when both of the following conditions are met:

1. There is a legal right to offset current tax assets against current tax liabilities; and
2. deferred income tax assets and deferred income tax liabilities relate to income taxes levied by the same taxation authority on either:
 - (1) The same taxable entity; or
 - (2) Different taxable entities, where each entity intends to settle current tax liabilities and assets on a net basis or to realize the assets and settle the liabilities simultaneously, in each future period when significant amounts of deferred income tax assets or deferred income tax liabilities are expected to be recovered or settled.

(21) Business Combinations

The Company does not apply the acquisition method to business combinations under reorganization. Instead, it uses the book value method, which is treated as a derecognition from the beginning.

When the Company sells subsidiaries, as the economic substance of the transaction constitutes reorganization within the group, it ops to treat the subsidiaries as if they had been derecognized from the beginning and retrospectively restates the prior period comparative parent company only financial statements. In preparing the comparative balance sheets and statements of changes in equity for prior periods, the original equity held by the Company is attributed to "Interests under Common Control." In preparing the comparative statements of comprehensive income for prior periods, the profit or loss originally recognized by the Company is attributed to "Net Income Attributable to Interests under Common Control."

Notes to the Parent Company Only Financial Statements of Ta Tun Electric Wire & Cable Co., Ltd. (Continued)

(22) Earnings Per Share

The Company presents the basic and diluted earnings per share attributable to the common equity holders of the Company. The Company's basic earnings per share is calculated by dividing the profit or loss attributable to the common equity holders of the Company by the weighted average number of common stocks outstanding during the period. Diluted earnings per share is calculated by adjusting the profit or loss attributable to ordinary equity holders of the Company and the weighted average number of Common Stocks outstanding for the effects of all potentially dilutive Common Stocks .

(23) Segment Information

As the Company has disclosed segment information in the consolidated financial statements, it is not disclosed in the parent company only financial statements.

5. Principal Sources of Major Accounting Judgments, Estimates, and Assumption Uncertainties

Management must make judgments and estimates about the future (including climate-related risks and opportunities) when preparing these parent company only financial statements. These judgements and estimates will affect the application of accounting policies and the reported amounts of assets, liabilities, revenues, and expenses. Actual results may differ from these estimates.

Management continuously reviews estimates and underlying assumptions, which are consistent with the Company's risk management and climate-related commitments. Changes in estimates are recognized prospectively in the period of change and affected future periods.

The accounting policies adopted in these parent company only financial statements do not involve significant judgments.

The following assumptions and estimation uncertainties have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year, and their relevant information is as follows:

(1) Inventory Valuation

As inventory must be measured at the lower of cost and net realizable value, the Company assesses the amount of inventory on the reporting date that is subject to normal wear and tear, obsolescence, or has no market sales value, and writes down the inventory cost to net realizable value. This inventory valuation is primarily based on estimated product demand within a specific future period, and therefore may be subject to significant

Notes to the Parent Company Only Financial Statements of Ta Tun Electric Wire & Cable Co., Ltd. (Continued)

changes due to rapid industry changes. Please refer to Note 6(5) for details on inventory valuation provisions.

The Company's accounting policies and disclosures include the use of fair value measurements for its financial, non-financial assets and liabilities. The Company's Finance Department is responsible for reviewing all significant fair value measurements (including Level 3 fair value measurements), and regularly reviews significant unobservable inputs and adjustments to ensure that the valuation and its fair value hierarchy classification comply with the requirements of International Financial Reporting Standards.

The Company uses observable market inputs to the extent possible when measuring its assets and liabilities. The levels of fair value are categorized based on the inputs used in the valuation techniques as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If transfers between the different levels of fair value occur, the Company recognizes such transfers on the reporting date.

For information regarding the assumptions used in measuring fair value, please refer to Note 6(25) Financial Instruments.

6. Explanation of Significant Account

(1) Cash and Cash Equivalents

	2024.12.31	2023.12.31
Cash on hand and petty cash	\$ 80	80
Checking accounts and demand deposits	719,397	209,485
Cash and cash equivalents as listed in the statement of cash flows	<u>\$ 719,477</u>	<u>209,565</u>

For disclosure of interest rate risk and sensitivity analysis of the Company's financial assets and liabilities, please refer to Note 6(25).

Notes to the Parent Company Only Financial Statements of Ta Tun Electric Wire & Cable Co., Ltd. (Continued)

(2) Financial Assets and Liabilities at Fair Value through Profit or Loss

1. Details are as follows:

	<u>2024.12.31</u>	<u>2023.12.31</u>
Financial assets mandatorily measured at fair value through profit or loss:		
Non-derivative financial assets		
Stocks of Domestic Listed and OTC Companies	\$ 14,711	10,187
Shares of Foreign Listed and OTC Companies	1,132	17,329
Bond investments	158,947	148,422
Funds	5,049	5,012
Total	\$ 179,839	180,950
Financial liabilities held for trading:		
Non-hedging derivatives		
Cross-currency swaps	\$ -	1,565
Currency options	-	15
Total	\$ -	1,580

For the amounts recognized in profit or loss on fair value remeasurement, please refer to Note 6(24).

As of December 31, 2024 and 2023, details of the Company's financial assets measured at fair value through profit or loss that have been pledged as collateral for letter of credit facilities are disclosed in Note 8.

2. Derivative Financial Instruments

Derivative financial instruments are used to hedge against the risks arising from fluctuations in exchange rates, interest rates, and inventory prices exposed in operating, financing, and investment activities. As of December 31, 2024, and 2023, the details of derivative instruments reported as financial assets mandatorily measured at fair value through profit or loss and financial liabilities held for trading, which are not subject to hedge accounting, are as follows:

(1) Cross-currency swaps

<u>2023.12.31</u>				
Contract amount (thousands)	Currency	Interest rate to be paid	Interest rate to be received	Maturity date
USD1,000	USD to TWD	FixedTWD0.88%	FixedUSD4.27%	2024.04.
TWD32,355				30

Notes to the Parent Company Only Financial Statements of Ta Tun Electric Wire & Cable Co., Ltd. (Continued)

(2) Currency Options

2023.12.31				
Notional Principal (thousands)	Currency	Position/Rights Category	Strike Price	Maturity date
USD500	USD to TWD	SELL/CALL	33.80	2024.08. 16

(3). Financial Assets at Fair Value through Other Comprehensive Income

	2024.12.31	2023.12.31
Equity Instruments at Fair Value through Other Comprehensive Income:		
Stocks of Domestic Listed and OTC Companies	\$ 13,313	22,704
Shares of Domestic Unlisted Companies	62,796	46,330
Total	\$ 76,109	69,034

1. Investments in Equity Instruments Measured at Fair Value through Other Comprehensive Income

The Company holds these equity instrument investments for long-term strategic purposes and not for trading. Therefore, they have been designated as at fair value through other comprehensive income.

The Company recognized dividend income of NT\$6,965 thousand and NT\$4,309 thousand for 2024 and 2023, respectively, from the above-mentioned equity instrument investments designated as at fair value through other comprehensive income.

From June to July 2024, the Company sold stocks of domestic listed (OTC) companies that have been designated at fair value through other comprehensive income. As the Company had established business relationships and close cooperation with these invested companies, the original investment purposes were deemed to have been achieved. The fair value at the time of disposal was NT\$41,436 thousand, with accumulated disposal gains of NT\$30,216 thousand. Accordingly, the aforementioned accumulated disposal gains have been transferred from other equity to retained earnings. The Company did not dispose of any strategic investments in 2023, and no accumulated gains or losses were transferred within equity during that period.

2. For information on credit risk and market risk, please refer to Note 6(25).

3. As of December 31, 2024, and 2023, none of the Company's financial assets measured at fair value through other comprehensive income were pledged as collateral.

(4) Notes and Accounts Receivable, Net (Including Related Parties)

Notes to the Parent Company Only Financial Statements of Ta Tun Electric Wire & Cable Co., Ltd. (Continued)

	2024.12.31	2023.12.31
Notes Receivable	\$ 75,597	25,201
Accounts Receivable (Including Related Parties)	643,045	935,484
Less: Allowance for Losses	-	(7,989)
Total	\$ 718,642	952,696

The Company applies the simplified approach to estimate expected credit losses for all notes and accounts receivable, which means using lifetime expected credit losses for measurement. For this purpose, these notes and accounts receivable are grouped based on shared credit risk characteristics representing customers' ability to pay all amounts due according to the contractual terms, and forward-looking information has been incorporated, including macroeconomic and relevant industry information. The Company's expected credit loss analysis for notes and accounts receivable is as follows:

	2024.12.31		
	Notes and Accounts Receivable Carrying Amount	Weighted Average Expected Credit Loss Rate	Allowance for Lifetime Expected Credit Losses
Not Past Due	\$ 641,212	-	-
Past due within 90 days	77,183	-	-
Past due 91-180 days	-	-	-
Past due 181-270 days	247	-	-
Past due 271-360 days	-	-	-
Past due over 361 days	-	-	-
Total	\$ 718,642		-

	2023.12.31		
	Notes and Accounts Receivable Carrying Amount	Weighted Average Expected Credit Loss Rate	Allowance for Lifetime Expected Credit Losses
Not Past Due	\$ 875,867	-	-
Past due within 90 days	78,751	2.44%	1,922
Past due 91-180 days	-	-	-
Past due 181-270 days	-	-	-
Past due 271-360 days	-	-	-
Past due over 361 days	6,067	100%	6,067
Total	\$ 960,685		7,989

The Company's statement of changes in loss allowance on notes and accounts receivable

Notes to the Parent Company Only Financial Statements of Ta Tun Electric Wire & Cable Co., Ltd. (Continued)

is as follows:

	2024	2023
Beginning balance	\$ 7,989	7,989
Amount written off due to uncollectible in current year	(6,067)	-
Reversal of impairment loss	(1,922)	-
Ending balance	<u><u>\$ -</u></u>	<u><u>7,989</u></u>

As of December 31, 2024, and 2023, none of the Company's notes and accounts receivable were pledged as collateral.

For more information on credit risk, please refer to Note 6(25).

(5) Inventories

	2024.12.31	2023.12.31
Raw materials	\$ 302,914	238,100
Work in process and semi-finished goods	569,835	452,341
Finished goods and merchandise	478,986	818,632
Inventory in transit	187,405	-
	<u><u>\$ 1,539,140</u></u>	<u><u>1,509,073</u></u>

In 2024 and 2023, inventory write-downs to net realizable value amounted to NT\$6,480 thousand and NT\$2,543 thousand, respectively, and were recognized as cost of goods sold.

As of December 31, 2024, and 2023, none of the Company's inventories were pledged as collateral.

(6) Investments Accounted for Using Equity Method

The Company's investments accounted for using the equity method at the reporting date are as follows:

	2024.12.31	2023.12.31
Subsidiary	\$ -	-
Associates	14,954	14,735
	<u><u>\$ 14,954</u></u>	<u><u>14,735</u></u>

1. Subsidiary

Please refer to 2024 Consolidated Financial Statements.

On November 13, 2023, the Company disposed of 55% equity of the subsidiary Guan Shan Lin Construction Co., Ltd. (Guan Shan Lin) and 100% equity of Dong Ting Green Energy Co., Ltd. (Dong Ting Green Energy) for cash amounts of NT\$9,350 thousand and NT\$25,000 thousand, respectively to the Company's parent company, Dongzhe

Notes to the Parent Company Only Financial Statements of Ta Tun Electric Wire & Cable Co., Ltd. (Continued)

Investment Co., Ltd. (Dongzhe Investment). According to the regulations in the IFRS Q&A set by the Accounting Research and Development Foundation, these transactions are considered reorganization under common control and should be treated as derecognized from the beginning.

The Company's subsidiary Zhe Ming Investment Co., Ltd. (Zhe Ming Investment) was dissolved on October 23, 2023, resulting in the Company's loss of control over it.

2. Associates

The summarized financial information of associates that are not individually material and are accounted for using the equity method by the Company is presented below. These amounts are included in the Company's parent company only financial statements:

	<u>2024.12.31</u>	<u>2023.12.31</u>
Aggregate carrying amount of individually immaterial associates at the end of the period	<u>\$ 14,954</u>	<u>14,735</u>
	<u>2024</u>	<u>2023</u>
Share attributable to the Company:		
Loss for the period	\$ 219	(107)
Other comprehensive income	-	-
Total comprehensive income	<u>\$ 219</u>	<u>(107)</u>

3. Collateral

As of December 31, 2024, and 2023, none of the Company's investments accounted for using the equity method were pledged as collateral.

Notes to the Parent Company Only Financial Statements of Ta Tun Electric Wire & Cable Co., Ltd. (Continued)

(7) Property, Plant and Equipment

The cost and depreciation expense changes in the Company's property, plant and equipment are as follows:

	Land	Buildings and structures	Machinery and equipment	Other Equipment	Constructio n in progress	Total
Cost or deemed cost:						
Balance as of January 1, 2024	\$ 390,039	239,263	447,790	366,075	-	1,443,167
Additions	-	4,955	14,741	15,393	28,353	63,442
Disposals	-	(25,193)	(58,871)	(143,835)	-	(227,899)
Reclassification	-	942	13,682	2,476	54,951	72,051
Balance as of December 31, 2024	<u>\$ 390,039</u>	<u>219,967</u>	<u>417,342</u>	<u>240,109</u>	<u>83,304</u>	<u>1,350,761</u>
Balance as of January 1, 2023	\$ 390,039	236,983	438,487	247,669	7,344	1,320,522
Additions	-	2,280	12,013	25,406	87,746	127,445
Disposals	-	-	(2,710)	(2,090)	-	(4,800)
Reclassification	-	-	-	95,090	(95,090)	-
Balance as of December 31, 2023	<u>\$ 390,039</u>	<u>239,263</u>	<u>447,790</u>	<u>366,075</u>	<u>-</u>	<u>1,443,167</u>
Depreciation Expense and Impairment Loss:						
Balance as of January 1, 2024	\$ -	220,311	355,197	188,347	-	763,855
Current Year Depreciation Expense	-	3,099	21,072	19,230	-	43,401
Disposals	-	(25,193)	(58,423)	(143,835)	-	(227,451)
Balance as of December 31, 2024	<u>\$ -</u>	<u>198,217</u>	<u>317,846</u>	<u>63,742</u>	<u>-</u>	<u>579,805</u>
Balance as of January 1, 2023	\$ -	217,108	333,592	173,578	-	724,278
Current Year Depreciation Expense	-	3,203	24,315	16,736	-	44,254
Disposals	-	-	(2,710)	(1,967)	-	(4,677)
Balance as of December 31, 2023	<u>\$ -</u>	<u>220,311</u>	<u>355,197</u>	<u>188,347</u>	<u>-</u>	<u>763,855</u>
Carrying Amount:						
December 31, 2024	<u>\$ 390,039</u>	<u>21,750</u>	<u>99,496</u>	<u>176,367</u>	<u>83,304</u>	<u>770,956</u>
January 1, 2023	<u>\$ 390,039</u>	<u>19,875</u>	<u>104,895</u>	<u>74,091</u>	<u>7,344</u>	<u>596,244</u>
December 31, 2023	<u>\$ 390,039</u>	<u>18,952</u>	<u>92,593</u>	<u>177,728</u>	<u>-</u>	<u>679,312</u>

As of December 31, 2024, and 2023, details of the Company's property, plant and equipment pledged as collateral for long-term and Short-term debt and financing facilities are disclosed in Note 8.

Notes to the Parent Company Only Financial Statements of Ta Tun Electric Wire & Cable Co., Ltd. (Continued)

(8) Right-of-use Assets

The Company's cost and depreciation expense changes for leased land and transportation equipment are as follows:

	Land	Transportation Equipment	Other Equipment	Total
Right-of-use asset cost:				
Balance as of January 1, 2024	\$ 14,521	20,737	397	35,655
Additions	2,603	6,399	-	9,002
Decrease	-	(15,019)	-	(15,019)
Balance as of December 31, 2024	\$ 17,124	12,117	397	29,638
Balance as of January 1, 2023	\$ 14,521	11,945	-	26,466
Additions	-	8,792	397	9,189
Balance as of December 31, 2023	\$ 14,521	20,737	397	35,655
Accumulated depreciation				
expense of right-of-use assets:				
Balance as of January 1, 2024	\$ 3,291	13,100	24	16,415
Depreciation Expense	1,669	2,347	57	4,073
Decrease	-	(12,899)	-	(12,899)
Balance as of December 31, 2024	\$ 4,960	2,548	81	7,589
Balance as of January 1, 2023	\$ 1,619	10,050	-	11,669
Depreciation Expense	1,672	3,050	24	4,746
Balance as of December 31, 2023	\$ 3,291	13,100	24	16,415
Carrying Amount:				
December 31, 2024	\$ 12,164	9,569	316	22,049
January 1, 2023	\$ 12,902	1,895	-	14,797
December 31, 2023	\$ 11,230	7,637	373	19,240

Notes to the Parent Company Only Financial Statements of Ta Tun Electric Wire & Cable Co., Ltd. (Continued)

(9) Investment Property

The Company's investment property changes are as follows:

	<u>Land</u>	<u>Buildings</u>	<u>Total</u>
Cost or deemed cost:			
Balance as of January 1, 2024	\$ 328,329	148,819	477,148
Disposals	<u>(70,440)</u>	<u>(58,010)</u>	<u>(128,450)</u>
Balance as of December 31, 2024	<u>\$ 257,889</u>	<u>90,809</u>	<u>348,698</u>
Balance as of January 1, 2023	\$ 328,329	148,819	477,148
Balance as of December 31, 2023	<u>\$ 328,329</u>	<u>148,819</u>	<u>477,148</u>
Depreciation Expense and Impairment Loss:			
Balance as of January 1, 2024	\$ -	40,788	40,788
Depreciation Expense	-	2,075	2,075
Disposals	<u>-</u>	<u>(32,267)</u>	<u>(32,267)</u>
Balance as of December 31, 2024	<u>\$ -</u>	<u>10,596</u>	<u>10,596</u>
Balance as of January 1, 2023	\$ -	38,449	38,449
Depreciation Expense	<u>-</u>	<u>2,339</u>	<u>2,339</u>
Balance as of December 31, 2023	<u>\$ -</u>	<u>40,788</u>	<u>40,788</u>
Carrying Amount:			
December 31, 2024	<u>\$ 257,889</u>	<u>80,213</u>	<u>338,102</u>
January 1, 2023	<u>\$ 328,329</u>	<u>110,370</u>	<u>438,699</u>
December 31, 2023	<u>\$ 328,329</u>	<u>108,031</u>	<u>436,360</u>
Fair value:			
December 31, 2024			
Investment property in Taiwan region (Thousands of New Taiwan Dollars)			<u>\$ 105,593</u>
Investment property in Japan region (Thousands of Japanese Yen)			<u>\$ 874,000</u>
January 1, 2023			
Investment property in Taiwan region (Thousands of New Taiwan Dollars)			<u>\$ 239,352</u>
Investment property in Japan region (Thousands of Japanese Yen)			<u>\$ 840,000</u>
December 31, 2023			
Investment property in Taiwan region (Thousands of New Taiwan Dollars)			<u>\$ 260,128</u>
Investment property in Japan region (Thousands of Japanese Yen)			<u>\$ 855,000</u>

Notes to the Parent Company Only Financial Statements of Ta Tun Electric Wire & Cable Co., Ltd. (Continued)

The fair value of investment properties is assessed based on the most recent market transaction prices from the actual price registration of real estate in neighboring areas.

Investment properties include several commercial properties leased to others. Each lease contract includes an original non-cancellable lease term of 2 to 3 years. Subsequent lease terms are negotiated with the lessees, and no contingent rent is charged. For relevant information, please refer to Note 6(16).

As of December 31, 2024, and 2023, the details of the investment properties of the Company that have been pledged as collateral for long-term and Short-term debt and financing facilities are disclosed in Note 8.

(10) Intangible assets

The cost and amortization changes of the Company's intangible assets are as follows:

	Computer Software
Cost:	
Balance as of January 1, 2024	\$ 19,839
Separately acquired	5,558
Disposals	<u>(5,649)</u>
Balance as of December 31, 2024	<u>\$ 19,748</u>
Balance as of January 1, 2023	\$ 17,720
Separately acquired	<u>2,119</u>
Balance as of December 31, 2023	<u>\$ 19,839</u>
Amortization and impairment losses:	
Balance as of January 1, 2024	\$ 7,565
Amortization for the period	4,384
Disposals	<u>(5,649)</u>
Balance as of December 31, 2024	<u>\$ 6,300</u>
Balance as of January 1, 2023	\$ 5,210
Amortization for the period	<u>2,355</u>
Balance as of December 31, 2023	<u>\$ 7,565</u>
Carrying Amount:	
Balance as of December 31, 2024	<u>\$ 13,448</u>
January 1, 2023	<u>\$ 12,510</u>
Balance as of December 31, 2023	<u>\$ 12,274</u>

Notes to the Parent Company Only Financial Statements of Ta Tun Electric Wire & Cable Co., Ltd. (Continued)

1. Recognition of amortization and impairment

The amortization expenses of intangible assets for 2024 and 2023 are reported in the following items of the statement of comprehensive income:

	2024	2023
Operating costs	\$ 1,986	1,249
Operating expenses	\$ 2,398	1,106

2. Collateral

As of December 31, 2024, and 2023, none of the Company's intangible assets were pledged as collateral for loans or financing facilities.

(11) Other Current Assets and Other Non-current Assets

The details of the Company's other current assets and other non-current assets are as follows:

	2024.12.31	2023.12.31
Other current assets:		
Other current financial assets	\$ 490,273	406,501
Advance Payments for Goods	75,370	130,092
Other receivables	17,729	17,877
Others	45,817	15,865
Less: Loss allowance on other receivables	(12,000)	(12,000)
	\$ 617,189	558,335
	2024.12.31	2023.12.31
Other non-current assets:		
Prepaid equipment payment	\$ 249,792	90,158
Refundable deposits	38,177	8,689
	\$ 287,969	98,847

As of December 31, 2024, and 2023, details of the Company's use of other current financial assets as margins for financial instruments, performance bonds, and tax litigation deposits are disclosed in Note 8.

In 2023, the Company fully recovered the disputed overdue receivables through ongoing coordination and collection efforts with customers, resulting in the recognition of expected credit gain on reversal of impairment loss amounting to NT\$49,756 thousand.

Notes to the Parent Company Only Financial Statements of Ta Tun Electric Wire & Cable Co., Ltd. (Continued)

12. Short-term debt

	<u>2024.12.31</u>	<u>2023.12.31</u>
Unsecured bank loan	\$ 804,888	942,736
Secured bank loan	972,776	1,095,449
Total	<u>\$ 1,777,664</u>	<u>2,038,185</u>
Unused credit lines	<u>\$ 2,189,231</u>	<u>2,400,773</u>
Interest rate range	<u>1.10%~6.75%</u>	<u>0.90%~2.90%</u>

For information on assets pledged as collateral for bank loan by the Company, please refer to Note 8.

13. Long-term debt payable

	<u>2024.12.31</u>		
	<u>Interest rate range (%)</u>	<u>Maturity year</u>	<u>Amount</u>
Unsecured bank loan	0.50%~2.39%	115~118	\$ 216,109
Secured bank loan	2.10%~2.90%	115~125	873,840
Subtotal			1,089,949
Less: Portion due within one year			(167,706)
Total			<u>\$ 922,243</u>
Unused credit lines			<u>\$ 913,470</u>

	<u>2023.12.31</u>		
	<u>Interest rate range (%)</u>	<u>Maturity year</u>	<u>Amount</u>
Unsecured bank loan	0.85%~2.10%	115~117	\$ 220,271
Secured bank loan	1.98%~2.78%	115~130	371,101
Subtotal			591,372
Less: Portion due within one year			(103,108)
Total			<u>\$ 488,264</u>
Unused credit lines			<u>\$ 327,558</u>

For information on assets pledged as collateral for bank loan by the Company, please refer to Note 8.

Notes to the Parent Company Only Financial Statements of Ta Tun Electric Wire & Cable Co., Ltd. (Continued)

(14) Lease liabilities

The carrying amount of the Company's lease liabilities is as follows:

	2024.12.31	2023.12.31
Current	\$ 4,876	4,419
Non-current	\$ 17,483	15,493

For the maturity analysis, please refer to Note 6(25).

The amount of leases recognized in profit or loss is as follows:

	2024	2023
Interest expense on lease liabilities	\$ 279	221
Expenses for short-term leases	\$ 2,920	1,520
Expenses for low-value lease assets (excluding low-value leases that are short-term leases)	\$ 19	16

The amount recognized in the cash flow statement is as follows:

	2024	2023
Total cash outflow for leases	\$ 7,203	5,967

1. Leases of land and transport equipment

The Company leases land for offices and equipment rooms, with lease terms ranging from three to fifteen years. Some leases include options to extend for periods equal to the original lease term upon expiration. Additionally, the Company leases transport equipment for official use, with lease terms ranging from three to five years.

2. Other leases

The Company leases transport, operating, and office equipment with lease terms ranging from one to three years. These leases are short-term and low-value leases, for which the Company has elected to apply the exemption from recognition and does not recognize the related right-of-use assets and lease liabilities.

Notes to the Parent Company Only Financial Statements of Ta Tun Electric Wire & Cable Co., Ltd. (Continued)

(15) Provisions

	Provision for long-term liabilities pending legal proceedings
Balance as of January 1, 2024	\$ 120,296
Current increase in liability provisions	19,061
Current use of liability provisions	(37,534)
Balance as of December 31, 2024	<u><u>\$ 101,823</u></u>
Balance as of January 1, 2023	<u><u>\$ 120,296</u></u>
Balance as of December 31, 2023	<u><u>\$ 120,296</u></u>

Differences in interpretation with the tax authorities regarding income from housing and land transactions in the Company's 2007 business income tax and undistributed earnings tax return cases resulted in additional business income tax, undistributed earnings tax, and penalties totaling NT\$120,296 thousand. The Company has filed an appeal and, to date, still disagrees with the decision made by the competent authority. However, in accordance with the conservative principle, the Company has already made a provision for liabilities in 2022. For more information, please refer to Note 9(2).

The Company paid NT\$18,767 thousand in business income tax and NT\$18,767 thousand in penalties for 2007 in December 2024 and January 2025, respectively, totaling NT\$37,534 thousand, as well as interest of NT\$2,368 thousand related to business income tax, which is reported under "Finance Costs" in the consolidated statement of comprehensive income. The Company also estimated interest of NT\$10,785 thousand and late payment penalties of NT\$8,276 thousand related to undistributed earnings tax, totaling NT\$19,061 thousand, which are reported under "Finance Costs" and "Other Gains and Losses" in the consolidated statement of comprehensive income, respectively.

(16) Operating Leases

The Company leases out investment properties. Since it does not transfer substantially all the risks and rewards incidental to ownership of the underlying assets, these lease agreements are classified as operating leases. For more information, please refer to Note 6(9) Investment Properties.

Rent revenue/income generated from investment properties amounted to NT\$10,997 thousand and NT\$9,934 thousand for 2024 and 2023, respectively.

The maturity analysis of lease payments, showing the undiscounted total lease payments to be received after the reporting date, is presented in the following table:

Notes to the Parent Company Only Financial Statements of Ta Tun Electric Wire & Cable Co., Ltd. (Continued)

	2024.12.31	2023.12.31
Less than one year	\$ 8,005	8,185
One to two years	3,732	3,029
Two to three years	87	880
Total undiscounted lease payments	\$ 11,824	12,094

(17) Employee Benefits

1. Defined Benefit Plans

The reconciliation of the present value of the Company's defined benefit obligation and the fair value of plan assets is as follows:

	2024.12.31	2023.12.31
Present value of defined benefit obligation	\$ 16,758	17,993
Fair value of plan assets	(8,238)	(6,697)
Net Defined Benefit Liabilities	\$ 8,520	11,296

The Company's defined benefit plans are contributed to the labor pension reserve account at the Bank of Taiwan. The retirement payment for each employee subject to the Labor Standards Act is calculated based on the service years and the average salary for the six months preceding retirement.

(1) Composition of Plan Assets

The retirement funds contributed by the Company in accordance with the Labor Standards Act are managed by the Bureau of Labor Funds, Ministry of Labor (Bureau of Labor Funds). According to the Regulations for Revenues, Expenditures, Safeguard and Utilization of the Labor Retirement Fund, the minimum annual return allocated from the fund's utilization shall not be less than the return calculated based on the two-year fixed deposit interest rate of local banks.

As of the reporting date, the balance of the Company's labor pension reserve account at the Bank of Taiwan amounted to NT\$8,142 thousand. Information on the utilization of labor retirement fund assets, including the fund's rate of return and asset allocation, can be found on the website of the Bureau of Labor Funds, Ministry of Labor.

Notes to the Parent Company Only Financial Statements of Ta Tun Electric Wire & Cable Co., Ltd. (Continued)

(2) Changes in the Present Value of Defined Benefit Obligations

Changes in the present value of defined benefit obligations of the Company for 2024 and 2023 are as follows:

	<u>2024</u>	<u>2023</u>
Defined benefit obligations as of January 1	\$ 17,993	31,748
Current service cost and interest	474	618
Net remeasurements of defined benefit liability (asset)	(1,182)	314
–Actuarial gains and losses arising from experience adjustments		
–Actuarial gains and losses arising from changes in financial assumptions	(527)	(2,700)
Benefits paid by the plan	-	(11,987)
Defined benefit obligations as of December 31	<u>\$ 16,758</u>	<u>17,993</u>

(3) Changes in fair value of plan assets

The Company's changes in the fair value of defined benefit plan assets for 2024 and 2023 are as follows:

	<u>2024</u>	<u>2023</u>
Fair value of plan assets as of January 1	\$ 6,697	13,728
Interest revenue/income	101	141
Net remeasurements of defined benefit liability (asset)	987	122
– Return on plan assets (excluding current interest)		
Amount contributed to the plan	453	4,693
Benefits paid by the plan	-	(11,987)
Fair value of plan assets as of December 31	<u>\$ 8,238</u>	<u>6,697</u>

Notes to the Parent Company Only Financial Statements of Ta Tun Electric Wire & Cable Co., Ltd. (Continued)

(4) Expenses recognized in profit or loss

The Company's expenses recognized in profit or loss for 2024 and 2023 are as follows:

	2024	2023
Current service cost	\$ 257	258
Net interest on net defined benefit liability	115	219
	\$ 372	477
Operating costs	\$ 334	248
Operating expenses	38	229
	\$ 372	477

(5) Remeasurements of net defined benefit liability recognized in other comprehensive income

The Company's accumulated remeasurement of net defined benefit liability recognized in other comprehensive income is as follows:

	2024	2023
Accumulated balance as of January 1	\$ 10,449	7,941
Recognized during the period	2,695	2,508
Accumulated balance as of December 31	\$ 13,144	10,449

(6) Actuarial assumptions

The Company's significant actuarial assumptions used to determine the present value of defined benefit obligations at the end of financial reporting date are as follows:

	2024.12.31	2023.12.31
Discount rate	1.60%	1.20%
Future salary increase rate	4.00%	4.00%

The Company expects to pay contributions of NT\$453 thousand to the defined benefit plan within one year after the reporting date of 2024.

The weighted average duration of the defined benefit plan is 7.7 years.

Notes to the Parent Company Only Financial Statements of Ta Tun Electric Wire & Cable Co., Ltd. (Continued)

(7) Sensitivity Analysis

As of December 31, 2024, and 2023, the impact on the present value of the defined benefit obligation when changes occur in the main actuarial assumptions adopted is as follows:

	Impact on the net defined benefit liability	
	Increase by 0.1%	Decrease by 0.1%
<u>December 31, 2024</u>		
Discount rate of 1.60%	\$ (128)	130
Salary adjustment rate of 4.00%	110	(109)
<u>December 31, 2023</u>		
Discount rate of 1.20%	\$ (158)	159
Salary adjustment rate of 4.00%	137	(137)

The above sensitivity analysis is based on analyzing the impact of a single assumption change while other assumptions remain unchanged. In practice, changes in many assumptions may be interconnected. The sensitivity analysis is consistent with the method used to calculate the net defined benefit liability on the balance sheet.

The methods and assumptions used to prepare the sensitivity analysis for this period are the same as those used in the previous period.

2. Defined Contribution Plans

The Company's defined contribution plan complies with the Labor Pension Act, with a contribution rate of 6% of the employee's monthly wage, which is deposited into the individual labor pension account at the Bureau of Labor Insurance. Under this plan, after contributing a fixed amount to the Bureau of Labor Insurance, the Company has no legal or constructive obligation to pay additional amounts.

The Company's pension expenses under the defined contribution pension plan for 2024 and 2023 were NT\$5,447 thousand and NT\$5,019 thousand, respectively, which have been contributed to the Bureau of Labor Insurance.

Notes to the Parent Company Only Financial Statements of Ta Tun Electric Wire & Cable Co., Ltd. (Continued)

(18) Income tax

1. Income tax expenses

The Company's income tax expense details for 2024 and 2023 are as follows:

	2024	2023
Current income tax expense		
Current income tax expense	\$ 178,549	91,135
Adjustments to current income tax for prior periods	1,829	820
	<u>180,378</u>	<u>91,955</u>
Deferred income tax expense		
Origination and reversal of temporary differences	(7,823)	-
Income tax expense	<u>\$ 172,555</u>	<u>91,955</u>

The Company's income tax expenses recognized under other comprehensive income for 2024 and 2023 are detailed as follows:

	2024	2023
Remeasurement of defined benefit plans	<u>\$ -</u>	<u>(502)</u>

The Company had no income tax recognized in equity for 2024 and 2023.

The reconciliation between income tax expense and profit before tax for the Company for 2024 and 2023 is as follows:

	2024	2023
Profit Before Tax	\$ 905,562	500,906
Income tax calculated at domestic rates applicable to the Company	181,112	100,181
Non-deductible expenses	5,375	-
Tax-exempt income	(10,945)	-
Recognition of previously unrecognized temporary differences	1,362	-
Changes in unrecognized temporary differences	(8,287)	(8,956)
Over/under provision of income tax in prior periods	1,829	820
Others	2,109	(90)
	<u>\$ 172,555</u>	<u>91,955</u>

Notes to the Parent Company Only Financial Statements of Ta Tun Electric Wire & Cable Co., Ltd. (Continued)

2. Deferred Income Tax Assets and Liabilities

(1) Unrecognized Deferred Income Tax Assets

The Company's unrecognized deferred income tax asset items are as follows:

	2024.12.31	2023.12.31
Deductible temporary differences	<u>\$ -</u>	<u>8,287</u>

(2) Recognized Deferred Income Tax Assets and Liabilities

The changes in deferred income tax assets and liabilities for the years 2024 and 2023 are as follows:

	Unrealized expected credit impairment losses	Unrealized inventory valuation and obsolescenc e losses	Unrealized unused vacation bonus	Total
Deferred Income Tax Assets:				
January 1, 2024	\$ -	-	-	-
(Debit)/Credit to Profit or Loss	<u>2,400</u>	<u>5,159</u>	<u>1,135</u>	<u>8,694</u>
December 31, 2024	<u>\$ 2,400</u>	<u>5,159</u>	<u>1,135</u>	<u>8,694</u>
			Unrealized foreign exchange gains	
Deferred Income Tax Liabilities:				
January 1, 2024			\$ -	
Debit/(Credit) to Profit or Loss			<u>871</u>	
December 31, 2024			<u>\$ 871</u>	

3. Tax Return Filing Status

The Company's corporate income tax returns have been assessed and approved by the tax authorities up to the year 2022.

(19) Capital and Other Equity

As of December 31, 2024, and 2023, the Company's authorized capital amounted to NT\$1,000,000 thousand and NT\$630,000 thousand, respectively, with a par value of NT\$10 per share, divided into 100,000 thousand shares and 63,000 thousand shares, respectively. The issued shares totaled 60,000 thousand and 53,660 thousand common stocks, respectively, and all payments for issued shares have been received.

Notes to the Parent Company Only Financial Statements of Ta Tun Electric Wire & Cable Co., Ltd. (Continued)

The reconciliation of the Company's outstanding shares for the years 2024 and 2023 is as follows:

	Common Stock	
(In thousands of shares)	2024	2023
Beginning balance on January 1	53,660	30,000
Cash Capital Increase	6,340	23,660
Ending balance on December 31	60,000	53,660

1. Issuance of Common Stocks

On October 19, 2023, the Company's Board of Directors resolved to issue 18,000 thousand common stocks at a premium, with a par value of NT\$10 per share and an issuance price of NT\$28 per share, totaling NT\$504,000 thousand. The record date for this capital increase was set for October 30, 2023, and all related statutory registration procedures have been completed.

On November 23, 2023, the Company's Board of Directors resolved to issue 5,660 thousand common stocks at a premium, with a par value of NT\$10 per share and an issuance price of NT\$15 per share, totaling NT\$84,900 thousand. The record date for this capital increase was set for December 13, 2023, and all related statutory registration procedures have been completed.

On February 22, 2024, the Company's Board of Directors resolved to issue 6,340 thousand common stocks at a premium, with a par value of NT\$10 per share and an issuance price of NT\$65 per share, totaling NT\$412,100 thousand. The record date for this capital increase was set for April 11, 2024, and all related statutory registration procedures have been completed.

2. Additional paid-in capital

The details of the Company's additional paid-in capital balance are as follows:

	2024.12.31	2023.12.31
Additional Paid-in Capital in Excess of Par	\$ 701,000	352,300
Organization Restructuring	3,263	3,263
Share-based Payment Transactions	9,222	6,819
	\$ 713,485	362,382

According to the Company Act, additional paid-in capital must first be used to offset losses, after which it may be distributed as new shares or cash to shareholders in proportion to their original shareholdings, using realized additional paid-in capital. The aforementioned realized additional paid-in capital includes premiums from

Notes to the Parent Company Only Financial Statements of Ta Tun Electric Wire & Cable Co., Ltd. (Continued)

issuing shares above par value and proceeds from donations received. According to the Regulations Governing the Offering and Issuance of Securities by Securities Issuers, the total amount of additional paid-in capital that may be capitalized each year shall not exceed ten percent of the paid-in capital.

3. Retained Earnings

According to the Company's Articles of Incorporation, if there is a profit for the year, taxes shall be paid first, followed by offsetting losses from previous years, and then 10% shall be set aside as legal reserve, unless the legal reserve has reached the amount of the Company's paid-in capital. Special reserve shall also be set aside according to operational needs and legal requirements. Any remaining profit, along with the undistributed earnings at the beginning of the period, shall be proposed by the Board of Directors as a distribution plan and submitted to the shareholders' meeting for resolution.

The Company's dividend policy follows the principle of stability and balance, and takes into account factors such as profitability, financial structure, and future development of the Company when distributing shareholder dividends. The amount of shareholder dividends distributed shall in principle not be less than ten percent of the current year's after-tax profit. However, when the accumulated distributable earnings are less than ten percent of the paid-in capital, the Company may choose not to distribute dividends. Among the dividends distributed for the current year, an appropriate amount shall be allocated as cash dividends, provided that such cash dividends shall not be less than ten percent of the total dividend distribution.

(1) Legal Reserve

When the Company has no losses, it may, by a resolution of the shareholders' meeting, distribute its legal reserve by issuing new shares or by cash, provided that such distribution is limited to the portion of the legal reserve which exceeds twenty-five percent of the paid-in capital.

Notes to the Parent Company Only Financial Statements of Ta Tun Electric Wire & Cable Co., Ltd. (Continued)

(2) Profit Distribution

The Company resolved the profit distribution for 2023 and 2022 at the Annual Shareholders' Meetings on March 26, 2024, and June 30, 2023, respectively. The dividends distributed to shareholders are as follows:

	2023		2022	
	Dividend per share (NT\$)	Amount	Dividen d per share (NT\$)	Amount
Dividends distributed to common shareholders:				
Cash	\$ 3.00	<u>160,980</u>	26.67	<u>800,000</u>

(3) Other Equity (Net of Tax)

	Unrealized Valuation Gains and Losses on Financial Assets Measured at Fair Value through Other Comprehensive Income
Balance as of January 1, 2024	\$ 42,302
Unrealized Valuation Gain on Financial Assets at Fair Value through Other Comprehensive Income	48,511
Disposal of Equity Instruments at Fair Value through Other Comprehensive Income	<u>(30,216)</u>
Balance as of December 31, 2024	<u>\$ 60,597</u>
Balance as of January 1, 2023	\$ 15,103
Unrealized Valuation Gain on Financial Assets at Fair Value through Other Comprehensive Income	<u>27,199</u>
Balance as of December 31, 2023	<u>\$ 42,302</u>

(20) Share-based Payment

The Company resolved to issue 18,000 thousand common stocks through cash capital increase by the Board of Directors on October 19, 2023. As required by law, 10% of the total number of newly issued shares, amounting to 1,800 thousand shares, were reserved for employee subscription. However, all eligible employees have waived their subscription rights.

The Company resolved to issue 5,660 thousand common stocks through cash capital increase by the Board of Directors on November 23, 2023. As required by law, 12.72% of the total number of newly issued shares, amounting to 720 thousand shares, were

Notes to the Parent Company Only Financial Statements of Ta Tun Electric Wire & Cable Co., Ltd. (Continued)

reserved for employee subscription with immediate vesting conditions. Eligible employees actually subscribed for 621 thousand shares.

The Company adopted the Black-Scholes option pricing model to estimate the fair value of share-based payments at the grant date, which was NT\$9.47 per unit. The inputs to the model are as follows:

Grant Date	December 1, 2023
Vesting Period	0.036 years
Grant Date Stock Price	NT\$24.47
Issue Price	NT\$15 per share
Volatility	36.79%
Risk-free Rate	0.8706%

In 2023, the Company incurred compensation costs of NT\$6,819 thousand due to share-based payments.

On February 22, 2024, the Company's Board of Directors resolved to issue 6,340 thousand new common stocks through a cash capital increase. As required by law, 10% of the total new shares issued, amounting to 634 thousand shares, were reserved for employee subscription with immediate vesting conditions. Eligible employees actually subscribed for 200 thousand shares.

The Company adopted the Black-Scholes option pricing model to estimate the fair value of share-based payments at the grant date, which was NT\$3.79 per unit. The inputs to the model are as follows:

Grant Date	March 1, 2024
Vesting Period	0.110 years
Grant Date Stock Price	NT\$66.05
Issue Price	NT\$65 per share
Volatility	36.98%
Risk-free Rate	0.9076%

In 2024, the Company incurred compensation costs of NT\$2,403 thousand due to share-based payments.

Notes to the Parent Company Only Financial Statements of Ta Tun Electric Wire & Cable Co., Ltd. (Continued)

(21) Earnings Per Share

The basic earnings per share and diluted earnings per share for 2024 and 2023 are calculated as follows:

	<u>2024</u>	<u>2023</u>
Basic Earnings Per Share		
Net Income Attributable to Ordinary Equity Holders of the Company	<u>\$ 733,007</u>	<u>406,487</u>
Weighted Average Number of Outstanding Common Stock (in thousands)	<u>58,250</u>	<u>33,401</u>
Basic Earnings Per Share (NT\$)	<u>\$ 12.58</u>	<u>12.17</u>
	<u>2024</u>	<u>2023</u>
Diluted Earnings Per Share		
Net Income Attributable to Ordinary Equity Holders of the Company	<u>\$ 733,007</u>	<u>406,487</u>
Weighted Average Number of Outstanding Common Stock (in thousands)	58,250	33,401
Effect of Potentially Dilutive Common Stock		
Impact of Employee Stock Compensation	61	82
Weighted Average Number of Outstanding Common Stock (after adjustment for the effect of dilutive potential Common Stock) (in thousands)	<u>58,311</u>	<u>33,483</u>
Diluted Earnings Per Share (NT\$)	<u>\$ 12.57</u>	<u>12.14</u>

Notes to the Parent Company Only Financial Statements of Ta Tun Electric Wire & Cable Co., Ltd. (Continued)

(22) Revenue from Contracts with Customers

1. Disaggregation of Revenue

	<u>2024</u>	<u>2023</u>
<u>Main Geographical Markets</u>		
Taiwan	\$ 5,480,438	4,204,807
Others	2,551	11,489
	<u>\$ 5,482,989</u>	<u>4,216,296</u>
<u>Main Product/Service Lines</u>		
Extra-high Voltage Cables	\$ 2,220,099	1,597,044
Medium-high Voltage Cables	1,085,631	771,123
Low Voltage Cables	441,098	468,249
Rubber Cables	898,600	866,030
Others	837,561	513,850
Total	<u>\$ 5,482,989</u>	<u>4,216,296</u>
<u>Revenue Recognition Timing</u>		
Revenue Recognized at a Point in Time	\$ 5,283,587	4,135,001
Revenue Recognized Over Time	199,402	81,295
	<u>\$ 5,482,989</u>	<u>4,216,296</u>

2. Contract Balances

	<u>2024.12.31</u>	<u>2023.12.31</u>	<u>2023.1.1</u>
Accounts Receivable and Notes Receivable	\$ 771,642	960,685	728,222
Less: Allowance for Losses	-	(7,989)	(7,989)
Total	<u>\$ 771,642</u>	<u>952,696</u>	<u>720,233</u>
Contract Assets	<u>\$ 1,095,539</u>	<u>630,909</u>	<u>257,090</u>
Contract Liabilities	<u>\$ 152,830</u>	<u>582,909</u>	<u>362,877</u>

For the disclosure of notes receivable, accounts receivable and their impairment, please refer to Note 6(4).

The contract liability beginning balances as of January 1, 2024, and 2023 recognized as revenue during 2024 and 2023 were NT\$519,523 thousand and NT\$362,877 thousand, respectively.

Notes to the Parent Company Only Financial Statements of Ta Tun Electric Wire & Cable Co., Ltd. (Continued)

(23) Employees', Directors', and Supervisors' Compensation

According to the resolution passed at the Company's Extraordinary Shareholders' Meeting on July 29, 2024, which approved the amendment to the Articles of Incorporation, the revised Articles of Incorporation stipulate that if the Company makes a profit for the year, at least 1% of annual profit shall be allocated as employee compensation. This compensation may be distributed in the form of stock or cash, as resolved by the Board of Directors, and shall be granted to current employees of the Company, including eligible employees of its subsidiaries. The Company may, from the aforementioned profit, allocate no more than 2.5% as directors' compensation as resolved by the Board of Directors. The distribution of employee compensation and directors' compensation shall be reported to the shareholders' meeting. However, if the Company still has accumulated losses, it shall reserve the amount for offsetting the losses in advance.

Additionally, under the Articles of Incorporation prior to amendment, if the Company makes a profit for the year, at least 0.1% of annual profit shall be allocated as employee compensation. This compensation may be distributed in the form of stock or cash, as resolved by the Board of Directors, and shall be granted to current employees of the Company, including eligible employees of its subsidiaries. The Company may, from the aforementioned profit, allocate no more than 10% as compensation for directors and supervisors as resolved by the Board of Directors. The distribution of employee compensation and compensation for directors and supervisors shall be reported to the shareholders' meeting. However, if the Company still has accumulated losses, it shall first reserve the amount for offsetting the losses in advance.

In 2024 and 2023, the Company estimated employee compensation at NT\$12,000 thousand and NT\$2,000 thousand, respectively, and directors' compensation at NT\$6,000 thousand and NT\$10,000 thousand, respectively. These estimates were calculated based on the Company's pre-tax net income for each period, before deducting employee and director compensation, and multiplied by the distribution percentages stipulated in the Company's Articles of Incorporation. The amounts were recorded as operating expenses for 2024 and 2023. The aforementioned amounts of employee and director compensation resolved for distribution by the Board of Directors did not differ from the estimated amounts in the Company's parent company only financial statements for 2024 and 2023.

Notes to the Parent Company Only Financial Statements of Ta Tun Electric Wire & Cable Co., Ltd. (Continued)

(24) Non-operating Income and Expenses

1. Interest income

The details of interest revenue/income for the Company for 2024 and 2023 are as follows:

	2024	2023
Cash in banks interest	\$ 8,593	5,408
Interest income from financial assets at fair value through profit or loss	9,611	8,083
Other Interest income	811	3,563
	\$ 19,015	17,054

2. Other Income

The details of other revenue for the Company for 2024 and 2023 are as follows:

	2024	2023
Rent Income	\$ 10,997	9,934
Dividend Income	7,277	4,496
Others	35,660	3,634
	\$ 53,934	18,064

3. Other Gains and Losses

The details of other gains and losses for the Company for 2024 and 2023 are as follows:

	2024	2023
Gain (loss) on disposal of property, plant and equipment	\$ (419)	1,157
Gain on Disposal of Investment Property	43,805	-
Loss on Disposal of Investments	-	(8,371)
Gain on Lease Modification	450	-
Net foreign exchange gains	7,065	9,782
Net gain (loss) on valuation of financial measured assets at fair value through profit or loss	20,292	20,633
Others	(4,599)	5,664
	\$ 66,594	28,865

4. Financial Costs

The details of financial costs for the Company for 2024 and 2023 are as follows:

	2024	2023
Interest Expense	\$ 76,142	52,779

Notes to the Parent Company Only Financial Statements of Ta Tun Electric Wire & Cable Co., Ltd. (Continued)

25. Financial Instruments

1. Categories of Financial Instruments

(1) Financial Assets

	<u>2024.12.31</u>	<u>2023.12.31</u>
Financial assets at fair value through profit or loss	\$ 179,839	180,950
Financial assets at fair value through other comprehensive income	76,109	69,034
Financial assets at amortized cost:		
Cash and cash equivalents	719,477	209,565
Notes and accounts receivable (including related parties)	718,642	952,696
Other receivables	17,729	17,877
Other financial assets - current (restricted deposits)	490,273	406,501
Refundable deposits	38,177	8,689
Total	<u>\$ 2,240,246</u>	<u>1,845,312</u>

(2) Financial liabilities

	<u>2024.12.31</u>	<u>2023.12.31</u>
Financial liabilities at fair value through profit or loss	\$ -	1,580
Financial liabilities at amortized cost:		
Short-term debt	1,777,664	2,038,185
Notes and accounts payable (including related parties)	458,182	325,239
Current portion of long- term loans payable	1,089,949	591,372
Lease liabilities	22,359	19,912
Total	<u>\$ 3,348,154</u>	<u>2,976,288</u>

2. Credit risk

(1) Maximum exposure to credit risk

The carrying amounts of financial assets and contract assets represent the maximum exposure to credit risk.

(2) Concentration of credit risk

The Company's customers are concentrated in the customer groups of public enterprises, wire and cable, and energy industries. To reduce the credit risk of accounts receivable, the Company continuously evaluates customers' financial conditions. However, collateral or guarantees are usually not required from customers. The

Notes to the Parent Company Only Financial Statements of Ta Tun Electric Wire & Cable Co., Ltd. (Continued)

Company regularly evaluates the possibility of recovering accounts receivable and provides loss allowances, and the impairment losses are within management's expectations. As of December 31, 2024, and 2023, 54% and 64% of the Company's accounts receivable balances, respectively, were attributable to 4 and 2 customers, resulting in a concentration of credit risk for the Company.

3. Liquidity risk

The following table shows the contractual maturities of financial liabilities, including estimated interest but excluding the impact of netting agreements.

	Book Value	Contract ual cash flows	Within 1 year	More than 1 year
December 31, 2024				
Non-derivative financial liabilities				
Short-term debt	\$1,777,664	1,786,549	1,786,549	-
Notes and Accounts Payable	458,182	458,182	458,182	-
Current portion of long- term loans payable	1,089,949	1,155,592	192,153	963,439
Lease liabilities	22,359	23,933	5,259	18,674
	<u>\$3,348,154</u>	<u>3,424,256</u>	<u>2,442,143</u>	<u>982,113</u>
December 31, 2023				
Non-derivative financial liabilities				
Short-term debt	\$2,038,185	2,049,489	2,049,489	-
Notes and Accounts Payable	325,239	325,239	325,239	-
Current portion of long- term loans payable	591,372	634,896	113,569	521,327
Lease liabilities	19,912	21,343	4,711	16,632
	<u>\$2,974,708</u>	<u>3,030,967</u>	<u>2,493,008</u>	<u>537,959</u>

The Company does not expect the timing of cash flows in the maturity analysis to occur significantly earlier, or for the actual amounts to be significantly different.

Notes to the Parent Company Only Financial Statements of Ta Tun Electric Wire & Cable Co., Ltd. (Continued)

4. Foreign exchange risk

(1) Exposure to foreign exchange risk

The Company's financial assets and liabilities exposed to significant foreign currency exchange risk are as follows:

	2024.12.31			2023.12.31		
	Foreign currency	Exchan ge rate	NTD (New Taiwan Dollar)	Foreign currenc y	Exchan ge rate	NTD (New Taiwan Dollar)
<u>Financial assets</u>						
<u>Monetary items</u>						
USD (US Dollar)	\$ 1,139	32.79	37,348	1,639	30.71	50,334
JPY (Japanese Yen)	47,565	0.21	9,989	25,572	0.22	5,666
<u>Financial liabilities</u>						
<u>Monetary items</u>						
USD (US Dollar)	914	32.79	29,970	185	30.71	5,680
JPY (Japanese Yen)	1,016,785	0.21	213,525	379,597	0.22	83,511

(2) Sensitivity Analysis

The exchange rate risk of the Company mainly comes from cash and cash equivalents, accounts receivable, other receivables, accounts payable, bank loans, and deposits received denominated in foreign currencies, which generate foreign currency exchange gains and losses upon conversion. As of December 31, 2024, and 2023, if the NTD depreciated or appreciated by 1% against the USD and JPY, while all other factors remained unchanged, the after-tax net profit for 2024 and 2023 would decrease or increase by NT\$1,569 thousand and NT\$266, respectively. The analyses for both periods were performed on the same basis.

(3) Exchange Gains and Losses on Monetary Items

The Company's monetary items are converted into the functional currency, NTD. In 2024 and 2023, the net foreign currency exchange gains and losses (including realized and unrealized) were NT\$7,065 thousand and NT\$9,782 thousand, respectively.

5. Interest Rate Analysis

The interest rate exposure of the Company's financial assets and liabilities is explained in the liquidity risk management section of this note.

The following sensitivity analysis is determined based on the interest rate exposure of derivative and non-derivative instruments at the reporting date. For floating rate liabilities, the analysis assumes that the amount of liabilities outstanding at the

Notes to the Parent Company Only Financial Statements of Ta Tun Electric Wire & Cable Co., Ltd. (Continued)

reporting date was outstanding throughout the entire year. When reporting interest rates to key management, the Company uses a change of 1 basis point (increase or decrease) as the basis for analysis, which reflects management's assessment of the reasonable possible range of interest rate fluctuations.

If interest rates had increased or decreased by 1 basis point at the reporting date, with all other variables remaining constant, the Company's net profit after tax for 2024 and 2023 would have decreased or increased by NT\$5,735 thousand and NT\$5,259 thousand, respectively, mainly due to its variable-rate borrowings.

6. Other Price Risks

If equity security prices had changed at the reporting date (the analysis for both periods uses the same basis and assumes that other variable factors remain constant), the impact on the comprehensive income items would be as follows:

	2024		2023	
	Other Comprehensive Income After Tax	Net Profit After Tax	Other Comprehensive Income After Tax	Net Profit After Tax
Reporting Date Security Prices				
Increase by 1%	\$ 761	158	690	275
Decrease by 1%	\$ (761)	(158)	(690)	(275)

7. Fair Value Information

(1) Types and Fair Value of Financial Instruments

The Company's financial assets and liabilities measured at fair value through profit or loss and financial assets measured at fair value through other comprehensive income are measured at fair value on a recurring basis. The carrying amounts and fair values (including fair value hierarchy information, but excluding the carrying amounts of financial instruments not measured at fair value where the carrying amount is a reasonable approximation of fair value) of various types of financial assets and financial liabilities are presented as follows:

Notes to the Parent Company Only Financial Statements of Ta Tun Electric Wire & Cable Co., Ltd. (Continued)

2024.12.31					
	Book Value	Fair Value			Total
		Level 1	Level 2	Level 3	
Financial assets at fair value through profit or loss					
Financial assets mandatorily measured at fair value through profit or loss	\$ 179,839	179,839	-	-	179,839
Financial assets at fair value through other comprehensive income					
Stocks of Domestic Listed and OTC Companies	\$ 13,313	13,313	-	-	13,313
Shares of Domestic Unlisted Companies	62,796	-	-	62,796	62,796
Total	\$ 76,109	13,313	-	62,796	76,109
2023.12.31					
	Book Value	Fair Value			Total
		Level 1	Level2	Level 3	
Financial assets at fair value through profit or loss					
Financial assets mandatorily measured at fair value through profit or loss	\$ 180,950	180,950	-	-	180,950
Financial liabilities at fair value through profit or loss					
Financial liabilities designated as at fair value through profit or loss	\$ 1,580	-	1,580	-	1,580
Financial assets at fair value through other comprehensive income					
Stocks of Domestic Listed and OTC Companies	\$ 22,704	22,704	-	-	22,704
Shares of Domestic Unlisted Companies	46,330	-	-	46,330	46,330
Total	\$ 69,034	22,704	-	46,330	69,034

(2) Fair value valuation techniques for non-derivative financial instruments

When financial instruments have quoted prices in an active market, the public quoted price in the active market is used as the fair value. The prices announced by the major exchanges and the over-the-counter center for central government bonds that are judged to be popular issues, all serve as the basis for the fair value of listed

Notes to the Parent Company Only Financial Statements of Ta Tun Electric Wire & Cable Co., Ltd. (Continued)

(OTC) equity instruments and debt instruments with quoted prices in active markets. If the quoted prices of financial instruments can be obtained timely and regularly from exchanges, brokers, underwriters, industry associations, pricing service agencies, or regulatory authorities, and if these prices represent actual and regularly occurring fair market transactions, then the financial instrument has a quoted price in an active market. If the aforementioned conditions are not met, then the market is considered inactive. Generally, a wide bid-ask spread, a significant increase in the bid-ask spread, or very low trading volume are all indicators of an inactive market.

The fair value of financial instruments held by the Company that are traded in active markets is presented by category and attribute as follows:

- The stocks of Listed and OTC Companies, corporate bonds, and domestic open-end funds are financial assets with standard terms and conditions traded in active markets. Their fair values are determined by reference to market quotations, respectively.

Aside from the above-mentioned financial instruments with active markets, the fair values of the remaining financial instruments are obtained through valuation techniques or by reference to counterparty quotations. The fair value obtained through valuation techniques can be determined by reference to the current fair value of other financial instruments with substantially similar conditions and characteristics, discounted cash flow methods, or other valuation techniques, including models calculated using market information available at the balance sheet date.

The fair value of financial instruments held by the Company that are not traded in active markets is presented by category and attribute as follows:

- Equity instruments without public quotations: Except for those whose fair value is calculated using the most recent transaction price obtained, the rest are determined using the market comparable company method. The market comparable company method's primary assumptions are based on the measurements derived from the net worth per share, enterprise value, and after-tax net profit of the investee, as well as the price-to-book ratio, enterprise value multiple, and price-earnings ratio multiples derived from market quotations of comparable listed (OTC) companies. This estimate has been adjusted for the discount effect due to the lack of market liquidity of the equity securities.

Notes to the Parent Company Only Financial Statements of Ta Tun Electric Wire & Cable Co., Ltd. (Continued)

(3) The fair value valuation technique for derivative financial instruments is based on valuation models widely accepted by market participants, such as discounted cash flow methods and option pricing models. Structured interest rate derivative financial instruments are valued using appropriate option pricing models (such as the Black-Scholes model) or other valuation methods, such as Monte Carlo simulation.

(4) Transfers between Level 1 and Level 2

The Company had no transfers between fair value levels during 2024 and 2023.

(5) Movements in Level 3

	Measured at fair value through other comprehensive income Equity instruments without public quotations
January 1, 2024	\$ 46,330
Total gains or losses	
Recognized in other comprehensive income	16,466
December 31, 2024	\$ 62,796
January 1, 2023	\$ 21,452
Purchase	1,766
Total gains or losses	
Recognized in other comprehensive income	23,112
December 31, 2023	\$ 46,330

The aforementioned total gains or losses are reported as "Unrealized valuation gains or losses on financial assets measured at fair value through other comprehensive income. Among which, those related to assets still held as of December 31, 2024, and 2023 are as follows:

	2024	2023
Recognized in other comprehensive income (reported as "Unrealized valuation gains or losses on financial assets measured at fair value through other comprehensive income")	\$ 16,466	23,112

Notes to the Parent Company Only Financial Statements of Ta Tun Electric Wire & Cable Co., Ltd. (Continued)

(6) Quantitative information on fair value measurement with significant unobservable inputs (Level 3)

The Company's fair value measurement classified as Level 3 mainly consists of financial assets measured at fair value through other comprehensive income - equity securities investments.

Most of the Company's fair value measurements classified as Level 3 involve a single significant unobservable input, with only equity instrument investments in inactive markets having multiple significant unobservable inputs. The significant unobservable inputs for equity instrument investments in inactive markets are independent of each other, therefore no interrelationship exists between them.

Item	Valuation technique	Significant unobservable inputs	Relationship between significant unobservable inputs and fair value
Financial assets at fair value through other comprehensive income - Equity instrument investments in inactive markets	Comparable company method	<ul style="list-style-type: none"> Discount for lack of marketability (30% for both 2024/12/31 and 2023/12/31) Price-to-book ratio (1.29–3.19 and 1.32–1.59 for 2024/12/31 and 2023/12/31, respectively) 	<ul style="list-style-type: none"> The higher the discount for lack of marketability, the lower the fair value The higher the price-to-book ratio, the higher the fair value
Financial assets at fair value through other comprehensive income - Equity instrument investments in inactive markets	Net Asset Value Method	<ul style="list-style-type: none"> Net asset value 	<ul style="list-style-type: none"> The higher the net asset value, the higher the fair value

(7) Sensitivity analysis of fair value to reasonably possible alternative assumptions for Level 3 fair value measurements

The Company's fair value measurement of financial instruments is reasonable; however, using different valuation models or parameters may lead to different valuation results. For financial instruments classified as Level 3, if valuation parameters change, the impact on current profit and loss or other comprehensive income is as follows:

Notes to the Parent Company Only Financial Statements of Ta Tun Electric Wire & Cable Co., Ltd. (Continued)

			Fair value changes reflected in other comprehensive income	
	Input value	Up or down Change	Favorabl e change	Unfavorabl e change
December 31, 2024				
Financial assets at fair value through other comprehensive income				
Investment in equity instruments without an active market	Lack of market liquidity discount, price-to-book ratio	±1%	628	(628)
December 31, 2023				
Financial assets at fair value through other comprehensive income				
Investment in equity instruments without an active market	Lack of market liquidity discount, price-to-book ratio	±1%	463	(463)

The favorable and unfavorable changes of the Company refer to the fluctuation of fair value. The fair value is calculated using valuation techniques based on unobservable input parameters of different degrees. If the fair value of financial instruments is affected by more than one input, the above table only reflects the impact of a single input change and does not take into account the correlation and variability between inputs.

(26) Financial Risk Management

1. Overview

The Company is exposed to the following risks due to the use of financial instruments:

- (1) Credit risk
- (2) Liquidity risk
- (3) Market risk

This note presents the Company's exposure information for the above-mentioned risks, as well as its objectives, policies, and procedures for measuring and managing these risks. For further quantitative disclosures, please refer to the respective notes in the parent company only financial statements.

2. Risk management framework

The Board of Directors is fully responsible for establishing and overseeing the Company's risk management framework.

The establishment of the Company's risk management policies is to identify and analyze the risks faced by the Company, set appropriate risk limits and controls, and monitor

Notes to the Parent Company Only Financial Statements of Ta Tun Electric Wire & Cable Co., Ltd. (Continued)

risks and compliance with risk limits. Risk management policies and systems are regularly reviewed to reflect changes in market conditions and the Company's operations. The Company develops a disciplined and constructive control environment through training, management standards, and operational procedures, enabling all employees to understand their roles and obligations.

The Company's Audit Committee oversees how management monitors compliance with the risk management policies procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. Internal auditors assist the Company's Audit Committee in performing its oversight role. These personnel conduct regular and exceptional reviews of risk management controls and procedures and report the review results to the Audit Committee.

3. Credit risk

Credit risk refers to the potential financial loss to the Company due to customers or counterparties failing to meet their contractual obligations, primarily from the Company's accounts receivable from customers and security investments.

(1) Accounts Receivable and Other Receivables

The Company's credit risk exposure is primarily affected by the individual circumstances of each customer. However, management also considers the statistical information of the Company's customer base, including the default risks of the industries and countries in which customers operate, as these factors may affect credit risk.

The Company has established a credit policy. According to this policy, before offering standard payment and delivery terms and conditions, each new customer must be individually analyzed for their credit rating. The Company's review includes, when available, external ratings, and in some cases, bank references. Credit limits are established for individual customers. These limits are regularly reviewed. Customers who do not meet the Company's standard credit rating can only transact with the Company on a prepayment basis. To reduce credit risk, the Company also continuously evaluates customers' financial conditions.

(2) Investments

The credit risk of cash in banks and other financial instruments is measured and monitored by the Company's Finance Department. Since the Company's counterparties and performing parties are all banks with good credit and financial institutions, corporate organizations, and government agencies with investment grade

Notes to the Parent Company Only Financial Statements of Ta Tun Electric Wire & Cable Co., Ltd. (Continued)

and above ratings, there are no significant performance concerns, hence no significant credit risk.

(3) Guarantees

As of December 31, 2024, and 2023, the Company has not provided any endorsements or guarantees.

4. Liquidity risk

The Company manages and maintains sufficient positions in cash and cash equivalents to support its operations and mitigate the impact of cash flow fluctuations. The Company's management oversees the use of bank financing facilities and ensures compliance with loan agreement terms.

Bank loans are an important source of liquidity for the Company. As of December 31, 2024, and 2023, the Company's unused short-term bank financing facilities were NT\$2,189,231 thousand and NT\$2,400,773 thousand, respectively.

5. Market Risk

Market risk refers to the risk that changes in market prices, such as exchange rates, interest rates, and equity instrument prices, will affect the Company's income or the value of its financial instruments. The objective of market risk management is to control market risk exposure within an acceptable range and to optimize investment returns.

(1) Foreign Exchange Risk

The Company is exposed to foreign exchange risk arising from sales, purchases, and borrowing transactions not denominated in its functional currency. These transactions are primarily denominated in US dollars and Japanese yen.

(2) Interest Rate Risk

As the Company's interest rate risk comes from short-term and Long-term debt payable with floating interest rates, fluctuations in market interest rates will cause fluctuations in future cash flows.

(3) Other Market Price Risk

The Company is exposed to equity price risk due to investments in listed (OTC) equity securities. The equity investments are not held for trading but are strategic investments. The Company does not actively trade these investments. Significant investments in the portfolio are managed individually, with all buying and selling decisions approved by the financial management department.

Notes to the Parent Company Only Financial Statements of Ta Tun Electric Wire & Cable Co., Ltd. (Continued)

(27) Capital Management

The Company's capital management objective is to ensure its continued ability as a going concern, enabling it to continuously provide returns to shareholders and benefits to other stakeholders, while maintaining an optimal capital structure to reduce the cost of capital.

To maintain or adjust the capital structure, the Company may adjust dividends paid to shareholders, reduce capital to return funds to shareholders, issue new shares, or sell assets to repay liabilities.

The Company controls capital based on the debt-to-capital ratio. This ratio is calculated by dividing net debt by total capital. Net debt is the total liabilities shown on the balance sheet minus cash and cash equivalents. Total capital consists of all components of equity (i.e., share capital, additional paid-in capital, retained earnings, and other equity) plus net debt.

As of December 31, 2024, and 2023, the Company's debt-to-capital ratios are as follows:

	2024.12.31	2023.12.31
Total liabilities	\$ 3,874,005	3,880,964
Less: Cash and cash equivalents	<u>719,477</u>	<u>209,565</u>
Net debt	<u>\$ 3,154,528</u>	<u>3,671,399</u>
Total Equity	<u>\$ 2,528,102</u>	<u>1,490,366</u>
Debt-to-capital ratio	<u>55.51%</u>	<u>71.12%</u>

(28) Non-cash investing and financing activities

The Company's reconciliation of non-cash investing and financing activities for 2024 and 2023 is as follows:

1. For right-of-use assets acquired through leasing, please refer to Notes 6(8) and 6(14).

Notes to the Parent Company Only Financial Statements of Ta Tun Electric Wire & Cable Co., Ltd. (Continued)

2. Reconciliation of liabilities from financing activities is as follows:

	2024.1.1	Cash flows	Non-cash changes		2024.12.31
			Acquisition/Obtaining	Others	
Short-term debt	\$ 2,038,185	(260,521)	-	-	1,777,664
Long-term debt payable	591,372	498,577	-	-	1,089,949
Lease liabilities	19,912	(3,985)	9,002	(2,570)	22,359
Total liabilities from financing activities	\$ 2,649,469	234,071	9,002	(2,570)	2,889,972

	2023.1.1	Cash flows	Non-cash changes		2023.12.31
			Acquisition/Obtaining	Others	
Short-term debt	\$ 2,066,651	(28,466)	-	-	2,038,185
Long-term debt payable	419,793	171,579	-	-	591,372
Lease liabilities	14,712	(4,210)	9,189	221	19,912
Total liabilities from financing activities	\$ 2,501,156	138,903	9,189	221	2,649,469

7. Related Party Transactions

(1) Parent Company and Ultimate Controller

Dongzhe Investment Co., Ltd. was originally the parent company and ultimate controller of the Company. In 2023, due to its failure to subscribe to the Company's cash capital increase in proportion to its shareholding ratio, its ownership of the Company's outstanding common stocks decreased from 100% to 50.50% and further reduced to 45.16% after the capital increase base date on April 11, 2024. Additionally, Dongzhe Investment Co., Ltd. no longer holds a majority of the board seats, resulting in the loss of control over the Company.

Notes to the Parent Company Only Financial Statements of Ta Tun Electric Wire & Cable Co., Ltd. (Continued)

(2) Names and Relationships of Related Parties

During the periods covered by these parent company only financial statements, the related parties that had transactions with the Company are as follows:

Names of Related Parties	Relationship with the Consolidated Company
Lin, Jhih-Ming	Chairman of the Company
Li, Ya-Ling	Director of the Company and spouse of the Chairman of the Company
Lin, Yu-Hsuan	First-degree relative of the Chairman and Director of the Company
Lin, Shih-Ting	First-degree relative of the Chairman and Director of the Company
Dong Hua Electric Engineering Co., Ltd. (Dong Hua Electric)	Affiliated enterprise of the Company
Guan Shan Lin	Related party in substance of the Company (Note 1)
Dong Ting Green Energy	Related party in substance of the Company (Note 1)
Tun Green Power Co., Ltd. (Tun Green Power)	Related party in substance of the Company
Dong Mei Development Construction Co., Ltd. (Dong Mei Development)	Related party in substance of the Company
Lian Fu New Energy Co., Ltd. (Lian Fu)	Related party in substance of the Company
Field Emission Technologies Taiwan, Inc. (Field Emission)	Related party in substance of the Company
TATUNELECTRICWIRECABLECO., LTD.(TATUN(VN))	Related party in substance of the Company
TATUNELECTRICWIRE&CABLE(SINGAPORE)PTE.LTD. (TATUN(SGP))	Related party in substance of the Company
THE EAST PLASTIC CO., LTD. (Vietnam Dong Su)	Related party in substance of the Company
PT. EAST PLASTIC BATAMINDO (Batam Dong Su)	Related party in substance of the Company

Note 1: Originally a subsidiary of the Company, became a related party in substance after reorganization.

Notes to the Parent Company Only Financial Statements of Ta Tun Electric Wire & Cable Co., Ltd. (Continued)

(3) Significant transactions with related parties

1. Operating revenue

The Company's significant sales amounts to related parties are as follows:

Related party category/name	2024	2023
Related party in substance	\$ 73,724	132,742

Except for transactions with no relevant comparable transactions, where transaction terms are determined by mutual negotiation, the selling prices to related parties in substance are not significantly different from general selling prices. The collection terms are all 10-60 days. The receivables between related parties are not secured by collateral, and no impairment loss needs to be recognized after assessment.

2. Engineering costs

The Company's significant engineering costs with related parties are as follows:

Related party category/name	2024	2023
Associates	\$ 34,685	-

The Company's engineering procurement prices from related enterprises are not significantly different from the engineering procurement prices from general vendors. The payment terms are in accordance with the contracts between both parties.

3. Receivables from related parties

The Company's receivables from related parties are detailed as follows:

Account items	Related party category/name	2024.12.31	2023.12.31
Accounts receivable	Related party in substance	\$ 5,754	8,465

4. Payables to related parties

The Company's payables to related parties are detailed as follows:

Account items	Related party category/name	2024.12.31	2023.12.31
Accounts payable	Related party in substance	\$ -	657
Accounts payable	Associates	36,816	-
		\$ 36,816	657

5. Property transactions

The Board of Directors of the Company passed resolutions on June 11, June 27, and November 12, 2024, to sell three investment properties located in Taoyuan District, Taoyuan City to related parties Li, Ya-Ling, Lin, Yu-Hsuan, and Lin, Shih-Ting. The selling prices (tax included) were NT\$73,000 thousand, NT\$39,980 thousand, and NT\$29,000

Notes to the Parent Company Only Financial Statements of Ta Tun Electric Wire & Cable Co., Ltd. (Continued)

thousand, respectively, which were determined by referencing the real estate appraisal reports issued by Pan-Asia Asset Appraisal Co., Ltd. As of December 31, 2024, the transfer procedures have been completed for all properties, and all sales proceeds have been fully collected.

For the aforementioned investment property sold to Li, Ya-Ling, the Company had contracted renovation work amounting to NT\$17,468 thousand (tax included). This amount has been fully collected from Li, Ya-Ling, and will be paid by the Company to the renovation contractors. As of December 31, 2024, the Company has paid NT\$16,098 thousand on behalf of Li, Ya-Ling, with the remaining NT\$1,370 thousand reported under "Other current liabilities."

6. Loans to related parties

In 2023, the Company provided loans to TATUN(VN), TATUN(SGP), Dongzhe Investment, Guan Shan Lin, Tun Green Power, and Lian Fu New Energy. As of December 31, 2023, all loans have been fully repaid. The Company's loans to related parties carried interest rates ranging from 0% to 4.10%. Interest revenue/income for 2023 amounted to NT\$3,521 thousand. All loans were unsecured, and after evaluation, no impairment losses needed to be recognized. In 2023, there were no instances of loans provided to others.

Notes to the Parent Company Only Financial Statements of Ta Tun Electric Wire & Cable Co., Ltd. (Continued)

7. Other related party transactions

The Company's details of transactions with other related parties are as follows:

Account items	Related party category/name	2024	2023
Rent Income	Related party in substance	\$ -	38
Other income	Chairman	\$ 32,242	-
Energy costs	Related party in substance	\$ 600	-

Account items	Related party category/name	2024.12.31	2023.12.31
Other receivables	Related party in substance	\$ -	414
Contract Liabilities	Related party in substance	\$ 1,000	-
Contract Liabilities	Associates	\$ 1,543	-
Contract fulfillment costs (reported under "Other current assets")	Associates	\$ 9,355	-
Deposits received	Related party in substance	\$ -	10

The Company provides investment properties for use by the Chairman, with a total purchase cost of NT\$128,450 thousand, and the rental during the period of use is calculated at fair market value, totaling NT\$12,572 thousand. In addition, the Company paid expenses on behalf of the Chairman totaling NT\$19,670 thousand. The above-mentioned amounts totaling NT\$32,242 thousand (before tax) have all been received.

8. Endorsements and guarantees

As of December 31, 2024, and 2023, the Company's loan facilities obtained from financial institutions were jointly guaranteed by the Chairman.

9. Reorganization under common control

The Board of Directors resolved the following matters on October 17, 2023:

- (1) Sold 55% equity of the subsidiary Guan Shan Lin, consisting of 550 thousand common stocks, to the parent company Dongzhe Investment at NT\$17 per share, totaling NT\$9,350 thousand. The transaction price was determined by considering the most recent financial statements audited by certified public accountants and self-prepared

Notes to the Parent Company Only Financial Statements of Ta Tun Electric Wire & Cable Co., Ltd. (Continued)

financial statements, taking into account the net worth per share, profitability, and future development potential. The fairness of the price was validated by an independent expert's opinion. This transaction was completed on November 13, 2023, with all payments received in full. This transaction constitutes a reorganization under common control.

- (2) Sold 100% equity of the subsidiary Dong Ting Green Energy, consisting of 3,010 thousand common stocks, to the parent company Dongzhe Investment at NT\$8 per share, totaling NT\$25,000 thousand. The transaction price was determined by considering the most recent financial statements audited by certified public accountants and self-prepared financial statements, taking into account the net worth per share, profitability, and future development potential. The fairness of the price was validated by an independent expert's opinion. This transaction was completed on November 13, 2023, with all payments received in full. This transaction constitutes a reorganization under common control.

(4) Transactions with key management personnel

Key management personnel compensation includes:

	2024	2023
Short-term employee benefits	\$ 20,260	27,121
Post-employment benefits	618	631
	<u>\$ 20,878</u>	<u>27,752</u>

In 2024 and 2023, the Company leased 11 and 9 vehicles for the use of key management personnel, with rental payments of NT\$2,838 thousand and NT\$2,823 thousand, respectively, reported under "Short-term employee benefits."

In 2023, the Company provided 1 vehicle for the use of key management personnel, at a cost of NT\$725 thousand, with an imputed rental based on fair market value of NT\$54 thousand. In 2024, there was no such situation.

Notes to the Parent Company Only Financial Statements of Ta Tun Electric Wire & Cable Co., Ltd. (Continued)

8. Pledged Assets

The carrying amounts of assets pledged as collateral by the Company are as follows:

Asset Name	Pledged Collateral Purpose	2024.12.31	2023.12.31
	Long-term and Short-term		
Property, Plant and Equipment	debt	\$ 552,027	560,009
	Long-term and Short-term		
Investment Properties	debt	292,341	390,886
Other Current Financial Assets	Long-term and Short-term		
(Demand Deposits)	debt	10,527	-
Other Current Financial Assets	Long-term and Short-term		
(Time Deposits)	debt	120,000	-
	Guarantee Margin for		
Other Current Financial Assets	Financial Instrument		
(Time Deposits)	Transaction Limit	19,641	18,393
Other Current Financial Assets			
(Time Deposits)	Performance Bond	40,205	132,822
Other Current Financial Assets			
(Time Deposits)	Tax Litigation Deposit	37,636	37,636
Financial Assets at Measured			
Fair Value through Profit or Loss			
- Current (Bond Investments)	Letter of Credit Limit	127,795	118,472
		\$ 1,200,172	1,258,218

9. Significant Contingent Liabilities and Unrecognized Contractual Commitments

(1) Significant Unrecognized Contractual Commitments:

1. The unrecognized contractual commitments of the Company are as follows:

	2024.12.31	2023.12.31
Acquisition of Property, Plant and Equipment	\$ 29,151	162,588

2. The balance of unused letters of credit issued by the Company is as follows:

	2024.12.31	2023.12.31
Issued and Unused Letters of Credit	\$ 86,706	206,244

Notes to the Parent Company Only Financial Statements of Ta Tun Electric Wire & Cable Co., Ltd. (Continued)

3. The amount of guarantee letters issued by banks for the Company due to obtaining government contracts is as follows:

	2024.12.31	2023.12.31
Performance Guarantee	\$ 978,205	763,143
Warranty Guarantee	\$ 176,750	122,179

4. The amount of promissory notes issued by the Company to obtain bank financing and letter of credit facilities is as follows:

	2024.12.31	2023.12.31
New Taiwan Dollar	\$ 150,000	100,000
USD (US Dollar)	\$ 14,000	14,000

(2) In 2007, the Company sold certain land and buildings. Due to a dispute over the sale price as determined by the National Taxation Bureau of Taipei, Ministry of Finance, the Bureau unilaterally imposed additional taxes and penalties and restricted the transfer and establishment of other rights on part of the Company's land. Subsequently, the Company filed an administrative lawsuit. In Judgment No. 357 of 2019, the Supreme Administrative Court revoked the original ruling and remanded the case for retrial. Following the retrial, the Taipei High Administrative Court, in its Judgment No. 70 of the 2019 Retrial, ruled that the Company should pay additional business income tax of NT\$18,767 thousand for 2007 and an equal amount in penalties, totaling NT\$37,534 thousand. The Consolidated Company completed the payment in December 2024 and January 2025.

Following the above, the National Taxation Bureau of Taipei assessed additional undistributed earnings tax of NT\$55,175 thousand for 2007 and imposed a penalty of NT\$27,587 thousand. The Company disagreed and filed for administrative review and appeal, both of which were rejected. The Company then filed an administrative lawsuit, which the Taipei High Administrative Court suspended under Case No. 979 of 2018, pending the final decision on the aforementioned business income tax case before proceeding further. This case is also currently in settlement negotiations with the Taipei National Tax Bureau.

On August 26, 2024, the Supreme Administrative Court dismissed the Company's appeal against Judgment No. 70 of the 2019 Retrial with its Judgment No. 275 of 2023. The Company disagreed and filed for a retrial of the administrative lawsuit with the Supreme Administrative Court on October 17, 2024.

The Company has estimated liability provisions for all the above pending litigation cases, which are recorded under "Other Non-current Liabilities." For more information, please refer to Note 6(XVI).

Notes to the Parent Company Only Financial Statements of Ta Tun Electric Wire & Cable Co., Ltd. (Continued)

10. Significant Disaster Losses: None.

11. Significant Subsequent Events: None.

12. Others

(1) The functional classification of employee benefits, depreciation expense, depletion, and amortization expenses of the Company is summarized as follows:

Functional Classification	2024			2023		
	Operating Costs	Operating Expenses	Total	Operating Costs	Operating Expenses	Total
Nature of Expense						
Employee Benefits Expenses						
Salary Expenses	104,545	40,807	145,352	82,090	108,290	190,380
Labor and Health Insurance Expenses	8,782	5,292	14,074	7,578	5,037	12,615
Pension Expenses	3,196	2,623	5,819	2,798	2,698	5,496
Directors' Remuneration	-	7,090	7,090	-	10,000	10,000
Other Employee Benefits Expenses	16,652	11,429	28,081	5,146	3,119	8,265
Depreciation Expense	41,290	8,259	49,549	35,814	15,525	51,339
Amortization Expense	1,986	2,398	4,384	1,249	1,106	2,355

The number of employees of the Company for 2024 and 2023 was 242 and 191, respectively, of which 5 and 1 were directors who did not concurrently serve as employees.

13. Additional Disclosures

(1) Information on Significant Transactions

In 2024, according to the preparation standards, the Company should further disclose the following information regarding significant transactions:

1. Loans to Others: None.
2. Endorsements or Guarantees for Others: None.

Notes to the Parent Company Only Financial Statements of Ta Tun Electric Wire & Cable Co., Ltd. (Continued)

3. Securities Held at the End of the Period (Excluding Investments in Subsidiaries, Associates, and Joint Ventures):

Company Holding	Types and Names of Securities	Relationship with Securities Issuer	Account Category	End of Period				Remarks
				Number of Shares (Thousand Shares)	Book Value	Shareholding Ratio	Fair Value	
The Company	Stocks Teladoc Health Inc	None	Financial assets at fair value through profit or loss	3.8	1,132	- %	1,132	
The Company	Stocks Palantir Technologies Inc.	None	Financial assets at fair value through profit or loss	312	14,711	0.16%	14,711	
The Company	Bonds HSBC USD fixed bonds	None	Financial assets at fair value through profit or loss	-	24,970	- %	24,970	
The Company	Bonds Standard Chartered Bank USD fixed bonds	None	Financial assets at fair value through profit or loss	-	38,573	- %	38,573	
The Company	Bonds Societe Generale USD fixed bonds	None	Financial assets at fair value through profit or loss	-	7,052	- %	7,052	
The Company	Bonds General Electric Company USD fixed bonds	None	Financial assets at fair value through profit or loss	-	21,594	- %	21,594	
The Company	Bonds STANN Bonds	None	Financial assets at fair value through profit or loss	-	17,919	- %	17,919	
The Company	Bonds STANDARD CHARTERED PLC Bonds	None	Financial assets at fair value through profit or loss	-	17,687	- %	17,687	
The Company	Bonds Cathay corporate bonds	None	Financial assets at fair value through profit or loss	-	31,152	- %	31,152	
The Company	Funds Allianz Multi Asset Fund	None	Financial assets at fair value through profit or loss	-	5,049	- %	5,049	
The Company	Stocks UNITED ELECTRIC INDUSTRY CO., LTD.	None	Financial assets at fair value through other comprehensive income	2,613	62,796	2.77%	62,796	
The Company	Stocks J & V ENERGY TECHNOLOGY CO., LTD.	None	Financial assets at fair value through other comprehensive income	75	13,313	0.05%	13,313	
The Company	Stocks Wei Li De Optoelectronics Co., Ltd.	None	Financial assets at fair value through other comprehensive income	3	-	15.00%	-	
The Company	Stocks Weisheng Envirotech Co., Ltd.	None	Financial assets at fair value through other comprehensive income	7	-	0.02%	-	

4. The accumulated amount of purchasing or selling the same securities reaches NT\$300 million or 20% of the paid-in capital: None.

5. The acquisition of real estate reaching NT\$300 million or 20% of the paid-in capital: None.

6. The disposal of real estate reaching NT\$300 million or 20% of the paid-in capital: None.

7. Purchases or sales with related parties reaching NT\$100 million or 20% of the paid-in capital: None.

8. Receivables from related parties reaching NT\$100 million or 20% of the paid-in capital: None.

9. Derivative transactions: Please refer to Note 6(2).

Notes to the Parent Company Only Financial Statements of Ta Tun Electric Wire & Cable Co., Ltd. (Continued)

(2) Information on investees:

The information on the Company's investments in invested businesses for 2024 (excluding the investment companies in Mainland China) is as follows:

Name of Investing Company	Name of invested company	Location	Main business activities	Original investment amount		End of Period		Carrying amount	Net income (loss) of the investee	Investment income (loss) recognized for the current period	Remarks
				End of current period	End of last year	Number of shares	Ratio				
The Company	Dong Hua Electric	Taiwan	Cable installation, mechanical and electrical, telecommunications and circuit equipment installation	14,750	14,750	-	29.50%	14,954	741	219	Associates

(3) Information on investments in Mainland China: None.

14. Segment Information

(1) General Information

Please refer to 2024 Consolidated Financial Statements.

Ta Tun Electric Wire & Cable Co., Ltd.
Statement of Cash and Cash Equivalents

December 31, 2024

Unit: NTD Thousand

<u>Item</u>	<u>Summary</u>	<u>Amount</u>
Cash on hand and petty cash		\$ 80
Cash in banks	Checking accounts	1,189
	Demand deposits	691,018
	Foreign currency demand deposits (USD 526 thousand, JPY 47,561 thousand, RMB 3 thousand, and AUD 4 thousand)	<u>27,190</u>
	Subtotal	<u>719,397</u>
	Total	<u>\$ 719,477</u>

Ta Tun Electric Wire & Cable Co., Ltd.
Statement of Financial Assets Measured at Fair
Value through Profit or Loss - Current
December 31, 2024

For more information, please refer to Note 6(2) and 13(1)3.

Statement of Notes and Accounts Receivable

December 31, 2024

Unit: NTD Thousand

Customer name	Summary	Amount
Client E	Sales	\$ 173,280
Client B	"	90,017
Client A	"	64,891
Client F	"	61,460
Client G	"	54,891
Client H	"	48,962
Client I	"	37,662
Others (less than 5% of the account balance)	"	<u>187,479</u>
Subtotal		718,642
Less: Allowance for Losses		<u>-</u>
		<u>\$ 718,642</u>

Ta Tun Electric Wire & Cable Co., Ltd.

Inventory Statement

December 31, 2024

Unit: NTD Thousand

Item	Amount	
	Cost	Net realizable value
Raw materials	\$ 307,355	302,914
Work in process and semi-finished goods	574,125	569,835
Finished goods and merchandise	496,051	478,986
Inventory in transit	187,405	187,405
Subtotal	1,564,936	<u><u>\$ 1,539,140</u></u>
Less: Allowance for inventory valuation and obsolescence losses	(25,796)	
Total	<u><u>\$ 1,539,140</u></u>	

Statement of Other Current Assets

December 31, 2024

Unit: NTD Thousand

For more information, please refer to Note 6(11).

Ta Tun Electric Wire & Cable Co., Ltd.

Statement of Changes in Financial Assets Measured at Fair Value through Other Comprehensive Income - Non-current

December 31, 2024

**Unit: Thousand shares/NTD
thousand**

Name	Beginning		Increase in Current Period		Decrease in Current Period		End of Period		Accumulated Loss	Pledged as Collateral or Guarantee Status	Accumulated Loss
	Number of shares	Fair Value	Number of shares	Amount	Number of shares	Amount	Number of shares	Fair Value			
UNITED ELECTRIC INDUSTRY CO., LTD.	2,312	\$ 43,064	301	19,732	-	-	2,613	62,796	-	None	Not applicable
Wei Li De Optoelectronics Co., Ltd.	3	3,000	-	-	-	3,000	3	-	3,000	None	Not applicable
Weisheng Envirotech Co., Ltd.	7	266	-	-	-	266	7	-	266	None	Not applicable
J & V ENERGY TECHNOLOGY CO., LTD.	240	22,704	-	32,045	165	41,436	75	13,313	-	None	Not applicable
		<u>\$ 69,034</u>		<u>51,777</u>		<u>44,702</u>		<u>76,109</u>	<u>3,266</u>		

Ta Tun Electric Wire & Cable Co., Ltd.
Statement of Property, Plant and Equipment
December 31, 2024

Unit: NTD Thousand

For more information, please refer to Note 6(7).

Statement of Changes in Right-of-use Assets

For more information, please refer to Note 6(8).

Statement of Changes in Investment Property

For more information, please refer to Note 6(9).

Statement of Other Non-Current Assets

For more information, please refer to Note 6(11).

Ta Tun Electric Wire & Cable Co., Ltd.

Statement of Short-term Debt

December 31, 2024

Unit: NTD Thousand

Creditor	Type of Borrowing	Ending balance	Contract period	Interest rate range	Credit facility	Collateral or Guarantee	Remarks
Shanghai Commercial & Savings Bank	Secured loans	670,000	2024.03.18–2025.03.18	2.11%	670,000	Land and Buildings	
Shanghai Commercial & Savings Bank	Secured loans	142,671	2024.06.14–2025.06.02	2.11~2.28%	142,671	Machinery and equipment	
Shanghai Commercial & Savings Bank	Secured loans	2,012	2024.10.21–2025.10.16	6.75%	2,126	Machinery and equipment	
Yuanta Bank	Credit loans	16,111	2024.10.17–2025.02.17	2.12%	100,000	None	
Taishin International Bank	Secured loans	19,711	2024.11.20–2025.01.20	2.25%	38,932	Investment Properties	
Taishin International Bank	Credit loans	50,000	2024.11.18–2025.01.20	2.25%	128,000	None	
Bank SinoPac	Credit loans				40,000	None	
E.SUN Bank	Credit loans	150,000	2024.10.15–2025.01.15	2.00%	150,000	None	
Mega International Commercial Bank	Secured loans	108,711	2024.08.09–2025.06.21	1.45~1.97%	200,000	Demand deposits	
Mega International Commercial Bank	Credit loans				400,000	None	
Bank of Panhsin	Credit loans	77,611	2024.08.28–2025.05.02	2.32%	80,000	None	
Citibank (Taiwan) Limited	Secured loans				50,000	Bond investments	
DBS Bank Taiwan	Credit loans	93,411	2024.09.26–2025.05.29	2.35%	100,000	None	
Cathay United Bank	Secured loans	29,511	2024.09.13–2025.09.13	1.92%	32,000	Land and Buildings	
Cathay United Bank	Credit loans	17,711	2024.10.11–2025.03.04	2.15%	100,000	None	
Cathay United Bank	Credit loans	168,011	2024.12.09–2025.07.11	2.15%	313,166	None	
First Commercial Bank	Credit loans	189,811	2024.10.17–2025.03.04	1.98%	270,000	None	
Hua Nan Commercial Bank	Credit loans	42,011	2024.12.06–2025.05.28	1.10%	150,000	None	
Taipei Fubon Bank					1,000,000	None	
Total		<u>1,777,611</u>			<u>3,966,895</u>		

Ta Tun Electric Wire & Cable Co., Ltd.
Statement of Notes and Accounts Payable
December 31, 2024

Item	Summary	Amount
Company B	Purchase	\$ 112,572
Company D	Purchase	107,886
Company G	Purchase	52,864
Dong Hua Electric	Purchase	36,816
Others (less than 5% of the account balance)	Purchase	<u>148,044</u>
Total		<u>\$ 458,182</u>

Ta Tun Electric Wire & Cable Co., Ltd.
Statement of Long-term Debt Payable

December 31, 2024

Unit: NTD Thousand

Creditor	Summary	Borrowed Amount	Contract period	Interest rate	Collateral or Guarantee	Remarks
Shanghai Commercial & Savings Bank	Secured loans	\$ 10,000	2019.10.01–2026.10.01	2.13%	Land and Buildings	
Shanghai Commercial & Savings Bank	Secured loans	23,333	2019.11.20–2026.11.20	2.13%	Land and Buildings	
Shanghai Commercial & Savings Bank	Secured loans	3,333	2020.01.30–2027.01.30	2.11%	Land and Buildings	
Shanghai Commercial & Savings Bank	Secured loans	45,692	2021.03.31–2036.03.31	2.13%	Land and Buildings	
Shanghai Commercial & Savings Bank	Credit loans	2,080	2024.08.20–2029.08.15	1.72%	None	
Taishin International Bank	Credit loans	17,255	2021.01.18–2026.01.15	0.98%	None	
Taishin International Bank	Credit loans	16,852	2021.07.16–2026.01.15	0.98%	None	
Taishin International Bank	Credit loans	10,234	2022.02.17–2026.01.15	0.98%	None	
Taishin International Bank	Secured loans	85,320	2019.12.17–2034.10.17	2.90%	Investment Properties	
Bank SinoPac	Secured loans	19,587	2021.08.03–2033.08.03	2.59%	Machinery and equipment	
Bank SinoPac	Secured loans	13,242	2021.10.29–2033.08.03	2.59%	Machinery and equipment	
Bank SinoPac	Secured loans	61,333	2023.10.13–2028.10.13	2.49%	Machinery and equipment	
Bank SinoPac and Hwatai Bank	Secured loans	420,000	2024.09.06–2027.09.06	2.53%	Land and Time Deposits	Syndicated Loan
Bank SinoPac and Hwatai Bank	Secured loans	52,000	2024.09.06–2027.09.06	2.57%	Land and Time Deposits	Syndicated Loan
Bank SinoPac and Hwatai Bank	Secured loans	70,000	2024.10.25–2025.09.06	2.56%	Land and Time Deposits	Syndicated Loan
Bank SinoPac and Hwatai Bank	Secured loans	70,000	2024.11.19–2027.09.06	2.56%	Land and Time Deposits	Syndicated Loan
Hua Nan Commercial Bank	Credit loans	85,417	2023.05.12–2026.05.23	2.23%	Credit Guarantee	
Hua Nan Commercial Bank	Credit loans	34,271	2023.11.06–2028.11.09	0.50%	Credit Guarantee	
The Export-Import Bank of the Republic of China	Credit loans	50,000	2024.04.01–2026.04.01	2.39%	None	
Less: Portion due within one year		(167,706)				
		<u>922,243</u>				

Ta Tun Electric Wire & Cable Co., Ltd.
Statement of Operating Revenue
For the Years Ended December 31, 2024 **Unit: NTD Thousand**

For more information, please refer to Note 6(22).

Ta Tun Electric Wire & Cable Co., Ltd.

Statement of Operating Costs

For the Years Ended December 31, 2024

Unit: NTD Thousand

Item	Amount	
	Subtotal	Total
Beginning raw materials	\$ 86,430	
Add: Net Purchase of Materials for the Period	2,892,747	
Less: Ending Materials	(243,038)	
Sales of Raw Materials	(31,460)	
Others	1,028	
Materials Used for the Period		2,705,707
Beginning Materials	87,776	
Add: Net Purchase of Materials for the Period	109,450	
Less: Ending Materials	(71,895)	
Sales of Goods	(2,259)	
Others	(2,874)	
Materials Used for the Period		120,198
Direct Labor		62,339
Manufacturing Expenses		<u>396,759</u>
Manufacturing Cost		3,285,003
Beginning Work in process and semi-finished goods		453,771
Add: Net Purchase of Materials for the Period		73,108
Less: Ending Work in Process and Semi-finished Goods		(574,125)
Sales of Semi-finished Goods		(49,028)
Others		<u>(13,764)</u>
Cost of Finished Goods		3,174,965
Add: Beginning Finished Goods		833,479
Purchase for the Period		460,578
Less: Ending Finished Goods		(575,091)
Others		<u>(78,982)</u>
Cost of Finished Goods Sold		3,814,949
Beginning Raw Materials and Merchandise	66,601	
Add: Net Purchase of Materials for the Period	476,891	
Less: Ending Raw Materials and Merchandise	(100,787)	
Others	<u>(30)</u>	
Cost of Raw Materials and Merchandise Sold		442,675
Engineering costs	199,155	
Energy costs	14,337	
Cost of Raw Materials, Supplies, and Semi-finished Products Sold	82,747	
Adjustments and Others	8,746	
Inventory Write-down	6,480	
Inventory Overage	(336)	
Scrap Income	<u>(76,007)</u>	
Cost of Goods Sold Additions		<u>235,122</u>
Total operating costs		<u>\$ 4,492,746</u>

Ta Tun Electric Wire & Cable Co., Ltd.

Statement of Operating Expenses

For the Years Ended December 31, 2024

Unit: NTD Thousand

Item	Selling Expenses	Administrative Expenses	R&D Expenses	Total
Salary Expenses	\$ 12,720	25,678	9,498	47,896
Service Fees	10,800	5,885	-	16,685
Freight Expenses	14,943	5	4	14,952
Labor Service Fees	98	10,532	-	10,630
Employee Benefits	2,002	5,777	1,643	9,422
Depreciation Expense	809	7,229	221	8,259
Insurance Expenses	1,334	5,053	1,090	7,477
Others (each less than 5% of the account balance)	6,220	25,810	2,872	34,902
	\$ 48,926	85,969	15,328	150,223
Expected Credit Gain on Reversal of Impairment Loss				(1,922)
				\$ 148,301